

**Cheshire West and Chester Schools Forum, Queen's Park High School,  
Chester, 19 September 2016 approved by Schools Forum 12 December 2016**

**Present:**

Paula Adolph

Hilary Berry

Cheryl Bullen

David Charlton (Chair)

Sarah Curtis

Kate Docherty

Steve Dool

Kathie Foye

John Freeman

Duncan Haworth

Mike Holland (sub for David  
Curry)

Luci Jones

Sarah Lee

John Murray

Samantha Myers-Whittaker

Sue Pearson

David Rowlands (sub for Martin  
Nield)

Ian Trotman

Jenny Turner

Katie Tyrie

Caroline Vile

Geoff Wright

Sue Yates

**Representing:**

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

CWAPH (Cheshire West  
Association of Primary Head  
teachers)

Primary head teachers

Secondary head teachers

Primary head teachers

Primary head teachers

Academies

PVI early years' providers

Secondary governors

Primary governors

Secondary head teachers

Academies

Academies

Academies

Special head teachers

Primary governors

Primary governors

Primary governors

Secondary governors

Nursery head teachers

Diocese

Unions

Secondary head teachers

**Officers:**

Janet Beckett

Natalie Cole

Charlotte Fenn (Clerk)

Sue Lawson

Mark Parkinson

Janine Smart

**Official observers:**

**Observers/  
public:**

**1. Introductions and apologies**

Apologies were received from David Curry, Ian Devereux- Roberts currently covering for Chris Priddey who was on paternity leave, Greg Foster, Kerry Kirkwood, Francis Kwateng, Kathryn Magiera, Martin Nield and Harry Ziman.

David Charlton welcomed three new members to the group:

Katie Tyrie, new nursery head representative, who had been appointed as the new head at St Mary's nursery following the retirement of Ken Jones;  
Caroline Vile, Head teacher Ellesmere Port Catholic High School, diocesan representative taking over from John Murray;  
Paula Adolph from Whitby Heath Pre-school, PVI representative, who replaced Angelina Wheeler who's term of office ended in May 2016.

It was also noted that Sue Anderson, The Beeches Pre-school, had been named as the PVI substitute.

David Charlton also welcomed back Steve Dool, Sarah Lee and Harry Ziman who had been re-elected as academy representatives and Sue Yates who had been re-elected as secondary head representative following their term of office ending.

It was also noted that Joy Verrier would no longer be acting as primary governor substitute as she had retired from her governor role.

## **2. Minutes and matters arising of last meeting**

### **2.1 Minutes of the last meeting**

The minutes of the meeting held on 14 March 2016 were agreed as a correct record.

### **2.2 Matters arising**

None to report.

## **3. Children and Families – Basic Need Capital Programme 2016-2019**

David Charlton welcomed Janine Smart to her first Schools Forum meeting as Capital Development Manager.

David Charlton declared an interest and offered to step down as chair for this item, if the Forum so wished, Forum members were happy for David to continue in the chair.

Janine Smart took Forum members through the paper which provided an update on the Children and Families Basic Need Capital Programme. It was noted that the current strategy was for three financial years and a revised strategy would be drawn up over the next few months and brought to Schools Forum in the spring term.

Janine Smart sought to clarify questions regarding the reported zero funding for 2018-2019. It was noted that, in broad terms, the allocations were calculated by looking at the pupil forecast need of places against the capacity of schools minus planned changes already funded. At present the EFA (Education Funding Agency) deemed CWAC sufficiently funded to meet its forecast needs at this point in time but this may change with future forecasts.

It was noted that this funding was not ring fenced but the LA had historically used the funding in full to support the schools programme and continued to do so.

Janine Smart emphasised that the programme delivery dates, in appendix 1, were anticipated dates as there were many factors that could impact on programme delivery.

Sam Myers-Whittaker sought clarification regarding the planned investment at Oaklands special school. Janine Smart reported that the work to be carried out was to make the accommodation fit for purpose for the current pupils and not to accommodate an increase in PAN (published admission numbers).

It was noted that consultations would be carried in relation to an increase in PAN where necessary.

Mark Parkinson, Director of Education, informed Forum members that, following the retirement of Claire Gregory, Carolyn Davis had taken over her role as Senior Manager and was delighted to have Janine Smart as the new Capital Development Manager, who was a great addition to the team. Mark Parkinson urged colleagues to 'pick up the phone' and contact Janine at an early stage if they needed to discuss any capital development issues.

**Resolved that the Schools Forum note the paper.**

#### **4. School Intervention budget 2015-2016**

Janet Beckett, School Intervention and Schools Causing Concern Manager, introduced the paper which informed Forum members as to how the School Intervention budget was deployed during 2015-2016.

Janet Beckett informed the group that, should a school receiving school intervention support receive a good Ofsted judgement during this time, resources would not be withdrawn immediately but would continue to ensure completion of any ongoing initiatives where necessary.

Forum members' attention was drawn to paragraph 5.4; Janet Beckett informed the group that, although the standards in academies were the responsibility of the DfE, it did not mean that academies did not get support from the school intervention budget only that they would not be assigned an ASIA (associate school improvement adviser) or curriculum adviser. It was noted that the role of the Regional School Commissioners (RSC) was not new, however they now had powers to act on behalf of the government in relation to failing, underperforming and coasting schools.

Janet Beckett informed Forum members that there were areas that the School Improvement team would be reviewing in particular 'coasting schools' and school governance which was now high profile due to the new duty of facilitating the conversion to academy.

Forum members supported Sarah Lee's observation that the increase of the proportion of CWAC pupils in good and outstanding schools, outlined in paragraph 9.5, was worth celebrating.

Mark Parkinson acknowledged Sue Pearson's comment, that the RSC had recently referred to CWAC schools as 'light touch', as a success story which demonstrated how all concerned had worked together in partnership.

**Resolved that the Schools Forum note the paper.**

## **5. Early Years National Funding Formula (EYNFF) Consultation August 2016**

David Charlton drew Forum members' attention to the tabled paper which contained the draft consultation response from the Early Years reference group which would be referred to during the item.

Natalie Cole, Finance Manager, presented the report which outlined the key proposals and potential impact of the Government consultation for the introduction of an EYNFF.

It was noted that, although the implementation of the schools national funding formula had been postponed, the Government still intended to implement the EYNFF from April 2017.

Forum members' attention was drawn to paragraph 5 which summarised the consultation proposals.

It was noted that CWAC was one of the 25% of LAs that stood to lose from the proposals with a funding reduction of 631k by 2018-2019.

Natalie Cole warned the Forum that the impact on providers was not explicit in the consultation; any gains would be negligible due to the changes and removal of some supplements. The cap on central spend would also have an impact as some services would have to be withdrawn or offered as a traded service.

It was noted that a significant amount of work was required, as outlined in next steps paragraphs 17 – 18, within a tight timescale to ensure implementation by April 2017.

Sue Lawson, Commissioning Manager, referred Forum members to the draft response to the consultation. It was noted that the early years reference group, in formulating their response, had found some of the questions badly worded and unclear and were unable to form an opinion on some due to the lack of, and clarity of, information provided in the consultation document. It was noted that the group had also raised concerns in their response regarding the lack of guidance on cross boarder issues with Scotland & Wales and the lack of direction on the lump sum for nursery schools.

Sue Lawson informed Forum members that CWAC was a loser in part due to the LA being more generous in its supplements and still retaining an Early Years Team, which many LA's no longer had.

The group discussed the consultation response and put forward some observations. Concerns were raised that nursery's were vulnerable and would suffer as a result of the proposals and some may shut; removal of the quality supplement would reduce the ability to monitor quality of provision and this in turn may have a knock on effect in schools. The consultation response needed to reflect that any changes need to ensure funding went to those who needed it most and LAs should not be penalised for keeping a service doing well.

Mark Parkinson commented that it was ironic as CWAC had seen its best year's performance in Early Years and were second best in the North West.

The Forum commented that there was still an issue regarding parents registering for free school meals in light of the universal infant free school meals policy; it was noted that this had been flagged as an issue in the consultation response and use of IDACI (Income Deprivation Affecting Children Index) as an alternative raised.

It was acknowledged that work by schools and the LA continued to be done to ensure eligible pupils register for free school meals.

David Charlton thanked colleagues and the early years reference group for the work put into completing the consultation response.

**Resolved that the Schools Forum** agreed the response to the consultation from the Early Years Reference Group subject to incorporating Forum members' observations.

## **6. Maintained School Balances Financial Year 2015-2016**

Natalie Cole introduced the paper which informed the Schools Forum of the final outturn position of maintained schools. It was noted that the figures did not include academies.

Natalie Cole apologised for errors in the figures in paragraph 5; however the school balances in the table were correct for 2015-2016.

It was noted that paragraph 5 should read as:

The net surplus is made up of **£11.5m** of surplus balances across **124** schools and **£0.861m** of deficit balances. There are **16** schools with deficit balances which is a **decrease of eight** on **2014-2015**.

It was noted that the Balance Control Mechanism (BCM) and requirement for schools to submit plans for unspent balances was not in operation, largely due to a decision based on equity with academies, though Officers would review schools with excessive balances.

Steve Dool brought to the Forum's attention a decision made at a previous meeting that academies figures should be included. It was acknowledged that this had been suggested but no mechanism to secure the figures had been agreed.

Forum members discussed how this could be achieved in light of the fact that academies operated on an academic financial year and sponsored trusts might publish only accumulated accounts rather than individual academy accounts and pool funds.

Luci Jones informed Forum members that MATs (Multi Agency Trust) could choose to publish individual academy accounts, as did her trust. It was also noted that the EFA required final accounts by 31 December which were published on the website on 31 January.

Questions were asked as to what action could be taken if this data raised an issue. It was acknowledged that the LA could not take any action but it would provide a fuller financial picture of how schools were doing and show, for example, areas of deprivations.

Natalie Cole sought agreement from the Schools Forum that when requests for spending plans from schools who had in excess of the BCM threshold were issued, that it stated that the plans were being requested with the agreement of the Schools Forum. Schools Forum agreed this request.

Forum members sought clarification as to what would happen following the submission of these spending plans. Officers confirmed no formal process had been put in place as yet other than the plans being reviewed, sense checked and monitored by finance colleagues and Mark Parkinson, and challenging schools that had consistently held excess funds but were claiming, for example, that they had insufficient funds for SEN etc. It was noted that there had been £5m slippage on the plans submitted last year. Officers sought suggestions from Schools Forum as to how they would like to proceed to ensure a robust system was in place in the absence of the BCM and how much involvement they wished to have.

The group discussed various options including sharing plans with the Schools Forum finance sub group, Schools Forum member to engage in conversation with schools, balances to be shared with all schools, review where schools were up to with their financial training, reconsider clawing back excess funds. It was noted that a claw back mechanism was included in the Scheme for Financing Schools, but schools would need to be made aware of this. It was acknowledged that, prior to any action, the facts behind excess balances should be sought. It was noted that school balances for the last three years would be published and in the public domain.

Hilary Berry suggested that, subject to CWAPH executive approval, she could contact Headteachers, in schools identified by Natalie Cole as having successive three year underspends, to gain an understanding of the context and rationale of the underspends and to offer support and advice in relation to prudent and efficient financial planning.

### **Resolved that the Schools Forum**

- i. noted the outturn position and movement in school balances and the mechanisms in place to support schools with deficit balances;
- ii. tasked Officers to write to academies in early January, as recommended by academy representatives, and request balances for two years; and
- iii. endorsed Officers request for spending plans from schools who had in excess of the BCM threshold to state that the plans were being requested with the agreement of the Schools Forum (vote: unanimous).

## **7. Dedicated Schools Grant (DSG) 2015-2016 – Final Outturn**

Natalie Cole introduced the item which reported on the 2015-2016 final outturn position for the centrally held DSG budget. It was noted that the £0.072m underspend was significantly lower than in previous years.

Natalie Cole went through the key areas that contributed to the net underspend outlined in paragraph 4. It was noted that the underspend was mainly attributed to the prior year's rates rebate under the de-delegated budgets.

**Resolved that the Schools Forum:-**

- i. noted the final outturn on the 2015-2016 centrally held DSG; and
- ii. endorsed the retention of the unspent £0.072m from the 2015-2016 allocation in reserves to offset forecast pressures in high needs in 2016-2017.

**8. Final Allocation of the Dedicated Schools Grant for 2016-2017**

Natalie Cole introduced the paper which reported the final allocation of the DSG for 2016-2017 highlighting the changes from the draft allocation used in budget setting for this financial year.

Forum members' attention was drawn to tables 1 and 2 which summarised the changes to the allocation since January 2016. It was noted that the figures reflected changes in high needs commissioned places and early years census data.

**Resolved that the Schools Forum** noted the amendments to the DSG allocation for the high needs and early years funding blocks and the adjustments to centrally held budgets for 2016-2017.

**9. Dedicated Schools Grant (DSG) 2016-2017 Forecast Outturn at First Review**

David Charlton referred Forum members to the paper that had been tabled.

Natalie Cole introduced the paper which provided an update on the financial forecast outturn position for 2016-2017 for centrally held DSG as reported at the First Review. This was based on the position at July 2016. It was noted that this item had been tabled as the information was not in the public domain at the time the Schools Forum papers were circulated.

Natalie Cole took Forum members through the paper and drew their attention to the key variances which contributed to the net overspend of £0.408m. It was noted the key factor to the overspend was the increased demand on SEN top-up payments in special and mainstream schools and that demand was likely to continue to grow. The retention of the unspent £0.072m from the 2015-2016 allocation, as reported under item 7, would offset some of the forecast pressure for 2016-2017, however it was noted that these ongoing budget pressures would have to be factored into the 2017-2018 budget.

It was noted that the underlying net overspend was £612k, on the assumption that the de-delegated balances (£204k) were earmarked carry forwards for 2017-2018.

Officers reported that the f40 group had been doing some work on SEN and reported there was national pressure on the high needs block; CWAC were in a better

position than some LAs who had already had to move funding from the schools block into the high needs block.

**Resolved that the Schools Forum noted the First Review position on the DSG.**

### **10.2016-2017 School Funding Arrangements – National Data Comparison**

Natalie Cole introduced the report which provided an overview of the national analyses of schools block funding formulae and sought feedback from Schools Forum as to whether there were any formula factors that they wished to be reviewed.

It was noted that there had been little movement across the factors and most of CWAC formula factors remained close to the national average.

Forum members commented on the change in primary:secondary ratio ranking from 20th lowest to 13th lowest as this was an area that Officers had tried to address in the past. Officers were not in a position to explain the change from the data provided by the EFA, but thought it was likely that the inclusion of free schools into the data had skewed the national average and possible changes to formula factors by other LAs may have had an impact on CWAC's ranking.

It was noted that the number of small schools receiving a lump sum was still the main element having an impact on the primary:secondary ratio. Forum members asked if having a differential lump sum for small schools within a MAT was feasible to reflect the reduction in centralised costs such as admin. Officers reported that this was not allowed under the regulations.

Members asked if the national school funding formula (NSFF) could have an impact on the primary:secondary ratio; Officers responded that there was no way of knowing at this stage.

Forum members raised concerns that the new NSFF may make some small schools unsustainable. Officers acknowledged that sustainability of small schools was an issue and difficult to address; proactively suggesting closure of schools that might become unsustainable would only lead to schools becoming academies.

**Resolved that the Schools Forum noted the comparison between the national data and Cheshire West and Chester's data.**

### **11. School Funding Arrangements 2017-2018**

Natalie Cole introduced the report which outlined the key changes set out by the EFA for school funding arrangements for 2017-2018.

It was noted that funding arrangements were largely unchanged from 2016-2017 though some changes had been made to reflect the move towards a national funding formula.

Natalie Cole informed Forum members that the requirement to re-baseline funding to reflect current spend had resulted in an increase in the schools block which should result in an increase to the DSG allocation for 2017-2018.

Forum members noted that the Education Support Grant (ESG), which funded statutory LA responsibilities, was being cut however the responsibilities remained. This funding would now become part of a new central spend block within the DSG. Officers would need to work with the Schools Forum finance sub group to look at retaining sufficient funds to cover statutory duties previously funded through the ESG.

Forum members' attention was drawn to paragraph 10 which outlined the changes to the IDACI bands which effectively lower the threshold making more pupils eligible. If the new bands were applied to the current cohort it would cost an extra £1m. How these changes leave CWAC nationally was unclear. Further modelling would need to be done to review the formula values for 2017-2018 with the finance sub group.

It was noted that the LA was no longer required to make an October funding formula submission giving the LA and Schools Forum more time to consider funding allocations prior to the January submission.

**Resolved that the Schools Forum:**

- i. noted the changes to funding arrangements outlined in the report; and
- ii. agreed recommendations be made by Finance Sub Group at the December meeting for
  - the changes in funding arrangements for Income Deprivation Affecting Children Index (IDACI) bands and
  - the retention of DSG for ongoing responsibilities previously covered by the Education Services Grant (ESG).

**12. Annual review of the Cheshire West and Chester Schools Forum's membership, constitution and terms of reference**

David Charlton introduced the report to review the Schools Forum's membership, constitution and terms of reference. It was noted that the membership in appendix 1 had changed since the paper had been circulated as outlined under agenda item 1. Sam Myers Whittaker reported that Judith McGuiness (special school head substitute) was now Head at Dee Banks School.

Forum members' attention was drawn to table 1 which listed governor representatives whose term of office were due to end this term and the election scheme outlined in appendix 3.

John Freeman asked if anything had been put in place to prevent ineligible nominations being put forward, as had happened in the past. Charlotte Fenn reported that nominations now had to be endorsed by the Chair of Governors, prior to submission.

**Resolved that the Schools Forum**

- i. noted that there were no changes to the current constitution and terms of reference; and
- ii. endorsed the proposal to seek governor nominations to fill the vacancies which would arise due to the terms of office coming to an end using the scheme outlined in appendix 3.

### **13. Any Other Business**

Duncan Haworth sought an update on the apprenticeship levy. Natalie Cole reported that Officers were waiting for a steer from the Council and there was also the size of employer issue to clarify. Officers agreed to follow up on this and report back.

### **14. Next meeting**

Monday 12 December 2016 Queen's Park High School 4.30 - 6.30