



Wirral Schools Forum

Date:	Wednesday, 8 October 2008
Time:	6.00 pm
Venue:	Council Chamber, Wallasey Town Hall

Contact Officer:

Tel:

e-mail:

Website:

AGENDA

1. WELCOME AND INTRODUCTIONS

2. ELECTION OF CHAIR

To elect a Chair for the year 2008/09.

3. ELECTION OF VICE-CHAIR

To elect a Vice-Chair for the year.

4. MINUTES (Pages 1 - 6)

To receive the minutes of the previous meeting, held on 11 June 2008.

5. MATTERS ARISING

To consider any matters in the minutes that are not dealt with elsewhere on the agenda.

6. THE OBSERVATORY SCHOOL

Report to follow.

7. SPECIAL EDUCATION NEEDS WORKING GROUP - FEEDBACK

Oral report.

8. TRADED SERVICES WORKING GROUP - FEEDBACK

Oral report.

9. NEW SCHOOL LUNCH GRANT

10. EARLY YEARS FORMULA UPDATE

11. FINANCIAL ISSUES (Pages 7 - 8)

12. ARRANGEMENTS FOR SCHOOL BALANCES (Pages 9 - 12)

13. DATES FOR FUTURE MEETINGS

To agree dates for the remainder of the year.

14. ANY OTHER BUSINESS

To consider any other business that the Chair accepts as being urgent.

Wirral Schools Forum: Funding Consultative Group 11 June 2008

Present:	
Chair	Steve Dainty
Primary Headteachers	Nigel Greathead, Morag Kophamel
Primary Governors	Ken Frost, Alison Hardy, John Weise
Secondary Governors	Dr Ian Cubbin, Brian Cummings, Elizabeth Renshaw, Jean Roberts, Sandra Wall
Special Schools Representatives	Andre Baird, Richard Longster
Non-Schools Group	Pauline Hogan (Non-teacher representative), Ann Melville (Shrewbury Diocese), Gillian Peters (Chester Diocese)
In attendance:	Cllr Sheila Clarke
Apologies	Cllr Phil Davies, Cllr Frank Doyle, Steve Hyden, Julie Kenny (Shrewbury Diocese), Les Maxim, Phil Sheridan, Gillian Zsapka

Index to Minutes

Minute 1 - INTRODUCTIONS AND APOLOGIES

Minute 2 - MINUTES

Minute 3 - MATTERS ARISING

Minute 4 - CORRESPONDENCE

Minute 5 - ARRANGEMENTS FOR MEMBERSHIP OF THE FORUM FROM SEPTEMBER 2008

Minute 6 - PROVISION OF SERVICES

Minute 7 - DEVELOPMENT OF AN EARLY YEARS FORMULA

Minute 8 - PROPOSAL FOR CLOSING E.I.B. AT MANOR AND BRACKENWOOD

Minute 9 - PROPOSAL FOR CONSULTATION REGARDING THE OBSERVATORY SCHOOL

Minute 10 - SCHOOLS BUDGET OUT-TURN

Minute 11 - DEDICATED SCHOOLS GRANT - UPDATE

Minute 12 - SIXTH FORM TEACHERS' PAY GRANT

Minute 13 - CENTRAL EXPENDITURE LIMIT

Minute 14 - BALANCES FOR FINANCIAL YEAR 2007/08

Minute 15 - EXCESS BALANCE REDUCTIONS

Minute 16 - DCSF PROPOSALS FOR NEW DSG FROM 2011

Minute 17 - 16-19 FUNDING AND TRANSFER FROM LSC

Minute 18 - SCHOOL MEALS UPDATE

Minute 19 - NEXT MEETING

Minute 1 - INTRODUCTIONS AND APOLOGIES

Apologies - as above.

It was noted that Ann Melville was deputising for Julie Kenny.

Minute 2 - MINUTES

The minutes of the previous meeting, held on 16 January (the meeting for 12 March having been cancelled) were accepted as a correct record.

Minute 3 - MATTERS ARISING

None.

Minute 4 - CORRESPONDENCE

None reported.

Minute 5 - ARRANGEMENTS FOR MEMBERSHIP OF THE FORUM FROM SEPTEMBER 2008

Moira Curran outlined the changes agreed by the Cabinet (on 22 May) to the membership of the Forum with effect from September 2008. The new Forum would be in place in time for the Autumn Term meeting, with membership as follows:

Schools Group (20)

- 5 Primary Headteachers*
- 5 Primary Governors
- 4 Secondary Headteachers*
- 4 Secondary Governors
- 2 Special School representatives

Non-schools Group (8)

- 1 from the Catholic Diocese
- 1 from the Anglican Diocese
- 1 from the 14 to 19 Partnership
- 2 from the PVI Early Years Providers
- 1 teachers representative
- 1 representative of non-teaching staff in schools
- 1 LSC observer

* or a senior staff representative.

Minute 6 - PROVISION OF SERVICES

Chris Batman outlined a proposal to review traded services with schools. He reminded the Forum of the procedure used by Blackpool to review and endorse services. He asked that a small working group be established to look at the process. Morag Kophamel asked if the services reviewed would include CPD, as the current arrangements worked satisfactorily. he replied that that would be

something that the working group could consider.

Resolved - That a working group be established, consisting of Morag Kophamel, Richard Longster, Ian Cubbin, Ken Frost and Steve Dainty.

Minute 7 - DEVELOPMENT OF AN EARLY YEARS FORMULA

Chris Batman referred to the need to develop a formula for the maintained and PVI sector. He suggested that the process would be helped by a small working group of the Forum considering the implications of the work done by officers. It was suggested that an approach be made to the Link Forum for PVI representatives.

Resolved - That a working group be established, consisting of John Weise, Richard Longster, Gill Peters and Steve Dainty.

Minute 8 - PROPOSAL FOR CLOSING E.I.B. AT MANOR AND BRACKENWOOD

John Bulmer introduced the item by outlining the current position. The pilot base at Manor Primary would be discontinued after discussion with the Governors. Discussions were under way to reassign the base to another school. The Governors of Brackenwood had also asked to close their base. Richard Longster asked if there was a long term plan. Andre Baird stated that there was a need to link proposals to future secondary provision.

Resolved (unanimously) - That the proposals for EIBs be supported, namely that:

(i) the funding for the EIB at Brackenwood Junior School be transferred to Devonshire Park to open a KS1 base for Social and Communications Difficulties;

(ii) a KS1 base be opened at Eastway for Social and Communications Difficulties.

Minute 9 - PROPOSAL FOR CONSULTATION REGARDING THE OBSERVATORY SCHOOL

Peter Edmondson advised the Forum of the requirement for SEBD places from September. Sandra Wall asked if Wirral had an exceptionally large number of children with such problems or if there was a high level of provision. Peter Edmondson replied that there was no reason to think that Wirral had more difficult children than elsewhere.

Howard Cooper explained that the reason the Solar School had been established was to avoid sending pupils out of borough. That strategy was working and the new Observatory School had been successful in taking those pupils. Peter Edmondson proposed that a working group of the Forum consider how to address the issues not only of how many young people attended the Observatory School but also how they were funded; a further question would be how could they be provided for in mainstream.

Resolved - That a working group be established consisting of Brian Cummings, Andre Baird, Sandra Wall, Pauline Hogan, Steve Dainty and Richard Longster.

Minute 10 - SCHOOLS BUDGET OUT-TURN

Chris Batman referred to the report previously circulated and informed the Forum that there was a small overspend of £131,000.

Resolved - That the report be noted.

Minute 11 - DEDICATED SCHOOLS GRANT - UPDATE

Chris Batman commented on the paper previously circulated and asked the Forum to endorse their previous decision that the grant be carried forward until the end of the funding period.

Resolved - That the additional grant be carried forward.

Minute 12 - SIXTH FORM TEACHERS' PAY GRANT

Chris Batman referred to the paper previously circulated that outlined options for the distribution of pay grant to secondary schools. The result of the consultation with the schools was that they preferred Option 2, namely to allocate grant using LSC Standard Learner Numbers, which took account of the planned pupils and number and size of subjects.

Resolved - That Option 2 be used as the basis for distributing the additional funding.

Minute 13 - CENTRAL EXPENDITURE LIMIT

The Forum was asked to endorse the agreement to approve the increase in the central expenditure limit (CEL).

Resolved (unanimously) - That

(i) the Forum approves the change to the CEL for the funding period 2008/11 and

(ii) the limits agreed for 2009/10 and 2010/11 be reviewed in each appropriate year.

Minute 14 - BALANCES FOR FINANCIAL YEAR 2007/08

The Director informed the Forum of the current position in relation to the outturn for 2007/08. Schools balances stood at £12m, compared with the Council's balance of £4m. Discussion took place regarding the reasons why schools retained resources and the impact that that had on individuals.

Ken Frost asked whether the Council's accounts were measured in the same

way as schools: if not, then it was not a fair comparison, and a different way of accounting might give a different view. The Director replied that the Council could spread the risk across a number of Departments, which individual schools could not. That was one of the reasons why schools were permitted to carry forward balances. However, that did not explain the continual growth in unspent resources. The Forum requested a report on the level of individual schools' balances after the adjustment for Standards Fund.

Neville Reilly stated that, if Workforce Reform were fully implemented, then many of those balances would be reduced. Chris Batman explained the process that would be undertaken to examine the balances in individual schools and the capping arrangements that might be applied in certain circumstances. Morag Kophamel asked if the report could be provided without formula capital, and an indication of whether there was a pattern of excess balances in certain areas.

Resolved - That the Director's report be noted.

Minute 15 - EXCESS BALANCE REDUCTIONS

Chris Batman explained that the surplus balances from 2005/06 that had been deducted from schools amounted to £63,850 and requests a decision about how the sum should be utilised. However, a further amount was likely to be identified from the 2006/07 accounts and it was therefore proposed to wait until outcome of the 2007/08 exercise was completed before reallocating the resources.

Resolved - That a decision be deferred on the redistribution of these resources.

Minute 16 - DCSF PROPOSALS FOR NEW DSG FROM 2011

Andrew Roberts outlined the purpose of the review, the terms of reference and outcome of the consultation with local authorities and schools forums on the operation of the review. He highlighted some of the issues currently under consideration and alerted members to the website where they could access up-to-date information.

Minute 17 - 16-19 FUNDING AND TRANSFER FROM LSC

The Director referred to the paper "Machinery of Government", which split the Departments of Children, Schools and Families and Innovation, Universities and Skills. He informed the Forum of the proposal to transfer the role and resources of the LSC to local authorities and the national skills agencies. From 2010, authorities would have responsibility for funding 16-19 year olds in colleges, work-based learning centres, etc, and not just sixth forms in schools. That was likely to involve a TUPE transfer of LSC staff. The resources would be used to commission provision. Schools forums would be affected, hence the change in membership with effect from Autumn 2008. Work would begin in 2009 on the implications and issues involved in the transfer, but at the current time the extent of transfer of resources was not yet known.

Ann Melville asked if the change would affect students' choice of placement. The

Director replied that it was not expected to do so, but discussions were taking place at a regional level to look at provision across the area.

Resolved - That the Director's report be noted.

Minute 18 - SCHOOL MEALS UPDATE

Chris Batman introduced the item by reminding members of the change to the formula to distribute the money for free school meals. David Armstrong explained that an exercise had been carried out to take anomalies out of the charging system and aligning it with the need to charge for a meal. The Department was undertaking a fundamental review of meal provision across the authority and would look particularly at the six schools that operated the service on their own. Matthew Humble (Business and Performance Manager) would carry out the review.

Ken Frost asked whether the charges during the current funding period would begin to take into account the increase in fuel and food prices or if the price would be held at the level explained in the letter circulated to schools in May. David Armstrong replied that the Department would look at using Government grant to offer a subsidy and work with the Council's Procurement Unit to try to obtain best costs for food. There was no guarantee that the price would not increase.

Minute 19 - NEXT MEETING

Resolved - That the next meeting be held on Wednesday 8 October at 6.00pm.

WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM 8th OCTOBER 2008

REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES

FINANCIAL ISSUES

EXECUTIVE SUMMARY

This report forms the basis of consultation on a number of financial issues affecting school budgets. These issues are set out in the School Forum Regulations 2008

1. Arrangements for Pupils with SEN

The financial arrangements for SEN were amended by the Schools Forum in December 2007 following consultations with schools. The changes included:

- 4 secondary school inclusion bases at a cost of £300,000
- An increase in the unit value supporting statemented pupils at a cost of £510,000 (phased over 3 years)
- An increase in the exceptional needs budget at a cost of £100,000
- Changes in the number of places at Elleray Park and Lyndale.

A separate report regarding proposals at the Observatory School will be brought to the Forum.

Any changes that may need to be considered must be met from within the overall resources identified for the 3 year funding period.

2. Arrangements for the use of WASP and Home Tuition

The budgets for these two services are £929000 and £167100 respectively. The WASP service and budget is being reviewed and will be subject of a future report.

3. Insurance

Insurance premiums for cover provided through the Council's Insurance Fund total £1,150,000. From 30 June 2008 buildings insurance cover has been extended to include losses from storms, floods, burst pipes and business interruption.

For 2009/10 insurance premiums are being recalculated to better reflect pupil numbers, employee costs, building values and claims experience. This is intended to produce a fairer charge for each school and will be introduced/phased over the current funding period.

4. Arrangements for the Allocation of Central Government Grants

The Standards Fund programme was reported to the Forum on 16th January. This included proposals for the allocations of School Development Grant. The use of the School Lunch Grant has been considered by the Schools Meals Reference Group on 1st October.

Changes are being developed to route funding for 16-18 year olds through local authorities rather than the Learning and Skills Council (from September 2010). The implications and arrangements/partnerships that will be put in place will be reported to the Forum over the coming months.

Arrangements for Free School Meals

The buyback arrangements together with the increase in the paid meals price was discussed at the Forum on 11th June 2006.

RECOMMENDATION

That the Forum note the current and future areas for consultation on financial issues.

Howard Cooper
Director of Children's Services

WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM 8th OCTOBER 2008

REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES

SURPLUS SCHOOL BALANCES - DEDUCTIONS

EXECUTIVE SUMMARY

This report updates the Forum on surplus balances deducted from schools and describes a revised scheme that could be implemented in future.

1. School Balance Deductions

Six schools have had deductions in respect of excess balances as at 31st March 2007. They are :

	£
Somerville Primary School (previously reported)	17,850
Orrets Meadow (previously reported)	46,000
Holy Cross	32,047
Brentwood	9,181
Elleray Park	3,453
Black Horse Hill Infants	3,037

	111,568

2. Excess Balances at 31st March 2008

Twenty schools had balances in excess of the permitted 5 or 8% threshold, totalling £1.4m. Of this sum £743,000 was identified by schools as being required to contribute to capital schemes, £464,000 for falling rolls and £107,000 for ICT replacement.

It is proposed to make deductions from four schools who submitted plans to spend surplus balances outside these areas. The provisional amount to be deducted is £117,000.

3. Proposals for a revised surplus balance scheme

The above system is complex and lengthy. It requires judgements regarding the validity of proposals and it is impossible to arrive at a conclusion before schools set their budgets for the year. We have therefore looked at alternative approaches,

Attached is an extract from a report to Lancashire Schools Forum describing a scheme that would claw back a fixed percentage of schools balances in excess of the 5 and 8% recommended guideline. The percentage clawback would escalate as follows :

Year 1 of the scheme	2% of balances in excess of 5 or 8%
Year 2 of the scheme	5% of balances in excess of 5 or 8%
Year 3 of the scheme	8% of balances in excess of 5 or 8%

The increases could be implemented if school balances did not reduce as expected.

This scheme has a number of advantages :

- It is simple to implement and administer
- It will be applied equally over all schools
- It would discourage non essential spend plans
- It is a more acceptable version of the national levy proposed in 2007

The Lancashire scheme also describes arrangements that could be put in place to deal with specific cluster or Standards Fund allocations.

If introduced in Wirral, an amendment is recommended to take account of contributions to capital schemes. A number of schools have accumulated significant revenue reserves for capital. This has become an important feature within the capital programme and is a means of enhancing capital priorities.

It is proposed that in future agreed sums for capital should be transferred from revenue into an earmarked reserve. These amounts would then be removed from the excess calculation and only used for agreed capital purposes.

The impact of the scheme is illustrated below on 2007-08 balances.

	Excess deduction No adjustment £	Excess deduction With Capital adjustment £
2%	28,000	14,000
5%	70,000	35,000
8%	112,000	56,000

RECOMMENDATIONS

1. That the balances deducted to date be noted.
2. No action be taken on deduction until balances from 31st March 2008 are finalised.
3. That the Forum considers the proposed amendment to the calculation of excess balances.

Howard Cooper
Director of Children's Services

Calculation of Potential Clawback under Proposed Revised Arrangements

Calculation of “excessive” surplus balances potentially liable for clawback

In essence, under the proposed revised arrangements, excessive balances will be calculated by the following process:

SURPLUS BALANCE (recurrent balance category held by each school as at the 31 March)

Deduct

- deductions agreed in exceptional circumstances by the Authority. The only deduction will be the level of recommended guideline balances** – calculated for the individual schools in accordance with the proposed DCSF guidelines

Equals

EXCESS SURPLUS BALANCE (if positive, liable for clawback)

***guideline balances:*

The Authority’s proposed guidance on appropriate levels of balances for difference types of schools provides as follows:-

- 5% for secondary schools,
- 8% for other phases (or minimum of £30,000)

Level of Clawback

For all schools, a % level of clawback, agreed following consultation with the Lancashire Schools Forum, will be applied to this identified excess surplus balance.

Percentage Clawback at 31 March 2008 for 2007/08 is fixed at 2%

Percentage Clawback at 31 March 2009 for 2008/09 is provisionally set at 5%

Percentage Clawback at 31 March 2010 for 2009/10 is provisionally set at 8%

(Percentage Clawback at 31 March 2011 for 2010/11 is provisionally set at x%)

As described in the consultation document, the percentage clawback provisionally set for 2008/09 and 2009/10 will be reviewed annually by the Forum during the multi year period and increased or decreased according to whether or not overall balances in Lancashire are reducing in line with expectations. This review could take place once the outturn position for the preceding financial year is known, and the percentage clawback agreed for the coming year notified to schools as soon as possible

Refund of Clawback

Percentage clawback applied to funding identified as held by a (designated) banker school on behalf of a cluster of associate schools will be refunded in full, together with any other refunds agreed by the Authority in consultation with the Forum.

PROPOSED CONSEQUENTIAL SCHEME CHANGES

If the revised arrangements are agreed, a number of changes will need to be made to the Authority’s approved Scheme for Financing Schools in Lancashire. These proposed changes are shown at Appendix C.

This page is intentionally left blank