



Walsall Children's Services

SCHOOLS FORUM

ANNUAL REPORT 2009/2010

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 16 th June, 2009 to 2 nd March, 2010.	
2.0	<u>Extended services disadvantage subsidy</u>	
2.1	The Forum noted that the Next Practice Network supported the proposals to pilot the extended services disadvantage subsidy across three extended school clusters, based on eligible children across the Borough as opposed to the most deprived areas. The pilot to be used to investigate factors of diversity and spread that would help the successful roll-out of the disadvantage subsidy to all schools in 2010/11 and to establish the needs for successful co-ordination of activities.	16.6.09
3.0	<u>Building Schools for the Future - Update</u>	
3.1	The Forum heard that a meeting had been held with PFS setting up dates around formal notification to proceed with a core writing group being launched. The inclusion of an additional school had been agreed and it had been suggested to them that an allocation of £100,000 over a two year period be made. Terms of Reference for a Stakeholder Group were in the process of being drawn up and the Chairman was nominated to attend the Group on behalf of the Forum as an interim measure. Investigations were taking place into the implications of an additional school being included and whether this would reduce the contribution of the other five schools.	16.6.09

3.2	<p>The Forum was advised that the technical advisors to the project had been appointed and briefed by officers of the Council and schools within Wave 6A to familiarise them with and validate the mix of building works. Investigations were taking place into sustainable provisions on school sites to augment community use on those sites within Wave 6A. The funding allocation model and Local Education Partnership highlighted two key aspects of Building Schools for the Future showing capital allocations that would go to partnerships for schools and defending the Local Authority's allocation for the scheme relying on mixed building works and pupil numbers which would be analysed, evaluated and put to the funding allocation model. It was anticipated that the Local Education Partnership should be established in March/April, 2012 at a cost of £6.2 million which, at this stage, was within budget.</p>	20.10.09
3.3	<p>The primary capital programme funding would be delivered through more traditional frameworks rather than through technical advisors within BSF and primary schools would be consulted where necessary. Confirmation was given that set up costs had been covered by the contribution from Schools Forum and that the money held by the Council was from the primary capital programme. The funding for BSF projects and the interest on the allocation provided by schools was being monitored closely and would be reported back to the Forum. At this point, only two schools had shown an interest in the Bond Scheme which had had a minimal impact on contributions. Members requested more financial information and strategic analysis in respect of the BSF projects.</p>	
3.4	<p>The use of mobile classrooms would be part of the strategy for change and, where possible, their use would cease. Confirmation was given that there were no separate priorities for primary capital programme; the primary strategy for change did not include a separate priority list. The strategy would take up opportunities to amalgamate infant and junior schools and build primary schools in their place.</p>	
3.5	<p>It was proposed that the leisure sports strategy, when available, would link with the strategy for change part 2 and would include an outline business case. The leisure audit was in train and had a BSF focus within it factoring in uses that schools would like included on their site from a leisure perspective.</p>	

4.0	<u>14 - 19 funding</u>	
4.1	The Forum received a presentation on 14 - 19 funding. As part of the National Formula Review, the DCSF was looking at 14 - 16 funding in schools with a view to possibly replicating the 16 - 18 LSC funding methodology. The Forum agreed to nominate a representative to the 14 - 19 Finance Group.	16.6.09
5.0	<u>Early Years Funding Reforms</u>	
5.1	The Forum approved the distribution of early years extended and flexible offer standard fund grant as detailed in Paragraph 1.4.2 and 1.4.3 of the report for three and four year olds.	16.6.09
6.0	<u>Post 16 Abatement</u>	
6.1	The Forum was advised that the Post 16 Abatement was a factor within the Walsall Funding Formula and applied to Secondary Schools only. The calculation of the abatement took account of the total value of school specific factors for each Secondary School and each school's total was reduced in proportion to their number of Post 16 pupils recorded on the January census data.	16.6.09
7.0	<u>School Balances</u>	
7.1	The Forum agreed to set up a Working Group to consider the proposed changes to the balance control mechanism and the outcomes to be submitted to Schools Forum. Approval was given to holding a meeting of the Urgency Sub-Committee to consider the school specific contingency and its decision be referred to the next meeting of the Forum. The Forum agreed that with regard to the recovery of school balances, approval be given to increasing the school specific contingency by £175,000, this sum to be used to offset BSF.	16.6.09
8.0	<u>Harnessing Technology Grant</u>	
8.1	The Forum agreed that additional funding over and above the 25% retention amount centrally be retained to meet the key investment priorities which included:-	16.6.09

	Self Review Framework - £40,000 Shibboleth - £50,000 Internet Connection to Schools - £140,000	
8.2	The Forum agreed that Academies be not funded at the same portion as schools and that a breakdown of the central contingency would be provided.	
8.3	The Forum was advised that this was the last year of funding and it was proposed that Internet connection to schools would be completed. The Forum was advised that the Standards Fund Grant would be matched by the Council under the national grid for learning. The traded services with schools did not cover all the costs and 25% was allocated towards some of the central infra-structure necessary. Schools paid for services on a year on year basis but capital work was not taken into account; the national grid for learning funding was initially used for secondary schools followed by primary schools and over the last six years and there had been a significant increase in the use of ICT. BT and Telewest had been requested to quote for providing the facility in all schools.	2.3.10
8.4	Concern was expressed that a breakdown of the funding to cover hardware, contingency, staff etc had not been included and indicated that informal consultations should take place at the Heads Forum in order to enable a well informed decision to be made.	
8.5	The Forum approved the retention of 25% of the harnessing technology ICT standards fund grant centrally that schools keep 21% and the remainder be delegated out to schools.	
9.0	<u>Constitution and membership issues</u>	
9.1	The Forum agreed to extend a number of periods of office in respect of Head Teachers and Governor representatives for the benefit of continuity to 31 st March, 2011.	16.6.09
10.0	<u>Carbon reduction commitment</u>	
10.1	The Forum was informed that the carbon reduction commitment would affect all schools with Trust and Foundation schools being maintained by the Local Authority and funded through the schools budget but Academies would need to be billed separately and a decision on the method of payment of the costs involved being £532,000 in 2011 needed to be considered.	29.9.09

11.0	<u>Implementing the Early Years Single Funding Formula - Guidance July, 2009</u>	
11.1	The Forum was informed that the Early Years Single Funding Formula would fund private, voluntary and independent school nurseries in the same way that Council nurseries would be funded.	29.9.09
12.0	<u>Early Years Single Funding Formula - Pilot Authority status</u>	
12.1	The Forum was advised that 56 Authorities across the country would be running the pilot status. The Forum agreed to continue to support the implementation during the pilot phase.	2.3.10
13.0	<u>Implementing the Early Years Single Funding Formula - progress report</u>	
13.1	The Forum heard that every Local Authority was required to have a basic hourly rate for every nursery child which would be different depending on the type of setting and would be supplemented by a deprivation factor which was mandatory, an SEN factor was also proposed. The DCSF had requested Local Authorities to consider whether there should be a flexibility factor as this was effective from September, 2010 and all nursery age children would be entitled to 15 hours nursery education rather than the 12½ hours already provided. Affordability was being investigated, as well as the sensitivity around increases in children turning three in the Autumn and starting sometime in January, as well as the implications of this.	29.9.09
14.0	<u>School Balances and Value for Money</u>	
14.1	The Forum was informed that balances had reduced by £1.3 million in Walsall giving a total of £13.7 million and it was confirmed that the reduction in recovered sums was due to schools misinterpreting prior year commitments and properly assigned sums. Some properly assigned sums had been agreed due to significant changes in programme costs. The new OFSTED framework included a need to demonstrate value for money and the use of resources in schools.	29.9.09
14.2	Training sessions would be provided to schools around value for money and changes in the Local Authority accounting processes for year end balances whereby creditor provisions would be submitted at the end of the year. The Forum	

	supported the work of the Local Authority to improve value for money in Walsall's schools.	
15.0	<u>Early Years Single Funding Formula - consultation document and formula</u>	
15.1	The Forum was informed that the document included a proposal to phase in 80% of the funding reductions to nursery schools over a two year period using transitional funding arrangements. The Forum agreed to increase the 2010 -11 school specific contingency of £360,000 to manage any in-year budget adjustments that may arise as a result of the responsive participation led funding model.	20.10.09
16.0	<u>Early Years Single Funding Formula - consultation outcome</u>	
16.1	The Forum was informed that any school specific contingency to manage potential fluctuations in pupil numbers would be ring fenced in the schools budget and within the school specific contingency.	8.12.09
17.0	<u>Facilities agreement for Walsall schools</u>	
17.1	The Forum was advised that DSG monies had been used to pay to the Unions agreed sums for their activities with different memberships receiving different amounts with the Unions deciding how those amounts would be used and distributed. Consultation was carried out on behalf of schools. Following discussions with the Unions, it had been agreed that the documents would be refreshed to ensure that they were more appropriate. No additional funding was involved.	20.10.09
18.0	<u>Carbon reduction commitment - clarification</u>	
18.1	The Forum was advised that carbon reduction commitment was a Government initiative and mandatory for supplies over 6 million kw per annum. During the year April, 2010 - 11, the use of CO2 would be monitored and emissions declared, carbon credits for CO2 would be purchased from 2011, this would include electricity, gas and heating oils. A league table would be introduced from the third year and would be determined by SMART meter and carbon trust standards. From April, 2011, the Local Authority would apply for inclusion on the Carbon Trust standard in order to assist the Authority in improving its rating and league table position. Any additional purchases of carbon credit would be made on the open market	8.12.09

	at a considerably higher cost. Although schools were under the umbrella of the Local Authority, they could be treated as a separate entity and declare its own CO2 emissions.	
18.2	The Carbon Reduction Commitment Energy Efficiency Scheme was aimed at driving down energy consumption within buildings.	
18.3	It was proposed that the Local Authority would purchase the initial carbon credits for schools, this would not be charged to the schools budget. Any losses attributable to penalties incurred by schools would be charged to the schools budget and would need to be recovered through a formula factor from the individual school or allowed for within the central expenditure limit. The carbon trust standard would be funded by the Council.	
19.0	<u>Contract Management Board</u>	
19.1	The Forum was advised of the varying levels of meetings to monitor the education contract and questioned whether the Forum was represented on the various bodies that monitored the education contract and the issue of sufficient representation be considered.	8.12.09
19.2	Mr. Hodgkinson was appointed as the Schools Forum representative on the Contract Management Board.	
20.0	<u>2009/10 DSG</u>	
20.1	The Forum was advised that the difference between the indicative budget for schools as estimated in March and the actual funding received from the DCSF at the start of the 2009/10 financial year were very close and, therefore, no funding issues had arisen.	8.12.09
21.0	<u>Balance Control Mechanism</u>	
21.1	The Forum was advised that schools would be allowed to accrue money through the properly assigned funds process at the end of the current financial year to enable nursery schools to deal with the implications of the early years single funding formula as well as all schools to enable them to save for any potential liabilities there may be in Walsall schools arising from the implementation of single status and equal pay claims. The proposal would help to reduce the financial impact and help to protect service delivery within schools at future dates.	8.12.09

21.2	The Forum supported in principle the additional criteria to be applied to the properly assigned sum criterion with the maximum sums for primary and nursery schools being £10,000 per school, £20,000 per special school and £50,000 per secondary school. Approval was also given to include a banding system based on the claw back banding and that nursery schools would be permitted to use the properly assigned sum mechanism to manage the implementation of the early years single funding formula. Any such sums would need to be supported by outline staffing plans and timetables as the figure would equate to the accruing, on average, of 5% of non-teaching staff costs to cover any future potential liabilities and to reduce the financial impact and help to protect service delivery within schools at a future date.	
22.0	<u>Transforming Learning in Walsall - Financial Update</u>	8.12.09
22.1	With regard to the expenditure breakdown from remit to financial close, the £6.124 million was fully funded and it was important that the scheme stayed within that, no further income would be required in 2011/12 to meet the cost of the programme.	
22.2	The funding provided by Schools Forum was earning interest and the forecast interest calculation would be made at the end of the year and used to offset the school's contribution in 2010/11. The money would be carried over from year to year and signed off by the Deputy Chief Finance Officer and referred to the Council's external auditors. In the event of the work not taking place, the money would not be spent and it was considered that the exercise would not be wasted as the programme also included transforming learning.	
22.3	Some surplus school balances that had been recovered would be used to reduce the BSF contribution for schools next year. There was no danger of any of the primary capital programme being lost.	
23.0	<u>Transforming Learning in Walsall - Financial Update</u>	19.1.10
23.1	Members requested regular reports on funding and expenditure in respect of Transforming Learning in Walsall in order for transparency, as well as information on contractors where this was possible.	

24.0	<u>Ethnic Minority Achievement Grant</u>	
24.1	The funding formula for Ethnic Minority Achievement Grant had one year left to run and it was anticipated that funding would cease at that point. With regard to the centrally retained element of the grant, it was confirmed that the staffing level at Walsall was much lower than those of neighbouring Sandwell and Wolverhampton Authorities.	19.1.10
25.0	<u>Early Years Funding Reforms - Pathfinder Status</u>	
25.1	Following approval by Cabinet on 13 th January, 2010, of the funding formula and the proposal to support the view that an application be made to become a Wave 2 Pathfinder Authority, provision would be increased from 12½ hours to 15 hours a week for all Authorities from September, 2010, despite the deferral of the funding reforms. The early years requirements were included in the Apprenticeship, Skills, Learning and Children Act, 2009. The Forum formally supported the proposal by the Local Authority to apply for Second Wave Pathfinder Status in respect of the Early Years Funding Reforms.	19.1.10
26.0	<u>School Balances Initial Draft Guidance</u>	
26.1	The Forum noted that the guidance included information around percentages and it recognised that schools required working capital but not in excessive sums as the money should be used for the benefit of young people. The national funding review should mainstream a number of grants, for example, EMAG, but the detail included in the document would need to be available prior to a view being given to the Forum. The criteria on properly assigned sums would also need to be examined in order that clear advice could be given to schools. The Forum agreed to Mr. Hodgkinson being appointed to the Working Group to consider the implications of any nationally proposed changes on the Walsall balance control mechanism; the remit of the Working Group would be to discuss the implications of any national guidance on the Walsall balance control mechanism and a meeting would take place at the earliest possible opportunity.	19.1.10

27.0	<u>Single status and equal pay</u>	
27.1	The Forum was advised that schools support staff had been brought into the process and accordingly staff from Children's Services - Serco and Trade Unions had been allocated places on the Job Evaluation Panel. The "link" pay model was being used which took account of the schools and provided a salary structure and range of scales. A model for a range of allowances was considered to enable meaningful proposals to be put forward and formal consultations with Trade Unions would take place on 3 rd March, 2010 with a statutory consultation period of a minimum of twelve weeks.	2.3.10
27.2	School support staff would be included on the school support staff negotiating body and Working Groups were required to submit criteria and pay models to the Secretary of State by 28 th May, 2010; school support staff should be kept within the Council's single status programme. The process included community and voluntary controlled schools only. Equal pay cases were currently at tribunal with the hearing anticipated to last for some five weeks.	
28.0	<u>2009-10 Section 52 Benchmarking Data</u>	
28.1	Comparative information was provided to show how Walsall devolved 90% of school funding as compared with Sandwell devolving 94%. With regard to contingency, Walsall held £1 million for BSF, the rest related to rates and other minor budget changes whereas Sandwell and other Authorities did not hold non-devolved grants and this distorted the calculations.	2.3.10
29.0	<u>Financial arrangements to support the transfer of Sneyd pupils during the closure period</u>	
29.1	The Forum noted that Sneyd was now a closing school and work was ongoing with the school to manage the situation. It was agreed that money follow Year 9 pupils transferring from Sneyd in September, 2010 and to a potential breach to the 2010/11 central expenditure limit as a direct result of the retention of £115,000 in the schools specific contingency for the current Year 9 pupils in Sneyd in order that the funding could be allocated to receiving schools in the Autumn term 2010.	2.3.10

30.0	<u>Charity of the School Holiday Camp Fund of Walsall (Bryntysilio)</u>	
30.1	Following the request for assistance by the Charity, the Forum was advised that the Trust would run out of money by Christmas, 2010.	2.3.10
31.0	<u>Transforming Learning in Walsall - Financial Update</u>	
31.1	A further in-depth report on the financial situation with regard to Transforming Learning in Walsall was considered by the Forum in private session.	2.3.10
	<u>Recommendation</u> The Forum is asked to note the report.	