

**SOUTHEND-ON-SEA SCHOOLS FORUM**  
**Minutes of the meeting of the Forum held on**  
**Wednesday, 8 June 2016 at 8.15am**  
**The Tickfield Centre.**

**Present:**

Wendy Barnes  
Tim Barrett  
Lisa Clark  
Jerry Glazier  
Paul Hayman  
Jim Johnson  
David Parker  
Lionel Pryor  
Stuart Reynolds  
Margaret Rimmer  
Mark Schofield  
Maurice Sweeting (Chair)  
Vicky Wright  
Jane Youdale

**Category:**

14/19 sector  
Primary Head  
Primary Head  
Trade Unions  
Academy Head  
Primary Head  
Academy Governor  
Primary Governor  
Secondary Head  
Special Head  
Academy Head  
Primary Governor  
Early Years providers  
Early Years providers

**School:**

South Essex College  
Temple Sutton Primary  
Hamstel Infant  
  
Westcliff High for Girls  
Edwards Hall Primary  
Shoeburyness High  
Fairways Primary  
Futures Community College  
Kingsdown  
Shoeburyness High  
Hinguar Primary

**Observers:**

Judith Krone  
Geoff Prior  
Angie Rose

St Bernard's High  
St Bernard's High  
The Eastwood Academy

**In attendance:**

Elaine Hammans	People Directorate
Ian McFee (IM)	People Directorate
Brin Martin	People Directorate
Mike Singleton (MS)	People Directorate
Andrew Ward (AW)	Corporate Services Directorate
George Crowe	Independent Clerk

**Action**

**1. Apologies for absence, substitutions and introductions**

Apologies for absence were received from Robin Bevan (Vice-Chair)(Southend High for Boys), Neil Houchen (Eastwood Academy)(substituted by Mark Schofield), Mark House (Bournes Green Infant) and Joseph Parsad (St Thomas More High). Apologies were also received from Simon Leftley (Director for People).

The Chair welcomed Jim Johnson to his first meeting as a member of the Forum.

**2. Membership**

It was noted that the vacancy for a special school governor, an academy governor and a representative of the Pupil Referral Unit (PRU) were being held in abeyance for the time being. There appeared to be a conflict between the guidance and the regulations in relation to academy and maintained special schools membership of schools forums. To date it had not been possible to get a response from the Department for Education (DfE) about the anomaly.

The up-to-date list of members had been circulated with the papers for this meeting and members noted that the terms of office of Paul Hayman, Lionel Pryor and Margaret Rimmer would be ending within the next few months. Arrangements would be made for the seeking of nominations for the filling of the impending vacancies. It was also noted that the Vicky Wright's term of office would be expiring in October and that the vacancy would be filled through the appropriate Early Years forum.

Wendy Barnes reported that she would shortly be retiring and that there would, therefore, be a vacancy for the 14/19 education sector representative.

It was noted that a training session had been held attended by three new members.

**Resolved:** That the current membership situation be noted.

### 3. Minutes of previous meeting

The minutes of the meeting held on 16 March 2016 were received. It was noted that an early draft version of the minutes had been circulated to members which did not include the complete final two paragraphs of minute 7. These two paragraphs were read out to the meeting as follows:

*"The Forum asked that in future reports there should be an explanation of variances, e.g., whether they are due to places not having been taken up. Robin Bevan said that the Forum needed to:*

- *avoid the situation where funds are assigned for 'empty places',*
- *ensure that it could be flexible where authentic demand rises during the year,*
- *be adept at learning from the variances for future budgets (but without simply locking in historic spend patterns.*

*He suggested, and the Forum agreed, that the following questions should be asked to enable the Forum to decide whether budgets could be amended or not:*

- *whether the item is demand-led;*
- *whether any additional expenditure is a matter of choice (or an obligation/statutory)*
- *whether the variation, positive or negative, is likely to be sustained into the future."*

**Resolved:** That the minutes including the section set out above be approved as a correct record and be signed by the Chair.

### 4. Matters arising from the minutes

#### (a) Homes for new teachers in Southend schools (minute 4 refers)

Paul Hayman referred to publicity about the recent experience of people living in the flats at Queensway. He also suggested that the leaflet regarding the availability of the flats was ineffective. Jerry Glazier shared the concerns but said that the concept of the provision of flats for teachers new to the Borough was a positive one and very welcome, particularly as recruitment problems will continue. He hoped that the poor publicity would not provide a negative view of Southend among potential new teachers.

Brin Martin said that the leaflet had been produced in a hurry and agreed that its design could be improved. He referred to an application for occupation of some of the flats from four agency teachers working in Southend schools which, he indicated, was likely to be agreed.

The Chair said that it was important for the initiative to work and for the LA to learn from the experience. It was agreed that a review of the initiative should be carried out and for a report to be considered by the appropriate body in due course.

(b) Feedback on Service Level Agreements with Seabrook College (minute 9 refers)

It was noted that a report by Cathy Braun was included on the agenda for this meeting (see minute 11 below).

(c) Funding in other LAs for 2 year-olds (minute 11 refers)

A summary of rates of pay for providers of childcare to 2 year-olds in Norfolk, Thurrock, Redbridge, Luton and Essex as well as Southend had previously been circulated. It was presented by Elaine Hammans who said that she was surprised that Thurrock pays less than Southend. She suspected that all members of staff cannot be qualified. In Southend the quality of provision was important and members of staff were highly qualified. The quality of provision was high. Elaine Hammans undertook to keep the Forum updated.

## 5. Summary action sheet

The Forum received the Summary Action Sheet. It included items that had been added arising from the last meeting and Mike Singleton informed members of progress in the implementation of the Forum's decisions.

## 6. School balances at the end of 2015/16

(a) Maintained schools

Christine Hickey presented her report that advised on the position of maintained school balances as at 31 March 2016.

A table in the report showed schools' balances for the period from 2013/14 to 2015/16 and Appendix 1 set out the detailed analysis of individual school's budgets. Appendix 2 to the report set out the revenue balances as a percentage of total revenue resources and it was noted that the total revenue balances as at March 2016 represented 10.2% of available revenue resources. Appendix 3 provided information about revenue contributions to capital for 2013/14 to 2015/16.

The report showed that total balances at the end of the 2015/16 financial year had decreased by 10.58% to £8,713,085, resulting in a decrease in revenue balances of £1m and £1,030,799 in the financial year and that:

- primary school revenue balances had decreased by 7.83%, and in year net decrease of £635,391;
- the revenue balances of Futures College had decreased from £461,532 to £241,033;
- special schools revenue balances had decreased by 15% from £1,166,839 to £991,930

Capital balances had reduced by £137,989, 1.76% of total reserves. £2,902,838 of revenue had been transferred into capital, equating to 3.4% of available revenue resources.

The report informed the Forum that the School Improvement Board (SIB) was provided with information on school balances and is able to challenge those schools with deficits, those with rapidly falling balances and those with high balances. Two schools had set recovery plans in 2015/16. In reviewing the level of surplus balances, the thresholds used for the claw back of surplus balances in previous years (8% for primary and special schools and 5% for secondary schools) had been used as a guide. It was noted that:

- 21 of the 32 primary schools had balances exceeding 8%;
- the average primary balance was 11.6%, with the highest being 26.5% and the lowest 1.5%;
- Futures College had a balance of 5%;

- all four special schools had a balance exceeding 8%.

The schools' expenditure plans had been reviewed and checked against supporting documentation. Of the £8,709,697 of surplus balances, £4,153,204 had been verified as being committed, £4,418,359 as uncommitted balances/contingencies and £138,134 for extended revenue balances. Appendix 4 to the report showed how the committed balances would be spent per school. Unspent Pupil Premium Grant (PPG) had increased compared to previous years due to a recommendation that schools manage their funding by academic year and information about the full amount of available funding was not received until the summer term. Schools had, therefore, carried forward 5/12ths of the annual funding. A table in the report summarised the total and the percentage of the committed balance. Individual school plans would be reviewed in light of the staffing plans to assess the long term sustainability of using the surpluses for this purpose.

Members commented as follows:

- PPG funding should be spent on pupils in the particular year that it is issued;
- the economic environment is becoming more challenging and balances could be eliminated by 2020. Many schools could be in deficit;
- finding ways of managing the challenging circumstances will be important;
- there is the need to campaign for increases in education funding;
- pension changes, National Insurance opt-out and teacher shortages are amongst other factors that are leading to increasing costs.

(b) Academy accounts as at 31 August 2015

The Forum also received a report produced by Christine Hickey and Andrew Ward was presented by the latter. It advised on the financial position of Southend academy trusts as at 31 August 2015. The background information section of the report outlined the arrangements for financing of academies and explained why it is prudent and sensible for academy trusts to hold higher levels of reserves than would be expected of maintained schools. Members were reminded that no year-on-year comparative figures were available and advised that, next year the impact of National Insurance changes will be included in academy accounts.

Appendix 1 to the report provided figures taken from the statement of funds as at 31 August 2015 for all Southend academy trusts together with information on available resources, capital commitments and fund transfers. Appendices 2 and 3 highlighted total available resources as at 31 August 2015, net current assets and the working capital ratio for academies.

It was noted that most academies or trusts had available resources of over 10% as measured as a percentage of incoming resources with the exception of two which had available resources of 3% and 5%. Most academy trusts in the secondary phase had net current assets of over £1m. Primary and free schools had working capital greater than 2. However one primary and one secondary academy had lower net current assets. One special academy had available resources of nearly £3m.

Members commented that the information was useful because, in due course, all schools are likely to become academies and because it will be useful when the allocation of future funding is considered. The Chair added that it resolves the discussions about some of the issues between funding of academies and maintained schools.

**Resolved:** That the reports be noted.

## **7. Proposal to establish an Education Board**

Referring to minute 12 (16 March 2016), Brin Martin tabled and presented a report that set out the rationale, possible structures, etc., for an Education Board. It was noted that, until legislation allows, it would still be a requirement for the Schools Forum to continue and that it could be accommodated as part of the Board's meetings or through a sub-group of the Board.

The Board would need to be representative and proportionate by phase/status and evolve to accommodate the multi-academy trust environment. Displayed in the meeting room were draft terms of reference and a work plan. It was noted that the proposals had been presented to governing body chairs briefings and headteachers meetings which had agreed that the proposals were sensible. However, more detail was required. A formal report on the proposals would be presented to councillors. Members were reminded that Southend-on-Sea Borough Council is a democratically elected body and holds responsibility for policy and strategy. The Education Board would serve as the key partner in advising, recommending and lobbying members and would enact decisions confirmed by the Council's Cabinet.

The Forum was advised that the proposed School Improvement sub-group of the Board would guide school improvement strategy and in each September would look at results and recommend to the Board on priorities.

Also included in the report was a proposed timeline. It was noted that the first meeting of the Board could be held on 12 October 2016, the date of the next scheduled Schools Forum meeting.

Members commented as follows:

- Southend-on-Sea is a small unitary authority and for it to be effective it needs to be agile. For the board to be potent, schools and the community would need to embrace it. Its members would need to have sufficient time available to serve it;
- the Board will have a completely different focus than the Schools Forum and it will need to be fully representative. Schools will want to know when the membership of the Forum will terminate and the Board become fully effective;
- there was concern about the influence of the Regional Schools Commissioner and the vulnerability of maintained schools;
- one strength of Southend-on-Sea was the sharing of data but there was nervousness about the possible use of mid-year data to force schools to become academies;
- even the September data can be misleading;
- there would need to be wide confidence in the membership of the Board and there would need to be some form of performance assessment of its members;
- to be effective, the Board should not be too large.

### **Resolved:**

1. That the establishment of the Education Board be approved in principle.
2. That the parallel political approval be noted.
3. That the officers work with stakeholders to draft all associated and relevant administration that will enable the Board to function in the autumn.
4. That the establishment of the sub-group structure be progressed, starting with school performance.

## 8. 2016/17 Direct Schools Grant (DSG) Budget

A report by Andrew Ward which updated the Forum on the 2016/17 DSG Budget was presented by him. It advised that the DfE had confirmed both the Schools Block and the High Needs Block. It was noted that the Early Years Block would be calculated from participation numbers counted in January 2016 and January 2017 and the funding had been estimated for the purpose of Budget setting.

The Budget was set out in Appendix 1 to the report and showed a total of £141,085,216 of funding had been budgeted, £805k of which would need to be taken from balances brought forward from 2015/16. This would leave £789k to carry forward to 2017/18.

The Schools Block had been confirmed at £114,384,000 and the High Needs Block at £16,869,000. In the early years Block, 3 and 4 year old provision was estimated at £9,027,000.

**Resolved:** That the report be noted.

## 9. Baseline modelling - 2017/18 DSG

Andrew Ward presented his report which presented a baseline illustrative model to aid discussion and financial planning for the 2017/18 financial year.

The report advised that:

- no announcements had been made by the DfE following stage 1 of the National funding consultations;
- the LA had submitted its response and had also submitted a DSG expenditure block baseline which reconciles to the Section 251 submission for 2016/17, less the £800k from balances brought forward;
- the Council would be submitting information to the DfE on the combined budgets approved for 2016/17;
- stage 2 of the funding consultation was anticipated to take place after the EU referendum had taken place.

It was noted that initial modelling suggests that pupil growth in the secondary phase would start to impact on the resources available across the DSG and that if the Formula was to be run completely unchanged it would result in increased allocations of £3.8m against increased income of £2.7m. It would also result in the primary to secondary funding ratio increasing to 1:1.36. Appendix 1 to the report presented a different scenario which would be affordable and maintain the current primary and secondary ratio. The assumptions adopted were set out in the report and the modelling suggested that at -1.5%, the cost of the MFG would roughly halve from £1m. It also suggested a continuation of gains and losses to the hitherto lowest funded and highest funded schools respectively. Table 1 in the report showed the amounts there would be in the funding blocks against 2016/17 income budgets. It showed that the modelling contained the cost pressure of secondary pupil growth but would maintain a pressure from Early Years of approximately £250k. Possible solutions would be funding allocation changes, use of balances, or an increase in funding rates from the Early Years funding consultation. In addition to financial pressures in the Early Years Block, other pressures might also arise from:

- National funding consultation - changes to funding rates;
- increased demand in the high needs Block;
- possible secondary phase revenue growth funding for increased intakes in line with basic need in 2018/19.

Against these pressures it was currently anticipated that around £780k would be carried forward into 2017/18.

Vicky Wright advised that the Government had still not announced the rates for September 2017 onwards for the free 30 hours childcare for 3 and 4 year-olds but early indications were that there would be one rate for the first 15 hours and another for the second. It was also possible that there will be an increase so that the current deficit will be eliminated.

Margaret Rimmer said that the per capita funding rate for special schools had been £10,000 for the past 5 years. However, costs were increasing. Ian McFee added that the results of the High Needs consultation had not yet been announced but there was no indication that the rate will increase.

**Resolved:** That the report be noted.

## **10. Schools Budget 2015/16 - outturn**

The Forum received a report by Andrew Ward which presented the outturn for 2015/16 of the Direct Schools Grant (DSG) 'Schools Budget'. It was presented by him and Appendix 1, which was tabled, summarised the forecasts and variances as at the end of January. The report advised that the overall position against the set budget was an underspend of £406k. However, if the £418k of balances brought forward used to balance the budget was stripped out it showed an in year overspend of £12k. This had left £1.594m to carry forward into the 2016/17 financial year of which £805k was required to balance the Budget. This in turn would leave £789k to carry forward into the 2017/18 financial year.

It was noted that the Schools Block contained £110m budgeted for mainstream schools in Southend including academies. It was set by the Funding Formula in early 2015 so there was little overall variance, an underspend of £157k. The report explained the reasons for the variance.

Overall the Early Years Block was approximately £1m underspent for the reasons outlined in the report. However, this was offset by a £904k income shortfall against the budget set for Early Years income, broadly leaving Early Years provision expenditure and income in balance.

In the High Needs Block there was an overall underspend of £238k and the report set out the factors that had led to the outcome.

Overall, the Centrally Retained Block was overspent by £203k.

The Schools Block income was as forecast with the amount to be received reduced by the academy recoupment figure. Early Years income for 2 year-olds was currently estimated at £1.5m, £878k less than originally estimated. Funding for 3 and 4 year-olds was currently forecast to slightly exceed the budgeted income. High Needs funding was forecast to exceed the budget by £99k once it was adjusted for recoupment.

Lisa Clark said that she did not understand the funding for nurture bases as presented in the report and gave some examples. It was agreed that AW would provide information on the amounts the various schools had received.

**AW**

**Resolved:** That the outturn as set out in appendix 1 to the report be noted.

## **11. Feedback on Service Level Agreements with Seabrook College**

A report by Cathy Braun had previously been circulated. The report advised that there were three Service Level Agreements (SLAs) which had commenced from April 2016. It was noted that the SLAs had reporting structures built into them requiring timely reporting to governors and the LA as well as monthly reporting in relation to fixed term and permanent exclusions. Due to changes in leadership at the College, the LA had not received any written reports regarding progress and performance and the College had been given a deadline to provide a full end of financial year report regarding each of the SLAs. Information from these reports and comments from the Forum would guide any amendments to the SLAs to ensure more robust monitoring and reporting before they are transferred to the new provider, Parallel Learning Trust.

Brin Martin advised that the SLAs were being challenged and that, when information about their effectiveness and expenditure had been received he would report back to the Forum.

In the absence of Cathy Braun the Chair asked whether there were any questions on the report which could be passed onto her. Lisa Clark referred to the apparent expenditure of £310k on 3 teachers. Paul Hayman said that some primary schools were being asked to take pupils from the PRU at the end of the summer term. He said that three of these pupils from Prince Avenue School are not yet ready for mainstream schools and asked whether there was increased capacity under the new SLA. He also said that some pupils are not suitable for mainstream schools and may need residential provision as they need to be taken out of their families for a time. Brin Martin said that he would share this information with the Parallel Learning Trust and undertook to look into the issue of pupils being returned to schools prematurely. Ian McFee added that residential PRUs are unusual and Brin Martin said that there would have to be very strong reasons for residential provision for educational grounds and provision of such provision would be very costly.

Lisa Clark referred to rumours and Brin Martin said that the contract with Parallel Learning Trust was not yet signed. The current accommodation was unsuitable and the PRU needed to be relocated. Lisa Clark said that a lot of money had been spent on the Seabrook College and asked about when the provision of such large expenditure to it would end. Mark Schofield responded that past mistakes needed to be corrected and Margaret Rimmer referred to the need for more residential provision and for the greater involvement of social care. Paul Hayman added that provision for special places was insufficient and provision needed to be adequate. Brin Martin responded that any additional provision would soon be filled from Southend and Essex.

The Chair asked for clear feedback on these issues to the next meeting.

**BM**

## **12. Items for next meeting**

No particular items were identified but reports on the following matters had been requested during the meeting:

- funding of nurture bases (minute 11 refers);
- feedback on issues raised real relating to Seabrook College/parallel learning trust (minute 11 refers).

## **13. Dates of future meetings**

Members were reminded that it had been agreed that meetings would be held on the following Wednesdays at 8.15am at the Tickfield Centre:

- 12 October 2016;

- 7 December 2016;
- 18 January 2017;
- 15 March 2017;
- 7 June 2017.

It was noted that, in the light of the proposed changes set out in minute 7 above, the above dates could be subject to revision.

#### **14. Membership of the Forum**

The Chair thanked Wendy Barnes for her service on the Forum.

He indicated that, due to Hinguar Primary School working towards becoming an academy, this could be his last meeting of the Forum.

The meeting ended at 10.20am.