

**MINUTES OF THE MEETING OF THE SCHOOLS FORUM HELD  
ON  
27<sup>TH</sup> FEBRUARY 2008 AT COUNTY HALL**

**ATTENDANCE**

**Chair:**

Alan Gray

**School Members:**

Steve Drake

Richard Haynes

Paul Johnson

Alison Saunders

Michael Taylor

Peter Brooks

David Bent

**Substitutes:**

Kim Frazer

Alisdair Skinner

**Non School Members:**

Annie Brown

**Observers:**

Ivor Miskelly

Keith Emsall

**Officers:**

Claire Cook

Simon Pickard

Cheryl Faint

**1. Apologies**

Apologies were received from Mike Connell, Martin Post and Barbara Snijder, Paul Rosen, Michael Scandrett and Richard Thake.

**2. Minutes of the last meeting**

The minutes of the last meeting were agreed.

### 3. Matters arising

#### Schools Capital Project

During the discussion on the development of children and young people support workers in schools at the January meeting of the Forum, the future of the deferred schools capital projects was raised. Following this, Forum requested an update on the current situation. It was confirmed that the Authority had agreed to reinstate the 38 school schemes which had been previously deferred but it was emphasised that this was predicated on efficiencies being delivered across the piece to achieve council tax savings.

#### 4. The Standards Fund Grant Programme 2008/9

This paper was introduced by Simon Pickard and provided information about the Standards Fund grant programme for 2008/9. It was confirmed that overall there was a lower value in cash terms with cessation of some funding streams and the introduction of additional funding targeted at increasing the flexible entitlement for 3-4 year olds and extended schools as detailed in paragraph 4.2 of the report.

There was a discussion of the changes to individual grants. The changes to Devolved Formula Capital (DFC) were explained and it was confirmed that 15 schools had been listed in the standard rate category as they are deemed to have been modernised. The remaining schools are categorised as unmodernised and therefore receive the higher rate of DFC. The standard rate of DFC for refurbished schools is a 50% reduction of the previous level. It was confirmed that the DCSF had defined a modernised school. **Note; Modernised schools are defined as new schools or those which, in the last ten years, have had 80% or more of their floor area modernised.** (Source; DCSF Technical Note 2008-11 – Devolved Formula Capital – revised Jan 2008).

Transition arrangements for the phasing out of the Leadership Incentive Grant were discussed and transitional arrangements were proposed in paragraph 7.2 of the report. Forum members raised concerns that the transitional arrangements did not target schools in need of support to build capacity.

Officers confirmed that the Authority is required to find a formulaic approach to distributing this funding by 2011 and that the use of free school meals (FSM) as a proxy measure to distribute the balance would target deprivation.

Forum however were concerned that this method of distribution would deliver some of the funding to unintended recipients and that the distribution would be ineffective as the small amounts delivered to a wider number of schools would not provide the resources to build capacity in schools as the LIG was originally intended to deliver.

It was agreed that the £140K available for general distribution during 08/09 would be parked pending discussions with Standards and Schools Effectiveness colleagues. Steve Drake agreed to contact Andy Cunningham to explore mechanisms for distributing this funding to schools identified as requiring it most.

The proposals for the distribution of School Development Grant (SDG) outlined in paragraph 8.4 of the report were agreed. Forum approved the proposal to vote back £716K from SDG for the purposes detailed in paragraph 8.5 but requested further information in due course about ongoing discussions on SAM learning which may result in a further devolvement of funds to schools in year.

Proposals for the School Lunch Grant contained in paragraph 9.3 and for the use of the centrally retained grant in section 10 of the report were agreed.

Forum examined appendix 1 of the report. It was explained that the Authority's intention was to roll out the flexibility pathfinder to all 3 and 4 year olds. This was not a formulaic based distribution and would be available to support schools who wish to develop a flexible provision. There were no detailed proposals available and Forum confirmed that they would welcome a report on this at the next meeting.

There was a discussion about the timing of this report's presentation to Forum and the little opportunity it afforded members of the Forum to explore issues such as the LIG. It was agreed that this issue would be explored as part of examination of Schools Forum and its terms of reference.

## **5. Minimum Funding Guarantee Exceptions**

This report was introduced by Simon Pickard and sought the agreement of the Forum to the additional exceptions to the Minimum Funding Guarantee (MFG).

The MFG exceptions detailed in section 6.2 concerning Yavneh College (para. 6.2.1), the new delegation of dual use (para.6.2.2) and Cranborne and Wormley primary schools (para.6.2.3) were agreed.

Forum was also asked to approve the exclusion of LSC funding from the 3% protection factor. It was explained that there is a significant change to formula funding for 16+ pupils in 2008/9 and that these changes will be introduced with transitional protection. The exclusion of LSC funding from the 3% protection factor was approved.

In view of the late announcement of funding allocations from the LSC, the Authority was considering providing some support to schools in financial difficulties directly as a result of the LSC changes, using existing contingency to support schools in financial difficulty. This contingency would not normally assist schools with pressures arising from LSC funding. Forum agreed with the contingency approach detailed in paragraph 7.7 of the report.

## **6. Schools Budget 2007/8 – Revenue Monitor Report**

This paper was presented by Claire Cook and updated members on the forecast outturn for the Schools Budget 2007/8.

It was highlighted that additional budget had already been created for

maternity in 2008/9 and that this would be an area that would be continue to be under review.

It was also explained that schools could not access funding under nursery provision detailed in paragraph 5.37 of the report and that early years funding is being looked at as part of the Single Early Years funding formula review.

The Authority proposes to carry forward the £0.919million underspend against the School Budget to the next financial year and report to Forum with proposals for the use of this anticipated underspend.

Forum noted the contents of the report.

## **7. Balance Clawback mechanism 2007/8**

This paper was presented by Simon Pickard and informed members of the outcome of the application of the balance clawback mechanism in 2007/8.

The total value of the excess balances was £7.927 million which following the appeals process resulted in a clawback of £264,000 with 180 detailed action plans in place.

Forum was asked to ratify four exceptions to the clawback mechanism as detailed in paragraph 6.4 of the report. These exceptions arose from circumstances which were not fully envisaged when the clawback scheme was drawn up and were agreed by Forum.

There was a discussion about the monitoring of project plans submitted under the Balance Clawback mechanism. It was explained that these would be rigorously monitored and that for example that it would be reasonable to expect that a project with a target completion date for the summer should be completed by March of the following year. It was confirmed that many ambitious projects had been submitted and that it was questionable whether all of them could be achieved.

Members of the Forum questioned the process for dealing with balances which may have arisen as a result of the deferral of the Capital program where capital contributions were refunded to schools. It was confirmed that such contributions had not been included in any clawback.

The Forum asked about the protocol for claiming money from school bank accounts prior to the appeal process being complete. It was agreed that this would be avoided in future.

The Forum discussed the process for requesting prior approval for project balances and was asked whether, following consultation with schools in the autumn, the prior approval of projects should be made mandatory in future. It was explained that this would help to reduce the bureaucracy of the clawback mechanism in future and allow schools to confirm the project balances.

Concerns were raised about the compulsory nature of these proposals and the timelines which schools would be required to meet to pre-register projects. Some members of the Forum were concerned about the level of paperwork

which schools have been required to present. It was explained that schools had not been asked for detailed costings when presenting information on projects but for overall project plans. Schools Forum did not agree that the prior registration of projects should be made mandatory in future and that Forum preferred to take consultations and revisit this subject in the future.

Officers explained that the £264,000 clawed back as part of this process would be reflected on the next monitor and that proposals would be brought to Forum for its use.

The Forum representative on the Appeals Panel confirmed to Forum that the process had been fair and that Governors need to be made more aware of finances. Forum felt that Governor training was important and that governing bodies must be persuaded not to carry high balances.

Schools Forum was asked to exempt four special schools who are expected to carry excess balances in March 2008 but are also expected to be significantly affected by the new special school funding model. This proposal would allow the schools to adapt. There was a discussion about how these balances had been built up and how the high balance plans would be monitored. Forum agreed the exemptions detailed in paragraph 8.4.

The Executive member for education commented on the relatively low level of money clawed back from schools. It was explained that the Hertfordshire Scheme was approximately £3m more generous to schools than the DCSF scheme.

A discussion followed about whether the thresholds should be reviewed and a firmer approach taken with schools carrying high balances. It was explained that the earliest changes could be made to the Scheme would be 2009. Concerns were raised that primary schools were adapting to 3 year planning and were not always confident of their environment. It was suggested that further training or support should be given in this area. It was agreed that this would be revisited in two meetings time.

The Forum thanked those who had sat on the Appeal panel and recognised the high volume of work which had been involved in this process.

## **8. Finance Transformation**

This paper was introduced by Claire Cook and informed members of the Forum on the centralisation of Finance and its impact on strategic support for schools.

It was confirmed that Claire Cook would be taking a new position in the centralised finance function. Forum thanked Claire for her contribution and work with Schools Forum and wished her well in her new role. Forum was assured that schools would see little or no change in their contact with the Authority. It is anticipated that a single contact number will be available to schools in due course.

There will be a new role of Assistant Director (Performance and Business Support) for CSF who would be Lead Officer for the Forum. This role will be temporarily fulfilled by Annie Kent until a permanent appointment is made.

Forum noted the contents of the report.

## **9. Schools Forum Work programme**

There was a discussion of the forward programme. Papers for the proposed use of School Standards fund for extended schools and flexibility for 3 and 4 year olds are to be added to the programme.

A letter recently received from the DCSF entitled "Schools Forums (England)(Amendment) regulations 2008" was distributed to members of the Forum to inform the paper " Schools Forum Membership, Terms of Reference & Procedures" to be discussed at the April meeting.

## **10. Next meeting**

The next meeting will be held on April 16<sup>th</sup> 2008 at Hertfordshire Development Centre at 1pm.