



f40 Executive Committee Meeting **Saturday, 26 March 2011 at Amerton Farm, Staffordshire**

1. Attendance and apologies

Present: Ivan Ould, Leics (Chair); Gillian Hayward, Gloucs (Vice Chair); Doug Allan, Secretary; Sam Ellis, ASCL/f40 Finance Consultant; Joe Jefferies, NASUWT, Notts; Tony Norton, N Lincs; Eunice Finney, Staffs; Chris Chapman, Cheshire; Margaret Judd, Dorset; Chris Harrison NAHT; Francis Loftus, North Yorks; David Harty, Cambs; Helen Donovan, Worcs; Jon Pearsall, Worcs.

Apologies: Mike Sladen, Cambs; Clive Chorley, PGR, Worcs; Chris Levy; Geoff Venn, Bedford; Robin Walker MP, Worcester; David Smith, Kirklees; Mick Brookes, Consultant; Peter Doyle, Devon; Donna Saager, Stockport; Toni Coombes, Dorset.

It was noted that David Smith, formerly of Wigan, has moved to a new job with Kirklees Council, an authority that is not in membership of f40. Although David wishes to maintain informal links with f40 (he will continue to receive Executive Committee materials) he has indicated that he should resign his place as an active member. Other commitments prevented David from being present today to be thanked for his past commitment to the group's work. IO said David will be sorely missed as he had been an important player in f40's activities. **AGREED** – the Secretary to prepare a letter of thanks on behalf of the Chair.

2. Minutes of the Previous Meeting

The minutes of the meeting held on 15 January 2011 were **approved** as an accurate record of the procedures.

3.0 Current activities

3.1 Situation Report: (Assessment of issues in individual authority areas)

There was a lengthy discussion during which representatives present gave assessments of the issues and impacts in their own authority or organisation as a result of recent changes introduced by government.

Gloucestershire: Total cash going into schools in 2011-12 is about £2.5m less than this year. Many are concerned about capital reductions. Lots of applications for funding support to assist redundancy programme. Plenty of academy activity. Heads Association trying to be collaborative but finding that these are difficult times.

North Yorkshire: Academy applications flowing through. Redundancy is big concern. Pupil Premium appears to have helped some, but not assisted others. Generally, universal misery caused by the cuts!

Cambridgeshire: Very difficult process underway causing considerable angst. Four schools applying for academy status at present, with more anticipated soon. County has dropped two places in funding league.

Cheshire (both LAs): West is moving along much as it has in past, but applying central savings.

East is cutting back sharply and has delegated more funds to schools, coupled with central cuts. Pupil Premium discussion has been about apparent double funding. In both LAs there is much fear for the future, with concerns about staff morale.

Nottinghamshire: From the Union perspective, the main issue is redundancies. In round figures, schools have made 200 teachers redundant, plus 200 support staff. Large number of schools (24) applying for academy status, with more expected. This includes one primary

in Newark. Concern about implications of PFI-funded schools changing to academies. Concern also about where the money to fund academies is coming from. Heads tell a different story to LAs understanding of position. The take-over of schools by organisations from outside the county is a worry.

Suffolk/NAHT: At a local level problems are similar to those reported above. Secondary schools are attracted by cash attached to academy status – but they fail to understand it is only a short-term gain, and they will find it difficult to find operate in later years without service support from LA. Gave example of first school that successfully changed to an academy, suffered a flood and found itself unable to cope and without full insurance cover. LA is concerned about what its ‘neutered’ services will look like once a significant number of schools have moved to academy status. Schools will miss the ‘comfort blanket’ of LA support and the ‘critical friend’ element. Very worried about limitations of Pupil Premium and also about impact of changes re Sports Partnership programmes – funding, redundancies, etc. Schools and partnerships have no operational memorandum/contract.

North Lincolnshire: Council has under-spent by £1m on last year’s budget. Has instigated a new allocation formula to coincide with the introduction of the Pupil Premium, and amazingly it has resulted in more cash for schools. The Pupil Premium has tended to equal out funding in areas of deprivation. Some schools have managed to cut deficits...and there is increasing pressures on small schools. Those schools without significant take-up of FSM are struggling and have certainly lost out. LA has experienced some interest in academies. There will be redundancies and a change to the way some support services are provided.

Dorset: Similar picture as above. Only one conversion to academy status so far, but another planned for May 1st which interestingly has no head teacher at present. LA are unsure as to how the DfE will react to this school. One other application for June 1st, but after that no more applications anticipated. In terms of costs, the implications of Health & Safety is the new issue. Most schools probably don’t understand how much work has traditionally been done by LAs in this field...and will lack the professionalism to tackle the issues themselves. Apparently, some schools believe they may still be able to access “free” support from LAs...even though they are getting cash from DfE to pay for them.

Worcestershire: The county is looking at significant redundancies and many applications for academy status. Lately, the media have taken much interest in the problems associated with home to school transport costs. There’s been an increase in special schools admissions – put down to an apparent “dumping” of children from schools seeking academy status. This despite potential cuts to special school budgets.

Leicestershire: High schools are aspiring to become academies – often these are the schools with the best buildings and infrastructure. Diocesan authorities are raising issues about academies. The Catholic Church, for example, will allow its schools to be ‘academised’, but only with strict criteria applied. There are some Diocesan authorities entirely opposed to the scheme. IO referred to the difference in approach on deficits between “sponsored” and “converter” academies. For sponsored academies LAs have no choice other than work with the school to get it out of deficit prior to conversion because the deficit does come back to the schools budget, whereas for converters the deficit carries over to the school (providing it is less than £100k – if it is more the school is not allowed to convert.) Reserves have been raided - £2m to replace Area Based Grants and £250k to continue support for Sports partnerships. Another issue for academies is that they appear not to realise that “trade union facility” time is paid for by LAs, but they’ll have to find it themselves one converted. Finally, concern was expressed that the DfE is taking so long to respond to correspondence from LAs. It is making an already difficult time even more difficult to manage.

ASCL: Post-16 education funding is a big issue for many schools, especially those with funding reductions. Most schools are on or just above 3% drop point. There are question marks over YPLA funding and many concerns across the board about LACSEC. Regarding Pupil Premium, there are major concerns that if it is a fixed amount over 4 years and eligibility increases, possibly as a result of redundancies in the public sector that the per pupil level will not rise as significantly as expected. Capacity is a real issue relating to academies and free schools – in respect of the first it is about the government’s ability to handle the creation of more than say 200 academies and free schools per annum, and the second about how LAs will cope with over-provision of places. Some experts have referred to the impact of market forces. ASCL is concerned about the pressures on non-teaching

budgets and the problems stemming from Devolved Capital. Finally, there's concern that the proposed National Funding Formula is fair and not just a simplification which is politically acceptable but in fact results in new levels of unfair funding.

3.2 Introduction of the Pupil Premium

IO reminded members that the Lib Dems had promised £2k pupil premium, but in year one it will be a flat rate £430. It was also to be new money, but the cash now on the table is definitely not new. He added that he was extremely disappointed that the government has failed to recognise the inequity of the system. It is still very unfair.

CC again emphasised that the introduction of the pupil premium was doing little to tackle the basic unfairness in funding allocation. Having a pupil premium set at a flat rate across the country does little to increase fairness.

TN suggested that it the pupil premium is a FSM contribution rather than a real pupil premium of the sort anticipated and needed. It is not going to have the impact needed.

SE said that the total bill for pupil premium in year one would be £625m, with a promise of an increase to £2.5 billion plus in year four. He pointed out that if it is paid in similar increasing steps over the four years, its maximum per pupil value would be around £1,700 but the value may decrease each year if the overall pot of cash is limited and eligibility increases.

CH added that LAs would aim to increase their own share of the cake (by increasing FSM registrations), thus diminishing the value overall per pupil. He also suggested that in small schools there would be low take up of FSM. As pupil premium is delivered in larger amounts, it will be difficult for Schools Forum to provide sufficient Block Grant to small schools.

3.3 Meeting with Lord Hill – National Funding Formula consultation

F40 attended a further meeting with Schools Minister, Lord Hill of Oareford on 12 March 2011. This followed an earlier meeting last September at which the group had argued for greater equity and fairness in any new funding distribution system. IO said the meeting had gone very well, as the notes circulated to all members by the Secretary, indicated. These are now available on f40's website.

After raising a range of key issues of concern to f40, the delegation had concentrated on the forthcoming National Funding Formula consultation...and in particular how f40 can play a crucial part. Lord Hill announced that "in a few weeks time" the government will launch a short (two to three weeks) preliminary consultation on the "high level principles" associated with the NFF to get the dialogue started and which would point the way for the more detailed consultation in the late Spring (now thought to mean late June or early July). High level principles include, for example whether funding should be per school or per pupil.

The consultation aims to find out how the NFF might work. The timeframe is tight and will be extremely challenging for all concerned, but the government is confident it can be achieved.

GH indicated that she was concerned about the timeframe for consultation and intended implementation. Also worried about issues relating to transition.

IO suggested that the government appears to be very sensitive about the views of its MPs and f40, and we must ensure we continue to shout loudly to ensure that there is a re-balancing of the available funding to bring the lowest up to a higher level.

It was **AGREED:**

- That all member authorities should be encouraged to organise meetings with all of their local MPs – particularly Conservative/Lib Dems – to discuss the importance of the NFF

consultation and encourage maximum Parliamentary discussion to achieve a system that meets the poorest funded authorities requirements. F40's Briefing Paper could be used as part of any such meeting.

- The Secretary to approach Robin Walker MP to seek his support for a joint letter with f40 to all f40 constituency MPs. The key purpose is to indicate the two part nature of the forthcoming consultation...what f40 is looking for from the consultation, and how MPs can help make the case for a new system. To include f40's Briefing Paper and a copy of the notes of the recent meeting with Lord Hill.
- IO to draft his thoughts on what the above letter should say.
- IO to check if he can gain access to a database of peers in f40 constituencies. A similar approach will be made to them as to MPs.
- Individual Executive Committee members to try and arrange meetings local MPs.

3.4 Standards Fund

The secretary referred to an email from Nottinghamshire drawing attention to the recent letter regarding the 4th and final Standards Fund payment. Copies of the DfE letter dated 22 March and accompanying funding table, were circulated. There was serious concern expressed by all present and it was **AGREED** that an urgent letter should be prepared and sent to the Secretary of State, with copies to Lord Hill and a range of senior civil servants dealing with education funding.

JJ indicated that John Mann MP will be raising the matter in Parliament as soon as possible.

3.5 f40 presentation to NAHT conference – 30 April

It had previously been agreed that Executive Committee member, Tony Norton, Head Teacher at St Mary's Catholic Primary School, Brigg, will make an f40 presentation to conference on 30 April. A copy of the draft speech and slides were circulated for discussion. **AGREED** that committee members provide any comments on either the speech or slides to the Secretary by Friday 8 April 2011.

3.6 f40's Briefing Paper

An initial draft of f40's latest Briefing paper, developed by Executive Committee members over recent weeks, was presented to Lord Hill at the meeting on 12 March. He undertook to respond to the Briefing Paper as soon as possible.

AGREED – the Secretary to contact Lord Hill's Personal Secretary to enquire if Lord Hill has managed to read the paper and if we can expect comments as promised.

AGREED – the Secretary to send a copy of the Briefing paper to the NGA

3.7 National conference

The last national conference was staged in November 2009. The Executive Committee had previously agreed to hold off on discussions about a date for a 2011 conference until details of the NFF consultation were clarified.

Some members had questioned whether, during a period of economic difficulty, LAs and schools would allow representatives to attend conferences. The Secretary had researched the issue with members and provided a report that indicated unanimous support for a conference about the NFF...and a clear indication that most would not be affected by a ban on attendance.

The idea of an f40-sponsored NFF conference was raised at the meeting with Lord Hill on 12 March and a request was made that he consider being the main speaker. The Group indicated that the conference would be arranged to fit in with the closing stages of the

consultation process, and organised around the Minister's diary. Lord Hill said he was happy to accept in principle and subject to his diary.

AGREED – As the event will be mainly aimed at MPs, it should be held in central London, probably at Church House, and most likely in mid-October after the summer Parliamentary recess (unless this proves to be too late in the process). The Secretary to consider venue availability and a potential reservation.

AGREED – that in due course a formal invitation be issued to Lord Hill to attend as main guest speaker.

AGREED - that consideration be given to other speakers – possibly the Opposition (Andy Burnham MP), member authority presentations and a Head teacher

3.8 LGA Special Interest Group – annual report

The Secretary reported that as a Special Interest Group, f40 was asked to provide an annual report on its previous year's activities. The Secretary had prepared a report which had been approved by the Chair. **AGREED** – the report should be provided to the LGA.

3.9 The Funding League Table

HD indicated that she had been undertaking some research into funding levels for several f40 authorities against the national average over the last few years and that she had been mystified to find a consistent pattern of league positions, with a growing funding gap, regardless of any changes introduced. **AGREED** – that the Secretary assist HD to prepare an appropriate letter to Stephen Kingdom at the DfE identifying the patterns and seeking an explanation.

4. Recruitment to f40's Executive Committee

There was a discussion about how additional representatives could be encouraged to join the Executive Committee. It is felt that a few School Forum chairs and a couple of extra MPs would be beneficial. **AGREED** that the Secretary will email all School Forum chairs in f40 authorities to ask them to consider strengthening the Executive, and TN to speak to his local MP in North Lincolnshire to see if he might join.

5. Membership/Fees for 2011-12

DA confirmed that two member authorities had resigned in 2010-11 – Bury and North Tyneside. He confirmed that after some delay, Solihull had paid their annual subscription. That means the group currently has 30 local authorities in membership.

AGREED - that in recognition of the poor economic situation, fees for 2011-12 should be halved to £1,000 (for one year only) and that the Secretary be authorised to issue invoices in early April.

AGREED that the Secretary should, as usual at this time of year, write to all other authorities in the lower reaches of the funding league tabl to encourage them to join f40.

AGREED - that the Chair should speak personally to the Leaders/Lead Members in authorities that should be in f40 to encourage them to take up membership at the reduced rate.

6. f40 Website

The refreshed website has been completed and is live and members commented that it is excellent.

7. AOB

There was no further business.

8. Next Meeting

The date of the next Executive Committee meeting will be determined in the light of any announcement about the NFF consultation.