

## CUMBRIAN SCHOOLS FORUM – SCHOOLS’ BUDGET WORKING GROUP

### Notes of the meeting of the Schools’ Budget Working Group held on Monday, 6 November 2006 at Newton Rigg, Penrith

**Present:** Steven Bowditch (Special Schools), Karen Forsyth (Bursar, Wyndham School), John Howard (Bursar, Queen Elizabeth School, Kirkby Lonsdale), Jennifer Marshall (Barrow Primary), David Nattrass (VA Primary Schools), Chris Rafferty (Allerdale Primary), Rod Rogers (Eden Primary and Chair of Group), Alan Rutter (Teachers’ Associations), Bert Thomas (CE Diocese), Anton Hodge (LA), Ashleigh Sutton (LA), and Nicola Shiels (LA).

**Apologies:** Mr P Chappelhow, Mr C Clarke, Mr S Higgs, Mrs L Moffatt, Mr M Murphy, Ms V Warner

#### 1. Introduction

Since the last meeting of the Schools’ Forum there had been some changes relating to Local Authority support for the Forum. John Swainston, Head of Service – Schools and Learning would now represent the Corporate Director – Children’s Services at full Forum meetings. Anton Hodge would continue to work with the Forum and Ashleigh Sutton, Children’s Services Finance Team, would take a role as a support officer for the Forum.

A project brief for the school funding formula review had been developed alongside a timetable for the work and it was hoped that these documents would refocus the work, which would be one of the main items of Forum business for the next 12-15 months.

Dates of meetings of the full Forum and the Schools’ Budget Working Group had been scheduled until November 2007 as had meetings of the SEN, Social Deprivation, Access and Inclusion Working Group until the end of March 2007.

The Chair of the group was concerned at the low level of attendance at the meeting. If the group was to take a major role in this area of work over the next 12-15 months it was important that members attended meetings. There was a discussion about Bursar representation on the group. The attendance and contribution of the Bursars was valued, and should continue, but Bursars should not take the place of secondary headteacher representatives.

The list of dates for meetings of Forum and working groups would be circulated to all members of the Forum in advance of the 21 November meeting. Members of the Forum would be reminded that if they were unable to attend a School Forum or working group meeting then they should try to secure an appropriate substitute to attend in their place.

## 2. Notes of the Meeting held on 7 September 2006

Subject to an amendment to the list of those present (Bert Thomas (CE Diocese) rather than Bert Thomas (representing Canon D Jenkins, CE Diocese)) the notes of the meeting of the Schools' Budgets Working Group held on 7 September 2006 were agreed as an accurate record.

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## 3. Matters Arising

i) School Contracts with Capita – It had been agreed that a small sub group of the Schools' Budget Working Group would be established to consider issues raised by schools regarding contracts. The group had not yet met but it was reported that the meeting should take place in early December 2006. Schools would be notified about the meeting and would be asked to provide details of any relevant issues that could be discussed. Guidance about the types of issues that should be raised would be provided to schools and a specific e-mail address would be established for use in registering any issues.

ii) South Lakeland District Council – Sports Centre – The Chair had some concerns about the specific issue relating to South Lakeland District Council. The group noted that there was a legal issue that needed to be resolved.

The LA had undertaken further consultation with schools regarding an amendment to either the current scheme or formula in order that all schools using premises owned/occupied by third parties could either be recharged the costs incurred by the LA in securing these premises or alternatively that the formula allocation could be so amended as to reflect the cost of the free use of premises. This would be further reported to the Schools' Forum in January 2007.

AH

iii) Schools' Forum Website – This had now been updated.

## 4. School Funding Formula Review – Project Brief and Timetable

The group considered a report that set out a project brief and timetable based on the school funding principles that had been agreed by the Schools' Forum on 19 September 2006.

The intention was to refocus the work related to the school funding formula review and a work plan, up to April 2008, had been drawn up together with a proposed timetable and programme that would provide an outline and structure to the work.

The Forum and working group chairs had also agreed a schedule of meeting dates until the end of November 2007. The Schools' Budget and SEN groups would meet on the same day as discussions at each meeting should feed into the group as well as the Forum.

During the discussion there was a query relating to the omission of the review of special schools but it was pointed out that it was not

intended that particular elements be identified at this stage.

There was continuing concern about the ability to progress the review to a conclusion. A particular concern related to the Local Authority signing up to any final recommendations from the Schools' Forum. Built into the timetable was the opportunity to submit regular reports to the Children's Services Directorate Management Team (DMT) and Cabinet. The group however felt that this should be identified more formally with the addition of a fifth column to the timetable. This column would indicate when a report would be submitted to Cabinet. There was also a view that all of the political groups should be aware of the work as it progressed.

Subject to amendments to the timetable, as informed by the discussion, the Schools' Budget Working Group recommended the project brief and timetable to the Schools' Forum on 21 November 2006 (attached as appendix 1 and 2 to notes).

AH

## **5. Cumbria Formula for Funding Schools**

A report that summarised the Cumbria funding formula for schools, looked at the current components of the formula and highlighted issues that had been raised by schools and Local Authority officers was presented.

The current funding formula was a direct descendant of the original LMS Formula that had been introduced in 1988. The original formula has been based, very much, on trying to replicate historic costs for individual schools and since then had been amended on a largely piecemeal basis, factor by factor.

The components of the current formula were provided in a table, together with a brief description of each factor as information to inform the debate.

Schools and LA officers had raised a number of concerns regarding the factors in the current formula. Some of these issued are listed below. It was likely that there would be additional concerns and any new formula should attempt to address such concerns.

### AWPU Funding

- Concerns raised by Junior and Primary schools about the lower value of KS2 AWPU
- Should we continue to pupil-led fund Special schools?
- The AWPU for nursery schools was higher than that for children of the same age in nursery classes (primary and infant schools)
- The high level of AWPU would increase further over the next three years with the addition of funding previously allocated through the Teachers Pay Grants

### Social Deprivation

- Funding for social deprivation was based on Free School Meals: was this still a suitable basis?
- Funding was higher in Cumbria than in other LAs.

- How did this funding interact with other streams (e.g. personalised learning)?

#### School Size Issues

- Funding which protected small schools (small schools allocation, lump sum and minimum funding guarantee) had increased in past few years and would continue to do so. Was this tenable?
- Small primary and secondary schools were facing financial pressures. Nine of the eleven secondary schools with fewer than 500 pupils on roll were in deficit.

#### Other Issues

- Was the funding of Class Size still a fair method of allocating funds?
- Funding for KS4 Practical Curriculum had been added in 2006-07 to the KS4 AWPU and this was due to increase in future years.

In discussing the report the group requested that national and statistical neighbour averages be added to table 1, to set Cumbria in context. It was also felt that additional information regarding the foundation stage be would be beneficial to future discussions.

The correct split between AWPU and bandings (25% AWPU, remainder bandings) was pointed out and noted and an issue relating to the MFG and SEN was also noted as an issue to continue to be aware of.

The Schools' Budget Working Group noted the report. Officers would begin further work relating to the review and would report back to the next meeting of the group.

AH/AS

#### **6. Formula Factors**

A copy of the School Finance Regulations 2006 had been circulated to the group. There was a short presentation that summarised the regulations and it was hoped that they would provide a basis for further work on developing the funding formula.

#### **7. Any Other Business**

There were no other items of business.

#### **8. Date of Next Meeting**

The next meeting of the Schools' Forum would be held on Wednesday 10 January 2007.

P&R/NJS  
7 November 2006

## **SCHOOL SPENDING REVIEW – PROJECT BRIEF**

1. Summarise and review current formula and the factors therein, listing any issues raised by schools and Local Authority officers.
2. Identify the allowable components of a funding formula.
3. Identify the cost pressures on schools related to their statutory and contractual obligations.
4. Identify schools in Cumbria, in order to consider the working of the current formula and as a basis for alternative formulae.
5. Observe and record the experience of other local authorities, looking into alternative formulae.
6. Create a computer model of school expenditure, which can be used to test spending and/or funding alternatives.
7. Consider different formula options for budget distribution.
8. Consult schools.

**SCHOOL FUNDING FORMULA REVIEW – TIMETABLE (amended 06.11.06)**

	<b>Schools Forum</b>	<b>Budget Working Group</b>	<b>SEN Working Group</b>	<b>Local Authority Officers</b>	<b>Local Authority Leadership</b>
<b>6 November 2006</b>	---	<ul style="list-style-type: none"> <li>• Determine project brief and timetable</li> <li>• Consider current formula and allowable components</li> </ul>	---	Continue relevant research work	
<b>21 November 2006</b>	<ul style="list-style-type: none"> <li>• Approve project brief and timetable</li> <li>• Receive report on central budgets in DSG</li> </ul>	---	---	After Schools Forum write to all schools describing project brief and timetable	Seek member agreement of process and principles
<b>10 January 2007</b>	---	<ul style="list-style-type: none"> <li>• Complete definition of cost pressures for schools</li> <li>• Identify schools and review operation of current formula and alternative formulae</li> </ul>	Consider DfES proposals for personalised learning and report back to budget working group	Continue relevant research work	

<b>23 January 2007</b>	Receive a recommendation on the cost pressures and the implications of using the current budget	---	---	Update report to schools, DMT and Cabinet	Report to Scrutiny
<b>6 February 2007</b>	---	Begin to develop and agree possible formula options, including experiences of other LAs	Review the statement budget and report back to Budget Working Group	Continue relevant research work	
<b>6 March 2007</b>	---	Continue work on developing and agreeing possible formula options	Consider delegation of advisory teachers and SENCOs and a buy back arrangement for schools  Report back to Budget Working Group	Continue relevant research work	
<b>27 March 2007</b>	Consider different formula budget options	---	---	After Schools Forum send update report to schools, DMT and Cabinet	Seek agreement of Cabinet to work done and proposed

<b>18 April 2007</b>	---	Consider different formula budget options (following full Forum meeting) and recommend options to be basis of consultation	---	Continue relevant research	
<b>2 May 2007</b>	Approve budget options for consultation with schools	---	---	After Schools Forum consult schools	
<b>11 June 2007</b>	---	Consider a report on the outcome of consultation and recommend any necessary adjustments	---	Continue relevant research – update report to DMT and Cabinet	Seek agreement of Cabinet to work done and proposed
<b>2 July 2007</b>	Consider a progress report from Budget Working Group and issue any necessary direction to the Budget Working Group	---	---	Continue relevant research	Report to Scrutiny
<b>12 September 2007</b>	---	Consider any further outstanding issues and make a recommendation to the Schools Forum	---	Continue relevant research update report to DMT and Cabinet	Seek agreement of Cabinet to work done and proposed

<b>2 October 2007</b>	Approve adjustments to scheme for consultation with schools	---	---	Consult with schools after Schools Forum meeting	
<b>13 November 2007</b>	---	Consider a report on the outcome of consultation and recommend final scheme to Schools Forum	---	Continue relevant research	
<b>27 November 2007</b>	Recommend final scheme to Cabinet of County Council	---	---	Obtain decision from Cabinet and inform schools	Cabinet decision
<b>April 2008</b>				Implement new budget	