

Meeting of the Schools Forum
Thursday 3rd October 2013 at 1.30 p.m. at The Investment Centre, Wigan

Members: A Hardy (Chair), P Dahlstrom, G Lloyd, L Fox, D. Wood, J Shanahan, R Halford, R Lewis, A Isherwood, T Frost, and A Wells.

LA Officers:

A. Goldsmith (Director, Children and Families)
K. Nelson (Head of Education Services)
M Rotheram (Strategic Finance Manager)
C. Myers (Group Finance Manager)
F. Gore (Clerk)

Observers: T. Warren (Liverpool Archdiocese)

1. Apologies for absence.

Apologies for absence were received from S. Darbyshire, D. Donaldson, V Birchall, G Hayes, K. Pilkington, P McGhee, S. Wilson and M. Atkins.

2. Welcome to New Member;

The Chair extended a warm welcome to Mrs Debbie Wood who was attending her first meeting of the Forum in her capacity as the WASCL Vice-Chair in place of Mr Richard Ward.

It was agreed: That Mrs Wood be welcomed and the best thanks of the Forum be extended to Mr Ward for his services.

3. Items for inclusion under AOB -

- **Placement of School Balances**

4. Minutes

It was agreed: That the minutes of the meeting held on 4th July 2013 be approved as a true and correct record.

Matters Arising from the Minutes

4 (i) One Bill System (Minute 5 refers):

Mr Rotheram reported that the last One Bill direct debit run would be on the 17th October and from the 20th October all Council departments will raise invoices for all goods and services provided to schools. Invoices would be sent electronically to the standard school e-mail address. A note would be issued in due course to all schools detailing the revised procedure.

5. Minutes of the Forum Funding Sub-Group

It was agreed: That the minutes of the meeting of the Sub-Group held on 24th September be received.

Matters Arising from the Minutes

see minutes 6 and 7 below

6. Review of School Balances

The Forum received a report (circulated prior to the meeting) on the outcome of a review undertaken at the request of the Forum into the reasons why schools with high levels of balances held those balances. The report had previously been considered by the Schools Forum Funding Sub-Group (see Minute 5 above). The Sub Group had highlighted the responsibilities on Governing Bodies to challenge recommendations to retain high levels of balances without having in place appropriate, time based spending plans. It was also noted that the majority of schools consulted believed the Local Authority should continue to be pro-active in monitoring the level of balances and in challenging spending plans where appropriate.

The Sub-Group noted that the Local Authority continued to receive applications for support, financial and otherwise, from schools, many of whom had significant balances that could be used for the purpose of the individual requests.

It was agreed: That the report be accepted and the recommendation of the Sub-Group that the Local Authority have regard to the level of balances held by individual schools when they seek support from the Authority or apply for additional funding for a range of purposes, be adopted.

7. School Funding Formula 2014-15

The Forum received a report (circulated prior to the meeting) reminding members of the consultations with schools on the school funding formula 2014-15 and detailing the responses received. The Schools Forum Funding Sub-Group had considered this item at its last meeting (see Minute 5 above) and had made a number of recommendations regarding the use of allowable factors in setting the formula for 2014-15. Mr Rotheram reminded the Forum that it was the responsibility of local authorities to take the final decisions on the formula. However agreement was required from Forum on those services to be de-delegated and centrally retained, this agreement had to be approved by the Primary and Secondary representatives for their respective sectors. The recommendations of the Forum would be reported to the Cabinet for consideration before the final funding pro forma was submitted to the Department for Education in January 2014.

Members were informed of a change in the criteria used to determine eligibility for prior attainment funding which had significantly increased the number of pupils eligible for such funding within the Secondary Sector. In recognition of this and in accordance with the decision of the Schools Forum Funding Sub-Group information had been circulated on the impact on schools of four alternative funding models. The information presented was based on the 2012-13 pupil numbers in schools and members were reminded that the actual allocations would only be known when information concerning pupil numbers for 2013-14 was made available in December 2013.

Members considered the four funding models presented and the projected impact on schools. Members were anxious to ensure that monies allocated through the various discretionary elements within the funding formula were targeted at those in greatest need and recognised that in order to achieve this it might be necessary to adopt separate funding criteria for the Primary and Secondary Sectors.

There was a detailed discussion about the impact of the changed method in determining if pupils were eligible for prior attainment funding and the impact of the changes in the criteria within the Secondary Sector and on attainment at Foundation Stage. It was also recognised that any changes adopted for 2014-15 would have a significant impact in that the funding that would follow pupils through their school life in that sector. A number of Local Authorities had made representations to the Government about the immediate and longer term impact of the changed attainment criteria within the Foundation Stage.

It was agreed: (1) That the Forum support the principle that any agreed Funding Formula for 2014-15 be based on targeting funding to those in greatest need.

- (2) That the recommendations of the Schools Forum Funding Sub-Group as reported at Minute 5 be adopted and recommended to the Authority, subject to recommendation xviii regarding the Minimum Funding Guarantee (set at minus 1.5% per pupil in 2014-15) whereby the scaling percentage is fixed at the level that completely funds the Minimum Funding Guarantee commitment.
- (3) That in respect of the Secondary Sector the Forum recommend to the Authority that the Funding Formula 2014-15 be based on Option 2 now submitted (i.e. for Prior Attainment Secondary Schools fund the additional eligible pupils at the same rate per pupil as 2013-14 and transfer £6M to fund this from Basic Entitlement Key Stage 3 and Key Stage 4)
- (4) That a further meeting be held of the Primary Sector representatives on the Forum and the Local Authority to determine the recommended approach to the formulae impacting on the Primary Sector.
- (5) That the Authority be recommended not to top slice the Dedicated Schools Grant (DSG) to create a small fund to support schools with falling rolls in exceptional circumstances but instead to increase the de-delegated contingency budget by £50,000.

8. Revisions to the Scheme for Financing Schools

The Forum received a report (circulated prior to the meeting) informing members that the Secretary of State had issued updated guidance on the Local Authority Scheme for Financing Schools. There was a requirement to consult schools on the changes and to formally seek the approval of the Forum. The report summarised the changes to the present scheme and members asked for clarification on revised arrangements for new early retirement/redundancy costs in respect of the centrally held school budget and for staff employed under community facilities powers.

It was agreed: That subject to clarification by the Director of Children and Families on the impact of the changes to the elements now identified approval be given to the revised Scheme for Financing Schools as now reported.

9 School Budget Out-Turn 2012-13

The Forum received a report (circulated prior to the meeting) on the provisional year end position of the Schools Budget 2012-13. Members were reminded that the Forum had previously agreed that £150,000 had been allocated for the redevelopment of the Pupil Referral Units and this left a total of £1.381M unspent in the 2012-13 budget.

It was agreed: That the under spend now reported be distributed to schools (including nursery schools) on a per-pupil basis.

10 Allocation of the Dedicated School Grant (DSG) Budget 2013-14

The Forum received a report (circulated prior to the meeting) on the latest DSG allocation for 2013-14. Wigan had received a total of £227,472,000 (before Academy recoupment) which was a reduction of £9,000 from 2012-13 as a consequence of reduced pupil numbers. The Authority was required to make a return to their Department for Education by 31 October 2013 showing the planned deployment of the DSG for 2013-14.

It was agreed: That approval be given to the reduction of £9,000 in DSG being contained within the Schools' Contingency Fund 2013-14.

11 Placement of School Balances:

Mr Rotheram reported that the Authority had received advice to review the level of school balances held through the current banking arrangements. Given the termly advance of the balances the amount held could be quite substantial at certain points throughout the year. As such the Authority was now considering options on how best to protect this level of balances. A report would be presented to the next meeting of the Forum.

It was agreed: That the report be accepted and a further report submitted to the next meeting.

12 Date of Next Meeting: Tuesday 26 November 2013 at 1.30 p.m. at the Wigan Investment Centre (members to note venue).

Appendix 1

School Funding Formula 2014-15. –Recommendations of the Schools Forum Funding Sub-Group

It was agreed: That in respect of the Wigan School Funding Formula 2014-15 the Schools Forum be recommended to approve the following:

- i. that in accordance with funding requirements the mandatory basic pupil entitlement for primary pupils be a minimum of £2,000 and for secondary pupils a minimum of £3,000 per pupil and that the actual entitlement will be based upon the use of discretionary powers in respect of the allowable factors.
- ii. that in respect of deprivation factors, the Authority continue to use Free School meals (FSM6) and IDACI factors, based on the agreed 50 : 50 split utilised for 2013-14.
- iii. that with regard to prior attainment it be noted that the recent changes in judging performance and development at the Early Years Foundation Stage and the different criteria adopted with regard to secondary age pupils could significantly increase the number of pupils eligible for funding; therefore there is a potentially significant impact on the future demands on this element of the budget which could have a consequent impact on the level of budget to be allocated via the basic entitlement factor. In order for the Forum to have regard to the need to target resources to maximise the impact of the factors the Authority be asked to prepare a range of funding models which would show the impact of possible changes in prior attainment, deprivation and basic entitlement funding across all schools and report thereon to the Schools Forum.
- iv. that Children Looked After be retained as an eligible factor.
- v. that English as an additional language be retained as an eligible factor.
- vi. that pupil mobility not be used as an eligible factor.
- vii. that sparsity not be used as an eligible factor.
- viii. that the lump sum be retained as an eligible factor at a level of £150,000 for both primary and secondary schools.
- ix. that split sites be retained as an eligible factor at the 2013/14 total allocation of £73,734.

- x. that rates be retained as an eligible factor.
- xi. that no provision be made in respect of contracts let under the Private Finance Initiative
- xii. that it be noted the London fringe factor is not applicable
- xiii. that the Post 16 element be not used as an eligible factor.
- xiv. that pupil led funding remain at 90% of delegated funding.
- xv. the request for the submission of a request to the EFA for the allocation of an exceptional premises factor in relation to the use of a hydro-pool be approved.
- xvi. that in respect of the basic needs growth fund and funding to support schools with falling rolls a move to the creation of an enlarged contingency fund to be used for these and other purposes be supported; and further information be provided at the Schools Forum on the creation of such a fund, its potential uses and amount available from current linked budgets.
- xvii. that with regard to centrally provided services and de-delegated services, the following be approved as:
 - a. **de-delegated services:**
 - Contingencies
 - Behaviour support services
 - Support to underperforming ethnic groups and bilingual learners
 - Free school meals eligibility
 - Insurance
 - Licences and subscriptions
 - Staff costs – supply cover
 - b. **centrally retained services**
 - Co-ordinated admission (allocation of £137,500 in 2013-14)
 - Servicing of the Schools Forum (allocation of £35,962 in 2013-14)
 - Carbon reduction commitment (allocation of £271,201 in 2013-14)
 - Basic Needs Growth Fund (allocation of £100,000 in 2013-14)
- xviii. that with regard to the Minimum Funding Guarantee (set at minus 1.5% per pupil in 2014-15) a scaling of 75% be adopted whereby those schools with increased per pupil budgets retain 25% of the additional funds allocated in order to fund the costs of the Minimum Funding Guarantee as it impacts on other schools.