

Schools Forum Schools Funding Working Group

Minutes – 17th June 2010

Present: Liz Williams, Colin Kay, Martin Watson, Phil Cooch, Karina Kulawik, Kieran McCarthy (for item 6), Nigel Hunt (for item 7b), Tricia Glover (for item 3), John Hawkins, Neil Baker, John Kimberly, Catriona Williamson, Judith Finney

Apologies: Julia Cramp, Trystan Williams

		Action
1	<p>Minutes from Previous Meeting The minutes from the meeting of 23rd February 2010 were agreed.</p> <p>Matters arising:</p> <p>Climate Change – a letter about smart meters had gone out to schools. It was agreed that if take up has been low then a further letter should go out as a reminder</p> <p>Levels of Debt Write Off – it was agreed that the current level allowing Head Teachers to write off debts up to £500 was too low. It was recommended that Schools Forum agree differential levels for Primary and Secondary schools as follows: Primary up to £2,000 Secondary up to £5,000</p> <p>Valuable Lessons – one further meeting had taken place to start to plan the Governors Training Day in November. Head Teachers re-emphasised their willingness to be involved in pilot projects. It was agreed that this should be a standing item on the agenda for this Group</p>	PC
2	<p>Pay Harmonisation (Tricia Glover) TG gave an update on the background to the pay harmonisation project including the fact that initially it had been expected that schools would be excluded from the project because of the development of national terms and conditions for school support staff. TG explained that this move towards national terms and conditions was now not expected to happen quickly and so schools do need to be included within the scope of any work done on harmonisation for Wiltshire Council.</p> <p>In the light of the new Coalition Government, the expected emergency budget and the in year cuts for local authorities that have recently been announced TG explained that there has now been a “pausing” of the whole project whilst Corporate Leadership Team consider all major projects. TG is now waiting for a steer on how the project will progress before communicating further with schools.</p> <p>Some concern was expressed by members of the group about how well any harmonisation model will fit for schools and also about the possible cost pressures that may arise.</p> <p>TG confirmed that once she had a steer on how the project would progress she would feed back to this group and to WASSH and PHF.</p>	

3	<p>Budget Outturn 2009/10</p> <p>EW reported that there had been an underspend of £96,000 against DSG in 2009/10 – this underspend will be rolled forward to 2010/11. the key areas of over and under spend were as follows:</p> <p>Premature Retirement Costs – overspent by £157k even after corporate contribution for the impact of the LGR severance policy. This policy is expected to remain in place through the current year and EW had confirmed that she had spoken with the Chief Financial Officer to confirm that funding would be made available for the impact on schools redundancy costs in 2010/1. There was concern that the number of cases would continue to be high. EW outlined work currently taking place to look at alternative policies for funding PRC including the idea that costs could be recouped from schools after a period of financial recovery. Proposals will be brought to the next meeting.</p> <p>The group discussed the concerns raised at the SEN Group the previous week on the advice given by HR that redundancy needed to be paid at the end of fixed term contracts for teaching assistants linked to NPAs. It was proposed that confirmation is needed as a matter of urgency and that legal advice needs to be sought on the contracts that are being issued.</p> <p>Maternity Costs – overspent in 2009/10 despite the budget being increased. Continues to be a cost pressure for 2010/11.</p> <p>SEN Budgets – placement budgets had underspent in 2009/10 as had the NPA budget. KK outlined some of the reasons for the underspend including some success in bringing pupils back from Independent Placements, increased use of Wiltshire’s special schools through using the ISS budget to fund additional places, etc. it was agreed that the underspend on SEN budgets needed to be seen in the context of the SEN review which aimed to focus resources where they are needed.</p>	
4	<p>Expansion of Primary Schools</p> <p>NH presented a paper outlining the need for a number of existing Primary Schools to double in size over the next few years. NH explained the difficulties that arise from increasing the size of a school in advance of new housing being completed and the potential that places are filled by pupils from outside the catchment area of the school. One way to limit this would be a model of staged expansion in which the school size is increased, and funded accordingly, in advance of the new housing but pupils not admitted to the full capacity of the school. This would require additional funding to enable schools to open new classes whilst limiting the number of pupils admitted over a 3 year period. In the example used in the paper additional funding required in the proposed New Class Allowance formula would be as follows:</p> <p>Year 1 £161k Year 2 £155k Year 3 £29k</p>	

	<p>It was agreed that whilst the group recognised the advantage in developing a staged model for expanding schools to accommodate pupils moving in to new housing, it was felt that such a model is not affordable given the current budget position and expected reductions in funding in future years. Any future consideration of the proposal would require more detailed work.</p> <p>NH confirmed that the local authority would continue to work with head teachers in areas where new housing was planned to try to minimise the disruption that can take place as schools expand.</p>	
5	<p>Young Persons Support Service</p> <p>A paper was presented on the current financial position of the YPSS and proposals to reduce the projected overspend. EW explained that this paper had also been discussed at the SEN Working Group the previous week. JH emphasised the concern that the SEN Group had that the review of the service had been continually promised but needed to happen as a matter of urgency.</p> <p>KM confirmed that the review had been commissioned and was due to take place and report in the Autumn, the scope for the review would include:</p> <ul style="list-style-type: none"> • A full review of the scope of YPSS • Recommendations to turn around the trend of increased numbers of exclusions • Increased alignment with the federations • A review of the funding model <p>CK confirmed his view, supported by the group in previous discussions, that the funding mechanism for YPSS is flawed and that there should be more of an AWPU based model to reduce the tension between the funding for statutory provision and preventative work.</p> <p>There was a discussion around the service for pupils with medical needs and the differing service offered between the primary and secondary sector – there was a general view that a consistent service for all ages should be offered.</p> <p>The need to separate provision for pupils with medical needs from the provision being made for excluded pupils was discussed. The need for a 0-18 Behaviour Support Service was also raised.</p> <p>It was proposed that the level of AWPU that would have been received for each pupil on the role of YPSS should be calculated.</p>	EW/PC
6	<p>Special School Banding Moderation Process</p> <p>KK presented an update on the Special School Banding Moderation process. Schools Forum had requested a review of the process and the relative values of the bands following issues that had arisen in the budget setting process for 2010/11. The main amendments to the process have been agreed with the Special School Head Teachers as follows:</p> <ul style="list-style-type: none"> • Amendments to the practicalities of the process including ensuring appropriate representation from each school, some amendments to the paperwork and the introduction of a further 	

peer review process at the end of the moderation day to ensure any cases where there was no agreement could be reassessed on the day.

- Amendments to the timescale of the moderation with the moderation day now proposed to take place in October to ensure time to resolve any issues afterwards and enable full discussion at the December Schools Forum.

CK asked if it was possible to analyse the proportion of pupils on each band on a scale right through from mainstream, ELP, School Action/School Action Plus through to Special Schools. There was some discussion around the descriptors for each band and the complexity of cases which led to pupils being either in mainstream or special provision.

KK

It was agreed that the changes to the moderation process should be recommended to Schools Forum.

EW presented the work that had been done to review the relative values of the bands used to fund Special Schools. A needs led model had been developed based on DfES Circular 11/90 which had proposed different staffing levels appropriate to different levels of need. The relative values of the needs led model compared with the current relative values as follows:

Band	Needs led staffing weighting	2010-11 Band Values
Band 1+	3.64	3.64
Band 1	2.78	2.98
Band 2	2.36	1.89
Band 3	1.93	1.74
Band 4	1.35	1.50
Band 5	1.00	1.00

It was stressed that each special school would need to staff and manage its school based on the mix and needs of pupils rather than rigidly applying the staffing levels suggested in the model for each band, but that the needs led model could be used as a basis for establishing the relative weightings of each band.

The impact on schools of moving to the new relative values, either by fully funding, or by containing band values within the existing budget were considered.

It was agreed that from 2011/12 special schools band values should be based on the needs led weightings.

It was also agreed that the issue of whether the model should be fully funded was one of affordability and would need to be considered in the context of the overall 2011/12 budget.

	<p>PC presented an update on the use of reserves carried forward from 2008/09. The returns indicated that the majority of schools have used, or intend to use, their reserves for the purposes originally intended. In one school the reserves had been redirected due to additional grant funding being received for kitchen refurbishment. It was agreed that this school should be given retrospective approval to use the reserves for a different purpose.</p> <p>A second school had still failed to comply with the requirements of the scheme to submit a signed Intended Use of Revenue Balances Monitoring Return. This issue is one of compliance with the rules of the scheme.</p> <p>It was agreed that this school is asked to account for the failure to comply and to explain how the excessive balance for 2008/09 was utilised in 2009/10.</p>	
8	<p>Update on Schools Balances 2009/10 PC indicated to the group that schools balances for 2009/10 had reduced. There was still some validation required of the final figures and a full report will be brought to Schools Forum in October.</p> <p>It was proposed that this report should also include a review of the forecasts received from schools for the next 3 years. This review should include some detail on the assumptions being made by schools in developing their budget forecasts.</p>	PC
9	<p>Schools Funding Scheme - Leases PC outlined to the group changes in the financial reporting standards that now mean that the assessment of whether a lease is a finance or operating lease is now less straightforward than before. Schools will not now be able to apply the SSAP 21 Test to see if leases comply with the rules for an operating lease.</p> <p>It was agreed that in the interim all schools should contact Central Finance for advice on leases – a letter has already been issued to schools to this effect. It was further agreed that a formal consultation with schools is undertaken to amend the School Funding Scheme to require schools to obtain Central Finance endorsement for any lease arrangement (unless it is with Unilink Finance as these leases are confirmed as compliant).</p>	
10	<p>Capita Upgrade This had been raised as an issue last year when Capita were offering discounts for clusters of schools to receive upgrades to SIMS. Last year we were notified at very short notice and so schools were too late to access the discounts. PC fed back that according to Capita only 2 schools had used the service last year and that at a recent Admin Officers Forum it had been confirmed that schools largely handle the patches themselves. It was agreed that if patches are issued remotely there should be no additional cost to schools.</p> <p>PC to check with Capita what this agreement should cover.</p>	PC

9	Any Other Business Clawback of Surplus Reserves – PC outlined that when the new scheme was issued Head Teachers and Chairs of Governors were asked to sign to say they had read and understood the scheme. It had not been agreed at the time whether that should be an annual requirement or just at the time the scheme changed. It was agreed that this should be an annual requirement as there may be changes in personnel from year to year.	
10	Date & Time of Next Meeting Next meeting scheduled for 22 nd September 9.30am at County Hall	

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