



WOKINGHAM BOROUGH COUNCIL

A Meeting of the **SCHOOLS FORUM** will be held at the Civic Offices, Shute End, Wokingham RG40 1BN on **WEDNESDAY 23 SEPTEMBER 2015 AT 9.00 AM**

A handwritten signature in black ink, appearing to read 'Andy Couldrick', written in a cursive style.

Andy Couldrick
Chief Executive
Published on 15 September 2015

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Our Vision

A great place to live, an even better place to do business

Our Priorities

Improve educational attainment and focus on every child achieving their potential

Invest in regenerating towns and villages, support social and economic prosperity, whilst encouraging business growth

Ensure strong sustainable communities that are vibrant and supported by well designed development

Tackle traffic congestion in specific areas of the Borough

Improve the customer experience when accessing Council services

The Underpinning Principles

Offer excellent value for your Council Tax

Provide affordable homes

Look after the vulnerable

Improve health, wellbeing and quality of life

Maintain and improve the waste collection, recycling and fuel efficiency

Deliver quality in all that we do

MEMBERSHIP OF THE SCHOOLS FORUM

Non School Representatives

| | |
|---------------------|--|
| Vacancy | Roman Catholic Diocese |
| Anne Andrews | Oxford Diocese |
| Ian Pittock | Wokingham Borough Council |
| Stephen King | Wokingham 14-19 Partnership/Post 16 provider Bracknell & Wokingham College |
| Clare Sheppard | Early Years Forum |
| Charlotte Wilkinson | Early Years Forum |

Schools Representatives

| | |
|------------------|---|
| Phil Armstrong | Maintained Nursery Headteacher |
| Helen Ball | Primary Head - Polehampton Infant |
| Ali Brown | Primary Head - Nine Mile Ride Primary |
| Louisa Gurney | Primary Head - Emmbrook Junior |
| Sally Hunter | Primary Head - Wescott Infant |
| Brian Prebble | Primary Head - Rivermead Primary |
| Eileen Rogers | Primary Head - Gorse Ride Junior |
| Elaine Stewart | Primary Head - Aldryngton Primary |
| Ginny Rhodes | Secondary Head - St Crispins |
| Vacancy | Secondary Head - |
| Liz Meek | Special School Head - Addington School |
| Dominic Geraghty | Special School Head - Southfield School |
| Mary Rome | Pupil Referral Unit - Foundry College Headteacher |
| Derren Grey | Academy Headteacher - The Piggott School |
| Janet Perry | Academy Business Manager - The Holt School |
| John Bayes | Governor, Chairman |
| Nick Dyer | Governor Vice Chairman |
| Vacancy | Academy Governor |
| Paul Miller | Governor |
| Ian Head | Governor |

Observers

| | |
|---------------------|---|
| Funding Reform Team | Education Funding Agency, Maintained Schools Division |
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From the Primary Heads only 4 votes are allowed.

From the Special School Heads only 1 vote is allowed.

From the Early Years only 1 vote is allowed.

| ITEM NO. | WARD | SUBJECT | PAGE NO. |
|----------|------|--|----------|
| 1 | | ELECTION OF CHAIRMAN To elect a Chairman of the Forum for the 2015/16 academic year. | |
| 2 | | ELECTION OF VICE-CHAIRMAN To elect a Vice Chairman of the Forum for the 2015/16 academic year. | |

| | | | |
|-----------|---------------|---|----------------------|
| 3 | | APOLOGIES To receive any apologies for absence | |
| 4 | None Specific | MINUTES OF PREVIOUS MEETING To confirm the Minutes of the Meetings held on 20 May 2015 and 15 July 2015. | 7 - 18 |
| 5 | | DECLARATION OF INTEREST To receive any declarations of interest. | |
| 6 | None Specific | MEMBERSHIP OF THE SCHOOLS FORUM To receive and consider a report reviewing the membership composition of the Forum. | 19 - 22 |
| 7 | None Specific | SPECIAL EDUCATION NEEDS ALERT To receive and consider a verbal report giving an update on SEN provision. | Verbal Report |
| 8 | None Specific | EXCEPTIONAL PLACE SEN FUNDING To receive and consider a report giving details of the exceptional place SEN funding. | To Follow |
| 9 | None Specific | REVIEW EDUCATION WELFARE SERVICE EWS To receive and review a report about EWS (Education Welfare Service). | 23 - 24 |
| 10 | None Specific | REVENUE MONITORING To receive and consider a report giving details of the revenue monitoring. | To Follow |
| 11 | None Specific | DESIGNATED SCHOOLS GRANT 5 YEAR FINANCIAL PLAN To receive and consider a report giving details of the requirements for growth provision within the DSG and an analyses on internal recharges. | 25 - 32 |
| 12 | None Specific | POTENTIAL IMPACTS UPON SCHOOL BUDGETS 2016/17 To receive and consider a report outlining the potential impacts upon school budgets 2016/17. | To Follow |
| 13 | None Specific | CONSULTATION To receive and consider a consultation. | To Follow |
| 14 | None Specific | EXCESS BALANCES - FUTURE USE CRITERIA To receive and consider a report giving details of excess balances and the future use criteria. | To Follow |
| 15 | None Specific | FORWARD PROGRAMME To consider the Forum's work programme for the remainder of the municipal year. | To Follow |

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**ANY OTHER ITEMS WHICH THE CHAIRMAN
DECIDES ARE URGENT**

A Supplementary Agenda will be issued by the Chief Executive if there are any other items to consider under this heading

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Agenda Item 4

MINUTES OF A MEETING OF THE SCHOOLS FORUM HELD ON 15 JULY 2015 FROM 9.15 AM TO 12.50 PM

Schools Representatives

| | |
|-----------------|--|
| Phil Armstrong | Maintained Nursery Headteacher |
| Ali Brown | Primary Head - Nine Mile Ride Primary |
| Louisa Gurney | Primary Head - Emmbrook Junior |
| Brian Prebble | Primary Head - Rivermead Primary |
| Elaine Stewart | Primary Head - Aldryngton Primary |
| Helen Ball | Primary Head - Polehampton Infant |
| Ginny Rhodes | Secondary Head - St Crispins |
| Ann Keane-Mayer | Secondary Head - Waingels College |
| Liz Meek | Special School Head - Addington School |
| Derren Grey | Academy Headteacher - The Piggott School |
| Janet Perry | Academy Business Manager - The Holt School |
| John Bayes | Governor, Chairman |
| Nick Dyer | Governor Vice Chairman |
| Mike Hutchinson | Governor |
| Paul Miller | Governor |

Non School Representatives

| | |
|-----------------|---------------------|
| Matthew Marsden | Children's Services |
|-----------------|---------------------|

Also Present

Tricia Harcourt, Senior Democratic Services Officer
Donna Munday, Schools Finance Manager
Brian Grady, Head of Strategic Commissioning, Children's Services
John Wood, Programme Manager, Children's Services

52 APOLOGIES

Apologies for absence were submitted from Ian Pittock, Stephen King, Clare Sheppard, Charlotte Wilkinson, Dominic Geraghty, Mary Rome (substituted by Emma Reynolds)

53 MINUTES OF PREVIOUS MEETING

There were several queries on the Minutes of the meeting of the Committee held on 20 May 2015, a revised version was requested.

54 DECLARATION OF INTEREST

There were no declarations of interest.

55 SCHOOLS BUDGET 2015/16 - FINANCIAL MONITORING

The Forum received and considered a report set out on Agenda pages 13 to 16, detailing the projected outturn position for the 2015/16 Schools Budget as funded by the Dedicated Schools Grant (DSG), including Education Funding Agency (EFA) funding and the Pupil Premium Grant.

Donna Munday presented the report which listed the main material movements from the budget set in March 2015 using the allocations as notified by the DfE in December 2014, and showed the current predicted outturn at the end of March 2016 as reducing the initially predicted end of year surplus of £806,000 to £297,000. Since the initial allocation, EFA funding has been received, but the Early Years allocation has not yet been received. Paragraphs 6 to 8 of the report gave an explanation of the movements; the main ones which were:

- Line 1.1.2 - School Specific Contingencies – additional internal recharge £119,000 taken
- Line 1.4.10 – Pupil growth/infant classes – surplus of £145,000 following revision of growth provision estimates

The Table on Agenda pages 15 and 16 shows the S251 budget lines, with a commentary on the material movements.

The Pupil Premium allocation has reduced for the first time, but has a nil effect on the main budget as the reduction is passported to schools.

Comment was made that the way the information is presented, using the S251 lines, means that it is difficult to understand. It would be useful to have it set out broken down into the allocations to maintained and academies and to each sector. Officers indicated that they were looking at how other Forums receive budget monitoring information and will be reporting on that as well as ideas from this Forum's members.

During the discussion the following comments were made:

- Very concerned that the predicted surplus has gone down again; in the last 3 months £500k has been lost. Are we confident about the predictions; could this be leading to a funding crisis; are we allowed to have an in year deficit?
- The current predictions are based on the information available to date; the situation is serious and there are active consultations with other departments to ensure other contributions are made. The issue of internal recharges is being investigated, and will be reported to the Forum in September.
- If we the Forum had known 3 months ago that the end of year balance would be low, some of the decisions on discretionary spending would not have been made.
- At the time the budget is set here is always uncertainty, as some funding allocations are not finalised at that time.
- The Schools Forum is a consultative body, which recommends the budget to Council.
- The pupil growth line has only reduced because one of the planned schools has been delayed for a year, but will need funding in the following year.

RESOLVED: That the Monitoring report for the 2015/16 Schools Budget be noted with concerns registered that recent movements have led to a reduction in the predicted end of year surplus.

56 DEDICATED SCHOOLS GRANT (DSG) 5 YEAR FINANCIAL PLAN

The Forum received and considered a report set out on Agenda pages 17 to 24, which gave an indication of the financial horizon for the Dedicated Schools Grant (DSG) in the next 5 years – 2015 to 2020.

Matt Marsden presented the report and said the it including an assessment of the future financial pressures, based on assumptions of the situation now. It was prepared to help set the scene for the 2016/17 budget setting, and the intention was for it to be updated following feedback, and for it to become part of the annual budget setting process.

In 2015/16 the AWPU had been reduced in recognition of the growth pressures, from the increase in primary pupil numbers. The predictions in the report are based on a suggested further reduction in 2016/17 AWPU of 1.5% to minimise the risk of creating an unmanageable deficit during that year, while Reception numbers continue to increase. Growth in primary numbers will start to slow in 2019. Anticipated pupil numbers will be closely monitored, taking account of the impact from the new housing developments.

Currently outlay is higher for secondary pupils, and as the bulge in numbers moves from primary to secondary, the weighting starts to have a detrimental impact on the DSG, the level of which is assumed to remain flat.

Details of the assumptions are set out in the report, including an indication of the financial impact on different types of schools.

During the discussion the following points were made:

- The Minimum Funding Guarantee (MFG) will carry on, and there is no plan to reduce the AWPU in 2017/18
- The MFG allocation of £2.5m could be removed and used to level off the AWPU, using the reserve pot if needed.
- All schools are expecting to have to fund a 4% rise in employment costs in 2016/17, and you are proposing to reduce the AWPU by 1.5% - that will have a massive impact.
- The reduction in AWPU is to try to avoid a deficit in 2016/17.
- It appears that a risk assessment of the financial impact on existing schools was not done before the decision to create and fund new school growth from the DSG was made, there was no clarity in the decision making process.
- The Council set an ambitious programme for the provision of new schools but did not provide additional money to fund it, schools are having to top slice all budgets to fund this growth. Is there another way of doing it?
- There is, and will continue to be, a huge detrimental impact on existing schools which will put some schools in deficit and will lead to a reduction in standards.
- This impact needs to be fully assessed; schools are frightened that they will not be able to cope.
- Schools are not allowed to set a deficit budget, and are usually refused permission to do so. There is a possibility that it will be reported to the DfE which can affect future Ofsted outcomes. But it seems the Local Authority can be in deficit.
- The Local Authority is here to protect all schools, and the Schools Finance Team will give support.
- Historically schools have predicted that they would be in deficit, but it did not happen by the year end.
- That shows good financial management by schools during the year.
- Although the specific line in the budget for support for schools in financial difficulties was removed in moving towards the national funding formula, there is some provision in the budget. That specific funding was never used.
- As school's staffing/employment costs account for around 80% of their expenditure, the impact of the 4% increase in these costs will see several secondary schools becoming eligible for the MFG.
- Why is there no provision for Early Years attached to the new schools, when there is a national proposal to increase the free provision for 3 and 4 year olds?

- The last time, primary capacity was increased in the north of the Borough, but there are now surplus places in that area, and less pupils has an impact on schools' budgets. Schools are supporting surplus spaces.
- The Local Authority has a legal duty to provide a sufficiency of school places for children in their area.
- Currently there is an excess of secondary places in the Borough , the shortage predicted in 2013/14 did not come.
- The next meeting of the Council is considering a motion to call for lobbying of MPs, the Secretary of State and the Department for Education about the low level of per pupil funding that Wokingham receives. *(the motion was subsequently agreed at full Council on 23 July 2015)*
- Perhaps schools could help in informing parents of the funding situation that schools are in, as currently they do not realise what is happening.
- Could the overall budget be put into deficit by funding the growth, with the knowledge that it would become a surplus in a few years when the increased per-pupil funding comes through as the new schools fill up? It could be a specific item in the budget.
- Officers will continue to at whether a contribution in funding can be obtained from Health, and CAMHS where appropriate.

All agreed that it is morally wrong that existing schools should be penalised by having their budgets reduced to fund new schools. There is a real danger that standards in schools will be detrimentally affected. The Forum needs to have a clearer picture of the cost of the new schools and the funding coming in.

Brian Grady, Head of Strategic Commissioning, explained that the capital finding for the new secondary school will come from the Local Authority's capital funding allocation and from S106 and CIL contributions relating to the new housing developments in the area.

Details of predicted High Needs Block (HNB) and Special Education Needs (SEN) provision were given in the report. The intention is to reduce the number of pupils having out of Borough placements to meet their needs. A review of provision is currently being undertaken. Comment was made that with the pressures of the new secondary curriculum, some SEN pupils may not be able to cope in main stream schools, so the pressure on Foundry College may increase.

An analysis of internal recharges is being undertaken and will be reported to the September meeting.

An early notice of indicative budgets will be given at autumn term meetings and work will be done with schools likely to be in deficit.

RESOLVED: That the Draft Dedicated Schools Grant 5 Year Financial Plan be noted and the above comments be used to make revisions, which will be reported to a future meeting of the Forum.

57 DEDICATED SCHOOLS GRANT (DSG) - GROWTH PROVISION FOR 5 YEAR PLANNING

The Forum received and considered a report, set out on Agenda pages 25 to 35, giving details of the requirements for growth provision within the DSG.

Officers explained that they had tried to model the impact of funding the provision of new schools and that it was based on current assumptions. The report included graphs

showing predicted pupil numbers up to 2022, and the cost/funding profiles for new primary and secondary schools.

John Wood, Children's Services Programme Manager, said that the assumption for the new secondary school was for a 6 form entry, with an admission number of 180; although the funding on pupil numbers does not need to be agreed until January 2016. Benchmarking and modelling of the funding required were carried out for inclusion when the proposal was advertised. Proposers included details in their bid, and following selection, the amounts will be negotiated. This will start in September 2015.

Some of the discussion around the 5 Year Plan item in Minute number 56, was centred on growth, however additional comments were made as follows:

- It is the Council's responsibility to provide a sufficiency of places.
- Do we need to have 180 in the secondary, could it not be 90.
- Is there going to be a limit to the growth fund?
- It needs to be recognised that it is in funding the new schools and growth that is putting the schools budget into deficit.
- Schools in deficit will have difficulty in maintaining the high standards expected; by the local authority and parents.
- The accounting for the new schools should be separate.
- It is expected that the level of growth in the budget will not necessarily reduce for a number of years, until the growth in pupil numbers levels off.
- Schools are not happy at being expected to take a reduced budget to fund this growth.
- Is there an option the expanding provision by developing free schools; this is a better option as most of the funding comes from the Government.
- It is the Council's responsibility to assess the impact across the whole organisation, and balance the impact of having to bus pupils to schools against the cost to the DSG. However the savings made would not be given back to the DSG.
- Why are the provider's projects costs included in the funding taken from the DSG?

It was reported that the Children's Services Overview and Scrutiny Committee had been asked to look at the process around setting school budgets and the funding allocation.

RESOLVED: the following:

- 1) that the concerns of the Schools Forum members that reducing school's budgets to fund new schools is likely to lead to a drop in standards, be acknowledged;
- 2) that the Schools Forum may not be willing to approve a budget for 2016/17 which includes a £1.2m cut to the AWPU;
- 3) that there should be transparent accounting of all the costs of the new schools;
- 4) that the following motion be sent to the Executive Member for Children's Services and the Chairman of Children's Services Overview and Scrutiny Committee, with an explanation of the School Forum's concerns :
"The Schools Forum will adopt the principle that the funding mechanism for the provision of new schools should not have a detrimental impact on existing schools."

58 SCHOOL EXCESS BALANCES BROUGHT FORWARD TO 2015-16

The Forum received and considered a report, set out on Agenda pages 35 to 46, giving details of the Schools Balances, carried forward to 2014/15; and the mechanism for

assessing whether schools are carrying excess balances which would qualify for claw back.

Donna Munday presented her report and referred to the table on Agenda pages 39 to 46 which gave details of the revenue balances held by each school in each year from 2012. The table in the report gives a summary of the totals for each type of school at the end of the last four financial years, excluding those schools which have converted to academy status within that time. No schools are holding excess funds that would require explanation and that meet the current criteria to instigate a clawback.

The current Clawback Mechanism was set out on Agenda page 37, and it was suggested that as it had never been used in the past, and that it did not apply to Academies, but any money 'clawed back' would have to be distributed to all schools, that consideration be given to abandon the mechanism and the reporting of schools' balances. The feeling was that under the current economic situation schools would not be in a position to have excess balances.

RESOLVED: That:

- 1) the schools balances brought forward to Financial Year 2015/16 be noted,
- 2) a report on the future use of the criteria and mechanism for assessing whether schools are carrying excess balances which would qualify for claw back be brought to the September meeting of the Forum.

59 FORWARD PROGRAMME AND DATES OF FUTURE MEETINGS

The Forum considered and noted the Forward Programme of work as set out on Agenda page 47, and agreed to add a report around the proposed extension of the provision of the free Early Years places for 3 and 4 year olds from 15 to 30 hours per week for 38 weeks to the October meeting.

The next meeting will be held on 23 September, 9.00am at the Civic Offices, Shute End, Wokingham

The dates of future meetings were noted:

21 October, 18 November and 16 December 2015

20 January, 24 February, 16 March and 18 May 2016.

The October meeting will be held at Charvil Piggott School.

60 EDUCATION HEALTH CARE PLANS - TRANSITION ARRANGEMENTS

No report had been received relating to this item.

61 SHARED RESPONSIBILITY FOR SUPPORT SERVICES - UPDATE

No report had been received for this item; a detailed report will be made in September.

**MINUTES OF A MEETING OF THE
SCHOOLS FORUM
HELD ON 20 MAY 2015 FROM 1.00 PM TO 3.50 PM**
Revised following the meeting on 15 July 2015

Schools Representatives

| | |
|-----------------|---|
| Phil Armstrong | Maintained Nursery Headteacher |
| Brian Prebble | Primary Head - Rivermead Primary |
| Elaine Stewart | Primary Head - Aldryngton Primary |
| Helen Ball | Primary Head – Polehampton Infant |
| Ginny Rhodes | Secondary Head - St Crispins |
| Ann Keane-Mayer | Secondary Head - Waingels College |
| Liz Meek | Special School Head - Addington School |
| Mary Rome | Pupil Referral Unit - Foundry College Headteacher |
| Derren Grey | Academy Headteacher - The Piggott School |
| Janet Perry | Academy Business Manager - The Holt School |
| John Bayes | Governor, Chairman |
| Nick Dyer | Governor Vice Chairman |
| Mike Hutchinson | Governor |
| Paul Miller | Governor |

Non School Representatives

| | |
|----------------|---------------------------|
| | Children's Services |
| Ian Pittock | Wokingham Borough Council |
| Clare Sheppard | Early Years Forum |

Also Present

Tricia Harcourt, Senior Democratic Services Officer
Donna Munday, Schools Finance Manager
Alan Stubbersfield, Interim Head of Learning and Achievement
Nicky Barlow, School HR Business Partner

41 APOLOGIES

Apologies for absence were submitted from Sally Hunter, Charlotte Wilkinson.

It was noted that Wazir Khan had resigned from the Forum as his term of office as a governor had come to an end.

The Chairman welcomed Helen Ball, Headteacher of Polehampton Infant School, who had been appointed to replace Christine Hyatt as the North Cluster representative.

42 MINUTES OF PREVIOUS MEETING

The Minutes of the meeting of the Committee held on 18 March 2015 were confirmed as a correct record and signed by the Chairman, subject to the correction in Minute 34 on Agenda page 8, that the training could be provided through the National Association of School **Business** Managers.

DECLARATION OF INTEREST

There were no declarations of interest.

44 CONTINUOUS SERVICE - REQUEST TO EXTEND PROVISIONS FOR TEACHERS

The Forum received and considered a report set out on Agenda pages 13 and 14, detailing a request to allow the recognition of service accrued by teachers in academy/free schools continuous service provisions for teachers moving from academy schools to be extended for the calculation of sickness and maternity entitlements on their return to employment in a Local Authority School

Nicky Barlow presented the report and explained that currently under the provisions of the Burgundy Book, which sets out the Terms and Conditions of Service for Teachers, if a teacher moves from a local authority maintained school to work in an academy/free school, that service cannot be counted for the purpose of the calculation of aggregated or continuous service in relation to occupational maternity pay and sick pay. However support staff, whose terms and conditions of service are in the Green Book, already have this provision written in.

The request would bring teachers into line with support staff and would facilitate the movement of teachers between local authority and academy/free schools. The only impact on the central Schools Budget would be to refund schools for any additional maternity pay. Individual schools cover the cost of sick pay and normally have insurance cover.

Forum agreed that it was appropriate to bring teachers in line with the support staff and that any perceived barrier to recruitment should be removed.

RESOLVED: That the provisions of the Burgundy Book Terms and Conditions for Teachers be extended to include the recognition of service accrued by teachers in academy/free schools for the purposes of calculating sickness and maternity entitlements when they move from an academy/free school voluntarily to a Wokingham Borough maintained school.

45 SCHOOLS BUDGET 2014/15 - FINANCIAL MONITORING - FINAL OUTTURN

The Forum received and considered a report set out on Agenda pages 15 to 20, and with the table circulated separately, detailing the projected final outturn position for the 2014/15 Schools Budget as funded by the Dedicated Schools Grant (DSG) , including Education Funding Agency funding and the Pupil Premium Grant.

Donna Munday presented the report which listed the main material movements from the approved budget set in July 2014 and from that forecast in March 2015. This shows a decrease in the projected outturn surplus from £1,466,000 in March to £982,000. The table circulated separately showing the S251 budget lines, included a commentary on the material movements; the main ones since the last report were:

- Line 1.3.1 - Pupil Referral Units -£127,000 surplus which is Foundry College's year end carry forward;
- Line 1.0.1 High Needs Block allocations – £865,000 of additional distribution and year end accruals;
- Additional grant notifications of £216,000

Donna clarified some of the comments.

Agenda pages 16 and 17 of the report set out the context in which the 2014/15 budget was set and an explanation of the material movements that had occurred throughout the year.

Officers indicated that a paper will be brought about the impact of the new schools for future years and the complexities of growth in pupil numbers. Also information looking at the last 5 years of spending will be prepared.

RESOLVED: that the final outturn Monitoring Report for the 2014/15 Schools Budget be noted.

Comments were made in relation to the 2015/16 budget which had been agreed at the March meeting, as follows:

- There were overspends on several lines in 2014/15, but the same amounts have been put in for 2015/16. Some lines had underspends, but the same amounts were put in for 2015/16;
- The 2015/16 budget was set on the information available at that time; we are still expecting another indicative allocation in July;
- How confident are you about the High Needs Block figures for 2015/16;
- Officers across Berkshire are moderating the different charges for courses;
- The lag in the post 16 funding was acknowledged;
- It is hoped that the Working Group will be able to look at the predictions in the 5 Year Plan

46 SCHOOLS FORUM WORKING GROUP - DRAFT TERMS OF REFERENCE

The Forum received and considered a report set out on Agenda pages 21 to 23, setting out suggested Terms of Reference for the proposed Schools Forum Working Group.

Matt Marsden introduced the report, which set out proposals for the setting up and activities for a small Working Group of Schools Forum Members, as suggested at the last meeting. The idea was for the Group to gain a better understanding of the budget setting process and be able to challenge assumptions. It would not make decisions, only feed back to the main Forum, possibly with recommendations.

One of the issues to be discussed was whether the current method of presenting the budget information needed changing.

During the discussion the following points were made:

- We could end up with a small group of people who understand more than others – a two tier system;
- the more detailed/different information should be provided for all Forum members;
- It would be helpful to have it documented to show how the budget decisions are made;
- The information provided in advance of meetings should be in a form that all can understand with more detailed commentary;
- Any group should be time limited;
- Some other local authorities prepare a booklet giving details of each budget line and the decisions made, which could be kept by Forum Members to refer to at all meetings. This would help Members to understand /remember what decisions have been made, which would stop a lot of questions about the activity on individual budget lines.
- It would be helpful to have information by the end of June, in good time for the 15 July meeting;
- Doubtful of the benefit of spending time preparing a 5 Year Plan;
- A training session for all would be useful.

Officers agreed that they would review the information provided on the 2015/16 and 2016/17 budgets; get that information out as early as possible and would prepare a draft of a 5 year Plan. They also indicated that they were proposing that additional meetings of Forum be programmed in November 2015 and February 2016 to allow more time for budget discussions.

RESLOVED: That:

- 1) a Working Group would not be formed;
- 2) detailed information on the 2015/16 and 2016/17 Schools Budgets would be provided for all Forum Members in good time for discussion at the next meeting on 15 July;
- 3) a first draft of a 5 Year Plan would be considered at the next meeting.

47 EXCEPTIONAL NEEDS MODERATION PANEL - REVIEW

The Forum received and considered a report set out on Agenda pages 25 to 29, giving details of the review of the operation of the Exception Needs Moderation Panel arrangements, after one year of operation

Kathy Roberts presented the report and explained that the review had looked at the current arrangements where the Panel meets once a term to consider requests from schools for financial support to address particular exceptional circumstances that cannot be funded from their special needs allocation. Currently requests and supporting information are considered at cluster meetings, then presented to the Panel by the cluster representative.

The review identified that this process extends the time taken before a decision is made and that there is duplication of effort from those involved, so changes to the process have been suggested.

The details of the changes were set out in the report, but the main suggestions were;

- Panel membership changed;
- The Panel to meet every half term;
- Requests to be submitted directly to the SEN Officer 2 weeks before the scheduled meeting, with papers circulated in advance;
- Cluster meetings will continue to review requests and consider single pupil focus requests for up to £2,000.

New criteria for exceptional requests were set out in the report.

The cluster would evaluate the impact of the allocations on a termly basis, as these allocations are meant to be for short term solutions. There should be an SEN Officer and a Finance Officer present at the cluster meetings.

Forum members who had raised the issue and asked for a review, indicated that they were happy with the new proposals.

RESOLVED: That the proposed model of operation for the Exceptional Needs Moderation Panel, as set out in the report be adopted.

48 SPECIAL NEEDS ALERT

Linda Orr gave a verbal update on the situation regarding the funding required for pupils with Special Education Needs, who have out of Borough placements. She indicated that in September 2015, the number of pupils would reduce because the number of leavers will

be eleven and there are six anticipated new placements. However the needs of pupils and costs are increasing, with the average cost of one of the pupils leaving being £450,000 and the estimated costs for one of the new pupils being £560,000.

There are three families with social care needs, with a child who may need placements. Currently there are four outstanding cases going to Tribunal, and those decisions have the potential for the child to be placed in maintained provision. In cases where children's needs are complex, there should be some contribution from Social Care; an equitable split must be ensured.

It was noted that in budget line 1.2.4 a surplus of £489,000 had been achieved from a budget of £6,144,000 in 2014/15. However the allocation made for this line in the 2015/16 budget £5,794,000, although now predictions are that placement costs may rise.

Comment was made that more use should be made of the resources within the Borough.

RESOLVED: That the SEN Alert report be noted.

49 FORWARD PROGRAMME

The Forum considered and noted the Forward programme of work set out on Agenda page 31 and agreed to the following changes:

- Additional meetings of Forum be arranged for 18 November 2015 and .. 24 February 2016;
- The Growth Fund Allocations report and impact of new Schools reports will be moved to the July meeting;
- A report on the Primary Strategy will be added to the October meeting.

The next meeting will be held on 15 July at Waingels College.

The dates of future meetings were noted:

23 September, 21 October, 18 November and 16 December 2015

20 January, 24 February, 16 March and 18 May 2016.

The October meeting will be held at Charvil Piggott School.

50 EXCLUSION OF THE PUBLIC

RESOLVED: That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1 and 2 Part 1 of Schedule 12A of the Act (as amended) as appropriate.

51 CLUSTER FAMILY SUPPORT WORKERS

The Forum received and considered a confidential report set out on Agenda pages 33 to 55 on the work of the Family Support Workers in the context of fixed term funding, including a copy of the Parenting Team Report.

It was acknowledged that the work provided by the Family Support Workers was valuable and any reduction would have an impact on schools. However it was

RESOLVED: That at this time, there is no commitment to allocate further funding.

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SCHOOLS FORUM

Membership of the Schools Forum

Purpose of the Report

- 1 The purpose of this report is to review the composition of the Forum, in light of the number of schools that now fall within the 'Academies' category.

Suggested Action

Members are asked to review the membership of the Forum in light of the information provided suggested.

Supporting Information

- 3 The Education Act 2002, amended the School Standards and Framework Act 1998, to require each Local Education Authority, (LEA) to establish a Schools Forum. The Forum is not a committee of the Council, it is a separate statutory body established by the Local Authority, (LA) the Schools Forum (England) Regulations, currently the 2012 Regulations.
- 4 It is for the Local Authority to determine the size and composition of its Schools Forum and terms of office, in accordance with the Regulations. There is no minimum or maximum limit on size of the Forum. However 'schools' and 'academies' members must comprise at least two thirds of the membership. The Regulations state that primary schools, secondary schools and Academies must be broadly proportionately represented on the Forum having regard to the total number of pupils registered to them.
- 5 Decisions relating to the composition of the Forum, have always been made in consultation with the Forum. Recently the number of schools within the 'Academies' category has increased, with the conversion of Waingels Colege to an academy to 6 secondaries and 4 primaries, including Piggott the 'all through primary to secondary' . So it seems appropriate to review the membership of the 'schools' and 'academies' categories.
- 6 The authority can determine the number of members representing schools in a particular school category, which must be broadly proportionate to the number of schools in that category when compared with the total number of schools. Currently there are 40 maintained primary schools and 3 maintained secondary schools
- 7 The membership should reflect the profile of education provision across the Local Authority to ensure that there is not an in-built bias towards any one phase or group. Within the 'schools' and 'academies' members there should be a balance between maintained primary, maintained secondary and academies broadly proportionate to the pupil numbers in each category. There is no requirement for academies members to represent specific primary and secondary phases, but they may be encouraged to ensure representation remains broadly proportionate to pupil numbers within their schools.
- 8 The Schools members must be elected by members of the relevant group or sub-group in the the Local Authority area, and Academies members must be elected by the proprietors of the Academies in the Local Authority area.

9 Forum has previously agreed the arrangement that additional representatives can be involved and are invited to attend meetings as ‘substitutes’ so that there is always representation from each sub–group. The number of formal votes from each sub-group is limited.

10 The **present** composition of the Forum including vacancies is set out below:

Schools - 15

- Primary Headteachers – 4 voting members from the 7 representatives one from each primary ‘cluster’ who attend and can act as substitutes
- Secondary Headteachers – 2
- Special School Heateacher – 1 voting member from Southfield or Addington who attend and can act as a substitute
- Maintained Nursery School Representative (Ambleside) – 1
- Pupil Referral Unit - 1
- Governors – 5

Academies - 3

- Headteacher/Headteacher representative - 2
- Governor/Trustee – 1 (currently vacant)

Non Schools – 6

- Wokingham Borough Council non Executive Member – 1
- Officer from Wokingham Borough Council – 1
- Oxford Diocese – 1 (currently vacant)
- Roman Catholic Diocese – 1 (currently vacant)
- Early Years Forum – 1 voting member from the 2 representatives who attend and can act as substitutes
- Wokingham 14-19 Partnership/Post 16 provider - 1

Observer

- A representative of the Education Funding Agency, Maintained Schools Division is entitled to attend.

11 The up-to date pupil numbers following the October census are not yet available, but it has been suggested that, using estimated numbers on roll at schools for September, the total number of pupils in secondary Academies now exceeds the number in maintained secondary schools:

| Total Estimated Pupil Numbers in September 2015 - 22,721 (excluding 6 th form) | | |
|---|--------|-------|
| Maintained Primary | 13,952 | 61.4% |
| Maintained Secondary | 2,542 | 11.2% |
| Academies | 6,227 | 27.3% |

12 Currently there is a vacancy within the Academies category, which had been suggested to be filled by a governor or trustee. One of the current secondary Headteacher places is taken by the Headteacher of Waingels College and as the

status of her school has changed she is no longer eligible to be a 'maintained secondary school' representative. One of the 'maintained school' governor representatives is also from Waingels College, so he should also stand down. However, as the Academies group had been asked to appoint a governor/trustee representative, it may be that they may wish to ask him to continue as their governor representative.

- 13 The recent vacancy within the school governor category has now been filled following a recruitment carried out by Governor Services asking for nominations from governors in the primary sector across the Borough to be elected as a Governor representative on the Forum. One eligible volunteer came forward and has been confirmed to fill the vacancy.
- 14 Forum made the decision to invite both the Oxford CE Diocesan Board and the Portsmouth Roman Catholic Diocese to nominate representatives to sit on the Forum as 'non-schools' members. However over the last few years no nominations have been received and there have been two vacancies. Recently both Diocesan organisations have been again asked to nominate a representative and a name has been put forward by the Oxford Diocese to fill the vacancy.

Tricia Harcourt
Senior Democratic Services Officer
Democratic Services
September 2015

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SCHOOLS FORUM

Education Welfare Service (EWS)

1 Purpose:

- To up-date Schools Forum on the current position of the Education Welfare Service and the recent changes within the team.
- To outline next steps regarding EWS delivery.

2 Background:

Schools Forum allocated an amount of £35k for this current financial year 2015 - 2016 to support the delivery of the Education Welfare Service. The base budget was insufficient to support the staffing resource at that time.

This allocation was confirmed as a one-off contribution and successfully enabled the service to continue in its current model. During this year the service has been reviewing alternative service models of delivery in order to present for consultation a range of service design options and the funding required for each.

3 Current budget 2015/2016:

| Employees | EWS | Chaperone | Total |
|------------|-------|-----------|-------|
| Budget £k | 226.3 | 16.1 | 242.4 |
| Budget FTE | 5.8 | 0.5 | 6.3 |

| | £k | |
|-----------------------------------|------------|-----------------------------------|
| Employees | 244 | includes training £1.5k |
| Other | 14 | mileage £13k, projects £1k |
| Schools Block Contribution | -62 | contribution to GRT Support |
| Schools Block Contribution | -35 | one-off contribution 15-16 |
| Fees | -7 | |
| TOTAL | 154 | |

4 Current EWS model:

As of July 31st 2015 two service members resigned: the PEWO and the EHE teacher. The current service therefore comprises:

1 x fte full year senior EWO – about to go on maternity leave

2 x fte term time only EWOs

2 x .8 term time only

Vacancies:

1 x fte full year PEWO

.4 term time only EHE coordinator

6 maternity cover

The EHE coordinator post is currently advertised as part of a new role created within the Virtual School – Education Coordinator.

The maternity cover post has been advertised and interviews scheduled for September 2015.

The PEWO vacancy has not been advertised as this resignation presents an opportunity to review the operation of the EWS and alternative models of practice.

In the interim letters have been sent to all schools outlining the current EWS operation, allocated staff and key contacts for further service support and information. The current service will continue to support exclusions, permanent exclusions, school attendance, school surgeries, the process for delivery and collection of fixed penalty notices for non-attendance and taking holidays during term times, EHE, CME, FAPP as well as key operational groups such as CSE within the council. The Chaperone role will continue to manage the licensing of children and young people as performers as well as monitoring and protecting those in part time employment.

5 Proposal:

With the opportunity to revise delivery of the EWS, the service is drawing up a paper for consultation which will outline the range of activities with costed models for delivery. This will include models of delivery that offer basic critical service delivery of statutory processes, referral models for support, surgery models of support and so forth. These models will identify full operational costs and identify potential additional service support that can be purchased through SLAs with schools.

The consultation paper on EWS Models of Delivery will be sent out to all schools by the October half term with a request for completion and submission by end of November 2015. This feedback will then inform the model of delivery for academic year 2016/2017.

This agreed model to be presented to Schools Forum in December 2015 with a timeframe for implementation of the new model.

Kathy Roberts.

Interim Head of Access and Inclusion.

September 2015.

SCHOOLS FORUM

Dedicated School Grant (DSG) 5 Year Financial Plan

1 Purpose of the Report

To provide the Schools Forum with an indicative view of the financial horizon for the DSG 2015-2020. The report's objective is to help understand some of the financial pressures that are being faced and allow time for planning to address such challenges. The report will also form the basis for the budget setting for 2016/17. The 5 year plan will become a standard annual document, reflecting expected changes for future years and to monitor the risk of the DSG becoming unsustainable.

2 Suggested Action

The Forum is asked to note the contents of this report and consider approaches to the 2016-17 budget build.

3 Background

This report provides an update from the July Forum, taking into account revised cost estimates for the new secondary school in Arborfield applying the assumption of only 90 pupils in September 2016 rather than 180 pupil in the previous model.

The paper also looks to offer a technical error reflection on the paper presented in July suggesting a further 1.5% reduction in AWPU was required. The numbers do not differ significantly from those previously presented, and are still suggesting a reduction in the distribution of funds to schools equating to 1.5%, however this would be achieved partly through the existing minimum funding guarantees, and as such would not equate to a further 1.5% reduction in AWPU.

The paper also sets out two further scenarios, the first not applying any further reductions in AWPU as requested by the Schools Forum, but allowing the minimum funding guarantee to address the shortfall in reserves which has the effect of running into a deficit in year one, but returning back into a positive balance in year two. The purpose of this scenario to help protect schools from larger reductions in funding in 2016/17, to provide greater time to adapt to reductions in funding.

The second scenario works on the same principle as above but introduces a cap on Schools seeing an increase in per pupil funding year on year. The drive in this scenario being to return to a surplus position as soon as possible, stemming the amount a school can gain by when other schools are facing cuts in funding.

The paper also includes a breakdown of the internal recharges applied against the DSG which was missing from the July paper.

4 Financial Summary

The 5 year financial summary below captures best known data available today and application of assumptions to formulate a financial forecast. The summary takes into

account expected pupil growth within the borough, new schools, alternative provision review and any currently anticipated funding changes.

| DSG 5 year financial plan | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | | June | | | | | |
| | Actual | Actual | Forecast | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
| | | £k | £k | £k | £k | £k | £k | £k |
| Total income | 99,836 | 101,029 | 101,884 | 104,002 | 106,835 | 109,055 | 110,036 | 111,230 |
| Outgoings | | | | | | | | |
| Schools allocations | 72,164 | 72,493 | 74,152 | 75,107 | 77,068 | 78,944 | 80,751 | 82,589 |
| Pupil Premium | 1,913 | 2,735 | 2,744 | 2,792 | 2,872 | 2,936 | 2,967 | 3,003 |
| Early Years allocations | 5,835 | 6,087 | 6,276 | 6,213 | 6,027 | 5,545 | 5,545 | 5,545 |
| SEN / HNB | 17,573 | 17,853 | 16,894 | 16,707 | 16,506 | 16,426 | 16,267 | 16,326 |
| Growth | 639 | 611 | 620 | 1,249 | 1,211 | 1,260 | 1,513 | 1,308 |
| Central Expenditure | 1,120 | 1,417 | 1,424 | 1,771 | 1,824 | 1,854 | 1,854 | 1,854 |
| Internal Recharges | 459 | 459 | 459 | 459 | 459 | 459 | 459 | 459 |
| Total Outgoings | 99,703 | 101,655 | 102,569 | 104,299 | 105,967 | 107,425 | 109,356 | 111,084 |
| Net in year (Surplus) / Deficit | (133) | 626 | 685 | 297 | (868) | (1,631) | (679) | (146) |
| C/fwd (Surplus) / Deficit Balance | (1,608) | (982) | (297) | (0) | (868) | (2,499) | (3,179) | (3,324) |

We previously reported a £69k deficit in 2016/17 having applied a £1,200k reduction in funding. This assumed £1,186k of growth requirements for expanding and new schools. The position improved in 2017/18 to a surplus of (£791k) increasing to a surplus of (£3,487k) by 2020/21.

In order to illustrate how we can achieve a balanced position in 2016/17, a reduction of £1,328k has been applied in the table above, a worsening position to that previously presented by £59k, a result of increased growth requirements from the new secondary school assumed at 90 pupils rather than 180 pupils previously presented.

As highlighted at the July Schools Forum, even though the reserves continually increase, the in year surplus position starts to decrease with the weighting of pupils towards secondary schools rather than primary with higher per pupil rates for secondary schools having a detrimental impact.

The only changes made in assumptions to those presented in July are around Arborfield Secondary School intake. Pupil numbers, Alternate provision review, funding, etc have remained the same.

5 Impact from Arborfield Secondary School reduced intake

As highlighted above, a revision to the intake for the new Secondary school down from 180 pupils to 90 in year one, with one form increase year on year to a maximum of 180 pupils in year 4, has the following estimated affects.

| 6 form entry Secondary School | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|---------------|------------------|------------------|------------------|------------------|
| Leadership | | (95,500) | (39,000) | 25,000 | 89,000 |
| Teaching Staff | | (239,250) | (307,000) | (590,000) | (592,000) |
| Education Support | | (54,000) | (79,000) | (95,000) | (79,000) |
| Admin/Support Staff | | (60,333) | (98,000) | (50,500) | (41,000) |
| Other staffing | | (15,472) | (19,505) | (14,441) | (13,983) |
| Utility costs (inc rates and insurance) | | (4,276) | (10,045) | (8,145) | (8,688) |
| Premises | | (10,500) | (30,000) | (36,000) | (48,000) |
| Consumables, ICT, Training & professional | | (28,552) | (31,719) | (9,502) | (10,136) |
| Exam Fees | | | 0 | 0 | (17,250) |
| Project costs | 0 | 0 | 0 | 0 | 0 |
| Total Costs | 0 | (507,883) | (614,269) | (778,588) | (721,057) |

| 6 form entry Secondary School funding | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--|---------------|---------------|---------------|---------------|---------------|
| EFA funding | | (567,150) | (733,984) | (845,482) | (1,117,341) |
| DSG growth funding | 0 | 59,267 | 119,715 | 66,894 | 396,284 |
| Total | 0 | (507,883) | (614,269) | (778,588) | (721,057) |

It should be noted there was an error in the original model, it was not picking up costs for Assistant Heads reported under "Leadership" above. This amounted to 1 FTE in year 2 at £80k, rising to 2FTE in year 4 and 3FTE in year 5 with costs of £160k & £240k respectively.

As can be seen, reductions in headcount and operating costs are more than offset by reductions in funding with lower pupil numbers, resulting in an increase in demand on the growth line for the DSG.

The table below shows the Council's best estimate on staffing requirements for a 3 form entry secondary school

| Leadership | Rates | Numbers (FTE) | | | | | | |
|------------------------------|----------|---------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | | 16/17 | 17/18 | 18/19 | 19/20 | 20/21 | 21/22 | |
| Head | £102,000 | | 1 | 1 | 1 | 1 | 1 | 1 |
| Deputy | £79,000 | | | 1 | 1 | 1 | 1 | 1 |
| Assistant Head | £64,000 | | | | 1 | 2 | 2 | 3 |
| Total | | | 1 | 2 | 3 | 4 | 4 | 5 |
| Teaching Staff | | | | | | | | |
| Head of subject/ Form tutors | £56,000 | | 3 | 3 | 5 | 5 | 5 | 5 |
| Other teaching Staff | £40,000 | | 3 | 8 | 12 | 24 | 36 | 48 |
| PE | £35,000 | | 1 | 1 | 2 | 3 | 3 | 4 |
| Total | | | 7 | 12 | 19 | 32 | 44 | 57 |
| Educational Support | | | | | | | | |
| HLT | £25,000 | | 0 | 0 | 0 | 0 | 0 | 0 |
| TA | £21,000 | | 2 | 4 | 6 | 8 | 10 | 10 |
| Lab Assistant/Technicians | £30,000 | | 1 | 1 | 2 | 4 | 4 | 5 |
| Cover supervisor | £17,000 | | 1 | 1 | 1 | 2 | 2 | 2 |
| Total | | | 4 | 6 | 9 | 14 | 16 | 17 |
| Admin Support | | | | | | | | |
| Business Manager | £56,000 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Premises + Finance | £29,000 | | 3 | 3 | 3 | 3 | 3 | 3 |
| Admins Assts/exam/Librarian | £22,500 | | 1 | 2 | 5 | 8 | 10 | 12 |
| Lunchtime Supervisor | £18,000 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | | | 4 | 5 | 8 | 11 | 13 | 15 |
| | | | 16 | 25 | 39 | 61 | 77 | 94 |

The table below shows the revised estimated cost position for the secondary school based on an intake of 90 pupils.

| 3 form entry Secondary school forecast budget | 16/17 | 17/18 | 18/19 | 19/20 | 20/21 |
|---|----------------|------------------|------------------|------------------|------------------|
| Expenditure | £ | £ | £ | £ | £ |
| Staffing | | | | | |
| Leadership | 102,000 | 181,000 | 245,000 | 309,000 | 309,000 |
| Teaching Staff | 242,250 | 523,000 | 830,000 | 1,345,000 | 1,825,000 |
| Educational Support | 48,000 | 114,000 | 186,000 | 288,000 | 330,000 |
| Admin / support | 73,000 | 132,000 | 199,500 | 267,000 | 312,000 |
| Supply Teaching | 5,957 | 12,088 | 18,469 | 28,038 | 35,125 |
| Pay progression above inflation | - | 3,597 | 9,115 | 13,838 | 17,336 |
| Non Payroll Costs | | | | | |
| Rates (EFA funded) | 17,500 | 30,000 | 30,000 | 30,000 | 30,000 |
| Other Insurance | 11,667 | 30,000 | 30,000 | 30,000 | 35,000 |
| Premises Costs | | | | | |
| Maintenance and Improvements contracts (inc cleaning) | 10,500 | 42,000 | 72,000 | 108,000 | 240,000 |
| Set up costs | 100,000 | | | | |
| Exam fees | - | - | - | 17,250 | 40,250 |
| Energy Costs | 8,077 | 32,308 | 55,385 | 83,077 | 120,000 |
| Educational Supplies | 16,154 | 37,692 | 64,615 | 96,923 | 140,000 |
| Admin Supplies, telephones, postage, p/copier, paper | 5,833 | 20,000 | 30,000 | 40,000 | 50,000 |
| Professional Services 1 (eg: legal) | 40,000 | 40,000 | 45,000 | 45,000 | 45,000 |
| Professional Services 2 (eg: audit) | | | | | |
| Professional Services 2 (eg: marketing) | | | | | |
| ICT maintenance & repairs | 5,833 | 20,000 | 25,000 | 30,000 | 30,000 |
| Indirect Emp Exp | 25,000 | 25,000 | 30,000 | 30,000 | 30,000 |
| Hospitality | | | | | |
| Responsible Officer | | | | | |
| SLA's - eg., tree & ditch, payroll, H&S, EWO,FRS17 | 5,833 | 10,000 | 10,000 | 10,000 | 10,000 |
| Grounds Maintenance | 15,750 | 27,000 | 27,000 | 27,000 | 27,000 |
| CPD/Training | 3,500 | 12,000 | 17,000 | 22,000 | 27,000 |
| Total Expenditure | 736,855 | 1,291,684 | 1,924,084 | 2,820,125 | 3,652,711 |

Assumed pupil numbers through the years as per table below

| Cumulative pupil numbers | 16/17 | 17/18 | 18/19 | 19/20 | 20/21 | 21/22 |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| KS3 | 90 | 210 | 360 | 450 | 570 | 660 |
| KS4 | | | | 90 | 210 | 270 |

6 5 year financial forecast applying no further reductions in AWPU;

The forum raised concerns that today's schools were having to pay for the investment in new schools, and as with most investments, the return on that investment takes time to filter through. The 5 year plan showed an improving reserve position through the years, akin to a return on investment. The challenge highlighted in July was given the improving reserve position, is there not an option to stop further cuts in funding, recognising this would put the DSG into deficit, however it would recover back into a positive reserve in future years.

This option is being explored with the S151 officer responsible for ensuring adequate reserves and plans are in place across the Council's area of responsibility, a proposal has been presented to date, with a request for understanding the risks attached to such a decision and what mitigating plans would need to be adopted. The current plan is to have this analysis completed by the end of September and to have received a decision from the S151 officer for the October Forum.

The table below shows the effect of making no further reductions in AWPU, but that only sees a reduction in distributed funds resulting from a reduction in the guarantees currently provided through MFG. The mechanism for this is a reduction in MFG protection of £880k, and consequently a reduction in the amount distributed to schools.

| DSG 5 year financial plan | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | | June | | | | | |
| | Actual | Actual | Forecast | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
| | | £k | £k | £k | £k | £k | £k | £k |
| Total income | 99,836 | 101,029 | 101,884 | 104,002 | 106,835 | 109,055 | 110,036 | 111,230 |
| Outgoings | | | | | | | | |
| Schools allocations | 72,164 | 72,493 | 74,152 | 75,555 | 77,181 | 79,057 | 80,864 | 82,702 |
| Total Outgoings | 99,703 | 101,655 | 102,569 | 104,747 | 106,080 | 107,538 | 109,469 | 111,197 |
| Net in year (Surplus) / Deficit | (133) | 626 | 685 | 745 | (755) | (1,518) | (566) | (33) |
| C/fwd (Surplus) / Deficit Balance | (1,608) | (982) | (297) | 448 | (307) | (1,825) | (2,392) | (2,424) |

The above scenario suggests a deficit in 2016/17 of £448k which returns to a surplus in 2017/18 with similar trends to those previously highlighted of increasing reserves year on year but a reducing in year surplus to only £33k in 2020/21.

7 5 Year financial plan as above but applying a cap

The Schools Forum have previously introduced a cap in funding to stem the amount any school can gain from per pupil funding. Per pupil funding can increase as a result of changes in a schools' circumstances from such factors as prior attainment, deprivation levels, English as an additional language, it will not increase as a result of AWPU which in this scenario is assumed to stay flat.

Introducing a cap reduces the amounts of distributed funds in a given year, any schools where a cap has been introduced, would see their funds increase by pupil year on year only to the extent of any agreed cap. Savings to DSG accrue as a result.

The table below shows the effect of introducing a cap of 1.5% in addition to the reduction in MFG provided. The effect of this scenario is a further reduction in distributed funds of £335k as a result of a cap being imposed.

| DSG 5 year financial plan | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | | July | | | | | |
| | Actual | Actual | Forecast | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
| | | £k | £k | £k | £k | £k | £k | £k |
| Total income | 99,836 | 101,029 | 101,884 | 104,002 | 106,835 | 109,055 | 110,036 | 111,230 |
| Outgoings | | | | | | | | |
| Schools allocations | 72,164 | 72,493 | 74,152 | 75,220 | 77,181 | 79,057 | 80,864 | 82,702 |
| Total Outgoings | 99,703 | 101,655 | 102,569 | 104,412 | 106,080 | 107,538 | 109,469 | 111,197 |
| Net in year (Surplus) / Deficit | (133) | 626 | 685 | 410 | (755) | (1,518) | (566) | (33) |
| C/fwd (Surplus) / Deficit Balance | (1,608) | (982) | (297) | 113 | (642) | (2,160) | (2,727) | (2,759) |

Similar to 0.6 above, the DSG would go into deficit in 2016/17 but recover to a surplus position in 2017/18. The in year position is the same come 2020/21 as that presented in 0.6 above as expectation is the cap would have no impact after year 2.

8 Internal recharges

Below is a schedule of what constitutes internal recharges against the DSG. Recharges have remained consistent over the years, with inflationary pressures and pay increases being offset by efficiencies gained in support services. This is expected to continue for the foreseeable future.

| DSG Service Charges Summary | | |
|---|----------------|--|
| Children's Services -DSG | 15-16 £k | Basis of Apportionment |
| Administration | 144,010 | 5.6 FTE admin support provided to schools and Education |
| Business Improvement | 11,000 | Time spent from Audit, Insurance, Investigations and Business improvement offset by £40k income from schools |
| Central Accountancy | 37,388 | Provision of finance support covering VAT, monitoring, closing accounts, treasury, FOI, budgets, reporting, support for moderation panels |
| Communications | 8,550 | Charge based on % headcount across council for communications, updating WEB pages and information |
| Contracts Procurement | 30,551 | Time split from Contracts team supporting Catering and other DSG contracts over and above income received from DSG |
| Information Management Technology | 42,040 | IT provision for 18 staff across Admissions, Home to school Liaison & Parenting support, IT charges cover infrastructure (lines, network, servers), license costs, IT equipment & maintenance, WEB development & maintenance and help desk support |
| Corporate Transport Unit | 96,400 | % split of contract values based on Special educational needs transport arrangements, arranging daily taxi's drop off and pick up, liaising with providers, reconciling and making payment of invoices. |
| Human Resources | 24,970 | Proportion of time spent supporting schools |
| Member Services | 33,620 | % charge of democratic service staff time for attending forum and providing support to executive meetings on DSG related items, registering minutes, creating of agendas and chasing papers. |
| Property - Buildings MU incl Facilities | 17,720 | Charge for office space occupied by CS staff DSG specific (28%) + recharges in |
| Reprographics | 8,280 | Internal printing from reprographics for Admission appeals and brochures, Forum papers, etc |
| Employee Services & Payments | 620 | Payroll staff time supporting DSG staff |
| Customer Services Operations | 4,571 | Wokingham Direct % calls taken Schools related including admissions queries |
| Total | 459,720 | |

9 Other considerations

Cuts being faced by schools have built a political head of steam, with Wokingham MP John Redwood actively engaged with Governors & parents to take the challenges to Westminster to lobby for more equitable funding for Wokingham.

The Children's and Young People's Partnership is working together to help shape and form strategies together for our young people in the Borough. The rationale for this is about exploring efficiencies arising from partnership and pooling resources.

An early years strategy paper is to be drafted to consider the implications from increased free provision to 30 hours, the demands on the service from the new housing developments, and funding.

Options for more collaborative working within schools, feeder schools etc., shared resources.

Initial exploration with the council's Section 151 officer (chief finance officer) around the implications of DSG being in deficit

10 Next steps

- To seek approval from the S151 officer for the DSG to go into a deficit position.
- Further work to be carried out in modelling the effects for individual schools.
- Cluster groups to be made aware of the financial position.

Matt Marsden
Finance Business Partnering Manager
July 2015