



NOTICE OF MEETING

Schools Forum

Thursday 15 September 2011, 4.30 pm

Council Chamber, Fourth Floor, Easthampstead House, Bracknell

To: The Schools Forum

Schools Members:

Maureen Beadsley, Secondary School Governor
Trisha Donkin, Primary School Representative
Andrew Fletcher, Secondary School Representative
Brian Fries, Secondary School Governor
Ed Glasson, Primary School Governor
Gill Harbut, Primary School Representative
Louise Lovegrove, Primary School Representative
John McNab, Secondary School Governor
Joanna Quinn, Primary School Representative
Tony Reading, Primary School Governor
Paul Salter, Secondary School Representative
Trudi Sammons, Primary School Representative
Anne Shillcock, Special Education Representative
John Throssell, Primary School Governor
Kathy Winrow, Academy Representative
Vacancy, Primary School Representative
Vacancy, Primary School Governor
Vacancy, Secondary School Representative

Non-Schools Members

George Clement, Union Representative (Chairman)
Kate Sillett, PVI Provider Representative
Vacancy, 14-19 Partnership Representative
Vacancy, Diocese Representative (Roman Catholic)
Vacancy, Diocese Representative (Church of England)

ALISON SANDERS

Director of Corporate Services

EMERGENCY EVACUATION INSTRUCTIONS

- 1 If you hear the alarm, leave the building immediately.
- 2 Follow the green signs.
- 3 Use the stairs not the lifts.
- 4 Do not re-enter the building until told to do so.

If you require further information, please contact: Emma Silverton

Telephone: 01344 352281

Email: emma.silverton@bracknell-forest.gov.uk

Published: 7 September 2011

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Published: 7 September 2011

Schools Forum
Thursday 15 September 2011, 4.30 pm
Council Chamber, Fourth Floor, Easthampstead House, Bracknell

AGENDA

	Page No
1. Election of Chairman	
2. Election of Vice Chairman	
3. Apologies for Absence/Substitute Members To receive apologies for absence and to note the attendance of any substitute members.	
4. Declarations of Interest Members are required to declare any personal or prejudicial interests and the nature of that interest, in respect of any matter to be considered at the meeting.	
5. Minutes and Matters Arising To approve as a correct record the minutes of the meeting of 14 July 2011.	1 - 8
6. Schools Forum Membership Review To receive a report which seeks the endorsement of an amendment to the Forum's composition which is intended to bring it in to line with the Schools Forum (England) Regulations 2010 to reflect the proportion of pupils in schools maintained by the Local Authority.	9 - 12
7. Schools Planned Works Programme To receive a report which seeks agreement from the Schools' Forum on the proposed approach to the prioritisation of funding for the Schools Planned Works Programme.	13 - 24
8. New Statutory Requirements Related to Alternative Educational Provision To receive a report which advises the Schools Forum of the revised statutory requirements and cost implications for the education of children and young people out of school although not excluded but known to Bracknell Forest Council.	25 - 30
9. Support to schools in financial difficulties To receive an update on support offered to schools in financial difficulties.	31 - 40

10. **Implementing the Schools Financial Value Standard**

To consider the new requirement on schools to complete the Schools Financial Value Standard (SFVS) which ensures that money is spent wisely and properly, allowing schools to optimise their resources to provide high quality teaching and learning and so raise standards and attainment for their pupils.

41 - 52

11. **DfE Consultation on School Funding Reform: Proposals for a Fairer System**

To receive an information report which informs members of the Schools Forum about the proposals set out in the Department for Education (DfE) *Consultation on school funding reform; proposals for a fairer system*. The Forum is also asked to consider what response, if any, it wishes to make to the consultation.

53 - 64

12. **Dates of Future Meetings**

The next meeting of the Schools Forum is scheduled for Thursday 13 October at 4.30pm in the Council Chamber, Easthampstead House.



**SCHOOLS FORUM
14 JULY 2011
4.30 - 5.50 PM**

Present:

Schools Members

Maureen Beadsley, Secondary School Governor
Trisha Donkin, Primary School Representative
Brian Fries, Secondary School Governor
Ed Glasson, Primary School Governor
Louise Lovegrove, Primary School Representative
John McNab, Secondary School Governor
Joanna Quinn, Primary School Representative
Tony Reading, Primary School Governor
Paul Salter, Secondary School Representative
Anne Shillcock, Special Education Representative
John Throssell, Primary School Governor
Kathy Winrow, Secondary School Representative

Non-Schools Members:

George Clement, Union Representative (Chairman)

Also Present:

Paul Clark, Bracknell Forest Council
David Eagle, Bracknell Forest Council
Emma Silverton, Bracknell Forest Council
Chris Taylor, Bracknell Forest Council
Bob Welch, Bracknell Forest Council

Apologies for absence were received from:

Gordon Anderson, Diocese Representative (Vice-Chairman)
Andrew Fletcher, Secondary School Representative
Gill Harbut, Primary School Representative
Trudi Sammons, Primary School Representative

The Chairman Welcomed Louise Lovegrove to her first meeting of the Forum as a Primary School Governor Representative.

72. Minutes and Matters Arising

RESOLVED that the minutes of the meeting held on 3 March 2011 be approved as a correct record and signed by the Chairman.

Matters arising

Minute 67: Consultation with schools on planned maintenance was still underway and therefore an update would be presented to the Forum when available. In addition, the Council was currently out to tender for new Condition of Works Surveys for all schools in Bracknell Forest.

73. Membership of the Schools Forum

The Forum received a report from Emma Silverton, Democratic Services Officer, regarding a change to the membership of the Schools Forum.

Nominations were recently sought to fill three vacancies for primary school governor representatives on the Forum following the end of the terms of office for two members, and the resignation of a third member of the Forum.

Two application forms had been received from Tony Reading, who continued to be a Governor at Sandy Lane Primary School and Louise Lovegrove, who was a Governor at Cranbourne Primary School.

There were insufficient nominations to fill all three vacancies therefore, in accordance with the Forum's Constitution and the Regulations, the Executive Member for Education and Director of Children, Young People & Learning in consultation with the Chairman of the Forum, would appoint to the remaining vacancy on behalf of the authority.

The Forum noted that Mr Reading and Ms Lovegrove be appointed to the Schools Forum for a period of three years until 31 August 2014.

74. Review of Forum's Constitution

The Forum received a report which sought endorsement of an amendment to the Forum's Constitution which was intended to bring it into line with the Schools Forum (England) Regulations 2010 following the order for Ranelagh School to become an academy.

From August 2011, Ranelagh School was expected to become an academy. The Schools Forums Regulations came into force on 1 April 2010 and stipulated there must be at least one academy member on a Schools Forum where there were academies in the local authority's area.

RESOLVED that:

- a) the Constitution of the Bracknell Forest Schools Forum be amended to add an academy representative to the schools representatives;
- b) a review of the schools membership be undertaken by officers to ensure that the allocation of seats on the Forum was broadly proportionate to the ratio of pupils.

75. Services to Schools: School Meals

Chris Taylor, Head of Property & Admissions, presented a report which advised the Schools Forum on arrangements for the re-tendering of the schools meals contract. The current schools meals contract with ISS Education was due to end on 31 July 2012. A working group had been established to review the tendering procedure to inform the renewal of the contract.

28 primary schools and 1 secondary school in Bracknell Forest had signed up to the school meals catering contract which was arranged by the Council at a time of little interest from contractors in providing schools meals which meant that the initial terms of the contract were costly to schools. This has been re-negotiated in the final year of

the contract to terms that are much more financially advantageous to schools with a relatively small subsidy to pay, estimated at £78,000..

A new feature of the proposed contract would be a wrist band ordering system which would help to ensure children received the meal they had ordered and would reduce waste. This service had been previously trialled in Bracknell Forest schools and had proved successful. It was noted that monitoring would be needed to ensure the allocating of meals and wristbands did not impact adversely on school staff time.

The Forum noted that Primary School meal uptake had increased to 30.7% in 2009/10 compared to 28.5% in the previous year, however was still below the national average of 44.1%. Work was being undertaken by officers to increase the level of school meal uptake.

It was also confirmed that there may be an increase in the cost of school meals to parents however, affordability would be carefully considered and would be consistent with neighbouring authorities.

RESOLVED that:

- a) the reasons for the re-tendering of the school meals contract be noted;
- b) the proposal to re-tender the school meals contract be agreed.

76. **Services to schools: School Cleaning**

The Forum received a report from Chris Taylor, Head of Property & Admissions, which gave details of the arrangements for the re-tendering of the corporate cleaning contract in which schools participated.

Currently a total of three primary and seven secondary schools participated in the corporate cleaning of civic offices and other council sites. The current contract with KGB Cleaning was due to end on 31 October 2011. A working group had been established to review the tendering process and consider future options with schools being consulted during the first half of the autumn term. A present 20 schools had expressed an interest in the re-tendering of the corporate cleaning contract.

RESOLVED that:

- a) the reasons for the re-tendering of the corporate cleaning contract be noted;
- b) the proposal to participate in the re-tender of the corporate cleaning contract to allow continued school involvement be agreed.

77. **The Academy programme and implications for Bracknell Forest**

Bob Welch: Chief Adviser: Learning and Achievement, presented the report which outlined the coalition government's programme for schools to become academies including the financial implications and potential impact on services provided by the Council.

An Academy was a state funded independent school which was exempt from local authority control. There were two forms of Academies; Sponsored Academies which replaced schools that had been deemed to be unsuccessful and Converter Academies which were successful schools that chose to change to the status of an Academy.

Academies had freedoms in a number of areas including; staff pay and conditions, the curriculum, school improvement, infant class size, length of term and school day and greater freedom on how they used their budget.

Academies would still be able to purchase services from the Council however, it was noted that should an academy chose not to do so and the number of academies increased then the buy-back levels would have a direct and immediate effect on services available from the Council.

The LA would retain residual statutory functions should a school become an academy such as provision of schools places, SEN and children out of school.

It was noted that in Bracknell Forest the number of schools choosing to convert their status was not as high as in other areas with only one school converting at present. Ranelagh VA secondary school had received consent from the Secretary of State to become an Academy and would do so at the end of July 2011.

Ranelagh School had felt that becoming a Converter Academy was the right choice for the school and would protect the church school ethos; it was not in any way related to dissatisfaction with the service received from the Council. As a Voluntary aided school many of the provisions needed to for a school to become an academy were already in place.

Arising from members' questions and comments the follow points were noted:

- The responsibility of school governors would increase with governors having to approach the role differently. Ultimately the Academies Trust were responsible for the performance of the school however more emphasis would be placed on the role of the school governor.
- Concern was expressed that the need for governors with high skill levels could prevent a broad spectrum of people from the community becoming governors.
- There was no clear research as yet, showing the effect of academies on neighbouring schools or out comes for education and finances.
- There was a general feeling of concern from teachers unions across parts of the country. In particular, disquiet was expressed to the fact that academies do not have to abide by the School Teachers Pay and Conditions Document. This, however, is not the case with Ranelagh.

Paul Clark, Head of Departmental Finance, gave a presentation in respect of financial implications for Bracknell Forest in relation to academies which included funding provided to an academy and funding removed from local authorities.

Academies would receive a basic one-off conversion grant of £25,000 to help manage the cost of the conversion process. The normal individual school budget share would be received through the home local authorities Funding Formula for school, with some potential adjustments and top-up funding would be added to meet certain costs currently paid for from local authority budgets.

The funding given to an academy was not the same amount as taken from the home LA. Whilst discussions were underway with the DfE on various areas of the transfer process, initial indications are that funding for Education in Bracknell Forest would be reduced by between £230,000 and £165,000.

Concern was expressed by some members of the Forum that funding for education could be lost, particularly if more schools chose to become academies. It was noted that at present there was only certainty for the current budget but that DfE could refine the funding formula to improve the situation.

The Forum agreed that The Academy Programme and Implications for Bracknell Forest report be noted.

78. **2010-11 School Balances**

Paul Clark, Head of Departmental Finance, gave an update on the level of balances held by schools as at 31 March 2011 with a comparison to those held in 2009/10.

Statutory Regulations required that each school's year end balance of revenue budget be held as an earmarked amount and made available for use in the next financial year.

It was reported that aggregate surplus balances had increased to £3.747m which was an increase of 44.5%. Nine schools had been assessed as having a significant surplus balance, compared to three at the end of 2009/10. On average, at 5.7% of total budget, overall reserves are considered to be at a more than adequate level required for working balances and schools should be considering whether sufficient funds are being spent to support school improvement.

It was noted that whilst Capital Funding balances had reduced during the year, this mainly related to contributions to the rebuild at Garth Hill College, and that overall, current balances of £1.534m were similar to amounts held over the preceding 3 years. It was also confirmed that Capital Funding must be spent on eligible expenditure within three years and one term of receipt or be returned to the DfE.

The Schools Forum **NOTED** that:

- a) the level of aggregate surplus revenue balances as at 31 March 2011 totalled £3.747m, an increase of £1.154m (44.5%) from the previous year (paragraph 5.4 (1));
- b) at 5.7% of annual income, average surplus balances were in excess of the amount required for working balances and that more funds could have been spent by schools on their key priorities (paragraph 5.4 (3));
- c) significant surplus revenue balances totalled £0.715m, an increase of £0.479m (203%) from the previous year (paragraph 5.8);
- d) £1.534m of Devolved Formula Capital grant remained unspent at 31 March 2011, a decrease of £0.569m (27.1%) from the previous year (paragraph 5.12 (1));
- e) £0.149m of Devolved Formula Capital grant must be spent by schools by 31 August 2011, or returned to the DfE (paragraph 5.12 (4)).

79. **2010-11 provisional outturn on the Schools Budget**

The Forum considered a report which informed members on the provisional outturn on the 2010-11 Schools Budget.

It was reported that provisional final accounts indicated expenditure in the Schools Budget of £67.650m, an under spend of £1.549m. It was noted that this figure was subject to change, pending external audit.

Main changes from the approved budget plan included:

- Delegated school budgets – an under spend of £1.160m
- SEN provisions and support services – an under spend of £0.300m
- Education out of school – an over spend of £0.066m
- Pupil behaviour – an under spend of £0.049m
- School staff absence and other items – an over spend of £0.258m
- Combined Service Budgets – an under spend of £0.099m
- Standards Fund LEA Managed – an over spend of £0.061m
- DSG – £0.328m additional income
- Balance from 2009-10 – an over spend of £0.016m

NOTED that:

- a) the outturn expenditure for 2010-11, subject to audit, of £67.560m, which represented an under spend of £1.549m compared to the approved budget (paragraph 5.2);
- b) the current balances within the Schools Budget and other specific earmarked reserves (Table 1).

80. DfE consultation on school funding reforms

The Forum noted an information report presented by Paul Clark, Head of Departmental Finance, which updated members of the Forum on the initial proposals from the government on school funding reform, which may be introduced from 2012-13.

On 13 April, the Government launched two parallel, six-week consultations on school funding: 'School funding reform - Rationale and Principles'; and 'Academies pre-16 funding – Options for the 2012/13 academic year'.

The Forum noted that the implications of the changes proposed in the consultations were potentially significant, such as any potential shift of resources between (and within) the maintained and other sectors, or between local authorities with different characteristics.

The LA had not made a formal response to the initial consultation and awaited details from the second consultation which was expected to include specific proposals for change. Due to the delay in publication of the second consultation, there are doubts that significant changes can now be implemented for the start of 2012-13 financial year.

81. Dates of Future Meetings

The next meeting of the Schools Forum was scheduled for Thursday 15 September 2011 at 4.30pm in the Council Chamber, Easthampstead House.

Future meetings:

- Thursday 13 October 2011

- Thursday 8 December 2011
- Thursday 9 February 2012

CHAIRMAN

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**TO: SCHOOLS FORUM
15 SEPTEMBER 2011**

**REVIEW OF PROVISION FOR SECONDARY SCHOOL REPRESENTATIVES
ON THE SCHOOLS FORUM
Director of Corporate Services**

1 PURPOSE OF REPORT

- 1.1 To seek endorsement of an amendment to the Forum's composition which is intended to bring it in to line with the Schools Forum (England) Regulations 2010 to reflect the proportion of pupils in schools maintained by the Local Authority.

2 RECOMMENDATION(S)

- 2.1 **That the composition of the Bracknell Forest Schools Forum as set out in Appendix A be approved.**
- 2.2 **That the Governing Body of Ranelagh School be asked to confirm their nominee for the Academy's place on the Forum.**
- 2.3 **That the Secondary Heads Association be asked to nominate a third representative to the Forum.**

3 REASONS FOR RECOMMENDATION(S)

- 3.1 To bring the Forum's Constitution in to line with the Schools Forum (England) Regulations 2010 following the order for Ranelagh School to become an academy. At the Forums' last meeting it was agreed that an Academy Representative be added to the Schools Forum Membership and that a review be undertaken by officers to ensure that the allocation of secondary school representatives' seats is broadly proportionate to the ratio of school pupils in the borough.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 None, a review of secondary school representatives is required to ensure the Bracknell Forest Schools Forum is in keeping with the Schools Forum (England) Regulations 2010.

5 SUPPORTING INFORMATION

- 5.1 The Schools Forums (England) Regulations 2010 came in to force on 1 April 2010. The Forum adopted its current constitution in September 2010. At that time it was advised that the 2010 Regulations stipulate there must be at least one academy member on a Schools Forum where there are academies in the local authority's area. The requirement is consistent with that for nursery and special schools, which must have representation if there are any such schools in an authority's area. As there were no academies within Bracknell Forest at the time, no provision was made for an academy member on the Forum.

- 5.2 From August 2011 Ranelagh Church of England Secondary School became an Academy. At its meeting on 14 July the Schools Forum agreed that the Forum's Constitution be amended to add an Academy Representative to the allocation of schools representatives.
- 5.3 The Headteacher of Ranelagh had been an existing member of the Forum as a secondary school representative and has been appointed to be the academies' representative from 1 August 2011 until a full review of the constitution could be undertaken at this meeting. This means there is a vacancy for a secondary school representative.
- 5.4 As requested by the Forum at its meeting of 14 July 2011, officers undertook a review of school pupil numbers in Bracknell Forest to assess whether the current allocation of seats is broadly proportionate.
- 5.5 There are currently 17 primary and secondary schools members on the Forum (including the academy appointment made at the last meeting):
- 10 Primary (59%)
 - 6 Secondary (35%)
 - 1 Academy (6%)
- 5.6 The current primary and secondary schools population is:
- Primary 9089 (58%)
 - Secondary 5524 (36%)
 - Academy 951 (6%)
- 5.8 These figures suggest that the membership with the additional academy appointment will be broadly proportionate to the school population as stipulated in the guidance issued by the Department of Education in December 2010.
- 5.9 This means that there is now a vacancy for the third secondary school staff representative on the Forum. Accordingly, it is suggested that the Secondary Heads Association be asked to nominate a further member to serve on the Forum.
- 5.10 In addition, the 2010 Regulations stipulate that: Where there is only one Academy in the authority's area, the governing body of the Academy must select the person who will represent them on the schools forum.

Therefore, the governing body of Ranelagh School has been asked to confirm that the school's headteacher should take the academies' place on the Forum.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 Nothing to add to the report.

Borough Treasurer

6.2 Nothing to add to the report.

Equalities Impact Assessment

6.3 There are no equalities issues raised by this matter as the processes aim to be non-discriminatory.

Strategic Risk Management Issues

6.4 There are no strategic risk management issues to be considered.

Other Officers

6.5 None.

7 CONSULTATION

Principal Groups Consulted

7.1 None.

Method of Consultation

7.2 None.

Representations Received

7.3 None.

Background Papers

Bracknell Forest Schools Forum Constitution
Schools Forum- Review of Constitution Report, 14 July 2011
The Schools Forums (England) Regulations 2010

Contact for further information

Emma Silverton, Democratic Services - 01344 352 281
emma.silverton@bracknell-forest.gov.uk

**MEMBERSHIP OF THE
BRACKNELL FOREST SCHOOLS FORUM SEPTEMBER 2011**

SCHOOLS MEMBERS:

Academy Representative: (1)

Kathy Winrow, Ranelagh School (to be confirmed)

Primary Representatives: (5) *Appointed by nomination of Primary Heads group*

Joanna Quinn, Wooden Hill School

Gill Harbut, Winkfield St Mary's

Trisha Donkin, Holly Spring Junior School

Trudi Sammons, College Town Infants and Nursery

Vacancy

Primary Governors: (5) *Appointed from all Primary Governors, by election where needed*

Ed Glasson, Meadow Vale Primary School **(to 31.08.2013)**

Louise Lovegrove, Cranbourne Primary School **(to 14.07.2014)**

Tony Reading, Sandy Lane Primary School **(to 14.07.2014)**

John Throssell, Crown Wood Primary School **(to 31.08.2012)**

Vacancy

Secondary Representatives: (3) *Appointed by nomination of Secondary Heads group*

Paul Salter, Brakenhale School

Andrew Fletcher, Sandhurst School

Vacancy

Secondary Governors: (3) *Appointed from all Secondary Governors, by election where needed*

Mrs Maureen Beadsley, Easthampstead Park School **(to 31.08.2012)**

Brian Fries, Easthampstead Park Secondary School **(to 31.08.2013)**

John McNab, Edgbarrow School **(to 31.08.2013)**

Special Education Representatives: (1) *Appointed from Special School Governors*

Anne Shillcock, Kennel Lane Special School **(to 31.08.2013)**

NON-SCHOOLS MEMBERS:

Union Representative: (1)

George Clement,

Church of England Diocese Representative: (1)

Vacancy

Roman Catholic Diocese Representative: (1)

Vacancy

14-19 partnership (1)

Vacancy

PVI providers (1)

Kate Sillett

TO: **SCHOOLS FORUM**
15 SEPTEMBER 2011

SCHOOLS PLANNED WORKS PROGRAMME
Director of Children Young People & Learning

1 PURPOSE OF REPORT

- 1.1 To consult Schools' Forum on the proposed approach to the prioritisation of funding for the Schools Planned Works Programme.

2 RECOMMENDATIONS

- 2.1 **That the Schools Forum AGREES to the proposed approach to the prioritisation of LA funding for the Maintained Schools Planned Works Programme as set out in the body of the report.**

3 REASONS FOR RECOMMENDATIONS

- 3.1 **The LA has a duty to consult the Schools Forum on school funding matters.**

4 ALTERNATIVE OPTIONS TO BE CONSIDERED

- 4.1 The options for schools are set out in the body of the report.

5 SUPPORTING INFORMATION

Background

- 5.1 The Planned Works Programme is LA capital investment in maintained schools over £2,000 that can be foreseen and planned for, such as planned maintenance, disabled access, fire safety etc. These works are essential to ensure safe and continuous operation of school buildings.
- 5.2 The LA's Planned Works programme has assumed a greater importance for maintained schools since the new coalition government reduced the allocation of Devolved Formula Capital funding to schools, and increased capital grant funding to LAs for schools capital maintenance. Maintained schools are therefore more reliant on the LA to make wise investment decisions that will support them in their safe and continuous operation.
- 5.3 Schools Forum took a report in March 2011 suggesting an approach to prioritisation from April 2011, following a consultation with schools during the 2011 Spring Term. The Forum raised concerns that the length of time allowed for the consultation was insufficient to allow for a fully considered response, and so a further 12 week written consultation with schools was undertaken between May and July 2011. This report feeds back on the results of this consultation.

The Approach to Planned Works in Maintained Schools

- 5.4 This report relates to Maintained schools only, and VA schools and Academies are subject of their own separate funding arrangements for Planned Works.
- 5.5 Projects will be raised in maintained schools under the planned works programme subject to the availability of funding. Statutory compliance items e.g. Fire Safety, DDA and Legionella will be given the highest priority for available funding, with Planned Maintenance and suitability items below this in the order of ranking. Within this the LA will adopt the following approach to Planned Works in Maintained Schools from April 2011 which will also be included in the 2011 CYPL Asset Management Plan:

PRIORITISATION OF THE COUNCIL'S CAPITAL FUNDING FOR PLANNED WORKS AT MAINTAINED SCHOOLS
N.B. The extent to which works will be undertaken is subject to available funding in each year.
1. Fire Safety/Risk Assessment works <ul style="list-style-type: none">• Will be drawn from: School Fire Risk Assessments• Proposed Method of Prioritisation: Compliance items with fire alarms, emergency lights and fire compartmentation.
2. DDA (Disability Discrimination Act) works <ul style="list-style-type: none">• Will be drawn from: The needs of Individuals and School Access Audits• Proposed Method of Prioritisation: In accordance with the Asset Management Plan (AMP), which allows schools to refer the physical access needs of individual statemented pupils or registered disabled staff to the Council. Any funding remaining will be allocated to Priority 1 items from schools Access Audits.
3. Legionella works <ul style="list-style-type: none">• Will be drawn from: School Schemes for Prevention or Control of Legionella under the Service Inspection Contracts SLA to schools managed by Building Group.• Proposed Method of Prioritisation: Compliance items involving replacement of water systems.
4. Planned Maintenance works <ul style="list-style-type: none">• Will be drawn from: School Condition Surveys.• Proposed Method of Prioritisation: Works are prioritised in accordance with the AMP to Priority 1 (urgent) items. Where funding is insufficient to address all P1 items, works will be selected focussing the Priority 1d items which are the most urgent, and within this giving priority to those items that carry Health & Safety risk, or may result in significant disruption or school closures, or where there is potential for significant damage to buildings if they are not addressed.

5. Suitability (Fitness for Purpose) Works:

- Will be drawn from: School Suitability Surveys.
- Proposed Method of Prioritisation: Any works to be prioritised in accordance with the AMP to Priority 1 items.

6. School Contributions to Planned Maintenance Works

- Schools should make a contribution to the cost from the devolved budget where the LA undertakes planned maintenance works in a school.
- The contribution should be 10% of the estimated cost of the works on the condition survey, up to a maximum ceiling of 75% of the schools annual Devolved Formula Capital allocation.
- Where the final cost of the works exceeds the estimated cost of the works on the condition survey the Council will pay the additional cost and the school's contribution will be fixed at the original agreed figure.
- Where the final cost of the works is below the estimated cost of the works on the condition survey the Schools contribution will be reduced on a pro-rata basis.
- Schools contributions to be subject to abatement where a school has previously agreed with the Council for the allocation of its devolved Formula Capital to an alternative capital project.
- The school contribution to be taken up on completion of the works
- The above approach to be applied consistently to all schools

7. School Condition Surveys

- To be provided in accordance with DFE guidelines.
- Need to be kept updated on an annual basis.
- Site surveys to be undertaken by arrangement in advance and in consultation with school site management staff.
- There should be no ambiguous items in the surveys like "investigate further", and the cost of any investigations to determine the scope and extent of works should be included in the programme.
- The Council will seek to undertake future condition surveys using hand held devices that download immediately into the online Asset Management database.

8. Arrangements for ongoing Consultation on Schools Planned Works

The LA will include Planned Works on the agenda of the schools Reactive Maintenance Working Group. This group includes schools representatives. The Group will meet termly and there will be an annual review during the Spring Term meeting each year.

Any future changes to this approach to prioritisation of Planned Works at Maintained Schools will be subject of consultation with Schools and Schools Forum.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

6.1 Not sought.

Borough Treasurer

6.2 The Borough Treasurer is satisfied that no significant financial implications arise from this report. Funding for capital works will be determined through the Council's budget setting process.

Equalities Impact Assessment

6.3 Not required

Strategic Risk Management Issues

6.4 The risk of not addressing urgent planned maintenance items is assessed as HIGH, for the LA and for Schools. A co-ordinated approach to target limited resources is essential to mitigate this risk.

6.5 The staffing capacity risk of the 2011/12 LA budget not being spent is assessed as MEDIUM, and arrangements have been made to ensure that adequate resources are in place.

6.6 The risk of inaccurate or out of date condition survey data for 2011 is assessed as LOW because new condition surveys have been commissioned from external consultants.

7 CONSULTATION

Principal Groups Consulted

7.1 School Bursars and Head Teachers

Method of Consultation

7.2 A written consultation questionnaire was sent under a covering letter on 04/05/11. The consultation ran for 12 weeks until the end of the 2011 summer term.

Consultation Responses

- 7.3 Only five maintained schools (16%) responded to the consultation; three primary and two secondary. Reminders were sent to schools before the end of the consultation period and this was also raised at the Summer Term Bursars and Headteachers meetings to remind schools to respond. The low response rate was disappointing, and fewer schools responded to this consultation than did to the first one, perhaps reflecting that this is not a significant issue for the majority of schools.
- 7.4 The consultation questionnaire, schools answers/comments and the LA's response are attached as APPENDIX A.

Background Papers

Appendix A Consultation Results

Contacts for further information

David Watkins 01344 354061	Chief Officer: Performance & Resources david.watkins@bracknell-forest.gov.uk
Chris Taylor 01344 354062	Head of Property & Admissions chris.taylor@bracknell-forest.gov.uk

BRACKNELL FOREST COUNCIL

CONSULTATION WITH MAINTAINED SCHOOLS

CAPITAL PLANNED WORKS PROGRAMME FROM APRIL 2011

PROPOSED METHOD ON HOW THE COUNCIL'S CAPITAL ALLOCATIONS SHOULD BE PRIORITISED AND SHARED ACROSS MAINTAINED SCHOOLS

N.B. The extent to which works will be undertaken is subject to available funding in each year.

Item	No of School that Agree/ Disagree	Schools' Comments	LA Response
1. Fire Safety/Risk Assessment works <ul style="list-style-type: none"> • Will be drawn from: School Fire Risk Assessments • Proposed Method of Prioritisation: Compliance items with fire alarms, emergency lights and fire compartmentation. 	<p style="text-align: center;">5/0</p> <p style="text-align: center;">4/1</p>	<ul style="list-style-type: none"> • Fire risk assessments are of a good quality, but items should be prioritised by risk 	<p>We will review this suggestion for the next round of fire risk assessment updates</p>

Item	No of School that Agree/ Disagree	Schools' Comments	LA Response
<p>9. DDA (Disability Discrimination Act) works</p> <ul style="list-style-type: none"> • Will be drawn from: The needs of Individuals and School Access Audits • Proposed Method of Prioritisation: In accordance with the Asset Management Plan (AMP), which allows schools to refer the physical access needs of individual statemented pupils or registered disabled staff to the Council. Any funding remaining will be allocated to Priority 1 items from schools Access Audits. 	<p>5/0</p> <p>5/0</p>	<ul style="list-style-type: none"> • Contingency needs to be sufficient to allow for unexpected in-year individual pupil need 	<p>Agreed, we do not commit the whole of this budget until well into the financial year.</p>
<p>10. Legionella works</p> <ul style="list-style-type: none"> • Will be drawn from: School Schemes for Prevention or Control of Legionella under the Service Inspection Contracts SLA to schools managed by Building Group. • Proposed Method of Prioritisation: Compliance items 	<p>5/0</p> <p>4/1</p>	<ul style="list-style-type: none"> • Items should be prioritised and the most critical dealt with first versus a policy of dealing with 	<p>Replacement of water systems, or parts of water systems, is required where other measures such as chlorination fail to achieve the</p>

Item	No of School that Agree/ Disagree	Schools' Comments	LA Response
involving replacement of water systems.		replacement of water systems first	required levels of control. Replacement prevents the requirement for ongoing chlorination works which have to be paid for by the school directly.
<p>11. Planned Maintenance works</p> <ul style="list-style-type: none"> • Will be drawn from: School Condition Surveys. • Proposed Method of Prioritisation: Works are prioritised in accordance with the AMP to Priority 1 (urgent) items. Where funding is insufficient to address all P1 items, works will be selected focussing the Priority 1d items which are the most urgent, and within this giving priority to those items that carry Health & Safety risk, or may result in significant disruption or school closures, or where there is potential for significant damage to buildings if they are not addressed. 	<p>4/1</p> <p>5/0</p>	<ul style="list-style-type: none"> • We have reviewed our current survey and supplied feedback on items that the school has completed, items that the local authority has completed and a large number of items are missing. The current surveys are woefully inadequate and issues raised are not specific. We have concern that if they were brought up to a reasonable standard, this would take a huge length of time and could use up what valuable funding we have • As long as they are accurate and up to date • Only when condition survey is properly up to date 	<p>The LA agrees that having accurate condition surveys is an essential pre-requisite to a planned maintenance programme. Building Group are undertaking all new condition surveys for schools in 2011 using external consultants. These new surveys are expected to be completed during the 2011 Autumn term. They will be of a higher standard than in previous years and the drafts will be circulated to each school for comment/feedback before the programme for 2012/13 is drafted.</p> <p>The cost of school condition surveys is not charged against the budget for planned maintenance works. The survey budget is a corporate council budget and is not passed on to schools.</p>
<p>12. Suitability (Fitness for Purpose) Works:</p>			

Item	No of School that Agree/ Disagree	Schools' Comments	LA Response
<ul style="list-style-type: none"> • Will be drawn from: School Suitability Surveys. • Proposed Method of Prioritisation: Any works to be prioritised in accordance with the AMP to Priority 1 items. 	<p>5/0</p> <p>5/0</p>		
<p>13. School Contributions to Planned Maintenance Works</p> <ul style="list-style-type: none"> • Schools should make a contribution to the cost from the devolved budget where the LA undertakes planned maintenance works in a school. • The contribution should be 10% of the estimated cost of the works on the condition survey, up to a maximum ceiling of 75% of the schools annual Devolved Formula Capital allocation. <p>(If you would like to suggest an alternative contribution formula then please give details)</p>	<p>5/0</p> <p>5/0</p>	<ul style="list-style-type: none"> • Within our school, we do not draw down (borrow) from future year's capital because of the risk that we may prioritise items that a year later, may not be our top priority (e.g. to use devolved capital for vital IT infrastructure only to find that we need a new heating system which is even more urgent than the IT work). We believe that if schools are being asked to contribute to the work, then this should be consistent across all schools. 	<p>The proposed approach to contributions will be applied consistently across all schools.</p> <p>It has not been proposed as a flat rate top sliced off all school budgets because the Council may not undertake works at all schools every year. Schools will only be expected to contribute to actual works undertaken at their school.</p> <p>The ceiling of no more than 75% of the DFC allocation is to ensure all schools will have some funding remaining to respond to urgent Health & Safety or ICT needs in any given year.</p>

Item	No of School that Agree/ Disagree	Schools' Comments	LA Response
<ul style="list-style-type: none"> • To be provided in accordance with DFE guidelines. • Need to be kept updated on an annual basis • Site surveys to be undertaken by arrangement in advance and in consultation with school site management staff. • There should be no ambiguous items in the surveys like “investigate further”, and the cost of any investigations to determine the scope and extent of works should be included in the programme. 	<p style="text-align: center;">5/0</p> <p style="text-align: center;">5/0</p> <p style="text-align: center;">5/0</p>	<ul style="list-style-type: none"> • Essential • Results of the survey need to be made available within 2 months of the survey being undertaken • Strongly agree! 	<p>The survey process has historically taken up to 6 months before surveys are issued to schools. We are currently exploring with Building Group the possibility of surveys in future years being undertaken using hand held devices which download immediately into the online Asset Management database. This would incur an additional cost but would enable surveys to be updated in realtime.</p>
<p>15. Arrangements for ongoing Consultation on Schools Planned Works</p> <ul style="list-style-type: none"> • Option A: No further ongoing consultation is required • Option B: An annual consultation 	<p style="text-align: center;">0</p> <p style="text-align: center;">2</p>	<ul style="list-style-type: none"> • I would agree with both B&C. With option C this could be done every 6 months. • Ongoing consultation with schools planned works would be preferable on a tri-annual basis in line with SLAs • Review/Evaluated annually over the next 3 years 	<p>The LA will include Planned Works on the agenda of the schools Reactive Maintenance Working Group. This group includes schools representatives. The Group will meet termly and there will be an annual review during the Spring Term meeting each year.</p>

Item	No of School that Agree/ Disagree	Schools' Comments	LA Response
<p>with schools (like this one) is required.</p> <ul style="list-style-type: none"> • Option C: A regular Working Group with School Representatives is required 	4		
<p>16. This space is to allow schools to make further comments and suggestions on how the Council's capital allocations should be prioritised and shared across maintained schools:</p>		No comments were made	

TO: SCHOOL FORUM
15 SEPTEMBER 2011

NEW STATUTORY REQUIREMENTS RELATED TO ALTERNATIVE EDUCATIONAL PROVISION

Director of Children, Young People and Learning

1 PURPOSE OF DECISION

For the Schools Forum to note the revised statutory requirements and cost implications for the education of children and young people out of school although not excluded but known to Bracknell Forest Council.

2 RECOMMENDATIONS

2.1 To NOTE the change to the statutory requirements related to the education of children out of school (paragraph 5.2);

2.2 To NOTE the forecast overspend in the current year of £0.034m and the potential full year budget pressure of £0.059m (paragraph 6.4).

3 REASONS FOR RECOMMENDATION

Members of the Schools Forum should be aware of the implications of recent changes to legislation related to the education of children not attending a school and whose parents have not elected to educate their child at home. Additional resources are expected to be required to meet a revised statutory requirement.

4 ALTERNATIVE OPTIONS CONSIDERED

None.

5 SUPPORTING INFORMATION

Background

5.1 In the 2010 schools White Paper, *The Importance of Teaching*, the Government set out its commitment to ensuring that all pupils in alternative education provision should receive suitable full time education. The commencement order was not published until June 2011.

5.2 The order extends the current arrangements in which only those pupils who are excluded from school are guaranteed full-time provision. This extension is due to come into force with effect from 1 September 2011. From this date, local authorities must ensure that all children who fall within the scope of Section 19 of the Education Act 1996 receive suitable full-time education unless reasons that relate to their medical condition mean that this would not be in their best interests.

5.3 Section 19 of the Education Act 1996 provides that:
Each local education authority shall make arrangements for the provision of suitable education at school or otherwise than at school for those children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for a period receive suitable education unless such arrangements are made for them

5.4 The extension applies to that group of pupils who may be out of school for medical reasons – relating to either physical or mental health issues. This group of pupils has

not usually received full-time provision to date. Pupils who are not excluded but transfer to the Pupil Referral Service by way of a 'managed move' usually receive a suitable, full-time education.

- 5.5 Exceptionally, there may be pupils who are not on the roll of a Bracknell Forest school and are unable to secure a school place. Given the admission arrangements operated by the different admissions authorities in the Borough this is a rare occurrence.
- 5.6 All other pupils that the Authority is responsible for are on the roll of either a maintained school or the Pupil Referral Service. Alternative provision is funded from the Schools Budget, is centrally managed by the local authority and provides for the following groups of children and young people:
- a. Pupils who are excluded for a fixed period of six days or more and remain on the roll of their mainstream/special school
 - b. Pupils who are permanently excluded and transfer to the roll of a new mainstream/special school or the roll of the Pupil Referral Service
 - c. Pupils who have not been permanently excluded but for whom a Managed Move to the PRS is deemed to be appropriate move onto the roll of College Hall
 - d. Pupils who are unable to attend school by reason of accident, illness or pregnancy remain on the roll of their mainstream school and may be dual registered with the PRS depending upon the anticipated period of provision.
 - e. Pupils who are described as 'school-phobic' who remain on the roll of their mainstream school but are dual registered at College Hall
 - f. Pupils who are at risk of permanent exclusion who may receive support from the PRS but remain on the roll of their school

This report focuses on groups d, e and f above. One further group of pupils who fall into category b are also considered.

The number of pupils, with their provision, in 2010/11 for the relevant groups are set out in Appendix 1.

Pupils with Medical Needs (includes accident, illness or pregnancy) – Group d pupils

- 5.7 The Local Authority maintains a policy *Access to Education for Children and Young People with Medical Needs*. This policy was based on the guidance that was issued in November 2001 by the Secretary of State with the same title. Local Authorities were expected to have regard to this statutory guidance. The Secretary of State has issued no further guidance.
- 5.8 The policy sets out the intention that children and young people with a diagnosed medical condition have proper access to as much high quality education as their condition permits.
- 5.9 The policy emphasises that the child or young person remains the responsibility of the school on whose roll they are registered. Later, the policy goes on to set out the partnership that exists between the school and the Pupil Referral Service where an extended or recurring period(s) of absence is/are anticipated.
- 5.10 The number of pupils who have fallen into this category during the last academic year (2010 – 11) was 14. The number of pupils in any one year is fairly constant at around 15 and has never exceeded 20 cases in any one year.
- 5.11 Schools have traditionally been supported with the provision of a Home Tuition Service for those pupils for whom attendance at school is not appropriate. In line with the guidance, support has tended to be made available after 15 days (unless the

condition is a recurring one). Separate arrangements are in place to meet the costs of educating pupils who may be hospitalised for long periods: these are rarely called upon.

- 5.12 Pupils are either taught in their own homes by peripatetic teachers or in premises arranged by the PRS e.g. at Coopers Hill (peripatetic teachers). Accipio, an IT based remote learning package, can be used to supplement provision in long term cases.
- 5.13 At the time of preparing the LA policy, the guidance from the Secretary of State stated that LAs should ensure a minimum entitlement of five hours teaching per week. The new statutory requirement increases this to full time provision i.e. 25 hours.
- 5.14 In practice, decisions have been taken about what would be in the child or young person's best interests from a medical point of view. Experience indicates that it would be very unusual for the PRS to provide 'taught time' to the levels indicated in the policy. Pupils are unlikely to be able to sustain these levels of face to face one-to-one tuition whilst medically unfit for school. Agreement is reached with the young person, parent and school about what is sustainable. The new DfE policy allows for discretion in this area.
- 5.15 In some cases, for example broken limbs, it would be better to provide the young person with specialist transport to school and to work with the home school to make 'reasonable adjustments' for teaching to take place there. In the past, there has sometimes been reluctance to enter into such arrangements, but four out of the six secondary schools have LSUs, the others have alternative facilities and primary schools can usually be supported to accommodate the pupil's needs.
- 5.16 The attitudes of schools towards young women who are pregnant have changed dramatically over recent years and it is rare for the PRS to be asked to provide a service as attendance at school normally continues.

Pupils described as 'School Phobic' – Group e pupils

- 5.17 The cases of children and young people who are described as 'school phobic' are more problematic. There are a number of such cases that emerge each year. During the last academic year there have been 11 cases. Seven will require provision from September 2011.
- 5.18 The situation is usually identified by a serious decline in school attendance which may lead to discussions regarding the use of penalties or prosecution by the Education Welfare Service. In these cases the Child and Adolescent Mental Health Service (CAMHS) is, or becomes involved and a return to school becomes more unlikely. Rather than providing Home Tuition, attempts are made to include these pupils in provision at The Cottage at College Hall where appropriate to meet their needs and where places are available. This gives the pupils access to a 'safe' environment, contact with other pupils and a broader experience. This 'group' provision is also more economical than 'one-to-one'. Some pupils in this category will be unable to access this group provision due to their medical needs and these pupils are offered one-to-one tuition
- 5.19 School Phobic pupils currently receive either just over 13 hours per week spread over 5 days if they are attending The Cottage group or between 5 and 12 hours if they receive one-to-one teaching. Not all of these pupils would be able to cope with full time education or attending College Hall, but some clearly could.
- 5.20 Currently these places are funded out of the home tuition budget with no charge to schools. Essentially the pupils are considered as having medical needs (mental health) and come under the remit of the policy outlined above.

Pupils at risk of permanent exclusion – Group f pupils

- 5.21 The responsibility for ensuring that these pupils receive a full time education rests with their school. The PRS provides programmes and other support in enabling schools to meet this duty.

Pupils who challenge the range of provision available – Group b pupils

- 5.22 From time to time the service encounters a young person for whom the range of provision available cannot meet their needs. These would be pupils who are unable to maintain a place at College Hall because of their impact on other pupils, cannot then sustain a place at another centre e.g. Coopers Hill, for 'home-tuition' and can therefore only be taught in their own homes. Sustaining full time education for these pupils with home tutors is extremely problematic because of their lack of cooperation and the intensity of the programme. It is the case that there have been a very small number of occasions on which the LA has not been able to meet its legal requirement of providing full time education for a permanently excluded pupil despite its best efforts.

Financial implications

- 5.23 Given the small number of pupils involved and the variability of their needs it is difficult to make predictions about the amount of additional resource needed to meet the new statutory requirement.
- 5.24 On the basis of 2010/11 numbers, if all pupils with medical needs (d) were provided with additional hours to increase their provision to 25 hours tuition, for the period they each had the tuition, a further 3,300 hours would need to have been provided, which would cost around £115,000. The reality is that this is extremely unlikely to be necessary. An increase in budget to enable a doubling of the existing 5 hours per week each of the 4 children currently receiving support at any one time would cost £28,000 plus the flexible use of Accipio costing £10,000 should be sufficient to meet the legal requirement. This totals £38,000 for a full year (£22,200 for 2011/12).
- 5.25 For 'school phobic' pupils (e) an additional 0.4 FTE teacher would be required to increase current provision to 25 hours for the existing Cottage group (5 pupils). The number of pupils who can attend this group is limited due to constraints on the accommodation. This would cost approximately £20,500 based on 0.4 of an average teacher salary (£12,000 for 2011/12). In the longer term modifications to accommodation may be possible to increase the size of the teaching space. In the short term, one-to-one tuition in alternative locations may need to be used supplemented by Accipio for students who fall into this category when the Cottage group is full. Again, not all of these pupils may be in a position to access full time education.
- 5.26 No financial implications are anticipated on the centrally managed Schools Budget from changes in support to pupils at risk of exclusion (f) or pupils permanently excluded (b).
- 5.27 Therefore the estimated additional budget requirement for the remainder of the 2011/12 financial year is £34,200 comprised of £22,200 for additional provision for pupils with medical needs and £12,000 for additional teaching for the Cottage group at College Hall with a full year permanent budget pressure from April 2012 of £59,000.

6 **ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

Borough Solicitor

- 6.1 The relevant legal provisions are contained within the main body of the report .

Borough Treasurer

- 6.2 The estimated financial implications arising from this report are set out in the supporting information. The ongoing pressure of £0.059m will need to be considered during the 2012-13 budget setting process.

Impact Assessment

- 6.3 There are no specific impact assessments arising from this report.

Strategic Risk Management Issues

- 6.4 Were suitable educational provision not be available then the Authority would not meet statutory requirements and this would therefore lead to a reputational risk for the Council.

Other Officers

- 6.5 There are no issues arising from this report that are relevant to other officers.

7 **CONSULTATION**

Principal Groups Consulted

- 7.1 Not applicable, applying agreed policy.

Method of Consultation

- 7.2 Not applicable.

Representations Received

- 7.3 Not applicable.

Background Papers

The Importance of Teaching – DFE 2010

Commencement Order (SI 2011, No 1100) - this brings a duty into force with effect from 1 September 2011. From this date, local authorities must ensure that all children who fall within the scope of section 19 of the 1996 Act receive suitable full-time education unless reasons that relate to their medical condition mean that this would not be in their best interests.

Access to Education for Children and Young People with Medical Needs - DFES 2001

Contact for further information

Bob Welch: Chief Adviser: Learning and Achievement 01344 354185

Pupil Numbers: Academic Year 2010-11

Category	Number	Provision
Permanently Excluded pupils transferring to College Hall roll (b)	38	33 FT 5 not FT
Managed moves to College Hall roll (c)	12	9 FT 3 not FT
Medical, accident, pregnancy provided for by PRS (d)	14	0 FT 14 not FT
'School phobic' pupils provided for by PRS (e)	15	2 FT 13 not FT
Pupils 'at risk' of permanent exclusion (f)	3	1 FT 2 not FT
Other	3	1 FT 2 not FT
TOTAL	85	

**TO: SCHOOLS FORUM
15 SEPTEMBER 2011**

**SUPPORT TO SCHOOLS IN FINANCIAL DIFFICULTIES
Director of Children, Young People and Learning**

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to update members of the Schools Forum on:
- i. proposals for licensed deficit arrangements for schools;
 - ii. proposals for support to schools in financial difficulty;
 - iii. amendments to how the LA funded school improvement budget may be used to support schools at risk of entering an Ofsted category of concern;
 - iv. the confirmed amount of Dedicated Schools Grant for 2011-12.

2 RECOMMENDATIONS

That the Schools Forum:

- 2.1 **NOTES that Cranbourne Primary School, Fox Hill Primary and College Town Junior School are all on target to meet the terms of the previously agreed licensed deficit arrangements (paragraphs 5.4 to 5.6);**
- 2.2 **SUPPORTS the proposal to allocate £0.150m from the budget to support schools in financial difficulty to Easthampstead Park Secondary School to aid recovery from the Notice to Improve, on the terms set out in the body of the report (paragraph 5.15);**
- 2.3 **NOTES that the LA funded budget to support school improvement will in future be directed to schools at risk of entering an Ofsted category as well as those in categories 4 or 5 of the LA's policy for school improvement (paragraph 5.17);**
- 2.4 **NOTES the confirmed amount of Dedicated Schools Grant for 2011-12 is £75m, £0.476m more than anticipated when the budget was set, and that proposals for budget changes, if relevant, will be presented to the Schools Forum for consideration in October (paragraphs 5.19 - 5.20).**

3 REASONS FOR RECOMMENDATIONS

- 3.1 **It is appropriate for the Schools Forum to be aware of, and where relevant, comment on these financial matters.**

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Offering a lower level or no financial support to the schools concerned, but this is considered inappropriate as support is required to assist schools in returning over the short to medium term to a stable financial position whilst at the same time achieving school improvement targets.

5 SUPPORTING INFORMATION

Background

- 5.1 The LA has two main options to support schools in financial difficulty. Firstly, where it is apparent that a school is experiencing medium term difficulties that over time can be readily managed and the school return to a surplus, a licensed deficit can be agreed that allows for a temporary overspend that is eventually fully repaid. Secondly, where significant budget difficulties exist, but where it is unreasonable to expect a school to be able to solve these through the management of their normal budget allocations, or where a school is at risk of falling into one of the Ofsted categories of causing concern, additional funding can be provided.

Licensed Deficits

Background and summary

- 5.2 There are circumstances where schools may experience budget difficulties and in order for the school to continue to function effectively, a temporary overspend of budget allocation may be desirable. The Scheme for Financing Schools has provisions to allow for this through licensed deficits which provides for a short term over spending so that schools have sufficient time to manage expenditure reductions that demonstrate the ability to fully repay any over spending within an agreed period. A summary of the circumstances in which a deficit may be agreed is as follows:
1. Where a school would not otherwise achieve its improvement targets
 2. A major building project is proposed
 3. It would not be reasonable to effect immediately the savings required as a result of a significant reduction in pupil numbers.

The conditions required for approval of a licensed deficit are set out in full in Annex A.

- 5.3 As a preliminary to presenting licensed deficit proposals for comment and agreement, officers of the LA undertake detailed reviews of school requests. This usually involves discussions with the Headteacher, Chairman of Governors and Bursar. In considering 2011-12 requirements, no new licensed deficits are proposed as schools have been able to manage their budgets from within their annual income. All existing deficit arrangements have been reviewed, and no changes are proposed to the terms currently in place at the three schools. Additional financial support is proposed for one school which has just been issued by Ofsted with a Notice to Improve.

Update on previously agreed licensed deficits

Cranbourne Primary School

- 5.4 The Schools Forum has previously agreed a £0.050m licensed deficit for Cranbourne Primary, that was made on an interest free basis, to be fully repaid by 31 March 2013. This was required to support the one form entry school during a period of operating with small class sizes in older year groups that were gradually being replaced with full classes at the age of admission, thereby increasing the overall budget income due to the school. Whilst the actual over spend at 31 March 2011 was £0.002m above the agreed limit, further changes to the medium term budget plan have been made that indicate a return to surplus by 31 March 2013.

Fox Hill Primary School

- 5.5 The Schools Forum has previously agreed to a £0.040m licensed deficit for Fox Hill Primary, on an interest free basis, to be fully repaid by 31 March 2013. Fox Hill Primary School is a one form entry school in an area of high deprivation and had been experiencing a fall in pupil numbers. A range of expenditure reductions have since been implemented, which coupled with a steady rise in pupil numbers indicates a surplus balance at 31 March 2013.

College Town Junior School

- 5.6 The Schools Forum has previously agreed to a £0.045m licensed deficit for College Town Junior, on an interest free basis, to be fully repaid by 31 March 2013. Due to the impact of high pupil mobility from nearby service families, it is subject to significant changes in number on roll and this resulted in the 2009-10 number on roll of 300 reducing to 260 for 2010-11, and per pupil funding falling by around £0.070m. The expenditure reductions implemented indicate that the school will return to a surplus balance by 31 March 2013.

Arrangements for review

- 5.7 The governing body of a school receiving agreement to a licensed deficit has to agree a medium term budget plan which will be kept under review by the LA on at least an annual basis. If it becomes apparent that any significant differences occur in the underlying budget and expenditure assumptions, then this may require subsequent changes, which will need to be agreed with the Director of Children, Young People and Learning and the Borough Treasurer and endorsed by the Executive Member. Should any changes be proposed to these arrangements during the year, they will be presented to the Schools Forum for comment, prior to a decision by the Executive Member.

Support to schools in financial difficulty

- 5.8 School Funding Regulations allow for additional funds outside the normal operation of the Funding Formula to be provided to schools considered to be in financial difficulty. In agreement with the Schools Forum, funding of £0.304m has been set aside in the School's Budget for this purpose. The criteria to be used to allocate this funding has also previously been agreed, and a school would qualify for additional financial support if, in the opinion of the Director of Children, Young People and Learning and the Borough Treasurer, they:

1. were unable to set a balanced budget and were in need of a licensed deficit arrangement at the start of the relevant financial year, and/or
 2. were likely to fall into one of the categories of causing concern, including notice to improve and special measures without additional financial support
- 5.9 Where additional funding is agreed, it is on condition that the senior managers and relevant governors of each school attend regular monitoring meetings with officers of the Council, provide such financial and other information that is requested, and do not make any significant deviations in spending, either in magnitude or by type without the approval of the Director of Children, Young People and Learning.
- 5.10 On the basis of the detailed work undertaken by officers of the Council, one school is considered to be in need of additional financial support.

Easthampstead Park Secondary School

- 5.11 Members of the Forum will be aware that Easthampstead Park Secondary School has been in financial difficulties for a number of years due to a significant fall in pupil numbers. This started in 2008 when the school was placed into the National Challenge programme to increase the number of Year 11 students gaining five or more good grades at GCSE, including English and mathematics. Despite significant improvement in GCSE and A level performance, comfortably exceeding the National Challenge floor standard, it has proved difficult for the school to overcome the misleading publicity concerning the potential closure of the school and pupil numbers have continued to fall.
- 5.12 In setting the 2010-11 budget, a detailed review of the curriculum planning and other spending was undertaken with the school, which culminated in school staff in consultation with officers of the LA and the chair of governors identifying nearly £0.500m of on-going savings over the three years to April 2013. This included reducing the size of the Senior Leadership Team (SLT) from eight to five members by removing three Assistant Heads (two Assistant Head Teachers were given voluntary redundancy in May and another has left the school to take up a post as a Deputy Head Teacher in September), though it was recognised that this could adversely affect the school's capacity for further improvement. Taking account of all the planned reductions, there remained a funding gap which the Director of Children, Young People and Learning, recommended should be financed through a £0.200m allocation from the budget to support schools in financial difficulty. This was subsequently supported by the Schools Forum on the expectation that further financial support would not be required, although it was recognised that changes of the magnitude required to the school budget clearly come with risks around deliverability and the impact on school improvement.
- 5.13 The school and LA have reviewed this medium term budget plan and a number of changes have been made, including increasing income from use of school assets, improved procurement on some of the facilities management contracts together with further planned reductions in staffing. These revisions have enabled the school to maintain anticipated costs to estimated income for the next two financial years.
- 5.14 However, in June 2011, the school was inspected by Ofsted and issued with a Notice to Improve (NTI) due to insufficient progress being made by pupils with SEN or low prior attainment. The inspection team however noted that many important aspects of the work of the school had improved significantly and the school has clear and proven capacity to improve.

- 5.15 Taking account of the requirements for further improvements, the Director of Children, Young People and Learning, has allocated additional resources from the LA budget in terms of specialist personnel and £10,000 from the budget for school improvement to fund actions in the LA Action plan. In addition to this support, the Director considers that additional direct financial support to the school is also required. In discussions with the Head Teacher and Chair of Governors, the most effective means of supporting the school would be to fund an additional Assistant Head Teacher, thereby ensuring that there are sufficient resources and expertise within the SLT to address all the concerns raised by Ofsted and maintain the progress made in recent years. This post would be funded for a period of 17 months and cost around £0.090m. Further short term financial support is also proposed to enable the school to meet improvement targets, including the purchase of additional learning resources of £0.060m, making a total financial contribution from the £0.304m budget to support schools in financial difficulty of £0.150m, which the Forum is requested to support.
- 5.16 To assist the school during the period of NTI, a Management Intervention Board (MIB) will be created to advise the guide the Governing Body on the school's strategies for improvement and their financial, personnel and health and safety operations. The MIB will have an independent chair and representation from the senior management and governors of the school and LA. It is proposed that the MIB has responsibility for agreeing the use of the £0.060m additional resources proposed above to enable the school to meet improvement targets, subject to endorsement by the Director. This funding would be accounted for separately from the main school budget.

Use of LA School Improvement budget

- 5.17 The LA funds a budget from its own resources of £0.040m which is allocated to schools to support school improvement. In line with the recommendations made by the Schools Forum in December 2010, these funds are used to support schools in categories 4 (normally having been issued with Notice to Improve by Ofsted) or category 5 (normally placed in Special Measures by Ofsted). As the overall number of schools in categories decreased in the academic year 2010-11, the LA will in future also use these funds to support schools deemed to be at risk of entering an Ofsted category.

Confirmed amount of 2011-12 Dedicated Schools Grant (DSG)

- 5.18 Members of the Forum will be aware that each year the Schools Budget is set on the basis of estimated income from the DSG as the DfE does not confirm pupil numbers until July. For 2011-12, the DSG was estimated at £74.524m.
- 5.19 The DfE has now confirmed that the final DSG allocation will be £75m, which is £0.476m more than assumed in the budget. In setting the budget, an allowance of £0.219m was made for the possible over estimation of pupil numbers and to cover potential in-year increases in the volatile, high cost budgets that the LA manages, mainly around special educational needs. Adjusting for this provision means that the DSG was under estimated by £0.257m. This difference is generally accounted for from a funding adjustment for low take-up of the free entitlement to early years education for 3 years. The DfE had originally consulted on the proposal to remove this adjustment, but was not ultimately implemented, but the final calculation by the Council was not updated for this late change.

5.20 A budget monitoring report will be presented to the Forum in October that sets out the current forecast position on all budgets, together with the final surplus balance from 2010-11. At this stage a significant surplus for the year is anticipated, and proposals will be brought forward on how the surplus could be used. This could include:

- Proposals to carry forward DSG into the following financial year;
- Proposals to increase individual school budgets;
- Proposals to increase centrally managed expenditure

Next Steps

5.21 Final responsibility to approve licensed deficit requests and allocations to support schools in financial difficulties rests with the Executive Member. Comments from the Forum on these proposals will be taken into account when final decisions are taken in October.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

6.1 Nothing to add to the report.

Borough Treasurer

6.2 The financial implications of the report are outlined in the supporting information.

Impact Assessment

6.3 There are no specific impact assessments arising from this report.

Strategic Risk Management Issues

6.4 There are no specific strategic risk management issues arising from this report

Other Officers

6.5 There are no issues arising from this report that are relevant to other officers.

7 CONSULTATION

Principal Groups Consulted

7.1 Not applicable, applying agreed policy.

Method of Consultation

7.2 Not applicable.

Representations Received

7.3 Not applicable.

Background Papers

Scheme for Financing Schools
Budget plans of relevant schools
Letters from governors requesting licensed deficits

Contact for further information

David Watkins, Chief Officer: Strategy, Resources and Early Intervention (01344 354061)
david.watkins@bracknell-forest.gov.uk

Paul Clark, Head of Departmental Finance (01344 354054)
<mailto:paul.clark@bracknell-forest.gov.uk>

Doc. Ref

Doc. Ref NewAlluse\Executive\Schools Forum\52) 150911\2011-12 Support to schools in financial difficulties
etc.doc

Extract from Section 4 of the Scheme for Financing Schools

4.9 Licensed deficits

In exceptional circumstances, the authority will permit schools to plan for a deficit budget. The funding of licensed deficits would be through the collective surplus of school balances held by the authority on behalf of schools, and will be considered on an individual basis. General features of the scheme are detailed below:

Circumstances in which a deficit may be agreed:

- if in the opinion of the Director of Social Care and Learning a school could not otherwise achieve its improvement targets (there will still be a requirement of the governing body to demonstrate repayment),
- if a school proposes a major building project, to be funded from its delegated budget, which would otherwise result in the project not being undertaken (there will still be a requirement of the governing body to demonstrate repayment),
- if in the opinion of the Director of Social Care and Learning a school could not reasonably be expected to effect immediately the savings required as a result of a significant reduction in pupil numbers (there will still be a requirement of the governing body to demonstrate repayment),

Outline features of the scheme.

- the maximum length over which schools may repay the deficit is 5 years [this may need to be changed to 3 years in light of the latest DCSF proposals] (i.e. reach at least a zero balance),
- arrangement for a deficit will only be agreed where the governing body produces a plan which demonstrates to the satisfaction of the Director of Social Care and Learning the savings or additional income required to repay the deficit within an agreed timescale,

In general the minimum size of deficits which may be agreed will be the lesser of the following:

Primary schools	£10,000
Special schools	£20,000
Secondary schools	£30,000

OR

For all types of school, 5% of the size of the budget share as recorded in the financial statements required under Section 52 of the SSAF Act 1998.

In general the maximum size of deficit which may be agreed will be the greater of the following:

Primary schools	£50,000
Special schools	£150,000
Secondary schools	£250,000

OR

For all types of school, 15% of the size of the budget share as recorded into financial statements required under Section 52 of the SSAF Act 1998.

- interest will be charged at 1% above the Base Rate (now Repo Rate) as determined by the Bank of England, unless the authority agrees for it to be waived. The requirement to pay interest will be assessed on the merits of each individual application.

Outline controls on licensed deficits.

- the maximum proportion of the collective balances held by the authority which will be used to support the arrangement shall not exceed 40%,
- the Director of Children, Young People and Learning and the Borough Treasurer of the authority will make recommendations to the Executive Member for Education to agree any deficits and the terms on which they are offered.

The authority may request those schools operating external bank accounts to allow some or all of those balances to support the above arrangements. Where a school has a licensed deficit, it must seek approval from the authority to spend its School Standards Grant allocation if it is not to be applied against repayment of the deficit. The authority will always agree to such a proposal, unless the proposed expenditure is considered unreasonable in the school's financial circumstances.

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**TO: SCHOOLS FORUM
15 SEPTEMBER 2011**

IMPLEMENTING THE SCHOOLS FINANCIAL VALUE STANDARD Director of Children, Young People and Learning

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to inform the Schools Forum of the new requirement on schools to complete the Schools Financial Value Standard (SFVS).

2 RECOMMENDATIONS

- 2.1 **To NOTE the expectation that maintained schools will be required to complete the SFVS on an annual basis, no later than 31 March 2013.**
- 2.2 **To NOTE that one BF school has failed to meet the Financial Management Standard in Schools and will therefore be required to meet the SFVS by 31 March 2012.**

3 REASONS FOR RECOMMENDATIONS

- 3.1 **It is appropriate for the Forum to be aware of the financial management standards required of maintained schools.**

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 None, implementation of statutory requirement.

5 SUPPORTING INFORMATION

Background

- 5.1 Members of the Forum will be aware that the Financial Management Standard in Schools (FMSiS) was withdrawn by the Secretary of State with effect from 15 November 2010. This Standard was originally introduced as “a simple statement of what a school that is managed well financially would look like” with all schools required to comply by 31 March 2010. It is now considered to be too prescriptive, bureaucratic and time consuming to complete for governors and school staff.
- 5.2 There is still recognition that effective financial management in schools is essential to make the most of available resources, to be able to demonstrate value for money and to exercise proper controls over the significant amounts of public money that is spent. Therefore, the new Schools Financial Value Standard (SFVS) has been developed as “a clear and consistent standard for financial management which schools are required to complete, providing a meaningful benchmark to encourage self-improvement. It ensures that money is spent wisely and properly allowing schools to optimise their

resources to provide high quality teaching and learning and so raise standards and attainment for their pupils”.

- 5.3 The DfE intends that completion of SFVS will be a requirement for maintained schools. It became available at 1 September and is primarily aimed at governors as governing bodies have formal responsibility for the financial management of their schools. It is expected that the DfE will instruct local authorities to amend their scheme for financing schools – the legally binding document which sets the financial framework that schools and local authorities must comply with – with prescribed text to require SFVS compliance.
- 5.4 Other schools are able to use any of the material developed by the DfE in relation to the SFVS for the purposes of their own financial management standards.

The SFVS

- 5.5 The Standard consists of 23 questions, covering four main areas, which governing bodies should formally discuss annually with the head teacher and senior staff. The general areas covered by the SFVS are:
- 1 **The governing body and school staff.** This considers the relative financial skills of individuals and their independence, their responsibilities and the content and regularity of information provided for financial management.
 - 2 **Setting the budget.** This asks whether the school budget is formulated having regard for the need to raise standards, that a medium term plan is produced and how accurate the budget projections were compared to the final outturn.
 - 3 **Value for money.** This looks at the use of financial benchmarking, procedures for the purchase of goods, the adequate maintenance and protection of assets, the extent to which collaboration is undertaken with other schools and the reasonableness and intended use of balances held at year end.
 - 4 **Protecting public money.** Asks whether recommendations from audit reports have been implemented, that arrangements are in place to protect against fraud and allow for whistleblowing, that appropriate financial systems are in place and that an adequate disaster recover plan exists.

Annex A sets out the full list of questions contained in the SFVS.

- 5.6 There is a simple process to complete the SFVS, with each question requiring a Yes, In Part or No answer. A separate column requires comments. If the answer is Yes, the comments column can be used to indicate the main evidence on which the governing body based its answer. If the answer is No or In Part, the column should contain a very brief summary of the position and proposed remedial action.
- 5.7 There is a final section where governors should summarise remedial actions and the timetable for reporting back. This must ensure that each action has a specified deadline and an agreed owner.
- 5.8 To assist schools, the DfE has developed a web site which provides a word document to download and complete accompanied by notes which give guidance as to what the question means, good practice and what to do if improvements are required. The web site address is:

<http://www.education.gov.uk/schools/adminandfinance/financialmanagement/Schools%20Financial%20Value%20Standard/a00192114/schools-financial-value-standard-sfvs>

Annex B provides an example of the additional guidance available to governors from question 2 of the SFVS: Does the governing body have a finance committee (or equivalent) with clear terms of reference and a knowledgeable and experienced chair?

- 5.9 The governing body may delegate the consideration of the questions to a finance or other relevant committee, but a detailed report should be provided to the full governing body and the chair of governors must sign the completed form. The completed form must also be returned to the local authority.
- 5.10 SFVS will not be externally assessed but local authorities will use schools' SFVS returns to inform their programme of financial assessment and audit. Local authority and other auditors will have access to the standard, and when they conduct an audit can check whether the self-assessment is in line with their own judgement. Auditors will make the governing body and the local authorities aware of any major discrepancies in judgements
- 5.11 Maintained schools are required to complete the SFVS once a year. Those schools which never attained FMSiS will be expected to complete and submit the SFVS to their local authority by 31 March 2012. For all other maintained schools, compliance is required by March 2013. An annual review is required thereafter.
- 5.12 The DfE is expected to require local authorities to confirm each year how many schools complete the SFVS self-assessments before the 31 March deadline and to give an assurance that they are taking the contents of these reports into account in planning their future programme of audit. There will also be a requirement to give a general assurance that a system of audit is in place which gives adequate assurance over schools' standards of financial management and the regularity and propriety of their spending.
- 5.13 For 2011-12 only, local authorities are expected to have to make a supplementary statement about the SFVS returns from those schools that had never attained FMSiS. The DfE has indicated that there will be a particular interest in those schools that had failed to attain FMSiS by the due date of 31 March 2010 and will therefore be required to complete SFVS by 31 March 2012. The DfE will undertake direct follow up with local authorities where there are schools required to meet the SFVS by 31 March 2012 but do not achieve it.

Position in Bracknell Forest

- 5.14 In general, schools in Bracknell have completed the FMSiS to the required timetable and have therefore been able to demonstrate through self assessment compliance with the financial management standards required at the time. The local authority has reviewed school returns and has been satisfied that they present a fair reflection of the circumstances in the school.
- 5.15 One school failed to meet the FMSiS by 31 March 2010 and will therefore be required to meet the SFVS by 21 March 2012 and will be subject to "interest" from the DfE if this is not met. The school in question also received a limited assurance audit report in 2011 which identified a number of significant weaknesses in controls and

procedures. An action plan for improvement has been developed and the council is working closely with the school to achieve the required improvements.

Next steps

- 5.16 The council will continue to work closely with the school that has yet to meet the FMSiS, and this will include reviewing the current action plan for improvement to ensure the requirements of the SFVS can be met by 31 March 2012.
- 5.17 A general guidance note for schools is being prepared for distribution and the council intends to seek views from schools and governors at that time as to whether specific training should be arranged to support meeting this new requirement.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The relevant legal provisions are contained within the main body of this report.

Borough Treasurer

- 6.2 No significant financial implications are expected to arise from this report. Completing the Standard will provide confidence in the financial management being exercised in schools. It will provide an additional tool to help in the planning and conduct of school audits.

Impact Assessment

- 6.3 There are no specific impact assessments arising from this report.

Strategic Risk Management Issues

- 6.4 There are no specific strategic risk management issues arising from this report.

7 CONSULTATION

- 7.1 Not appropriate as this is a statutory requirement.

Background Papers

DfE website and documents Schools Financial Value Standard

Contact for further information

David Watkins, Chief Officer: Strategy, Resources and Early Intervention (01344 354061)

David.watkins@bracknell-forest.gov.uk

Paul Clark, Head of Departmental Finance - CYPL

(01344 354054)

<mailto:paul.clark@bracknell-forest.gov.uk>

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School Financial Value Standard (SFVS)

LIST OF QUESTIONS	ANSWER (Yes/In Part/No)	COMMENTS, EVIDENCE AND PROPOSED ACTIONS
A: The Governing Body and School Staff		
1. In the view of the governing body itself and of senior staff, does the governing body have adequate financial skills among its members to fulfil its role of challenge and support in the field of budget management and value for money?		
2. Does the governing body have a finance committee (or equivalent) with clear terms of reference and a knowledgeable and experienced chair?		
3. Is there a clear definition of the relative responsibilities of the governing body and the school staff in the financial field? 5		
4. Does the governing body receive clear and concise monitoring reports of the school's budget position at least three times a year?		
5. Are business interests of governing body members and staff properly registered and taken into account so as to avoid conflicts of interest?		
6. Does the school have access to an adequate level of financial expertise, including when specialist finance staff are absent, eg on sick leave?		
7. Does the school review its staffing structure regularly?		

LIST OF QUESTIONS	ANSWER (Yes/In Part/No)	COMMENTS, EVIDENCE AND PROPOSED ACTIONS
B: Setting the Budget		
8. Is there a clear and demonstrable link between the school's budgeting and its plan for raising standards and attainment?		
9. Does the school make a forward projection of budget, including both revenue and capital funds, for at least three years, using the best available information?		
10. Does the school set a well-informed and balanced budget each year (with an agreed and timed plan for eliminating any deficit)?		
11. Is end year outturn in line with budget projections, or if not, is the governing body alerted to significant variations in a timely manner, and do they result from explicitly planned changes or from genuinely unforeseeable circumstances?		
C: Value for Money		
12. Does the school benchmark its income and expenditure annually against that of similar schools and investigate further where any category appears to be out of line?		
13. Does the school have procedures for purchasing goods and services that both meet legal requirements and secure value for money?		
14. Are balances at a reasonable level and does the school have a clear plan for using the money it plans to hold in balances at the end of each year?		

LIST OF QUESTIONS	ANSWER (Yes/In Part/No)	COMMENTS, EVIDENCE AND PROPOSED ACTIONS
15. Does the school maintain its premises and other assets to an adequate standard to avoid future urgent need for replacement?		
16. Does the school consider collaboration with others, eg on sharing staff or joint purchasing, where that would improve value for money?		
17. Can the school give examples of where it has improved the use of resources during the past year?		
D: Protecting Public Money		
18. Is the governing body sure that there are no outstanding matters from audit reports or from previous consideration of weaknesses by the governing body?		
19. Are there adequate arrangements in place to guard against fraud and theft by staff, contractors and suppliers (please note any instance of fraud or theft detected in the last 12 months)?		
20. Are all staff aware of the school's whistleblowing policy and to whom they should report concerns?		
21. Does the school have an accounting system that is adequate and properly run and delivers accurate reports, including the annual Consistent Financial Reporting return?		
22. Does the school have adequate arrangements for audit of voluntary funds?		
23. Does the school have an appropriate business continuity or disaster recovery plan, including an up-to-date asset register and adequate insurance?		

OUTCOME OF SELF-ASSESSMENT

E: Summary of agreed remedial action and timetable for reporting back:

48

[signed]
Date:

Chair of Governors

Example guidance note for governors completing SFVS

Q2. Does the governing body have a finance committee (or equivalent) with clear terms of reference and a knowledgeable and experienced chair?

A	What does the question mean?
1	<p>The role of the governing body's finance committee (or equivalent) Governing bodies are responsible for setting their school's annual budget. Most schools have a finance committee, the governing body delegates some financial responsibilities to them and they report to the full governing body. However, the finance committee is non-statutory and so governors can determine their individual requirements and delegate their financial responsibilities to one or more committees, if desired.</p>
2	<p>What are clear terms of reference for a finance committee? In schools where a finance committee has been set up, the governing body should define in writing the terms of reference for the committee and the extent of its delegated authority. These should be reviewed annually or if there are any changes to its committee members. The committee's terms of reference set out the parameters of its operations and the limits on the powers which have been delegated.</p>
3	<p>What knowledge and experience does the chair need? It is important that the chair has a good understanding of financial matters and experience in chairing committees and/or meetings. They need to be able to:</p> <ul style="list-style-type: none"> • lead the development of strategic plans; • identify viable options and select or recommend those most likely to achieve the school's goals and objectives; • have a clear understanding of best financial management practice and the school's performance compared to it; • understand the statutory financial requirements for the school, and the local authority's requirements for maintained schools; • understand the importance of communicating the school's performance to stakeholders; • have a commitment to the school and the work of the governing body; and • present information and views clearly and influentially to others.
4	<p>Why it is important for the committee to have clear terms of reference and a chair who is knowledgeable and experienced It is essential for the governing body to have access to adequate financial competencies to ensure they meet their statutory responsibilities for the financial management of the school and can safeguard the large amounts of public money for which they are responsible.</p>

B	Good Practice
5	<p>The governing body should set clear terms of reference for its committee dealing with school finance Terms of reference for the finance committee would normally include:</p> <ol style="list-style-type: none"> 1. Recommendation of the annual budget to the governing body including the delegation of the budget responsibilities to budget managers. 2. Regular monitoring of actual income and expenditure against each budget and revised forecast for the year. 3. Awarding of contracts by tender up to a specified limit. 4. Reviewing reports by internal audit and the finance governor/responsible officer (if applicable) as to the effectiveness of the financial procedures and controls. 5. Delegation limits above which the approval of the governors is needed before goods or services can be purchased or money can be moved between budget headings. The level of these limits will vary according to the size of your school.
6	<p>The tasks the finance committee should perform A finance committee has, at the very least, the following tasks to perform:</p> <ul style="list-style-type: none"> • Preparation of draft budget • Appraising different expenditure options • Assessing expenditure bids • Forecasting rolls and expected income levels • Monitoring and adjusting in-year expenditure • Ensuring accounts are properly finalised at year end / reviewing outturn • Evaluating the effectiveness of financial decisions • Ensuring there are effective and appropriate systems of internal financial control • The administration of voluntary funds
7	<p>How often should the finance committee meet and report to the full governing body? The finance committee should provide the governing body with an on-going involvement in financial issues. It should meet frequently enough to discharge its responsibilities (in most schools at least once a term but requirements may vary due to financial matters requiring the committee's attention, such as capital projects). The finance committee minutes should be reported to the governing body and all decisions made must be reported to the next meeting of the main governing body, usually with sufficiently detailed minutes.</p>
8	<p>Making sure the finance committee has an effective membership with adequate financial competencies Membership will be determined by the governing body, but should include the head teacher and people with financial expertise. If the governing body does not have governors with appropriate financial expertise, it may appoint associate members to the finance committee. Associate members are people with relevant skills and expertise and are a way that schools with limited financial expertise on the governing body can invite suitably qualified individuals to serve on their committees. Associate members do not have voting rights on the budget and financial commitments of the governing body.</p>

C	What do you do if things are not right in your school?
9	<p>What to do if your governing body does not have a finance committee (or equivalent) with clear terms of reference</p> <p>The governing body should ensure that an appropriate committee (or equivalent) is established as soon as possible and provide them with written terms of reference (see section 2). The governing body should review the membership and terms of reference for its committees annually.</p>
10	<p>How to make sure your finance committee has a knowledgeable and experienced chair</p> <p>Governing bodies should carry out skills audits to identify the skills that are present on the governing body and those that are missing so that this can be addressed by targeting governor recruitment activity. A skills audit would help identify those who have the necessary skills to undertake the role of chair of the finance committee. The DfE website has an example skills matrix that you could use as part of a skills audit (see section 11).</p>

11 Further information

Maintained schools should contact their local authority for further information and support. In addition, these websites provide help and advice:

1. Department for Education – www.education.gov.uk – you can find information on finding, appointing, training and managing school governors at: www.education.gov.uk/schools/leadership/governance

[Here](#) you can find financial and efficiency information relating to the governing body including a governing body value for money health check tool.

You can download an example financial management skills matrix for governors from the “Additional Resources” page in the “Support Notes” section of the DfE SFVS webpages.

2. National Governors Association (NGA) – www.nga.org.uk – this website provides guidance on everything relating to governors including online finance training. You can contact the NGA at:

NGA Headquarters, Ground Floor, 36 Great Charles Street, Birmingham, B3 3JY

Tel: 0121 237 3780

3. School Governors One-Stop Shop (SGOSS) – www.sgoss.org.uk – this website provides information on recruiting volunteers to serve on school governing bodies.

Any school having difficulty recruiting governors with financial expertise can seek assistance from SGOSS. You can find further information about this at: www.sgoss.org.uk/schools. You can contact SGOSS at:

School Governors One-Stop Shop, Unit 11, Shepperton House, 83-93 Shepperton Road, N1 3DF

Tel: 020 7354 9805

Email: info@sgoss.org.uk

4. Direct Gov – www.direct.gov.uk – provides a brief outline of governors’ responsibilities and information on how to become a school governor [here](#).

TO: SCHOOLS FORUM
15 SEPTEMBER 2011

**DfE CONSULTATION ON SCHOOL FUNDING REFORM:
PROPOSALS FOR A FAIRER SYSTEM
Director of Children, Young People and Learning**

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to inform members of the Schools Forum about the proposals set out in the Department for Education (DfE) *Consultation on school funding reform; proposals for a fairer system*. The Forum is also asked to consider what response, if any, it wishes to make to the consultation.

2 RECOMMENDATIONS

- 2.1 To **NOTE** the content of the DfE consultation on school funding reform;
- 2.2 To **CONSIDER** what response, if any, should be made, and how this can be finalised.

3 REASONS FOR RECOMMENDATIONS

- 3.1 The DfE are seeking comments on their proposals.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Not applicable.

5 SUPPORTING INFORMATION

Background

- 5.1 The DfE *Consultation on school funding reform; proposals for a fairer system* builds on the responses received to the previous consultation *School funding reform - Rationale and principles* that was reported to the Forum in July. The initial consultation was limited to rationale and principles to be used in a future funding system with this latest consultation now presenting detailed proposals, although there remains a lack of information relating to the likely financial impact on individual local authorities and their schools.

Proposals

- 5.2 This is a complex and substantial consultation – the DfE are seeking comments on 47 – with proposals for change being made on a number of sensitive areas. This is an important consultation as it will dictate the future distribution of funding for education services to local authorities and schools.

- 5.3 The full consultation document (55 pages), annexes (20 pages) and equality impact statement (11 pages) can be viewed at:

<http://www.education.gov.uk/consultations/index.cfm?action=consultationDetails&consultationId=1765&external=no&menu=1>

Key elements of the proposals

The national funding system

- 5.4 The stated aim is for the funding system to be much more transparent and more clearly reflect need. There is no intention to change current funding responsibilities by moving items in or out of the Schools Budget, although attempts have been made to clarify some matters. Moving forward, four funding blocks are proposed:

- 1 Schools
- 2 High Needs Pupils
- 3 Early Years
- 4 Central Services (items not suitable for delegation)

Annex A sets out the proposed services to be covered by each funding Block, with further information and comment below.

A fifth Block of funding is also relevant to Education, but this is financed from the general resources available to local authorities and not the Dedicated Schools Grant (DSG), so more directed to local authorities rather than schools.

- 5.5 In addition, the consultation states the desire for a funding system which enables local circumstances to be considered, yet secures national consistency so that all schools across the country are funded on a fair and comparable basis. The consultation also makes clear that it is a fundamental principle for Government that Academies are funded on a fair and equitable basis in relation to maintained schools and that any school wishing to convert to an Academy is neither deterred nor incentivised by the financial consequences. The same principle should apply to Free Schools.
- 5.6 Local authorities will continue to be funded for Education through a ringfenced grant which will be required to be spent on the functions it has been allocated for. However, the individual Blocks of funding will not be ringfenced allowing movement between Blocks where this is agreed locally. The current restrictions to limit increases in spend centrally retained by local authorities to no more than funding delegated to schools, together with the Minimum Funding Guarantee, that sets a minimum change in per pupil funding for each school, will both be retained.
- 5.7 Clear definitions of which services each Block is meant to fund have also been proposed as well as the responsibilities of schools, Academies and local authorities. In terms of the position in BF, some changes to current financial delegations will be required to meet to new arrangements. School Block 1a – responsibility of schools and academies - would require delegation of funding for 14-16 practical learning options, admissions authority functions (where a school is its own admissions authority), the future school responsibility for securing careers guidance and probably some areas of support for pupils with low cost high incidence SEN below the threshold, indicated at around £10,000 in the consultation.

- 5.8 To remove the complexity in the current system of funding Academies for the central services financed through the Schools Budget (the top slice process), the consultation proposes that responsibility for the relevant services as set out in Schools Block 1b is delegated to schools and therefore included in the base formula budget of an Academy, thereby removing the need for a subsequent top up. The areas requiring delegation in BF would be licences / subscriptions, supply cover e.g. maternity leave, support for ethnic minority pupils or underachieving groups and support for low cost high incidence SEN and behaviour support services. The consultation proposals do allow central retention of funding for these services if agreed by the Schools Forum or a vote by all schools, but for Academies, the relevant share of funding would be included in their base budget.
- 5.9 In addition to the assumed delegation of the items listed directly above in paragraph 5.8, the consultation also proposes that Academies receive a share of the school specific contingency and budgets to support schools in financial difficulty. This is a change from the current arrangements and does not seem appropriate as these budgets are only allocated to schools if they meet agreed criteria. The purpose of creating these budgets was to target resources where they are needed and not to be allocated to all schools which is now proposed. In Bracknell, these budgets are used to fund schools for in-year increases in the cost of supporting statemented pupils, changes in the number of 3 and 4 year olds eligible to free education and childcare and schools experiencing significant in-year increases in pupil numbers.
- 5.10 Should all of the services in the Schools Block – both 1a and 1b – be delegated, then around £3.2m of the £13.1m currently managed by the Council would be passed on to schools. This would amount to average increases in funding of around 5%, and with schools becoming financially responsible for meeting any future costs.
- 5.11 Education services that must be provided or paid for by the local authority from their own resources have also been clarified and divided between those that must be provided for all maintained schools and Academies, and those that will be provided to maintained schools but would be within Academy budgets with Academies responsible for their future provision. Rather than make an individual top up calculation for each local authority based on individual budgets recorded in section 251 statements, there is a proposal to move to a consistent formulaic basis, although no specific details of the formula have been included. These services are funded from the general resources available to local authorities and not the DSG.
- 5.12 Proposals for the **Schools Block** formula are for four elements; a basic per pupil entitlement; additional funding for deprived pupils; protection for small schools; and an area cost adjustment to reflect areas of the country facing the highest expenses. There is the possibility that a fifth element could be added relating to pupils who have English as an Additional Language, but no decision has been made on this. To ensure a “balanced assessment”, the DfE intends to make a judgement about the weighting applied to each element of the formula at the same time when all the relevant information is available.
- 5.13 The basic entitlement would form the core per-pupil funding which will be allocated for each pupil, with the amount varying by age. Deprivation funding, which will be in addition to funds allocated through the Pupil Premium, is proposed to be allocated on the basis of Free School Meals eligibility, but extended to any child who has been eligible in either the last 3 or 6 years, not just those currently eligible.
- 5.14 Protection for small schools will be limited to primary schools only. There are two options proposed in the consultation; a fixed amount for all primary schools, currently

estimated at £95,000; or an allocation based on relative sparsity of population, which is the current method used in the DSG. If sparsity is to be the indicator used in future, the measure is likely to change and the consultation also asks whether the threshold should be narrowed from the current 1 million pupils attracting funding to say 300,000. Bracknell currently receives sparsity funding, but should the threshold be narrowed as indicated, this would be lost.

- 5.15 The Area Cost Adjustment is a significant element for funding for Bracknell, and the consultation makes mention that the current formula results in “generous allocations to Inner London and the M4 corridor”. This factor attempts to compensate areas with the highest labour costs with enhanced per pupil funding. Two options for an Area Cost Adjustment are identified with significant reductions for Bracknell indicated in the “Combined Approach Area Cost Adjustment”.
- 5.16 In terms of a factor to allocate funding relating to English as an Additional Language and Underperforming Ethnic Groups, the consultation is uncommitted on whether this should be included, but if it is, the funding would be limited to reflect the general need for support only in the first few years when a pupil enters school. The evidence from test results indicates that it is deprived children who do least well, and the Pupil Premium allocates funding for this purpose.
- 5.17 The DfE are considering two ways to calculate the Schools Block funding for local authorities; either producing an indicative budget for each school in a local authority, which could then be compared to the budget calculated locally in conjunction with the Schools Forum, or a budget based on the pupils in the area.
- 5.18 The most complex area of the funding proposals relates to **High Needs Pupils** and there are 17 questions posed on this subject. Note the Schools Block does not include funding for Special Schools, Special Units in maintained schools or provision for individual pupils above a threshold, suggested in the consultation at £10,000. These are funded through this High Needs Pupils Block.
- 5.19 Whilst there is no definition of “high needs”, the DfE are focussing on children where their individual cost of education exceeds £10,000 per annum. Responsibility for funding such children covers the age range of 0-25, with this consultation looking at arrangements for pre-16 pupils, and the Young People’s Learning Agency (YPLA) working towards providing local authorities with a single budget for high needs learners with SEN or learning difficulties and disabilities (LD/D) up to the age of 25 from 2013-14.
- 5.20 This consultation is also designed to be compatible with potential future developments around SEN funding highlighted in relevant Green Paper, and specifically around the potential to give individual people control of budgets (“direct budgets”), rather than local authorities and schools, and the potential introduction of a national banded funding framework for children and young people with SEN or who are disabled.
- 5.21 In terms of the specific proposals for high needs pupils in the consultation, a set of principles have been proposed that then form the basis for the proposed changes that follow.
- 5.22 There is a concern in the DfE that local authorities often place children in the most cost effective establishment rather than the one best placed to meet the impartially assessed needs. For example, if a local authority funds a special school on the basis of a set number of places, where there is spare capacity in the school, the local

authority can make further placements at no additional cost. Placing the child in an alternative provision would result in additional expenditure.

- 5.23 To overcome this, the consultation proposes that the national funding system would recognise only children where their individual cost of education exceeds £10,000 per annum as High Cost (this figure is based on research undertaken by PricewaterhouseCoopers in 2009). Funding for costs up to £10,000 would need to be met from the Schools Block.
- 5.24 In practice this means that specialist SEN settings would have base funding of £10,000 per place / pupil. The requirement for funding above this level would be determined by the local authority on the basis of individual pupils' needs, with additional funding paid to the provider. The same basic approach is proposed for post 16 pupils, but there are added complications based on whether a young person stays in a school or enters FE. As set out above in paragraph 5.19, the YPLA are working on proposals to move this funding onto a consistent basis with pre 16 learners. Short term measures are proposed for Special and Alternative Provision (AP) Academies e.g. Pupil Referral Units, and Free Schools, with the longer term proposal, from 2013-14 that the Education Funding Agency (EFA), which is a new DfE executive agency, responsible for capital and revenue funding for 3-19 education and training, funding a basic £10,000 per place / pupil and the commissioner (likely to be the local authority) funding top-ups based on individually assessed needs.
- 5.25 The consultation also considers whether institutions providing for high needs children and young people should be funded on planned places or actual numbers of pupils. There is a tension between paying for unused places – the average occupancy level in maintained special schools is 90% - and providing sufficient financial security for providers with what can be temporary low occupancy levels to ensure sufficient provision is available when required. The DfE offer 4 options for this issue and 3 alternatives for funding Special and AP Academies and Free Schools.
- 5.26 The consultation also considers specific issues of AP. There are concerns that children are being retained in what should be temporary provisions for longer than intended by law, that current information on costings is therefore overstated and the forthcoming trials giving financial responsibility to schools for pupils whom they exclude, if extended, would require creating a financial relationship between APs and schools. Views are sought as to whether APs should be treated alongside high needs SEN for funding purposes.
- 5.27 The **Early Years Block** intends to fund providers delivering the universal free entitlement to 15 hours a week early education for 3 and 4 year olds. The Early Years Funding Formula (EYSFF) is welcomed as having provided funding on a consistent basis to providers, but parts are considered complex, and as for funding mainstream schools, the number of available factors – or supplements as they are called in the EYSFF – may be restricted, although a deprivation supplement is expected to remain, albeit operating on a different basis. This could include a national rate to apply for deprivation funding, either a cash value or percentage of total spend, use of more consistent eligibility criteria, such as Free School Meals data only, or target deprivation to settings, rather than to individual children.

Setting the level of resources for each Block

- 5.28 Over time, the intention of the DfE is to move towards a formulaic approach to calculating the resources to be distributed through each Block. The starting point however will be the budgets of each authority in 2012-13. This will reduce as far as

possible the likelihood of turbulence in budgets and will also limit the impact from the reforms.

Pupil Premium

- 5.29 The Pupil Premium will continue as the main mechanism to fund schools for deprivation and will remain outside the rest of the education funding system. There are no proposals to change the method of distribution – eligibility to FSM will continue – but the scope is proposed to be extended, but due to additional resources already being committed to be delivered through the Premium, per pupil funding is still expected to increase.
- 5.30 The consultation proposes to move away from funding only those pupils currently eligible to a FSM to those that have been eligible any time in the past 3 or 6 years. Moving to eligibility over the past 3 years adds around 250,000 pupils, moving to 6 years adds around 500,000.

Local systems for funding education

- 5.31 Local authorities, in conjunction with their Schools Forums will still have powers to set a locally determined funding formula for their schools, but in future there will be a smaller number of available factors, and the monetary value that can be allocated through “localised formula factors” will also be limited. The consultation proposes the local formula factors could cover:
1. Basic entitlement per pupil (currently Age-Weighted Pupil Units)
 2. Funding for additional educational needs (e.g. deprivation, SEN, EAL)
 3. Rates
 4. Exceptional site factors (e.g. split site, PFI and rent)
 5. Lump sums for schools
- 5.32 The consultation also sets out the aim that local funding formulas should be comparable with the national funding delivered through the Schools Block in terms of weightings applied to primary and secondary aged pupils. The national formula proposes to adopt the average ratio of funding between primary and secondary stages at 1.27. To minimise potential turbulence in school budgets if all local authorities adopted the national 1.27 ratio, the intention is to set an allowable range around the national average.
- 5.33 As set out above in paragraphs 5.7 to 5.10, the current consultation proposals will require additional delegation to schools for services currently managed centrally by the Council. It is likely that the Council would seek to provide a buy-back service for newly delegated items, subject to sufficient demand from schools.

Accountability

- 5.34 At present local authorities are required to consult with their Schools Forums on the construction of their local formulae and individual school allocations. However, this is purely a consultative duty and Schools Forums do not have the power to approve or disapprove local authority formulae. This consultation suggests this could be detrimental to the interests of minorities (or those schools who are not represented specifically by a member of the Schools Forum).
- 5.35 The consultation also raises concerns about the diversity of representation on Schools Forums and their political independence. The extent to which Academies

participate on Schools Forums is considered variable, with some Academies playing an active part in Schools Forums and others being less involved with the local authority. To improve local accountability, the consultation considers:

1. whether the main groups on the Forum – e.g. primary maintained, secondary maintained and Academies – should all separately have to approve a proposed formula
2. whether the Forum should have more decision making powers – including the power to approve or disapprove funding formulae and allocations.

5.36 There are also proposals for national scrutiny and challenge which it is suggested would be undertaken by the EFA. The EFA could require annual statements from local authorities to check local funding formulas comply with statutory requirements and also undertake reviews should schools raise concerns about local authority decisions.

Transitional arrangements

5.37 The consultation recognises that the proposed changes could introduce significant turbulence in school budgets. They will require funding to be moved between schools and areas, and will take time to have effect as ensuring stability in school funding remains a key objective. Transitional arrangements will apply from the outset to ensure that the reforms are introduced at an appropriate speed that is manageable for schools. These transitional arrangements will limit the year on year change to schools' budgets so that there is stability in budgets while the reforms are introduced.

Comments from BFC on the proposed Funding Arrangements

5.38 This is a complex and sensitive consultation with little information from the DfE on the likely financial impact on individual authorities from the proposals. However, some of the proposals do indicate the potential for a significant loss of income to Bracknell, most notably around the Area Cost Adjustment and sparsity. The proposed transitional arrangements will protect the authority and schools in the short term, but in the longer term, it seems that a loss in total funding is possible.

5.39 Specific comments on parts of the consultation have been added above where relevant.

Next steps

5.40 The consultation runs for 12 weeks from 15 July to 11 October. The DfE will then undertake further work during the autumn with a view to publishing a 'shadow settlement' in the spring of 2012, alongside further options for the timings for reform. This will allow final consultation on the detail and help identify any potential problems that need to be resolved before full implementation, which is proposed from 2013-14 or 2014-15.

5.41 In the interim, local authorities are recommended to begin to consider what changes could be made to their local formulae in order to make them simpler and transparent in line with the proposals for the future.

5.42 The council has yet to complete its reply to the consultation so is not in a position to share views with the Forum. The next meeting of the Forum is after the deadline for responses set by the DfE, so this is the only opportunity for the Forum to consider

together its own response, if one is to be made. The Forum may wish to consider at the meeting whether steps should be taken to formulate a response.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

6.1 The relevant legal provisions are addressed within the main body of the report.

Borough Treasurer

6.2 The Borough Treasurer is satisfied that no significant financial implications arise from this report. Any changes implemented will need to be evaluated for their financial implications.

Impact Assessment

6.3 Government proposals and therefore not applicable.

Strategic Risk Management Issues

6.4 There are no specific strategic risk management issues at this stage.

7 CONSULTATION

Principal Groups Consulted

7.1 None.

Method of Consultation

7.2 Not applicable.

Representations Received

7.3 Not applicable.

Background Papers

DfE consultation document

Contact for further information

David Watkins, Chief Officer: Strategy, Resources and Early Intervention (01344 354061)
David.watkins@bracknell-forest.gov.uk

Paul Clark, Head of Departmental Finance (01344 354054)
mailto:paul.clark@bracknell-forest.gov.uk

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Proposed functions within each funding Block

(Those items in italics are currently within the schools budget).

Block 1 - Schools	
<p>Block 1a Responsibility of Schools and Academies</p> <p><i>Staff costs*</i> <i>Premises costs*</i> <i>Learning resources*</i> <i>Supplies and services*</i> <i>Finance*</i> <i>HR*</i> <i>Payroll*</i> <i>ICT support*</i> <i>Legal services*</i> <i>Caretaking and cleaning*</i> <i>Building maintenance*</i> <i>Day to day health and safety compliance*</i> <i>Training and professional development*</i> <i>Governor training*</i> <i>Grounds maintenance*</i> <i>Staff absence cover* (except for limited central retention)</i> <i>Premature retirement costs (unless agreed otherwise by LA)</i> <i>Funding threshold and performance pay**</i> <i>14-16 practical learning options**</i> <i>School meals**</i> <i>Extended services/community facilities (other than joint use)**</i> <i>Admissions authority functions (where a school is its own admissions authority)</i> <i>Securing careers guidance</i> <i>Support for pupils with low cost high incidence SEN below the threshold</i></p>	<p>Block 1b Could be delegated or centrally retained for maintained schools, but would be within academy budgets</p> <p><i>Support for schools in financial difficulties</i> <i>Allocation of contingencies</i> <i>Free school meals eligibility</i> <i>Insurance</i> <i>Licences/subscriptions</i> <i>Supply cover – long-term sickness, maternity</i> <i>Support for minority ethnic pupils or underachieving groups</i> <i>Support for low cost high incidence SEN</i> <i>Behaviour support services</i> <i>Library and museum services</i></p>

Block 2 – High Needs Pupils	Block 3 – Early Years
<p><i>Provision for pupils above threshold - individually assigned resources (can be delegated)</i></p> <p><i>Special schools (delegated budget)</i></p> <p><i>Special units in maintained schools (delegated budget)</i></p> <p><i>Pupil Referral Units</i></p> <p><i>Independent special school fees</i></p> <p><i>Inter-authority recoupment</i></p> <p><i>Support services for high cost low incidence SEN (could be contracted to special schools/special units)</i></p> <p><i>SEN support for children under five</i></p> <p><i>Education out of school and other alternative provision</i></p>	<p><i>Early Years Single Funding Formula</i></p> <p><i>Central expenditure on under 5s</i></p>
Block 4 – Central Services	
<p><i>Co-ordinated admissions scheme</i></p> <p><i>Servicing of schools forums</i></p> <p><i>Supply cover for LA-wide trade union and other public duties</i></p> <p><i>Carbon Reduction Commitment</i></p> <p><i>Schools forum approved DSG funding of non-schools budget items:</i></p> <ul style="list-style-type: none"> <i>Contribution to combined budgets</i> <i>SEN transport</i> <i>Termination of employment costs</i> <i>Capital expenditure funded from revenue</i> <i>Prudential borrowing costs</i> 	

Block 5 – LA responsibilities (i.e. funded outside DSG)	
<p>Block 5a</p> <p>Responsibility of local authority for all maintained schools and Academies</p> <p>Mainstream home to school transport Strategic capital and school place planning Management of PFI contracts (including academies which have converted since the contracts were signed) and landlord premises functions for relevant academy leases Education Welfare service – prosecutions for non-attendance, tracking children missing from education Responsibilities for home educated pupils Pupil support Co-ordination of early years provision and other duties under the Childcare Act Commissioning of children’s centres Strategic planning of children’s services including DCS Inherited ongoing termination of employment costs Provision for disabled children Specialist equipment Educational Psychology service (this does also support other pupils) Statutory assessment procedures SEN monitoring and quality assurance Securing information and mediation services, including Parent Partnership SEN home to school transport</p>	<p>Block 5b</p> <p>Responsibility of local authority for all maintained schools, but within Academy budgets (LACSEG)</p> <p>School improvement Asset management (other than strategic capital planning) including health and safety Other landlord premises functions (in the case of community schools) Education welfare service (excluding prosecutions) Redundancy costs (unless good reason to charge to school) Internal and external audit Financial accounting requirements – including accounts, returns, VAT returns Financial assurance Procurement advice and compliance Teachers pension returns and local government pension scheme administration Strategic HR employer functions (in the case of community schools) Appointment of LA governors Joint use arrangements Music services Visual and performing arts Outdoor education</p>

* - already within delegated budgets
** - currently optional central retention

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