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MINUTES OF A MEETING OF THE SCHOOLS FUNDING FORUM

CEME, Rainham
21 March 2013 (8.40 - 10.30 am)

Present:

Headteachers:

Nigel Emes (Chair) (Primary)
Carolyn Fox (substitute for Margy Bushell) (Primary)
Jane Gilbert (substitute for Christine Drew) (Primary)
Chris Hobson (Primary)
Ian Trafford (Primary)
Angela Winch (Primary)
Emma Field (Primary Academy)
Alan Perry (Secondary Academy)
Keith Williams (Secondary Academy)
Geoff Wroe (Special)

Governors:

Joe Webster (Vice Chair) (Secondary)
John McKernan (Secondary Academy)

Non-School

Representatives:

Trevor Sim (Vulnerable Children)

Trade Unions:

Keith Passingham (NASUWT)
Ray Waxler (NUT)

Apologies were received for the absence of Margy Bushell (Primary) (substituted by Carolyn Fox), Christine Drew (Primary) (substituted by Jane Gilbert), Julia Deery (Secondary), Julian Dutnall (Secondary Academy), Sheila Clarke (Primary), Daniel Gricks (Secondary Academy), John Parker (Special), Tracey Walker (Primary) Maria Thompson (14-19), Katrina Karwacinski (Early Years), Dave Thomas (Trade Union rep) and Grahame Smith (Officer)

The Chairman reminded Members of the action to be taken in an emergency.

39 MEMBERSHIP

The Forum noted that the retirement of Sandra Wigham would require the nomination of a replacement representative from the Pupil Referral Service.

40 TO AGREE THE NOTES OF THE MEETING HELD ON 24 JANUARY 2013

The Forum approved the notes of the meeting held on 21 March 2013.

41 TRADE UNION FACILITY TIME

The Forum was asked to consider the decision taken by secondary academies on the funding of trade union facility time for the financial year 2013-14.

Members were informed that the funding allocation for the current financial year amounted to approximately £200,000 to reimburse employees at schools taking time out of normal activity to fulfil duties as union representatives. In 2013-14 this budget had been delegated to schools and at a previous meeting the decision had been taken to de-delegate the budget on behalf of maintained secondary and primary schools. Approximately half of the budget had therefore been secured.

For academy schools, there was no option for de-delegation and as such secondary academies had been asked to repay the amount delegated into their budgets back into the LA pool to fund facility time collectively. There had been a widespread discussion by secondary head teachers, who had asked for further information about the budget for facility time. In particular, how the money was spent and how the formula was arrived at.

However, notification had been received by the Forum's support officer stating (on behalf of secondary representatives) that secondary academies would collectively buy-in to the facility time funding until the end of the year, but the secondary school group would seek to fully examine the budget to ensure its efficiency and viability. There was uncertainty at the meeting as to what had been precisely agreed by the secondary heads. Secondary representatives from academies who were present believed that the collective agreement they had made related to a commitment to secure the current budget until the end of the financial year, rather than the school year. It was thought that the end of the school year would be too short a time period.

The Schools Funding Manager would contact the secondary schools representative to clarify the position.

Officers agreed to gather information from other LAs on the management of trade union facility time and to provide a breakdown of the budget although information relating to the salaries of individuals would need to be anonymised.

Concern was expressed that primary academies were being left out of this and other decisions and members stated the consultation process needed to take their views into account.

42 SCHOOL BUSINESS RATES

The Forum considered a report outlining changes to school business rates from the 1 April 2013.

The Forum noted that the Council was changing its policy on awarding discretionary rate relief from 1st April 2013.

The current position was as follows:

The following categories of school receive 80% mandatory relief by means of their charitable status:

- Voluntary Aided
- Voluntary Controlled
- Foundation
- Academy

Traditionally, Havering Council had awarded discretionary rate relief at 20% to all of the above categories with the exception of Foundation.

This had been achieved at no cost to the Council. The mandatory relief was reclaimable from central government as was 25% of the discretionary relief. The other 75% was charged to a budget that was top sliced from the DSG. This released additional funds back into the overall DSG for the benefit of schools.

From April 2013 the way that Councils receive their funding from central Government would change to a system that includes an element of business rates retention. This meant that any rate relief would have a direct impact on business rate yield to the Council. It would be shared as follows:

- Central Government 50%
- The Council 30%
- Greater London Authority 20%

For every school that had mandatory relief or discretionary relief the Council would have a reduction of 30% of the value of the business rate retention element of its annual funding.

Councils had no influence on mandatory relief but did have on discretionary relief. The Council was therefore being asked to approve a policy that would cease the awarding of discretionary relief to certain groups including educational establishments from 1st April 2013.

There would be no financial impact on individual schools or academies of this change because the funding formula allocated funding at an amount equivalent to the rates charge.

Those schools and academies that had previously received an NNDR allocation of zero in their budgets would, from April 2013 receive a budget that was 20% of the value of the rates charge. This would apply to the following schools:

SCHOOLS	£
• Dame Tipping CE Primary	• 776
• La Salette RC Primary	• 2,755
• St. Alban's RC Primary	• 3,415
• St. Edward's CEVA Primary	• 8,151
• St. Joseph's RC Primary	• 5,499
• St. Mary's RC Primary	• 5,843
• St. Patrick's RC Primary	• 4,380
• St. Peter's RC Primary	• 2,473
• St. Ursula's RC Infant	• 3,412
• St. Ursula's RC Junior	• 3,412
• Upminster Infant	• 4,272
• Upminster Junior	• 4,272

ACADEMIES	
• Abbs Cross Arts College	• 24,452
• Albany	• 20,818
• Bower Park	• 21,015
• Brittons Technology College	• 22,488
• Champion RC for Boys	• 27,251
• Coopers' Company and Coborn	• 35,409
• Drapers Academy	• 15,221
• Emerson Park	• 22,291
• Frances Bardsley for Girls	• 45,172
• Hall Mead	• 22,881
• Redden Court	• 24,796
• Sacred Heart of Mary for Girls	• 27,742
• St. Edward's CE Comprehensive	• 33,143
•	<hr/>
	• 391,337

Whereas in previous years it would have been possible to reclaim 25% of this cost (£98k) from central Government and charge 75% (£293k) to a central budget top sliced from the DSG, from April 2013 the full amount would need to be allocated to schools and academies.

The DSG would continue to benefit from the cost of additional mandatory rate relief from academy conversions but the Council overall would lose through the revised Council funding arrangements.

43 SCHOOL BUDGETS 2013-14 AND 2014-15

The Forum was advised that draft budgets had been circulated on 28th February and final budgets would be allocated in the same week as this

meeting. The covering letter to the draft budget was attached as an appendix for reference.

Officers view was that it had been a difficult process to change from one funding regime to another and the Forum was asked for any feedback on the process and the outcome to inform 2014/15 funding. Officers felt that there had been particular problems in having a single lump sum across primary and secondary, high needs arrangements were still unclear, particularly post 16 and some of the protections and gains caps were large.

Academy representatives in attendance commented that there was confusion as to whether the money from the High Needs and SEN funding blocks was coming from the LA or central government. The budget allocations were also particularly complicated for special schools as well as the post-16 funding formula for special needs pupils, it was said that the notional amount for 16-25 year olds was woefully inadequate and the LA had put in a bid for additional funding. A post-16 strategy was being developed across London.

Whilst there was growth funding for the mainstream sector there was no growth fund for increased numbers in special schools. There was a significant pressure on the high needs block owing to a requirement to pay other authority schools for educating SEN pupils resident in Havering. There was the further problem in Havering of importing SEN pupils from inner London.

Members advised that primary colleagues were pleased with measures taken to reduce turbulence. Members also noted that the DfE had raised concern about the way in which the pupil premium was being used in schools. There was a prevailing view that the funds were not being used in the way that had been intended.

The Forum noted the report and considered that all schools should be asked for their views.

44 CAPITAL FUNDING SETTLEMENT 2013-14/15

The Forum received an update regarding capital allocations for 2013 to 2015.

The Forum was informed that the capital allocations were ordinarily received in December; however, in this year they had been received during the first week of March as a new bidding scheme was being setup.

The basic need allocation was money for new school places and in this area Havering's allocation was in line (slightly larger) than in previous years. It was stated that there was a possibility that additional funds might be available. The total amounted to £8.9 million for Havering over the next two financial years, whilst maintenance funding had fallen to £2.9 million for

2013/14 (mainly due to the number of academies). The maintenance budget for voluntary aided schools was slightly lower than last year, amounting to £424,000. Devolved Capital funding had been allocated to schools at the same rates as in 2013/14.

In previous years, the LA had been allocated a capital budget to be used for 'other local area capital', a discretionary fund, which was no longer available. The DfE had begun a Targeted Basic Need programme which invited LAs to bid for funding for primary school expansion.

Havering's SCAP return, which was formerly the school service places return, which forecasted (using the net capacity calculation) primary and secondary school places and then assigned capital funding on the basis of that forecast, needed careful thought for academies. Work had to be done to ensure that academies submitted a correct SCAP return for effective borough-wide place planning.

Forum members were encouraged to consider the DfE publication entitled 'Capital Funding for New School Places' whereby the Audit Officer had assessed the effectiveness of the DfE in allocating capital funds.

The Forum noted the update.

45 **NEXT MEETINGS**

The next meetings had been arranged as follows:

2013

April Thursday 25th

May Thursday 23rd

July Thursday 11th

All meetings to be held at CEME at 8.30 a.m.

46 **ANY OTHER BUSINESS**

The Chair expressed the concern of primary head teachers relating to changes to the LA's behaviour support service. It was contended that the new service would not have teaching expertise to fulfil its functions and primary schools were not convinced that the new service would be up to the standard that it should be.

In response, officers reassured the Forum, and in particular primary representatives, that the new service would be as good as the previous service and would work the same way as before. There were now two funding streams for behaviour support which created a larger, more flexible team. Although some staff had left the service, the LA was interviewing a

large number of highly accomplished candidates, all of whom all have relevant training and qualifications and almost all come from a teaching background.

Primary representatives were reassured by the update.

Chairman

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