



WOKINGHAM BOROUGH COUNCIL

A Meeting of the **SCHOOLS FORUM** will be held at the Civic Offices, Shute End, Wokingham RG40 1BN on **WEDNESDAY 18 MAY 2016 AT 9.30 AM**

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

Andy Couldrick
Chief Executive
Published on 10 May 2016

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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

Schools Representatives

John Bayes (Chairman)	Governor – Foundry College
Paul Miller	Governor – St Crispins
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
Elaine Stewart	Primary Head - Aldryngton Primary
Mandy Turner	Primary Head - Shinfield Infant
Sylvia Allen	School Business Manager - Hawkedon Primary
Julia Mead	School Business Manager - St Sebastian's CE Primary
Carol Simpson	School Business Manager - Colleton Primary
Liz Meek	Special School Head - Addington School
Mary Rome	Pupil Referral Unit - Foundry College Headteacher
Ginny Rhodes	Secondary Head - St Crispins
Derren Gray	Academy Headteacher - The Piggott School
Janet Perry	Academy Business Manager - The Holt School
Vacancy	Special School Head
Ian Head	Governor – Aldryngton Primary

Non School Representatives

Vacancy	Roman Catholic Diocese
Anne Andrews	Oxford Diocese
James Taylor	Wokingham and Bracknell College
Charlotte Wilkinson	Early Years Forum
Vacancy	Early Years Forum
Vacancy	Wokingham Borough Council

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.
73		APOLOGIES To receive any apologies for absence.	
74		MINUTES OF PREVIOUS MEETING To confirm the Minutes of the Meeting held on 16 March 2016.	5 - 10
75		DECLARATION OF INTEREST To receive any declarations of interest.	

76	REVENUE MONITORING To receive and consider a report containing the current outturn position on the schools budget.	To Follow
77	FINAL 2015/16 OUTTURN To receive and consider a report giving details of the final 2015/16 outturn position.	11 - 14
78	SEN ALERT To receive and consider a report detailing the Special Educational Needs provision in the borough.	To Follow
79	SCHEME FOR FINANCING SCHOOLS - CONSULTATION REPORT To receive and consider a report reviewing the current wording of the scheme for financing schools.	15 - 16
80	FORWARD PROGRAMME To consider the Forums work programme for the remainder of the academic year.	17 - 18

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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**MINUTES OF A MEETING OF THE
SCHOOLS FORUM
HELD ON 16 MARCH 2016 FROM 9.30 AM TO 11.00 AM**

Schools Representatives

John Bayes	Governor - Foundry College - Chairman
Paul Miller	Governor - St Crispins - Vice-Chair
Ali Brown	Primary Head - Nine Mile Ride Primary
Louisa Gurney	Primary Head - Emmbrook Junior
Brian Prebble	Primary Head - Rivermead Primary
Eileen Rogers	Primary Head - Gorse Ride Junior
Elaine Stewart	Primary Head - Aldryngton Primary
Liz Meek	Special School Head - Addington School
Julia Mead	School Business Manager, St Sebastian's - Primary Rep
Carol Simpson	School Business Manager, Colleton - Primary Rep
Mary Rome	Pupil Referral Unit - Foundry College Headteacher
Janet Perry	Academy Business Manager - The Holt School
Ian Head	Governor - Aldryngton Primary

Non School Representatives

Anne Andrews	Oxford Diocese
James Taylor	Wokingham and Bracknell College

Also Present

Luciane Bowker, Democratic Services Officer
Donna Munday, Schools Finance Manager
Alan Stubbersfield, Interim Assistant Director Learning and Achievement
Rob Stubbs, Head of Finance
Linda Orr, SEN Team Manager

62 APOLOGIES

Apologies for absence were submitted from Phil Armstrong, Helen Ball, Amanda Turner, Ginny Rhodes, Sylvia Allen, Ian Pittock and Charlotte Wilkinson.

63 MINUTES OF PREVIOUS MEETING

The Minutes of the meeting of the Committee held on 20 January 2016 were confirmed as a correct record and signed by the Chairman.

64 DECLARATION OF INTEREST

There were no declarations of interest submitted.

65 REVENUE MONITORING

Donna Munday, Schools Finance Manager presented the Revenue Monitoring report which was set out on Agenda pages 11-14. Donna explained that the report contained information relating to the last two months, since the last meeting of the Forum in January. The forecast as at the end of February was (£1,139k) having seen a £331k improvement since last Forum. Donna noted that although there was an improvement, there was still movement expected in March.

Donna stated that this improvement had removed the expected in year deficit. The budget agreed by Forum had anticipated an overspend of £659k, this was now predicted to be a £157k underspend during the financial year 2015/16.

During the discussion of the item the following points were made:

- In response to a question Donna explained that £283k was refunded to the DSG due to the 80% tax relief granted to Waingels College upon its conversion to charitable status;
- Members questioned the £105k budgeted deficit relating to '*pupil growth/ infant class sizes*' Donna agreed to revise the figure and explained that this was in association to the setting up costs of expanding places in some schools in the Borough (this referred to the Primary Strategy as agreed by Executive and would be discussed later in the Agenda);
- It was noted that insurance was de-delegated, at the moment this was an estimate, the carry forward had not been amended;
- It was noted that licences and subscriptions were bought up centrally. They had been gradually expanding and increasing. A purchase order of £77k had been raised for a licence that was not due for payment until 1 April 2016, therefore this amount had been pushed into next year;
- Donna stated that not always notification was given for fund distribution. For example, a £31k grant had been received on the 19 February 2016 for two year old funding following the January census. A further amendment was expected in July for this financial year following the May census;
- In response to a question Donna confirmed that any underspend was automatically allocated to the following year.

RESOLVED That the report be noted.

66 DRAFT 2016/17 BUDGET

Donna Munday presented the Fourth Draft Schools Budget 2016/17 report which was set out on Agenda pages 15-18. Donna informed that the draft had not changed since February.

Donna drew attention to an early alert to placement of pupils out of the borough. It was anticipated that these pupils would be placed in the summer term of 2016/17. Donna flagged up that the £546k underspend in fees for pupils at independent special schools and abroad this year would probably be used for these placements next year. It was advisable to make a provision for the likely placements next year.

Linda Orr, Special Educational Needs (SEN) Manager explained that there were potentially 6 children who may need specialist placements next year. Linda stated that the assessment process could take 20 weeks or longer and although it was useful to have the early alert in place, it was difficult to know for certain what level of support each child would require and when.

The Forum was informed that the needs of each individual child varied, and depending on the needs, it could cost anything from £50k to £250k. Most members agreed that it was wise to be prepared for the worst case scenario.

The Forum questioned what measures/ discussions were taking place to help the secondary schools in the borough that had seen a decrease in their pupils' numbers from September. The following points were made in relation to this issue:

- The opening of new schools had had an impact in the admission numbers of the already established schools. There had been a significant shift in pupil numbers;
- It was reported that there were currently 9.4% surplus places in the borough and it was not certain if and when those places would be filled;
- The vacant places meant a significant reduction in the affected schools' budgets;
- Members of the Forum were concerned about the financial situation some schools would be in and thought it may be appropriate to discuss ways to help those schools;
- It was noted that the concerned schools were already making cuts and taking measures to deal with the situation;
- Alan Stubbersfield, Interim Head of Learning and Achievement stated that he was already having discussions with the schools in question;
- Alan pointed out that there was no protection for schools and that decision had been made by Schools Forum. This could be reviewed by the Forum;
- Forum members pointed out that they had not been involved in setting up the admissions policy;
- It was mentioned that the number of pupils on roll would still change and the national funding formula would ease the situation for the schools concerned;
- Forum was reminded that schools were protected for this financial year, so Forum might decide to consider the 2017/18 budget arrangements in order to help the affected schools;
- Members felt it would be appropriate to look at the situation in mid-September when the numbers of pupils on roll would be more accurate;
- Donna explained that the budget had been submitted in January and it was not possible to amend it now.

RESOLVED That:

- 1) the Forum would review the situation relating to the reduced funding faced by schools with falling numbers on roll in mid-September;
- 2) the Forum would consider the financial situation of schools affected by a reduction in pupil numbers when discussing the 2017/18 budget arrangements;
- 3) Forum agreed that underspend circa £546k relating to out of borough placements which had slipped from the Spring term to the Summer term be rolled forward into the next financial year;
- 4) the Fourth Draft Schools Budget 2016/17 report be noted.

67 SEN ALERT

Linda Orr, Special Educational Needs Manager presented the report containing an update on the SEN provision in the borough. The report was set out on Agenda pages 19-20.

Linda informed the Forum that placements were taking longer to fill as there seemed to be fewer schools that were able to provide for the needs of the children. It was noted that specialist schools may have spaces in years 7 or 8, but it was very difficult to find spaces in year 9 and onwards. It would be helpful if these children could be placed locally.

Mary Rome stated that more and more young people were not being able to cope with the new curriculum and mainstream schools were struggling to meet their complex needs. It was noted that Wokingham did not have schools that were half way between mainstream and specialist schools. It was felt this should be considered for the future.

Linda stated that the moderation panel was due to meet later on in the day and its budget remained at £150k. In response to a question Linda said that not many requests had been

refused by the panel last year. Forum members expressed frustration with the amount of work involved to access a relatively small amount of funding through moderation panels; however they wished to discuss this issue outside of Schools Forum.

Linda pointed out to the figures in the report which contained the numbers for starters and leavers in September 2016 and reported that they showed a balanced amount.

RESOLVED That the report be noted.

68 BENCHMARKING

The Forum considered the benchmarking report which was set out on Agenda pages 21-25. The information contained in the report related to 2015/16 budgets unless stated otherwise. The data could be helpful in terms of informing future decisions being made by Schools Forum and in understanding the local context in relation to other Local Authorities.

Donna Munday stated that neighbouring Local Authorities had been invited to a benchmarking exercise due to take place on 26 May 2016 at WBC. Donna asked members to let her know what items they would like to be discussed in that session.

Alan Stubbersfield congratulated Donna and her team on their work which reflected the positive picture presented in the report.

Members noted the high cost of both day pupils and boarding pupils with Autistic Spectrum Disorder (ASD). Donna explained that this was because these pupils had to be placed out of the borough; however, an ASD Unit was due to open up in St Crispins School shortly which would bring the costs down.

RESOLVED That: the report be noted.

69 PRIMARY STRATEGY

John Bayes, Schools Forum Chairman introduced the Primary School Planning Strategy 2016-2018 which was set out in Agenda pages 27-74. John informed that the report had already been agreed by Members and was presented to Forum for information only.

Alan Stubbersfield explained that the report illustrated the thinking and planning process behind the recommendations contained in the report.

The following comments were made during the discussion of the item:

- In response to a question Alan stated that the plan included a mixture of new permanent and temporary classes;
- Regarding funding, there would be a lagged period before funding was received for the extra pupils. A growth fund from Dedicated Schools Grant (DSG) would be used;
- Members were anxious about the impact of these extra places in the existing schools;
- Members expressed concern with the lack of communication with the schools that would potentially face a reduction in pupil numbers as a result of the expansion planned by the Primary Strategy.

RESOLVED That: the report be noted.

70 FORWARD PROGRAMME

The Forum considered and noted the Forward Programme of work and dates of future meetings as set out on Agenda page 75.

It was agreed that the item '*Education out of school*' be amended to '*Independent Special School Education and Education Out of the Borough in Maintained Schools*'.

Alan Stubbersfield indicated that the Foundry College report was being worked on and would come to Schools Forum at a later stage.

71 ANY OTHER BUSINESS

Donna Munday informed the Forum about the two government consultations on:

- National Funding Formula
- High Needs Funding Reform

Donna stated that she would be holding a briefing on the two DfE consultations on Monday 21 March 2016 at 9.30-11.30 in the Council Chamber at Shute End. All were welcomed to attend the briefing. Donna offered to talk on the phone or via emails to anyone who was unable to attend the briefing.

Donna urged members to respond to the consultation which would be opened until Sunday 17 April 2016.

Alan Stubbersfield stated that he was preparing a report to be submitted to the Executive about the consultation on funding and the government's proposals to convert all schools to academies.

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SCHOOLS FORUM

Schools Budget Financial Monitoring Report – Outturn 2015/16

Purpose of the Report

- 1 The purpose of this report is to provide details of the outturn position on the Schools Budget funded by the Dedicated Schools Grant (including EFA funding), Pupil Premium Grant and Universal Infant Free School Meal grant as at the 31/3/16

Suggested Action

- 2 The Forum are asked to note the contents of this report.

Update

- 3 The Final budget report presented at the March 2015 Forum showed a forecast outturn position of (£1,139k) as at the end of March 2016. The Final as at the 31/3/16 is (£2,177k) having seen a £1,038k improvement since last Forum; £1,081k of which is due to increased 'in year' funding adjustments by the DfE, described in Appendix A

When the 2015/16 budget was set it was based on an indicative budget received from the DfE on the 17/12/14 – this indicative was £115,810,000. This was used to determine the schools block funding as it was based on the October 2014 census. Once the Proforma was submitted on the 20th of January 2015 to the EFA this effectively set the schools block budget which came into effect 1/4/15. There is no mechanism through the formula by which "in year" funding adjustments can be made. Therefore any changes to funding impacts the following financial year. There were a total of 11 versions of the DSG allocations table issued by the EFA during 2015/16 – the most recent of which was received the 23rd of March 2016 stating that the overall allocation was now £116,644,000. Please note, that whilst this is the Budget allocated the Cash received is after deductions for Academy Recoupment, changes in Recoupment following conversion, deductions for post 16 year olds placed in out of borough non maintained special schools, and changes to the participation levels of two year olds.

As it is anticipated that there will be in year adjustments to income the regulations surrounding "in year" allocations are very rigid. Below is an extract from the Schools Revenue 2015/16 Funding Guide.

Redetermination of budget shares

46. It is not permissible to make an in-year redetermination of schools' budget shares for pupils aged 5-16, other than in the explicit circumstances allowed for within the school finance regulations, which relate to:

- sixth form funding
- early years funding
- reallocation of funding for excluded pupils
- rates

47. Any DSG underspend brought forward from the previous year may be used to support central expenditure (providing no limits are breached) in the schools block, or transferred to either the high needs or early years block. Alternatively, an underspend may be carried forward to the next funding period and allocated to schools via the funding formula.

The additional income received “in year” relate to:-

Schools Block - £251,000 being actual pupils in Free Schools (indicative budget contained a cash transfer amount)

Early Years Block - £500,000 being increased uptake of 2 year olds, 3 year olds and 4 year olds. Summer term found the majority of settings full.

High Needs Block - £330,000; £296,000 being due to the change from residency to location basis for post-16 and £33,000 being due to the pre and post 16 Non Maintained Special School exceptions process for AY2015/16

The material forecast movements are highlighted below.

4	Material movements	£'000's	£'000's
	Budgeted deficit / (surplus)		(807)
	Position reported at last Forum (March 2016)		(1,139)
	Additional “in year” income received		
	Schools Block	(251)	
	Early Years Block	(500)	
	High Needs Block	(330)	
	Staff costs - supply cover (not sickness)	41	
	Forecast Carry forward deficit/ (surplus) to 16/17		(2,177)

5 **Lessons learned and Changes to accounting practice for 2016/17**

The number of adjustments to DSG allocations during the financial year 2015/16 is unprecedented. Brought on largely by changes in legislation around post 16 HNB funding, Early Years 2 year old funding becoming participation led rather than place led, the inclusion for the first time of Free Schools in our allocation and finally the academisation of our largest secondary school – Waingels.

Throughout the year payment notifications are sent to the council; historically when there have been changes to our allocations these have been reported to Schools Forum. After census dates have passed we would not expect any further amendments. However this year that has not been the case, please see Appendix A

Given the move towards further academisation going forward, more “in year” adjustments are to be expected. Given that we cannot allocate during the year such adjustments (which can go down, as well as up) will be reported on a separate line in the budget monitoring as funds to be available the following financial year. This line in itself will only be required for the financial years 2017/18 and 2018/19 as the introduction of the National Funding Formula will negate this need.

Going forward the intention is to report on Actuals as well as Forecast and to introduce a new line stating in year adjustments (notified by EFA) carried forward to the next financial year.

Due to DfE finance regulations these additional amounts cannot be allocated within schools budgets until next financial year. That said we do have a number of other options available

1. Keep some or all of it in reserves for 2017/18
2. Invite bids to spend for specific one off initiatives ideally with a positive general impact.
3. Hold it in Contingency for schools, academies and Free Schools in financial difficulty.

Donna Munday
Schools Finance Manager,
May 2016

Appendix A

		£'m	£'m	£'m	£'m
		SB Report	EY	HNB	Total
17/12/2014	APT Submission basis	91.628	6.276	17.656	115.559
27/03/2015		91.879	6.276	17.692	115.846
16/07/2015		91.879	6.749	17.985	116.613
30/09/2015		91.879	6.749	17.985	116.613
17/11/2015		91.879	6.749	17.985	116.613
26/01/2016		91.879	6.749	17.985	116.613
03/02/2016		91.879	6.749	17.985	116.613
23/03/2016		91.879	6.780	17.985	116.644

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SCHOOLS FORUM

Scheme for Financing Schools – Consultation paper

Purpose of the Report

- 1 The purpose of this report is to provide details as to the current wording of the Scheme for Financing schools and to consult upon an amendment.

Suggested Action

- 2 The Forum is asked to consider the contents of this report and agree the recommendation.

Background

- 3 The current Scheme for Financing schools restricts the ability of the Local Authority to grant loans to maintained schools for anything other than Capital expenditure. Given the financial challenges facing schools the Local Authority would like to be able to support schools by being able to grant loans for Revenue purposes. In order to do this the Scheme for Financing Schools which applies to all Maintained Schools, Maintained Nurseries, Special Schools and Pupil Referral Units needs to be amended.

The current wording reads

LAs are permitted to include in their schemes a form of loan arrangement for schools which does not operate by way of a licensed deficit but rather by way of actual payments to schools or expenditure by the LA in respect of a particular school, on condition that a corresponding sum is repaid from the budget share.

The following parameters were agreed as part of the 2001/2002 consultation regarding the scheme:

Schools are allowed to borrow against future years' budgets in order to finance major items of expenditure. The following controls are designed to prevent schools getting into unsustainable debts and will apply from 1 April 2001 to all schools seeking a loan from the LA.

- Schools will be required to demonstrate how proposed expenditure would contribute to meeting the objectives set out in the school development plan and the LA's Education Development Plan.
- Eligibility for such loans will be restricted to items of a one-off capital nature, not for recurrent expenditure.
- The period of the loan will be limited to a maximum of 5 years.
- The amount of the loan will be limited to between £10,000 and £50,000 in Primary Schools and £10,000 and £100,000 in Secondary Schools
- The LA will not loan more than 40% of the accumulated schools balances at any one time
- Schools with fully funded local bank accounts will be precluded from participating in this scheme
- Interest will be charged at the average prevailing 7-Day London Inter Bank Offered Rate plus 1%, payable on an annual basis.

Schools wishing to participate in this scheme will need to agree the scheme in detail with

the Strategic Director of Children's Services and the Strategic Director of Resources prior to approval being granted. The annual share of principal borrowed plus the estimated interest will be charged against the schools budget on 31 March each year.

4 Proposals

The proposed wording would read:-

LAs are permitted to include in their schemes a form of loan arrangement for schools which does not operate by way of a licensed deficit but rather by way of actual payments to schools or expenditure by the LA in respect of a particular school, on condition that a corresponding sum is repaid from the budget share.

The following parameters were agreed as part of the 2016/17 consultation regarding the scheme:

Schools are allowed to borrow against future years' budgets in order to finance major items of expenditure. The following controls are designed to prevent schools getting into unsustainable debts and will apply from 1 April 2016 to all schools seeking a loan from the LA.

- Schools will be required to demonstrate how proposed expenditure would contribute to meeting the objectives set out in the school development plan and the LA's Education Development Plan.
- The period of the loan will be limited to a maximum of 7 years.
- The amount of the loan will be limited to 30% of the school's annual Budget Share
- The LA will not loan more than 40% of the accumulated schools balances at any one time.
- Schools with fully funded local bank accounts will be precluded from participating in this scheme
- The Local Authority reserves the right to either charge or waive Interest charges and late payment penalty fees dependent upon the circumstances of the applicant. Such charges will be detailed at the time the individual loan agreements are drawn up.

Schools wishing to participate in this scheme will need to seek the approval of the Strategic Director of Children's Services and the Strategic Director of Resources prior to approval being granted.

5 Recommendation

That the proposed wording above be adopted.

Donna Munday
Schools Finance Manager,
May 2016

Schools Forum Forward Plan 2016

13th	July	Revenue Monitoring
		5 Year Plan update
		Education out of school -report

19th	October	Revenue Monitoring
		SEN Alert
		Draft Proforma for Submission to EFA
		Consultation Responses

14th	December	Revenue Monitoring
		Draft 2017/18 Budget

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