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## MINUTES OF A MEETING OF THE SCHOOLS FUNDING FORUM CEME

15 January 2015 (8.30 - 10.05 am)

### Present:

#### Head Teachers

Nigel Emes (Chair) (Primary)  
Margy Bushell (Primary)  
David Denchfield (Primary)  
Chris Hobson (Primary)  
Bill Edgar (Secondary)  
Julian Dutnall (Secondary Academy)  
Simon London (Secondary Academy)

#### Governors

Tracey Walker (Primary)  
Maria Thompson (Post-16)

#### Trade Unions

Ray Waxler, NUT

#### Officers in Attendance

David Allen (LBH)  
Mary Pattinson (LBH)  
Paul Tinsley (LBH)  
Vicky Parish (LBH)

### 72 **APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS OR OBSERVERS**

Apologies were received from Daniel Gricks, John McKernan, Katrina Karwacinski, Kirsten Cooper, Keith Williams, Tim Woodford, Christine Drew and Keith Passingham.

### 73 **TO AGREE THE NOTES OF THE MEETING HELD ON 11 DECEMBER 2014**

The notes of the meeting held on 11 December 2014 were agreed as a correct record and signed by the Chairman, following some minor typographical amendments.

### 74 **MATTERS ARISING**

There were no matters arising.

### 75 **REPORT CONTAINING EXEMPT INFORMATION**

A confidential report was given on a specific school's financial situation and the Forum noted the position.

Because press attention had been given to this item, the Forum requested that for each meeting there would be a section for "Confidential Items", in order to note issues relating to specific schools that were exempt from the public.

## 76 **EDUCATION SERVICES GRANT AND COUNCIL BUDGET**

### (i) Council savings

At the meeting held in September 2014 the Forum was briefed on potential areas of Council-wide savings. Following a public consultation, some of these had been revised. These included a rearrangement of library opening hours so that the main libraries were open longer, reinstatement of some of the proposed cuts to youth services and the school library service would remain in place.

Within Learning and Achievement there would be a reduction of £100k within the meals on wheels service which is managed by School Catering and some savings in back office functions. Cashless catering was to be introduced and was being piloted in Frances Bardsley School for Girls. Once some teething problems had been overcome, administration was low in cashless systems and generally, were working well. Sales had gone up significantly in the trials, bringing in more revenue and with better control over the students' diet in tracking their meals.

There was a further proposal to save £400k by April 2016 from the Children and Adults with Disabilities Team. It was agreed to pull a small group together to discuss how to achieve those results, with the Heads and SENCOs. A consideration was to move to statutory only services for SEN. Further information on this would follow.

To meet reductions in the Education Services Grant arising from the conversion of schools to academies, a saving in core costs of £1.3million had already been made when major restructures were carried out in Learning & Achievement. There would be a further reduction in the grant to the Local authority (LA) every time another school converts.

The 'per pupil grant' payment had also reduced by 25% over two years to £87 from April 2015. This required a further reduction of about £740,000 although not all of it was in Learning & Achievement and may have impacted on non-Learning & Achievement school services.

There was a point at which it would not be possible to reduce costs any further by the amount required, and the Council's Corporate Management Team were looking to see which options for April 2015 were viable.

The ESG was allocated according to the number of pupils attending LA maintained schools or academies, and statutory responsibilities of the local

authority transferred to academies. The reduction in grant applied to academies as well although some protections applied.

(ii) Alternative Provision (AP)

Paul Tinsley, Educational Support and Inclusion Services Manager introduced the paper at Appendix B.

One of the proposed savings was to the budget that is held centrally for the commissioning of alternative education. This was of particular interest to secondary colleagues, and it was pointed out that funding- previously held centrally- had already been delegated to schools who were responsible for purchasing quality assured places from approved alternative providers.

The LA had continued to provide and fund an AP commissioner (Lee Clegg) who had taken on the role of supporting and advising schools and maintaining a register of AP providers that had been quality assured.

To retain Lee's post, additional funding needed to be gained from schools and 50% of the cost of her work was to be offered as a traded service to secondary schools at £1,500 per school.

The paper produced included a list of benefits and assurances for schools when using the service.

Secondary head teachers commented that the service provided some support that was not currently received and considered that it would a service that schools would be interested in purchasing.

## 77 **DSG SETTLEMENT FOR 2015-16**

Havering's DSG settlement had been received and the Schools Block calculated on the basis of £4,719.03 per pupil on roll at October 2014. That amounted to slightly less than the 2014-15 financial year, with a reduction of £7.51 for the carbon reduction commitment.

From the total Schools Block allocation of £165.7m, funding would be recouped by the Department for Education (DfE) for allocation to Academies and Elutec.

Overall the DSG figures of £194m had not changed very much from the 2014 allocation, although they were estimated to increase at a later date by the addition of approximately £2.7 million for 2 year old funding.

£19.1million was allocated as High Needs funding. Additional funding for high needs growth required a separate bidding process. Of £19.1 million £470,000 would be deducted for allocation to academies with Additional Resourced Provision, non-maintained special schools and post 16 education.

The settlement was “Flat Cash” in that the increase above 2014-15 was for increased pupil numbers only.

## 78 **SCHOOL FUNDING ALLOCATIONS 2015-16**

A paper was tabled to agree the formula for the 2015-16 financial year to meet the DFE/ EFA deadline of 20<sup>th</sup> January prior to the allocation of draft budgets in February.

The Forum was reminded that the 2013-14 school funding reforms produced different amounts for schools than the previous formula.

The paper tracked the number of schools that had gained or lost through the new formula over the first two years of its operation and those for whom there was minimal impact.

Through the Minimum Funding Guarantee no school was able to lose more than 1.5% per pupil year. A number of the protected schools were those that had received Excellence Cluster and Behaviour Improvement Programme grant in 2012-13 and were protected on that budget less 1.5% per pupil.

The Local Authority had implemented a Gains Cap to ensure that schools did not receive too high an increase that was needed to fund the costs of protecting the other schools. In 2013-14 the Gains Cap was 1% and in 2014-15 it was 0%.

### *The Options for 2015-16*

The first requirement was that total amount capped from the gaining schools could not exceed the total cost of funding protection.

Modelling was shown which, although complied with the first requirement above, would overspend the overall grant available. Options were presented to the Forum that were both compliant and within budget. In previous meetings it had been agreed to keep turbulence to a minimum and to reinstate as far as possible the reductions to the funding values that were made in 2014-15.

The first option was to reinstate a Gains Cap at 1%. Tables were presented to show the number of schools affected. Only the gaining schools would benefit from this. 36 would have been capped at 1%, 12 schools would receive an increase within the 1%, 14 schools would have been protected at -1.5% and 15 schools would have their funding reduced been within the 1.5%.

The second option recommended a 0.91% cap and reinstatement of the 1% reduction to some of the factors made in 2014-15. This was considered a fairer option as more schools would benefit.

A confidential paper was tabled showing the impact on each school and academy.

The Forum commented that they were not presented with many options but understood there was almost a limitless number of options with different increases modelled for all of the funding factors. It was accepted that those options presented sought to give a year of stability of funding.

The Forum voted **in favour** of option 2.

79 **NEXT MEETINGS**

The following meeting would be held on 12<sup>th</sup> March 8:30am at the CEME Centre in Rainham.

80 **ANY OTHER BUSINESS**

No other business was discussed.

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**Chairman**

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