

## 5. Minutes of previous meeting – 6 July 2017

### **Welcome and Apologies**

GK greeted the Schools Forum and welcomed new member Ayalah Hirst, governor at Independent Jewish Day School.

Apologies were received from Jo Djora. Standing apologies from Cllr Reuben Thompstone.

Post meeting apologies from Jude Stone.

NT asked if minutes can be approved if the meeting is not quorate.

GK replied that they cannot, but the current meeting is quorate.

### **Declarations of interest**

GK asked if anyone had any declarations of interest.

KN stated that he was released from NUT duties which related to de-delegation funding issues.

LL stated that her daughter works for Saracens, but is not involved with the free school project.

GK replied that the Schools Forum's remit is not such that it would have a direct influence on those matters.

### **Minutes of previous meeting**

BF stated she did not recall prior attainment being discussed.

SH said it had been discussed but it was not an item for decision at the last meeting, it was for information only regarding future NFF proposals. A decision was made at the December 2016 meeting where members accepted proposals not to use prior attainment in the formula as it would cause significant turbulence.

Minutes agreed as accurate/true record.

### **Matters Arising**

LL asked about the apprenticeship levy.

IH stated that community schools were affected by the levy because of the £3m threshold. The council has decided to pay the levy for community schools for 2017/18, but item 7.4 covers this item.

### **Item 6A – 2016/17 Final Outturn**

CP stated the final outturn was reported to the Performance and Contract Management Committee on 4<sup>th</sup> July 2017. There was an overall underspend of £547,780 in 2016/17.

The main reasons for the underspend were the reduction in spend for 3 and 4 year olds and the Oak Lodge conversion to academy status.

There was also a net reduction on spending for High Needs top-ups due to a reduced OOB placement costs.

Another factor was the lower than expected take-up of the Early Years Vulnerable Families funding. This was offset somewhat by the reduction in Early Years funding from the EFA because the number of places filled was lower than expected (and funding is based on take-up).

At the end of 2016/17, the DSG reserve is £4.2m, some of which will be used for 2017/18 and for growth; item 7.1 covers this in detail.

### **Item 6B – 2017/18 section 251 & EY Proforma submissions**

Section 251 must be submitted to the DfE by the end of March each year. Barnet's submission for 2017/18 is shown in detail at item 7.1/ Appendix III and includes the Early Years Proforma giving a £0.30 per hour supplement to Maintained Nursery schools. It is not clear yet whether income will be received for this as the notional average hourly rate to all providers exceeds the hourly rate paid to maintained nursery schools.

### **Towards a National Funding Formula**

#### **Item 7.1 – 2017/18 Draft Budget**

CG presented this item, explaining the update to the 17/18 budget presented to the Schools Forum at the meeting on 9 February - the budget is as approved previously, but with some correction to presentation of line items as required for the s251 submission.

The contingency funding at line 1.1.1 has been called upon to fund increased NNDR for VA and Foundation schools. The liability was not known at the time of the February Schools Forum meeting.

There has also been a revision to Early Years expenditure based on actual 2016/17 claims and increase in line 1.2.1 (maintained school top ups) offset by a reduction in line 1.2.3 (non-maintained/ Independent top ups) due to increased provision of places in borough. On line 1.3.1, £744,974 has been set aside as EY contingency to cover the expected reduction in income as a result of lower EY pupil numbers. This adjustment has yet to be confirmed by the ESFA.

Line 1.4.3 has been corrected to show the copyright licensing charge as expenditure rather than a reduction to Schools Block income, as presented previously.

#### **7.2 – DSG Baseline Exercise**

The Stage 2 National Funding Formula baseline calculations were submitted prior to the general election. All authorities had to submit 2017/18 baseline information directly to inform the calculation of 2018/19 NFF allocations. The information provided will enable baselines to be set for each of the DSG blocks, i.e. Schools, High Needs, Early Years and Central.

#### **7.3 – Growth Fund**

IH explained that the growth fund is money set aside for things like bulges, new classes and diseconomy funding. As a result of the MFG cap applied in 2017/18, the expansion of St Mary's & St John's from a primary to all-through did not enable the school to benefit fully from the formula funding for secondary pupils. As a result, it was agreed that they would be awarded a one-off 'exceptional' amount of diseconomy funding of £117,517 (the 'cap' reduction in secondary funding).

VW discussed the opening of the new Saracens secondary school in Colindale. The DfE has agreed to open the school in temporary premises in September 2018 as an exception, on condition that the revenue funding awarded to the school is guaranteed for a minimum of 120 pupils in the first year of operation – the DfE has asked Barnet to guarantee this amount (so no retrospective funding adjustment if their pupil numbers are below this). This is considered low risk due to the pressure on secondary places in this particular area. If the opening is approved for 2018 and the numbers fall short of 120 pupils, the shortfall in funding would be allocated from the Growth Fund.

KN asked what the value of the underwriting was.

CG replied that it was roughly 5.5k per pupil. VW confirmed that the first teaching would be from September 2018 and is confident the target of 120 pupils is achievable. Blessed Dominic would also be moving to new premises by then.

NT asked whether Barnet benefitted from its ties with Saracens. Saracens would be providing much needed secondary school places in the borough.

The Schools Forum's approval is needed for use of this growth fund for these exceptional items.

Results of vote: Agreed unanimously.

#### **7.4 – National Funding Formula (verbal update).**

Plans for the National Funding Formula (NFF) will go ahead in 2018/19 (soft formula). The government has announced that no schools will lose out as a result – it was initially thought that Barnet would lose 1%.

However there is continuing pressure on school budgets as a result of inflation, pay and pensions increases. The impact of the apprenticeship levy and loss of ESG, which the council absorbed in 2017/18, could also affect community schools and all maintained schools respectively in future.

If the council were to seek to recover the loss of ESG funding from the schools' budget, the average cost would be £26k per maintained primary school and £62k per maintained secondary school. A decision on this will need to be made by the council and the decision is likely to depend on the position in relation to wider council budgets as well as taking account

of the impact on schools.

These issues will be discussed in greater detail at the October Schools Forum meeting.

LL asked for feedback regarding the number of schools needing to submit a 3 year budget. Have these schools factored in the impact of the apprenticeship levy?

It was pointed out that all schools are required to submit a three-year budget but it was not expected that these would factor in the potential extra costs arising from the ESG cuts or apprenticeship levy at this stage.

### **Draft agenda for next meeting**

Agreed.

### **Any Other Business**

KN has been asked which day the meeting is normally held. His colleague cannot attend as an observer on Thursdays and although did not expect the meeting dates to be changed because of this, asked whether this affected anyone else.

A few members of the Schools Forum agreed that holding the meetings only on Thursdays can make it difficult to attend.

IH said although it would be difficult to change the current year's dates, it would be taken into consideration next year, but Tuesday meetings may be an option.

GK thanked CP, who was attending her last meeting and would be moving on to a new role within Barnet. He thanked members and wished them an enjoyable summer break.

Meeting closed at 5pm.