

GATESHEAD METROPOLITAN BOROUGH COUNCIL

GATESHEAD SCHOOLS FORUM MEETING

Thursday, 6 July 2017

PRESENT:	Ken Childs (Chair)	Special Schools Governor
	Sarah Diggle	Primary Governors
	Steve Haigh	Secondary Academy Headteachers
	Denise Henry	Nursery Sector Representative
	Peter Lague	Trade Union Representative
	Mustafaa Malik	Primary Headteachers
	Elaine Pickering	Secondary Governors
	Andrew Ramanandi	Primary Headteachers
	Chris Richardson	Secondary Headteachers
	Allan Symons	Primary Governors
	Clive Wisby	Primary Headteachers
	Matthew Younger	Primary Headteachers
IN ATTENDANCE:	Alan Foster	Corporate Resources
	Carole Smith	Corporate Resources
	Rosalyn Patterson	Corporate Services and Governance

1 APOLOGIES

Apologies for absence were received from Steve Williamson, Julie Goodfellow, Christine Ingle, Michelle Richards, Ethel Mills and Cllr Chris McHugh.

2 MINUTES

The minutes of the meeting held on 9 March 2017 were agreed as a correct record.

3 SCHOOLS YEAR END BALANCES 2016/17

The Forum received a report updating on the 2016/17 year end position in relation to school balances and the number of schools in a deficit position.

It was reported that at the end of the financial year 2016 the maintained schools revenue balances were £7.045m and at the end of March 2017 this had reduced by £1.542m to £5.503m. There are six schools which had a deficit at the end of the year, totalling £0.242m compared to five schools in 2016/17 and a deficit balance of £0.227m.

It was questioned what happens to those schools with a deficit balance. It was confirmed that those schools are subject to challenge and support procedures,

recovery plans are set. It was also queried the position of schools which are in deficit and which are subject to academy orders. Forum was advised that if it is a sponsored academy the deficit stays with the local authority, however if a convertor academy the deficit would transfer to the new school. All transactions of schools undergoing the conversion process are monitored to ensure none belong to the new school.

It was queried as to what advice is provided throughout the year to those schools which are in a deficit at the end of the year. It was acknowledged that this would need to be looked at on an individual basis as some are due to unpredictable situations that occur at the year end. Forum was reassured that if a school had done something which was not prudent and it was within the Governors control it would not be eligible for contingency funding.

- RESOLVED -
- (i) That Schools Forum noted the value of maintained school balances and the in-year reduction of balances by £1.542m to the year-end value of £5.503m.
 - (ii) That Schools Forum noted the number of schools with a deficit balance at the end of 2016/17.
 - (iii) That Schools Forum noted the increase by £0.015m of the value of deficit balances at the end of 2016/17.

4 SCHOOLS SURPLUS BALANCE REVIEW

Forum received a report on the use of Schools Surplus Balances licences granted in 2015/16. It was reported that at the end of the financial year 2016/17, the total amount of surplus balances held under the previous year's licences was £33,760, a reduction of £420,559.

- RESOLVED - That Schools Forum noted that Surplus Balance licences have reduced by £420,559 during 2016/17.

5 SCHOOLS SURPLUS BALANCES 2016/17

A report was presented on the level of schools surplus balances and the number of licence applications for the use of 2016/17 surplus balances.

The total amount of surplus balances for 2016/17 totalled £129,312, with £20,554 in the nursery sector and £108,758 in the primary sector. There were no surplus balances in the secondary or special sectors.

Five schools were granted licences for the use of their surplus balances.

- RESOLVED - That Schools Forum noted the details of the surplus balance amounts.

6 SCHOOLS SURPLUS BALANCE CHANGE REQUEST

The Forum received a report outlining the outcome of a request from St Joseph's Infant School to alter their Surplus Balance Licence. The request was granted to change the use of the surplus balance licence so that it could be used for SEN interventions for the academic year 2017/18.

RESOLVED - That Schools Forum noted the change in surplus balance licence.

7 CONTINGENCY FUND APPLICATIONS

The Forum received a report on the decision to provide contingency funding to Bede Primary School.

It was reported that the school has come under cost pressure due to an increase in pupil numbers as a result of a traveller site and a women's refuge within the catchment area. The increasing numbers has caused financial difficulty for the school as often children receive no funding due to the timing of their arrivals and departures from the school. The school has a high turnover of pupils, with only six pupils of the 25 who started in reception still at the school in year six. This pattern is repeated throughout the school.

It was noted that the school has the highest percentage of pupils from the Fair Access Panel and the highest proportion of FSM and IDACI band A (the most deprived banding) as well as a high proportion of English as an Additional Language pupils.

The school the school could not set a balanced budget without this funding. The application was approved and the school was awarded £36,530.

It was questioned whether this was a one off payment. It was confirmed that this is not intended to be year on year but future applications could not be predicted. It was suggested that there are a number of schools in a similar position and that this should be built into the funding system. It was confirmed that there is a mobility factor, however this is not always able to capture the situation Bede School has found its self in. In addition the school has a high proportion of children with high levels of need which has caused additional costs.

RESOLVED - That Schools Forum noted the funding provided to the school.

**Sarah Diggle declared a personal interest as Chair of Governors of Bede Primary School.*

8 UNIVERSAL CREDIT AND FREE SCHOOL MEALS

The Forum received a report on the roll out of Universal Credit in Gateshead and the possible impact on free school meals (FSM).

Universal Credit is a national benefit which will replace existing benefits such as Housing Benefit, Job Seekers Allowance, Child Tax Credits and Working Tax Credits. It was reported that although Universal Credit has been implemented in small numbers in Gateshead, this will be rolled out fully from October 2017 and include families.

It is anticipated that this will impact on FSM and financial inclusion, as there are concerns due to the benefit being paid in arrears with a likely 6-8 week wait before payment. It was noted that this could lead to significant rent arrears and schools should therefore be aware that more families could experience financial hardship.

It was reported that anyone in receipt of Universal Credit will be entitled to FSM, this is a change to the current position, where being in receipt of Working Tax Credits does not necessarily entitle a child to FSM. Therefore, schools could see an increase in FSM.

Newcastle has been operating full Universal Credit for eight months, Gateshead officers have spoken to Newcastle's FSM service which has reported that FSM take up is currently low despite an increase in FSM entitlement. The Forum was advised that further discussions would be ongoing to gain more information on the position in Newcastle so that this can be passed on to Gateshead schools.

The Forum was advised that eligibility for FSM will not be confirmed until the Universal Credit award is made, which could be 6-8 weeks, however schools could make the decision to give a FSM before the entitlement is officially confirmed.

It was questioned who would pay the schools back which cover FSM for the period prior to Universal Credit being awarded. It was noted that at this stage it is not clear who would pick up the cost and it would be the decision of individual schools as to whether it provides FSM from the date parents make an application for Universal Credit.

It was queried why there is a 6-8 week delay in awarded the benefit. It was clarified that there is a one month assessment period when a case is looked at to see if any income has been received during that period, then an assessment of the amount of Universal Credit will be made. Payment will then be made within 3-5 days from the date of award.

The Forum agreed that a consistent message, in terms of whether to pay for FSM prior to confirmation of eligibility, is required from the local authority.

It was agreed that regular updates should be made to cluster school managers, business managers and Headteachers, and information should also be included in the Governors Directory. It was also agreed that an update will be brought back to the Schools Forum at the end of the year. Universal Credit guidance when available will also be circulated to schools.

RESOLVED - (i) That Schools Forum noted the contents of the report, the possible increase in children eligible for FSM and the

possible impact on new claimant families.

- (ii) That further updates be provided to schools on a regular basis and an update report be brought back to Schools Forum at the end of the year.

9 HIGH NEEDS BLOCK FUNDING REVIEW

A report was provided on the strategic review of the High Needs Block of the Dedicated Schools Grant (DSG).

It was noted that in December 2016 funding was provided to enable a review of the use of high needs funding to be undertaken.

An officer group has been established to look at the highest areas of spend, Special Schools, Behaviour Support Service, high needs top up funding including post 16 provision. Proposals will be brought to Schools Forum, and consulted on with all stakeholders. Regular updates will be brought to the Forum when proposals have been established.

RESOLVED - That Schools Forum noted a strategic review of the high needs block has commenced and information, proposals and any consultation information will be the subject of future reports to the Forum.

10 DSG OUT TURN

The Forum received a report on the outturn position of DSG for 2016/17. The final outturn is £97.260m against the budget of £96.953m, an over spend of £306,000. However, this over spend has been offset by additional Early Years settlement of £117,000 for 2015/16 received in 2016/17.

The overall over spend of £190,000 is deducted from the reserve balance of £3.357m to give a carry forward balance of £3.167m,

It was noted that the biggest over spend, £452,000, is from the High Needs block, which has been offset by the early years funding. The early years (PVI and academies) overspend of £418,000 has been offset by the reduction in maintained schools early years funding.

It was confirmed that the quarter one position would be brought back to the next meeting.

RESOLVED - That Schools Forum noted the content of the report.

11 **SCHOOLS FORUM ASSOCIATION**

Schools Forum was advised that the Chair of the Forum had been asked to complete a survey asking whether Gateshead Schools Forum would be willing to join a newly established Schools Forum Association.

It was noted that no further information has been received since completion of the survey but that updates would be brought back to the Forum when received. It was confirmed that there is a Schools Forum budget which could potentially cover any nominal costs if the Forum felt belonging to the association would be advantageous.

- RESOLVED -
- (i) That Schools Forum noted the contents of the report.
 - (ii) That Schools Forum noted the information contained in the appendix to the report.
 - (iii) That Schools Forum agreed that any further information or contact will be brought back to Schools Forum for consideration.

12 **GROWTH FUND APPLICATION**

The Forum received a report to confirm that Ravensworth Terrace Primary School have been successful in an application for Growth Funding. The school has admitted an extra year group due to having a new build school, which has not yet been opened.

In accordance with Growth Funding criteria the allocation was calculated by 7/12's AWPU, this amounted to more than the maximum allocation permitted for primary schools at £42,364.85. Therefore the maximum amount of £35,000 was allocated to the school for this year.

- RESOLVED -
- That Schools Forum noted that funding has been awarded to Ravensworth Terrace Primary School for growth in pupil numbers.

13 **SCHOOL FUNDING UPDATE**

A report was presented on the direction of travel of school funding reforms. It was reported that the proposed move to a "hard" (all schools funded directly by the DfE) national funding formula by 2019/20 will not be implemented as it would require primary legislation and no such bill has been proposed for the two year period covered by the Queen's speech.

It was suggested that there may be a soft national funding formula with LA's still having a role in mainstream school funding, there could possibly further limits to the discretion the local authority has. However, further information from the DfE is being awaited.

RESOLVED - That Schools Forum noted the contents of the report and that any information or announcements relating to schools funding will be the subject of future reports.

14 ANALYSIS OF LOCAL AUTHORITIES SCHOOLS BLOCK FUNDING FORMULAE

A report was presented to Forum which provided analysis on the values and funding factors used by all other local authorities in England.

It was noted that there has not been a big change in Gateshead's position since last year. 13 regional and 11 statistical neighbours have been used as comparators.

A breakdown of each funding factor was provided to show where Gateshead fits in the national picture. Possible areas for review were indicated as; KS3 and KS4 entitlement, IDACI following the banding changes, FSM6 funding, low prior attainment, EAL and mobility.

It was agreed that a sub group would be set up to be on standby for when information is received from the DfE. The sub group membership was agreed as; Ken Childs, Sarah Diggle, Steve Haigh, Chris Richardson, Mustafaa Malik and Andy Ramanandi.

RESOLVED - That Schools Forum noted the contents of the report and agreed the suggested areas to be reviewed for Gateshead's mainstream Schools Fair Funding Formula for the financial year 2018/19, dependent on any funding announcements by the DfE.

15 DATE AND TIME OF NEXT MEETING

The date and time of the next meeting is Thursday 28 September at 2.00pm.