

Minutes of the Schools Forum

**Held on Monday 18th June at 2.30pm,
at Oldbury Council House Committee Room 2**

Members Present: P Jones, C Walsh, A Burns, R Kentish, M Arnoll,
P Shone, K Morgan, N Toplass,
A Orgill.

Officers Present: R Kerr, C Ward, J Gill and A Timmins.

Apologies: A Cysewski, L Howard, K Bickley and J Smallman.

01/18 **Agenda Item 1 - Apologies**

As Above

02/18 **Agenda Item 2 - Declaration of Interest**

N Toplass - High Needs Block Budget 2018/19 & Special Schools
MFG.

03/18 **Agenda Item 3 - Minutes of Previous Meeting**

Resolved that the minutes for the forum held on the 15th
January 2018 be agreed as correct.

04/18 **Agenda Item 4 - Appointment of Chair and Vice Chair**

The appointment to Chair and Vice Chair were made as follows;-

- Chair – Phil Jones
- Vice Chair – Paul Shone

Schools Forum – 18th June 2018

05/18 **Agenda Item 5 - Attendance of meetings**

R Kerr advised the meeting that terms of membership stated that where a member had failed to attend three consecutive meetings the School Forum could vote on whether their membership should be revoked.

Resolved that members that had fail to attend for three consecutive meetings be written to and reminded of the conditions and that an Early Years representative be sought if appropriate.

06/18 **Agenda Item 6 - School Balances 2017-18 and Budget Plans 2018-19**

The Schools Forum received the report in respect of school balances 2017-18 and budget plans 2018-19.

School balances 2017-18 showed the total school balances at the end of 2017-18 and this was compared to the position at the end of 2016 – 17 which showed that totals had reduced from £21.617m to £20.186m with a differential of £1.431m.

Four schools were in deficit at the end of 2017-18.

The Budget Plans 2018-19 showed the projected balances which had been received from schools.

Twenty primary schools were projecting balances above 10% and two were projecting balances below 1% at the end of 2018-19

There were four schools projecting to go into deficit at the end of 2018-19. A licensed deficit agreement was already in place for one school from the last financial year. The authority was working with the other three schools to agree a deficit recovery plan and sign a licensed deficit agreement.

There were no secondary schools projecting to hold balances above 8% and three secondary schools were projecting balances below 1% at the end of 2017-18.

It was expected that recovery plans would be in place by the end of June.

Schools Forum – 18th June 2018

There was one special school projecting to hold a balance above 10% and one projecting below 1%.

J Smallman queried the increasing deficit on community funds at two of the primary schools and asked what action the local authority was taking.

It was reported that Ferndale Primary had undertaken action to start decreasing the deficit and that Hateley Heath Primary had closed their nursery in December 2017. The authority was working closely with the schools to resolve the issues.

The Chair commented that those schools performing well and carrying significant surplus balances may have already committed those funds for the forthcoming year.

Resolved that the Schools Forum had noted the report.

07/18

Agenda Item 7 - Review of Early Closedown for Schools 2017/18

A key requirement from the Accounts and Audit Regulations 2015 was that from 2017/18 preparation and approval of local authority accounts was brought forward. Draft accounts were due by 31st May with publication on 31st July. It was realised that it had been challenging for school to meet the deadline.

As the deadlines were now statutory, the authority had proposed the following:

- Schools close their accounts based on actual spend to the end of February 2018 and include an estimate of income and expenditure for March 2018.
- The deadline for submission of the closedown template was 16th March 2018.
- To end the requirement to submit termly monitoring in February, so that efforts can be concentrated in meeting the new closedown deadlines.

All but one of the schools met the deadline for the submission of the closedown templates. The authority cannot proceed with consolidating accounts until all were received.

Approximately 40% of returns had been received on the last day which also impacted on the timetable.

Schools Forum – 18th June 2018

There were some minor issues with the templates but it was planned that these would be rectified for the 2018/19 closedown.

Schools reported that the system trialled this year was very challenging and caused duplication of work. It was suggested that a new proposal was brought to the September meeting.

Resolved that the Executive Director – Resources/Strategic Manager be invited to attend the next meeting of the Schools Forum.

08/18 **Agenda Item 8 - Fair Funding updates**

Following consultation, the Secretary of State directed that from the 22 March 2018 loans would only be used to spread the cost of capital funds and not fund overspends.

If loans were made to fund a deficit and the school was subsequently required to convert to Academy status the loan would remain with the local authority and not transfer to the Academy.

Updates had been made to the guidance by the DfE to mirror changes to the Schools and Early Years Finance (England) regulations 2018.

Responsibility for redundancy and early retirement costs had been updated to reflect changes of the Financial Regulations. A central budget could be retained by the local authority to deal with early retirements and redundancies for maintained schools.

Regulations no longer allowed local authorities to issue budget shares for a multiple year period.

The Schools Forum was advised that at 6.2.15 of the attached document SEN had been replaced by Education Health and Care Plan. The document outlined the updates to the scheme for the financing of schools by the Department of Education.

Resolved that the Schools forum approved the update to the scheme for the financing of schools.

09/18 **Agenda Item 9 - Forward Plan 2018/19**

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Schools Forum – 18th June 2018

R Kerr outlined the forward plan 2018/19.

The Chair asked the members received papers for the meeting at least 5 days in advance of the meeting.

10/18

Agenda Item 10 - Feedback – Annual Consultation on arrangements for SEN Pupils, Early Years and Financial issues

The report should have been received at the School Forum meeting on the 12th March 2018, however the meeting was cancelled and the chair requested that feedback was received at this meeting.

The purpose of the report was to inform the Schools Forum in respect to the Dedicated School Grant budget planning process and to carry out the annual consultation of financial issues.

C Ward stated that going forward there will be close monitoring of Focus Provision places available and taken up. We will not be funding vacant places and will remove and reduce FP numbers if they are not used. Adjustments would be made when numbers are run through formula this financial year. This would be reported back to school's forum. Allocation for LAC pupil premium? Virtual Head manages this element for the costs of the work required to meet our statutory duties.

Resolved

1. that a breakdown of Focus Provision data would be brought back to the next meeting.
2. Allocation for LAC pupil premium model be brought back to the next meeting.

11/18

Agenda Item 11 - High Needs Block Outturn 2017/18

R Kerr outlined the report relating to the High Needs Block Grant outturn figures for the financial year 2017/18 and variation analysis.

The High Needs Block was part of the Dedicated Schools Grant which could only be used as defined in the School and Early Years Finance Regulations.

The 2017/18 Grant allocation was £36.843m, the expenditure outturn as at 31st March 2018 was £37.410m resulting in an in-year deficit of £0.567m. This would be offset against the High Needs Block

Schools Forum – 18th June 2018

balances held on the balance sheet as at the 31st March 2017 of £0.491m and £0.76m from the Early Years Grant.

Comments were requested and a report would return to a future meeting.

Resolved that a report would be brought to a future meeting of the Schools Forum.

M Arnoll gave apology and left the meeting.

12/18

Agenda Item 12 - High Needs Block Budget 2018/19 and Special Schools Minimum Funding Guarantee

C Ward outlined the report to the Schools Forum.

In September 2017 Schools Forum agreed to a 4% banding reduction for Special Schools to contribute to the predicted overspend in the High Needs Budget. The reduction had been implemented with effect from 1st April 2018.

When the reduction was proposed and agreed it did not appear to have an impact on the Minimum Funding Guarantee (MFG) of 0%-1.5% therefore an exemption to fund below the Minimum Funding Guarantee was not submitted to the DFE. Further analysis had showed that the overall reduction would in fact breach the MFG for 2018/19.

In order to address this, it was proposed to implement the 4% reduction to Special School bands over a two-year period; with a 2% reduction for 2018/19 and a further 2% for 2019/20.

It was also proposed that funding be considered in respect of residential provision at Shenstone Lodge School. This would be reported back to Schools Forum during the Autumn Term.

Comments made by J Smallman via e mail were noted by the School Forum.

Resolved that a report would be brought to the November meeting of the Schools Forum.

13/18

Any Other Business

Schools Forum – 18th June 2018

Chris Ward De delegation of DSG will stop if the hard formula funding model is introduced in 20/21. We propose to develop a single SLA for LA work to replace the de-delegation and to prepare an indicative budget for schools to consider next financial year.

He anticipated a couple of meetings to work on an SLA. A single SLA will reduce costs centrally. At the moment, it equates to 0.6% of schools budget but we will need to consider which services form the SLA.

P. Shone, C Walsh, D Barton and J Gray would form a small group to discuss.

(Meeting ended at 4pm)

Contact Officer: Shane Parkes Democratic Services Unit 0121 569 3190
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Schools Forum – 18th June 2018