



NOTICE OF MEETING

Schools Forum

Thursday 13 September 2012, 4.30 pm

Council Chamber, Fourth Floor, Easthampstead House, Bracknell

To: The Schools Forum

Schools Members:

Sue Barber, Primary School Governor
Liz Cole, Primary School Representative
Trisha Donkin, Primary School Representative
Ed Essery, Primary School Governor
Andrew Fletcher, Secondary School Representative
Brian Fries, Secondary 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
Trudi Sammons, Primary School Representative
Margaret Saner, Secondary School Governor
Anne Shillcock, Special Education Representative
John Throssell, Primary School Governor (Vice-Chairman)
Kathy Winrow, Secondary School Representative

Non-Schools Members

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

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: Amanda Roden
Telephone: 01344 352253
Email: amanda.rodan@bracknell-forest.gov.uk
Published: 5 September 2012

Schools Forum
Thursday 13 September 2012, 4.30 pm
Council Chamber, Fourth Floor, Easthampstead House, Bracknell

AGENDA

Page No

1. **Election of Chairman**
2. **Appointment 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 asked to declare any personal interest and the nature of that interest, in respect of any matter to be considered at this meeting. Any Member with a Disclosable Pecuniary Interest in a matter should withdraw from the meeting when the matter is under consideration and should notify the Democratic Services Officer in attendance that they are withdrawing as they have such an interest. If the Disclosable Pecuniary Interest is not entered on the register of Members interests the Monitoring Officer must be notified of the interest within 28 days.
5. **Minutes and Matters Arising**
To approve as a correct record the minutes of the meeting of 19 July 2012. 1 - 6
6. **Schools Forum Constitution** 7 - 14
7. **Free Early Education for Two Year Olds** 15 - 22
8. **2012-13 Budget Monitoring and other Financial Matters** 23 - 28
9. **Dates of Future Meetings**
The next meeting of the Schools Forum is scheduled for Thursday 18 October 2012 at 4.30pm in the Council Chamber at Easthampstead House.



SCHOOLS FORUM
19 JULY 2012
4.30 - 5.45 PM

Present:

Schools Members

Louise Lovegrove, Primary School Representative
John McNab, Secondary School Governor
Tony Reading, Primary School Governor
Trudi Sammons, Primary School Representative
Anne Shillcock, Special Education Representative
John Throssell, Primary School Governor (Vice-Chairman)
Kathy Winrow, Secondary School Representative

Non-Schools Members:

George Clement, Union Representative (Chairman)

Also Present:

Paul Clark, Bracknell Forest Council
Amanda Roden, Bracknell Forest Council

Apologies for absence were received from:

Maureen Beadsley, Secondary School Governor
Liz Cole, Primary School Representative
Andrew Fletcher, Secondary School Representative
Brian Fries, Secondary School Governor
Gill Harbut, Primary School Representative
Joanna Quinn, Primary School Representative
Paul Salter, Secondary School Representative

1. **Declarations of Interest**

There were no declarations of interest.

2. **Minutes and Matters Arising**

RESOLVED that the minutes of the meeting held on 26 April 2012 be approved and signed by the Chairman as a correct record.

3. **Membership of the Schools Forum**

The Forum received a report regarding a change to the membership of the Forum.

Nominations were recently sought to fill two vacancies for primary school governor representatives and one vacancy for a secondary school governor representative on the Forum following the end of the terms of office for Kelvin Menon, John Throssell and Mrs Maureen Beadsley.

Three application forms were received; from John Throssell, who continued to be a governor at Crown Wood Primary School; Edward Essery, who was a governor at Wildmoor Heath Primary School, and Margaret Saner, who was a governor at Garth Hill College.

In accordance with the Forum's Constitution and as the nominations were uncontested Mr Throssell, Mr Essery and Ms Saner were duly appointed to fill the vacancies.

The Forum noted that Mr Throssell, Mr Essery and Ms Saner would be appointed to the Forum for a period of one year until 31 August 2013.

The Forum were also updated on further changes to its membership. Ed Glasson had resigned as a governor of Meadow Vale primary school and therefore would no longer be a member of the Forum. As nominations had already been sought for the 2012-2013 term of office, the Director of Children, Young People and Learning nominated Sue Barber, governor at Winkfield St Mary's school to fill the vacancy for one year until 31 August 2013. Ms Barber also worked in the Education IT department at Bracknell Forest Council but the Forum's Constitution stated that only officers who had a strategic resource management role in the authority were ineligible from being a member of the Forum.

Due to changes in the Schools Forum regulations 2010 and other funding changes, the Education Funding Agency proposed to include Pupil Referral Units as a separate group among Schools Forum members to reflect their receipt of delegated budgets from April 2013. Consequently, the Chair of the Management Board at the Pupil Referral Unit (PRU) in Bracknell, College Hall, had been contacted and a representative of the PRU was sought to fill this place on the Forum.

4. School Meals Service

The Forum received a report which advised members on the decision and outcome of awarding the school meals contract to ISS Education.

The procurement had been successful in that it had also resulted in a number of significant improvements and benefits for Bracknell Forest schools, including:

- The contractor had provided a signed compliance statement that all of the features of the specification would be met, and this would form part of the contract documentation.
- The new contract could be delivered at a zero subsidy by schools, which amounts to an overall saving of £90,000 per annum when compared to the current contract.
- Moreover the primary meal cost payable by schools from September 2012 would be £1.91, which was £0.09 below the current meal price charged to parents. Schools were consulted about how this surplus should be managed. 30 schools responded to the question with only two schools wishing to charge a lower price than the current £2.00 per meal price, the majority of schools opting to retain the surplus. Based on latest take-up figures, the aggregate surplus would amount to £32,000 per annum.
- There was also an additional 1% rebate back to schools as part of the contract. Based on latest take-up figures, the aggregate rebate payable to schools would amount to £7,000 per annum.
- The service from July 2012 would be to the higher Food for Life Silver Standard.

- ISS would provide and manage an on line pre-payment facility for parents
- Parents would also be able to pre-order on-line on behalf of their children
- Pupils would also pre-order their meals each morning via the interactive whiteboard
- There would be a new and more efficient financial management system
- ISS would work with schools to market the service to parents to increase meal take-up
- ISS would continue to be responsible for providing light equipment
- Heavy kitchen equipment continued to be a school responsibility but the Council would continue to offer a management service for repairs and replacements through the SLA.

RESOLVED that the Schools Forum:

- NOTED** the outcome of the re-tendering of the school meals contract which had been awarded to ISS Education with improved financial and other benefits.
- NOTED** that following consultation, schools wished to continue to charge the current price per meal of £2.00.

5. **Update on progress towards meeting the requirements of DfE School Funding Reform**

The Forum received a report which updated the Schools Forum on progress made by the School Funding Review Group on reviewing the changes required from the Department for Education (DfE) proposals for school funding reform that were expected to be implemented from April 2013.

At this stage, changes were focused on local funding arrangements, with the national funding framework expected to be updated during the next Spending Review period 2015-2018.

There were two phases to the school funding reforms:

Phase 1 implementation from April 2013, changes mainly at local authority level arrangements;

Phase 2 implementation during the next Spending Review Cycle (between 2015 and 2018) with changes mainly at national level arrangements.

Both phases would result in a redistribution of funding, which for some areas and schools would be significant. Phase 1 (2013) would include local authority level changes, simplification and standardisation of the funding formula, creating a new national benchmark to which mainstream schools would be responsible for supporting SEN pupils (with a statement of special educational needs) from within their general budgets, and delegation of additional responsibilities and resources to schools.

Phase 2 would include National Level changes (from 2015) introducing a national funding formula to determine the level of resource for each local authority, a basic amount per pupil, additional per pupil funding for deprivation, additional funding to protect small schools, an adjustment for areas with higher labour costs, and possibly additional funding for pupils who had English as an additional language.

All local authorities needed to develop a local offer of SEN provision, to define the financial contribution mainstream providers would make for high needs pupils, to agree number of places to be funded in each specialist provider, to put in place

arrangements for PRUs to receive delegated budgets, to recalculate budgets for specialist providers, and to develop local commissioning arrangements.

A consultation with schools was under way at present to seek views on what changes should be made and responses were due back by 28 September 2012. This had been constructed from the views of members of the School Funding Review Group. The Forum would need to make final decisions on changes at its meeting on 18 October to ensure the DfE could be informed of the composition of the 2012-13 BF Funding Formula by the 31 October deadline.

A presentation was made that set out the key questions being asked and the recommended option for change as proposed by the School Funding Review Group, which all schools were being asked to support.

Evening briefings for governors had been arranged for 21 and 22 September as it was agreed that the issues were complex and significant.

Forum members on the School Funding Review Group were thanked for their contributions in relation to the framing of the consultation document.

RESOVLED that the Schools Forum:

- i. **NOTED** the progress towards meeting the requirements of the funding reforms.

6. **2011-12 Provisional Outturn on the Schools Budget and other relevant matters**

The Forum received a report which informed members of the Schools Forum on the provisional outturn on the 2011-12 Schools Budget and to confirm the level of Dedicated Schools Grant (DSG) to be received in 2012-13.

The provisional final accounts include net expenditure in the Schools Budget of £75.476 million, an under spend by £2.366 million. This comprised over spendings of £1.041 million against approved budget allocations and under spendings of £3.407 million. These figures remained subject to change, pending external audit, although no significant movement was anticipated.

In agreement with the Schools Forum, £0.9 million of the under spending had been placed in new reserves, although as a result of completing some early preparatory works, the SEN resource unit initiative spent £0.009 million, and the Turnaround project spent £0.012 million, the total now available in these reserves had reduced to £0.491 million and £0.088 million respectively. A further £1.7 million of the under spending related to delegated school budgets which were managed by governing bodies and required to be placed in earmarked reserves.

The Department for Education (DfE) had now confirmed the amount of DSG for 2012-13 at £76.487 million which is £0.387 million higher than the budget. In setting the budget £0.243 million was set aside as a contingency for in-year cost pressures. Furthermore, £0.086 million was set aside for the LACSEG deduction for academy schools. The remaining £0.058 million variance is accounted for by slight differences between DfE census numbers and BFC calculated equivalents. These were now subject to checking.

Proposals for the use of the additional DSG and unallocated Schools Budget balance would be brought to the Schools Forum in September with the first budget monitoring report for the year.

RESOLVED that the Schools Forum:

- i. **NOTED** that the outturn expenditure for 2011-12, subject to audit, showed spend of £75.476 million which was £2.366 million less than the approved budget;
- ii. **NOTED** the current balances on specific earmarked reserves within the Schools Budget amount to £5.98 million;
- iii. **NOTED** that the DSG for 2012-13 had now been confirmed at £76.487 million, £0.387 million above the amount included in the budget and £0.058 million more than that originally anticipated.

7. **2011-12 School Balances and other related matters**

The Forum received a report which updated members of the Schools Forum on the level of balances held by schools as at 31 March 2012 and how these compared to the previous financial year.

At 6.7%, the aggregate level of school revenue balances was considered to be higher than required to cover normal in-year variances against the budget and suggested that more money could have been spent in-year on key priorities. Within the overall total, as should be expected, a small number of schools were running deficits in order to implement financial change over the medium term, in a managed way.

For the second consecutive year, the level of increase in school balances was not expected but it was significant and therefore explanations had been requested from schools. There was no proposal to claw-back any money from 2011-12 accounts, but the Forum had agreed that a claw-back scheme be implemented against the 2012-13 accounts, where governing bodies could not demonstrate that any significant balances were not being held for a valid reason, as defined in the claw-back scheme.

A better understanding of the reasons for the increase would help with the construction of next year's budget. Therefore, primary schools that had increased their surplus by £15,000 or more during the year and secondary schools with increases of more than £50,000 were asked to give reasons for their increase. This covered 17 primary and 2 secondary or special schools and £1.046 million.

The Forum was also requested to agree an extension of one year to the licensed deficit agreement at Cranbourne Primary, which would then become fully repaid by 31 March 2014.

RESOLVED that the Schools Forum:

- i. **NOTED** the level of aggregate surplus revenue balances as at 31 March 2012 totalled £4.531 million, an increase of £0.784 million (21.0%) from the previous year;
- ii. **NOTED** that at 6.7% 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;
- iii. **NOTED** that significant surplus revenue balances totalled £1.1 million, an increase of £0.385 million (54%) from the previous year;
- iv. **NOTED** that £0.827 million of Devolved Formula Capital grant remained unspent at 31 March 2012, a decrease of £0.707 million (53.8%) from the previous year;
- v. **NOTED** that £0.211 million of Devolved Formula Capital grant must be spent by schools by 31 August 2012, or returned to the DfE.

As the Schools Forum was not quorate at the time this item was considered the following item would be deferred to the next meeting for agreement:

- i. That the repayment term for the £0.050 million licensed deficit previously agreed for Cranbourne Primary School be extended by one year, for full repayment to be made by 31 March 2014.

8. Dates of Future Meetings

The Forum noted that the next meeting was scheduled for Thursday 13 September 2012 at 4.30pm in the Council Chamber at Easthampstead House but meetings would be cancelled if there was no business to discuss.

CHAIRMAN

SCHOOLS FORUM 13 September 2012

SCHOOLS FORUM CONSTITUTION Director of Corporate Services

1 INTRODUCTION

- 1.1 To advise of changes to the Schools Forum Constitution following the publication by the Secretary of State *School funding reform: next steps towards a fairer system* on 26 March 2012.

2 SUPPORTING INFORMATION

- 2.1 In the *School funding reform: next steps towards a fairer system* there is reference to Improved Schools Forum arrangements and the need for local decision-making to operate in a consistently fair and effective way and in consultation with schools and academies. Therefore the legislation relating to Schools Forums has been reviewed and there is a proposal to revoke and replace the Schools Forums Regulations 2010.
- 2.2 For 2013-14 the following steps will be taken to amend the Schools Forums Regulations as stated below:
- i. the requirement to have a minimum of 15 people on a Forum will be removed
 - ii. other local authority attendees will be restricted from participating in meetings unless they are a relevant Lead Member, Director of Children's Services (or their representative), Chief Finance Officer (or their representative), or are providing specific financial or technical advice (including presenting a paper to the Forum) (*regulation 8(3)*).
 - iii. the voting arrangements will be restricted by allowing only schools and Academy members (and the private, voluntary and independent sector - PVI members) to vote on the funding formulae (*regulation 8(11)*). Additionally, draft regulation 8(12) covers the items we have announced which will be subject to de-delegation. These will be specified in the finance regulations and only the relevant maintained school members of the forum will be able to vote.
 - iv. local authorities will be required to publish Forum papers, minutes and decisions promptly on their websites (*regulation 8(13)*).
 - v. Forums will be required to hold public meetings, as is the case with other Council Committees (*regulation 8(1)*).
- 2.3 Education Funding Authority (EFA) observer status will be given at School Forum meetings (*regulation 8(3f)*) with the right to participate in discussions, enabling the EFA to support the local process and to provide a national perspective.
As a result of other funding changes, there are proposals to:
1. Include Pupil Referral Units as a separate group among schools members, to reflect their receipt of delegated budgets from April 2013 (*regulation 5(2)(e)*)
 2. Remove the requirement for local authorities to consult schools forums annually about arrangements for free school meals and insurance as these are to be allocated through the formula in future (*current regulations 10(1)(d) and 10(1)(f)*).
- 2.4 To summarise:
- Regulations 3 to 8 provide for the constitution of a schools forum, including the election of schools members, the election or selection of Academies members

and the appointment of non-schools members to the schools forum, their meetings and proceedings.

- Regulations 9 to 11 require the authority to consult their schools forum before entering into certain types of contract and annually in relation to a range of financial issues and the governing bodies of schools maintained by them to be informed of any such consultation.
- Regulations 12 and 13 require the authority to pay the expenses of their schools forum out of the schools budget and the reasonable expenses of its members.

2.5 A revised Schools Forum Constitution is attached incorporating these changes which are expected to be confirmed in October 2012. Officers will take the necessary steps to appoint a PRU representative once the new regulations come into force.

3 EQUALITIES IMPACT ASSESSMENT

3.1 There are no issues.

4 STRATEGIC RISK MANAGEMENT ISSUES

4.1 There are no issues.

Background Papers

School funding reform: next steps towards a fairer system

Contact for further information

Amanda Roden, Democratic Services: 01344 352253

amanda.roden@bracknell-forest.gov.uk

Doc. Ref

Schools Forum Constitution

BRACKNELL FOREST SCHOOLS FORUM

CONSTITUTION

1. BACKGROUND

- 1.1 The Schools Forum was established by virtue of Section 47A of The School Standards and Framework Act 1998 (as amended by the Education Act 2002) which required local authorities to constitute a schools forum. The Forum is operated in accordance with the Schools Forums (England) Regulations 2010. The Forum has a legal identity but is not a corporate body of Bracknell Forest Borough Council.

2. MEMBERSHIP STRUCTURE

2.1 Representative Members

The Forum membership is divided into schools and non-schools members. Schools members will include senior members of school staff and governors. These representatives will reflect the proportion of pupils in primary and secondary schools maintained by the Local Authority as well as representing any local special schools.

- 2.2 Non schools members may constitute a maximum of one third of the total membership of the Forum to represent relevant bodies as defined in the Regulations and shown in the table below which sets out the approved membership of the Schools Forum in terms of representation, broken down into schools and non-schools categories:

Schools Members			Non-schools members	
Primary: Senior Staff*	5		Union Representative	1
Governors	5		Church of England Diocese Representative	1
Secondary: Senior Staff	3		Roman Catholic Diocese Representative	1
Governors	3		Early Years PVI Provider Representative	1
Academy Senior Staff:	1		14-19 Partnership	1
Special Education:				
Governor or senior staff:	1			
Pupil Referral Unit (PRU)	1		TOTAL	5
TOTAL	19			

*Senior staff: This can be the principal, headteacher, assistant head teacher, bursar or person responsible for the financial management of a maintained school.

Education Funding Agency (EFA) observer status will be given at School Forum meetings with the right to participate in discussions. This will enable the EFA to support the local process and to provide a national perspective.

The current membership list is attached to this Constitution at Annex 1.

Term of Office

- 2.3 The table below details the term of office for each type of member once they have been elected/ appointed. Memberships will be valid until the term of office comes to an end or a member resigns or otherwise becomes ineligible for membership. At the end of their term of office, members can stand for re-election from the body they represent. There is no limit to the number of times a member can be re-elected.

Category	Term of office on Schools Forum
Senior Schools Staff	Three academic years
Governors	Three academic years
Non school members	Three academic years
Chairman/Vice-Chairman	One academic year

Elections and nominations of members

- 2.4 When a vacancy arises for a Schools member on the Schools Forum, a replacement will be elected according to the process agreed by the constituents represented by the members of that group or sub-group.

Restrictions on membership

- 2.5 Elected Members who hold an executive role in a Local Authority (a lead member/portfolio holder) are barred from being either a schools member (by virtue of them being a school governor) or a non-schools member. Officers who have a role in the strategic resource management of the authority are also barred from membership of the Forum. Democratic Services can provide advice on the eligibility of nominees, as necessary.
- 2.6 The Executive Member for Children, Young People and Learning at Bracknell Forest Council has the role of Observer at the Schools Forum. The Executive Member will be able to attend public meetings of the Forum and address the meeting when invited to do so by the Chairman however, they will have no formal status and will not be able to participate in voting.

3. TERMS OF REFERENCE

- 3.1 The key functions of the Forum are:

- 1 To agree changes to school funding proposed by Bracknell Forest Council where there is a statutory power for the Forum to make the decision. This currently includes changes to the Scheme for Financing Schools; setting the budget level for the School Specific Contingency; agreeing increases to the centrally managed schools budget when such items are proposed to increase by a greater proportion than budgets delegated to schools; abatement of the Minimum Funding Guarantee if the outcome is not considered appropriate, provided no more than 50% of schools are affected.
- 2 To be consulted upon and make some decisions with regard to the Council's school funding formula – specifically any changes in relation to the factors and criteria, methods, principles and rules used to calculate schools budgets and the financial effects of any proposed changes;

- 3 To be consulted on the terms of any proposed contract for supplies or services (being a contract paid or to be paid out of the authority's schools budget where the estimated value of the proposed contract is not less than the threshold which applies to the authority for that proposed contract pursuant to regulation 8 of the Public Contracts Regulations 2006) at least one month prior to the issue of invitations to tender.
- 4 To be consulted annually in respect of the authority's functions relating to the schools budget, in connection with the following:
 - 1 Arrangements for the education of pupils with special educational needs;
 - 2 Arrangements for the use of pupil referral units and the education of children otherwise than at school;
 - 3 Arrangements for early years provision;
 - 4 Administrative arrangements for the allocation of central government grants paid to schools via the authority.
- 5 To be consulted on any other matters concerning the funding of schools that the Council sees fit.

4. ADMINISTRATION

- 4.1 The Forum is administered by Democratic Services who will notify members of meeting dates, circulate agendas, record and circulate minutes of the proceedings of the Forum's meetings, assist with the election of new members and process members' expenses claims. A record of the composition of the Schools Forum detailing the type of membership (schools/non-schools) and term of office will be maintained by the Clerk to the Schools Forum.

5. CONDUCT OF MEETINGS

Timing and Frequency of Meetings

- 5.1 Meetings of the Forum will take place on at least four occasions per annum.

Quorum

- 5.2 In accordance with the Regulations, 40% of the total current membership (excluding vacancies and observers) will constitute the quorum for Forum meetings and although inquorate meetings may proceed, any resulting advice given to the Council would not have to be taken into account by it.

Substitution

- 5.3 Members of the Forum may nominate substitutes to attend meetings in their place in the event that they are unable to attend themselves. The substitute must represent the same group as the member he/she is substituting. In order for a substitution to be formalised, his/her name must be notified to the clerk to the Forum at least thirty minutes prior to the commencement of the meeting to which the substitution applies.

Voting

- 5.4 Matters before the Forum for consideration shall be determined by voting on an individual basis with members having one vote each. The chairman shall have a second and casting vote in the event that there is an equality of votes cast.
- 5.5 The voting arrangements will be restricted by allowing only schools and Academy members (and the private, voluntary and independent sector - PVI members) to vote on the funding formulae and the de-delegation of certain budgets where this is allowed in the Schools Funding Regulations.

Public Meetings and Papers

- 5.6 Meetings of the Forum shall be open to the press and public and associated agenda papers and minutes shall be available for public inspection except on occasions when it is considered expedient to treat agenda papers with confidentiality and to agree a motion requiring the exclusion of the press and public from meetings. An example of such an occasion is a confidentiality issue surrounding individual schools' budgets.

Declarations of Interest

- 5.7 Members are required to declare at meetings of the Forum any interest they may have in the business to be conducted at that meeting, for example, when the Forum is considering matters relating to service contracts. The Forum will determine whether the declared interest is of a significant nature and the declarer's withdrawal from the meeting during the consideration of that issue is necessary.

Chairmanship/Vice Chairmanship

- 5.8 The Forum shall elect a chairman and vice chairman both of whom must be from amongst its own members, by a majority of votes cast on an annual basis at the first meeting in the academic year. Any non-executive elected member or eligible officer who is a member of a forum may not hold the office of chair.

Sub Groups

- 5.9 The Forum may establish sub groups and/or working groups on an ad hoc basis, however, any advice arising from these sub groups shall be approved by the Forum as a whole before being passed to the LA.

Right of Attendance

- 5.10 In addition to members, substitute members and officers in attendance, the press, public, other officers of the Council and any teachers or governors wishing to attend meetings of the Forum shall be able to do so except in the event that a motion is agreed to the contrary. The authority may also ask other observers to attend Schools Forum meetings, for example, expert advisors on relevant issues or any other body to attend as an observer.

Urgent Business

- 5.11 Where there is a genuine business need for a decision or formal view to be expressed by the Forum before the next scheduled meeting, the authority may call an unscheduled meeting or alternatively, the Clerk to the Schools Forum will collate

opinions from all members via email correspondence and a consensus decision or formal view will be formulated in consultation with the chairman.

6 FORUM BUDGET / MEMBERS' EXPENSES

Forum Budget

- 6.1 Each year the Forum is required to agree its budget for the forthcoming year on the basis of the anticipated number of meetings to be held that year and the estimated direct costs associated with holding meetings of the Forum.

Members' Expenses

- 6.2 The Council will reimburse all reasonable expenses incurred by members in connection with attendance at meetings of the Forum or in connection with the business of the Forum, including attending other meetings or training courses/conferences.

MEMBERSHIP OF THE BRACKNELL FOREST SCHOOLS FORUM:**SCHOOLS MEMBERS:****Primary Representatives: (5)** *Appointed by nomination of Primary Heads group*

Joanna Quinn, Wooden Hill School
 Trisha Donkin, Holly Spring Junior School
 Trudi Sammons, College Town Infants and Nursery
 Liz Cole, Owlsmoor Primary School
 Vacancy

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

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 31.08.2013)**
 Edward Essery, Wildmoor Heath Primary School **(to 31.08.2013)**
 Sue Barber, Winkfield St Mary's C of E Primary School **(to 31.08.2013)**

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

Paul Salter, Brakenhale School
 Andrew Fletcher, Sandhurst School
 Vacancy

Academy Representative: (1)

Kathy Winrow, Ranelagh School

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

Brian Fries, Easthampstead Park Secondary School **(to 31.08.2013)**
 John McNab, Edgbarrow School **(to 31.08.2013)**
 Margaret Saner, Garth Hill College **(to 31.08.2013)**

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

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

Pupil Referral Unit (PRU) Representative: (1)

Vacancy

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
DATE: 13 SEPTEMBER 2012

FREE EARLY EDUCATION FOR TWO YEAR OLDS
(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 the new duty to provide substantially more free education and child care places for 2 year olds with the funding of places and associated support services being added to the Dedicated Schools Grant.
- 1.2 From September 2013, the 20% most disadvantaged 2 year olds should have an early education place, with this figure rising to 40% from September 2014. Provision can also cover looked after children and other needy families at local discretion.

2 RECOMMENDATIONS

- 2.1 **That the changes around participation rates, support for providers and funding arrangements for early education for 2 year olds are NOTED;**
- 2.2 **That the draft work programme and timetable is AGREED (paragraph 5.18 and Annex A);**
- 2.3 **That in respect of the new arrangements for 2 year olds, the Schools Forum NOTES it will be required in the new year to agree:**
 - 2.3.1 **the composition of the Early Years Single Funding Formula for 2 year olds (paragraph 5.17)**
 - 2.3.2 **the range of support services required (paragraph 5.17), and**
 - 2.3.3 **the level of budget to be funded from within the Dedicated Schools Grant (DSG) (paragraph 5.19).**

3 REASONS FOR RECOMMENDATIONS

- 3.1 **The Schools Forum is responsible for agreeing the Early Years Single Funding Formula to be used to finance providers of early education for 2 year olds and also setting the budget for associated support services.**

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 These will be considered in the light of responses received to the Bracknell Forest consultation on implementing new arrangements for 2 year olds.

5 SUPPORTING INFORMATION

Background

- 5.1 From 2010, local authorities have been required to fund early education places for a small number of vulnerable two year olds. Funding for this responsibility was provided through general grant income to the Council and was not finance from the DSG or included in the Schools Budget.
- 5.2 Funding for free early education for two year olds will, from 2013-14, be from within the DSG), and the Department for Education is currently consulting on aspects of how funding arrangements should operate. The basic intention is to move the funding source for this responsibility from local authorities to the Schools Budget.
- 5.3 The DfE also intends from September 2013 to place a new duty on local authorities to provide substantially more free places, for the 20% most disadvantaged increasing to 40% from September 2014. This will include looked after children and other needy families at the LA discretion. Clearly, the development of two year old places will grow substantially over the next two years, which for BFC is an increase from 60 to 300 places at September 2013 and 300 to 600 places from September 2014.

National Funding

- 5.4 The amount of funding intended to support development of and payment for two year old places will grow substantially over the next two years. In 2012-13, £291m is included within the Early Intervention Grant. In 2013-14 some £530m, and in 2014-15 some £760m, will be in DSG.
- 5.5 Funding for two year old early education will not be ring-fenced within the DSG. However, the amount which is intended for two year olds will, from 2013-14, be identifiable in each LA's allocation.
- 5.6 In each year, funding is intended to support the delivery of places for children meeting national eligibility criteria (both before the entitlement start and after), places for other children at local discretion, and for work to build capacity and quality. So, for example, 2013-14 funding is intended:
 - for delivery from September 2013 to children eligible in the first (20%) phase of the entitlement;
 - for delivery earlier in the year to some children meeting the 20% criteria;
 - for delivery to some children meeting the second (40%) phase eligibility criteria in advance of introduction of the September 2014 entitlement
 - for delivery to other children at the LA's discretion
 - as well as for work to build capacity and quality

- 5.7 Data on the number of eligible two year olds taking their entitlement in each LA is not currently available and therefore the DfE is proposing the development of a Formula that would target funding locally towards need and eligibility against the entitlement. It would also recognise that the costs of delivery will vary between LAs, so include an area cost adjustment.

Funding providers for the delivery of early education to 2 year olds

- 5.8 LAs will be required to fund early years providers of free early education for two year olds through an early years single funding formula (EYSFF) for two year olds, just as LAs currently have an EYSFF for three and four year olds. This requirement will start from 1 April 2013.
- 5.9 Using the EYSFF approach ensures authorities will work with providers to determine the cost of delivery and calculate fair funding rates accordingly. Therefore enabling comparability between areas on funding rates (base rates and supplements) paid to providers, so that LAs and providers can compare across areas, supporting transparency and value for money.
- 5.10 The DfE intend to allow two changes to the requirements for the EYSFF for 2 year olds:
- to remove the requirement of a deprivation funding supplement as the allocation is already targeted to the most deprived;
 - to permit a place-based funding approach for two year olds, to support LAs working with providers to increase capacity in advance of delivering the 20% and 40% entitlements:
- 5.11 There is also the expectation that the cost of providing support to 2 year olds will be more expensive than for 3 and 4 year olds and LAs are therefore encouraged to engage with local providers to establish the appropriate cost base to determine the level of funding to apply to the EYSFF for 2 year olds.

2 year old places will only be available to the PVI sector as the welfare needs of this population are considerably different to those of 3 and 4 year olds and these needs could not be met in the maintained sector.

- 5.12 The DfE specify quality of provision is critical to the success of the two year old entitlement and there is an expectation that LAs and providers work together to improve the quality of provision on offer. Targeted funding can be used in supporting increases in quality. A quality supplement in the EYSFF can give LAs a means to target funding at incentivising increases in quality in provision.
- 5.13 As a general principle, the DfE is keen to maximise the flexibility available to LAs, particularly during the development phase of the two year old entitlement, to use the DSG locally in ways that support the most effective delivery of the two year old entitlement locally, subject to the normal assurances about regularity, propriety and VFM.
- 5.14 LAs may already use DSG to support the provision of free early education through spend other than that passed to providers through the EYSFF and this will continue with two year old spending. LAs must agree levels of early year's central expenditure with the Schools Forum. The DfE does not intend

to provide advice on potential areas of spend on a case by case basis: it is for LAs to decide how they use the DSG. The DfE requires local authorities to provide assurances about how they have used the DSG and that it has been deployed with regards to regularity, propriety and value for money. Potential uses include for example promoting the entitlement to parents and providers, and providing advice and support to providers.

- 5.15 For BFC, the expectation is that funding would need to be held centrally for family support and outreach for families experiencing difficulties. We intend to give targeted onsite advice, guidance, training and mentoring for providers to ensure they are offering a quality nurturing learning environment to support children's development towards school readiness. Central funding will also be required to enable providers in setting up and/or expanding new childcare places, this will include additional staffing, changes to the environment and equipment to ensure the requirements of the EYFS statutory framework and OFSTED inspection regulations are met.

Next steps

- 5.16 This is a significant development that will require substantial additional funding, although at this stage it is not known how much funding will be allocated to the Schools Budget for this purpose.
- 5.17 The key initial tasks include liaising with providers to establish the relevant cost base, consider what factors should be included in the EYSFF and what local support services are required to ensure quality, capacity, sufficiency and accessibility.
- 5.18 To help develop the required arrangements Annex A sets out a draft work programme and timetable which the Forum is asked to agree.
- 5.19 Final proposals for these arrangements, including setting the appropriate budget will be presented to the Forum for a decision in February 2013.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The duty referred to in this report is created by amendments made to the Childcare Act 2006 by the Education Act 2011. The relevant provisions have yet to be brought into force

Borough Treasurer

- 6.2 The financial implications arising from this report have yet to be determined, and will need to be financed from the additional funding to be added to the Dedicated Schools Grant. The Schools Forum will need to agree the final budget proposals.

Equalities Impact Assessment

- 6.3 A screening will be completed however this funding is targeted at a particular vulnerable group that will meet a prescribed criteria set out by central Government.

Strategic Risk Management Issues

6.4

Issue	Impact	Risk
Insufficient funding	Quality will be adversely affected Family support not in place particularly for those chaotic families Prevention and early intervention not addressed Support costs will increase as families deteriorate Providers will not be sustainable Not enough places to meet need	HIGH
Insufficient places	Not meeting statutory duty Child poverty may increase Families with multiple problems will continue to increase	HIGH
Outcomes for children	The attainment gap will not close as quickly as desired The Early Years Foundation Stage Profile results for these children will continue to struggle to meet the national average	HIGH
Family Support	Insufficient capacity to provide effective family support will result in lost opportunities for 2 year olds to achieve their potential.	HIGH

7 CONSULTATION

Principal Groups Consulted

7.1 Not applicable at this stage

Method of Consultation

7.2 Not applicable at this stage

Representations Received

7.3 Not applicable.

Background Papers

Various DfE documents

Contact for further information

David Watkins, Chief Officer: SR&EI

01344 354061)

David.Watkins@bracknell-forest.gov.uk

Karen Frost, Head of Prevention and Early Intervention

(01344 354024)

Karen.frost@bracknell-forest.gov.uk

Doc. Ref

\\FS_ELS\VOL1\USERS\ALL\EDUCATE\New Alluse\Executive\Schools Forum\58) 130912\Free early education for 2 year olds.doc

Draft Work Programme: 2 Year old funding formula

04/09/2012	<ul style="list-style-type: none"> • Brief DMT
13/09/2012	<ul style="list-style-type: none"> • Brief Schools Forum
29/08/2012 – 07/09/2012	<ul style="list-style-type: none"> • Prepare questionnaire re cost of providing 2 year old provision
29/08/2012 – 07/09/2012	<ul style="list-style-type: none"> • Establishment of Representative Body
07/09/2012	<ul style="list-style-type: none"> • Briefing & Questionnaire re cost of providing 2 year old provision to all relevant providers
13/09/2012	<ul style="list-style-type: none"> • Head Teacher briefing
03/10/2012	<ul style="list-style-type: none"> • PVI Provider meeting for questions & concerns
13/10/2012	<ul style="list-style-type: none"> • Deadline for Questionnaire returned
15/10/2012 – 02/11/2012	<ul style="list-style-type: none"> • Analysis of questionnaire • Design and evaluate draft formula for 2 year olds • Internal approval of draft formula
05/11/2012 – 16/11/2012	<ul style="list-style-type: none"> • Approval of formula by representative body • Any required adjustments
19/11/2012 – 14/12/2012	<ul style="list-style-type: none"> • Consultation with providers • Meetings with providers
15/12/2012 – 07/01/2013	<ul style="list-style-type: none"> • Analysis of consultation responses and final changes to formula following consultation
07/01/2013-16/01/2012	<ul style="list-style-type: none"> • Approval of final formula by representative body & Internal approval of formula (Education Finance & Legal)
29/01/2013	<ul style="list-style-type: none"> • Approval of formula by DMT
07/02/2013	<ul style="list-style-type: none"> • Formula to Schools Forum

Subject to change and amendment as work progresses

This page is intentionally left blank

TO: SCHOOLS FORUM
DATE: 13 SEPTEMBER 2012

**THE SCHOOLS BUDGET – 2012-13 BUDGET MONITORING
AND OTHER FINANCIAL MATTERS
(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 the 2012-13 forecast budget monitoring position for the Schools Budget as at the end of July and to agree an extension of one year to the licensed deficit agreement at Cranbourne Primary, with the £0.050m deficit being fully repaid by 31 March, 2014.

2 RECOMMENDATIONS

That the Schools Forum:

- 2.1 **NOTES** the budget variances being forecast on the 2011213 Schools Budget that in total aggregate to a net under spending of £0.221m (paragraph 5.3);
- 2.2 **AGREES** the repayment term for the £0.050m licensed deficit previously agreed for Cranbourne Primary School be extended by one year, for full repayment to be made by 31 March 2014 (paragraph 5.6).

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 Where relevant, these are set out in the supporting information.

5 SUPPORTING INFORMATION

2012-13 Budget Monitoring

- 5.1 As part of the Council's Financial Regulations, the Schools Budget is subject to monthly budget monitoring. This involves forecasting likely expenditure and income through to the end of the year, identification of reasons for variations against original budgets, and where relevant, setting out options for management action. This process allows for a forecast year end level of balances to be calculated.

- 5.2 It is appropriate for the Forum to be aware of the current forecast year end balance as this may need to be taken into account when the 2013-14 budget is agreed. It is also possible that a number of variances identified this year will be on-going, and will therefore need to be addressed in next year's budget.
- 5.3 Provisional budget monitoring information available at the end of July indicates that the Schools Budget will under spend by £0.221m this year. This forecast variance comprises an over spend of £0.284m against approved budget allocations, additional income of £0.337m against the original estimate made for Dedicated Schools Grant (DSG) income and a further £0.168m additional income as a result of the 2011-12 under spend being greater than the amount anticipated when the budget was agreed in March.

Brief explanations of the significant changes anticipated from the current budget plan are as follows:

- i. **SEN provisions and support services - £0.436m over spend.** The latest costed schedule of SEN pupil placements in out of borough non-LEA special schools indicates 7.5 extra pupils needing a placement compared to last financial year. The average cost of a placement is £0.049m. Placements are made in non-LEA special schools only after exploring every alternative, and they are all discussed at SEN Panel where there are representatives from schools, the Education Psychologist Service, health professionals and others. The cost forecast includes a further £0.1m for potential placements that based on past experience may arise from January as a result of placement breakdowns, but which at this stage are not certain in numbers or costs. This over spend is partially offset by under spendings on associated support services.
The age profile of pupils indicates that numbers will continue to increase and it seems highly likely that a significant budget pressure will arise for 2013-14 at a time of flat funding settlements.
- ii. **Pupil behaviour - £0.042m under spend.** Staff vacancies will result in an under spending, mainly as a result of a re-organisation following the resignation of the Head of the Behaviour and Education Support Team.
- iii. **School staff absence and other items - £0.067m under spend.** There are variances forecast across a wide range of services that support schools. The most significant variance relates to the return of a £0.040m advance payment to the catering contractor at the start of the previous contract to help fund the initial mobilisation costs. With the new contract awarded to the same supplier, there is no requirement to make an advance payment to finance start up costs.
- iv. **Combined Service Budgets - £0.038m under spend.** There are three main variances in this area of the budget. Staffing savings of £0.010m will arise as a result of temporary staff vacancies in both the Looked After Children's Education Service and the SEN Contracts Monitoring post. A further £0.017m saving will be made on Margaret Wells Furby Children's Resource Centre which provides support and advice to disabled children and their families including medical support, occupational therapy, physiotherapy, speech and language therapy and parent support groups.
- v. **Early Years provisions and support services - £0.145m over spend.** The summer term payments to providers of education and childcare to 3 and 4 year olds are 8.3% above the levels paid at the

same time last year, which if this trend continues to the end of the year would result in a £0.145m over spend. This is a volatile budget and may be subject to significant change when the autumn term data becomes available.

- vi. **Support to schools in financial difficulty - £0.150m under spend.** No schools have requested additional financial support this year, so the expectation is that only schools in, or in danger of entering an Ofsted category are likely to require funding from this budget, where it would be unreasonable for the school to finance any additional expenditure from its delegated budget.
DSG – change from original estimate - £0.337m additional income. As previously reported to the Forum, DfE have now confirmed the amount of DSG for 2012-13 at £76.487m which is £0.387m higher than the budget. In setting the budget £0.243m was set aside as a contingency for in-year cost pressures. Furthermore, £0.086m was set aside for the LACSEG deduction for academy schools. The remaining £0.058m variance is accounted for by slight differences between DfE census numbers and BFC calculated equivalents. The under spend is reported at £0.050m below the provisional cash receipt to reflect a revised LACSEG deduction calculation, which will be subject to amendment, should more schools convert to academy status.
- vii. **Under spend brought forward from 2011-12 - £0.168m additional under spend.** The final accounts for 2011-12 resulted in an under spend of £0.398m compared to the £0.230m estimated when the budget was set. This was reported to the Forum in July 2012.

Annex A sets out the full Schools Budget at a summary level, with the above notes referencing to the appropriate lines with budget variances.

Proposed use of forecast under spending

- 5.4 When the Schools Budget under spends, the DfE allows LAs and School Forums to consider the following options for use of the DSG.
 - 1. Make proposals to carry forward funding into the following financial year;
 - 2. Make proposals to increase individual school budgets in the current year;
 - 3. Make proposals to increase centrally managed expenditure in the current year.
- 5.5 At this early stage of the year, when a number of budget decisions have yet to be taken and trends established that can be projected for the year with confidence, it is not considered appropriate to allocate any of the forecast surplus to schools or budgets that support schools. There will be more certainty around projections at the end of the autumn term. Furthermore, in light of the Schools Budget likely to face tighter financial settlements in future years, together with the uncertain impact from the school funding reforms it is not considered appropriate to make any decisions at this. Proposals on the use of any forecast year end balance is therefore recommended to be taken in January alongside initial budget proposals for 2013-14.

Licensed deficit agreement with Cranbourne Primary Schools

- 5.6 A report was presented to the July meeting of the Schools Forum which set out that Cranbourne Primary was the only school in deficit at the end of the 2011-12 financial year. The school is in deficit by £0.029m and has an agreed £0.050m licensed deficit. Whilst this has reduced by £0.023m during the last year, the governing body has requested that the repayment schedule be extended by a further year to 31 March 2014. A medium term budget plan is in place that governors are committed to deliver to which shows a return to surplus by 31 March 2014. As the Forum was not quorate at the time the report was presented, no decision could be taken. The Forum is therefore again asked to approve the requested extension. If agreed Cranbourne will have been in deficit for 5 years, which is the maximum allowed under the Scheme for Financing Schools.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The relevant legal provisions have been considered within the main body of the report.

Borough Treasurer

- 6.2 The financial implications arising from this report are set out in the supporting information.

Equalities Impact Assessment

- 6.3 There are no specific impacts arising from this report..

Strategic Risk Management Issues

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

7 CONSULTATION

Principal Groups Consulted

- 7.1 Not applicable.

Method of Consultation

- 7.2 Not applicable.

Representations Received

- 7.3 Not applicable.

Background Papers

Provisional July budget monitoring report

Contact for further information

David Watkins, Chief Officer: SR&E

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

\\FS_ELS\VOL1\USERS\ALL\EDUCATE\New Alluse\Executive\Schools Forum\58) 130912\2012-13 Schools Budget Monitoring etc.doc

BUDGET MONITORING STATEMENT FOR THE SCHOOLS BUDGET - JULY 2012							
	Approved Budget			Estimated Variance			Note
	Expenditure	Income	Net	Under spending	Over spending	Net variance	
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	
<u>Delegated and devolved funding</u>							
Delegated School Budgets	68,554	0	68,554	0	0	0	
Other School Grants	-5,249	0	-5,249	0	0	0	
	63,305	0	63,305	0	0	0	
<u>LEA managed items</u>							
SEN provisions and support services	7,092	-994	6,098	-119	555	436	i
Education out of school	1,074	-3	1,071	-1	1	0	
Pupil behaviour	534	-7	527	-42	0	-42	ii
School staff absence and other items	1,361	-20	1,341	-87	20	-67	iii
Combined Service Budgets	691	0	691	-43	5	-38	iv
Early Years provisions and support services	3,010	-18	2,992	0	145	145	v
Support to schools in financial difficulty	305	0	305	-150	0	-150	vi
	14,067	-1,042	13,025	-442	726	284	
Dedicated Schools Grant	0	-76,100	-76,100	-337	0	-337	vii
Underspend brought forward from previous ye.	0	-230	-230	-168	0	-168	viii
TOTAL - Schools Budget	77,372	-77,372	0	-947	726	-221	

See paragraph 5.3 for an explanation to the notes.