

Meeting of the Schools Forum

Tuesday 14 June 2011
(4pm, Sapphire Room, Emerald Suite, NLBP)

Attended

Members: Tim Bowden (Head, Holy Trinity)
Chris Brook (Barnet LNI)
Jane Chew (St Margaret's Nursery)
Catrin Dillon (Governor, Martin Primary)
Patricia French (Governor, St Mary's High)
Kim Garrod (Governor, Church Hill Primary School)
Jenny Gridley (Head, Oakleigh)
Alan Homes (NASUWT)
Gilbert Knight (Governor, Oakleigh)
Clare Neuberger (Head, Menorah Foundation)
Dee Oelman (Head, St Mary's and St John's)
Elizabeth Pearson (Governor, Livingstone)
Kate Webster (Head, QE Girls)

LA Officers: Nick Adams (Schools Finance Services Manager)
Carol Beckman (School Funding Manager)
Brian Davis (Principle Educational Psychologist)
Robert McCulloch-Graham (Director of Children's Service)
Linda Parker (Joint Head of Finance Children and Adults)
Mick Quigley (Assistant Director Schools and Learning)
Kerry-Anne Smith (Joint Head of Finance Children's)
Val White (Assistant Director, PPP)

Clerk: Mark Callaghan (School Resources and Support Officer)

Not Present

Members: Jeanette Adak (Head, Monkfrith)
Paul Ferrie (Head, Ravenscroft)
Jayne Franklin (Head, Childs Hill)
Andrew Macalpine (Governor, Hendon School)
Seamus McKenna (Head, Finchley Catholic)
Keith Murdoch (Principal, Woodhouse College)
Helen Schmitz (Head, Cromer Road)
Geoffrey Thompson (Head, Mill Hill High)
Angela Trigg (Principal, London Academy)
Sarah Vipond (Early Years Working Group)
Anthony Vourou (Governor, St John's N11)
Michael Whitworth (Principal, Wren Academy)

Consultant: Geoff Boyd (Independent Consultant)

LA Officers: Andrew Travers (Deputy Chief Executive)

Other: Cllr Andrew Harper (Cabinet Member for Education, Children and Families)

1. Welcome and apologies for absence	
GK opened the meeting noting that there was no training session scheduled.	
Apologies were received from Jeanette Adak, Geoff Boyd, Paul Ferrie, Andrew Macalpine, Claire Neuberger, Helen Schmitz and Michael Whitworth.	
3. Declarations of interest	
None received.	
4. Minutes of previous meeting: 10 May 2011	
The minutes were agreed as a true and accurate record of the meeting.	
5. Matters arising	
No issues raised.	
5. 1 Actions from previous meeting	
Item 4 (minutes of previous meeting) – MC to remove Stephen Parkin from the membership and distribution lists for the Forum – MC confirmed that this has been actioned.	
Item 5 (matters arising) – VW to produce an article for inclusion in the Schools Circular on the authority's approach to managing savings in redundancy costs in schools – VW advised that Human Resources (HR) has been commissioned to produce this article and the Children's Service are waiting for it to be drafted.	
6.1 (Early Intervention Strategy) – Presentation on Early Intervention to be circulated to the Forum – GK confirmed that this has been received by Forum members.	
6.2 (Headteacher Proposals regarding Schools Forum) – Issues discussed in item 6.2 to be discussed by the working party prior to the July Forum meeting – GK confirmed that the first meeting of the working group was held on 8 June 2011.	
6.5 (School Funding Reform – DfE Consultation) – Comments on the School Funding Reform consultation to be sent to CB by the end of week commencing 16 May 2011 – CB advised that no comments were received from Forum members but confirmed that Barnet's response to the consultation was submitted by the due date.	
6.6 (Scheme for Financing Schools) – JH to re-investigate whether Allied Irish could be included in the authority's Treasury Management Policy – LP advised that this is in progress and a response will be provided at the next meeting of the Forum.	
6 Items for consultation	
6.1 The schools budget 2011/12	Val White
VW delivered a presentation in response to feedback that the local authority had received from members of the Forum that a visual representation of the schools budget and central expenditure limit would be useful. The presentation summarised the following elements of the schools budget process:	
<ul style="list-style-type: none"> • The purpose and principles of effective Schools Forums and the importance of taking a strategic view. • An explanation of the Central Expenditure Limit (CEL), what constitutes a breach of the CEL and a breakdown of the centrally retained expenditure for 2011/12, noting that the increase in retained funds since 2010/11 is primarily in the areas of SEN, the Carbon Reduction Commitment (CRC) and early intervention. • The impact that academies have on the calculation of the CEL – noting that to avoid breaching the CEL would require very large amounts of money to be taken away from the key spending areas of Special Education Need (SEN) and Pupil Referral Units (PRUs). • Confirmation that from 2010/11 to 2011/12 funding to Barnet schools had successfully been 	

protected - i.e. the Individual Schools Budget (ISB), age weighted pupil units, resourced provision, maintained standards funds and the minimum funding guarantee.

AH stated that the presentation was helpful. He highlighted worrying trends as the situation around academies will be compounded next year as more schools convert. VW stated that although the CEL is an important indicator, the impact of academy funding will reduce its significance and the key factor is to make sure that the money is spent on the right things. VW noted that Barnet delegates a high percentage of the schools budget and the only other local authorities with a high number of Academy conversions that do not breach the CEL, are likely to be those which are able to increase their level of delegation.

DO asked whether the government announcement about not clawing back money from local authorities for academies has had an impact on these discussions? VW stated that this does not relate to individual schools budgets'. Central government topsliced the revenue support grant for all local authorities, and the local authorities without academies complained that this was unfair to them. LP stated that it is not yet clear what the government's response will be.

GK thanked the officers for providing the presentation which clarified a lot of the confusion which arose at the previous meeting.

VW asked the group whether they were happy to endorse taking forward the budget as set out in Item 6.1 - Appendix A to the July 2011 meeting.

AH asked whether in endorsing this the forum is agreeing to put forward the breach of the CEL? VW confirmed that this is the case.

JG asked what the effect will be in future years of breaching the CEL? VW stated that once the money has been put into the SEN budget, unless the costs for SEN provision reduces in subsequent years then the situation would be the same. It would then be a case of looking at all of the individual lines and making decisions about which services can be reduced or no longer provided. At this point it is not possible to say that Barnet will not breach the CEL next year, as more schools are expected to convert to academies. CB explained that the conversion of schools to academies has a cumulative effect as the total schools budget and centrally retained portion remain the same but the funding for all the academies is recouped. KG asked whether this means that the remaining maintained schools will get less money as they receive a smaller portion of the schools budget? CB advised that this is not the case because there are correspondingly fewer schools to allocate the money to. LP commented that this is an issue which the government will have to take into account for future years and that it is likely that there will be some form of measurement for top-slicing the schools budget, but that it will not necessarily be the CEL. RMG stated that the funding formula for schools is likely to change as the government are currently consulting about the implementation of a national funding formula. At this stage the local authority is only asking for the budget to be agreed for the 2011/12 financial year at this stage.

GK requested clarification regarding the £42,000 allocated to premises costs on line 1.2.1. LP explained that £30,000 of this relates to an increase in external education courses and £12,000 is for external premises costs for PRUs.

GK requested clarification regarding three and four-year-old funding on line 1.0.10 and whether this has any relation to the underspend identified in three-and-four-year-olds. LP clarified that this is separate to the underspend on early years education and the increase between 2010-11 and 2011-12 relates to the requirement for qualified teachers in Children's Centres.

GK asked members of the Forum to vote on whether to endorse the proposed budget in Appendix A of item 6.1 which results in a breach of the CEL for final approval at the July meeting.

The proposal was approved with a majority of nine votes in favour, zero against and two abstentions.

6.2 Use of the projected underspend from 2010/11

Val White

VW explained that the paper considers options for the funding pressures which were raised at the previous meeting. RMG noted that as a result of the lengthy debate at that meeting, the current meeting was arranged with the purpose of the authority putting forward further options for discussion around these pressures.

VW expanded on the options identified in Table 1 of item 6.2 as below:

- the CRC is now expected to be £360,000 and an increase of £160,000 is required to take the budget up to £350,000 which will still leave the budget £10,000 short
- there is pressure around the schools contingency held on behalf of schools. The authority would like to increase this fund to £250,000 for the provision of additional places for SEN. BD added that the aim is to use the money more intelligently for pupils with multiple complex needs
- due to the rising population and particularly movers in, the authority is still having to fund new classes at short notice with the associated revenue costs for additional teachers. A contribution to top up the contingency will allow the LA to continue to respond to need
- because 'bulge classes' are proving to be an expensive option there is a need for capital investment in permanent provision which is more sustainable and better value for money
- VW advised that in recognition of the reduction in Devolved Formula Capital, the local authority would like to make schools a one-off allocation towards buildings and ICT. DO asked whether this will be allocated to all schools including VA? VW confirmed that this was correct
- the extended schools sustainability grant would provide funding for summer activities.

VW stated that the options put forward centre around the level of contribution to capital costs and funding for new primary school provision.

AH asked whether the provision for school places is for the expansion of existing schools or for new schools? VW confirmed that it would be targeted at the expansion of existing schools as the ability to create new schools is limited and complicated by the tendering regulations.

JG asked whether the pupil data was considered when allocating the special school resource provision? BD explained that the aim is to redistribute resources and make the best use of money by using intelligent placements. There are issues such as parental preference, movers into the authority and the need to build flexibility into the system which impact on place numbers during the year. LP stated that when setting each individual budget, place numbers and the changes since the previous year were factored in. The contingency fund is for funding additional places on top of this. VW explained that in addition to whether there has been an increase in overall pupil numbers there is the issue of maximising the best value and impact of money spent. RMG stated that if any of the money put into the contingency was not used then it would contribute to the following year's underspend.

PF asked whether the one-off contribution towards capital costs is ringfenced? VW advised that it is a contribution towards a programme and schools should use it to obtain best value, but it is not ringfenced.

DO requested clarification of the implications if the use of the underspend for capital costs is not agreed and whether this would cut the number of permanent places? VW advised that a large pot of money is required for the capital costs and the authority will tailor the programme according to the funding available. If there is insufficient funding to provide permanent places, then the alternative will be bulge classes and Barnet is running out of schools to take on bulge classes. In addition to this bulge classes are proving very cost intensive and if they are in an area where there is high mobility it can result in ghost funding costs which further depletes the overall schools budget. The aim is to provide as much permanent provision in areas of high demand as possible.

AH asked whether there has there been an impact in classes exceeding the size limit for key stage one where the authority has had to provide the teacher in the second year? MQ advised that this has only applied in two instances and having a larger pot of money improves the options available.

GK requested clarification regarding the government announcement that local authorities received £800m in capital funding, of which Barnet received £6 million? VW advised that Barnet received £9m for basic needs and that the money requested from the underspend would be in addition to this. RMG reiterated that the more money there is in the pot, the more options which are available. GK commented that the demand for places is a positive reflection on the quality of the schools in Barnet.

DO asked whether Barnet is looking towards the subsequent need for additional secondary places in the future? VW stated that the capital funding Barnet received was for 1 year only. The government task group has been looking at capital investments, but current estimates are that by 2015/16 there will be a shortage of secondary places. The initial impression is that a number of secondary schools in Barnet would be interested in expansion.

RMG stated that the task group looking at the future of schools funding is chaired by Baroness Ritchie who advises Cabinet. They are looking at a new funding regime and are currently debating on the level of local discretion which should remain. Capital is being considered by the James review, and indications are that there will be a nationally retained budget for capital investment, with the idea that by engaging larger scale contractors there will be savings through economies of scale. It is possible that there will be a compromise with decision making power sitting in regional bodies and schools and local authorities effectively becoming clients. It is therefore important to have an accurate impression of what condition Barnet's school buildings are in and the surveys conducted in 2010 were part of this. The budget proposed is for 2011/12 only in the knowledge that the school funding system may change considerably next year.

DO asked for clarification whether the purpose of today's meeting is to vote or for members to be provided with further information? VW stated that members should vote on their preferred option for the budget which would then go to the July meeting. It would not be possible to produce a budget without agreeing the use of the underspend. TB stated that the extended services money would be lost if it is not spent by the end of August 2011 so it is important to decide on the use for this.

AH asked whether the Forum was quorate? CB confirmed that 11 members (50 per cent of membership) were present which was greater than the required 40 per cent of the membership so the Forum was quorate.

The meeting was paused at 17:21 and recommenced at 17:34

GK noted that schools members were being asked to make a difficult decision, especially as there was a low attendance at the meeting, but that all members had received the papers with the available options and had been given the opportunity to either attend or have their views represented.

GK requested members of the Forum to vote on the preferred option for the use of the underspend rolled forward from 2010/11 as outlined in item 6.2 Table 1.

The forum voted with seven members in favour of Option A and four members in favour of Option B. The motion was carried to proceed with Option A for the use of the underspend.

GK requested members of the Forum to vote on whether to support the application to the Secretary of State to consider the proposals for variations to the 2012/13 minimum funding guarantee for the one-off allocation of funding for the upkeep of school buildings and IT equipment.

The Forum voted overwhelmingly to support the application to the Secretary of State.

TB thanked officers for responding to the request of the Forum to provide further information, which has allowed them to work in effective partnership with the local authority and reach an effective decision.

RMG acknowledged the Forum's appreciation and recognition of the work of Barnet officers.

8 Any Other Business	
No issues raised.	

Dates for future meetings

14 July 2011	4.30pm (with briefing at 4pm)
29 September 2011	4.30pm (with briefing at 4pm)
7 December 2011	4.30pm (with briefing at 4pm)
1 February 2012	4.30pm (with briefing at 4pm)