

**THE CUMBRIAN SCHOOLS FORUM**  
**MINUTES OF THE MEETING HELD ON**  
**21 SEPTEMBER 2004**

**PRESENT**

**Mr A Abernethy (Carlisle Secondary)**  
**Mr R T Alston (Foundation Secondary)**  
**Mr S Bowditch (Special Schools)**  
**Mr C Brooksbank (Foundation Primary)**  
**Mr C Clarke (South Lakeland Secondary)**  
**Mr J Douglas (VA C of E)**  
**Mrs T Eyre (Copeland Primary)**  
**Ms J Farebrother (Nursery School)**  
**Ms S Gaston-Parry (Copeland Secondary)**  
**Mr S Halfpenny (Carlisle Primary)**  
**Mr T Hobson (Eden Secondary)**  
**Mr C Rafferty (Allerdale Primary)**  
**Mr R Rogers (Eden Primary)**  
**Mr A Rutter (Teachers' Professional Associations)**  
**Mrs J Stocker (Cabinet Member for Education - Observer)**  
**Mr B Thomas (Cumbria Early Years Partnership)**  
**Mr E Tumelty (VA Catholic)**  
**Mr M Woodburn (South Lakeland Primary)**

**Officers in attendance:**

**Ms V Ashfield (Corporate Director – Education)**  
**Mr A Hodge (Education Finance)**  
**Mr D Johnston (Education)**  
**Mrs N Shiels (Education)**

**1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from:-

**Mr P G Chappelhow (Conservative Group – CCC)**  
**Mr H Hrynkow (Barrow Primary)**  
**Ms M Pickthall (Cumbria LSC)**  
**Mr P Shaw (Allerdale Secondary)**  
**Mr D Southward (CCC – Labour Group)**  
**Mr M Yearsley (Community and VC Secondary)**

## **2. MEMBERSHIP OF FORUM**

The Schools Forum noted that Mrs R Denby, Small Schools representative and Mr P Bell, Community and Voluntary Controlled Primary Schools representative had resigned their positions. It was reported that the process to secure replacements was underway. The Chair also welcomed Janet Farebrother, representing Nursery Schools, to her first meeting.

## **3. MINUTES OF THE MEETING HELD ON 24 MAY 2004**

The minutes of the meeting held on 24 May 2004 were agreed as an accurate record.

## **4. MATTERS ARISING**

- i) Budget Surpluses – At its meeting on 24 May 2004. the School Forum had agreed the principle that controls be set on large surpluses at 5% for secondary schools and 8% for primary schools. Schools were to be consulted regarding the change. The special schools representative was concerned that a figure was not recorded for special schools. He requested that 5% be considered for special schools.
- ii) SEN Statements/LSC Formula – It was reported that funding guidance for sixth forms had been received from LSC and there would be no change for at least another year. Discussions were ongoing regarding the introduction of a national system that would fund students equally wherever they lived, relative to their additional needs. Subject to any change nationally, the local reconciliation exercise would continue in Cumbria. It was further reported that a delegation from Cumbria had recently expressed their concerns at a national level. A written statement of the LEA and Schools Forum concern had been submitted.

## **5. WORKING GROUP MINUTES**

There were three working groups of the Schools Forum, however, only one of the groups had met since the last meeting of the Schools Forum on 24 May 2004.

- i) School Budget Working Group – The Schools Budget Working Group had met on 8 July 2004 and had discussed, at some length, longer term budget planning. Other issues considered had included the production of financial benchmarking data and social inclusion funding.

The supply list had now been issued to schools and an update would be sent out in October. There were some concerns about the “quality” of the list, however, as the initial contract was for one year it would be possible to review the list and terminate the agreement if necessary.

The group had also had a lengthy discussion regarding nursery school formula and had agreed that a small sub-group should be established to look at the issues in detail and report back. The sub-group had met once and had decided to look not just at nursery schools funding, but to look at funding within the nursery sector. Further discussions would be reported to the next meeting of the Schools Forum.

Schools Forum noted the minutes of the Budget Working Group held on 8 July 2004.

## **6. FINANCIAL MANAGEMENT ISSUES**

A report providing an update on issues that were intended to help good financial management within schools, and summarised the action taken to date, was presented.

i) CAPITA Contract Negotiations – The LEA brokered contract with CAPITA had originally been set for three years and was due to terminate on 31 March 2005. Initial discussions had taken place between CAPITA and LEA officers and discussions were planned with representatives of CASH, PHA and the School Forum Budget Working Group. During discussions Members of the Schools Forum expressed a number of concerns including:-

- ICT issues regarding service, SIMS, upgrades and training. General feeling that service did not represent best value.
- Capital projects – majority of funding delivered through the LEA. Schools had little control over decisions regarding contracts.
- Teaching Associations – concerns related to specific areas of the contract with CAPITA which could lead to the LEA failing in its duty to act as a proper employer.
- Best value issues other than related to ICT.

The ICT contract was a national agreement and therefore did not form part of the local negotiations, however, it was possible to request some local negotiation as part of the current process. The Corporate Director – Education also reported that an alternative ICT provider was currently being piloted in association with CASH. The LEA was seeking to negotiate a sensible contract which schools may wish to buy into. If a school wished to find an alternative provider, the LEA had a duty to assist in the process. Alternative providers would be researched and receive a “kitemark” as appropriate. It was hoped that the new arrangements would be launched at the procurement event due to be held in November.

The Schools Forum also felt that monitoring of the contract was very important and the Chair suggested that the Forum should have a role in monitoring.

The Chair of the Budget Working Group would be representing the Schools Forum in the forthcoming discussions. He would take soundings from other Members and constituents and suggest more rigorous monitoring of the contract. Schools Forum would be suggested as an appropriate body to undertake this monitoring role.

The Schools Budget Working Group would consider a further report on this issue at its next meeting on 13 October 2004.

- ii) Funding Update 2005/06 and 2006/07 – During the summer term a briefing note had been issued to schools which updated them about a number of announcements regarding funding in 2005/06 and in future years. There would be little change for 2005/06, however, from 2006/07 it was likely that there would be significant changes in funding with the introduction of “dedicated” school budgets although there were still no plans to introduce a national funding formula.

The SEN representative had raised a number of queries regarding special schools and also requested a comparison between the five Cumbrian special schools and those nationally. It was agreed that A Hodge and Mrs J Stocker should be invited to attend the next meeting of Special Schools Headteachers.

- iii) Three Year Budgeting – The LEA intended to produce three year budgets from 2005/06 and a pilot exercise was planned for the next two months. In order for the pilot to be successful schools would need to provide estimates of pupil numbers for the next two to three years when requested. Schools would also be asked to submit three year budget plans. A number of members commented regarding difficulties with estimating numbers of three year olds and also where they might attend. Work was also ongoing on the production of financial benchmarking data which would be issued to schools within the next few weeks. Schools would be grouped appropriately based on size and, website advice would be provided to enable schools to make national comparisons if they wished.

**The Schools Forum then noted the report.**

## **7. LEA BENCHMARKING**

The Schools Forum considered a report that provided a summary of LEA Benchmarking data that had been published by the DfES. The information was produced using information from S52 statements and complete tables could be found on the DfES website. Cumbria was compared with all “upper tier authorities”. In summary:-

- Schools’ Formula Spending Share (SFSS) – Cumbria was placed just above average for the group.
- Total Individual Schools’ Budget (ISB) – Cumbria was above average for the group.
- Total Schools’ Budget – Despite being funded (SFSS) at a lower rate than the average, Cumbria’s funding to schools was above the average.
- Total LEA Budget – Cumbria was a little above average.
- Total Education Revenue Budget – spending above average.

**The Schools Forum noted the report, for information.**

## 8. CUMBRIA HEALTHY SCHOOLS

A report that detailed the activities of the Cumbria Healthy Schools programme was presented.

The Cumbria Healthy Schools programme had been in place for four years and built on excellent partnerships with health and other agencies to support schools in a wide range of statutory and non-statutory curriculum and policy needs. It was originally funded through the Standards Fund, however, from 1 April 2004 the earmarked Standards Fund grant ceased and the Schools Forum agreed that funding could be retained centrally to continue funding for the current year. The Schools Forum were now asked to consider to support the continued central funding for the Healthy Schools programme.

There was wide support for the programme from members of the forum. It had been a very successful project, particularly in primary schools. One member did query whether there should be an inflationary increase in the level being requested and there was a short discussion about inviting other partners to match fund.

**The Schools Forum then recommended that central funding of £114,000 per annum to support the Healthy Schools programme should be continued.**

## 9. USE OF HEADROOM

At its meeting on 19 January 2004 the Forum had approved a scheme that allocated £450k to schools in financial difficulties in the current financial year. The scheme had been based on a number of specific criteria and in total three primary and four secondary schools had received funding in 2004/05.

The Secretary of State had again indicated that LEAs would be expected to give priority in the use of the headroom over the minimum funding guarantee to target resources on schools with additional pressures. The Schools Forum considered a report which suggested possible criteria for inclusion in a scheme for distributing headroom resources in 2005/06.

It was intended that a firm proposal would be presented to the Forum in November, but initial views were sought at this early stage.

This was a sensitive issue that provoked debate. The Corporate Director – Education reported that extensive work had been undertaken to reduce the number of schools with deficit budgets. The Finance Team was working with schools to produce deficit plans that were signed off by the Education Directorate Senior Leadership Team.

There remained a general perception of unfairness that those schools that had worked very hard to manage their budgets were effectively “bailing out” others. During the debate the group were reminded that there had, and continued to be a strong government steer on this issue. This report was intended to begin the discussions for 2005/06 and further work would be undertaken before November when the Forum would be asked to agree a process. It was suggested that background information including surpluses and deficits in the previous two or three years together with projected future budgets would help in informing

the discussions. It may also be useful to have indications of where huge problems from the past contributed towards large deficits.

**The Schools Forum noted the report and looked forward to receiving a further report outlining a proposed scheme at the next meeting in November.**

## **10. SCHOOL BUDGET – CATERING/YOUTH SERVICE**

The DfES expected LEAs to passport the full annual increase in Formula Spending Share (FSS) into the Schools Budget. This expectation was regardless of whether or not an individual LEA was already spending above the Schools Block FSS. A report that asked the Schools Forum to indicate whether or not it would support the Council in a transfer of £1.2m from the schools budget (central withhold) to the Youth Service was presented.

For a number of years Cumbria had funded schools and the Schools Budget at a higher level than expected by government as identified in the FSS. In recent years government has put pressure on LEAs to ensure that the full annual increases in FSS were passported into school budgets, irrespective of whether or not an individual Authority was already incurring expenditure on schools in excess of its FSS. As a result, those authorities with excess school spending have had to curtail additional funding in other areas.

Government had now indicated that Cumbria should increase its expenditure on the Youth Service.

From 1 April 2004, catering responsibilities were delegated to primary and nursery schools and the service, as a whole, was restructured to make it more responsive and efficient. This restructuring produced immediate efficiency savings and whilst some of the saving was required to meet redundancy costs, the balance in 2004/05 had been used to refurbish kitchens. In subsequent years most of this remaining balance would be available to meet other Council pressures. The most urgent was to increase services to young people.

The Forum debated this issue at length and many colleagues expressed concerns regarding this proposal. Secondary colleagues were concerned that the catering restructuring exercise had affected their schools in particular, but that the changes had been accepted based on the benefits that the savings would give to schools in the future. The Cabinet Member for Education stressed throughout the debate that members had to find a way to increase funding for services to young people. She also explained that the work on school catering pre-dated the government paper – Transforming Youth Work. This was an important issue and members of the Forum sympathised with the County Council position, however, they did feel that they would need to discuss the proposals fully with their constituents before reaching final agreement.

The Chair of the Forum requested that any statutory documents that would assist the decision making process be circulated to Forum Members. A simple modelling exercise that illustrated the amounts that schools would receive if the £1.2m was distributed amongst them was requested. All information provided to Forum Members would also be displayed on the library site of the school portal with a note in the portal to draw attention to the availability of the information.

In conclusion the Chair asked members to have discussed in detail with their constituencies before coming back to the Forum in November to have a further brief discussion and agree a decision.

## **11. SCHOOL MEALS**

The Schools Forum considered a report that addressed the long term arrangements for strategic management and monitoring of school meals provision.

In discussing this item a number of concerns were expressed about the quality of school meals that were being provided by Cumbria Contract Services. Whilst these concerns did not relate directly to the report it was accepted that potential problems were envisaged relating to school meals and it was suggested that the Schools' Budget Working Group should consider the issue more closely and work with the Procurement Unit to look at the service post April 2005. Several members indicated that they would appreciate an overview of the work of the Procurement Unit and it was suggested that this could also be dealt via the Schools' Budget Working Group.

**The Forum then agreed to support the continued retention of funds within the Schools Budget (£142,000) to enable the Corporate Finance, Procurement Unit to undertake its management and monitoring functions as detailed in the report.**

## **12. CONSULTATION ON PROPOSED SCHEME FOR FINANCING SCHOOLS**

A report that introduced proposed changes to the LEA's Scheme for Financing Schools was presented. All schools must be consulted about any such changes. The consultation process would begin as soon as possible after this meeting of the Schools' Forum and would last approximately one month. The Scheme ultimately had to be approved by the Secretary of State.

The main changes were as follows:-

- i) Introduction of three year budgets.
- ii) 100% funding of all bank account schools.
- iii) Removal of bank accounts in cases of non-submission of monthly returns and unapproved budget deficits.
- iv) Use of credit cards.
- v) Controls on Surplus Balances.
- vi) Income on boarding charges (DfES adjustment).

Annex D – 100% funding for all bank account schools, Annex G – monthly bank reconciliations, Final Accounts, Annex J (new) – suspension of a school's right to a delegated budget and Annex K – permitted categories of expenditure for surplus budgets were provided for information only.

**The Schools' Forum noted the proposed changes. Some members, however, expressed concerns regarding the length of the documentation that had been issued to support this item.**

### **13. SCHOOL FORUM SEMINARS**

The Schools' Forum noted that:-

- i) Several Members including D Johnston, A Hodge, R Rogers, J Douglas, A Rutter and P Shaw would be representing the Cumbria Schools' Forum at a DfES Seminar in Manchester on 15 October; and
- ii) SHA would be holding two one-day seminars on 11 October 2004 and 6 April 2004 for members of Schools' Forums at a cost of £175 per delegate.

### **14. ANY OTHER BUSINESS**

- i) Upper Pay Spine – How would county share be dispersed to schools? – DJ to notify all schools.
- ii) Directory of Contracts – Colleagues felt that they did not always know who to contact to discuss a particular issue or to access a particular group or process. The Corporate Director – Education indicated that she could produce something immediately for her Directorate, but asked members to be patient as there were a number of changes taking place which meant that it would be difficult to produce a comprehensive list at this stage.
- iv) Labelling/Headings of Documents – A request was made that documents that were to be sent electronically were all saved in a consistent format, eg date of meeting, agenda item number and brief subject heading.

The meeting ended at 11.50am

PR/NJS  
26 October 2004