



Walsall Council

Walsall Children's Services

Report to: Schools Forum

Date: 28th September 2010

Subject: Harnessing Technology Grant

Contact: Stephen Read (Stephen.read@walsallcs.serco.com)

Purpose of the report: To provide further detail on the proposed allocation of Harnessing Technology grant 2010-11

Recommendation: To support the allocation of funding for the replacement of internet circuits to schools

Following the decisions made on priorities for Harnessing Technology funding at the 15th June meeting of Schools Forum, the government announced in-year reductions in a number of grants including this and the grant will now be £553,395 rather than the previously indicated £1,101,784, plus a matched funding amount from Walsall Council of £216,530 to provide a revised total of £770,025.

The guidance for the usage of the grant remains the same but Schools Forum are therefore asked to revise the previously-agreed allocations to take account of the reduced funding – these were £708,810.50 to be allocated directly to schools, £280,000 to be allocated for the replacement of the internet circuits to schools and an LA retention of 25% (£329,603.50) for specific contracts and staff.

Since the final revised funding was announced at the end of July, a review of all commitments has taken place to ensure adherence to new priorities.

Internet circuits to schools

Subsequent to the June approval by Schools Forum, the procurement element of the school circuits project has continued and we are now in a situation to appoint a preferred bidder with an indicative capital cost of £306k based on the following assumptions:

- The project is based on 17 secondary schools and 57 primary / special / nursery schools
- Secondary schools will receive a 100mb main connection initially limited to 20mb, with the opportunity to upgrade at additional cost and a 8mb backup feed
- Primary schools will receive a 10mb connection limited initially to 2mb, with the opportunity to upgrade at additional cost
- This is subject to survey and we have included an additional 10% contingency cost or any additional costs would need to be paid by the schools themselves
- An element of this project cost (both capital and revenue) is fixed without relation to the number of schools
- There will be an increase in the annual (revenue) cost to schools and this is based on a 3 year agreement being in place with schools
- Internal staff remain available to co-ordinate the project
- Previous unspent funding for this project has been carried forward of £140k from 09-10.

This project was initially instigated due to BT removing support for the existing technology in secondary schools and also downgrading support offered to the circuits provided to some of our primary, special and nursery schools. Should this project not proceed, this will impact on schools as support from BT will only be on a best endeavours basis without guarantee of fix and they reserve the right to completely remove the product or change pricing with 30 days notice which will need to be passed onto schools.

Use of retained grant

With the reduction in the element retained by the LA to £192,506.25, this has meant the removal of 3 projects to increase the resilience and capacity of the Walsall Grid for Learning. These decisions were limited due to other and prior contractual commitments and were based on the likelihood that internet usage will not now see the previous trends for increased usage due to the reduction and removal of ring-fencing to schools ICT funding. There are now only a small number of contracts held on behalf of individual schools and we are looking to either terminate or have appropriate agreements in place with those schools to reduce the contingency required centrally.

Additional information

It has also been indicated that there will be no further ring-fenced ICT capital funding and schools should be aware that revenue costs of the Walsall Grid for Learning will increase from April 2011 but the actual increase will depend on whether the school circuits project continues with the current funding, the formula used for costs to individual schools and some further supplier negotiations that are currently underway. We recognise the pressures on budgets and have already continued our work to reduce costs wherever possible.

Recommendation

Schools forum is therefore requested to agree the funding allocation of:

- The amount of £411,518.75 is allocated to schools on the formula of £605 per setting, plus £7.36 per pupil.
- The amount of £166k is allocated to the project for internet circuits to schools
- Any unspent funding from the project for internet circuits to schools will be returned to schools and distributed as per the agreed formulas for 2010-11
- Should the allocated project funding be insufficient, then priorities be agreed as to whether elements are removed such as the backup link for secondaries or fund this through revenue budgets or to look to 'cluster' adjoining schools where possible, subject to all schools receiving the same level of service