



Walsall Children's Services

SCHOOLS FORUM

ANNUAL REPORT 2008/2009

1.0	<u>Purpose of Report</u>	
1.1	The purpose of the report is to provide an annual report of the work of the Forum covering the period 24 th June, 2008 to 3 rd March, 2009.	
2.0	<u>Deprivation Review</u>	
2.1	The Forum was advised that there was still confusion about the make up of the "notional" target and that schools were being asked to use the same money twice. It was confirmed that there was potential for overlap and that activities could be duplicated. The Deprivation Sub-Group would look into the matter with a view to providing guidance for Schools Forum and the Primary and Secondary Heads Forums.	24.6.08
3.0	<u>Use of Standards Fund Headroom</u>	
3.1	The Forum agreed that the model to be used related to the distribution of available headroom funding using the same number of notionally identified pupils included in allocating social deprivation funding in main budgets as the preferred option.	24.6.08
4.0	<u>National Funding Conference - Feedback</u>	
4.1	The Forum received information relating to 14 - 19 funding and the expectation that Post 16 funding would revert to Local Authorities. It was indicated at Conference that the budget in the current three year cycle was tight and the situation could worsen.	24.6.08

4.2	<p>The Learning and Skills Council was to be abolished from September, 2010 and would be replaced by two separate organisations; the Young Peoples Learning Agency dealing with pre-19 budgets and the Skills Funding Agency dealing with Post 19 budgets. It was the intention that the formula currently used for funding schools sixth forms would be extended to all 14 - 19 funding. In a consultation paper, the DCSF had expected that Local Authorities would work in clusters. The initial view was that the YPLA would be a high level planning and process driven organisation to channel funding to Local Authorities, however, it had since been indicated that all the work would be done by the YPLA and Local Authorities would be the pass porting Authorities.</p>	
5.0	<u>Review of indicative budget 2009/10</u>	
5.1	<p>The Forum noted that its indicative Direct Support Grant (DSG) funding for the three funding periods April, 2008 to March, 2011 had been received. The allocations used a guaranteed funding unit (GFU) per pupil for each year and the DCSF had given a commitment that the value of the GFU per pupil would remain unchanged from indicative to final allocations. The indicative figures had been largely based on DCSF projections of Walsall's pupil population for the next three years, however, when final DSG settlement figures for 2008/09 were received, Walsall's allocation was lower than estimated giving a reduction of £450,000.</p>	16.9.08
5.2	<p>On investigation, it had been revealed that the validated numbers from the schools and early years census was lower than the census data used for the estimate of DSG. This would have a cumulative effect on the projected numbers used for indicative DSG allocations for 2009 and 2010. The issue had arisen as a result of an over-estimation in respect of figures in the secondary sector. With regard to the primary sector, six schools appeared to have completed the PLASC census incorrectly. These figures combined to create a loss over estimate used of £449,000 in 2008/09.</p>	
5.3	<p>The Forum had instructed officers to undertake the 2009/10 and 2010/11 indicative budget process again reducing available resources by £1.86 million, apportioned, as far as possible, equally across the two years and that schools would be provided with a revised indicative budget share thus enabling the impact to be built in to their spending plans. Schools were also alerted to the need to check the figures on their PLASC returns prior to submission to the Authority and that they be advised of the implications for funding in the event of incorrect information being supplied. The Forum also</p>	

	requested an approach to the DCSF to ascertain whether any assistance could be given to the Authority in rectifying this issue.	
6.0	<u>Building Schools for the Future</u>	
6.1	<p>The Forum received a presentation from the Interim Project Director, Building Schools for the Future who outlined Local Authorities, schools, DCSF, national programme partners and specialist private sector companies as the key players in Building Schools for the Future. The programme would be a once in a lifetime opportunity to transform learning opportunities through the replacement and refurbishment of schools, Walsall was part of Wave 6A. Reference was made to the Primary Capital Programme to renew primary school buildings and for Walsall, this would mean an overall £100 million capital expenditure programme for its primary schools over the next ten years. The BSF programme would transform the way children and young people learn in Walsall and the way school buildings were used in the local community; Walsall Council would work in partnership with Serco and other Council services to deliver the transformation programme; other partnership agencies such as health, the voluntary sector and local businesses would also be involved to bring the whole community together. Approximately 80% of funding was in place under Wave 6A for the first six schools in Walsall to benefit from BSF and Local Authorities had been invited to express an interest for inclusion in Wave 7. By the end of the procurement process, a Local Education Authority partner would be appointed to deliver the transformation programme in Walsall, the construction phase was planned to commence from August, 2011.</p> <p>Following the above presentation, Schools Forum was advised of immediate revenue implications in respect of start up costs and the establishment of a team to drive the programme forward and Schools Forum was requested to agree in principle to funding some of the start up costs of the programme and thereby indicating a true partnership between the Council, Serco and schools. The Forum discussed the mechanism around this issue and agreed in principle to contribute to the start up costs of the Building Schools for the Future/Primary Capital Programme and that schools contribute £2 million per year over the next two years.</p>	<p>11.11.08</p> <p>9.12.08</p>

7.0	<u>Start up costs for Building Schools for the Future/Primary Capital Programme (BSF/PCP)</u>	
7.1	The Forum was presented with a number of options for contributing £2 million per year towards the start up costs of BSF and PCP that would be manageable at school level and that would have the least impact on minimum funding guarantee (MFG). Details of the different funding options and the funding sources identified to provide the agreed contributions were considered.	20.1.09
7.2	With regard to schools selected under Wave 6A, a robust process had been undertaken in compliance with BSF/PCP requirements; criteria such as condition, standards and deprivation were taken into consideration and there had to be a balance between schools requiring a complete new build, major refurbishment or light refurbishment. The criteria did not allow for all new builds to take place at the commencement of the programme as some light refurbishment projects were required to balance this up.	
7.3	Schools Forum agreed to reduce the start up costs of BSF/PCP from £2 million to £1.6 million per year for the period 2009/10 and 2010/11 which could be re-considered if necessary with further details provided. Clarification on the use of the contribution and the reasons for up to £2 million was required. Regular monitoring reports on the progress of the project and associated costs, together with any future recurrent costs beyond the two year period be submitted to the Forum. Investigations were requested into the possibility of using interest from school balances to contribute to the BSF/PCP start up costs. It was agreed that a view of the school balance control mechanism take place with a view to using any surplus balances to contribute towards BSF/PCP start up costs and the possibility of implementing this in the 2009/10 period to contribute to the 2010/11 BSF/PCP funding requirement.	
7.4	Serco was requested to write to the DCSF to request agreement to vary the application of MFG for the 2009/10 and 2010/11 financial years by adding the temporary additional formula factor as an exclusion from the MFG calculation in respect of BSF/PCP. The Forum also agreed that the devolved formula capital contributions be re-examined with a view to increasing the sum in 2009/10 and 2010/11, subject to the option being agreed with the Council's capital accountant and/or auditors. It was also agreed that £200,000 be taken from the extended schools grant funding in 2009/10 and	

	2010/11 in order to reduce the impact on the individual schools budget.																			
8.0	<u>Start up costs in respect of the PCP and BSF</u>																			
8.1	<p>At this meeting, the Forum approved a contribution of £1.6 million to the BSF/PCP set up costs based on the following approximate contributions:-</p> <table> <tr> <td></td><td>2009/10</td><td>2010/11</td></tr> <tr> <td></td><td>£</td><td>£</td></tr> <tr> <td>DFC</td><td>358,000</td><td>381,000</td></tr> <tr> <td>Extended Schools Grant</td><td>262,000</td><td>200,000</td></tr> <tr> <td>ISB</td><td>980,000</td><td>1,019,000</td></tr> <tr> <td>Total</td><td>1,600,000</td><td>1,600,000</td></tr> </table>		2009/10	2010/11		£	£	DFC	358,000	381,000	Extended Schools Grant	262,000	200,000	ISB	980,000	1,019,000	Total	1,600,000	1,600,000	3.3.09
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8.2	Approval was also given to the variation to the minimum funding guarantee for the 2009/10 and 2010/11 financial years, subject to formal ratification by the DCSF. Option 2, namely the calculation of indicative contributions using the ISB contribution as a proportion of the total ISB and the allocation of this to individual schools based on their total budget share was adopted as the preferred option.																			
8.3	Approval in principle was given to the 2010/11 BSF/PCP contribution on the understanding that the ISB element of the contribution may reduce dependent on the uptake of the Bond Scheme and the recovery of surplus balances at the end of the 2009/10 financial year.																			
9.0	<u>Long Service Awards</u>																			
9.1	The Forum received information relating to the funding of long service awards and noted that awards that had been granted by schools to long serving employees had now had their budgets re-imbursed with the costs involved and no further awards would be made for school based staff pending agreement on the way forward. The report proposed that the long service award scheme be applied across all schools and that schools meet the costs of the awards already paid. This should result in estimated average costs of around £75 per year over the next five years from the delegated budgets of schools with eligible employees. Records indicated that fewer than 430 staff in schools would become eligible for long	11.11.08																		

9.2	<p>service awards in the next five years. The Council could provide information to all schools with eligible employees if the proposals were agreed.</p> <p>The Forum referred the cost of long service awards to Cabinet as it was considered that the costs of the scheme for staff employed in schools should be met by Walsall Council through the Council's budget and should apply to staff of all schools, including former grant maintained schools, voluntary controlled and foundation schools.</p>	
10.0	<u>Amendment to allocation of harnessing technology funds</u>	
10.1	<p>The funding for harnessing technology ICT standards fund was approved by the Forum and noted that it was anticipated that the grant in years 2 and 3 would be allocated to schools using the same basis as for 2008/09 with the centrally retained element continuing at 25% plus additional for specific projects in order that responses to initiatives could be made as they developed.</p>	11.11.08
11.0	<u>Early Years Funding Review</u>	
11.1	<p>The Forum agreed that Option B to target the offer through a setting be adopted as follows; settings would be targeted and identified in the super output areas and all the children attending that setting would receive the entitlement. Standards Fund Grant of 1:10 will fund the additional 2.5 hours per week provision weighted to levels of deprivation and local area costs and allocated using data from the January, 2009 school and early years census. The DCSF anticipated that this would give an estimated target of 1,075 children.</p>	11.11.08
12.0	<u>National Fair Funding Conference</u>	
12.1	<p>The Forum was informed of the emerging national school funding issues that could impact on the amount of dedicated schools grant (DSG) coming to Walsall. The DCSF was investigating whether a national funding formula could be used to fund schools in the 21st century and incentives brought into schools funding. There were also major funding reforms relating to the increased and flexible early years offer funded through a single funding formula by April, 2010 and the 14 - 19 curriculum changes which would include the transfer of all 14 - 19 commissioning to Local Authorities in September, 2010. Schools would be expected to make annual efficiency savings; the minimum funding guarantee would be less than the</p>	9.12.08

	teachers pay award. Schools would need to work more corroboratively together in the future.	
13.0	<u>Primary Capital Programme</u>	
13.1	The Forum was advised that in cases where mobile classrooms had been part of the main school accommodation, these would be replaced; in normal circumstances they would only be temporary accommodation.	3.3.09
14.0	<u>Recommendation</u>	
14.1	The Forum is asked to note the report.	