

SCHOOLS FORUM

MINUTES OF THE MEETING of the Schools Forum on Wednesday, 23 May 2018 at 4.30pm in Conference Room A, Civic Offices, Portsmouth.

Present

David Jeapes, Chair Head Teacher Secondary
Jackie Collins, Head Teacher Primary
Dave Jones, Head Teacher Primary
David Jeapes, Chair Head Teacher Secondary
Ian Hunkin Head Teacher Special
Jason Crouch, Governor Secondary
Clive Good, Governor Primary
Steve Labedz, Academy Secondary
Stewart Vaughan, Academy Secondary
Suzy Horton, Cabinet Member for Education

The Chair introduced everyone to the meeting.

16. Apologies for Absence

Apologies for absence were received from Mike Gaston, Nys Hardingham, Kara Jewell, Karen Stocks and Joy Waeland.

17. Declarations of Interests

Ian Hunkin declared an interest on the item on the special school as he teaches at the school.

Ms Pennekett advised members that Councillor Suzy Horton was no longer a member of the Schools Forum as she was now the Cabinet Member for Education. As such, she is entitled to attend and participate although she would not be entitled to vote. She advised that she had emailed all the political parties to ask who they would like to represent them on the Schools Forum. So far she had heard from the Labour Group who had nominated Councillor Judith Smyth. Councillor Claire Udy had emailed that she would like to be the Independent representative. However Ms Pennekett was still waiting to hear from Councillor John Ferrett to check that he was in agreement with this.

18. Minutes

DECISION: that the minutes of the meeting held on 28 February 2018 be confirmed and signed as a correct record subject to changing the year on page 8 from 2012 to 2022.

19. Matters arising from the minutes

Julia Katherine advised that under "Actions" she had provided information about the role of the school representatives at tribunals at the recent head-teachers' briefing meeting. An update on the SEND strategic review will be given to a future meeting of the forum.

20. Constitution

Beverley Pennekett introduced this item saying that following the changes in the number of academies and following the recent election results the maintained membership has reduced by three and the academies' representatives have increased by three. Membership is proportionally correct for the time being. The effect of that is that all maintained schools' positions are filled but there were vacancies on the academies' side. Joy Waeland had today advised that she was stepping down and consequently there are now four vacancies for academies, two in the primary sector and two in the secondary sector. Ms Pennekett advised that she would shortly be writing to head-teachers of the academies seeking to fill the vacancies. Overall the membership was reducing from 23 to 22 as there was no longer any UK Independence Party representation on the council and therefore none on the forum. Apart from those changes the constitution remained the same as before. If members of the forum approved the constitution it would be effective from 24 May 2018.

Members voted unanimously in favour of approving the recommendations in the report.

DECISION:

That Schools Forum:

- a. **Approved the revised constitution attached at Appendix A of the report to take effect from 24 May 2018 and**
- b. **Noted that with the increasing number of Academies within the city, the constitution will continue to be reviewed at least annually to ensure appropriate representation on the Forum.**

21. Scheme for Financing Schools

Alison Egerton introduced the report advising that this has to be brought to Schools Forum on an annual basis. Consultation on the proposed changes took place between 24 April and 11 May 2018. Two responses had been received. One of these related to an error on the list of maintained schools (since corrected) and the other confirmed they had no comments on the proposed changes.

Ms Egerton explained that although the forum decided some time ago not to offer school loans, the scheme guidance still requires us to cover this topic even though it does not apply to PCC. The Chair confirmed that as the scheme only applied to maintained schools, only maintained schools members would be invited to vote. The maintained school members voted unanimously to approve the scheme.

DECISION: Schools Forum members representing maintained schools approved the revised Scheme for Financing Schools attached at Appendix 1, to come into force on 1 June 2018.

22. Harbour School

Julia Katherine introduced this item. She drew attention to section 3.3 saying that a financial notice of concern had been issued to the governors of Harbour

School in 2015. Section 4 sets out the actions taken to address the issues raised including a full staffing restructure in order to address the budget issues. Section 4.5 and 4.6 show that the Harbour School deficit amounts to £868,258. This was significantly lower than originally predicted demonstrating that the actions taken by the school have had a direct impact on reducing the deficit build-up. The school has set a balanced budget for 2018/19, with a small in-year surplus so this should serve to reassure the forum that matters are moving in the right direction. However it is still necessary to address the deficit position. The deficit has to be addressed before the school can move forward, for example, to fulfil its aspiration to convert to academy status. It was confirmed that a preferred sponsor has already been selected

During discussion, the following matters were raised:

- The chair wanted to ensure that the forum would not be faced with the same situation with other schools. Alison Egerton advised that in order to try to stop that from happening, the Finance Team have been looking at schools' balances. At the end of 2016/17, nine schools gave cause for concern, for example, by carrying a deficit or balances having reduced considerably. PCC met with those schools experiencing difficulty and six out of nine improved over the course of a year. The overall position this year was that only five schools were in deficit as opposed to nine last year.
- It was confirmed that in early June the latest position on balances would be known and where the balances were reducing it was intended to repeat the exercise to assess what could be done.
- Ms Jackie Collins, Primary Schools representative said that several schools that she represented were concerned that money had already been given to The Harbour School and wanted to know whether this was just to enable it to become an academy. Many other schools were experiencing similar issues to those faced by The Harbour School and she questioned whether the money from the forum would be better used for special needs in mainstream schools. Mike Stoneman said that regardless of whether or not the school moved to academy status the deficit would still have to be addressed. Alison Jeffery said that tensions were inevitable concerning where the money should be spent. She said that if The Harbour School tries to repay the deficit itself this would be a severe inroad into its funds and the viability of the school over the next three years would be in severe doubt. She advised that this school provided vital specialist provision for the city and the proposal for it to move to academy status would improve its financial viability. If the money was used elsewhere it would be spread very thinly. She acknowledged that there were drawbacks with whichever choice was made. Ms Collins said that concerns had been expressed to her that a similar position may be experienced by other schools and that is a matter of concern that they wanted to be raised at the forum.

The Chair advised that the forum was now much better at tracking schools where there are potential issues. Academy status for The Harbour School probably represented the best way forward. The school had made very big improvements resulting in an in-year balanced budget. However there was no

opportunity for the school to make savings to pay off the outstanding debt. Staff had been reduced in The Harbour School but that had been achieved in a way that protected those who dealt directly with the children. Any further cuts would not be possible without affecting those working directly with children.

Ms Collins said that exactly the same situation existed for mainstream schools. There may be as many as five or six special needs children in one year group.

The Chair said that he understood the problems being experienced by The Harbour School which dealt with the most vulnerable children in the city. Members of the forum were concerned that the money necessary to pay the deficit would effectively use all available DSG balances and there would therefore be no safety net for other schools. The Head of The Harbour School, Ian Hunkin said that the school was assuming an 88% occupancy level in its budget projections whereas in actual fact the school is currently running at 95% occupancy. The budget is therefore prudent and should be balanced in this financial year as a result of this.

The Chair suggested adding a third recommendation to thank those involved in continuing the good work in monitoring those schools currently in deficit.

The forum asked for its thanks to be passed on to Ian Hunkin and his staff for all their work in ensuring that The Harbour School had managed to balance its budget this year. Members voted by a majority to approve the recommendations.

ACTION agreed was for Finance to continue tracking schools and should look at the projections to see where intervention may be required.

DECISION:

- (1) Schools Forum noted the significant progress that has been made to address the financial and structural issues at The Harbour School, including predicting a balanced in-year budget for 2018-19**
- (2) Schools Forum endorsed the use of £868.258 from DSG balances to fund the deficit in The Harbour School budget, to enable the school to transfer to academy status by the expected date of December 2018.**
- (3) Schools Forum thanked those involved in continuing to monitor schools in deficit.**

23. Funding Formula 2019/20 Consultation Document

Alison Egerton circulated the consultation document at the meeting. The document explains that the School and Early Years Finance (England) Regulations require local authorities to consult with schools on any proposed changes to local school revenue funding formula. Ms Egerton explained that the document forms part of that consultation process.

She explained that the Department for Education had advised that there would be no major changes to the national funding formula (NFF).

She advised that the authority has decided to consult with schools now on the next stage of the transition to the NFF for the 2019-20 budget period. This should help primary schools affected by the proposals to effectively manage their future spending plans.

As secondary schools are already being funded under the national funding formula it is proposed to continue to use the NFF rates for secondary schools in 2019-20.

This consultation therefore focuses on the primary schools' (maintained and academy) funding formula for 2019-20.

She advised that the funding formula consultation would be circulated to schools tomorrow and would then be open for responses. She advised that the consultation was only in respect of the funding formula and that decisions from government with regard to growth funding would be communicated and consulted upon separately.

The document showed the results of financial modelling comparing moving directly to the national funding formula and continuing with the transitional approach.

The Chair thanked Ms Egerton for her update and for the consultation document and said that there was much to absorb. He hoped members of the forum would encourage schools to provide responses to the consultation paper.

24. Any Other Business

There was no other business.

The Chair thanked everyone for attending the meeting and congratulated Councillor Suzy Horton on her new role as Cabinet Member.

The chair reminded everyone that the next meeting is scheduled for 11 July 2018.

The meeting concluded at 5:10pm.

David Jeapes
Chair