

# WIRRAL SCHOOLS FORUM

Tuesday, 25 January 2011

**Present:**

R. Longster (Chair)

Schools Group

S. Dainty

A. Baird

E. Cogan

B. Cummings

P. Dixon

L. Ireland

M. Jackson

M. Kophamel

C. Mann

J. Owens

B. Renshaw

D. Richards

S. Wall

J. Weise

P. Sheridan

G. Zsapka

Non-Schools Group

S. Davies

P. Ham

J. Kenny

D. McDonald

S. McNamara

M. Potter

N. Reilly

**In Attendance:**

D. Armstrong

P. Ashcroft

J. Bevan

J. Bulmer

Cllr. S. Clarke

T. Dodd

P. Edmondson

M. Lightburn

M. Parkinson

A. Roberts

C. Warbuton

**Apologies:**

M. Bevan

I. Cubbin

I. Davies-Foo

Cllr. P. Hayes

M. Mitchell

C. Penn

G. Peters

71 **APOLOGIES**

Apologies were received as recorded above.

72 **MINUTES FROM PREVIOUS MEETING**

The minutes from the meeting were accepted as a true record

73 **MATTERS ARISING**

All matters arising are agenda items for this meeting.

74 **CARBON REDUCTION COMMITMENT UPDATE**

Mr Dodd presented his report on the carbon reduction commitment energy efficiency scheme.

The key points are:

- The recycling payment mechanism has been removed
- The first sale of allowances has been deferred until 2012
- The league tables will still be published as planned but will only have a reputational impact
- 100% of allowances must be paid for each site
- The financial implications for schools as detailed in the report are significant
- About half of the total carbon allowances will be for schools.

Schools need to focus on improving energy consumption this year – allowances for 2012 will be based on consumption between April 2011 and March 2012.

Mr Armstrong reported that work is being undertaken to improve energy consumption, including a pilot at Hilbre High School which automatically shuts down PCs out of hours, and targeting inefficient boilers.

Mr Roberts reported that the LA has been advised to accrue the first carbon charges in the 2011-12 school accounts.

Mr Dodd reported that a company has been selected for the installation of Automatic Meter Readers, but that a lot of technical information is needed before the installations can commence. This includes photographs of all gas meters. Gathering this information takes a lot of time, but is important in ensuring that we are not charged for aborted visits. Mr Dodd highlighted the financial benefits in obtaining accurate readings and monitoring energy use.

Mr Roberts confirmed that the cost of installing these meters would still be met centrally.

Resolved:

- (i) That the Forum note the report
- (ii) That the Forum continue to encourage schools to actively reduce their energy use and associated carbon emissions in an effort to minimize the financial effects of the changes to the CRC Energy Efficiency scheme.

## 75 **EDUCATION WHITE PAPER**

Deferred to next meeting.

## 76 **PROPOSED CHANGES TO LMS FUNDING FORMULA FOR SCHOOLS 2011/12**

Mr Roberts summarised his report on the proposed changes to the LMS funding formula.

The Government consultation in September required some local formula changes. Wirral schools were consulted on these changes, and the outcome of the consultation is recorded in the paper.

Mrs Cogan commented that harmonisation is difficult for Foundation Schools who directly employ their staff as this has not gone through as law yet. These schools who also have very few TAs do not wish to contribute to harmonisation costs.

Resolved:

(i) (With 1 abstention) That the Forum agree the referral of these local formula changes to Cabinet for approval

## 77 **FUTURE FUNDING OF GILBROOK OUTREACH SUPPORT**

Mr Bulmer presented his report on the future funding of the outreach service from Gilbrook School.

Following the agreement of the Forum in September that the outreach service should be funded centrally, schools were consulted on the proposals. All except one supported the scheme.

As there will be no additional headroom money in the 2011-12 settlement, the central SEN budget will be used.

Staff at Gilbrook will now define their service to all schools, detailing the support available and the eligibility threshold for children. The service will be visited by the Ofsted team next week who are currently inspecting children's services in the local authority.

Mr Armstrong reported that Gilbrook School has been relocated to the Arrowe Hill Primary site, providing outdoor space for pupils and space to locate the new service.

Resolved:

(i) That in view of the outcome of the consultation the recommendations of the Schools Forum at its meeting on the 29<sup>th</sup> September 2010 are confirmed.

## 78 **IMPLEMENTATION OF THE EARLY YEARS SINGLE FUNDING FORMULA**

Mr Roberts presented his report of the Early Years Single Funding Formula.

The single formula was delayed for 12 months in April 2010 following national and local concerns about the level of funding that nursery schools would receive. The LA has worked closely with the 3 nursery schools to address their concerns, the outcome of which is detailed in the report.

The proposed formula is that same as that presented 12 months ago, with a single base rate and several supplements. The supplements for nursery schools and transitional arrangements have been adjusted.

A flexibility supplement is available for all settings offering provision other than the standard 5 3-hour sessions. So far take-up in Wirral has been limited and this supplement will be reviewed over the next 12 months. Many other local authorities have not included a flexibility factor.

The single formula will be reviewed at the end of the financial year. This will conclude the work of the Steering Group.

Mr Potter queried what would happen at the end of the 3-year transitional period, and whether nursery schools would experience a sharp drop in funding. Mr Roberts confirmed that nursery schools would move to formula funding after the transitional period, and that this should not represent a sharp drop in funding by this point.

Mr Armstrong thanked the Steering Group for their work in developing the formula.

Mr Roberts recorded a correction to the report on page 23 of the papers – the figures for the 3 nursery schools included a grant which had been included twice. Accurate figures will be provided to the nursery schools.

Resolved:

- (i) That for Forum note the report
- (ii) That the views of the Forum on the proposed formula be referred to Cabinet on 21<sup>st</sup> February 2011.

**79 SCHOOLS BUDGET 2011/12**

The settlement for 2011-12 is for one-year and may be a transition period to a new funding mechanism in 2012-13. It is a flat cash settlement – LAs will receive the same amount per pupil in cash terms as last year, this will apply to 2014-15. In real terms, funding will erode over time – possibly a 10% cut in real terms over the next 4 years.

Pupil Premium details have been confirmed and will be paid to schools from 1<sup>st</sup> April 2011. The Premium is for pupils eligible for Free School Meals, Looked After Children and Service Children. For Wirral, this is an estimated £5million in additional funding. There is likely to be both an increase in the amount of the Premium and a broadening of the entitlement in future years.

Mrs Cogan asked if the Pupil Premium was over and above the current budget or whether deprivation funding would decrease as the Pupil Premium increased. Mr Roberts advised that the Pupil Premium is totally separate and there are no proposals to change the formula.

The inclusion of grants within the DSG leaves a balance because equivalent grant allocations now include Early Years pupils. This additional balance can be used to fund the deprivation supplement in the early years formula.

The MFG is set at -1.5%. It is possible to set a higher MFG, but this is not recommended as there is no additional headroom money.

The Post-16 budget is expected to decrease by 5%. Funding is on an academic year, so this will have a partial effect in the 2011-12 financial year. Mrs Cogan commented that this would severely affect secondary schools with 6<sup>th</sup> forms.

Harmonisation costs are estimated at £2.6million. £2.3million has been identified so far. There are likely to be additional costs not included in the £2.6million and there are no further resources to meet these costs. Mr Armstrong reported that discussions are taking place with Finance and the trades unions regarding the cost of harmonisation and that a report would be brought to the Forum when the picture was clearer.

The amount retained centrally for ethnic minorities was queried. Mr Roberts explained that this is targeted in specific areas and that historically there has only been a requirement to delegate this to schools when the LA grant reaches a certain level.

Mr Reilly noted that the Pupil Premium would increase the gap between the highest and lowest funded schools in Wirral. Those secondaries with the lowest levels of Free School Meals would also be losing post-16 funding. There is concern in these schools over jobs. Mr Reilly felt that we should not allow the gap to widen in secondary schools where the costs of delivering an education are similar.

Mr Reilly also commented that the issue of harmonisation is taking a long time to resolve, it was discussed at the September meeting and is still being discussed today. Mr Armstrong agreed, but pointed out that with the potential cost being so significant, discussions needed to be thorough and a lot of effort was being made by all involved.

Mrs Cogan queried the amount set aside for the CLCs when secondary heads at the WASH meeting had voted not to fund them. Mr Armstrong explained that the views of the WASH meeting had been taken into account, but that he had also listened to the views of all schools in requesting stability in budgets for the next year. Stability is needed in all areas pending review. The City Learning Centres are used by pupils in primary and secondary and a proper debate must take place about their future and the potential impact on pupils. The CLCs contain high quality equipment and if the decision is taken not to continue to fund them there must be a plan in place for what will happen to these resources.

Mrs Cogan also queried the centrally retained diploma money. Mr Roberts explained that this is spent by the 14-19 team to provide additional uplift for pupils engaging in the programme.

The Forum were asked to specifically approve items relating to harmonisation, safeguarding and sports partnership.

Resolved:

- (i) That the views of the Schools Forum are sought on the Schools Budget for 2011-12 and the level of central costs. The Chair asked for any additional comments to be forwarded to him.
- (ii) (1 against) That the DSG Reserve of £745,025 is used to meet backdated harmonisation costs in schools
- (iii) (2 against) That the Excess Balance Reserve of £136,934 is also used for this purpose
- (iv) That the contributions to combined budgets are agreed and increased for:
  - (2 against) Pay Harmonisation back pay £450,000
  - Local Children's Safeguarding Board £6,000
  - School Sports Partnerships coordination £25,000
- (v) (2 against) That budgets for schools include provision for pay harmonisation of support staff totalling £1,057,000
- (vi) That the Schools Budget and the views of the Schools Forum be referred to the budget meeting of Cabinet on 21<sup>st</sup> February 2011.

## 80 COMMISSIONING PLACES IN SPECIAL SCHOOLS

Mr Edmondson explained that there is a mismatch between the number of places in special schools and the number of pupils on roll. This was raised in the September meeting, and since then the LA has met with schools, governors and a working party.

A trigger mechanism is in place for growth and has been a feature in previous years. A similar trigger is proposed to deal with reductions in numbers. This gives increased flexibility and has support amongst schools and governors.

Mr Baird confirmed that the special school heads support these proposals and are keen for the work to be undertaken. They need more certainty in budget planning and are keen to engage.

Resolved:

- (i) That the Forum note the comments from the Special Schools in Appendix Three and recommend the extension of the trigger mechanism to accommodate a reduction in special schools place numbers from the start of the new funding cycle.
- (ii) That the Forum note that a group of Special School and Schools Forum representatives will be consulted to consider in detail the procedures around the application of this approach.

## 81 WIRRAL SCHOOLS' FUNDING FORMULA

Miss Warburton summarised the report on Wirral Schools' Funding Formula 2011-12.

The same formula will be used for 2011-12, with the same percentages allocated to each element as in 2010-11. Values such as Free School Meals which were previously fixed will be updated from latest data. This will mean in some cases that unit values will decrease – with a flat cash settlement and the same percentages allocated to each element, if the total number of free school meals increases the unit value will decrease.

Grants which have now been mainstreamed will be included in MFG baselines. Nursery class elements will be excluded from MFG baselines as the Early Years Single Formula includes a separate MFG calculation. These changes are covered by regulations.

All other MFG baseline changes will require an application to the secretary of state and must have the support of the Schools Forum. This includes changes to EIB places and changes to Special places which are detailed in the report. It also includes the exclusion of the Extended School Sustainability grant from MFG baselines, which is paid to cluster leads and distorts the per pupil amount for these schools if included.

Resolved:

- (i) That the Schools Forum note the report
- (ii) That the Schools Forum agree to the recalculation of fixed elements as outlined in the report
- (iii) That the Schools Forum agree to support an application to the Secretary of State for MFG baseline changes

**82 DEPRIVATION FUNDING REVIEW**

Deferred to next meeting

**83 SERVICE LEVEL AGREEMENT UPDATE**

Mr Dainty gave a verbal report on service level agreements. The SLAs have been sent out to all schools to agree take-up. So far, 62 primaries, 2 secondaries and 6 specials have responded. This is much lower than expected. The final response date has been delayed to give more schools the opportunity to respond. A further letter will be sent out. The SLAs are for 3 years but there is an option for schools to withdraw giving 4 months notice.

Mrs Cogan commented that secondary schools had given their responses to Mark Parkinson during his visits to the schools. Mr Parkinson explained that his visits related specifically to curriculum support and did not cover the wider SLAs.

Mr Armstrong reported that staff have been protected on the assumption that SLA take-up will be the same as in previous years. Responses are needed as soon as possible so that staffing can be planned if take-up is low.

Mr Baird queried whether the LA could also give 4 months notice to schools to terminate an SLA. Mr Armstrong said that if the LA wanted to come out of

a service they would give schools a longer lead-in proportionate to the amount of time it would take a school to find an alternative service.

#### 84 SCHOOL REDUNDANCY COSTS

Mr Armstrong presented a report on school redundancy costs. Primary and secondary heads have already been informed of concerns regarding the rising cost of redundancy. This is a particular problem in secondary schools as staff cannot be redeployed when rolls are falling. The costs have been particularly significant in 2010-11 with the closure of Park High and Rock Ferry High. It is challenging to meet these costs from a decreasing central budget.

Mrs Cogan agreed that costs would escalate, commenting that if the formula did not change there would be major redundancies.

Mr Reilly commented that secondary school staffing costs could increase with the delivery of the English Baccalaureate if specialist subject teachers are needed.

The Forum felt that the recommendation to use the Schools Budget to match fund costs from April 2011 did not allow enough time for informed discussions. This date was amended to 1<sup>st</sup> September 2011 and a decision deferred until the next Forum meeting.

Resolved:

- (i) That the views of schools are sought through Headteacher groups regarding additional contributions to these costs.
- (ii) That the Forum considers a further report at their next meeting.

#### 85 DISCRETIONARY RATE RELIEF

This item was brought forward, before the Schools Budget 2011/12 item, as it informs this item on the agenda.

Mr Roberts explained that the Council is considering a proposal to end discretionary rate relief for schools from April 2011 – this is 12 months earlier than recorded in the report. 80% mandatory rate relief is paid by the government. The remaining 20% is discretionary relief, of which 75% is paid by the local authority and 25% comes from a government grant. Wirral's DRR costs are out of step with those of other local authorities and the Director of Finance has recommended that this should reduce.

If DRR is abandoned, the government grant would also cease, and it would cost more to cover the cost of rates. The alternative is for the Schools Budget to make a contribution to cover the council costs of DRR, therefore retaining the government grant.

Mr Armstrong advised that the Forum could vote against this but that the Director of Finance would end DRR next year and the additional costs would



have to be paid. By choosing to contribute now there will be less impact on the schools budget.

Resolved:

(i) (With 4 abstentions) That the Forum agrees to a contribution to the Discretionary Rate Relief Budget with effect from 2011-12.

**86 FORUM PROCEDURES, FORUM MEMBERSHIP AND SCHEME CHANGES**

Papers circulated before the meeting contain operational guidance, a list of Forum members and a summary of the changes to the scheme for financing schools.

Mr Roberts drew particular attention to p86 of the papers, point 4.2 which no longer requires schemes to have a balance control mechanism.

A request was made that the home contact details of members should not be published.

**87 ANY OTHER BUSINESS**

None

**88 DATES OF FUTURE MEETINGS**

Tuesday 12<sup>th</sup> April 2011