

To Members of the Schools Forum

Commercial Services Directorate

Schools Finance Team
Level 13, Civic Centre
West Street, Oldham OL1 1XJ

Tel: 0161 770 4058
Fax: 0161 770 4077

Dear Colleague

Re: SCHOOLS FORUM

Please find attached the agenda and papers for the next meeting of the Schools Forum, to be held at **5.30pm** on Wednesday 16 May 2018 in rooms 4d & 4e, Civic Centre, Oldham. Tea and Coffee will be available. On arrival please can colleagues report to Rochdale Road Reception.

Car parking passes will be available as usual from Rochdale Road reception.

If you are unable to attend this meeting could you please send your apologies to Lucinda Stansfield 0161 770 4896 or email to Lucinda.stansfield@oldham.gov.uk

Yours sincerely

Samantha Smith

Senior Finance Manager

Agenda

SCHOOLS FORUM

Wednesday 16th May 2018 5.30pm

Level 4, Rooms 4d and 4e

	<u>Approx duration</u>	<u>Officer</u>	<u>Papers</u>
1 Welcome and Apologies Apologies/Declarations of Interest		Chair	-
2 Minutes and Matters Arising Minutes of meeting held on 27 th February 2018	5 mins	Chair	Attached
3 Constitution	15 mins	Vicky Gibbons	Attached
4 Budget Out Turn report 2017-18 and Budget update 2018-19	15 mins	Samantha Smith	Attached
5 School Balances 2017-18	10 mins	Clare Roper	Attached
6 Forward Plan	5 mins	Samantha Smith	Attached

Any other business – Must be notified to Lucinda.Stansfield@oldham.gov.uk or by telephone 0161 770 4896 24 hours before the meeting

Dates of next meeting: 11th September 2018

Minutes

Meeting of Schools Forum

Tuesday 27 February 2018
at the Civic Centre
at 5.30pm

Present:

Mr Mike Aston	St Mary's RC Primary School (Chair)
Mr Karl Newell	Crompton House CE School
Mr Iain Windeatt	Trade Union Representative
Mr Brain Hurst	Bare Trees Primary School
Mr Rob Higgins	The Blue Coat Academy
Ms Bev Harper	The Blue Coat Academy
Mr Peter Moores	Diocese Representative – St Edwards RC Primary
Councillor Brian Lord	Saddleworth School

Also Present:

Mr Andrew Sutherland	Director of Education and Early Years
Ms Anne Ryans	Director of Finance
Ms Liz Caygill	Finance Manager
Mrs Becky Shorrocks	Senior Accountant
Mrs Vicky Gibbons	Senior Accountant
Mrs Jean Coombs	Clerk

1 WELCOME AND APOLOGIES

- 1.1 Mr Mike Aston opened the meeting and welcomed everyone.
- 1.2 Apologies for absence were received from Mr Leon Ashton, Ms Suzanne Thompson, Mr Hardial Hayer and Mr Jeremy Sutcliffe.
- 1.3 Members were invited to declare any business, pecuniary or personal interests.

No declarations were made.

2 MINUTES AND MATTERS ARISING

- 2.1 **RESOLVED:** That the minutes of the meeting held on 16 January 2018 be approved as a correct record and signed by the Chair.
- 2.2 2.2.1 Arising from minute 3.1.8 (DSG Update 2017-18 Including Central Schools Block, De-delegated Services), Ms Liz Caygill reported that there were 94 pupils being educated in establishments out of borough.
- 2.2.2 Arising from minute 3.1.9 (DSG Update 2017-18 Including Central Schools Block, De-delegated Services), Ms Caygill reported that the changes to the school funding formula for 2018/19 will be circulated tomorrow with the school budget allocations.
- 2.2.3 Arising from minute 3.2 (DSG Update 2017-18 Including Central Schools Block, De-delegated Services), Ms Caygill reported that the transforming learning budget paid for School Improvement salaries and contracts; secondary quality assurance; phonics screening and moderation. The ICT Strategy Funding pays for management services; licences; school web services; and security applications.

3 DSG UPDATE 2018-19

3.1 Settlement 2018/19

Ms Liz Caygill explained the settlement for 2018-19 and changes to the budget requirement since the Schools Forum meeting on 16 January 2018.

Main points referred to:

- 3.1.1 The DSG deficit at 31 March 2017 was £1.7m; and the expected deficit for 2017-18 was expected to reach £3.4m. This forecast deficit has been reduced to £3.1m mainly due to the closure of the Collective Spirit and UTC
- 3.1.2 The High Needs spending based on the DSG settlement presented on 19 December 2017 shows an in-year deficit of £392k, which includes the £350k allocated to the Early Help Service. The cumulative deficit of £3.49m will be carried forward, but Ms Caygill warned that there may be more spending in the High Needs Block.
- 3.1.3 A comparison between the High Needs spending in 2015-16, and 2017-18 and estimates for 2018-19 shows that spending has increased by £6.5m. This information provides evidence

of the need to transfer 1% from the Schools Block to the High Needs Block. The Secretary of State approved the additional 0.5% on 7 February 2018. All schools have a 0.5% MFG.

Ms Caygill said Government guidance advises that appropriate packages must be provided for pupils with additional needs. Pupils that are funded from the High Needs Block include children aged 0 to 5 with SEND, with or without a EHC plan; pupils aged 5 to 18 with high levels of SEND in maintained schools, academies, FE institutions, ILPs, SPIs or other settings which receive top-up funding from High Needs budget; students aged 19 to 25 in FE institutions, ILPs and SPIs who have an EHC plan and require additional support costing over £6,000; and compulsory school-age pupils placed in alternative provision; and children who are unable to attend school due to medical reasons.

It is important the LA and institutions collaborate on spending and keep it under review, in an aim to keep within the resources, and identify more efficient ways of working.

Ms Caygill reminded members of the way High Needs funding is allocated. There is the Core Funding and the Top-up Funding. The Core Funding and the first £10,000 for Special School places comes from the Schools Block; or from the ESFA in the case of Academies. The LA pay the Top-up for all schools from the High Needs funding based on the place of residence of the pupil.

The Special School £10,000 Core Funding and the MFG is set by the LA. Since 2013 the Special Schools have had a 0% MFG, whereas other schools have had a negative MFG.

Ms Caygill circulated the action plan to address the deficit, informing members that they would be working with the SEND Service and considering the number of EHC plans that are funded.

Mr Andrew Sutherland confirmed that the details of EHC plans would be considered at their annual reviews, and that this is a part of the work being done following the SEND Ofsted inspection.

Ms Caygill said that the action plan had some tight timescales and that the working groups would want to have inputs from Schools Forum members, or members' colleagues who had an interest in the areas under consideration.

Challenge: A member asked which actions would have an impact on mainstream secondary schools. Ms Caygill said

that there were two; (i) reconsideration of the level of top-ups for mainstream schools; and (ii) assessing whether needs can be met in mainstream provision and the financial implications linked to revised patterns of provision.

Challenge: In response to a question on who would be involved in the actions affecting mainstream secondary schools, Ms Caygill reported that Mr Andrew Sutherland, Mrs Becky Shorrocks and herself would be involved, but that they would want to work in collaboration and with contributions from Headteachers.

Challenge: Members suggested that an extra column is added to the action plan to include what contributions are sought and their timescales.

ACTION: Ms Caygill

The outcomes of the working groups will be reported back to the Schools Forum.

Challenge: In response to a question, Ms Caygill said that the timescales for reports from the working groups have been built into the Schools Forum meeting dates.

- 3.1.4 The Pupil Premium Grant funding rates will be the same for 2018/19 as they were in 2017/18, except for the component for looked after children, which will rise from £1900 to £2300. The total Pupil Premium Grant funding for the LA in 2017/18 was £15.5m.
- 3.1.5 The Universal Infant Free School Meals Grant of £2.30 per meal brought £3.3m into the schools' budgets for 2017/18.
- 3.1.6 The other grants include the Primary PE and Sports Premium grant and the Year 7 catch-up premium. The former provides £16,000 plus £10 per pupil to schools in the LA. The Year 7 catch-up premium is staying unchanged.

- RESOLVED:**
- (i) that members approve the deployment of the Dedicated Schools Grant for 2018/19;
 - (ii) that members note the Finance Service Plan for the review and management of High Needs spending;
 - (iii) that Schools Forum or schools' nominees participate in the working groups reviewing High Needs spending;

- (iv) that members note the plan to review SEN funding allocations for 2018-19 and the potential for any funding changes to be implemented from the start of the academic year 2018/19; and
- (v) that members note the funding rates of specific grants in 2018/19.

4 EARLY YEARS NATIONAL FUNDING FORMULA

A consultation with providers was launched on 8 February 2018 and closed on 21 February 2018. In 2017/18 the LA had to passport 93% of the funding to providers; in 2018/19 this rises to 95%. In the consultation, three models were proposed with varying base rates and compensating SEN Inclusion Fund funding. There was a 16% response rate from schools and 7% response rate from the Private, Voluntary and Independent Sector. The average response rate was 10%. The majority in both sectors preferred the model with the highest base rate of funding of £3.77 and £150,000 SEN Inclusion Fund. The LA will move towards this model of funding for 2018-19.

Challenge: A member asked what is being done about the questions that were put forward from providers in responding to the consultation. Ms Caygill replied that they will be reviewing the formula and considering the High Needs and SEND funding with Early Years Providers in the Summer term.

5 SCHOOLS DEFICIT – CLOSING SCHOOLS

Ms Caygill provided a brief explanation of the position of a closing school and the possible impact on the resources available to other schools if the school converts to an academy with a budget deficit. Ms Caygill reported that they were working with the school to bring them out of a deficit before conversion.

RESOLVED: that Schools Forum note the position of this school and the action being taken by the Local Authority and the school.

6 FORWARD PLAN

The proposed agenda items for the following four Schools Forum meetings were provided to members.

The proposed dates of the meetings are 16 May, 12 September, 28 November 2018 and 17 January 2019.

(There being no further business, members were thanked for their attendance and the meeting was declared closed at 18.20pm).

Signed: _____
Chair

Date: _____

SCHOOLS FORUM CONSTITUTION

Financial Year 2018-19

May 2018

Contents

	Page
1 Principles	3
2 Terms of Reference	3
Powers & Responsibilities	4&5
3 Membership	6
4 Election of Chair and Vice Chair	7
5 Clerk	7&8
6 Commissioning	8
7 Quorum	8
8 Proceedings	8
9 The Forum Budget	8&9

Appendices

Annex 1 - Membership

Annex 2 - Voting Procedures

Schools Forum Constitution

1 Principles

- 1.1 Whilst members are representatives of their specific sectors or phase, they must be able to consider the needs of the whole educational community, rather than using their position on the Schools Forum to advance their own sectional or specific interests.
- 1.2 Members of Oldham Schools Forum shall act in accordance with the seven principles of public life: selflessness, integrity, objectivity, accountability, openness, honesty and leadership.
- 1.3 The title of this organisation shall be the “Oldham Schools Forum” herein after referred to as “the Forum”.
- 1.4 Where any procedural matter relating to the working of the Forum is not specifically covered in the Constitution, the DfE Schools Forum Guidance 2012 (or latest version) shall apply.

2. Terms of Reference

Role/Function

- 2.1 The Forum is not a Committee of the Council. It is a separate statutory body established by the Local Authority (LA) under the powers laid out in *The Schools Forum (England) Regulations* and brings together key partners in the provision of education at a local level, giving each an equal voice.
- 2.2 The role of the Forum is to:
 - Act as a Strategic Partner with the Economy, Skills and Neighbourhoods Directorate as determined by the appropriate legislation.
 - Be a formal channel of communication between the LA and schools as the principal mechanism for consultation concerning the funding of schools.
 - Provide unambiguous professional advice and strategic direction to education decision-makers regarding the funding of schools.
 - Agree recommendations which present the best possible, most equitable compromise between competing claims on limited resources through a transparent and properly informed process of discussion in a framework of agreed principles.
 - Have strategic oversight of funding decisions which fall within the remit of the Forum affecting schools so that it can agree recommendations in the context of the full picture of funding
 - Be involved in annual consultation in respect of the LA's functions relating to the schools budget in connection with the following: pupils with SEN, use of PRUs, early years, revisions to the LA's scheme for the financing of schools.
 - Receive and consider information and advice from the Fair Funding Group.
- 2.3 The LA may also consult the Schools Forum about any other matter relating to the funding of schools.
- 2.4 The LA must advise the Forum at the earliest opportunity on all local and national developments that impact on funding requirements for schools.

Powers and Responsibilities

Under Government regulation Schools forums generally have a consultative role. Each forum has decision making powers in a number of areas, and must be consulted in other areas. The following table shows the relevant powers and responsibilities of the LA, the Schools Forum and the Department for Education (DfE).

Activity	LA Role	Forum Role	DfE Role
1. Changes to funding formula:	Proposes and decides	Consulted	Checks for compliance with regulations
2. Contracts:	Proposes terms	Gives a view	None
3. Financial issues relating to: <ul style="list-style-type: none"> • Arrangements for pupils with special educational needs, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding. • use of pupil referral units and education of children other than at school; in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding • arrangements for early years provision • administration arrangements for the allocation of government grants 	Consults annually	Gives a view	None
4. Minimum funding guarantee	Proposes any exclusions	Gives a view	Approves
5. De-delegation in relation to: <ul style="list-style-type: none"> • contingencies; • free school meal administration; • insurance; • licences and subscriptions; • supply cover; • support for minority ethnic Pupils/ underachieving groups • behaviour support services; • library and museum services; • school improvement 	Proposes	Primary and secondary school member representatives decides for their phase on a line by line basis	Adjudicates if forum does not agree LEA proposal
6. General Duties for maintained schools <ul style="list-style-type: none"> • services previously funded by the ESG general duties rate. 	Proposes	Will be decided by the relevant maintained school members (primary, secondary, special and PRU).	Adjudicates where schools forum does not agree LA proposal

7. Central spend on and the criteria for funding <ul style="list-style-type: none"> for significant pre-16 pupil growth; falling rolls for surplus places 	Proposes	Decides for each line	Adjudicates if forum does not agree LEA proposal
<ul style="list-style-type: none"> central spend on: admissions; servicing the Forum; equal pay back-pay; places in independent schools for non-SEN pupils; early years block provision; services previously funded by the retained rate of the ESG 	Proposes	Decides for each line	Adjudicates if forum does not agree LEA proposal
8. Central spend on <ul style="list-style-type: none"> capital spend funded from revenue; contribution to combined budgets; centrally funded termination of employment costs; prudential borrowing costs; 	Proposes (up to value committed in 2017-18 and where spend has already been committed)	Decides for each line	Adjudicates if forum does not agree LEA proposal
9. Central spend on: <ul style="list-style-type: none"> licenses negotiated centrally by the Secretary of State high needs block provision 	Decides	None but good practice to inform forum	None
10. Movement of up to 0.5% from the schools block to other blocks	Proposes	Decides	Adjudicates where schools forum does not agree LA proposal.
11. Any brought forward deficit on de-delegated services which is to be met by the overall schools budget	Proposes	Decides	
12. Carry forward any deficit on central spend to be funded from the schools budget:	Proposes	Decides	Adjudicates if forum does not agree LEA proposal
13. Scheme of financial management changes:	Proposes and consults Heads and Governing Bodies	Decides – school members only	Adjudicates if forum does not agree LEA proposal
14. Length of service of Forum members:	Decides	None (but good practice suggests gives a view)	None
15. Voting Procedures at Forum:	None	Determines	None
16. Appointment of Chair of Forum:	Facilitates	Elects (may not be an officer or Elected Member of the council)	None

3. Membership

- 3.1 The composition of the membership of the Forum is determined by the LA in accordance with The Schools Forum (England) Regulations 2012. Details of the current composition are set out in Annex 1 for information.

Members are required to report back to their respective sponsoring groups in sufficient detail to inform debate and opinion including those issues which have specific implications for academies and faith schools.

- 3.2 Observers, advisers and elected members.

Forum meetings will be held in public and agendas and minutes must be published in advance on the Council's website. Forum members may decide, if required, to exclude observers and members of the public for specific agenda items or, in exceptional circumstances, for whole meetings.

LA and the Forum may invite observers who can be asked to withdraw for certain items at the discretion of the Chair.

The professional adviser to the Forum will be the Director of Children's Services and/or his/her representative(s) who will be entitled to attend, and speak at, all meetings of the Forum and any sub-committees which it convenes.

The Executive member for Commissioning of Oldham Council is entitled to attend and speak at the Forum.

- 3.3 Declarations of Interest.

It is recognised that all Schools Group members will have an interest in at least one school. It is important that members should declare if the item under discussion could make a material difference to that school, or where they may have a personal or prejudicial interest. Notwithstanding this, a member may continue contributing to the discussion, but should not take any part in any decision made concerning that particular proposal which uniquely changes funding for their particular school/schools.

- 3.4 Members may formally nominate a named substitute to attend meetings in their absence, subject to the approval of the relevant body that elected them. Such substitutes must be from the same category of membership. Such substitutes have voting rights. It is the responsibility of the member concerned to pass on a copy of meeting papers to any such substitute.

- 3.5 If a member fails to attend three consecutive meetings without giving their apologies or without their apologies being accepted, the Forum may decide they are deemed to have resigned, and the clerk should advise the LA so that they can seek nominations from the appropriate group or sub group for a replacement.

Note: For clarity, a member is deemed not to have attended a meeting even if a formally nominated substitute has attended.

- 3.6 Members of the Forum will be appointed for a three year term of office, ending on the 31st August in their third year of appointment, subject to their remaining eligible. A member is, however, eligible for re-appointment and there is no limit to the number of terms an eligible member may serve. A member may resign at any time.

-
- 3.7 If a member ceases to be eligible to serve on the Forum he/she will be deemed to have resigned with immediate effect.
- 3.8 Only the Chair, or in their absence, the Vice Chair may formally represent the Schools Forum. Members may publicly disagree with Schools Forum decisions, but should ensure that their views do not create damage to the reputation of the Schools Forum.

4. Election of Chair and Vice Chair

- 4.1 The Forum will elect the Chair and Vice-Chair.

Nominations shall be sought from the floor and approved by a simple majority of votes cast by individual members, as indicated by a secret ballot. The Chair and Vice-Chair will be elected for a two year period but will hold office until the first meeting of the Forum after the two year period has elapsed, at which time they will be eligible for re-election. A member may serve as Chair for a maximum of two consecutive terms. A non executive Member of the Council or Council Officer who is member of the Forum may not hold the office of Chair or Vice Chair.

- 4.2 The Chair (or the Vice-Chair in his/her absence) will be responsible for chairing and managing meetings of the Forum, in collaboration with the appropriate LA Officers and the Clerk.
- 4.3 If both the Chair and the Vice-Chair are absent from a meeting, an acting Chair will be elected by the members present for that meeting.
- 4.4 The Chair and/or the Vice-Chair may be removed from office by a majority of votes cast by secret ballot. Any call for a ballot to remove the Chair and/or Vice-Chair must be made in writing, signed by at least 25% of the total voting membership and received by the Clerk at least 7 days in advance of the meeting at which the ballot would be taken. The clerk must advise the Chair and Vice Chair immediately any such motion is received.

5. Clerk

- 5.1 The LA shall nominate a Clerk for the Forum.

- 5.2 The Clerk will be responsible for:

- Arranging meetings of the Forum,
- Ensuring that members are notified of meetings and receive full agenda and supporting papers at least 7 days before hand (excluding school holidays).
- Recording the proceedings at meetings of the Forum,
- Ensuring that such a record is kept in a form that is easily accessible to others on request. Draft minutes are sent to the Chair for approval within 8 working days of a meeting, and distributed with the papers for the subsequent meeting.
- Publishing the draft minutes via email/ the website within one week of a meeting.
- Providing and seeking advice to the Forum and/or individual members and assisting the Chair/Vice-Chair with the management of meetings of the Forum.
- Ensuring that governing bodies and schools are informed of the outcome of the work of the Forum and consultation by the LA through the publication of minutes in the Schools' and Governors' bulletins along with posting of draft minutes, approved minutes, meeting agendas and associated meeting papers on the Schools' Forum page of the LA website.

-
- 5.3 In addition the Clerk to the Forum will (acting on behalf of the LA):
- Maintain an up to date list of members, nominated substitutes, and observers, detailing terms of office;
 - On the list of members also record details of the Commissioning Executive member and nominated LA professional advisers to the forum;
 - Advise the Chair of the Forum and the LA and representative groups when vacancies occur.
 - Facilitate or organise where appropriate for the vacancies to be filled, in accordance with the agreed procedure and will ensure that sufficient time is given to enable all constituency members have sufficient notice to be able to consider self nomination. It is unlikely that less than 10 normal school days would be sufficient;
 - Notify changes to membership via the Schools' and Governors' bulletins.

6. Commissioning

- 6.1 LA Officers will be responsible for ensuring that all necessary papers for meetings of the Forum are supplied to the clerk in accordance with section 5.2 in a timely fashion.
- 6.2 Where LA Officers are reliant on an external body (eg DfE) for receipt of information which may arrive too late for processing/distribution, papers may be e-mailed to members no less than 3 days before a meeting. Papers may only be tabled at a meeting to those members who do not have access to email.

7. Quorum

- 7.1 The quorum for meetings is 40% of the total voting membership (namely Schools Group and Non Schools Group) excluding any vacancies in those groups).
- 7.2 If a meeting is inquorate, it can proceed, but it cannot legally take decisions (e.g. election of a Chair or Vice-Chair, or a decision relating to funding conferred by the funding regulations). An inquorate meeting can respond to authority consultation, and give views to the authority.

8. Proceedings

- 8.1 Meetings of the Forum will normally be held a minimum of 4 times a year. The Chair must ask for declarations of interest at the beginning of every meeting. Additional meetings may be convened as and when required with the agreement of the Chair. A calendar of dates for meetings will be agreed at the first meeting in each school year.
- 8.2 Where a decision needs to be made and there is general consensus, a formal vote will not be necessary. If the Chair determines a vote is necessary, voting will take place by a show of hands by members and decided by simple majority. Where there is an equality of votes, the Chair has a second and casting vote.
- 8.3 In order to address specific issues, the Forum may, on occasion, need to establish working groups from within its membership group. Such working groups must appoint a Chair who will be directly responsible for ensuring that the business of the group is recorded; also for reporting to the outcomes of the work of the group to the Forum. The Forum may vote to accept a report from a working group.
- 8.4 Agenda items are selected by the Chair in consultation with the appropriate LA officers. Items of Any Other Business must be proposed to the Chair/Clerk before a meeting.

9. The Forum Budget

- 9.1 The budget for the Forum shall be £12,510 increased or decreased each financial year by the movement in the RPI over the previous calendar year.
- 9.2 The budget may be used for any legitimate purpose of the Forum
- 9.3 Before the start of each financial year (1st April to 31st March) the Forum shall determine its annual spending plan
- 9.4 The Director of Finance shall notify the Forum of any major variations in forecast expenditure compared to the annual spending plan.
- 9.5 The Director of Finance will account for the Forum's budget and make any payments authorised by the Forum.
- 9.6 Any balance of the budget that remains at the financial year-end shall be carried forward to the next financial year in addition to the budget allocation set out in 1 above.
- 9.7 The Forum shall not exceed its budget allocation calculated in 6 above. Any overspend will be a first charge on the next year's budget.

Membership

1. The Local Authority is responsible for setting up the Oldham Schools Forum, determining the numbers of members comprising of the Schools Group and Non-Schools Group and Observers, as laid out in the *Schools Forum (England) Regulations 2012* in accordance with *DfE Schools Forums: August 2012*.
2. The regulations specify that each school forum must have a minimum of 15 members has been rescinded.
3. There is a restriction on the number of local authority representatives who can attend: only the following may attend; The Lead Member – Cllr Chadderton, The DCS – Merlin Joseph, The Director of Finance – Anne Ryans, or their named representative or those providing specific technical advice. They have no voting rights.
4. The forum is required to have a representative of 16 -19 education provider.
5. The forum is required to have a representative from Early Years.
6. The authority may appoint additional non-school members to represent other interests

The Forum consists of 22 members as set out below

Representation	Members	Name
Schools and academies		
Primary		
Headteachers maintained	4	
Principal academy	1	
Governors	2	
Secondary		
Headteachers - maintained	1	
Principals - academies	3	
Governor - maintained	1	
Governor - academy	1	
Special		
Headteacher	1	
Governor	1	
Pupil Referral Unit		
Headteacher	1	
Non Schools		
Trade Unions	1	
Early Years (PVI)	1	
16-19 Provider	1	
Director of Children's Services – cannot vote	1	
Cabinet Member - cannot vote	1	
Director of Finance – cannot vote	1	
Total	22	

7. Election and Nomination of Members and Chair

7.1 Governors

Nominations for governor representatives will be sought from school governing bodies with all eligible members being given an opportunity to be elected. Schools may nominate their governors representatives to the Governors Section of the LA. If there are more nominations than places then Oldham Governors Service will arrange for the governing bodies to vote for their representative. Governors represent school members and non-school members.

8. School Members

8.1 Headteachers

Headteacher representatives are directly accountable to their steering groups, which are the bodies responsible for headteacher elections.

- Primary Headteachers represent Primary schools and should reflect each of the Primary phases as far as is possible
- Secondary Headteachers represent Secondary schools and should reflect each of the 11 to 16 and 11 to 18 phases
- The Special Headteacher represents all phases of Special schools.

9 Non-school Members

Non-school members of the Schools Forum shall be nominated by Oldham Economy, Skills and Neighbourhoods Directorate, and shall include:

- *A provider from the 16-19 sector* – This includes those in the FE sector (FE and sixth form colleges) and other institutions that specialise in special education needs (SEN) and learning difficulties and disabilities (LDD) provision (ISPs), where 20% or more of their students reside in the local authority's area.
- One trade union representatives
- A representative from Oldham's Private, Voluntary and Independent providers of free entitlement nursery education

Voting Procedures

The regulations provide that a schools forum may determine its own voting procedures save that on voting on:

- The funding formula is limited to school members, academies members and PVI representatives
- De-delegation will be limited to the specific primary and secondary phase of maintained school members

The other areas on which schools forum make decisions on local authority proposals are:

- De-delegation from mainstream schools budgets (separate approval will be required by the primary and secondary phase members of schools forum), for prescribed services to be provided centrally.
- To create a fund for significant pupil growth in order to support the local authority's duty for place planning (basic need), including pre-opening and diseconomy of scale costs, and agree the criteria for maintained schools and academies to access this fund.
- To create a fund for falling rolls for good or outstanding schools if the schools' surplus capacity is likely to be needed within the next three years to meet rising pupil numbers and agree the criteria for maintained schools and academies to access this fund.
- Continued funding at existing levels for prescribed historic commitments where the effect of delegating this funding would be destabilising.
- Funding for the local authority in order to meet prescribed statutory duties placed upon it. Approval is required to confirm the amounts for each duty and no new commitments or increases in expenditure from 2013/14 are permitted unless agreed by the Secretary of State.
- Funding for central early year's expenditure, which may include funding for checking eligibility of pupils for an early years place, the early years pupil premium and/or free school meals.
- Authorising a reduction in the schools budget in order to fund a deficit arising in central expenditure that is to be carried forward from a previous funding period.

In each of these cases, the local authority can appeal to the Secretary of State if the schools forum rejects its proposal.

Report of the Director of Finance

Item 4. Budget Outturn 2017-18 and Budget Update 2018-19

Schools Forum – 16th May 2018

1. Purpose of the Report

This report is presented to advise School Forum of a number of key development which impact on the Dedicated Schools Grant for 2018/19 and future years and to seek views on the allocation of growth funding. The report therefore sets out:

- 1) The final outturn for the (DSG for 2017/2018 (at Section 2)
- 2) An explanation of the DSG Note within the Oldham Council statutory accounts (at Section 3
- 3) A budget update for 2018/19 (at Section 4)
- 4) Additional budget pressures anticipated in 2018-19 and 2019-20 (at Section 5)
- 5) Options for changing the criteria for allocating growth funding (Section 5.6)
- 6) The estimated closing school deficit at the conversion of Royton and Crompton School to academy status

2. Comparison of the 2017/18 Revised Budget to the Final Outturn

- 2.1 The final DSG outturn position for 2017/18 was a cumulative deficit of £3.031m when compared to the projected outturn deficit of £3.103m presented to the Schools Forum meeting on 27th February 2018. This was an improvement of £0.072m (a £0.001m increase in resources and a £0.071m reduction in expenditure).
- 2.2 The actual in-year deficit for 2017/18 was £1.329m, which, when added to the deficit brought forward from 2016/17 (£1.702m) resulted in the cumulative deficit of £3.031m. The projected outturn, actual outturn and variance are shown in the following table.

TABLE 1	2017/18 Projected Outturn (Feb 2018)	Final Outturn April 2018	Difference
Resources	£000's	£000's	£000's
Schools Block	185,057	185,057	0
Central Schools Services Block	3,028	3,028	0
Early Years Block	12,493	12,494	1
High Needs block – pre/post 16	27,520	27,520	0
Two Year Old Funding	4,108	4,108	0
Early Years Pupil Premium	237	237	0
Early Years Disability Access Fund	86	86	0
Total Resources Available	232,529	232,530	1
Expenditure			
Individual Schools Budgets	181,931	181,995	(64)
Central Licenses (see Central Expenditure)	(184)	(184)	0
Early Year Funding Delegated to Schools	5,843	5,881	(38)
Early Years Pupil Premium	80	80	0
Early Years Disability Access Fund	58	7	51
High Needs Funding for Schools (incl Post 16)	23,851	23,742	109
Total Delegated to Schools	211,579	211,521	58
Central Schools Services	3,028	3,028	0
Central Early Years Services	1,292	1,292	0
Central High Needs Services	8,114	8,114	0
Three and Four Year old PVI's	5,648	5,648	0
Two Year Old Funding	3,900	3,900	0
Early Years Pupil Premium PVI's	157	144	13
Central Licenses (see Schools expenditure)	184	184	0
Early Years Disability Access Fund	28	28	0
Total Retained Centrally	22,351	22,338	13
Total Budget Requirement	233,930	233,859	71
Deficit in 2017/18	(1,401)	(1,329)	72
Overspend b/fd from 2016/17	(1,702)	(1,702)	0
Cumulative Deficit/Change	(3,103)	(3,031)	72

2.3 The reasons for the reduction in the deficit are highlighted in detail in Table 2. However, as can be seen there are a wide range of changes, some savings and some additional pressures. The starting point of the analysis is the removal of the estimated pressures/savings and then the inclusion of the actual issues/figures. The overall impact is an increase in pressures by £0.313m offset by an increase in savings of £0.385m (a net £0.072m improvement).

Table 2 – Change from Projected to Actual DSG Outturn 2017/18

Reason	Pressure Amount (£000)	Savings Amount £000
Forecast Deficit 27 February 2018	(3,103)	
Estimated included in Schools Forum report 27-2-2018		
<i>Remove estimates Schools Forum 27 February 2018</i>	<i>(52)</i>	169
Actual Costs		
Teaching Assistant Jan 18 for Kingsland	(6)	
Increase in post 16 spend	(25)	
Other	(1)	
Hathershaw communicators		5
Springbrook Real Time Movement		41
Kingfisher Real Time Movement		3
Newbridge base		17
Newbridge Real Time Movement		19
Post 16		7
Special Education Services Grant		14
Early Years – 15 hrs		42
Disability Access Fund		52
Early Years Pupil Premium		13
Business Rates		1
Hollinwood Real Time Movement & overcapacity	(27)	
Resourced Real Time Movement & overcapacity	(14)	
SEN assessments	(30)	
Early Years - notional SEN	(10)	
Stated contingency	(13)	
Growth	(13)	
Admissions	(16)	
Split Site	(50)	
Early Years – additional 15 hrs	(56)	
TOTAL (PRESSURES) / SAVINGS	(3,416)	385
Savings Offset against Pressures	385	
Net Deficit 2017/18	(3,031)	

3. Dedicated Schools Grant Note to the Accounts

- 3.1 The 2017/18 accounts were completed on 30th April 2018 and submitted for external audit. An extract from Oldham Council's statutory accounts (below) discloses details of the 2017/2018 Dedicated Schools Grant and its cumulative deficit of £3.031m

"The Council's expenditure on schools is funded primarily by grant monies provided by the Department for Education, the Dedicated Schools Grant (DSG). DSG is ring-fenced and can only be applied to meet expenditure properly included in the Schools' Budget, as defined in the School Finance (England) Regulations 2017. The Schools' Budget includes elements for a range of educational services provided on an authority wide basis and for the Individual Schools Budget which is divided into a budget share for each maintained school.

Details of the deployment of the DSG receivable for 2017/18 is shown below are as follows:"

Table 3 – DSG Note to the Accounts

	2017/18		
	Central Expenditure	Individual Schools Budget	Total
	£000	£000	£000
Final DSG before academy recoupment			232,530
Academy Recoupment			(78,332)
Total DSG after academy recoupment			154,198
Balance Brought Forward			(1,702)
Carry forward agreed in advance			-
			152,496
Agreed initial budget distribution	20,854	131,648	152,502
In year adjustments	(470)	464	(6)
Final budget distribution	20,384	132,112	152,496
Less: Central expenditure	(22,338)		(22,338)
Less: ISB deployed to schools		(133,189)	(133,189)
Plus Local Council contribution	-	-	-
Carry forward	(1,954)	(1,077)	(3,031)

- 3.2 As previously discussed with Schools Forum, there is a requirement that the DSG is brought back into balance as soon as possible and Authority officers are currently working on a DSG financial recovery plan which has been outlined to Schools Forum. The detail actions and progress will be the subject of reports to future meetings of Schools Forum.

4. 2018/19 Budget Update

- 4.1 At February 2018, Schools Forum was advised that it was expected that if there were no other revisions to the financial position there would be an in-year deficit for 2018/19 of £392k. This would have the impact of increasing the cumulative deficit still further if recovery action was not introduced. Table 4 below shows a revised position with a minimal increase (£0.003m) to the projected in year deficit to £395k.
- 4.2 Total resources have increased by £1.112m primarily due to estimated additional income of £1.031m for Early Years for 3 and 4 year olds partly netted off by a reduction of £0.050m for 2 year olds. The budget requirement has increased by £1.115m
- 4.3 Some important changes between the February and April budget positions are highlighted below: The key issues to note and referenced to table 4 are:-
- (1) Transfer from the Schools block to the High Needs Block primarily resulting from the approval School Forum to move 0.5% and the Secretary of State to move a further 0.5%
 - (2) Transfer to the High Needs block from the Schools Block (as above)
 - (3) Movement of Early Help to Central High Needs
 - (4) Movement of Early Help from High Needs Funding for Schools

Table 4 – DSG out turn 2018/19

	DSG Settlement @ February 2018 £000's	DSG 2018/19 @ April 2018 £000's	Change £000's
Schools Block (excludes central services) (1)	187,641	185,894	(1,747)
Central Schools Services Block	3,001	3,001	0
Early Years Block	13,296	14,327	1,031
High Needs Block – pre/post 16 (2)	30,925	32,803	1,878
Two Year Olds' Funding	3,933	3,883	(50)
Early Years Pupil Premium	242	243	1
Early Years Disability Access Fund	86	85	(1)
Total Resources	239,124	240,236	1,112
Budget Requirement			
Individual Schools Budgets	185,763	185,894	131
Early Year Funding Delegated to Schools	5,990	6,111	121
High Needs Funding for Schools (incl Post 16) (3)	25,096	24,746	(350)
Total Delegated to Schools	216,849	216,751	(98)
Central Schools Services	3,045	3,045	0
Central Early Years Services	964	1,297	333
Central High Needs Services (4)	8,057	8,407	350
Three and Four Year old PVI's	6,338	7,110	772
Two Year Old Funding	3,934	3,682	(242)
Total Retained Centrally	22,338	23,551	1,213
Early Years Pupil Premium	243	243	0
Early Years Disability Access Fund	86	86	0
Budget Requirement	239,516	240,631	1,115
Deficit	(392)	(395)	(3)
Balance brought Forward	(3,103)	(3,031)	72
Revised Deficit/Change	(3,495)	(3,426)	69

4.4 The reasons for the reduction in the deficit are highlighted in detail in Table 5. There are a number of reasons for the overall change of £0.69m as detailed in the table below. Some of the changes increase the pressure (£0.301m) whilst some offset the pressures (£0.370m).

Table 5 – DSG out turn 2018/19 changes

Reason	Pressure Amount (£000)	Savings Amount (£000)
Forecast Deficit 27 February 2018	(3,495)	
Decrease in overspend		72
Laurel Bank	(171)	
Change in estimated Special School Funding		147
Changed in estimated funding for resourced		151
Change in estimated funding post 16	(36)	
Change in estimated funding statements	(90)	
Other Changes	(4)	
TOTAL (PRESSURES) / SAVINGS	(3,796)	370
Savings Offset against Pressures	370	
Projected Deficit for 2018/19	(3,426)	

5. Additional Budget Pressures in 2018-19 & 2019-20

5.1 There may be some further requirements for additional schools funding from the DSG in 2018/19. The **possible additional pressures that are known** and may need to be addressed are set out in Table 6

Table 6 – Additional Pressures

Reason	Pressure Amount (£000)		DSG Block
	2018/19	2019/20	
Revenue implications of SEND capital funding for Early Years (2 year olds)	(97)	(96)	High Needs
Revenue implications of SEND capital funding for Early Years (3 year olds)		(108)	High Needs
Notional SEN	(20)		High Needs
Resourced Provision – primary provision	(25)		High Needs
Resourced Provision – secondary provision	(51)	(37)	High Needs
Pupil Referral Unit	(137)		High Needs
International new arrivals since census day – 18 pupils	(78)		Schools
Additional Growth (East Oldham)		(49)	Schools
TOTAL (PRESSURES)	(408)	(290)	

5.2 Again, there are a number of potential reasons for the pressures as highlighted above. The total additional pressures for both 2018/19 and 2019/20 by DSG blocks are set out below.

DSG Block	2018/19 (£000)	2019/20 (£000)	TOTAL 2018/19 TO 2019/20 (£000)
Schools Block	(78)	(49)	(127)
High Needs Block	(330)	(241)	(571)
TOTAL	(408)	(290)	(698)

5.3 The indicative allocation for the High Needs Block for 2019/20 is £31.418m. Current planned spend for 2018/19 as shown in table 4 (i.e. before the additional pressures at table 6) is £33.153m, a shortfall of £1.735m in the High Needs Block. Incorporating the additional pressures shown in table 6 would mean the shortfall would increase to £2.306m. If this budget position prevails, then one means of addressing the issue would be for the Authority to once again request the agreement of Schools Forum to move funds from the Schools to the High Needs Block and to request the Secretary of State permits a full 1% movement as in 2018/19.

5.4 Further to the financial action plan discussed at the last meeting of Schools Forum, work is ongoing to review:-

- Special school budgets
- Resourced provision
- The pupil referral unit – Kingsland
- Top ups for high needs pupils in mainstream schools

The outcome of these and any impact on school budgets from September 2018 will be discussed soon. It is proposed to hold workshops after the summer half term and members of Schools Forum will be contacted once details have been agreed.

5.5 As part of the ongoing changes to high needs funding, the ESFA are proposing some changes to the handling of special free schools' place funding from 2019/20. The ESFA currently fund the base funding for any special free schools and the Local Authority funds the top ups. Any changes to the way the ESFA fund these in the future could mean additional pressures on the DSG of individual Local Authorities. Oldham currently has two special free schools proposed to open in future years. The Authority has agreed to also fund two year old provision in one of these free schools which would mean a further pressure on the DSG from the year the free school opens.

5.6 A review is also underway of the criteria for Growth funding within Oldham. The current criteria is:

The growth contingency is for planned, phased growth to meet basic need following a decision made by the Local Authority to expand the capacity within that particular school. Approval has also been granted to expand the growth criteria further to support where a school or academy has agreed with the authority to provide an extra class to meet basic need in the area. It is for an increase in capacity for an increase of 5 pupils or more, rolled out into each year group on a phased annual basis.

The allocation is based on the increase in capacity adjusted for actual September intake numbers multiplied by the Basic Amount per Pupil multiplied by 7/12th (to cover September to March).

Schools Forum agreed to expand the growth fund criteria further in 2017/18 to “support a school, who at the request of the Council, and to meet Basic Need demand within the authority has a significant number of expected new arrivals in school after the October census date”

Where a school is currently funded over its PAN in years 6 or 11 (and these pupils would leave in the Autumn Term), we deduct these pupil numbers from any growth allocations for pupils going into Reception or year 7. As the criteria states, we currently fund growth based on the actual increase in pupil numbers from the autumn census rather than funding in full the increase to the planned admission number. This means we currently do not fund any growth for empty places (ie where pupils do not arrive).

Although the final decision remains with the Authority, we are seeking views from schools as to whether the growth criteria should change from autumn 2018 and whether there should be

- **any growth in full (i.e. including empty places) and**
- **an adjustment for overcapacity in years 7 & 11.**

- 5.7 As part of the DfE continuing work on the national funding formula for schools, they are developing the growth factor, to allocate funding to enable Local Authorities to respond to significant in – year pupil growth. For 2018/19 the growth factor has been allocated to Oldham on the basis of what Oldham planned to spend on its growth from its 2017/18 DSG, because it assumes future growth will follow the same pattern as historic growth. The allocation for Oldham is £1.106m.
- 5.8 The DfE is considering options for funding growth in 2019/20 and beyond. Therefore at this stage we do not know how much funding will be received after 2018/19. The implications of this are that any reduction in funding would mean that there would either have to be:
- a reduction in the amount per pupil allocated through growth to match the resources available or
 - a reduction in the schools block formula allocations for all schools (reflecting that we are still in a soft formula) to enable funds to be moved into the growth pot to match the resources required.
- 5.9 Currently included within the schools block budgets for 2018/19 is provision for 591 pupils at Northmoor from September 2018. Following discussions, the Local Authority has agreed to guarantee funding for 540 pupils from September. This means that if the ESFA adjust the amount they recoup to reflect the adjustment from 591 to 540, there would be a saving to the current costs included within the DSG of £0.122m. If however, there are less than 540 pupils on roll on the Autumn census, we would not receive funding for these empty places in 2019/20. As we are guaranteeing pupil numbers until August 2019, this would mean that this saving of £0.122m would be partly offset by additional costs for April – August 2019.

6. Closing School Deficit on Conversion to Academy Status

- 6.1 Royton and Crompton school is expected to convert to academy status from 01/09/2018. Schools Forum is advised the school had a deficit at 31st March 2018 of £0.312m.
- 6.2 Any deficit balance at the closure of the Academy's predecessor school will impact on the Local Authority as an academy should begin operation with no deficit. It is expected the school will be as close to a zero balance as possible at conversion.
- 6.3 To facilitate this budget position, the school received funding of £300k from the maintained schools specific contingency in 2017/18. This is included in the DSG outturn for 2017/18. The Director of Education has agreed that an allocation of a further £250k from the schools contingency be made in 2018/19 to fund the deficit and enable the school on conversion to have its budget in as close to balance as possible. If a balanced position is not achieved, then any remaining deficit will have to be addressed by the Local Authority.

Actions/Recommendations

Schools Forum is requested to:

- 1) Note the Dedicated Schools Grant outturn for 2017/18. See section 2
- 2) Note the disclosure of the Dedicated Schools Grant within the Council's statutory accounts. See section 3
- 3) Note the budget update 2018-19 See section 4
- 4) Note the possible additional budget pressures 2018/19 and the possible impact on 2019/20 funding. See section 5.1
- 5) Consider the funding of growth in future years and the impact on the resources in the schools block. See section 5.6
- 6) Have regard to the estimated closing budget position at the conversion of Royton and Crompton School to academy status See section 6

Report of the Director of Finance

Item 5. School Balances 2017/18

Schools Forum – 16th May 2018

1. Purpose of the Paper

- 1.1 The purpose of the paper is to update members on the level of actual school balances for 2017-18 for maintained schools.

2. Background

- 2.1 All schools receive their delegated budget share based upon the Local Funding Formula.
- 2.2 All schools via their governing body have delegated powers and responsibilities to manage and deploy their financial resources in accordance with their agreed aims and objectives to achieve the best outcomes for pupils.
- 2.3 Maintained schools are permitted to carry forward any year end surplus/deficit recorded at the 31st March to the following financial year as long as they conform to rules of the Balance Control Mechanism Scheme.
- 2.4 The Balance Control Mechanism Scheme is included in Oldham's Scheme for Financing Schools.

3. Oldham Final Position 2017-18

- 3.1 The tables below summarise school balances for the Financial Year 2017-18 by sector and the change in position from 2016-17.

Sector	2016/17	2017/18	Movement	Percentage movement from 2016 17
Primary			(£366,322)	
Secondary	£1,453,121	£1,134,283	(£318,838)	-21.94%
Special	£8,426	(£20,003)	(£28,430)	-337.40%
Total Schools	£6,352,103	£5,638,514	(£713,589)	-11.23%
Asset Purchase Scheme	(£129,980)	(£92,372)	£37,608	-28.93%
Total	£6,222,123	£5,546,142	-£675,981	-10.86%

- 3.2 The table above identifies that School balances have reduced overall by £0.714m or 11.23% from 2016-17. This excludes the Asset Purchase Scheme which is monies currently loaned to schools.
- 3.3 In 2017-18, 2 primary schools and 1 secondary school converted to academies.
- 3.4 Although, overall school balances were in a surplus of £5.638m at the end 2017-18, as a result of the deficit of £3.031m in the DSG, it is necessary to present a reduced balance overall of £2.515m.
- 3.5 “*Surplus*” school balances are defined as balances which are greater than 5% of the current year’s original school budget share for Secondary Schools or 8% for Primary and Special (excluding pupil premium).
- 3.6 Of the £5.638m school balances above, £0.045m are surplus balances from 15/16 and 16/17, where schools had surplus balances above the permitted levels with no approval to carry the amounts forward.
- 3.7 The table below summarises **surplus** school balances above the limits and numbers for 2017-18 by sector and the change from 2016-17. The table shows the number of schools holding a surplus balance has decreased overall due to a decrease of surplus balances held across all sectors.

Sector	2016/17 Surplus Balances	2016/17 No of schools	2017/18 Surplus Balances	2017/18 No of schools	Movement	No of Schools	Percentage movement from 2016/17
Primary							
Secondary	£0	0	£5,196	1	£5,196	1	
Special	£0	0	£0	0	0	0	
Total	£88,695	13	£143,628	6	£54,933	-7	61.93%

- 3.8 From the number of schools holding surplus balances. All schools have plans for the balances and therefore have approval to carry surplus balances.
- 3.9 We will continue to support schools in managing any surplus balances through medium financial planning and reviewing outturn statements.

4. Conclusion

- Members are asked to note the contents of this report

Report of the Director of Finance

Item 6– Forward Plan

16th May 2018

The proposed meeting dates for 2018-19 are

11th September 2018

28th November 2018

17th January 2019

Proposed agenda items for the next 3 meetings are set out below:

11th September 2018

Item	Purpose	Officer Responsible
School Forum Constitution	To agree the School Forum Constitution for 2018-19	Finance Team
School Funding Update	To discuss the National Funding Formula	Finance Team
Proposed amendments to Scheme for Financing Schools	Approval of Scheme	Finance Team
DSG Settlement update	To update members	Finance Team
School and Early Years Financial Regulations	To update members	Finance Team

28th November 2018

Item	Purpose	Officer Responsible
School Funding Update	To discuss the National Funding Formula	Finance Team
Estimated DSG Budget 2019-2020	For School Forum members to consider the budget issues from 2018-19 budget	Finance Team
Comprehensive Spending Review	To update members	Finance Team
School Forum operational and good practice	To update members	Finance Team

17th January 2019

Item	Purpose	Officer Responsible
Pupil Premium 2019-20	To update members	Finance Team
High Needs Funding update	To update members	Finance Team
School Funding Update	To discuss any proposed formula changes and update members	Finance Team
Formula Modelling	To agree formula changes and update members	Liz Caygill
DSG Final Settlement 2019 - 2020	To update members	Finance Team

There will be other items presented as appropriate

Action

Schools Forum are requested to note the contents of this report