

Minutes Cheshire West and Chester Schools Forum, Queen's Park High School, Chester, 12 December 2016 approved 16 January 2017

Present:

Paula Adolph

Sue Anderson (sub for vacancy)

Hilary Berry

Alan Brown (sub for Sarah Curtis)

Cheryl Bullen

David Charlton (Chair)

David Curry

Ian Devereux- Roberts (sub for Chris Priddey)

Kate Docherty

Steve Dool

John Freeman

Carol Gahan

Duncan Haworth

Sarah Lee

Kath Lloyd

Judith McGuinness (sub for Samantha Myers-Whittaker)

John Murray

Sue Pearson

Katie Tyrrie

Caroline Vile

Sarah Worthington

Sue Yates

Harry Ziman

Representing:

PVI (Private, voluntary and independent) early years' providers

PVI

CWAPH (Cheshire West Association of Primary Headteachers)

Primary headteachers

Primary headteachers

Secondary headteachers

Secondary headteachers

Primary headteachers

Primary headteachers

Academies

PVI early years' providers

Secondary governors

Primary governors

Primary governors

Academies

Primary governors

Special headteachers

Academies

Primary governors

Nursery headteachers

Diocese

Primary headteachers

Secondary headteachers

Academies

Officers:

Natalie Cole

Charlotte Fenn (Clerk)

Mark Parkinson

Paul Plested

Debbie Thompson

Official observers:

**Observers/
public:**

Lyndsay Watterson,
QPHS

1. Introductions and apologies

Charlotte Fenn reported that the term of office for David Charlton and Harry Ziman, as Chair and Vice-chair, had come to an end and proposed that the Forum agree for David Charlton to chair this meeting. This would give new members the opportunity to take part in the election process of a new chair and vice-chair, organised by the Clerk in time for the next meeting. The vote was unanimous.

Apologies were received from Sarah Curtis, Luci Jones, Kerry Kirkwood (not reported at the meeting), Kathryn Magiera and Samantha Myers-Whittaker.

David Charlton reported that a number of members' term of office had come to an end. Primary governors Martin Nield and Ian Trotman, secondary governor Jenny Turner and PVI rep Kathie Foye had confirmed that they did not intend standing for a further term. John Barber had also notified the Clerk that he would no longer be the Education Funding Agency observer on the Forum; no replacement had as yet been named.

David Charlton reported the outcomes of the recent elections and welcomed the new members to the group:

Primary governors

First round (four vacancies/two nominations)

Duncan Haworth	Woodfall Primary	re-elected
Kath Lloyd	Westminster Primary	elected new rep

Second round (two vacancies/three nominations)

Sue Pearson	Helsby Horns Mill Primary	re-elected
Carol Gahan	JH Godwin Primary	elected new rep
Heather Lewis	Meadow Primary	named substitute

Special governor (one vacancy/one nomination)

Philip Hopwood	Greenbank School	re-elected
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Secondary governor (one vacancy/one nomination)

One nomination received from Weaverham HS, the nominee was not eligible under the scheme as no more than one governor could be elected to the Schools Forum from the same governing body; vacancy remains.

PVI

Sue Anderson, as named sub, was covering the vacancy while a rep was being sought.

Trade Unions

Greg Foster was re-elected by the JCC as the teaching staff rep.

Headteacher

David Charlton	Secondary	re-elected
Sarah Curtis	Primary	re-elected

2. Minutes and matters arising of last meeting

2.1 Minutes of the last meeting

The minutes of the meeting held on 19 September 2016 were agreed as a correct record.

2.2 Matters arising

2.2.1 item 3 Maintained School Balances Financial Year 2015-2016

David Charlton sought clarification, as the Balance Control Mechanism (BCM) was no longer in operation, as to whether Officers had written to schools who had in excess of the BCM threshold and requested spending plans. Natalie Cole, Finance Manager, reported that schools had not been formally written to as plans had come in through other routes as part of conversations with Finance colleagues and were being looked at.

3. Apprenticeship Levy (item 7 on the agenda)

Paul Plested, Finance Manager, tabled a briefing note entitled 'Apprenticeship Levy Update' which provided background to the levy, a summary of the basis for a charge determined by the status of the school and the financial impact on a typical maintained school.

A levy would be payable by all employer's based on a 0.5% charge on an employer's pay bill, with an annual allowance of £15,000 to offset their liabilities; in effect only employer's with annual pay bills in excess of £3m would pay a level. Academy Trusts, Multi-Academy Trusts, Foundation schools and Voluntary Aided schools were deemed as separate employers and the levy would apply to each school where as the LA was the employer for Community and Voluntary Controlled schools and they were included in the Council's payroll figures. It was noted that, for planning purposes, schools should assume that where a share of the levy placed on the LA was due to the school's inclusion in the LA's total payroll, a charge would be made to recover the impact.

It was noted that the levy arrangements were complex and a separate PAYE scheme was required where pooled PAYE schemes were in place; seven schools impacted by changing payroll arrangements were listed in the briefing note.

Officers were looking at merging the two pay dates (15th and 18th) to reduce costs and minimise the additional operational overheads.

Paul Plested reported that employers would be able to draw down funding from the apprenticeship levy digital account to recover training costs but not the cost of employing the apprentice. It was also noted that adjustment would be made for those employees that lived in Wales, where the levy was not being applied. This would not reduce the levy charge, but would reduce value being credited to the digital account against which training costs could be charged

Debbie Thompson, Senior HR Manager, provided additional clarification regarding the interpretation of an apprenticeship. It was noted that apprenticeships, in this context, could include career development e.g. training classroom assistants with 20% of their job spent on training. It was noted that Officers were awaiting further guidance so not all the Forum's questions could be answered at this time. Further clarification would be sought regarding how this impacts on School Direct on the job training, apprentices living in Wales and whether payroll changes mean new payroll numbers.

Debbie Thompson informed Forum members that Mike Lally, Business Relationship Manager for Schools, was sending out a briefing note to the seven schools affected by the payroll migration.

David Charlton questioned as to whether schools would be receiving a briefing, in particular secondary schools. Officers confirmed that they would, however they were still waiting for further operational guidance and clarification.

Debbie Thompson reported that, in January, CLT (Council's Leadership Team) would be looking at what resources were needed to implement this legislation and any emerging issues, one being the target set by government on the number of apprentices to be employed which is based on a percentage of the employer's

headcount rather than FTE. This would more than triple the LA's pay costs with the number of apprentices the LA needs to employ increasing to around 180.

4. Falling Rolls Fund

David Charlton welcomed Lyndsay Watterson, Headteacher Queen's Park High School (QPHS), to the meeting as an observer.

Several Forum members declared an interest prior to the item being discussed; Alan Brown's wife worked at Christleton HS and his children attended the school; Sue Pearson was a governor at QPHS; Sarah Lee's husband was a governor at QPHS and the Cheshire Vale Teaching School Alliance had worked with QPHS.

Mark Parkinson, Director of Education, introduced the report on behalf of the finance sub group. The report sought approval for the creation of a falling roll fund for 2017-2018.

Mark Parkinson took Forum members through the key points in the report. It was noted that falling pupil numbers had significantly affected QPHS funding and this reduction was not protected through Minimum Funding Guarantee. An independent review had been commissioned by the LA which established that no further significant savings could be made, and pupil analysis had established that extra pupils would be coming through as a result of housing developments and surplus places would be fully utilised by 2020. Mark Parkinson stressed that the LA had no proposal to close QPHS.

It was noted that the proposal to establish a falling rolls fund in relation to QPHS was at the suggestion of the DfE who were managing the conversion of the school into a Multi Academy Trust (MAT) with Christleton Learning Trust (CLT). Joining the MAT would make QPHS eligible for falling rolls funding under the criteria that schools must be good or outstanding.

Officers and the Finance sub group had meet on two occasions to discuss the proposal and impact of not taking steps to support the school temporarily. Lyndsay Watterson attended the second meeting to clarify points regarding the schools financial position and what actions had been taken to reduce the forecasted in year funding shortfall. Mark Parkinson informed Forum members that Tony Lamberton, CEO CLT, had been invited to attend the meeting with Lyndsay Watterson but had not due to a misunderstanding.

A statement from Tony Lamberton entitled ' Information relevant to sponsored Academisation of QPHS and falling rolls mechanism' was tabled in support of their financial commitment to QPHS.

It was noted that the falling roll fund proposal would help QPHS through the next three years but would not 'bail' them out or fully bridge the funding gap, there was still a significant amount for the CLT to cover.

Mark Parkinson confirmed that no other school currently fitted the criteria but it was acknowledged that UCAN (University of Chester Academy Northwich) would trigger funding if it achieved an OFSTED category of good.

Schools Forum members had an in-depth discussion regarding the proposal and raised a number of queries/concerns that neither Officers nor Lyndsay Watterson were in a position to address.

Questions were raised as to whether QPHS deficit could be covered by taking out a loan; Officers reported that under the regulations schools could not take out a loan of this nature.

In response to a question regarding the sixth form going forward, Lyndsay Watterson responded that they had looked at the costings and it was felt that closing the sixth form would be costly and detrimental at this time and would have an impact on parent's perception of the school. In due course the MAT would be looking at making efficiencies across the three schools. The sixth form currently ran some joint courses with The Catholic High School, Chester, which was their closest neighbour.

In response to a question regarding where the falling rolls would be funded from, Natalie Cole confirmed that the DSG would be top-sliced across all schools, including those in deficient; this would equate to a reduction of £5 per pupil for the first year, reducing proportionally over the subsequent following two years.

A number of Forum members expressed their concern and discomfort in coming to a decision as they felt they had not been presented with enough facts or clarity on the proposals. David Charlton conducted a straw poll to determine who would be willing to accept the proposal without further information from CLT and the forum was evenly split.

The Forum agreed to defer a decision until the next meeting while further clarification was sought in particular regarding CLT plans for the QPHS site and the impact of the proposed International Studio School, would QPHS remain longer term; how CLT proposed to cover the shortfall between the £600k falling rolls funding and the projected £1.5m deficit; what further savings could CLT make when QPHS became part of CLT MAT; what were their plans should the predicated pupil numbers not materialise?

The Schools Forum resolved that

1. the decision be deferred to the next meeting on Monday 16 January 2017;
and
2. CLT be asked to provide a business plan to demonstrate the future viability of QPHS as part of CLT MAT.

5. Changes in funding arrangements for Income Deprivation Affecting Children Index (IDACI) bands

Natalie Cole introduced the report which set out the review undertaken by the Finance Sub Group on the impact of the change in IDACI bands for the 2017-2018 Schools Block funding formula.

It was noted that the option proposed was as cost neutral as could be and maintained the original principles for allocating funding (as outlined under paragraph 6).

Forums attention was drawn to appendix A which provided a comparison of current IDACI allocations and indicative rates for 2017-2018.

Resolved that the Schools Forum approve the recommendation of the Finance Sub Group to revise the bands and values used to allocate funding through the IDACI deprivation factor in the Schools Block funding formula for 2017-2018.

6. Initial Planning for DSG Allocations for 2017-2018 and Budget Setting

Natalie Cole took Forum members through a tabled paper which provided the draft allocation, draft policy options and technical adjustments for DSG 2017-2018.

It was noted that the figures presented were estimates as Officers had not yet received the indicative data from the DfE; pupil numbers had only just arrived on Friday 9 December.

The data presented took into account some of the changes as part of the move towards the National School Funding Formula. It was noted that the schools block had been redefined to include a central schools block & ESG (Education Support Grant) retained duties. It was noted that the ESG funding had been cut but the LA's statutory duties remained such as; EWOs (Education Welfare Officers), asset management, finance.

Funding from the high needs block (6k notional SEN) had been moved to the schools block following a base-line exercise by the EFA.

Schools Forum members were reminded that the £800k carry-forward from 2015-2016 had been a one-off and would not be available in 2017-2018.

Forum's attention was drawn to the funding change request for hospital education. This request was as a result of the increase in pupil numbers from 14 to 30 following the relocation of Ancora House School (formerly Pine Lodge Short Stay School).

Natalie Cole reported changes to School Improvement funding. Two new funding sources were being introduced; the LA was to receive a share of the new School Improvement funding to offset part of the cuts in the ESG and schools would be able to bid for school improvement funding; the bidding process had not yet been published by the EFA.

A further report would be brought to the Schools Forum for consideration in January 2017.

7. Dedicated Schools Grant (DSG) 2016-2017 Forecast Outturn at Mid-Year Review (item 3 on the agenda)

Paul Plested introduced the paper which provided an update on the financial forecast outturn position for 2016-2017 for centrally held DSG as reported at the Mid-Year Review. It was noted that these figures were based on the position at September 2016 and may differ slightly from those in the previous report as things had moved on.

It was noted that Officers were expecting to report a slightly improved position to Members at the third review in January 2017.

Resolved that the Schools Forum note the Mid-Year Review position on the DSG.

8. Any Other Business

Early years funding Changes to funding for three- and four-year olds

Natalie Cole reported that the Government response to the Early Years consultation had been published last week. The new funding formula would commence in April 2017, however the Schools Forum needed to be consulted on changes to the local early years single funding formula, including agreeing central spend by 28th February.

Officers proposed that the Early Years Finance sub group review the outcomes of the consultation and put forward recommendations for the local early years single funding formula including use of supplements. Due to the short timescale, recommendations would be put to the Schools Forum to approve via virtual vote, then members approval sought prior to the 28 February deadline.

Resolved that the Schools Forum agreed Officers proposal for the Early Years Finance sub group to put forward local early years single funding formula recommendations for the Schools Forum to approve via virtual vote.

9. Next meeting

Monday 16 January 2017 Queen's Park High School 4.30 - 6.30. Schools Forum finance sub group meeting Tuesday 13 December had been cancelled.