

CHILDREN'S SERVICES AND LIFELONG LEARNING OVERVIEW AND SCRUTINY COMMITTEE – 10 December 2008

Pursuant to Cabinet minute 267 (27 November), the Committee considered two proposals for savings within the Children's Services budget:

- (i) the estimated sum that could be achieved from the proposed reconfiguration of the Youth Service - £150,000;
- (ii) that individual schools budgets be charged the full cost of insurance, reflecting the risks assessed by the insurer, and that the mechanism for making the charges be agreed with the Schools' Forum.

Youth Service

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Insurance in schools

Chris Batman, Head of Planning and Resources, explained that the cost of insurance had been one of the first items to be delegated to schools and the current arrangement was for the authority to pay the bill and then re-charge schools on the basis of numbers of pupils and floor area. That now bore little relation to risk nor to market price, although it did have the advantages, as far as schools were concerned, of simplicity and stability. However, there was no incentive for schools to mitigate risk. Much more information was now available, via the Finance Department's Risk and Insurance Section, and the DCSF was encouraging schools to move towards risk-based methods of costing. It was reasonable therefore to expect schools to bear the actual cost on insurable risk.

Currently, the average annual cost of insurance was £9,000 for a secondary school and £2,000 for a primary school. It was intended that some provision be made to mitigate any major increases for individual schools. The change would be the subject of discussion at the next meeting of the Wirral Schools Forum. David Armstrong, Strategic Service Manager (Assets and Finance), added that the authority had a fund for security measures in schools. Any action to reduce risks would result in lower insurance premiums.

Councillor Hayes was concerned about the impact on those schools that did not have strong balances. The Chair asked when the change would be introduced, and was advised that it would be from 1 April 2009, but, based on the figures for individual schools, a phased introduction was a possibility. The Chair indicated that, in the first instance, she would prefer to see the full impact and hear the views of the Schools Forum.

Councillor Harney felt that insurance costs were an appropriate item of expenditure for individual schools' budgets. He moved (seconded by Councillor W Smith) that –

“the proposal to charge schools the full cost for insurance be accepted and the matter be referred to the Wirral Schools Forum.”

The motion was put and carried (5:3).

Resolved – That

(1) the Committee notes the savings proposed as a result of the reconfiguration of the Youth Service. However, it believes that there is insufficient information available regarding the detailed implementation of the savings for it to make a reasoned decision on them. Nevertheless, it does support the principles behind the reconfiguration and the work of the Youth Service generally;

(2) the Director report to a future meeting on the commissioning framework, at the same time providing a full list of those facilities and services that are currently funded;

(3) the proposal to charge schools the full cost for insurance be accepted and the matter be referred to the Wirral Schools Forum.