



Shropshire Council
Legal and Democratic Services
Shirehall
Abbey Foregate
Shrewsbury
SY2 6ND

Date: 15 March 2017

**Committee:
Schools Forum**

Date: Thursday, 23 March 2017

Time: 8.30 am

**Venue: Shrewsbury Training and Development Centre, Racecourse Crescent,
Monkmoor, Shrewsbury, SY2 5BP**

You are requested to attend the above meeting.
The Agenda is attached

Claire Porter
Head of Legal and Democratic Services (Monitoring Officer)

Members of Schools Forum

Bill Dowell (Chair)
Phil Adams
Nicholas Bardsley
Michael Barrett
Christine Hargest
John Hitchings
Sandra Holloway
Colin Hopkins
Pete Johnstone

Alan Parkhurst
Geoff Pettengell
Kay Redknap
Geoff Renwick
Mark Rogers
Philip Sell
Joy Tetsill
Ruth Thomas

Your Committee Officer is:

Philip Wilson Service Manager Business Support People

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AGENDA

- 1 **Apologies**
- 2 **Minutes and Matters Arising (Paper A) (Pages 1 - 6)**
- 3 **National Fair Funding Lobbying**
- 4 **Strategic Overview of High Needs Block (Julia Dean)**
- 5 **Dedicated Schools Grant Monitoring (Stephen Waters/Julia Dean) (Paper B) (Pages 7 - 12)**
- 6 **Communications**
- 7 **Future Meetings (Please Diary)**

8 June 2017	8.30 am STDC, Monkmoor
14 September 2017	8.30 am STDC, Monkmoor
2 November 2017	8.30 am STDC, Monkmoor
7 December 2017	8.30 am STDC, Monkmoor
18 January 2018	8.30 am STDC, Monkmoor
1 February 2018 (provisional)	8.30 am STDC, Monkmoor
22 March 2017	8.30 am STDC, Monkmoor
7 June 2017	8.30 am STDC, Monkmoor



Schools Forum
Date: 23 March 2017
Time: 8.30 am
Venue: STDC, Monkmoor, Shrewsbury

Item/Paper
A
Public

MINUTES OF SCHOOLS FORUM HELD ON 2 FEBRUARY 2017

Present

School Forum Members

Bill Dowell (Chair)
Phil Adams – Academy Headteacher
Christine Hargest – Association of Secretaries
Sandra Holloway – Primary Governor
Shelly Hurdley – Early Years Representative
Pete Johnstone – Secondary headteacher
Alan Parkhurst – Primary Headteacher
Kay Redknap - TMBSS
Michael Revell – Primary Governor
Mark Rogers – Primary Headteacher

Officers

Karen Bradshaw
Phil Wilson
Gwyneth Evans
Neville Ward
Chris Mathews
Stephen Waters
Jo Jones
Gareth Proffitt
Helen Woodbridge (Minutes)

Members

Cllr Nick Bardsley

Observers

Maggie Furmanek
Roger Evans
Hannah Fraser

- 1. Apologies**
Apologies had been received from Michael Barratt, John Eglin, Meryl Green, Sabrina Hobbs, Colin Hopkins, David Minnery, Phil Poulton and Philip Sell. Late apologies were received from Geoff Pettengell.
- 2. Minutes and Matters Arising (Paper A)**
The minutes were accepted as a true record. There were no matters arising that were not on the agenda.
- 3. School Revenue Funding 2017 to 2018 (Paper B)**
Gwyneth Evans presented her report. She confirmed that the APT had been submitted on time and confirmation had been received that it complies with regulations.
Maintained schools had received their budget share information from the LA and academies had received budget information re high needs and EYSFF.
An overview of main per pupil changes to budgets as a consequence of Schools Forum decisions was circulated. It was confirmed that MFG will continue to affect some schools. The paper is to be shared at the Lord Hill event.
Mark Rogers was concerned because it will be hard for people to understand. He added that different approaches had been taken in other LAs.
KB advised that every LA is in a different position. This is a transitional year with

ACTION

PW

further debate to take place.

The chair gave special thanks to Gwyneth Evans for the work she and her team have undertaken.

4. National Funding Formula Consultation 2017-18 (Paper C)

Gwyneth Evans went through the report. This is the second stage of consultation which closes on 22 March. It will be covered at the Lord Hill event to encourage individual school responses. The Schools Forum response was formulated:

GE

Question 2

Schools Forum members generally agreed.

Question 3

Phil Adams asked about Year 7 Catch Up funding – Gwyneth Evans confirmed that this is separate.

Mark Rogers was generally in favour of NFFF but there is a second level of fairness – what is a child worth? Similar children with same characteristics could attract different levels of funding from schools not far from each other.

Phil Adams had concern about double/treble funding of some aspects. Some poor families in Shropshire don't qualify for help eg FSM. There is a need to put more into the standard AWPU factor.

Schools Forum members generally agreed.

Question 4

Mark Rogers suspected this is an attempt not to reduce urban schools' budgets too much.

Phil Wilson advised that F40 have suggested revision.

Schools Forum members generally agreed.

Question 5

No response from Schools Forum members

Question 6

PW had received a query from a headteacher as to why this had not been provided. He had commended her to respond to the consultation.

No response from Schools Forum members

Question 7

Phil Adams had concerns that using a larger lump sum will undo the work of Schools Forum.

Mark Rogers agreed but saw the need to support the extra funding coming onto Shropshire and fight other issues eg London weighting. He suspected that politically it is not the time to express concerns re small schools.

Chris Mathews agreed politically but had concerns as there would be less funding through AWPU.

Gwyneth Evans cautioned that there may be a risk of reducing the lump sum and increasing spending on, for example, EAL.

Alan Parkhurst suggested that Schools Forum obligation is to ensure no pupils are disadvantaged. This move would mean the largest group of primary pupils (urban) will be impacted upon.

Mark Rogers was concerned that Shropshire could be losing out because the proportion of small schools is well above average.

Karen Bradshaw suggested if the lump sum was reduced, potentially every primary school could lose £50k.

Nick Bardsley spoke of the time and effort that had been spent by Schools Forum

ensuring a reasonable balance and wondered why £110k is acceptable. This will give a very mixed message to small primary schools and will be hard to explain to larger primaries.

Chris Mathews questioned the efficiency of the use of funding. 36% of Shropshire schools have less than 100 pupils and 11% of Shropshire schools have less than 50 pupils. The highest gainers are very small schools who are educationally more vulnerable.

Neville Ward understood the compelling arguments but as an LA that understands small rural schools Shropshire LA decided to set the lump sum figure the lowest of all – it is difficult to argue for now.

Phil Adams thought this Whitehall decision will not work at local level – there needs to be more local control.

Neville Ward was interested to compare to EYFF where there has been a generous increase of 30% in the hourly rate.

The chair summarised re unintended consequences of actions. If we say no, less funding will come into Shropshire. He suggested a response cautioning that the lump sum figure does not work – there is a need for local discretion to limit unintended consequences.

Mark Rogers, as larger school, didn't feel being disadvantaged. He thinks of this a new money not old.

Pete Johnstone had hoped for a higher level of funding but it seems that less money is being shared out. He suggested the need to protect the lump sum figure as it brings more money into the county adding that we should ask for more funding.

Phil Adams thought that some southern counties will be favoured.

It was agreed that Gwyneth Evans should produce a broad answer from above with focus on pupils.

Question 8

The need to restate Schools Forum's policy and reasons was identified as it was felt that the new proposal will not work in Shropshire

Gwyneth Evans cautioned that it would be hard to argue that we want fewer schools to benefit.

Need additional amounts as £25k and £65k are too low.

Phil Adams suggested that the 2 miles factor is the issue – this should be more realistic.

Mark Rogers felt that this was not problematic from a primary point of view but will be for the single secondary school which would suffer.

It was agreed that Gwyneth Evans should produce a broad contextualised answer from above.

Question 9

Schools Forum members suggested a response to take account of dedelegated funding.

Question 10

There were worries that this will take funding from Shropshire and give to other areas. It builds in inequalities and is a big issue for F40.

Schools Forum members did not agree.

Question 11

Schools Forum members did not support the proposal.

Question 12

Schools Forum members did not agree.

Question 13

Schools Forum members supported the proposal.

Question 14

Shropshire could have expected another £5 million through a national fair funding formula but the proposal is only for £1.4 million.

There are still wild differences between funding for children.

Question 15

£5 million issue again

Question 16

It was suggested that there will be some flexibility in allocating budgets for schools for Schools Forum in 2018/19.

Question 17

Schools Forum members supported the proposal.

Question 18

The need to recognise sparsity was raised.

Question 1

Phil Adams thought that low prior attainment needs to be better funded and was concerned that any extra funding to Shropshire will disappear into pension costs. Neville Ward suggested adding pupil numbers to the table at 53.

The chair had an ongoing concern re sustainability – some schools are becoming less sustainable. There was also concern re quality of education.

Chris Mathews highlighted that 35% of primary schools and 43% of secondary schools will lose funding.

5. High Needs and Early Help Task & Finish Groups

Phil Wilson presented the paper. He confirmed that further work is needed.

High Needs Group will meet re High Needs consultation which has a deadline of 22 March. Schools Forum delegated responsibility to the group.

It was agreed that this group will also consider the outcome of the independent review re bandings.

Early Help – new head of service, Francean Doyle, to lead the ongoing elements of work re partnership working to maximise use of funding.

PW

6. Shropshire Schools Forum Constitution

Phil Wilson went through the report and highlighted the need to fill vacancies that are left. It was agreed that Phil Adams would mention this at the headteacher meeting today and that it would also be raised at the Lord Hill event.

PA/Chair

7. Apprenticeship Levy

Lorraine Edwards presented her report and circulated an extra paper indicating levy contributions by school. She confirmed that monthly deductions would be taken from schools.

Lorraine Edwards highlighted the need for a secondary head representative on the board. Also, more input from schools in relation to the process re accessing training would be desirable.

8. Dedicated Schools Grant Monitoring

Stephen Waters went through his report.

9. Communications

The response to consultation will be formulated by Gwyneth Evans.

A Lord Hill presentation is scheduled for 8 February.

The chair, David Minnery, Nick Bardsley and Karen Bradshaw have been in discussion regarding ways forward.

The recent meeting with MPs had gone well and three key changes had been discussed. MPs listened to points/position and were surprised by the negative impact. MPs have requested further information.

Karen Bradshaw and Nick Gibb met within a forum – he has extended invitation to meet with him – this is being pursued so the unintended consequences can be raised.

GE

KB

10. Next meeting

The next meeting will be held on Thursday 23 March 2017

The meeting closed at 10.55 am.

Future meetings (please diary):

8 June 2017	8.30 am	STDC, Monkmoor
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Schools Forum

Date: 23 March 2017

Time: 8:30 am

Venue: Shrewsbury Training
and Development
Centre

Item/
Paper

B

Public

DEDICATED SCHOOLS GRANT MONITORING

Responsible Officer Stephen Waters
e-mail: Stephen.a.waters@shropshire.gov.uk Tel: (01743) 258952

Summary

This report outlines to Schools Forum members the centrally retained Dedicated Schools Grant (DSG) forecast outturn position at the end of February 2017.

Recommendation

This report is for information only.

REPORT

Outturn 2016-17

1. The overall outturn against centrally retained DSG is forecast to be £0.820m in deficit at the end of February 2017.

Centrally Controlled Early Years Budget

2. The Early Years Block is forecast to overspend by £1.168m on a provisional budget of £7.068m.
3. The main reason for this is a large forecast overspend of £1.223m identified in relation to the Early Years Budget for three and four year old nursery entitlement.

4. There are two reasons for the overspend on this budget heading. Firstly, the number of weeks being funded within the financial year. The Council receives funding from the EFA for an academic year of 38 weeks since parents are entitled to provision of 15 hours each week over 38 weeks. The number of funded weeks in a financial year varies from year to year and in this year the number of weeks is higher than normal containing 39.8 weeks which means the Council is funding 5% more provision by way of weeks than it is being funded for.
5. Secondly, the Council has experienced a higher take up of provision in this year than previously resulting in a greater draw on the funding. Further, thorough analysis of the take-up of the entitlement is required to determine how much of the overspend is explained by this. An increase in take-up in the current academic year, from September 2016 to March 2017 will be reflected in the final adjustment to the provisional Early Years budget for 2016-17 made following the end of the financial year.

Centrally Controlled High Needs Budget

6. The Centrally Controlled High Needs Budget is the largest budget area within Central DSG accounting for £17.526m of the £28.764m Central DSG budget in 2016-17.
7. The main reasons for a variation from budget of greater than £0.100m falling within the High Needs Budget are detailed below:

Line 1.2.3 - Top Up funding - Non-Maintained and Independent Providers

8. An underspend of £0.205m is currently forecast in this budget area. The key budget areas are detailed below:

Independent Special Schools

9. In 2016-17 the budget was set at £4.546m based on 78 placements at approx. £0.058m per placement.
10. The latest monitoring position has seen the projected spend reduce to £4.253m resulting in a forecast underspend of £0.294m. The underspend is due to a number of high cost placements ending 31 August and the pupils were placed in lower cost placements deemed appropriate for their needs.
11. There are currently 75 placements compared to 84 at the start of the last Summer Term and the average annual cost per placement has decreased from £56,530 to £52,131. This trend goes against the national picture being reported by the F40 Group of Local Authorities during a recent survey of high needs costs pressures. The responses concluded increasing demand for independent special school placements, increasing individual placement costs and higher contributions from Education towards joint social care placements.

12. The Service, through day to day placement management, seeks to focus on maximising placements at non-residential lower cost establishments while not placing pupils at the more expensive residential placements that can cost in excess of £0.100m per annum. In practice this is not always controllable as sometimes a child will be placed at these higher cost placements for their Social Care needs and Education will be recharged accordingly. It is also important to note that some of the lower cost providers will already be at or near to full capacity.
13. Another way in which cost have been controlled is through the West Midlands Price Review Panel. Shropshire Council, through Regional Price Agreements, aims to ensure that Providers do not increase prices without full agreement at regional level.
14. It is important to note that this budget is volatile since costs could increase significantly at short notice if one or two pupils with complex needs requiring high cost residential placements re-locate to the area or the needs of a child change.

Independent Non-Special Schools

15. An overspend of £0.056m is currently forecast against Independent non-special schools where the Council funds teaching support costs. Previously these costs were assigned to the same budget as the top-up funding for Independent Special Schools, however in 2016-17 it was decided to separate these costs out and set at a separate budget of £200k for 24 pupils at an average cost of £8.3k per pupil.
16. Where the SEN Team believe that a Maintained School can not meet the needs of a child and it is cheaper to place a child at an Independent School with one-on-one attention rather than a high cost specialist Independent Special School, this may result in an Independent non-special School being named on a Child's EHC Plan. On the basis that a potential overspend has been identified, the Service are reviewing how to continue to fund these costs.

SEN Nursery Placements

17. There is a forecast overspend of £0.038m on SEN Nursery Placements against the budgeted level of £35k. This is explained by the SEN Team maximising or providing opportunities for Mainstream Early Years settings.
18. The reasons for increasing costs in this area is due to children surviving at birth with more complex needs as demonstrated by Health data leading to more children assessed for EHCP plans. Also, there is the extension of the age range leading to an increase in the number of placements.

19. There will be further ongoing cost pressures on this budget with the introduction from September 2017 of 30 hours free childcare for all 3 and 4 year olds with working parents. A strategic change in the way the Council delivers provision for Children with complex needs will be required. To start with there would be an increase in cost as training is provided to settings to meet the needs of more complex children within their communities, however there should be reduced costs on Special School nursery placements and related reduced costs on SEN transport.

Line 1.2.5 – SEN Support Services

20. The Joint Arrangement with Telford & Wrekin Council for the provision of a Sensory Inclusion Service is currently forecasting an underspend of £0.117m. A staffing restructure earlier in the financial year has resulted in a saving of £0.117m on Shropshire Council's contribution. A couple of managers in the team are nearing retirement and there will be a further review of the structure as a result.
21. Continuing from 2015-16 there are still some vacancies in the SEN team where key posts are actively being recruited to. The team has been stretched to capacity due to increased numbers of EHC Plans and increasing SEN Casework workloads. These vacancies have resulted in a forecast underspend of £0.207m but not all of this underspend is ongoing.

Central Provision within Schools Budget

Line 1.4.6 – Capital Expenditure from Revenue (CERA)

22. A forecast underspend of £0.129m relates to property related expenditure under this heading. Spend incurred under this heading does not occur uniformly throughout the year and depends on when various Property related expenditure is recharged by the Service. This anticipated underspend is less than the underspend of £0.263m reported in the last Schools Forum DSG Monitoring Report and this is due to a strategic decision to fund additional works from this budget in light of its removal from 2017-18.

1.4.12 – Exceptions agreed by Secretary of State (Deficit Balance)

23. A cost of £0.168m is reported. As agreed by Schools Forum in 2014-15 this is the third year charge relating to a secondary school deficit balance incurred in 2014-15 at the point of conversion to a sponsored academy.

APPENDIX

CENTRALLY RETAINED DEDICATED SCHOOLS GRANT FUNDING PERIOD (2016-17)

	2016-17 Latest Budget £	2016-17 Forecast Spend £	2016-17 Variance £	
DEDELEGATED ITEMS				
1.1.1	Contingencies	159,770	226,415	66,645
1.1.2	Behaviour Support Services	0	0	0
1.1.3	Support to UPEG and bilingual learners	0	0	0
1.1.4	Free school meals eligibility	0	0	0
1.1.5	Insurance	23,280	23,280	0
1.1.6	Museum and Library Services	0	0	0
1.1.7	Licences/subscriptions	0	0	0
1.1.8	Staff costs Maternity supply cover	321,570	412,745	91,175
1.1.9	Staff costs Trade Union Duties	50,400	48,352	-2,048
	DEDELEGATED ITEMS SUB TOTAL	555,020	710,792	155,772
CENTRALLY CONTROLLED EARLY YEARS BUDGET				
1.0.1	Individual Schools Budget - Early Years PVI's	6,845,180	7,879,645	1,034,465
1.3.1	Central Expenditure on Children under 5	222,460	355,841	133,381
	CENTRALLY CONTROLLED EARLY YEARS SUB TOTAL	7,067,640	8,235,486	1,167,846
CENTRALLY CONTROLLED HIGH NEEDS BUDGET				
1.2.1	Top Up funding - Maintained Providers	4,698,390	4,664,688	-33,702
1.2.2	Top Up funding - Academies, Free Schools and Colleges	5,349,670	5,377,449	27,779
1.2.3	Top Up funding - Non-Maintained and Independent Providers	4,343,180	4,138,182	-204,998
1.2.4	Additional High Needs Targeted Funding for Maintained Schools and Academies	92,270	92,270	0
1.2.5	SEN Support Services	1,828,300	1,541,061	-287,239
1.2.6	Hospital Education Services	105,190	105,190	0
1.2.7	Other Alternative Provision Services	177,180	172,206	-4,974
1.2.8	Support for Inclusion	931,320	923,914	-7,406
1.2.9	Special Schools and PRUs in Financial Difficulty	0	0	0
1.2.10	PFI / BSF Costs at Special Schools and AP / PRUs	0	0	0
1.2.11	Direct Payments (SEN and Disability)	0	0	0
1.2.12	Carbon Reduction Commitment Allowances (PRUs)	0	0	0
	CENTRALLY CONTROLLED HIGH NEEDS BUDGET SUB TOTAL	17,525,500	17,014,960	-510,540
CENTRAL PROVISION WITHIN SCHOOLS BUDGET				
1.4.1	Contribution to combined budgets	1,310,000	1,257,834	-52,167
1.4.2	Schools Admissions	211,460	222,949	11,489
1.4.3	Servicing of Schools Forums	11,000	8,348	-2,652
1.4.4	Termination of employment costs	994,920	994,920	0
1.4.5	Falling Rolls Fund	0	0	0
1.4.6	Capital Expenditure from Revenue (CERA)	605,550	476,921	-128,629
1.4.7	Prudential Borrowing Costs	295,350	295,350	0
1.4.8	Fees to independent schools without SEN	0	0	0
1.4.9	Equal Pay - Back Pay	0	0	0
1.4.10	Pupil growth / Infant Class sizes	0	0	0
1.4.11	SEN Transport	0	0	0
1.4.12	Exceptions agreed by Secretary of State (Deficit)	0	168,141	168,141
1.4.13	Other Items (Copyright Licensing Agency fee)	187,820	198,632	10,812
	CENTRAL PROVISION WITHIN SCHOOLS BUDGET SUB TOTAL	3,616,100	3,623,095	6,995
	TOTAL CENTRAL DSG	28,764,260	29,584,333	820,073
	TOTAL CENTRAL DSG	28,764,260		
	DELEGATED EARLY YEARS BUDGET - Maintained Nursery Provision	2,712,430		
	DELEGATED HIGH NEEDS BUDGET - Place Funding	6,241,670		
	INDIVIDUAL SCHOOLS BUDGET SHARES	151,098,640		
	TOTAL DSG	188,817,000	188,817,000	

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