

## Schools Forum Schools Funding Working Group

### Minutes – 16<sup>th</sup> November 2010

**Present:** Liz Williams, Colin Kay, Martin Watson, Phil Cooch, John Hawkins, Neil Baker, Catriona Williamson, Judith Finney, Tristan Williams, Julia Cramp (for item 3), Carol Grant, Karina Kulawik

In Attendance: Mary Higgins & Sarah Peters (for item 3)

		Action
1	<b>Apologies</b> Simon Burke	
2	<p><b>Minutes from Previous Meeting</b> The minutes from the meeting of 23<sup>rd</sup> September 2010 were agreed</p> <p><b>H&amp;S Maintenance Contracts</b> – A meeting had been held with colleagues in the Property Service to discuss the possibility of a maintenance pool for these contracts. Further update to be brought to Schools Forum.</p> <p><b>Broadband Connectivity</b> – At the last meeting it had been agreed that pricing options for charging schools the costs of the SWGfL contract in 2011/12 and beyond should be brought back to the group. Simon Burke had drawn up 5 options for this meeting as follows:</p> <ul style="list-style-type: none"> <li>• Option 1 – Charge pro rata to numbers of pupils</li> <li>• Option 2 – Flat rate for the core network and per pupil amount for connectivity</li> <li>• Option 3 – charge based on line capacity</li> <li>• Option 4 – charge based 50% on line connectivity and 50% pro rata to pupil numbers</li> <li>• Option 5 – charge based on the average SWGfL charges for Primary/Secondary/Special schools</li> </ul> <p>The recommendation at the previous meeting had been that any charge should be related to the school's ability to pay rather than the actual cost of connectivity to the school as the actual cost is more likely to be based on geography rather than size of school. It was agreed that <b>Option 2</b> most closely represented the way in which schools are funded, being a combination of flat rate and per pupil funding and therefore this option should be recommended to Schools Forum.</p> <p>The mechanism of charging schools was discussed and it was agreed that this could be a cashless item similar to rates so that the school received the amount on the funding certificate but did not receive the cash.</p>	
3	<p><b>Schools Facilities Maintenance Contracts (Mary Higgins &amp; Sarah Peters)</b> Mary Higgins (Corporate Procurement Unit) presented a paper outlining the current position with the Sodexo Facilities Management Contract. The current contract covers schools catering, cleaning and grounds maintenance (until April 2010). The contract ceases on 8<sup>th</sup> April 2011.</p>	

	<p>The contract has been extended a number of times in recent years and currently there are only 47 primary schools (no secondary or special schools) remaining in the contract.</p> <p>MH outlined that the options to schools currently within the contract would now be as follows:</p> <ul style="list-style-type: none"> <li>• Contract directly with an alternative provider (which could include Sodexo)</li> <li>• Bring the service in house</li> <li>• Opt in to a framework contract which could increase value for money</li> </ul> <p>The option of a Wiltshire framework contract had been considered but only 15 schools had expressed an interest in becoming involved with such an arrangement. MH felt that this would not be sufficient numbers to maximise value for money. There is the option of joining with a framework contract set up by Southwest One (Somerset County Council, Taunton Deane DC and IBM) but there is some risk as to whether this will go ahead and if it does it will be from September 2011 and so schools will need an interim solution.</p> <p>There was some concern expressed that schools were not fully aware of the legal requirements when going to tender for contracts and that in this instance there will be procurement rules and TUPE rules that will apply.</p> <p>It was agreed that the recommendation of the group is that schools should be contacted to outline the options available and signposted to the relevant documentation and support that is available to guide them through the process.</p>	
4	<p><b>Update from the Comprehensive Spending Review</b></p> <p>EW updated the group on the main headlines from the Comprehensive Spending Review including the list of the main grants that are to be “mainstreamed” in to DSG from 2011/12. EW explained that when DSG levels are announced in December it may not be possible to track whether Wiltshire has received the same level of these grants as in previous years so whilst the draft regulations allow LAs to replicate the current distribution methods for these grants, this may not be affordable. Also some of the grants are not allocated by formula, for example schools bid for some of the 1:1 Tuition funding, and so it may not be possible, or appropriate, to replicate the current allocation in all cases. We have yet to have details of the minimum funding guarantee for 2011/12 so it is uncertain how this might affect things.</p> <p>It was agreed that some modelling is required to look at the impact of allocating these grants through elements of the current Wiltshire formula, particularly the levels of turbulence that may cause. It was further agreed that where a grant is specifically allocated to a particular phase, for example Specialist Schools, then the funding should be retained in that phase even if allocated via a more general formula.</p>	

	Further modelling to be brought to Schools Forum.	PC
5	<p><b>Schools Finance Regulations 2011 Consultation</b> PC presented a paper outlining the main issues arising from the draft Schools Finance Regulations for 2011. The main issues that need to be addressed are:</p> <p><b>Early Years Single Funding Formula</b> – the draft regulations allow for quality and flexibility factors to be included within the funding formula. This has already been proposed in the review of the Wiltshire formula and will be considered by the Early Years Reference group.</p> <p>NB noted that the reductions made to Early Years and Childcare capital projects would impact on the ability of providers to improve quality and sustainability.</p> <p><b>Federations</b> – LAs would be allowed under the new regulations to have a negative formula factor to recognise that federations achieve savings thereby recycling savings within the delegated budget. This was discussed by the group – the initial thought was that this might act as a disincentive for schools to federate.</p> <p><b>Carbon Reduction Commitment</b> – The draft regulations have now been overtaken by the announcements in the CSR on carbon reduction. It was agreed that the issues around the carbon reduction commitment should be referred to the Climate Change Team.</p> <p><b>Academies</b> – there is a proposal within the draft regulations to clarify the definition of Individually Assigned Resources (IAR) for SEN. Currently IARs are paid to academies by the LA rather than through the General Annual Grant (GAG). In Wiltshire Enhanced Learning Provision (ELP) allocations must therefore be paid to academies by the LA but the proposed clarification may mean that ELP allocations can be paid to academies as part of the GAG just as they are paid to maintained schools as part of the delegated budget.</p> <p><b>Community Facilities</b> – the draft regulations include a proposal to allow schools to use their delegated budgets for community facilities, ie., non-educational activities such as Breakfast Clubs. This would require a change to Wiltshire’s funding scheme once the regulations come in to force.</p> <p><b>Academies Act</b> – where a LA incurs expenditure on pupils who are in academies and have low incidence SEN or a disability then this expenditure must be charged to the non-school education budget and not the Schools Budget. It was agreed that further clarification is required from the DfE on the reasons for this.</p>	EW
6	<p><b>SIMS Licence – 3 Year Fixed Term Arrangement</b> Local authorities have been invited to enter in to a 3 year contract form the SIMS licence fee which would fix the per pupil charge annual increase at 3% below the standard inflationary rise for the next 3 financial years. It is estimated that savings of £75k over the 3 year</p>	

	<p>period could be achieved through the 3 year contract.</p> <p>It was agreed that, subject to procurement rules, Wiltshire should enter in to the three year arrangement in order to maximise value for money. PC to investigate whether the contract for the provision of schools information management systems should be subject to tender or whether the current contract was binding.</p>	PC
7	<p><b>Results of the consultation on a change to the School Funding Scheme in respect of leases and debt write off thresholds</b></p> <p>85 schools had responded to the consultation and 83 were in favour of the proposed changes to the procedures on leases and to the increased levels of debt write off thresholds</p> <p>It was agreed that the changes to the School Funding Scheme be implemented.</p>	PC
8	<p><b>Schools Budget Planning Software</b></p> <p>PC informed the group the the current 3 year deal on the FPSAdvance.net software expires on 31 March 2011. the budget planning functionality is well liked in schools however the additional capability to produce the Schools Development Plan (SDP) is not widely used. The following options were presented to the group:</p> <ul style="list-style-type: none"> <li>a) 1 year contract including the SDP functionality at an annual cost of £85,650</li> <li>b) 1 year contract of the basic version (without SDP) at an annual cost of £69,200</li> <li>c) 3 year contract with SDP costing £225,225 over the 3 years (£75,075 per year)</li> <li>d) 3 year contract with the basic version costing £186,450 over 3 years (£61,150 per year)</li> </ul> <p>It was agreed to recommend option (d)</p>	
9	<p><b>Increase to SEN Delegation to Secondary Schools – PASISS NPAs</b></p> <p>The group considered a proposal to delegate the first 15 hours of NPAs for physical, hearing and visual needs to secondary schools to be consistent with all other SEN delegation to secondary schools. It was proposed that the first 15 hours of NPAs for these needs be incorporated within the SENA formula for secondary schools. Implementation of the change would result in gainers and losers across secondary schools.</p> <p>The proposal was also to be considered by the SEN working group and it was agreed to refer the paper to Schools Forum for a decision.</p>	
10	<p><b>Special Schools Banding Moderation</b></p> <p>The outcome of the special schools banding moderation was presented to the group. The moderation exercise had been carried out according to the new agreed process and using the revised relative values of the bands 1+ through to 5.</p> <p>For 2011/12 there is no cost pressure anticipated resulting from the</p>	

	moderation exercise	
11	<b>Any Other Business</b> EW proposed that there should be an additional Schools Forum meeting scheduled during January as the Schools Funding announcements are unlikely to be received in time for the December meeting. It was agreed that the additional date should be Monday 17 <sup>th</sup> January.	
9	<b>Date &amp; Time of Next Meeting</b> Date of Next Meeting Friday 7 <sup>th</sup> January 2011, 8.00am at Clarendon College	

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