

NORTHUMBERLAND COUNTY COUNCIL

SCHOOLS' FORUM

At a meeting of the **Schools' Forum** held at County Hall, Morpeth on Wednesday 18 January 2017 at 9.30 a.m.

PRESENT

Mrs. F. A. Penny
Vice-Chair in the Chair
Headteacher
(St Peter's & St Paul's RC Primary School, Cramlington)

Headteacher Representatives

Mr. S. Griffiths (Bedlingtonshire High School)	Mr. K. P. McGrane (Ponteland High School)
Mrs. F. G. Hartland (Kielder First School)	Mr. M. Deane-Hall (Wooler First School)
Mr. K. Burdis, (Cleaswell Hill School)	Mr. G. Atkins Hadrian Learning Trust - rep. Hexham Middle

Governor Representatives

Mr. C. Pearson (Morpeth Abbeyfields First School)	Mr I Walker (The Duchess's High School, Alnwick)
Mr. K. Faulkner (Collingwood Special School, Morpeth)	Mr. G. J. Wilkins (Blyth St Wilfrid's RC Primary School)
Mrs. M. Pedley (Newbrough CE First School)	

Trades Union Representatives

Mrs. J. M. Guthrie	Mr. R. E. Woolhouse
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Academies Representatives

Mrs. D. W. Wylie, Cramlington Village Primary School (Free School)	Dr. R. Vaughan (The Three Rivers Learning Trust, Morpeth)
Mrs. G. J. Evans (Bede Academy, Blyth)	

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Early Years/PVI Representatives

Ms. K. A. Morrison

PRU Representative

Mr. T. Dexter

Church of England Diocese

Mrs. E. Bell

Post 16 Provider of Education Representative

Mrs. H. Norris

OFFICERS IN ATTENDANCE

Mrs. S. Aviston	Head of School Organisation and Resources
Mrs. A. Whitehead	School Funding & Business Relationship Manager
Dr. A. Johnson	Director of Education and Skills
Mr. A. F. Carrick	Commissioner, Special Educational Needs
Mr. D. Street	Commissioner, Early Years & Primary Education
Miss A. Russell	Principal Accountant (on behalf of Mrs. A. Elsdon)
Mrs. L. Papaioannou	Democratic Services Officer and Secretary of the Schools' Forum

ALSO PRESENT

Councillor B. Gallacher, as Observer

1. APOLOGIES FOR ABSENCE AND MEMBERSHIP

Apologies for absence were received from Mrs. H. Blythe (Headteacher, Choppington First School), Mr. M. Brown (Richard Coates CE Middle School, Ponteland), Mr. M. Hodgson (Governor, Harbottle CE First School), Mr. A. Day (Northumberland Church of England Academy), Mrs. S. Clement (Blyth Croftway Primary Academy) and Mrs. A. Elsdon (Director of Corporate Resources).

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The Secretary of the Schools' Forum reported the following changes in membership:

Resignation:

Mrs. Hilda Blythe, Headteacher of Choppington Primary School, owing to a recent challenging Ofsted report.

It was noted that the following vacancies remained on the Schools' Forum:

One Middle School Governor
Two First/Primary School representatives (Governor and Headteacher)
Academy representation.

The School Funding and Business Relationship Manager reported that a review of membership in relation to the number of pupils across the phases of schools would be undertaken, to reflect the changing position of some schools converting to Academies during 2017.

RESOLVED that the position be noted.

2. MINUTES

RESOLVED that the minutes of the meeting of the Schools' Forum held on Tuesday, 8 November 2016, as circulated, be confirmed as a true record and signed by the Chairman.

3. MATTERS ARISING FROM THE MINUTES

With reference to Minute No. 3, members requested a further update on the position at Haydon Bridge High School. The Director of Education and Skills reported that recent communication from the DfE had rejected the County Council's proposals for the closure of Haydon Bridge High School and a potential merger with Queen Elizabeth High School, as an alternative to the academy option. Furthermore, a letter received from Lord Nash reconfirmed the DfE view that the only way forward was for the statutory position to be implemented, i.e. Bright Tribe to become the Academy provider for Haydon Bridge. The letter intimated that the Council could be seen to be failing to carry out their duty and should enforce the removal of the IEB and proceed with Bright Tribe Academy Trust taking over the responsibility. There had been no other information received and no official response rationale for the Council's alternative considerations regarding the reduced projection of pupil numbers and how finances would work in the future. The Director confirmed that the Family and Children's Overview and Scrutiny Committee and the Cabinet were to consider Lord Nash's letter and respond on behalf of the County Council in the next week.

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With regard to the issue of the residential facility at Ridley Hall, it was noted that Bright Tribe had reconfirmed their view that it was certainly not included in their sponsorship of the Academy, and therefore, the LA would be expected to assume responsibility for the residential facility. As all pupils who boarded at Ridley Hall currently attend Haydon Bridge High School and given that the lease arrangement is with the school and not part of any LA arrangement, it was uncertain how this could be disaggregated from the Bright Tribe academy order.

It was noted that it was the responsibility of the Regional Schools' Commissioner to nominate a sponsor for the school and in 2014 Bright Tribe Trust had been so nominated, with no alternative consideration. A draft document had been received which outlined Bright Tribe's plans for Haydon Bridge High School and the principle that it attracts additional pupils to the school and forms a Multi-Academy Trust (MAT) with other schools in the area to provide more capacity. The LA did not believe there were sufficient pupils in the western part of Northumberland to support two Secondary Academies and two MAT's, and the finances would be inadequate. The LA was trying to keep the parents, children and staff informed of the difficult situation.

The Director of Education and Skills expected the Haydon Bridge High School deficit budget to be at least £300,000 and probably significantly more, dependent upon redundancy costs of staffing, when it officially transferred to the Bright Tribe Academy Trust.

Members of the Forum queried the boarding requirements and rules of Ridley Hall along with the historic school travel times and transport policy arrangements for pupils. It was noted that the LA responsibility paid both the boarding and transport costs.

RESOLVED that the position be noted.

4. COMMUNICATION

(a) Communication with the Schools' Forum

The Chairman reported that there had been no communication received since the last meeting.

(b) Draft Minutes from Committee meetings:

- Formula Funding Committee - no meeting held.
- Additional Educational Needs Committee - draft minutes of the meeting held on 4 January 2017 were received for information (a copy of which is filed with the signed minutes).

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Mr. Tom Dexter reported that essentially the meeting had concentrated on a single item of business - the consultation paper on the proposed National Funding Formula and implications for High Needs funding. The School Funding and Business Relationship Manager confirmed the intention to send out the consultation to all schools following today's meeting of the Schools' Forum, along with a link to the document, and seeking responses by a particular deadline.

RESOLVED that the position be noted and the draft minutes of the meeting of the AEN Committee held on 4 January 2017 be received for information.

5. SETTING THE DSG BUDGET 2017-18

Members of the Schools' Forum were requested to consider the report and a number of Annexes which set out the anticipated DSG for 2017-18 and sought approval of the Forum to nine specific recommendations for various aspects of the School's Budget (a copy of the report and associated annexes are filed with the signed minutes).

Members of the Schools' Forum considered the report and appendices which:

- set out the overall DSG allocation for 2017-18;
- sought approval to set the overall budget for the Early Years Block and to approve the Early Years formula funding rates for consultation with the schools and early years providers;
- sought approval to set the overall budget for the High Needs Block, with detailed budgets within the Block to be set at the February Forum meeting;
- sought approval to set the Schools Block for 2017-18, including the historic commitments and to set the centrally retained budgets within the Schools Block;
- sought approval for the formula values to be used in the funding of school and academy budget shares for 2017-18;
- sought approval to fund some of the MFG by setting a 1.5% capping limit; and
- invited decisions on the proposed de-delegation of budgets from maintained mainstream schools for 2017-18.

The Director of Education and Skills gave a brief outline of the background and invited the Commissioner for Early Years and Primary Education to comment on the Early Years Block of funding. It was pleasing to note that the actual funding allocation to Northumberland had increased, however, the amounts were still less than the national minimum level. Annex 2 relating to Early Years funding for 2017/18 and it was noted that Northumberland LA passed as much as possible to the providers. Furthermore, it was reported

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that from 1 April 2017, there would be one rate, whether the child received 15 or 30 hours provision.

The Director of Education outlined three possible hourly rate solutions and recommended, on balance, Option B 2017/18, as a way of distributing the funding more universally. The majority of Early Years settings would see an increase in their funding. Upon Options A and B being put to the vote, it was noted that there was no support for Option A and unanimous support for Option B.

Reference was also made to the High Needs block along with references to the report entitled *Outcome of the Consultation with Schools Forum on the Proposed Savings within the DSG*, (see item 9 on the Agenda). It was reported that the Council had put forward potential solutions to remedy the predicted overspend and invited wider feedback from schools following the meeting of the Schools' Forum held in November 2016. It was agreed to consider the more detailed responses in a report to be submitted to the February 2017 meeting of the Forum. Therefore, there was general acceptance of Recommendations 3 and 4.

There was a need to revise the amounts listed in Annex 3 to match those in Recommendation 5, in relation to Schools' Block 2017-18 expenditure (total £178,331,958). Revised versions of Annex 3 and 4 were tabled at the meeting (copies of which are filed with the signed minutes). It was reported that the Proposed Formula Funding Values for 2017-18 in Annex 4 included clarification from the DfE about the academisation of some schools. It was noted that Academy Orders were in place for Ashington High, Bedlingtonshire High, Haydon Bridge High and a number of primary schools.

The School Funding and Business Relationship Manager pointed out that the National Formula Funding proposal is for a lump sum flat rate of £110,000 across all phases and will impact particularly on Middle, High and Secondary schools in Northumberland.

Mr Mike Deane-Hall sought clarification of funding listed under Miscellaneous. It was noted that this was used to fund legal costs for Academy conversions. Furthermore, members requested closer monitoring of the expenditure listed as £504,830 Contribution to Combined Services in Annex 3, and hoped the costs were not double counted and charged to the High Needs Block for students with SEND and residential costs. Members requested the provision of notes of explanation to clarify the situation in future.

Ms. Gwyneth Evans sought clarity on Deprivation and IDACI data. The School Funding and Business Relationship Manager clarified the turbulence caused by a shift in the data used by DfE from 2015, and their subsequent corrected data to be more in line with that of 2010 expenditure. This was intended to avoid turbulence and prevent a significant adverse affect on schools generally.

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Ms. Evans sought accurate information to be shared as soon as possible with regard to the schools affected in this regard. With the proviso that schools would be notified at the earliest opportunity, Recommendation 7 was approved.

With regard to Recommendation 8, it was noted that the proliferation of MFG meant that some schools received protection at the expense of other schools not receiving the uplift in their funding. It was hoped that schools would be advised to address the problems caused by a loss of pupil numbers and modify their structure accordingly. Furthermore, it was noted that the new National Funding Formula contained a minimum funding guarantee. Upon Recommendation 8 being put to the vote, a majority agreed with the cap of 1.5% per pupil to contribute towards the costs of the MFG, with one abstention (G. Atkins).

There was much discussion about de-delegation and a revised addendum in relation to *Setting the Dedicated Schools Grant 2017/18* at Recommendation 9 was tabled at the meeting (a copy of which is filed with the signed minutes). The Director of Education and Skills pointed out the predicted additional pressure of £1m on funding due to school closures and academy conversions and other unforeseen costs and proposed to create a contingency in the DSG to offset this liability, at a rate of £20 per pupil to be applied to all maintained schools.

Mr Mike Deane-Hall found it hugely objectionable that mainstream school students were losing £20 per pupil to fund a Government policy for those schools choosing to convert to Academy status. It was deeply unfair that the increasingly small proportion of school pupils in mainstream schools were having to fund this.

It was noted that the only way to create a contingency was through the de-delegated issues. Before all costs were allocated to this contingency fund the Schools' Forum would be consulted.

Upon the Revised Recommendation 9 being put to the vote by mainstream school members only - two school members abstained owing to their schools converting to Academy from April 2017 (SG and CP). Three of the further six Schools Members entitled to vote did not support the creation of a contingency, feeling it was inherently unfair. School members believed that a choice conversion to Academy should be financed by Governing Bodies. Should there be a contingency it was proposed there should be a sliding scale to more reflect the costs of actual conversion and that it be reviewed annually. It was agreed that this would be looked at and a model produced.

The Director of Education and Skills reminded members of their responsibility on the Schools' Forum to represent 179 schools in Northumberland generally and that their decisions had implications on all schools in Northumberland. He

said these decisions were very difficult and he appreciated the heavy burden that lay on the shoulders of members.

RESOLVED that the nine recommendations in the report be approved, as follows:

Recommendation 1 - The Early Years Block budget be set at £15,465,736 as detailed in Annex 1;

Recommendation 2 - The funding rates for the Early Years formula for 2017/18 were considered and Option B for 2017/18 be recommended to schools in the consultation with Schools and Early Years Providers;

Recommendation 3 - To vire £1,174,920 from the High Needs Block into the Schools Block, as in the last 3 years, and the total budget for the High Needs Block be set at £27,818,548;

Recommendation 4 - To agree the various budgets within the High Needs Block to be set at the meeting of the Schools' Forum to be held on 17 February 2017;

Recommendation 5 - The Schools Block be set at £178,331,958 which includes the virement of £1,174,920 from the High Needs Block in respect of SEN Home to School Transport - Annex 1;

Recommendation 6 - Centrally retained budgets within the Schools Block be set at the values shown in the tables in Annex 3;

Recommendation 7 - School budget shares be constructed based on the formula values shown in the final column of Annex 4;

Recommendation 8 - School gains be capped at 1.5% per pupil to contribute towards the costs of the MFG;

Recommendation 9 - Addendum - owing to the additional pressures on funding of at least £1m due to school closures and academy conversions, it was proposed to set up an additional de-delegation contingency fund to offset any predicted liability, with 2 options.

The proposals generated much discussion amongst members of the Schools' Forum, some of whom found it hugely objectionable that mainstream school pupils might lose out by £20 per child to fund and support a Government policy for those schools who chose to convert to Academies. This proposal left a increasingly small proportion of pupils having to pay for this, which seemed unfair. It was noted that the only way to create a contingency was through the de-delegated issues. Two members with voting rights stated they

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would abstain from voting - as their schools had chosen to convert to academy status in 2017.

Of the six voting members eligible to vote and upon the addendum being put to the vote, there voted FOR; 4, AGAINST; 2. Therefore the proposed recommendation was carried - ie.

Recommendation 9 - Schools' members of the Schools' Forum representing maintained mainstream schools agreed on a phase by phase basis to the de-delegation in respect of the four de-delegated services listed for 2017/18 using the funding values as set out in the final column of Annex 4. It was noted that these funding levels had not changed from previous years and that any allocation of contingency funds would only be made after further consultation with the Schools' Forum.

6. OUTCOME OF THE CONSULTATION WITH SCHOOLS' FORUM ON THE PROPOSED SAVINGS WITHIN THE DEDICATED SCHOOLS GRANT (DSG)

The report updated members of the Schools' Forum on the responses received to the presentation on financial pressures in schools and saving proposals for the Dedicated Schools Grant (DSG).

It was noted that the report had been considered in conjunction with the agenda item Setting the Dedicated Schools Grant 2017/18 above.

RESOLVED that

- (a) the contents of the report be noted and the actions being undertaken by officers to progress the proposals and communicate this to the schools they represent; and
- (b) it be noted that a further more detailed report relating to the position and Service Level Agreement (SLA) be presented to the next meeting of the forum, together with revised outturn position for the financial year 2016/17.

7. PROPOSED RECOUPMENT OF ACADEMY CONVERSION COSTS

The report sought the views of members of the Schools' Forum ahead of a consultation on the proposed recoupment of Academy conversion costs (a copy of which is filed with the signed minutes).

The Director of Education and Skills reported that some local authorities had charged schools and recouped their conversion to academy costs. it was noted that Northumberland had not yet done so. A report was to be considered by the Council's Cabinet at their meeting on 7 February proposing to introduce a charge to schools converting to academy status.

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The views of the members of the Schools Forum were sought ahead of a consultation with schools on the issue. Members of the Forum commented that the proposed charge should be more than £5,000 and said there should be a sliding scale of costs based on the size of school and reflecting the actual conversion costs. As a principle, members believed that it should not cost maintained schools anything further in order to fund a school converting to academy. It was believed that a choice conversion should be self financed by Governing Bodies. It was appreciated that some schools conversions were a straightforward process whereas others were more complicated. It was also proposed that the issue be reviewed on an annual basis.

The Director of Education and Skills agreed to reflect these comments when the report is considered by the Northumberland County Council Cabinet at their meeting on 7 February 2017.

RESOLVED that

- (a) the report going to Northumberland County Council Cabinet on 7 February 2017 proposing the introduction of a charge to schools converting to academy status in order to recoup the costs to the local authority in relation to the academy conversion process be noted; and
- (b) the views expressed by members of the Schools' Forum, ahead of consultation with schools on a proposed amendment to the Northumberland Scheme for the Financing of Schools in the event that Cabinet approve the proposal, be conveyed to the Cabinet.

8. IMPACT OF THE PROPOSED NATIONAL FUNDING FORMULA ON SCHOOL BUDGETS

The report informed of the impact of the proposed National Funding Formula on School Budgets (a copy of which is filed with the signed minutes).

The Director of Education and Skills reported that the local authority would be required to respond to the second stage consultation, as it had previously to the first stage consultation. The detailed briefing paper outlined the options in the consultation.

The School Funding and Business Relationship Manager had prepared a document including the consultation questions which would be circulated to all schools, and their responses invited by a certain date. It was proposed to hold an additional meeting of the Formula Funding Committee and the Schools' Forum in March 2017 in order to consider the responses received from schools.

It was also noted that the Council's Cabinet may well submit a separate response to the DfE.

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RESOLVED that

- (a) the report be received and noted;
- (b) the proposals regarding National Funding Formula be circulated for wider consultation with all schools inviting their responses to the second stage consultation proposals by the beginning of March; and
- (c) an additional meeting of the Schools' Forum be held in March 2017 to consider the responses received.

9. APPRENTICESHIP LEVY

The Director of Education and Skills outlined the briefing paper which essentially introduced a tax (known as a levy) to subsidise apprenticeships (a copy of which is filed with the signed minutes).

It was noted that this levy would impact on schools and academies.

RESOLVED that the report be received and the information be noted.

10. DATE OF NEXT MEETING

RESOLVED that the next meeting of the Schools' Forum be held on the revised date of **Friday 17 February 2017** at 9.30 a.m. in Committee Room 1, County Hall, Morpeth. (An apology for absence was given in advance of the meeting from Mrs. M. Pedley (Governor rep) owing to a prior engagement).

A further additional meeting was arranged to be held on Thursday 16 March 2017 at 9.30 a.m. in Committee Room 1, County Hall, Morpeth in order to consider responses to the consultation on funding.

CHAIRMAN _____

DATE _____

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