



Walsall Children's Services

Report t Schools Forum

Date: 29 September 2009

Subject: School Balances and Value for Money

Contact: Julie Taylor

Julie.Taylor@walsallcs.serco.com, Tel 01922 686495

Purpose of the report: To inform Schools Forum of the final sum recovered from school balances as at 31 March 2009 and raise awareness of the associated Audit Commission report "Valuable Lessons" and the DCSF/LGA survey on school balances.

Recommendations: Schools Forum is recommended to support the work of the LA proposed in this report to improve value for money in Walsall schools.

1. Introduction

- 1.1 At the last meeting of the School Forum it was reported that the pressure remained on LAs to reduce school balances by using their balance control mechanisms, and that some surplus balances had been identified for recovery from Walsall schools. Since then, a number of issues have been raised, which has resulted in the value of school balances to be recovered.
- 1.2 In addition, over the summer the DCSF has carried out a survey of school balances and balance control mechanisms, with a view to making the process more robust. At the time of writing the report the outcome of the survey has not been published.
- 1.3 Also, the Audit Commission published a national local government report in July 2009, "Valuable Lessons – Improving economy and efficiency in schools". This report reinforces the messages around the accumulation of school balances representing poor value for money as well as referring to the need for councils to support schools in becoming better procurers. A copy of the executive summary is attached to this report
- 1.4 Another change now in place is the new OFSTED framework introduced on 1 September 2009. The new regime will seriously impact on how school's use their resources and achieve value for money in the future.

2. Recovery of School Balances

- 2.1 At the last meeting of the Schools Forum it was reported that a sum of £348,044 would be recovered from schools. Since then, the sum to be recovered has reduced to £170,273 due to further information being submitted by a number of schools, as expected. The main reasons for the reduction in clawback are the incorrect submission of year end data, that is, confusion between prior year commitments and properly assigned sums, and changes in circumstances, such as additional and unexpected costs on existing projects coming to light.
- 2.2 Two primary schools, one secondary school and three special schools have had balances recovered. The sums range from £1,670 to £107, 550. The total recovered of £170,272 will be used to offset the BSF/PCP contribution in 2010-11 as agreed by Schools Forum at the last meeting. A summary of schools balances per school, after the clawback of excessive balances is attached as Appendix 1.

2.3 At the last meeting it was also agreed that a sub group be set up to review the school balance control mechanism and members of the group were identified. As the DCSF and LGA have carried out a detailed survey on this topic over the summer it would make sense to defer the sub group until the results of the survey and the associated changes are published. The DCSF has been asked for an indication as to when this information will be available.

2.4 However, the potential delay does not prevent some work beginning around better use of resources and value for money in schools.

3. Audit Commission Report – Valuable Lessons

3.1 In July 2009 the Audit Commission published a national report “Valuable Lessons” – improving economy and efficiency in schools, see the attached executive summary. The report came up with the following main findings:

- Education expenditure per pupil has increased by two-thirds in a decade.
- Schools have weak incentives to be economical and efficient.
- Schools could save over £400 million through better procurement alone.
- Workforce deployment is the most important decision in schools and must be undertaken with economy and efficiency in mind.
- Many schools have excessive balances, of which over £500 million could be reduced nationally.
- There are many ways schools can save money without adversely affecting children’s education.

3.2 The report then makes a number of recommendations to be implemented by the DCSF, by councils and by the Audit Commission, which is charged with protecting the public purse. The summary recommendations are detailed on pages 4 to 7 of the executive summary report attached.

3.3 There are also separate briefing reports available for headteachers and school staff, school governors and councils. All chairs of governors have been provided with a copy of the summary report and the Briefing for School Governors, and all headteachers have been provided with the executive summary and the Briefing for Headteachers and School Staff.

3.4 This national survey carries a great deal of weight and it also supports the greater focus on value for money in the new OFSTED Inspection Framework. In future schools with large balances and also with pupils, particularly

vulnerable pupils, who have made insufficient progress, will be judged on this basis. Therefore, from the council perspective there is much work to be done in this area. The plans already underway are:

- The recruitment of a traded services and commissioning officer whose role will include driving this agenda forward in schools.
- Meetings are taking place with the DCSF and the Council regarding e-procurement options.
- As requested by headteachers, the setting up of a sub group to look at how the procurement of traded services can be improved.
- Internal Audit will include value for money when they begin their review of FMSiS in 2010-11.
- Complimentary training will be provided for both school staff and governors on managing resources and value for money.
- Greater liaison between school finance and advisory staff, including School Improvement Partners (SIPs)..

3.5 The report recommends that LAs consider funding the recommendations through, for example, traded services, refocusing resources on economy and efficiency, self-funding initiatives or persuading schools to invest in their own abilities to manage finances.

4. Recommendations

4.1 The Schools Forum is asked to note the content of this report and support the LA in the work to improve efficiency and economy in Walsall schools.

School	Total Resources 2008-2009	Closing		Prior Year Commit-ments	Agreed Properly Assigned Sums	Appendi Adjusted S Balances, less E as at 31 Mar
		Balances as at				
		31 March 2009	31 March 2009			
	£	£	£	£	£	
ABBEY JM	819,433	41,284	2,100	0	39,184	
ALUMWELL INFANTS	1,174,726	104,927	16,792	0	88,135	
ALUMWELL JM	1,310,592	54,178	679	0	53,499	
BARCROFT PRIMARY	1,883,602	488,883	357,030	0	131,852	
BEACON JM	1,194,723	45,156	367	35,000	9,789	
BENTLEY DRIVE JMI	1,753,343	156,935	82,924		74,011	
BENTLEY WEST PRIMARY	1,706,718	13,780	13,771		9	
BIRCHILLS JMI	1,455,651	138,715	18,398	46,000	74,317	
BLACKWOOD JMI	1,924,173	114,003	33,542	0	80,461	
BLAKENALL HEATH JM	1,176,617	273,808	122,504	62,500	88,804	
BLOXWICH C.E. JMI	1,148,006	34,166	1,968		32,198	
BLUE COAT C.E. INFANTS	1,141,215	57,915	5,868		52,047	
BLUE COAT C.E. JM	1,375,049	142,110	52,519	5,121	84,470	
BROWNHILLS WEST JMI	873,056	142,262	72,660	4,804	64,798	
BUSILL JONES JMI	1,343,611	46,262	13,376		32,886	
BUTTS JMI	988,864	46,635			46,635	
CALDMORE JMI	1,201,169	85,423		50,000	35,423	
CASTLEFORT JMI	841,593	66,786	10,227		56,559	
CHRIST CHURCH JMI	921,123	40,338	1,500	17,800	21,038	
CHUCKERY JM	1,602,824	41,572		15,000	26,572	
COOPER & JORDAN JM	1,635,256	32,378			32,378	
COUNTY BRIDGE JMI	819,106	36,596	15,568		21,028	
CROFT COMMUNITY JMI	1,041,765	70,630	29,440		41,190	
DELVES INFANTS	1,188,764	56,725			56,725	
DELVES JM PRIMARY	1,407,188	163,274	52,013		104,548	
EDGAR STAMMERS PRIMARY	1,640,270	24,774	0		24,774	
ELMORE GREEN JMI	1,283,248	152,417	55,873	0	96,544	
FIBBERSLEY PARK PRIMARY	1,739,790	-14,616			-14,616	
GREEN ROCK JMI	1,045,950	96,378	32,334	9,523	54,521	
GREENFIELD JMI	993,556	72,625	4,353		68,272	
HARDEN JM	1,190,590	41,295	9,874		31,421	
HATHERTON PRIMARY	1,779,120	273,922	138,680	58,000	77,242	
HILLARY STREET JM	1,627,539	120,914	4,161	64,786	51,967	
HOLY TRINITY INFANTS	848,307	47,808	22,459		25,349	
KING CHARLES JMI	988,194	-15,710			-15,710	
KINGS HILL JMI	685,383	-322,772			-322,772	
LEAMORE JMI	1,008,922	59,651	7,101		52,550	
LEIGHSWOOD JM	1,830,580	59,750	0		59,750	
LINDENS JMI	1,308,716	-18,964			-18,964	
LITTLE BLOXWICH JMI	924,867	109,267	39,418		69,849	
LODGE FARM JM	1,280,617	118,375	12,566	25,000	80,809	
LOWER FARM JMI	1,633,714	122,627	33,846	31,500	57,281	
MANOR	951,261	216,477	5,681	200,000	10,796	
MEADOW VIEW JMI	1,134,571	149,070	4,922	50,000	94,148	
MILLFIELD JMI	978,556	72,916	13,982		58,934	
MOORCROFT WOOD	1,157,843	234,425	4,752	163,397	66,276	
MOSSLEY JM	1,026,856	69,668	0		69,668	
NEW INVENTION INFANT	1,073,065	85,497	13,717		71,780	
NEW INVENTION JM	1,297,490	100,305	29,722		70,583	
NORTH WALSALL JM	1,201,617	90,630	42,703	6,000	41,927	
OLD CHURCH C.E. JMI	1,158,019	23,765			23,765	
PALFREY INFANTS	1,271,799	100,592		23,500	77,092	
PALFREY JM	1,497,928	92,762	34,838		57,924	
PARK HALL INF	1,003,155	79,645	23,742	9,000	46,903	

School	Total Resources 2008-2009	Closing		Agreed Properly Assigned Sums	Appendi Adjusted S Balances, less E as at 31 Mar
		Balances as at 31 March 2009	Prior Year Commit-ments		
	£	£	£	£	£
PARK HALL JNR	1,374,567	78,300	13,219	20,000	45,081
PELSALL JMI	1,020,742	72,231	23,961		48,270
PHEASEY	2,289,665	99,738	0		99,738
PINFOLD STREET JMI	1,353,359	46,809	13,436		33,373
POOL HAYES JMI	900,837	76,361	22,810		53,551
RADLEYS INFANTS	837,882	24,698			24,698
ROSEDALE INFANTS	769,216	82,422	12,351	50,000	20,071
ROUGH HAY JMI	1,111,373	19,021	0		19,021
RUSHALL JMI	1,216,566	103,313	38,415	31,300	33,598
RYDERS HAYES JMI	1,386,703	43,065	0		43,065
SALISBURY JMI	915,951	-50,783			-50,783
SHORT HEATH	853,854	28,834	28,833		1
ST ANNES R.C. JMI	755,881	95,399		35,000	60,399
ST BERNADETTE'S R.C.	654,346	71,319	307	15,443	55,569
ST FRANCIS R.C. JMI	840,915	52,187	0	33,000	19,187
ST GILES C.E. JMI	1,143,577	31,694	17,048		14,646
ST JAMES JM	952,777	101,727	27,906	0	73,821
ST JOHNS C.E. JMI	1,242,889	71,183	5,018		66,165
ST JOSEPH'S R.C. JMI	887,953	74,092	7,340		66,752
ST MARY OF ANGELS JMI	879,744	141,868	2,070	21,000	71,300
ST MARY'S R.C. JMI	887,713	46,137	0	6,000	40,137
ST MICHAEL'S C.E. JMI	1,193,076	85,030	8,446	14,703	61,881
ST PATRICK'S R.C. JMI	1,001,026	158,607	76,507	9,000	73,100
ST PETER'S R.C. JMI	841,535	37,567	2,154		35,413
ST THOMAS OF CANT.	753,607	-47,079	0		-47,079
SUNSHINE INFANTS	976,176	90,530	23,451		67,079
WALSALL WOOD JMI	1,049,704	75,261		20,000	55,261
WATLING STREET JMI	914,792	85,165	26,075		59,090
WHETSTONE FIELD JMI	862,940	65,728	2,878	46,742	16,108
WHITEHALL INFANTS	1,279,980	204,393	15,650	85,416	103,327
WHITEHALL JM PRIMARY	1,518,939	148,701		63,500	85,201
WOODLANDS JMI	1,468,018	26,656			26,656
Sub-Total Primary Schools	101,625,994	6,978,411	1,805,845	1,328,035	3,790,320

Secondary Schools

ALDRIDGE	6,616,119	469,582	238,369	115,000	116,213
ALUMWELL	5,331,567	30,993	30,993		0
BARR BEACON	6,440,443	184,714	0	0	184,714
BLUE COAT C.E.	5,242,139	196,891			196,891
BROWNHILLS	5,015,687	140,622	0		140,622
DARLASTON	5,801,765	303,236		0	298,542
FRANK F HARRISON	5,291,858	22,326			22,326

School	Total Resources 2008-2009	Closing	Prior Year Commit-ments	Agreed	Appendi Adjusted S Balances, less E as at 31 Mar
		Balances as at 31 March 2009		Properly Assigned Sums	
	£	£	£	£	£
JOSEPH LECKIE	6,816,090	361,334	93,705		267,629
POOL HAYES	6,048,512	46,718	0	46,718	0
QMG	3,686,760	13,210	13,210		0
QMH	3,759,332	3,338			3,338
SHELFIELD	5,796,809	-4,959			-4,959
SHIRE OAK	6,645,067	547,343	0	250,000	297,343
SNEYD	5,955,902	553,223	71,569	200,000	281,654
ST FRANCIS OF ASSISI R.C.	5,509,312	399,322	71,730	193,248	134,344
ST THOMAS MORE	7,087,868	32,511	0		32,511
STREETLY	6,614,160	657,364	41,211	307,500	308,653
WILLENHALL	7,943,436	-26,006			-26,006
Sub-Total Secondary Schools	105,602,827	3,931,761	560,787	1,112,466	2,253,815
Special Schools					
CASTLE	1,897,275	190,419	43,166	96,042	51,211
ELMWOOD	1,176,231	148,256		52,500	95,756
JANE LANE	2,519,107	815,012	13,908	744,000	57,104
MARY ELLIOTT	2,538,506	94,544	35,454		59,090
OAKWOOD	2,218,274	394,703	34,815	217,800	140,418
OLD HALL	2,403,691	643,041	116,602	272,985	145,904
PHOENIX	819,680	86,656		16,500	68,008
Sub-Total Special Schools	13,572,763	2,372,630	243,945	1,399,827	617,490
Nursery Schools					
ALUMWELL	532,169	87,287	24,888	23,367	39,032
FULLBROOK	376,164	48,247	28,145	17,670	2,432
LANE HEAD	447,522	90,725	13,454	76,000	1,271
MILLFIELDS	384,065	44,744	23,805	6,360	14,579
OGLEY HAY	321,117	39,603	13,454		26,149
ROWLEY VIEW	403,492	38,590	675	16,460	21,455
SANDBANK	482,856	62,469	12,979	10,688	38,802
VALLEY	438,384	23,259	0		23,259
Sub-Total Nursery Schools	3,385,769	434,924	117,400	150,545	166,979
Grand Total	224,187,353	13,717,726	2,727,977	3,990,873	6,828,603

ix 1
urplus
3CM sums,
ch 2009

5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%

4%

2%
0%
3%
4%
3%
5%
0%

ix 1
urplus
3CM sums,
ch 2009

4%
0%
0%
0%
0%
4%
5%
2%
0%
5%
0%

2%

3%
8%
2%
2%
6%
6%
8%

5%

5%
5%
5%
5%
5%
5%
5%
5%

5%

5%