

BOURNEMOUTH, CHRISTCHURCH AND POOLE

SHADOW SCHOOLS FORUM

14 DECEMBER 2018

The meeting commenced at 8:00am and concluded at 11.00am

Present:

Maintained - Primary

Karen Boynton – Headteacher, Highcliffe Primary

Maintained – Secondary

David Newman – Director of Finance and Operations - Poole High School

Maintained – Special

Geoff Cherrill – Headteacher, Winchelsea School

Mainstream Academies – Primary

Jeremy Payne – Principal, St James CE School

Bob Kennedy - Headteacher, St Michael's School

Dave Simpson – Headteacher, The Epiphany School

Sean Preston - Chief Financial Officer, Hamwic Trust

Kate Carter – CEO, TEACH Academy Trust

Jon Chapple – Headteacher, Twynham Primary

Angela Malanczuk – Principal, Stanley Green Infant Academy

Mainstream Academies – Secondary

Phil Keen – Headteacher, Corfe Hills School

Andy Baker – Headteacher, Poole Grammar School

Patrick Earnshaw – Headteacher, Highcliffe School

Mark Avoth – Headteacher, Bourne Academy

Jason Holbrook – Headteacher, Avonbourne College

All-Through Academies

David Todd – Headteacher, St Peter's School

Mainstream PRU

Phillip Gavin - Headteacher, Christchurch Learning Centre

AP Academy

Russell Arnold, Headteacher, The Quay School

Academies – Special

Michael Reid – Ambitions Academies Trust, Finance Officer

Early Years Representative

Linda Duly – Cuddles Day Nursery

Sue Johnson – Jack in the Box

14-19 Representative

Jacqui Kitcher – Bournemouth & Poole College, 14-19 Representative

Diocesan Representatives

Vacant

Invited Attendees

Councillor Mike White – Borough of Poole

Councillor Nicola Greene - Bournemouth Borough Council

Councillor Trish Jamieson - Christchurch Borough Council

Nicola Webb – Assistant Chief Finance Officer, Bournemouth and Poole

Vicky Wales – Head of Children, Young People & Learning, Poole

Neil Goddard - Service Director - Community Learning & Commissioning, Bournemouth

Jan Thurgood – Strategic Director, People Theme, Poole

Jack Cutler, Planning and Statistics Officer, Community Learning & Commissioning, Bournemouth

Not Present:

Sue Ross – Director, Adults and Children, Bournemouth

Observers:

Felicity Draper – Bournemouth Borough Council

Steve Ellis – Bournemouth & Poole

Jo Collis-Heavens - Bournemouth & Poole Councils

Amanda Gridley – Borough of Poole

Nicki Morton, Ambitions Academies Trust

Michael Reid – Ambitions Academies Trust, Finance Officer

Dave Cheeseman – Ocean Learning Trust

Teresa Jones – Strategic Lead SEND - Poole

1. APOLOGIES FOR ABSENCE

None

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

There were no declarations of disclosable pecuniary interests.

3. MINUTES

Page 5, Item 5 (i) - It was agreed this be reworded to:
'Support the recommendations of the formula subgroup in establishing the formula changes required to achieve various levels of transfer'

Page 7, Item 6 (i) – It was agreed that this should also be reworded as above.

Minutes of the Meeting held on 13 November 2018 agreed subject to the changes above. To be signed by the Chair further to those changes.

ACTION: Clerk to amend minutes as above for Chair to sign.

4. REPORT OF THE HIGH NEEDS BLOCK FINANCIAL STRATEGY GROUP

The Forum was asked to consider all the information put before them before coming to a decision or making a recommendation.

Dave Simpson presented the report on behalf of the High Needs Block (HNB) Financial Strategy Group.

Comments noted:

- Banding of Education, Health and Care Plan (EHCP) funding moves the financial pressure out of the High Needs Block and into schools' budgets.
- There is not enough money in the pot to cover the demand.
- The HNB Financial Strategy Group has value and would like to continue to meet to draw together the strategy for Bournemouth, Christchurch and Poole (BCP).
- Vicky Wales noted that across the 3 meetings there had been good engagement and representation and they had looked at the issues in detail across BCP and the actions being taken. The situation is clearly very difficult but this is also a national issue. The need to continue lobbying Government was highlighted and thanks were expressed to Members for speaking to local MPs about this.
- It was noted that banding exists in the Early Years Sector and in top-ups in special schools. This helps give more clarity to parents and takes away the emphasis on 1:1 funding.
- There is support for Outreach Services.
- The recommendations from this report are looking at the ways of keeping pupils in mainstream schools and supporting funding moving to local provision.
- Issues around permanent exclusions were discussed in the group and what opportunities there are to look at this. A group has already been formed to explore this further.

The Chair requested any questions regarding the report. A summary of questions with responses was as follows:

- Referring to Page 19 of the papers, what level of savings had already been achieved in independent special schools. Vicky Wales stated that in Poole a reduction of approximately 300k had been achieved and this was similar in

Bournemouth in this part of the budget. This had been achieved by reviewing placements with a focus on outcomes, looking at contractual arrangements and value for money and a new South West Framework is being introduced.

- Regarding investing to save, who would validate the amount of money and evaluate the investment in outreach services. Vicky Wales confirmed that both Poole and Bournemouth had worked with providers, and been informed by the ISOS reviews and looked at pupils moving from mainstream into special provision mainly around ASD. Poole have reviewed and set up a framework to look at and measure impact of outreach services. This will be adopted across the area. There is a need to continue to work in partnership to look at value for money and impact of outreach services in BCP. A Forum Member noted that outreach work in Poole is already well established.
- Given the capacity issues around specialist provision, why had Bournemouth and Poole not put in a bid to open a special free school? Vicky Wales noted that they had been aware that Dorset had put in a bid to open a free school in Bovington so knew there would be one in the local area, and all special schools had also agreed to expand their provision wherever possible. A new school would add further financial pressure to the DSG. Neil Goddard noted that Bournemouth and Poole did look at the free school option but had made a judgement that, within the constraints of the very tight timescale for the bids, would be unlikely to be successful. This would also have diverted resources from the current work underway. This option could be explored again in the future if it was felt appropriate.
- The response rate for the most recent high needs consultation had not been high and queried how this would be addressed. The Chair opted to take this question later in the meeting.
- It was queried if the significant monies received by Linwood and Sigma from the SSIF could be utilised in any way. A Forum Member clarified that those monies were received to support school improvement opportunities, not provision, and therefore could not be used for addressing these current pressures but hopefully would have medium term impact.
- Has the use of specialist hubs within mainstream schools which have space has been considered? Vicky Wales confirmed that Bournemouth and Poole have been looking at this option and some have already been established which free up special school places. The example given was Montacute pupils have a class at St Aldhelm's Academy in Poole.
- The Chair asked what had been done in terms of lobbying government. Cllr Nicola Greene confirmed that a letter had been sent to the Secretary of State by Michael Tomlinson on our behalf. Cllr Greene read out the content of the response to this letter which had been received late the previous day. In summary, there was no commitment confirmed of any additional funding. Members will continue to lobby and the Minister is also hearing the same across the country from other Local Authorities.

The Chair sought further views from Forum members.

- Health colleagues need to be more engaged as they could be giving parents unaffordable expectations of levels of support within early years. Vicky Wales confirmed that Health colleagues are part of the panels making decisions. Useful if specific examples could be provided to the Early Years Team.
- Referring to page 10, bullet point 3 in respect of banding. Some of the EHCPs state a specific amount of money – when these are reviewed will the larger amount stay

on the EHCP or will they be reviewed and be allocated a banding? It was confirmed that on review specific amounts will be part of the EHCP.

- Banding protection – when would this be introduced? This was in development with the suggestion made that it could apply where EHCP proportion is greater than 3% of pupils. When this was discussed, there were only a small number at this level but if numbers of EHCPs continue to grow then more schools could be drawn in and the impact on other schools would need to be a greater reduction.
- Should the lobbying focus more on the financial impact of parental choice and expectations and with regard to the Tribunals, it is clear that the legislation places greater weight on the views of parents. Vicky Wales agreed with this point and the DfE have indicated policy makers are being made aware of the financial issues but changing legislation is a lengthy process and can take years and therefore we must all work within the current system and legislation. A Forum Member noted that we should be promoting the message that parental expectations do need to be managed.

5. MAINSTREAM SCHOOLS FORMULA CONSULTATION

Jack Cutler presented the report at Agenda item 5 in detail relating to the Mainstream Schools Funding Formula Consultation responses.

- This information was presented in order for the Forum to consider whether they continue to support the funding formula principles as set out within the consultation paper in full or whether any adjustments should be made.
- This consultation referred to the formula used to distribute rather than looking at the size of any transfer from the school's block to the High Needs Block (HNB).
- The response rate to the consultation was relatively high at 63 of 89 schools including 2 special schools out of 7.
- The report provided the analysis of responses and a summary with commentary.
- Section 3.2 shows a breakdown of respondents and indicates a good spread across all phases.

Queries and responses were as follows:

- Why is MFG being set at potentially -1.5% when there is a 1% floor? It was stated that the technicalities of this are quite subtle as there is potentially floor protection compared with 2017-18 funding but the MFG applies against 2018-19 and it may not impact on a lot of schools – it is possible this has skewed the responses. There was an overwhelmingly positive response to question 1b (1% floor to be introduced if there is no transfer of funding).
- Clarification requested on the lump sum payment as there are a range of schools including first schools and middle schools. Jack Cutler clarified the payment would be a lump sum per school irrespective of type of school.
- Split site funding was queried – there is only 1 primary school this applies to. The impact of including that or not was discussed. The amount impacting on that school would be 66k from an equitable perspective should this be included or not. That particular school is not currently impacted by this potential funding adjustment.
- Some clarification requested around question 3b (approach that all schools should contribute to the transfer using the various levers proposed). The principle behind this question was how do we make it an equitable transfer. The responses were mixed but this could have been because there was some confusion around the question as there were a number of 'not sures'. The Chair noted that if respondents

had not been at Forum meetings or been part of the working group it would have been difficult to understand the question. It was further noted by a Forum Member that feedback from colleagues in Christchurch was that it had been challenging to understand the questions in the survey. Nicola Webb commented they had worked through all the slides at the three consultation events and had responded to any queries on how the formula works.

- Confirmation sought of whether there were any responses to suggest that schools are not happy with the principles to achieve a transfer. There had been discussion at the Formula sub group meetings about which formula factor to adjust in lever 5 and the Basic Entitlement had been seen as the most equitable. Nicola Webb noted that in Poole they had approached the DfE regarding taking a straight proportion of all budgets but the Government were not in agreement with this.
- On Question 4 around scaling back the Basic Entitlement for affordability when final data has been received it was noted from some of the responses they may not have understood the technicalities of this question. Jack Cutler commented that there are a lot of nuances and intricacies to this making it difficult to tease out the impact on specific schools, with changing numbers on roll having the greatest impact on budgets.
- The Chair noted that it was worth pointing out that a lot of the spend of the HNB is now on young people between the ages of 19 – 25 which is new spend.
- The general view was that there is insufficient funding in the DSG. Active lobbying of Central Government is taking place about this issue.
- Some views were that any funds transferring into the HNB could mask the pressures there. Channelling extra monies into mainstream could also be risky as there is no evidence that strategy would work.

Shadow Schools Forum will be asked to consider the recommendations within the report after all reports have been presented.

Final queries were raised as follows:

- In respect of question 3a (should all schools make a contribution to the transfer), where 9 respondents said no – were there any other suggestions put forward – it was confirmed that there were no other suggestions.
- Is there differing spend on HNB in different phases? Vicky Wales responded that it is not that there is no difference more that there is an increase in numbers of those with EHCPs as they move through the different phases. The most significant impact is as a result of the introduction of the new Code of Practice for Special Educational Needs and Disabilities with the inclusion of 19 to 25 year olds. A Forum Member noted that she did not think it was equitable in regard to alternative provision as there were more pupils excluded from secondary schools.
- What is the profile of BCP spend compared to others with a similar context? Vicky Wales responded that ISOS included that in their reviews last year and concluded that there is a need for us to reduce Independent Specialist placements as we have higher numbers of these. We also have fewer pupils with EHCPs within our mainstream schools when national comparisons are made so we have less pupils with SEND who access mainstream provision.
- Where the spend increases as the young person gets older, how does that compare nationally? Vicky Wales noted that it is thought we are similar in this respect.

6. CENTRAL SERVICES FOR ALL SCHOOLS

Nicola Webb presented the report in detail. Table 6 indicated the proposed budget for 2019-20.

It was noted that these are budgets supporting all schools. Admissions will become one service for Bournemouth, Christchurch and Poole (BCP) during next year and there will be opportunities to make savings but these will come over time, as current arrangements will need to continue for this current academic year, with Dorset continuing the process for Christchurch in the summer term. Other services will also be configured during next year.

It was noted that it is important to recognise that some savings have already been made from this budget and more will be needed in 2020-21 as funding reduces further.

Queries raised:

- How much choice do schools have over this? If there is a reduction then the LA will need to decide what it can provide to schools within what is agreed.
- Historic commitments - how long will they continue? Nicola Webb confirmed that one relates to pensions (Christchurch) so would continue while eligibility for payments continues. Neil Goddard confirmed that the Bournemouth ASD base will have 25 more years but this is an invest-to-save example and there could be similar options in the future. That particular route to fund it is no longer available, but this was a decision taken by Bournemouth Schools Forum previously.

7. HNB Transfer

Neil Goddard apologised for there not being a paper on what he was about to propose. This was because proposals were still being considered in the period leading up to the Forum meeting.

All have agreed that there is insufficient funding in the HNB to meet the need. The ideal outcome would be to attract more funding and that is being pursued through various routes, however we have to assume that no more DSG will be allocated for high needs for 2019-20.

There is cumulative deficit of around £4.5m which the new LA will inherit and hold at risk. The focus today is on the predicted in year deficit of £5.4m. There is a lot planned to get to that point but that is the current position having reviewed all budgets thoroughly.

There are a number of options to deal with this annual deficit:

- It could be left to grow to demonstrate to Government the difficulties we are under – this is not possible as the Council must be able to demonstrate a balanced budget, including the DSG for 2019/20 to comply with financial regulations.
- The LA could look to balance it by making some extremely difficult decisions about the HNB but would prefer to work in partnership with this Forum to explore possible options for a potential transfer from the schools block to the HNB.
- This Forum can approve a transfer of up to 0.5% of the schools block. Above this level, even with Forum support, approval must be sought from the Secretary of State.

- The LA can choose to request a transfer above the level approved by the Forum by applying directly to the Secretary of State.

When the Formula Sub-Group of the Shadow Schools Forum met to consider how a transfer could be funded, it concluded that:

- If a transfer was to be made, then this should impact as equitably as possible on all schools
- A transfer of over 1.5% would not be achievable while maintaining this equitable impact.

The LA accepts both these principles and therefore if School's Forum approves a transfer of at least 1.5%, it will not seek approval from the Secretary of State for a larger transfer.

A number of further points were made:

- The High Needs report lists possible savings in the HNB to the level of 2.3m but these would be very difficult and unpalatable and could be counter productive if there are increases in Tribunal cases and costs.
- Historically Elected Members have taken the view that the LA will not contribute to DSG funding. This has been ringfenced with the expectation that Schools Forum will balance that budget.
- LAs have been hardest hit by austerity and pressures on demand led budgets so have had to make considerable savings across all services. However, there are a specific set of circumstances for us in 3 LAs coming together which have further impacted.
- Lead members have been consulted regarding the current difficulties in balancing high needs and there is an opportunity under these circumstances to discuss the possibility of a one-off contribution from LA resources to assist schools. This cannot be committed to today as there will be a political process which must be followed but there is a high expectation that it would be agreed.
- Obtaining Elected Members agreement at full Council will be easier if Forum can agree a 1.5% contribution before Members are approached. Working as a partnership on this issue will maximise the opportunity and will result in more money going into the school system rather than high needs budgets being cut further.
- It was noted that from a wider Council perspective there is a perception that there are healthy reserves in schools so there will be some level of challenge to the proposal from members less familiar with school funding arrangements.

The Chair requested views and questions:

- Concern expressed with respect to the term "one-off" as this was also used last year in agreeing a funding transfer. It was clarified that the one-off proviso related to the contribution being offered by the LA rather than to the transfer agreed by Schools Forum last year. The reference to the monies referred to as the one-off from last year had since been put back into the schools budget and therefore the high needs funding gap is without any level of transfer.
- It was acknowledged that not all schools had healthy reserves and some level is needed as part of sound financial management. The issue was raised to emphasise that in these exceptional circumstance Lead Members are proposing to make a contribution to the HNB but this needs to be agreed in the budget-setting process in February by a wider group of Elected Members.

- Clarity was requested of exactly what the LA may be offering as the one-off contribution. Neil Goddard noted that the offer would be made in the spirit of sharing the problem but as stated earlier cannot be confirmed today until due process has been followed.
- Query raised that if the Forum did not agree to the transfer to the HNB would that mean Members would then not be minded to consider the one-off LA contribution? It was noted that the conversation with Members will be difficult either way but it is felt this is the right time and circumstances to make the request. That conversation would be significantly weakened if Forum have not agreed the transfer as it would call the partnership into question.
- The Chair queried if there are other groups in other areas making similar decisions ie Childrens or Adults Social Care. It was confirmed that there are other workstreams ongoing in those and other areas but these services are funded from within the LA total. The DSG is unique in requiring a partnership approach with schools.
- It was queried if the Forum could agree a 1.5% transfer with it conditionally that the Council make the contribution being proposed?
- The history of schools working in partnership with the LA was acknowledged.
- The Council's contribution would come from revenue as a one off item in the Council's Medium Term Financial Plan. Councillor Greene confirmed that raising Council tax had been considered but this is now capped by the Government so is not an option.
- It was queried how we can be sure that the need for a transfer will not be repeated. It was stated that it is more about having a long-term strategy so we are better informed and have more certainty. Clearly, the high needs block is underfunded.
- Timing of the Forum decision on the transfer was queried as this is new information and further conversations are necessary.
- It was noted that the Transfer Report was good and very detailed however a 3 year plan would be dependent on Government giving an additional £5.4m each year. This point was supported and the need to continue lobbying to address the overriding problem acknowledged. However, actions are in place to address some of the issues but the impact is not immediate. The underlying issues are growing numbers of EHCPs and exclusions and more 19 – 25 year olds requiring support. If we can agree a way forward now this will give us time to develop a longer term solution.
- It was noted that it was felt that schools had not been given enough time for the consultation and queried why the second consultation questions (results tabled) were not part of the first one. It was stated that this was because there had not been sufficient time to provide all of the information at once and a staged approach was needed.
- The Chair queried what decision was needed for today. It was stated that the sooner a decision regarding a transfer could be made the better as it would allow other conversations to progress with greater certainty. It would be helpful to establish whether Schools Forum could support some level of transfer with the amount to be determined in January.
- There had been a perception that from the start of the process the LA had been intent on a transfer of 1.5% and this amount has been repeatedly modelled. Could the LA consider other levels of transfer? It was stated that all Forum members had come representing their groups in saying no to any transfer but if colleagues could go back to their groups with a compromise the response may be more positive. Neil Goddard responded that the LA had not aimed at 1.5% but that this had come

out from a range of considerations, it could possibly have been higher. The consultation had covered varying levels and it would be for Forum to make a decision on level. If we have a 3% shortfall 1.5% would share this out but that would be Forum's decision.

- The Chair queried what the LA would do if Forum opposed the transfer. It was noted that in the context of the new LA a balanced budget must be set so the shortfall has to be found somehow and this could impact on HNB.
- It was queried that if we find a solution locally does that then undermine the message that the Government is simply not giving enough money to support the system. In response it was considered that cutting the budgets would mask the problem whereas finding funding for the need makes the shortfall completely transparent.
- It was considered impressive that this group of Headteachers has come together so quickly and put in a huge amount of effort to work together on this issue. They are aware of the pressure for the LA but these decisions will impact on every child in the area and hence it will be difficult for Forum members to go back to the groups to get a decision without a commitment to the LA contribution.
- The Chair queried when the discussion with Members would take place. It was noted that the LA understands that timing has been difficult and it has taken time to get to this point. If LA officers can at least have an indication today then Lead Members will be able to progress their conversations. Council have a number of statutory responsibilities in a number of areas which they must fulfil. It is not that they think children and young people are any less important but there are competing pressures.
- Sean Preston noted for the record that he had not come to today's meeting with a 'no transfer' remit from his group. However it was felt he was hearing that if Forum do not commit to the transfer then the LA contribution may not be forthcoming.
- Cllr Greene noted an understanding that timing is very tight for Forum to make a decision but timing is very tight for BCP budgets. The BCP budget has to be published by 12 February so decisions need to be made very quickly.
- It was noted that high needs providers would struggle if the option to reduce their funding was implemented.
- The Chair requested any queries regarding the table report (item 7 appendix). It was noted that it was not representative due to the low number of responses collated and the timescale for a response should be increased.
- Forum were asked if they could agree in principle some sort of transfer to enable a better case to be presented to Councillors for their consideration.

The Chair put forward the following recommendations for Forum decision:

Agenda item 4 – recommendations from the HNB Financial Strategy Group

- a) Continue to lobby central Government to ensure there is sufficient funding to ensure the DSG can cover the demand upon it.
Votes: For – 21 Abstentions – 1
AGEED BY MAJORITY
- b) The Early Years sector needs to continue their focus on early identification and intervention ensuring consistent process across BCP.
Votes: For – 21 Abstentions – 1
AGEED BY MAJORITY

- c) Within BCP, banding needs to be clear and transparent and the impact on individual school budgets should be carefully considered to ensure equity and impact on schools' budgets. A protection factor should be explored for 2019-20.
UNANIMOUSLY AGREED
- d) Outreach services are an integral part of any financial strategy and clear targets linked to impact are required within a streamlined offer across BCP.
Votes: For – 21 Against – 1
AGEED BY MAJORITY
- e) Permanent exclusion rates need to reduce through better collaboration and partnership work between schools, alternative provision providers and LA officers.
UNANIMOUSLY AGREED
- f) BCP should continue to explore and develop capacity within the new authority to ensure value for money and reduce placements in the independent and non-maintained sector including post 16 education.
UNANIMOUSLY AGREED
- g) The HNB Financial Strategy Group needs to continue to meet to draw together a joint action plan to reduce the financial demands on the HNB. The group needs to monitor the impact of the action plan and report regularly to the shadow Schools Forum and from April 2019 to the BCP Schools Forum.
UNANIMOUSLY AGREED

Agenda item 6 – Central Services for all schools

- a) The total budget for central services for all schools is to be set at the level of funding provided through the Central Services Block (estimated at £2,083,000)
UNANIMOUSLY AGREED
- b) The detail of individual budgets to be set as scheduled in Table 1 in paragraph 6 with any residual surplus or shortfall allocated to LA Ex ESG statutory services.
UNANIMOUSLY AGREED

Agenda item 7 – Funding transfer from Schools Block to High Needs Block 2019-20

- a) In principle do Forum agree 'some transfer,' amount subject to further discussion.

In principle – 'No transfer'

Votes: For – 5, Against – 6, Abstentions – 11

In principle – There could be a transfer (no conditions to be set today and once LA position has been established)

Votes: For – 18, Abstentions – 4

AGEED BY MAJORITY – Level subject to further consideration

Agenda item 5 – Mainstream School Formula – Recommended option for final proposals to be drawn up for January meeting.

- b) Are Forum happy with the recommendations included in the School Funding Consultation Paper in full (reminder this would include the split site factor being included within the minimum per pupil funding level – lever 1)?
Votes: Against – 20
- c) Should a final proposal be drawn up based on the general principles included within the Consultation?
Votes: For – 19, Abstention – 1

Discussion took place around inclusion or not of 66k Split Site funding (relating to 1 primary school).

- d) Do Forum accept the consultation method with the exception lever 1 is not used and other levers are adjusted appropriately with the split site funding included in the budget of the eligible school in addition to the minimum per pupil funding level?
Votes: For – 13, Against – 3, Abstentions – 4
AGREED BY MAJORITY

7. FORWARD PLAN
Not discussed.

8. ANY OTHER BUSINESS
There was no other business.

Chairman