

**LINCOLNSHIRE SCHOOLS' FORUM
 9 OCTOBER 2013**

PRESENT: TERL BRYANT (CHAIRMAN)

David Bennett (Governor, Horncastle Queen Elizabeth's Grammar School), Ellenor Beighton (Headteacher, De Aston, Market Rasen), Graham Burks (Headteacher, Kesteven and Grantham Girls School), Professor Ken Durrands CBE (Governor, The Kings School, Grantham), Jonathan Maddox (Headteacher, Bourne Grammar School), Richard Thomson (Headteacher, Rauceby Church of England Primary Academy), Sharron Close (Governor, Tall Oaks Academy Trust), Joanne Noble (Headteacher, Gainsborough Nursery School), Roger Hewins (Governor, Corringham Church of England Primary School), Mr Craig Vincent Miller (Governor, All Saints Church of England Primary School, North Hykeham), John Beaven (Headteacher, Scampton Pollyplatt Community Primary School), Vicky Cook (Headteacher, Welbourn Church of England Primary School), Patricia Ruff (Headteacher, Dunholme St Chads Church of England Primary School), Ian Wilkinson (Headteacher, Deeping St James Community Primary School), Michael Follows MBE (Governor, John Fielding Community Special School, Boston), Bridget Robson (Headteacher, Fortuna Primary School, Lincoln), Claire Flavell ((14 - 19 Partnership)), Dave Thompson (Pupil Referral Unit) and Councillor Mrs Patricia Anne Bradwell (Executive Councillor ADULT Care and Health Services, Children's Services).

Councillor David Brailsford (Executive Support Councillor for Children's Services) attended the meeting as an observer

Officers in attendance:-

Debbie Barnes (Executive Director Children's Services), Tony Warnock (Head of Finance - Children's and Specialist Services) and Katrina Cope (Team Leader Democratic and Civic Services).

16 APOLOGIES FOR ABSENCE/REPLACEMENT MEMBERS

Apologies for absence were received from John Beswick (Governor, Stickney Church of England Primary School), John Beaven (Headteacher, Scampton Pollyplatt Community Primary School), Roger Hale (Headteacher, Caistor Grammar School) and Jennifer Wheeldon Headteacher, Ellsion Boulters Primary, Scothern).

17 MINUTES OF THE MEETING HELD ON 26 JUNE 2013

RESOLVED

That the minutes of the previous meeting held on 26 June 2013 be agreed and signed by the Chairman as a correct record.

**18 SCHOOL FUNDING REFORM: FINDINGS FROM THE REVIEW OF
2013/14 & ARRANGEMENTS AND CHANGES FOR 2014/15**

Consideration was given to a report from the Head of Finance – Children's Specialist Services, which sought comment from the Schools Forum on the Local Authority's proposals for funding of schools from April 2014. It was reported that in June 2013; the Government had announced a number of changes to the school funding arrangements for 2014/15. The Forum had received outline details of that announcement at their meeting held on 26 June 2013. Since that meeting consultations had taken place with all schools; the Children and Young People's Scrutiny Committee on 6 September 2013; and a working group of Schools Forum representatives (Membership details were shown at Appendix 1 to the report) on 24 September 2013. The report presented contained the Local Authority's latest proposals for the funding of schools for the next year.

Appendix 2 to the report detailed the eight questions set out in the consultation document. It was reported that since the report had been written the Government had announced that the Looked After Children premium was to be set £1,900 and it was therefore proposed to reduce the Looked After Children factor from £1,200 as previously agreed to £600.

Reference was also made to the De-Delegation of Budgets for Maintained Schools for 2014/15; full details were shown at Appendix 3 to the report.

The Head of Finance – Children's Specialist Services highlighted that only maintained schools could have funds de-delegated and therefore when the Forum voted on the recommendation pertaining to de-delegation, only maintained schools were able to vote. As there was no representative for Secondary Maintained Schools present at the meeting, no decision was made in relation to Equality for Minority Communities budget of (£7k), as detailed in table 2 on page 16 of Appendix 3 of the report.

Academies would not be entitled to vote on this issue. Academies would receive a share of the delegated budget within their budget share each year.

It was also reported that where budgets were de-delegated for maintained schools, any underspendings arising at the end of the financial year would be earmarked for the benefit only of the maintained schools within that sector.

Details concerning the use of the Intervention Budget were appended at Appendix 4 to the report.

Discussion ensued, from which the following issues were raised:-

- It was highlighted in relation to Looked After Children that 350 children were imported into Lincolnshire from other local authorities. The Forum were advised that no funding beyond the Dedicated Schools Grant was received in respect of these pupils and as a local authority we had no say in where a pupil from another authority are placed;

- Some members of the Forum requested information as to how money for Looked After Children was spent. Members were reassured that this information would be made available by the relevant service manager; and
- An explanation of the measures in place for Schools in financial difficulty.

The Forum was advised that the next steps would be:-

- That the views of the Forum would be considered by Children's Services Directorate Management Team and the Executive Councillor, Councillor Mrs P A Bradwell;
- The report would then be drafted for Councillor Mrs Bradwell to approve formally the Local Authority's proposals for future funding of schools. The Forum at this point requested that a copy of the report should be made available to members of the Forum;
- The report would be considered by the Children and Young People's Scrutiny Committee at their meeting on 18 October 2013 prior to the decision being taken by Councillor Mrs Bradwell; and
- That the proforma would then be submitted to the DfE by 31 October 2013.

RESOLVED

1. That the contents of the report presented be noted.
2. That the feedback from the consultation with schools and the working group be received.
3. That the Local Authority's proposals for the future funding of schools be approved subject to the Looked After Children factor being amended to £600.00.
4. That the Maintained Primary representatives supported the proposals for de-delegation of the budgets as outlined in Appendix 3.

19 REVISED SCHOOL BUDGET 2013/14

The Forum gave consideration to a report from the Head of Finance - Children's and Specialist Services, which provided the revised Schools Budget for 2013/14 and sought support for the proposed use of the underspending from 2012/13.

It was reported that the Dedicated Schools Grant (DSG) was a ring-fenced grant that could only be spent in accordance with the purposes outlined in the DfE's regulations. A revision to the Schools Budget was necessary each year to reflect the under or overspending arising on the DSG in the previous financial year.

The report highlighted that the total underspending to carry forward at 31 March 2013 was £16.688m. Included in this figure was an underspending of £3.345m on the 2012/13 centrally managed DSG budgets. Details of the main underspendings were shown in Appendix 1. The underspendings had arisen, as a result of the Local

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Authority's (LA's) prudent management of the budgets and its on-going strategy of using all other available funds before the DSG.

The current commitments of £9.550m were summarised in Appendix 2. It was highlighted that the LA had no plans to use the underspending from last year to finance new developments. The report also detailed proposals for use of the uncommitted sum and, in view of various uncertainties, it was proposed that £3m of the DSG underspending for last year would be set aside until the future position becomes clearer. As the LA recognises that any uncommitted DSG fund should be put to good use and not retained indefinitely, it was proposed to distribute the remaining balance (c.£4m) to schools using the formula for devolved capital, with both the block and per pupil elements recorded as shown in the report being uplifted by the same percentage.

The Forum were advised that distribution of the £4m would no longer be made as an in-year adjustment due to changes in the DfE's rules. The proposal was to write out to all schools advising them that the allocations would be made available on 1 April 2014.

During discussion, the following points were noted:-

- Consideration should be given to using some of the unallocated DSG for TAC;
- That for the January meeting, the Schools Forum should receive a report, which details the proposed allocations of the £4m DSG underspend;
- Confirmation was given that Academies were included in the redistribution which would take place on 1 April 2014;
- That the Broadband cost was as a result of the overlap from the old to the new contract;
- Outreach Programme – The Forum were advised that a report would be coming forward to the next meeting of the Schools Forum in January 2014; and
- Carbon Management – That an update report should be presented to the next meeting concerning Carbon Management Efficiencies.

RESOLVED

1. That the report be noted.
2. That support be given to the Local Authority's proposals for use of the 2012/13 DSG underspending and that a report be presented to the 15 January 2014 detailing how this will be done.
3. That a report on the Outreach Programme be included on the agenda for the 15 January 2014 meeting.
4. That an update report on Carbon Management Efficiencies be included on the agenda for the 15 January 2014 meeting.

20 SCHEME FOR FINANCING SCHOOLS

The Head of Finance – Children's and Specialist Services presented a report, which highlighted to the Schools Forum the latest publication by the DfE on its revised guidance on Schemes for Financing Schools.

It was reported that periodically the DfE directs LA's to amend their Schemes and on 23 March 2013 the LA was directed to make further revision to the Scheme. The most important revisions to the Scheme from the 1 April 2013 were as follows:-

- The new Scheme now applied to Pupil Referral Units;
- Only Schools Forum Members representing maintained schools should approve Scheme changes;
- The inclusion of a statement that top-up payments should be made monthly unless agreed otherwise; and
- Confirmation that funding to support schools in financial difficulty could only come from a de-delegated contingency for mainstream schools, or a central budget for special schools and PRU's.

The report also detailed the LA's proposed change to the Scheme, with the introduction of a requirement for all maintained schools to submit a medium term finance plan (MTFP) to the LA by the 31 May each year. It was noted that the LA was required to consult the Schools Forum and all maintained schools on this change. Subject to the views of the Forum, the LA was planning to consult schools in the autumn term. If agreed, the requirement to submit a MTFP would be introduced for the first time in the 2014/15 financial year, with the first submission from schools being due in by 31 May 2014.

The Schools Forum were advised that the schools would not be required to use the LA template, but to do so would be preferable.

RESOLVED

1. That the Maintained school representatives note the content of the report.
2. That Maintained school representatives approve, in advance of a consultation with all maintained schools, the Local Authority's proposal for requiring maintained schools to submit a Medium Term Finance Plan to the Local Authority by 31 May each year.

21 2013/14 SECTION 251 BENCHMARKING INFORMATION

Consideration was given to a report from the Head of Finance – Children's and Specialist Services, which brought to the Schools Forum's attention the latest s.251 benchmarking data published by the DfE in September 2013.

The report highlighted that all LA's were required to publish, prior to the start of the financial year, a statement showing their planned expenditure on Children's Services.

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A copy of the benchmarking data was circulated to members at the meeting.

The report presented highlighted a number of key issues to the Forum. Members were encouraged by the Chairman to visit the LA benchmarking website.

Some concern was expressed regarding the cost of Lincolnshire's funding per capita for school transport of £247.00 against the average figure for England of £86.00. The inflated cost for Lincolnshire was as a result of the rural nature of the county.

RESOLVED

That the report be noted.

22 **MAINTAINED SCHOOL CARRY FORWARDS (2012/13)**

A report was presented from the Head of Finance – Children's and Specialist Services, which provided the Schools Forum with information relating to Lincolnshire's Maintained schools' carry forwards at 31 March 2013.

It was reported that the underspendings carried forward has risen significantly. The overall levels of school carry forwards in maintained nursery, primary, secondary and special schools had risen by £5.318m from £14.432m in 2011/12 to £19.660m at the end of 2012/13.

It was highlighted that the Local Authority's carry forward policy was introduced in the 1 April 2004, which allowed maintained nursery, primary and special schools to carry forward for any purposes, up to 8% of their budget share, or £30k (whichever was greater), with Maintained secondary schools being able to carry forward 5% of their budget share. The report clearly identified that some schools had exceeded their carry forward limit. Schools had been reminded that they needed to comply with the policy and demonstrate how they planned to use their excess balances. The LA would continue to keep the carry forward policy under review.

The Forum were advised that the total number of schools in deficit had decreased by 15, from 19 to 4. Full details were shown on page 41 of the report presented.

The Forum was advised further that the LA believed that schools should spend their annual budgets on the pupils that were in the school in that year. It was highlighted however, that it was important that schools retained a reasonable level of reserves to help smooth out modest fluctuations in income and expenditure from year to year, which would help ensure better use of resources by avoiding redundancies where possible. Changes in national and local funding arrangements had created uncertainty and schools had responded in recent years by increasing their level of reserves.

In conclusion, the Forum were reassured that the Finance Team would continue to provide advice and guidance to Maintained schools, monitor their financial position and have regular meetings with those schools who had significant overspendings.

The Head of Finance - Children's and Specialist Services highlighted to the Forum that Maintained schools' Balances at 31.03.2013 would have included unspent funds from the £7m DSG allocation to all schools in the autumn of 2012.

During discussion, the following issues were raised:-

- That very few schools had deficit budgets;
- Reassurance was given that sufficient monitoring procedures were in place to monitor schools; and
- Confirmation was given that there was no pattern emerging within each sector as to why there was an increase in underspends.

RESOLVED

That the report presented be noted.

23 ACADEMIES UPDATE

The Forum gave consideration to a report from the Head of Property and Technology Management, which provided information on the latest number of pupils in academies.

The current position as at 1 September 2013 of pupil figures were detailed on page 50/51 of the report presented. Overall out of the 359 schools (101,336 FTE), 252 (44,592 FTE) were maintained and 107 (56,744 FTE) were now academies.

The projected six month status of all 360 Lincolnshire Schools (101,090 FTE), 249 would be Maintained (43983 FTE) and 111 would be academies (57,108 FTE).

RESOLVED

That the report be noted.

24 SCHOOL AND EARLY YEARS FINANCE REGULATIONS 2013 AND
ADDITIONAL GRANT CONDITIONS FOR THE DEDICATED SCHOOLS
GRANT - DFE CONSULTATION

Consideration was given to a report from the Head of Finance – Children's and Specialist Services, which advised the Forum that on 2 August 2013, the DfE had published a consultation on the School and Early Years Finance Regulations for 2013 and additional grant conditions for the Dedicated Schools Grant.

The report highlighted that the proposed changes would give effect to the changes to the funding system that the government intended to introduce in 2014/15. A summary of the proposed changes were appended to the report presented.

RESOLVED

That the report presented be noted.

25 SCHOOLS FINANCIAL VALUE STANDARD

The Head of Finance Children's and Specialist Services presented a report, which provided the Forum with an update on the Schools Financial Value Standard (SFVS).

It was highlighted that Maintained schools were required to complete the SFVS once a year. The SFVS comprised of 23 questions that governors should formally discuss with school staff and then a declaration should be signed by the Chair of Governors before being sent to the LA each year. It was highlighted further that the SFVS was not externally assessed.

The 2012/13 position pertaining to SFVS's was that only two schools had failed to comply. The reasons for non-compliance were detailed in the report.

It was highlighted that the SFVS did not apply to academies, although they were free to use it. Academies were required to comply with the Academies Handbook.

RESOLVED

That the report be noted.

26 INFORMATION PACK**11A Draft Minutes from the Children and Young People's Strategic Partnership meeting held on 7 August 2013.**

The Executive Director of Children's Services highlighted that work was on going concerning the Team Around the Child audit to ensure that current processes were robust enough.

11B Draft Minutes from the Strategy review Board held on 11 September 2013

The Forum was advised that work was on-going regarding re-engaging schools with the Open Hive VLE in order to raise its profile. It was noted that the date for the re launch was yet to be agreed, and that this date would be confirmed to Forum before the next meeting. The Forum agreed that a report on Open Hive should be included on the agenda for the next meeting.

11C Outreach Review (to Follow)

As no report was received in relation to the Outreach Review, the Forum requested that a report should be presented to the next meeting of the Forum on 15 January 2014.

11D Energy Update

The Forum requested that an update report should be received at the next meeting in 15 January 2014.

11E List of Acronyms

No comments.

11F School's Forum Work Plan

RESOLVED

That the work plan be agreed subject to the inclusion of items highlighted at minute numbers 19(2) (3) (4) and 26 (11B).

The meeting closed at 4.15 am