

**MINUTES OF A MEETING OF THE  
SCHOOLS FUNDING FORUM  
CEME, Rainham  
11 July 2013 (8.30 - 10.45 am)**

**Present:**

**Headteachers:** Nigel Emes (Chair) (Primary)  
Margy Bushell (Primary)  
Julia Deery (Secondary)  
Christine Drew (Primary)  
Emma Field (Primary Academy)  
Ian Trafford (Primary)  
Angela Winch (Primary)  
Geoff Wroe (Special)

**Governors:** Joe Webster (Vice Chair) (Secondary)  
John Parker (Special)  
John McKernan (Academy)  
Tracey Walker (Primary)

**Non-School  
Representatives:** Trevor Sim (Vulnerable Children)

**Trade Unions:** Keith Passingham (NASUWT)  
Ray Waxler (NUT)

**Officers in Attendance:** David Allen (LBH)  
Nick Carter (LBH)  
Mary Pattinson (LBH)  
Graham Smith (HSIS)  
Lorraine Hunter-Brown (LBH)

**55 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS OR OBSERVERS**

Apologies were received for the absence of Keith Williams (Secondary Academy), David Thomas (UNISON), Sheila Clarke (Primary Governor), Daniel Gricks (Secondary Academy Governor), Rev. Allan Perry (Secondary Academy), and Maria Thompson (14-19 Partnership).

The Chairman announced the retirement of Ian Trafford at the end of the summer term and that John Parker would be leaving the Forum. On

behalf of the members, the Chairman thanked them both for their contributions and their involvement with the Forum from the beginning.

It was noted that Julia Deery would no longer be representing maintained Secondary schools from the Autumn term.

**56 TO AGREE THE NOTES OF THE MEETING HELD ON 25 APRIL 2013**

The Forum considered and agreed the notes of the meeting held on 25 April 2013.

**57 MATTERS ARISING**

The Forum received an update on future meeting locations and it was confirmed these would be held in the main CEME building where free parking would also be available. Further information would be sent to all members the following week.

**58 SCHOOL BALANCES 2012-13**

The Forum noted the schools carried forward balances for 2012-2013 as outlined in Appendix B. An analysis of the figures was tabled at the meeting and presented by a representative of the Local Authority. Members of the Forum were advised of the following:

The total balances had been affected by schools becoming academies and that eleven in the borough had now transferred to academy status.

Overall, there had been an increase in net total balances with Primary schools rising by a 1/3, Secondary schools rising by £400K and Special schools increasing by £300K. The increase was for the fourth consecutive year and it was thought due to schools facing uncertainty with future funding and therefore not committing to major spending. The increase in balances for Secondary schools was slightly lower which was in keeping with the national trend.

The Average Revenue Balances for each sector was as follows:-

- Maintained Primary Schools £150K
- Maintained Secondary Schools £300K including one high balance
- Maintained Special Schools £300K

Within the Primary sector, there were two schools in deficit last year but over half had percentage carried forward balances above 10%.

There were no schools in deficit within the Secondary sector and all schools had percentage carried forward balances of 6% or lower.

All three Special schools showed percentage carried forward balances of 10% or above.

The percentage of revenue budget carried forward considered excessive was above 8% for Primary and Special schools and 5% for Secondary schools.

In summary, two thirds of schools had increased balances ranging from £20K to £135K and Special schools ranging from £45K to £157K. It was noted that the largest balance increase was within the Primary sector and that schools with lower balances showed the smallest rise. It was thought that there was a general reluctance to spend the balance and spare resources and that spending patterns had changed since 2004/2005. All three sectors had experienced a decrease in teaching staff spending with the Primary and Secondary sectors showing a 9% decrease but a rise in support staff expenditure. Special schools had a 10% decrease in teaching staff spending but also had a small rise (2%) in support staff costs.

Members of the Forum expressed their concern that large sums were being carried forward as the funding allocated should be spent on pupils at the schools during the year.

#### 59 **DSG OUTTURN 2012-13**

The Forum was advised that the centrally retained DSG balance, as at close of accounts for 2012-2013 into 2013-2014, was £2.914 million. Appendix C outlined the proposed allocation of the monies which included £300K contribution to the pension deficit and £110k unallocated single status funding.

It was noted, however, that the £1 million contingency that had been set aside for pupil growth was insufficient. The Forum therefore agreed to allocate a further £700K from the DSG carried forward for distribution to schools and academies in this financial year. The balance of £1.5m would be distributed to schools and academies in September 2013.

#### 60 **PUPIL GROWTH CONTINGENCY**

- (i) The Forum noted the amended criteria for 2014-2015 applied to support schools and in meeting the cost of additional classes. The current requirements and the proposed amendments (*italics*) were noted as follows:-
  - a) The growth fund could be used only for the purposes of supporting growth:

- (i) where a school or academy had agreed with the authority to provide an extra class in order to meet basic needs in the area (either as a bulge class or as an on-going commitment).
  - (ii) where a school had increased its Planned Admission Number by 15 or more pupils in agreement with the authority.
  - (iii) where a school had extended its age range in agreement with the authority.
  - (iv) Pre-opening costs / initial equipping allowance for new maintained schools and recoupment academies, including new academies and free schools where the school was opening in response to basic need.
  - (v) for Key Stage 1 classes where overall pupil numbers exceeded 30 pupils. The agreement in Havering was to fund pupils placed in schools which resulted in class sizes of above 31 pupils. The allocation was based on the cost of a Teaching Assistant currently at £15,124.
- b) The fund must be used on the same basis for the benefit of both maintained schools and recoupment Academies.
  - c) Any funds remaining at the end of the financial year must be added to the following year's DSG and reallocated to maintained schools and Academies through the local formula.
  - d) The local authority would be required to produce criteria on which any growth funding was to be allocated. These should provide a transparent and consistent basis (with differences permitted between phases) for the allocation of all growth funding. The criteria should both set out the circumstances in which a payment could be made and provide a basis for calculating the sum to be paid.
  - e) The local authority should propose the criteria to the Schools Forum and gain its agreement before growth funding is allocated and must regularly update the Schools Forum on the use of the funding.
- (ii) The Forum noted the allocation of £1 million contingency pupil growth fund in Appendix E.

Members of the Forum noted the contents of the paper Appendix D following the agreement to add £700K to the contingency fund for pupil growth.

- (iii) The Forum noted that funding for 2014-2015 and future years should take into account the costs of opening new schools.

The Forum agreed to increase the contingency figure of £700K to £775K to cover any further shortfalls.

It was noted that any funds in the contingency budget unspent by the end of the financial year would be carried forward and allocated to schools and academies in the following financial year.

## 61 FUNDING CHANGES

The Forum noted the school funding criteria for 2014-2015 and the principal changes as follows:

### **Current Criteria**

- The structure of the 2013-2014 reform remained in place
- The simplified local formula was still at the centre of the system
- There was still a closely limited set of factors that could be used in the school formula distribution
- The high needs system remained broadly as in 2013-2014
- The changes being introduced for 2014-2015 were relatively minor
- The minimum funding guarantee continued at -1.5% per pupil with the same exclusions + sparsity

### **Principal changes for 2014 -2015**

- One new factor was an allowance for sparsity, aimed at supporting necessary small schools, mainly in rural areas. Maximum value was £100,000.
- Lump sum – LAs could now choose to have different lump sums for Primary and Secondary schools
- The lump sum would be capped at £175,000
- Where two schools amalgamate the new school would receive 85% of the total of the lump sums of the predecessors for the next full year
- The Looked After Children factor must now apply to any child who has been in care for at least one day during a specified period
- The prior attainment factor has changes in its measurement at Early Years Foundation Stage and Key Stage 2. For EYFS it would be not achieving a good level of development for 2013 cohort; for KS2 it would be not achieving level 4 in English or Maths for all cohorts
- The mobility factor would now be applied when the number of “mobile” pupils exceeds 10%
- The basic entitlement for primary pupils (AWPU) must be at least £2,000 and for secondary pupils (KS3 and KS4) at least £3,000
- LAs must ensure that at least 80% of delegated funding is distributed by pupil led factors
- For 2014-2015 there would continue to be no restraints on the primary/secondary ratio
- LAs may create a fund to cover temporary falling rolls in advance of a population bulge – but only for good or outstanding schools or academies

- Forum regulations would require one member from an institution providing education to 16 – 19 year olds, other than schools or academies – replacing the 14-19 partnership
- The recommendation in 2013-2014 that authorities delegate sufficient funding to allow schools to meet up to £6,000 of special needs costs; this is mandatory in 2014-2015
- Where additional (SEN headroom) funding (not top-up funding) was given to some schools with disproportionate numbers of high needs pupils the criteria needed to be clear
- High needs places in special units (not the number of pupils in the unit) would be deducted from the pupil roll
- For post 16 pupils in special schools and academies the place value would be set at £10,000 in place of the normal post 16 values

Members of the Forum were advised that the DFE modelling tool had just been received and would be utilised to model in the changes throughout the summer. There would be further details on the impact of the funding changes in the September and October meetings.

## **62 LOW COST HIGH INCIDENCE SEN**

The Forum was advised of the mandatory threshold of £6,000 per pupil with SEN. Additional funding would be available for schools where there were a disproportionate number of pupils with SEN. It was noted that the funding would only apply to a minority of schools whereas 32 schools in the borough had received SEN funding in the 2013-2014 financial year.

## **63 SUPPORT TO SCHOOLS WITH FALLING ROLLS**

It was noted that Julia Deery declared her interest and did not participate in the discussion and subsequent voting.

Members of the Forum were asked to consider the following proposal:

Due to funding changes for 2014-2015, Local Authorities were able to create a small fund to support maintained secondary schools and academies with falling rolls and where local planning data showed that surplus places would be required in the near future. The DFE criteria stated that support was only made available for schools judged Good or Outstanding at their last Ofsted inspection and that this was a mandatory requirement. Within the Local Authority, there were currently three Secondary schools with reduced planned admission figures in September 2013 and that two of those schools were deemed good.

There would be a surplus capacity as the October count date exceeded 15% which would only apply to Year 7. This was deemed a temporary issue as local planning data showed a requirement for at least 90% of the surplus places within the next five years. Formula funding would not be sufficient to

support provision of an appropriate curriculum for the existing cohort, and the risk in not providing any funding meant that the schools may have to make redundancies or reductions elsewhere.

The Forum therefore agreed that the proposed £500,000 budget in additional funding be made available to the schools for the next three to four years until pupil numbers had increased.

**64 EXCEPTIONAL PREMISES FACTOR AND DISAPPLICATION OF THE MINIMUM FUNDING GUARANTEE**

It was agreed that this item be deferred to the next meeting in September.

**65 NEXT MEETINGS**

The Forum agreed the following meeting schedule for 2013/2014:

Thursday 12 September 2013	Thursday 17 October 2013
Thursday 5 December 2013	Thursday 16 January 2014
Thursday 13 February 2014	Thursday 20 March 2014
Thursday 24 April 2014	Thursday 22 May 2014
Thursday 10 July 2014	August 2014 – No meeting

**66 ANY OTHER BUSINESS**

**a) Local Authority OFSTED Inspections**

The Forum received two papers tabled at the meeting and a verbal update relating to Local Authority OFSTED Inspections framework and were asked to note the following:

The framework which came into effect as of 1 June 2013 forms the basis for inspections of Local Authority arrangements for supporting school improvements and the education of children and young people. The aim is to assist local authorities in their duty to promote high standards in schools and academies and other education providers (including colleges) so that all children and young people receive a good education. It is a legal requirement of all local authorities to promote high standards of education and their Statutory Duties are as follows:-

- (i) Promoting high standards
- (ii) Ensuring fair access to opportunity for education and training
- (iii) Promoting the fulfilment of learning potential by every person under the age of 20 years and over the age of 20 years but under 25 years who were subject to learning difficulty assessment.

It was noted that inspections would not be universal as OFSTED would only inspect where there were concerns about performance, or at the request of the Secretary of State with a provision of five days' notice. During the five day inspection process, a number of key judgements would be applied and the inspection team would very likely want to conduct meetings with the Schools Funding Forum among others.

It was agreed that the Forum would review further information and documented examples at the September meeting.

The Chairman thanked all members of the Forum for their contributions over the past year and wished everyone a good summer.

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**Chairman**