

CUMBRIAN SCHOOLS FORUM – SCHOOLS’ BUDGET WORKING GROUP

Notes of the meeting of the Schools’ Budget Working Group held on Tuesday, 4 July 2006 at Newton Rigg, Penrith

Present: Ms J Blacklock (Small Schools), Ms K Forsyth (Bursar, Wyndham School), Mr S Higgs (Bursar, Trinity School), Mr C Kirkup (Eden Secondary), Miss J Marshall (Barrow Primary), Mr R Musetti (representing Mr J Howard, Queen Elizabeth School), Mr D Natrass (VA Primary Schools), Mr R Rogers (Eden Primary), Mr A Rutter (Teachers’ Professional Associations), Mr B Thomas (representing Canon Jenkins, CE Diocese), Mr R Waple (Bursar, Ulverston Victoria High), Ms V Warner (Bursar, Barrow Primary Schools), Mr A Hodge (LA), Mr D Johnston (LA), Mr H Slater (LA) and Mrs N Shiels (LA).

Apologies: Mr S Bowditch, Ms J Farebrother, Mr J Howard, Mr M Murphy

1. <u>Appointment of Chair</u>	<u>Action</u>
It was agreed that Mr R Rogers be appointed as Chair of the group.	
2. <u>Appointment of Vice-Chair</u>	
It was agreed that Mr D Natrass be appointed as Vice-Chair of the group.	
3. <u>Notes of the Meeting held on 16 May 2006</u>	
Subject to an addition to the notes that would clarify that the first paragraph on page 3 was referring to work that had been undertaken by the previous budget working group (ie before January 2006), the notes of the meeting of the Schools’ Budgets Working Group held on 16 May 2006 were agreed as an accurate record.	
4. <u>Matters Arising</u>	
There were concerns about bringing secondary schools on board with the process. The Vice-Chair of the Forum had expressed particular concerns felt that there was a lot of further work required before the secondary schools would feel able to accept the model. One specific request was that some research into how other authorities operated be undertaken.	
There was a general acceptance that the current formula was neither transparent nor modern. It had been hugely influenced by historical factors with the original formula having been established to replicate the level of funding that schools had received at that time.	
It was important to bring some integrity to the process and one role of the group would be to ensure that all members of the Schools’ Forum had a clear understanding of the process and how it developed at each stage.	
The group agreed that it was necessary to ask the Schools’ Forum, at the next meeting in September, for an indication of support to proceed with this	

work. It was felt particularly important for those members that were unhappy in November/December 2005 to provide some input into the process, in particular regarding the direction that future work might take.

5. Model of School Expenditure

At the previous meeting of the group, a number of questions had been raised and the response to them had been set out in a memo that was attached to the notes of the meeting.

This work was an agenda for change. It might be necessary for changes in working practices and some changes may not be possible but they should be debated. At the meeting of the Schools' Forum on 20 June a list of spending pressures had been presented. These pressures would have an impact on the work to review the formula and it was important that this group re-visited the pressures. The group also needed to reach a point where they could agree the principles upon which the model was based.

The Chair asked that all colleagues contribute to a proper debate about primary and secondary pressures, including financial as well as educational pressures.

Primary colleagues pointed out that they now tended to be organised differently than when the current formula was introduced. There was increasing pressure on primary schools to deliver at all levels and this was what they were judged against by Ofsted. This change should be taken into account and it was felt that there was a need to ensure that each sector had appropriate funding to deliver their requirements.

In secondary schools there was also pressure to deliver eg examination results – coursework, cost of equipment to deliver syllabuses, etc. Other areas highlighted by secondary colleagues, but that were more universal, were the cost of staff and the additional pressure on schools that were repaying deficit budgets. There was a call for a further debate about average salaries.

In relation to how other LAs operated, it was pointed out that it was likely that many of the 'shire' authorities would still use the original model. Formulas needed to change to reflect the changes in the way that funding was received from government. Much more funding was now targeted eg deprivation funding, this increased direction was expected to continue. Also, the level of funding through factors such as the small schools factor was ever increasing as a result of falling rolls.

The main points of the discussion were as follows: -

- Research into how other LAs work was key to the process
- Integrity of the process was vital
- Pressures on school funding needed to be debated further
- All members of the Schools' Forum should have a good understanding of each stage of the process
- The group should seek an indication of support for this work from the

full Forum

- Input from secondary headteachers, as well as bursars, was particularly important
- The working group should focus much more on establishing the principles whilst remembering that they could arrive at a principle that was too expensive!
- There should be a deeper level of principle underpinning – transparency, affordability, educational practicability, fairness, compatibility
- It was anticipated that the current formula would not deliver appropriate funding to meet forthcoming pressures
- Schools operating with a large surplus or deficit – was there an underlying reason why this happened?
- Consider statistical neighbours, neighbouring authorities, compare with large urban areas? Was Cumbria unique?
- Colleagues should try to take a step back from their own sector and look at the overall picture
- The work of the School Organisation Forum was likely to have a significant impact on this work

Next Steps

- Undertake research into what happens in other LAs
- Provide a more detailed analysis of the external pressures in order to stimulate further debate
- Provide analysis of schools operating with large surplus or deficit to see if there are any underlying reasons eg management practice
- Seek support for continued work from all sectors represented on the Schools' Forum.

6. Dedicated Schools Grant: Final Allocation

At the meeting of the Schools' Forum on 20 June a report had been considered that dealt with the reduction of £796k to Cumbria in the DSG as notified by the DfES on 1 June 2006. DfES had issued guidance for dealing with the reduction as follows: -

- a) Reduce central and delegated budget in 2006/07 by the required amount
- b) Carry forward the total overspend to 2007/08
- c) A combination of (a) and (b)

The report had set out two methods of making the reduction in the current year and it had also been explained that there would be an additional SSG in respect of personalisation, although actual amounts per school were not yet available. The Forum, and the bursars group, had been clear that they felt that the reduction should be made during the current year. The Forum had requested further information about the effects of a reduction in AWPU combined with a deduction in threshold payments but also taking account of the additional SSG funding.

A paper setting out the effects of the DSG reduction in year was circulated. The figures set out were indicative at the current time as some further

information regarding prior attainment at KS1 was awaited relating to the additional SSG. The group discussed the most appropriate way to communicate the budget changes to schools and felt that it was important to send something out as soon as possible. Any communication should indicate that the DfES and not the LA had brought about the reduction. As the LA were now aware of the way that DfES had arrived at their pupil numbers it was hoped that it might be possible to pre-empt this situation somewhat in 2007/08.

It was proposed that the reduction be made in year and be shared between a reduction in the AWPU and the threshold payment to schools.

Taking into account the views that were expressed on 20 June, together with those expressed by the group, the Chair of the Forum agreed that the information should be issued to schools as soon as possible.

7. Supply List

At the meeting of the Schools' Forum held on 20 June 2006 the continued provision of a Supply List by Capita had been raised but it had been felt that further information was required before the Forum could reach a decision.

Further information was now available. The LA paid approximately £30K to Capita to maintain the list that currently had 172 names. Historically, funding was delegated to schools and schools then bought back the list from Capita. Schools, however, stopped using the list, which made it uneconomical so it was no longer provided. When the issue was raised again, the Schools' Forum requested that the LA purchase a list on behalf of the schools. The current list had been operating for two years and the number of names appearing had increased, there was also the guarantee that the teachers were qualified and properly police checked. If the list was stopped there was a possibility that a list could be provided by an alternative provider.

The group felt that there were issues relating to value for money and asked for a further report that set out whether there were any realistic alternatives.

8. Any Other Business

ASTs – In the past there had been a separate grant for schools with ASTs. This grant was no longer in existence – it had been one of the grants that had gone into the SDG. However, DfES guidance indicated that, although the AST grant no longer existed, LAs could claw back funding from schools that had a lower number of ASTs than in previous years.

The views of the group were sought and the group recommended that the funding should follow the AST, as long as the status continued, and that the LA should clawback funds from schools that no longer had ASTs or had fewer than in previous years.

9. Date of Next Meeting

The next meeting of the Schools' Forum would be held on 19 September 2006. The Schools' Budget Working Group therefore agreed that they

would next meet on Thursday, 7 September 2006 at 9.30am. Venue to be confirmed.

P&R/NJS
17 July 2006