

Twenty-second Meeting of the Schools Forum on Wednesday 12th December 2007.

Attendance			
Representing	Name	Category	Attendance
Governors	Pat Anderson PA	Special School Governor	present
	Martin Beard MB	Secondary Governor	present
	vacancy	Primary Governor	vacancy
	Stephen Greene SG	Primary Governor	apologies
	Mike Heiser – Chair MH	Secondary Governor	present
	Vacancy	Primary Governor	vacancy
	Wendy Yianni WY	Nursery Schools Governor	present
	Marianne Cohen MC	Secondary Governor	present
	Yemi Ogundimu YO	Primary Governor	present
Headteachers	Lesley Benson LB	Nursery School Head	present
	Jo Gilbert JG	Special School Head	present
	Martin Earley ME	Secondary School Head	present
	Gil Bal GB	Secondary School Head	present
	Sue Knowler SK	Primary School Head	present
	Sylvie Libson SL	Primary School Head	present
	Mike Maxwell MM	Primary School Head	apologies
	Terry Molloy TM	Secondary School Head	present
	Maria Shea MSh	Primary School Head	apologies
Teachers Panel	Tony Vaughan TV	Trade Unions	present
VA Sector	Corinne Van Colle CC	Agency for Jewish Ed'n	absent
Observer (LSC)	Abs Malik AM	LSC	apologies
Observer (City Academy)	Francoise Harris FH	City Academy	absent
Lead Member	Cllr Bob Wharton BW	Lead Member for C&F	present
Officers	John Christie JC	Director of C&F	present
	Mustafa Salih MS	AD C&F finance & perfor'e	present
	Roy Smith RS	Consultant	present
	Roger Annan RA	C&F - clerk	present
	Lesley Fox-Lea LF	C&F – early years	present
	Peter Stachniewski PS	Deputy Director of Finance	present

The Chair asked what the quorum was for School Form meetings. RA undertook to find out.

1. Apologies for absence were noted as above.

2. Minutes of the meeting of 19th September 2007 and matters arising

2.1 The minutes were AGREED without amendment.

Item 1 RA reported that the initial attempt to fill a primary governor position had been unsuccessful. There were now two vacancies for primary parent governors which would be advertised at the beginning of the new school term. Gill Bal introduced herself as the new secondary head representative.

Item 6 RS reported that a letter had been sent to DCSF. The Chair said it may have helped in the change on mind by DCSF on immediate implement of the proposed surcharge on excess surpluses.

Item 7 RS said an invitation had been made to the PVI sector but there had been no response. LF said she would follow this up with PVI sector representatives and hoped to have representation shortly.

3. Dedicated Schools Budget 2008/09-2010/11 and Central Expenditure Limit

3.1 MS introduced the paper and said he and colleagues would address the issues arising from it. The paper tried to encompass all key issues for the period 2008-11. DCSF did not keep to their intention to inform LAs by mid-October of the indicative DSG settlements for the three financial year but initial figures were released in mid-November. However, there were still a large number of details yet to be released.

3.2 Nationally the settlement was tighter than the two previous years. The increase per pupil would be 4.6% in 08-09. Brent's figure was better than this at 5% per pupil. The cash increase to LAs was based on DCSF's estimate of pupil numbers. In Brent this was an increase of about 1,000 pupils between Jan 07 and Jan 08 – he felt the figure would be around 500 pupil increase for this period. In his view it was too risky to base initial allocations to schools on the basis of the indicative cash increase, however the 5% figure per pupil was definite. The Chair asked when the actual numbers from the Jan 08 PLASC would be known – MS said that they should be known during February. Final figures would not be certain until

the May 08 recalculation by DCSF was issued. The Chair asked if stable numbers were assumed. MS said yes. MH asked if we had our own estimates, MS said they were not sufficiently robust. Annex 1 gave more details.

- 3.3 MS said that a key issue, in the funding period, would be Early Years funding, with the PVI sector having to be brought into a common funding formula. He had built £1m for this into the 2010/11 estimates. He then explained the ISB and the CEL (Central Expenditure Limit) and the relation between them. The CEL included special needs funding, the costs of the Pupil Referral Units, the referral service and a number of other unavoidable commitments. He said that DCSF had announced a new method for calculating the CEL which was much less complicated than the current one.
- 3.4 He explained the need to build AEN factors into the authority's school funding formula for the three year period. Decisions were needed on these issues.
- 3.5 ME asked about para 12 querying the level of growth. RS said that provision for inflation had been assumed at 2.5% in each year as in para 11 and this should be added to the growth figures to get back to the cash increase.. The Chair added that it would help to think in cash terms rather than the real terms sums in the document. TM said the original approval of the increase in the CEL of £1.5m was for one year only. Annex 2 showed how the £1.5m would now be used. RS referred to paragraph 14 which quantifies the balance of the £1.5m remaining after the additional budget pressures identified in Annex 2 had been met as £297k. TM felt this was misleading and that it seemed that decisions had already been made. MB agreed with this view.
- 3.6 MS said annex 2 did explain. In Annex 1, he said, the ISB in line 5 for 2008-09 would increase by 5% plus the £297k. The Chair querying the reduction in line 37 asked if this sum could be given back to the CEL. MS said this could be done.
- 3.7 MS went on to explain Annex 2. MS said school funding in Brent would increase by 5% per pupil, funding for the rest of the LA would increase by 1% and funding for Brent by less than 1%. A recent government announcement on funding was slightly better but still below inflation. The Council was facing real cost pressures. There were certain areas not currently charged by the Council to the DSG which were legitimate charges and which were charged in other authorities.
- 3.8 He said that statementing continued to be the biggest cost pressure. Most money was delegated but some was held back. The amount held in contingency was insufficient to meet the needs – the pressures indicated that £700k would be needed in 2008-09. Historically this was a growing area.

- 3.9 Looked after children had an education team located in Children's Social Care - this was a legitimate charge on the DSG. Many other LAs make such a charge on the DSG; it was an omission that this was not so charged in Brent.
- 3.10 The costs of residential placements should be charged to DSG. MH said only the education costs. MS agreed saying providers separated the costs.
- 3.11. Home to school transport was outside the DSG generally. Government was aware of the pressure of these costs and had introduced a power for LAs to charge some of these costs to DSG with Schools Forum approval. He suggested £250k should be charged to DSG in 08-09.
- 3.12. M said this was both logical and emotional – he noted the use of the words 'can' and 'should' and asked how this should be decided. MS said that the Borough was being better funded than in previous years. Brent's increase was 5% and better than the national average for instance. Members commented on previous underfunding and thought this should be taken into account. TV reminded the Forum of the commitment by the LA to meet the inner London average funding level. JC corrected this saying the commitment was for the London average. TV was concerned that MS's suggestion would prevent the LA from meeting its target. MS said that the proposals would not move achievement of the target further away.
- 3.13. SK said that last year Brent was funded more than other LAs but nevertheless it had not caught up with the London average. She queried whether statementing funding increases were continuous and said she would like a clear statement of balances and relevant funding to be provided to the Schools Forum at year end. In particular, the split of costs between education and social care should be clear and School Forum members should be able to see this. She felt wary about the outcomes of the proposals and would like to be clear how the funding was separated. There was general agreement to these views. LB was not clear about the implications. To clarify matters by giving an example, MS said secure units were providing education for which the LA had an obligation to pay.
- 3.14. JC said that the point is we only want to charge what is legitimate to the DSG. If this were not done then cuts would have to be made elsewhere. He was very mindful of the effect on central budgets of not making these changes but was committed to not exceeding the CEL. He pointed out there were growth areas in the proposed budget allocations. TM asked what Social Care would be paying. JC gave examples and explanations. He said that he LA had been unable to do this two years ago because of SEN needs. He felt that the proposals were reasonable and allow the LA to give a reasonable service.
- 3.15. MC said that there were more and more needs. She asked what percentage increase these proposals would give to education.

- 3.16. LB asked if the costs of intermediate services and lead professionals who had become established would no longer be a charge on education budgets. JC said this was correct. WY was concerned about disproportionate transport costs. MS gave details and said that extra pupils would probably be fully funded. He said schools would get 5% plus the remainder of the CEL.
- 3.17. ME was not happy with appendix 4. He asked about the figures and whether the case was made. TM asked how much needed approval at this meeting. MS said strictly only home to school transport and lead professionals as the other items did not breach the CEL. JC said that whilst that was the case officers nevertheless wanted the School Forums opinion. TM asked what the Forum was being asked to commit. MS said £1.5m was in the proposed budget for 08/09.
- 3.18. SK said she was clear; the 08/09 budget included the total costs. She was concerned whether so many staff were needed – Brent was not huge. She said that the home transport budget was never underspent. Could the Council think of more creative ways of providing this budget? JC said he could remember one year when home school transport was underspent. There was a review of Brent transport being undertaken and this might involve other authorities.
- 3.19. TM asked for clarification of the £1.5m in Annex 3 - £297k was put back so all the £1.5m was not spent. How did this match the request for £1.9m? PS said the increase in DSG meant that there was an increase in the CEL which provided the additional headroom.
- 3.20. LB said there was a need to provide an early years SENCO for the PVI sector according to DCSF – the funding for this is in the DSG. MS said this post would support the non-maintained sector. LB asked if this post(s) were new recruitment. MS said they were in the Early Years advisory team. TM asked if it were possible to have the SEN data/costs. MS said yes.
- 3.21. The Chair asked if the meeting wanted to approve the proposal or to ask for additional information. SK said in principle, but not for ever more. There should be an end date. JC undertook to come back to the Forum if there were any greater pressures. MS reminded the meeting that the cost of appointment of lead professionals and transport arrangements must be approved by the Schools Forum.
- 3.22. WY said the lead professional role was new and required monitoring and evaluation. She did not agree to a period as long as three years, felt there needed to be clear conditions attached to any appointments and a value for money (VfM) analysis undertaken. TM agreed. JC suggested piloting the ideas, he thought they would work and would provide VfM. He did not favour forcing schools and would review progress after a year. He did not feel the bid was overblown. LB did not disagree; she had two such people in her Centre. A one year trial would enable future planning. MH asked

the Director for his view. JC said there was a budget over three years, there had been reasonably successful pilots and the scheme could be reconsidered if necessary.

- 3.23. LB suggested an out of school model where staff were not part of the school team. Schools could organise it in house. JC said this would need money.
- 3.25. SL felt sorry – beaten with her own stick – and was not certain what was being proposed, concerned headteachers would not do the work without sufficient people. LB said there were fourteen people in post. SK supported the idea of lead professionals, agreed they should not be school staff and asked for the reason for year-on-year increases or extra staff.
- 3.26. JC said there would eventually be funding for 20-25 people, there were currently 13 and that number would steadily increase. MH asked whether the Forum wanted to approve the scheme or let it lie to the next meeting. ME PROPOSED the meeting agreed £250k for lead professionals for one year only, reviews should take place prior to 09-10 and 10-11, i.e. no increase in year 2 and come back to the Schools Forum if increase were needed in future years.
- 3.27. JC said he would be happy to report back before 2009/10. RS suggested keeping the proposed expenditure in the budget for each of the three years but before any commitments were entered into for year 2 and 3 there should be a progress report and the approval of the Schools Forum sought. This was AGREED.
- 3.28. The proposal for home to school transport was AGREED subject to a review of the arrangements being carried out.
- 3.29. RS referred to para 21 of the report which set out the available growth funding for the ISB. A proposal was tabled as to how this growth should be allocated as between the three new AEN factors:

Formula Factors	2008/09 £m	2009/10 £m	2010/11 £m	Total £m
Social Deprivation	2.5	1.8	1.8	6.1
Attainment	0.5	0.4	0.4	1.3
Underachieving Groups	0.5	0.3	0.3	1.1
	3.5	2.5	2.5	8.5

- 3.30. ME said that these allocations had been considered by the Working Group and should be agreed. The proposal was AGREED.

- 3.31. PS told the meeting that the settlement for the Council as a whole was very tight and that no allowance was made for the impact of increased population change year-on-year. There was significant population growth expected over the 2008-11 period and there were additional cost pressures such as the landfill tax that required funding. The Council was facing a significant budget gap.
- 3.32. PS said that, historically, schools have been underfunded. Government had set education as a priority and this is leading to a rectification of the situation. In the past some items relating to education have not been charged to the education budget and that it would now be appropriate to charge these items to the DSG. In particular some funding of capital expenditure on schools and borrowing costs have not been charged to education. Another example was of revenue contributions to outlay – Brent had not charged this but other LAs had.
- 3.33. TM said that capital projects were largely funded from grant; funds for prudential borrowing had been minimal. SL said she was at a loss to where the money has gone. Capital stock was in appalling condition and the LA was only half way through the improvement programme. £170m was needed for new land for the new academy and for the John Kelly Schools.
- 3.34. PS said that government provides some capital for schools including devolved capital and capital grants. In addition, the government sets an assumed level of borrowing (SCE revenue) which is funded through the Council's general revenue grant allocation – although in Brent's case, because the council is on the grant floor, the money in practice does not get through to the authority. The Council also has capital funding for the provision of additional school places as a result of planning agreements with developers (known as section 106 agreements). In practice, however, the amount the Council has spent on schools' capital in recent years has exceeded the amount available from all these funding sources put together. The Council has therefore in addition used its prudential borrowing powers, which enable it to borrow above the amount assumed by government in grant calculations, to fund the schools' capital programme, with the cost of this borrowing being met from non-school budgets. Government capital funding for schools for the next three years is not yet known. However, it is expected that there will be a shortfall between the total resources available and the need for capital spending on schools. Given the pressures on the Council's non-school budgets, decisions would have to be made about whether it is appropriate to charge borrowing costs above those allowed for in government allocations to the Schools Budget. Any decision to do so would have to be subject to the agreement of the Schools Forum.
- 3.35. JC said it was helpful to have the problems laid out. There had been a meeting with DCSF at which it had been pointed out the allocation was insufficient. It would be necessary to ask for emergency and, if eligible, for grant and borrowing approval.

- 3.36. SL said it would be useful to have a report on this area. She felt that the shortage of places in the last two years had to be addressed and the government asked where they think these children should go. MH felt this was useful.
- 3.37. It was AGREED to receive a further report at the next main meeting.

4. Reform of Early Years Funding

- 4.1. RS introducing this paper referred to the governments plans for change over the next three years. He said that the £1m included in 2010/11 as extra funding for Early Years was very much a guesstimate at this stage and effectively a contingency provision pending work still to be undertaken to quantify the costs of implementing the Early Years changes. He said that whilst a survey of PVI costs had been attempted the replies from providers had revealed problems with how costs were analysed.
- 4.2. LB said that she did not think that it would be possible to make sense of the differences in costs between providers in the immediate future. RS agreed saying that this would be the subject of ongoing analysis in 2008.
- 4.3. The Chair asked for an analysis of costs for 08-09 and suggested a common formula for 2010-11. LF was concerned that the sample was too small. RS suggested the proposed contingency of £1m for 2010/11 was a reasonable provision at this stage. Budgets for 2009/10 and 2010/11 were indicative only and could be refined as better information became available. A report would be made to the Schools Forum when information was available.

5. Fair Funding Formula Consultation

- 5.1. It was agreed to defer this item to the next meeting 9 January 2008.

6. Threshold Formula

- 6.1 RS reported that the working group was meeting on the following Monday and could report back to the proposed 9th January meeting. JG suggested special schools should be omitted for one year.
- 6.2 The paper was RECEIVED, sent to the Formula Review Working Group for a report back to be made on 9th January to include AEN, threshold, inflation, growth for 08-09 and other years if possible.
- 6.3 WY asked if papers could be sent out earlier in future.

7. Scheme Updates

7.1 It was decided that this item should be postponed to the next meeting.

8. Dates for future meetings

8.1 The date of the next meeting was AGREED as

Wednesday 9th January 2008

at the Town Hall commencing at 6.00 p.m., with refreshments provided at 5.45 p.m.

8.2 Dates for the remainder of 2008 were confirmed as:

**Wednesday 6th February,
Wednesday 18th June,
Wednesday 24th September and
Wednesday 10th December.**

9. Any other business

9.1 None.

The meeting finished at 8.10 p.m.