

Schools Forum

Minutes

Tuesday 15 January 2019

PRESENT

Forum Members

Gary Kynaston (Hammersmith Academy) (Chair)
Michele Barrett (Vanessa Nursery and Randolph Beresford EYC)
Jessica Mair (John Betts Primary School)
Clare Wagner (West London Free School)
Krishna Purbhoo (The Bridge AP Academy)
Peter Haylock (Fulham College Boys' School)
Giles Finnemore (Brackebury Primary School)
Tim Scott (Fulham College Boys School)
Wayne Leeming (Melcombe Primary School)
Robert Jones (The London Oratory School)
Peter Smith (Jack Tizard School)
Ruth Browne (The Bridge AP Academy)
Mike Platten (Ark, Regional Finance Director)
Kathleen Williams (Holy Cross R.C. Primary)
Claire Fletcher (St Paul's CE Primary School)
Denise Watts

Officers

Jill Lecznar (Head of Finance, LBHF)
Tony Burton (Head of Finance, LBHF)
Caroline Baxter (Strategic Finance Manager, LBHF)
Mandy Lawson (Assistant Director of SEND, LBHF)
Kevin Morris (Secondary Adviser and 14-19 Development Lead, LBHF)
Steve Miley (Director of Children's Services, LBHF)
Jan Parnell (Assistant Director of Education, LBHF)
Kevin Gordon (Head of Assets, Operations and Planning, LBHF)
David Abbott (Scrutiny Manager, LBHF)

1. WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to the meeting. A list of attendees is provided above.

2. MINUTES OF THE LAST MEETING

Matters Arising - Budget Workshops

Tony Burton noted that a workshop had been held on 8 January. 45 people attended and there had been a lot of helpful discussion and feedback on both

the proposed schools budget allocation and early years budget. Feedback from headteachers was very positive. The Chair said he would like there to be further opportunities for schools to attend these types of workshops throughout the year.

RESOLVED

The minutes of the meeting held on 20 November 2018 were approved as a correct record.

3. SCHOOLS BLOCK DEDICATED SCHOOLS GRANT BUDGET 2019/20 (SCHOOLS BUDGET SHARE MODEL)

The Chair introduced the item by thanking H&F's finance team for working on the budget papers over the Christmas break.

Tony Burton (Head of Finance, LBHF) and Caroline Baxter (Strategic Finance Manager, LBHF) presented the report that detailed the final 2019/20 schools block allocation and the funding to schools through the schools funding formula.

Tony Burton noted that the funding allocations presented in the report were the outputs from a model prescribed by the ESFA, using October 2018 census data. The Local Authority was constrained in the factors that it could use. Though there was still some discretion on local factors up to 2020/21. In 2021/22 the funding would be entirely allocated through the national funding formula, with no local discretion over factors.

Tony noted that the final model needed to be submitted to the ESFA by the end of Monday, the 21st of January. There may be changes due to NNDR rates but they would be minor. The report also recommended transfer of 1 percent of funding from the schools block to the high needs block – this dis-application request, if agreed by Schools Forum, needed to be submitted to the ESFA today.

Tony noted that, since the report presented at the previous meeting, the allocation had increased by 0.37% and the majority of schools would be getting slight improvements on the previous modelling. This increase fulfilled the Government's promise to increase funding by one percent over two years – but it was recognised that this increase was significantly below the increased cost pressures schools were articulating.

A member asked why Earl's Court Primary and West London Free School were being treated in the formula as two separate schools (receiving two lump sums) despite sharing the same site. Caroline Baxter explained that the schools were registered as two separate schools and had unique DfE numbers. Sharing the same site was a temporary arrangement pending the redevelopment of Earl's Court.

A member asked if the Secondary School allocations, including the Minimum Funding Guarantee plus top-up, for Academies were final. Tony Burton responded that the allocations for Free Schools and Academies would be

subject to further adjustment by the ESFA after submission. Officers have asked the ESFA for transparency over any adjustments they make.

Officers noted that Phoenix Academy don't currently qualify for falling rolls protection because, as a new schools, they don't have an Ofsted rating. The Council is recommending payment if they get a good or outstanding inspection result.

Flora Gardens Primary School made an application for falling rolls protection but they didn't meet the 5 percent threshold. They have also received some transitional protection in the current year's budget. Fulham College Boys submitted a detailed plan to turn around a decrease of 8 percent and officers recommended approving their request.

A member commented that it was counter-productive to support the growth of 7 schools while also having to protect schools that had falling rolls. And over-capacity of places was projected to grow over the next five years (if no mitigating action was taken).

Steve Miley (Director of Children's Services) addressed the forum and explained that this situation was based on historical decisions. The current administration has inherited a number of growing schools up to 2022 – but after that the Council will have more control. Officers have explored what can be done in the meantime but the Council was bound by legislation to support these growing schools up to 2022. Steve added that while we couldn't change the number of school places in the borough – schools and the Council can work together to influence parents choosing where to send their children.

A member raised a query that some schools could potentially be paying twice for SIMs licenses – both centrally through the DSG and as individual schools. Officers noted they were trying to resolve this and would follow it up after the meeting.

ACTION: Tony Burton

A member asked how schools were held to account for how they used the transition funding. The Chair asked that schools receiving falling rolls protection should demonstrate how they are using the funding to impact their roll.

ACTION: Tony Burton / Jan Parnell

Members asked if there were many schools close to the 5 percent threshold for falling roll protection. Officers said there were. Members said they would like to consider the threshold in future. The Chair said a final decision on Phoenix Academy's request would be made at the next meeting, pending the outcome of an Ofsted inspection.

ACTION: Schools Forum

A member asked how EAL (English as an additional language) was defined in this context. Officers responded that it was any child with English as a non-first language – but additional funding was only available for three years.

Tony Burton asked the forum for a steer on how develop the allocation for 2020-21 – the last year of local discretion. The Chair proposed officers put a paper to the forum with some predictions on funding levels and some thinking about the potential pitfalls.

ACTION: Tony Burton

RESOLVED

1. That Schools Forum agreed that the ESFA will be notified that the local authority wish to proceed with the dis-application request to transfer up to £1m from the schools block to the high needs block.
2. That Schools Forum agreed that the NFF transitional factors as set out in Appendix 1 column A of the report are used as the basis for calculating the 2019/20 schools funding formula.
3. That Schools Forum agreed the approach and distribution of falling rolls funding as set out in section 7 and tables 8 and 9 of the report.
4. That Schools Forum agreed in principle the request to consider an application from Phoenix Academy for falling rolls funding subject to their Ofsted rating being Good or Outstanding.
5. That Schools Forum considered its role in setting the strategic direction of the schools block budget allocations for 2020/21 which is scheduled to be the final year of local formula discretion prior to the implementation of the full National Funding Formula for Schools in 2021/22.
6. That Schools Forum consider its role in the strategy for managing the schools economy with constrained funding term and significant cost pressures over the medium term.
7. That Schools Forum considered its role of oversight of the high needs block budget and the government requirement to articulate in the summer term 2019, how the block will be balanced within a three-year timescale.

4. EARLY YEARS BUDGET DEDICATED SCHOOLS GRANT 2019/20

Jill Lecznar (Head of Finance, LBHF) presented the report that detailed the initial allocation of Early Years Block funding for 2019-20 and outlined the impact of this on the implementation of the participation model for all providers. The focus of the paper is on the funding of the 3 and 4 Year old offer. She noted that officers were recommending a universal rate of £6.20 and a maximum deprivation factor of £1.30.

The Chair asked officers to summarise what the impact of these changes were. Jill said it was difficult to model impacts on providers due to the changes in the delivery models from April. Officers had provided modelling for different options – e.g. a participation model - at previous meetings. Tony Burton added that previous modelling showed a worst case scenario on income – but the feedback from schools was that it's very differential as it depended on the service and many other factors. The workshop on Tuesday

evening showed a mixed picture – with some providers seeing this as an opportunity and others facing income risks.

Officers noted that, compared with the draft paper presented at the workshop, there had been changes – both the base rate and deprivation rate had been reduced by 10p to increase the CP/CiN fund to the level required and to create a contingency budget of £168k to deal with the risks of transition.

A member asked if the reduction of 10p on the deprivation rate was the minimum it could be reduced by – or if there was more room for manoeuvre. Officers said they thought this was the minimum – but it was an estimate.

The Chair noted that the issues with 30 hours was well known. The difficulty was that the funding change was coming mid-year. Schools should have transitioned models years ago. Members also noted that it was hard to consult with families when you don't know who will choose your school. Concerns were raised about the families who needed the most support.

Officers noted they were working closely with the schools most affected. Michele Barrett (Vanessa Nursery and Randolph Beresford EYC) said the issue for her provision was they dealt with younger children who required more intensive supervision – and more vulnerable children who needed a high quality staffing model.

Dave McNamara (Governor at Randolph Beresford) said he felt the proposals, particularly the removal of the nursery supplement, were coming too soon. The shortfall for Randolph Beresford, around £300k, was too great given the timeframe. He asked that mitigations were considered by the forum – and suggested some contingency funding to allow them to move to another model.

After discussions, the Chair proposed a compromise – a further reduction of 5p on the deprivation rate for 19/20 to provide additional contingency funding for one year. Officers would model this proposal to determine its viability.

RESOLVED

That Schools Forum agreed to proceed with the budget model for 2019/20 as outlined in this paper and per key points below:

- Base rate funding on participation basis at £6.20 per hour for both the universal and targeted childcare offer, an increase in the basic rate of £0.10 per hour on 2018/19 funding rates.
- Supplementary deprivation payments on a sliding IDACI scale and subject to cap of 10%. Estimated average cost of £0.69 per hour based on historic cohort data.
- Officers to model the impact of reducing the deprivation rate by £0.15 per hour versus the 2018/19 level.
- Establishment of £300k SEN Inclusion budget for Early Years to promote inclusion and facilitate transition.
- Establishment of a £600k budget to provide additional childcare to the most vulnerable children in Hammersmith and Fulham following an

assessment of need arising from Child Protection or Children in Need. Further to this, the provision for £1.50 per hour additional supplement for CP/CiN.

- Establishment of a £168k contingency fund to cover transition to the participation funding model and to manage associated risks of change.
- Continued application of Early Years DSG to fund central functions up to the 5% cap set by the regulations (estimated at £666k in 2019/20).

5. HIGH NEEDS BLOCK RECOVERY - VERBAL UPDATE FROM PRESSURES BOARD

Steve Miley (Director of Children's Services, LBHF) gave a verbal update on the high needs block recovery. He highlighted that this was the most significant issue within the education system. Officers have held a number of meetings with schools and there had been a number of really thoughtful contributions. He noted that the biggest issue for the Council was the huge jumps in cost as young people moved up the levels of support. From lowest to highest these stages were maintained > resource unit > special school > independent maintained. The central question was how can we support mainstream schools to support children with higher levels of need.

Another key issue was that 'AP' (Alternative Provision) has become separate. We have now started talking about an 'AP continuum' - from having special school staff coming into mainstream schools to train people up to having a resource unit in the school. We needed to find ways to free up SENCOs so they were doing less admin and able to devote more time to working directly with young people.

The Chair asked what actions the Council needed from schools. Steve Miley said he wanted the helpful dialogue to continue to allow the Council to turn their ideas into actions. He wanted schools to be working closely with the Council to help shape these new ideas. He also asked that schools made sure it was on the agenda as other groups and meetings.

The Chair asked if the backlog of EHCPs (Education Health and Care Plans – formerly 'statements') had now been cleared. Steve Miley said all children with statements had been transferred to EHCPs – but some were rushed to meet Government imposed timescales so the Council was reviewing a number of them.

The Chair asked if there was an increase in the number of EHCPs in the year the Council left the Tri-borough. Officers said there had been an increase every year in recent years.

Jan Parnell (Assistant Director of Education, LBHF) noted that primary heads had committed to a rota for EHCP panels. And her team was also sitting on panels now. She asked that as many heads as possible contribute to the panels – schools shouldn't just be sending their SENCOs.

6. SCHOOL ORGANISATIONAL STRATEGY - VERBAL UPDATE

Kevin Gordon (Head of Assets, Operations and Planning, LBHF) presented an update on the school organisation strategy. The strategy takes a broad view of the coming demographic changes, the number of school places, and the state of the school estate.

Headlines from the strategy:

- The primary surplus is significant going into 2023 at around 25 percent.
- The borough loses more children from the south – mainly to the independent sector.
- The borough is a net importer - more children come into the borough's schools than go out.
- At secondary the surplus of places is above the 10 percent recommended by DfE – but it's not nearly as significant as primary. If school place projections are correct then place-planning is a lot easier than at primary. This is expected to come in line over next three to four years.

Recommendations:

- Assist schools with the greatest over-provision to reduce their PAN.
- Support secondary schools to develop their offer and attractiveness.
- Support primary schools to engage in marketing activity to increase appeal to parents.
- Agree framework and policies to support schools through federation and collaboration.
- Use the school organisation strategy as the base to resist expansion programmes.
- Use CIL to address schools stock condition backlog.
- Councils and schools to consider ways of regenerating the school estate.

A member asked if officers can better understand what socioeconomic groups are going out and coming in to the borough. Officers said they would try to get this information (but noted it wasn't straightforward).

ACTION: Kevin Gordon

The Chair said sustainability was the key question. We need to understand the demographics and then remodel our provision based on that data. Members also noted that recruitment was also key – schools needed stability in teaching to continue to be competitive. Jan Parnell noted that heads were having in-depth workshops on recruitment and retention.

7. DRAFT WORK PROGRAMME

Tony Burton presented the draft work programme.

RESOLVED

The draft work programme was agreed.

8. ANY OTHER BUSINESS

The Chair asked for an update on the BACs payments issue. Tony Burton said this should be resolved by the financial year end.

ACTION: Tony Burton

A member raised the issue of an arrangement Fulham College Boys had with the Tri-borough that students coming late to the authority with EAL difficulties would be directed to the school for specialist support. The Tri-borough was supporting this arrangement financially outside of schools budgets. The Council has said this was no longer possible. The indication was that this would have to be done in cooperation with other secondary schools. It will be raised (with a briefing paper) at the next secondary heads meeting.

ACTION: Jan Parnell

Meeting started: 2:00pm
Meeting ended: 5:20pm

Chair

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