DRAFT MINUTES- MEETING OF THE SCHOOLS' FUNDING FORUM (SFF)

8:00 – 12:00, 20 November 2015

John Wigan Room, Oakwood House, Maidstone ME16 8AE

Present: John Dennis (Chairperson), Phil Sayer (Vice Chairperson), David Stanley, Michael Blanning, Julia Campbell, Robert Masters, Roland Gooding, Neil Willis, Richard Powell, Alison Hook (substitute for Rosemary Joyce), Louise Burgess, John Bird, Adrian Cottrell, Jenny King, Janice Brooke, Lynda Downes, Rev Simon Foulkes, Roger Gough (Member), Patrick Leeson, Simon Pleace, Ian Hamilton (Clerk), Jo Marchant (observer), Julie Ely (items 2 to 4), Louise Langley (item 3) and Florence Kroll (item 7)

Apologies: Malcolm Goddard, Richard Hitchin and Alan Barham, Alison Coppitters, Ben Cooper, Mike Smith

1.	**Minutes and matters arising from the SFF meeting 22 May 2015** The minutes from the SFF meeting on the 22 May 2015 were ratified as a true and accurate record of the meeting.	
2.	**Sub- Group feedback** a) Schools Capital Group (SCG) – Phil Sayer (PS) provided verbal feedback from the meeting held on the 18 June 2015, to access minutes for this meeting click on this link minutes SCG. Part of the feedback was in respect of repairs and maintenance responsibilities of school buildings. Agenda item 10 for this meeting is an update to the Councils Scheme for Financing Schools and section 13 includes simplified guidance on the financial responsibilities for repairs and maintenance in schools. b) As the role of the SFF has changed in recent years it is now the right time to review the terms of reference for the SFF and its sub-groups. John Dennis (JD) will work with LA officers and sub-group chairs in reviewing the terms of reference and the outcome of this piece of work will be presented to the SFF in due course.	
3.	**Update on the progress of implementing the £6k high needs threshold** The contents of this item provided an update on the introduction of the new £6k threshold for high needs pupils from April 2015, and this item focused on both the financial and non-financial prospective.	

	In summary members of the SFF were satisfied with the update and felt that good progress had been achieved to date. As detailed in the papers, clear reference was made to it still being too early to be able to know the full year effect outcome in respect of the cost and number of high need pupils. A further update will be provided to SFF members at its scheduled meeting on the 8 July. At this point the new process would have been operational for a year and a clearer picture in respect of cost and take up will be provided.	
4.	**DSG forecast position for 2016-17 (headroom and pressures)** Simon Pleace (SP) presented this item to members of the SFF. The purpose of the presentation was to provide members of the SFF with sufficient background information in order to be in a position to make an informed recommendation in determining the principles for allocating any Dedicated School Grant (DSG) headroom for 2016-17. During the presentation it was noted that the guidance and process for submitting high needs pupil/student numbers to the Education Funding Agency (EFA) for 2016-17 had been improved from 2015-16 and the Local Authority (LA) were grateful to the EFA for making this change. The growth in high needs pupils is the main pressure on the DSG budget. Patrick Leeson (PL) explained that the LAs SEND policy was now at the end of its cycle and that it would be reviewed in order to meet the future pressure of high needs pupil numbers. Members of the SFF unanimously supported the following recommendations: **Recommendation 1 - LA proposal (assuming no new cash)** - Use the available headroom to meet the unavoidable £6.2m pressure on high needs - Use the balance of any headroom (£0.4m) towards meeting the in year growth in high needs - Fund any balance of continued in year growth from one-off contingency **Recommendation 2 - LA proposal (assuming we receive additional funding/headroom, it is higher than recommendation 1)** - Use the available headroom to meet the unavoidable £6.2m pressure on high needs	

	- Fund any continued in year High Needs growth from the additional funding/headroom (up to the (£4.1m) - If we have anything over and above that - we look to distribute to all institutions (as we did last year)	
5.	**Vulnerable Secondary Schools** Simon Pleace (SP) presented this item to members of the SFF. Due to the outcomes shown in appendix 1 to this item, members of the SFF felt that the implementation of the EFAs suggested changes in paragraph 2.2 would fail to offer a complete solution to the problem facing the LA and the schools concerned. It was also felt that there would be unnecessary turbulence caused to secondary school budgets in general without achieving a great deal for vulnerable schools highlighted. The recommendations had very limited impact of addressing the problem and in some case actually made things worse. Members of the SFF unanimously supported the LA, in actively pursuing the EFA to provide a complete and pragmatic solution that would allow the LA to target limited/one-off funding where certain need existed,	
6.	**Review of Kent's Funding Formula** This item was jointly presented by Robert Masters (RM) and Simon Pleace (SP). A healthy discussion took place with Forum members contributing their thoughts on the proposal. The view of SFF members was not to proceed with a review of the local schools funding formula at this point in time. This was largely on the basis of the points raised within sections 2.5 to 2.7 in the paper. A member of the SFF highlighted that we should not be distracted by the review of the national funding formula and re-distributing our current pot of funding, from the main issue which was flat cash for 5 years and its continuation for the next 5 years. Flat cash means no funding for inflationary pressures and is a real terms cut in funding for schools. The SFF members felt that it was important that the pressures facing school budgets were highlighted and a way to do this would be to carry out some case studies on individual schools. The next step would be to have some willing volunteers from members of the SFF that would participate in the case studies. Members of the SFF will be contacted in due to course to see if they are able to participate. This piece of work will commence after Easter and	

	feedback on the case studies will be presented to the SFF during the summer term.	
7.	**Family Liaison Officers (FLO's)** Patrick Leeson (PL) and Florence Kroll presented this item to the SFF. Members of the SFF noted the contents of the report and supported the changes detailed in paragraph 3.1. As soon as a formal decision is taken, it is important that this is communicated to schools so that schools can make the appropriate arrangements in managing the future removal of funding for FLOs.	Florence Kroll
8.	**School Loans – Changes to the loan scheme** Simon Pleace (SP) presented this paper to the SFF. Members of the SFF noted the changes to the school loan scheme as detailed in section 2 of the paper.	
9.	**Reception Uplift Factor** Ian Hamilton (IH) presented this paper to the SFF. Members of the SFF unanimously agreed to remove the reception uplift factor from the Kent's local funding formula from 2016-17. It was noted that the pending regulation changes to Year R admissions may have a future impact on the numbers being admitted in year R, post the October census. On this basis it would be monitored in the future and if necessary the removal of the Reception Uplift Factor would be reviewed.	
10.	**Changes to the Scheme For Financing Schools** Simon Pleace (SP) presented this paper to the SFF. Maintained school and PRU members of the SFF unanimously approved the amended version of the Scheme for Financial Schools as attached in Appenix 1 to the paper.	

11. **Various items SFF annual administration**

a) Growth Policy 2016-17

SFF members each year have to ratify the LA growth funding policy. There was only one change from 2015-16, this was an additional paragraph setting a threshold for when the funding would be triggered.

New wording – paragraph 2.1.2
Growth funding will only be triggered where the increase to the PAN is over a certain threshold, for a primary school it will be 20% and for a Secondary school it will be 10%. For example, if a primary school was increasing its PAN from 30 to 45 this would trigger funding as it is an increase of 50%. However if a Primary school was increasing its PAN from 28 to 30 this would not trigger funding as it is an increase of 7% and below the 20% threshold. The rational for applying a threshold is that the additional number of pupils would not constitute an increase in additional resources.

Members of the SFF ratified that the sum of £5m would be allocated for growth funding in 2016-17 and that the policy would remain the same as 2015-16 with the addition of the wording in paragraph 2.1.2.

b) De-delegation

LA primary and secondary SFF members agreed to continue to de-delegate for 2016-17 the following budgets at the funding rates specified alongside

2016-17 De-delegation rates (£p per pupil)	**Primary**	**Secondary**	**Special**
Schools in Financial Difficulty (DFFG)	£1.06	£1.06	£0
Schools in Financial Difficulty (Targeted Intervention)	£17.75	£8.39	£16.95
Free School Meal (FSM) eligibility	£0.57	£0.57	£0.57
County wide SiMS Licence	£3.63	£3.63	£3.63
Supply Cover - Trade Union Duties	£1.85	£1.85	£1.85
Supply Cover – SPS	£0.80	£0.80	£0.80

c) High Needs funding and Central Retained DSG budgets

The SFF were informed by SP that there had been no changes to the methodology in the operation of High Needs funding in 2016-17 (compared to 2015-16) and that there were also no changes to the centrally retained DSG budgets (other than FLOs mentioned above in section 7). The Forum therefore continue to approve the relevant budgets.

d) PFI - Disapplication

	The SFF have to agree any disapplication requests made to the EFA. This item was to notify the SFF members that a provisional submission had been submitted to the Education Funding Agency (EFA) in respect of dis-applying the Minimum Funding Guarantee (MFG) for 2016-17 in relation to PFI charges for certain schools. Use of the Disapplication for the MFG will be confirmed after schools budgets have been calculated in January 2016.	
12.	AOB There was no AOB.	
13.	Scheduled future meetings dates. - 22 April 2016 – Oakwood House - 8:15 to 12:00 - 8 July – Marriott Hotel – Tudor Park - 8:15 to 12:00	