



### ANNUAL REPORT 2011/2012

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 14 <sup>th</sup> June 2011 to 27 <sup>th</sup> March 2012.	
2.0	<u>Review of Schools Forum Membership</u>	
2.1	In accordance with the Schools Forum Regulations 2010 the Forum undertook a review of the membership in order that appropriate representation of Academies would be included in the membership.	14.6.11
3.0	<u>Standards Fund Grant Payment 2010/11</u>	
3.1	Schools Forum agreed to write to the Education Secretary with their concerns relating to Standards Fund Grant Payments 2010 - 11 and, in the event that shortfall could not be accommodated the forum agreed that the remaining sums in the 2010 - 11 Standards Fund be earmarked towards the cash deficit of £1.03 million pounds.	14.6.11
4.0	<u>Review of Rateable Value of Schools 2010/15</u>	
4.1	The Forum agreed to adopt a collaborative approach in respect of the re-evaluation of schools as the savings in respect of the rateable values of schools 2010 - 15 would be recycled to all schools.	14.6.11
5.0	<u>School Balances</u>	
5.1	The Forum received recommendations from Grant Thornton (Auditors) in respect of school balances. The Forum was of the view that schools had performed well within school balances given the constraints that had been placed on schools.	14.6.11

6.0	<u>Transforming Learning Interest Re-payments</u>	
6.1	Schools Forum agreed that the total revenue of interest of £4,442.87 be used to offset some of the standards funds deficit and had noted the capital reimbursement.	27.9.11
7.0	<u>Dedicated School Grants</u>	
7.1	In considering the Dedicated Schools Grant, the Forum agreed to use the date of 28 <sup>th</sup> September 2010 for the 2010/11 DSG outturn and the date of 27 <sup>th</sup> September 2011 for the 2011/12 DSG budget statement. The Forum noted that Grant Thornton had made no adverse statements regarding the 2010/11 DSG expenditure.	27.9.11
8.0	<u>Free Early Years Entitlement – Funding Arrangements in respect of the transition period</u>	
8.1	The Forum noted that the Urgency Sub Group had considered this matter and it was confirmed that there would be no changes to the formula but changes would be made to the process in order to meet parent's entitlement. It was agreed in principle that funding should follow the child through the transitional period, that the transitional period in which financial adjustments should be made be set at 3 weeks. Where the child attended only one setting then the nominated provider would receive the full termly funding child attending 2 settings during that transition period, one of which was a maintained provider, the maintained provider would receive funding for the actual hours of attendance and the relevant PVI setting would receive the balance of the entitlement funding up to a maximum of 15 hours per week. The apportioned funding methodology and transition arrangements would be adopted in the 2012/13 financial and academic years.	27.9.11
9.0	<u>School Finance Regulations 2012/13</u>	
9.1	The Schools Forum received information on the likely changes to the school finance regulations and requested clarification from the Department of Education on the situation in respect of excluded pupils moving between a maintained school and an Academy.	8.11.11

10.0	<u>16-19 Funding Consultation</u>							
10.1	The Forum set up a Task and Finish Sub Group to draft a strategic response to the 16 - 19 Funding Formula Review Consultation.	8.11.11						
11.0	<u>Standards Fund Short Fall 2010/11</u>							
11.1	<p>Schools Forum noted that the full payment by the DFE of the 2010 - 11 Standards Fund Grant would lead to a shortfall and payments would be phased up to the 31<sup>st</sup> March 2015. As the Local Authority would not be able to return funds to schools, the shortfall would be fed into the budget projections. The Forum approved the allocation of the total sum of £324,233 from the Unallocated Standards Fund Grant, in order of priority, as follows:-</p> <table> <tr> <td>Targeted support for primary strategy</td> <td>£159,959</td> </tr> <tr> <td>Targeted support for secondary strategy</td> <td>£99,240</td> </tr> <tr> <td>1 – 2 – 1 Tuition</td> <td>£65,034</td> </tr> </table> <p>The remainder of the grant would be fed into Schools budgets through the funding formula and any schools accumulating balances above 5% as a result of the phased payments of the short fall would be accepted as an exception.</p>	Targeted support for primary strategy	£159,959	Targeted support for secondary strategy	£99,240	1 – 2 – 1 Tuition	£65,034	8.11.11
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12.0	<u>2011/12 Per Pupil Funding Analysis</u>							
12.1	The Forum received information on the 2011/12 per pupil Funding Analysis which included a breakdown with variations across all school sectors and took into account pupils with low attainment. As all schools had a level of deprivation identified, the reports highlighted the extremes; the postcode of the child had been used in the calculations. The Forum agreed that the Chairman writes to Local MPs, Local Councillors and the Secretary of State for Education to show that the IDACI system was not working effectively.	8.11.11						
12.2	The Forum received copies of the paper that had been forwarded to local MPs and the Secretary of State for Education together with responses and correspondence with the Education Minister. The Forum noted that funding would vary according to the size of the school and the level of deprivation; the formula was applied equitably to every school. The minimum funding guarantee had distorted figures but must be honoured; this made it necessary to	31.1.12						

	run 2 budgets per school, one for minimum funding guarantee and one for formula budgets, schools received the highest of the 2.	
13.0	<u>Diploma Funding</u>	
13.1	The Forum noted that the Diploma Funding for 2011/12 had been held in the Contingency Fund as it was specific to individual pupils. The 14 – 19 team had indicated that £40,000 would need to be allocated to schools that were running diploma courses leaving a balance of £19,815 to be redistributed to Secondary Schools, including Academy's and Special Schools with secondary aged pupils, this would be distributed via the AWPU factor. The £40,000 would be held in contingency in 2012/13 to support learners at schools offering diplomas.	6.12.11
14.0	<u>School Funding Consultation Update</u>	
14.1	The Forum received an update on the proposed future funding system that would take place in Spring 2012. The proposed funding reforms could see Walsall with an 8% reduction in primary funding and a 3% reduction in secondary funding. It was anticipated that future deprivation funding would be distributed via the pupil premium.	6.12.11
15.0	<u>Free School Meals Eligibility</u>	
15.1	<p>The Forum received a presentation on the work undertaken by the Free Schools Meal Team in conjunction with schools and Walsall Children's Services - Serco on the take up of free school meals. The overall take up was more than 1,000 higher than a year ago and the increase in numbers would impact on pupils premium going forward next year; this could be in the region of half a million pounds.</p> <p>The Forum was advised that work would continue and training for all school staff in the use of the online Free School Meal form would take place in the near future. Members stressed that sufficient staffing of the system should be in place at peak times to cope with demand.</p>	31.1.12

<p>16.0</p> <p>16.1</p>	<p><u>Education Funding Announcement 2012/13</u></p> <p>The Forum noted that the 2012/13 funding announcement for DSG represented a cash freeze of the guaranteed unit of funding and that this could create financial pressure on the local authority schools budget and individual schools budget shares.</p> <p>The Forum also noted the changes to the pupil premium grant in terms of both the extended eligibility criteria and the increase in cash values and approved the exception to the minimum funding guarantee in respect of the advanced skills teacher factor for 2012/13.</p>	<p>31.1.12</p>
<p>17.0</p> <p>17.1</p>	<p><u>Prior Year Adjustments For Individual Assigned Resource</u></p> <p>Schools Forum agreed to change the year end calculations by completing the SEN prior year budget adjustment in-year that is, during March; as a result of this the 2011/12 in-year SEN stated budget adjustment for each school would be included in the schools' final budget share payments due in March 2012.</p> <p>All schools would be notified at the earliest opportunity of their SEN prior year budget adjustment and where the funding change impacted negatively on a school's planned balances to be carried forward under the balance control mechanism, allowances would be made if this was brought to the attention of the School Finance Team.</p>	<p>31.1.12</p>
<p>18.0</p> <p>18.1</p>	<p><u>Spending of Contingency Money 2011/12 Update (School to School Support)</u></p> <p>Schools Forum noted that the Primary Forum had agreed that the money held in the contingency for 2011/12 for School to School support be returned to schools. The Forum noted that the money would be allocated through the 2012/13 primary strategy money and allocated fully through the delegated funding formula to primary schools.</p>	<p>31.1.12</p>

19.0	<u>The New Partnership with Schools</u>	
19.1	The Forum received a presentation from a neighbouring secondary and primary Head Teacher who had been seconded on a part time basis to work with Walsall to support the local authority in developing a new operating model and new relationships with schools by the end of August 2013.	28.2.12
20.0	<u>National Figures on School Balances</u>	
20.1	The Forum noted an earlier decision to retain the balance control mechanism as good practice and that schools taking the academy route would still have controls in place.  The Forum noted that the carry forward for academies was 10% in capital and 2% in revenue and although there was very little money clawed back through the balance control mechanism the scheme did focus financial planning.	28.2.12
21.0	<u>Transition of Educational Services – Phase 1 (Schools Finance Service)</u>	
21.1	Schools Forum received a presentation on the progress regarding the transfer of staff from Serco to the Council in respect of Schools Finance Services.	13.3.12
22.0	<u>Technical Updates to the Scheme for Financing Schools and the School Finance Regulations 2012</u>	
22.1	The Forum noted that the scheme for financing in schools no longer required references to Best Value but required information on efficiency and value for money for schools; financial management in schools was now replaced with Schools Financial Value Standards with effect from 2013.	13.3.12
23.0	<u>2012/13 Central Expenditure Limit and Formula</u>	13.3.12
23.1	Schools Forum approved the technical breach in the central expenditure limit for 2012/13 and noted the surplus of 2011/12 central expenditure limit together with the significantly reduced budget for 2012/13 central expenditure limit.	

	<p>Schools Forum agreed in principle to the use of £1 million of surplus from Sneyd balances and central expenditure limit 2011/12 surplus to support central expenditure limit in 2012/13 which reduced the figure. Schools Forum endorsed the use of £1 million of surplus to support ISB in 2012/13 and a 10% increase in free school meals eligibility rate within the formula for 2012/13.</p> <p>The Schools Forum rejected £152,584 of the central expenditure limit on line 1.2.8 contribution to combined budgets for a report in the Autumn of 2012.</p>	
24.0	<p><u>Transition to Music Education Hub: 2012/2015 – Contextual Information</u></p>	
24.1	<p>Schools Forum received a presentation on the music service and its benefits to the education system. Schools Forum agreed to £38,000 being allocated to support the music service for 2012/13 to be costed against the combined services budget.</p>	27.3.12
25.0	<p><u>Education Funding Announcement: School Funding Reform: Next Steps towards a Fairer System</u></p>	
25.1	<p>Schools Forum noted that a consultation document on School Funding Reform had been received. In view of the times scales for responding to the document, Officers were delegated authority, in consultation with the Chairman, to formulate a response on the education funding announcement: School Funding Reform: Next steps towards a fairer system on behalf of the Forum.</p>	27.3.12