

**FAMILY AND CHILDREN'S SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
TUESDAY 6 FEBRUARY 2018**

**EXTRACT FROM THE MINUTES OF CABINET 19 DECEMBER 2017.**

**53. REPORTS OF THE INTERIM DIRECTOR OF CHILDREN'S SERVICES**

**(1) Education in the West of Northumberland**

Cabinet was asked to consider a report about education in the west of the County (copy attached to the signed minutes as Appendix A, along with the report of the FACS OSC circulated at the meeting).

Councillor Daley set out the background to the current position. There had been considerable uncertainty about education in the west of the County for some time due to pressures on some of the smaller schools and financial pressures also. It was important to note that the Local Authority was generally happy with school performance. A number of factors, not least the decision of Bright Tribe to withdraw from Haydon Bridge High School (HBHS) and good relations with the Regional Schools Commissioner (RSC), had provided the opportunity to begin talks with schools in the west about the situation. He wished to record that the Authority now had a much improved relationship with the RSC which he welcomed, and he stated his intention to work with all partners co-operatively to improve outcomes for children of all types of school throughout the County

This was being very much led by the schools - 21 of the 30 schools involved had responded positively to the idea of holding discussions with the Local Authority, which he welcomed. He thanked officers and members for the work which had gone into this already.

Dr Johnson then set out in more detail the background to the current position and the main points of the report. He stressed that the Council's role was to act as mediators in order to gain consensus, and that the Council would not be in control of the decision. Consensus was the only way to move things forward.

Councillor Stewart then presented the report of the Family and Children's Services OSC, which had welcomed the consultation and recognised the need for change.

A number of comments were then raised by members including:-

- With reference to the consultation undertaken by QEHS and its wish to become a secondary school, Councillor Oliver queried whether the School could be asked to publish the results of that consultation. They were a key stakeholder in this process and other schools were keen to see the results of the consultation. It would also be very helpful if the school could share the financial information on future pupil numbers etc so that the significance of the issues involved could be understood by everyone, and the consultation based on as much accurate and up to date information as possible. He stressed that any information held by the Local Authority should also be shared. Also, HBHS

was most desperately in need of attention having been in limbo for some time. He queried whether the Authority was now in a position to be able to appoint its own Interim Executive Board (IEB) to give some assurances to pupils and parents.

- Councillor Daley agreed on the principle of information sharing. Dr Johnson responded that two bodies were responsible for the management of the Hadrian Trust - the RSC and the Education and Skills Funding Agency. An approach could be made to the Trust to ask them to share that information with the Authority with the RSCA and ESFA copied in, which he felt sure would be acceptable.
- Regarding the governance arrangements, currently an IEB was in place at HBHS which had been established by the Secretary of State, leaving the Authority with very little influence. If members wished, an approach could be made to the Secretary of State seeking the removal of the IEB so that a local authority appointed IEB could be put into place, but this was a formal process taking at least four weeks. He understood that any such application would be treated favourably, but the decision lay with the Secretary of State.
- Councillor Homer referred to point 3 on page 5 and felt that the impact on young people who attended HBHS should have been referred to as they had faced much uncertainty. She also asked whether members could have sight of the correspondence made back to the RSC from the Authority following their letter of 7 November, in the interests of transparency. Dr Johnson advised that this was a holding response pending all of the information being collated/available and he circulated copies to members (copy attached to the signed minutes). He expanded on the main points contained within it.
- Councillor Homer welcomed the detail and commented that it was important that it was understood that no clear preferred option had been communicated by the Authority to the RSC. She also sought clarification that responses to this consultation would be weighted in their own right, and the responses to the consultation done by QEHS not brought into the mix, which had been carried out under a specific set of circumstances. Dr Johnson confirmed that this consultation would be completely new and starting from scratch.
- Councillor Jones commented that the west was very rural and any changes would have transport and travel impacts on pupils. She sought assurances that the school transport team would be fully involved. Dr Johnson confirmed they would be.
- Councillor Riddle felt it was important to be clear about what some of these recommendations could mean in real terms for the wider school network. If this meant closure of some of the smaller rural schools then it was important to be up front about that. His priority was to achieve the best education for Northumberland children. Dr Johnson advised that if the Hadrian Trust moved to an 11-18 school, the Authority would have a problem with place planning in middle schools and a long term solution would have to be found.
- Councillor Oliver referred to the annual subsidy to HBHS at point 27 and felt it was important to set this in the context of a very challenging financial situation for the Council as a whole.
- With regard to the "spin off" Trust mentioned at point 9 on page 4 of the report, Councillor Homer queried what this would mean and what the benefits would be. Dr Johnson advised that for this to be a viable option, schools would have to be consulted and want to join in it. Other partners would likely be involved in it but there would have to be appetite from the schools to become involved in

it. The Authority would also have to apply and gain approval from the Secretary of State. If such an application were to be made, the aim would be to grow capacity within the schools involved so they could tackle the financial and curriculum challenges which faced them.

- Councillor Oliver commented that curriculum delivery needed to be a key factor in the consultation as different children had different academic needs.

Councillor Daley summed up the position, adding that he was very keen to develop further partnership working to bring about long term fundamental changes to the education system. The devolution deal would bring about exciting opportunities to develop an education challenge initiative which had had significant uplift effect in other areas, and he was very keen to get on with this. He read out the report's recommendations and moved a further recommendation as follows:-

“Authority be delegated to the Interim Director of Children’s Services to advise the DfE that the Authority seeks to withdraw the interim IEB at Haydon Bridge High School and to appoint a Local Authority IEB”.

This was seconded by Councillor Homer.

**RESOLVED** unanimously that:-

- (a) Cabinet approve a first stage of informal consultation with educational leaders in local schools and academies in the Haydon Bridge and Hexham Partnership on the following issues and devise a proposal for a model for the future:
  - Withdrawal of Bright Tribe from sponsorship of Haydon Bridge High School and the inability of the DfE to find another sponsor willing to take over the school
  - The Hadrian Trust’s proposal for Queen Elizabeth High School to become an 11-18 secondary school
  - The high number of surplus places
  - The weak financial position of many schools
  - Capital investment in schools in the west
  - The current model of provision
  - Alternative options for secondary-age students in the Haydon Bridge Partnership
  - Whether the Council should work towards establishing a Trust that would enable it to become a multi-academy sponsor for schools.
  - Special Educational needs and disabilities, social mobility and inclusion;
- (b) authority be delegated to the Chief Executive in consultation with the Deputy Leader/Member for Children’s Services Chief on the timing and method of any second stage of informal consultation, noting that consultees will be asked for alternative options to those set out as a result of part one of the process;
- (c) Cabinet note that the outcomes of any informal consultations will be presented to Cabinet at a later stage and that a recommendation to permit the publication of Statutory Proposals may be made at the end of consultation;

- (d) authority be delegated to the Interim Director of Children's Services to advise the DfE that the Authority seeks the withdrawal of the interim IEB at Haydon Bridge High School and the appointment of a Local Authority IEB; and
- (d) the report of the Family and Children's Services OSC be noted.

## **(2) National Funding Formula**

The report updated Cabinet on the National Funding Formula (NFF) and the implications for Northumberland, following the recent schools' consultation exercise (copy attached to the signed minutes as Appendix B, along with the report of the FACS OSC circulated at the meeting).

Dr Johnson drew members' attention to the main points of the report, and the main changes which would be introduced, highlighting the importance of the information contained in paragraph 16.

Councillor Stewart presented the report of the FACS OSC.

Member points included:-

- Councillor Riddle commented that many Northumberland schools had less than 220 pupils. He queried who would pick up the funding shortfall to ensure that a school did not lose out. Johnson advised that schools could request a licensed deficit if they no longer had any reserves to fall back on. This was done through the Chief Executive and the Leader, with a view to paying this back within 2-3 years, effectively allowing the school to go into the red until it could get itself back into the black. The concern he had was that some schools were predicting financial deficits without any action plans to correct that position. Should a school close in these circumstances, then the Council picked up the deficit. Ms Aviston explained plans to cap the gains at 0.5% to manage the overall situation between winners and losers.
- Councillor Oliver queried whether 1% was already transferred from the schools block to the high needs block in the current year. Dr Johnson explained this was a proposal to transfer an additional amount for next year. Last year, the draw on the high needs block was such that the Authority had gone over budget, and the only realistic way to pay that back was from next year's budget.

The recommendations were then moved by Councillor Oliver, which was seconded by Councillor Homer.

**RESOLVED** unanimously that:-

- (a) the proposals for the phased implementation of the National Funding Formula in 2018/19 be approved, in line with recommendation of the Schools Forum meeting of 14 November and the results of the subsequent consultation exercise held with schools;

- (b) the transfer of 1% funding from the Schools' Block to the High Needs Block be approved, in line with recommendation of the Schools Forum meeting of 14 November and the results of the subsequent consultation exercise held with schools;
- (c) Cabinet note that, in consultation with the Schools Forum and the Lead Member for Children's Service, the Interim Director for Children's Services may need to make some minor modifications to the values of the formula factors and to the level of Minimum Funding Guarantee (MFG) to be applied consistent with the agreed principles and criteria once the October 2017 pupil data and the final DSG settlement are received from the Department for Education (DfE) in December 2017; and
- (d) the report of the Family and Children's Services OSC be noted.