

**Central  
Bedfordshire  
Council  
Priory House  
Monks Walk  
Chicksands,  
Shefford SG17 5TQ**



**TO EACH MEMBER OF THE  
CENTRAL BEDFORDSHIRE SCHOOLS FORUM**

09 March 2010

Dear Councillor

**CENTRAL BEDFORDSHIRE SCHOOLS FORUM - Monday 8 March 2010**

Further to the Agenda and papers for the above meeting, previously circulated, please find attached the following additional reports which were circulated at the meeting.

9. Securing our Future

**A** Correspondence to and from the Forum

**B** Briefing Papers

Should you have any queries regarding the above please contact Democratic Services on  
Tel: 01525 842033

Yours sincerely

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## Agenda Item:

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**Meeting:** Schools Forum  
**Date:** 8<sup>th</sup> March 2010  
**Subject:** 'Securing our future: using our resources well'  
**Report of:** Deputy Chief Executive and Director of Children, Families and Learning  
**Summary:** The DCSF discussion paper '*Securing our future: using our resources well*' sets out achievements linked to investment in education over the last twelve years. It also sets out the challenge of ensuring improved value for money through efficiency savings at the same time as raising levels of achievement by working together. This is particularly relevant in a time of fiscal constraint and limited economic growth.

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**Contact Officer:** Patrick Shevlin (Assistant Director, Learning and Schools Support)  
**Public/Exempt:** Public  
**Wards Affected:** All  
**Function of:** Council  
**Reason for urgency (if appropriate)**

### RECOMMENDATIONS:

- 1. For the Schools Forum to consider and make recommendations about how schools and the Council can utilise all resources effectively to maintain progress through: procurement and technology; resource use and financial management and partnership and shared services.**

### Background



Securing-our-future.  
pdf

1. The attached DCSF paper outlines current expenditure in education and improved achievements in schools.
2. It provides a range of case studies which show how schools can work with each other and learn from each other to secure greater value for money.
3. It points to improved financial support in schools and the introduction of the Financial Management Standard in Schools as providing an improved level of expertise in many schools.

4. The paper sets out a framework for discussion to generate ideas as to how resources can be used to best effect particularly to secure value for money whilst focussing on raising achievements further. The three areas for discussion are:
  - Procurement and technology;
  - Resource use and financial management; and,
  - Partnership and shared services.

### **Key areas and questions for discussion**

5. Procurement and technology
6. Central Bedfordshire is already working with the DCSF on establishing an e Procurement system for schools using the OPEN online procurement platform.
7. There is good potential to achieve improved buying power by schools working collectively to secure contracts for energy, photocopiers and other areas.
8. The use of technology in to improve outcomes and efficiency is also seen as less well developed.
9. The document poses three areas of questioning for discussion
  - How can schools best be encouraged and supported to improve their procurement for example through collaborative buying to achieve savings? How can the use of electronic purchasing systems such as OPEN be increased?
  - Are there further examples of how schools can use technology more effectively for the benefit of their pupils or their own administrative efficiency and what practical steps are necessary to share this best practice and increase the benefits from better use of technology?
  - Energy saving, reduces costs while also reducing carbon usage. How can schools learn from best practice in realising energy efficiencies?
10. Resource use and financial management
11. In recent months there has been an increase in the number of schools in Central Bedfordshire applying to have a deficit budget. In such circumstances schools need to produce a recovery plan and this needs to be based on a strategic analysis of the school's needs and how resources (human and material) can be utilised to meet these most effectively. In many circumstances this involves difficult decisions around staffing and delivering learning in different ways.
12. Central Bedfordshire has also had a sub group which has looked at schools' surplus balances and it has made recommendations to support current budgets being spent on current pupils.
13. The paper highlights the need for some schools to improve their approached in both areas. Schools needing to take a strategic view of how they can deliver outcomes and the use of business managers in particular to ensure improved financial planning and lower year on year balances. The paper also outlines the role of the school improvement partner in brokering support and ensuring there is appropriate investment in improvement priorities.

14. The paper focuses on these areas of discussion:
  - Schools need good internal financial management skills or the ability to share them with other schools. How best can schools access the skills they need?
  - The White Paper places an emphasis on schools, either individually or in groups, appointing school business managers (SBM) and the National College has an energetic training programme for them. Does anything more need to be done to enhance the supply of good managers?
  - Many schools use benchmarking as a way of checking their performance and supporting their business planning. Is there scope for a wider application of benchmarking techniques and are the available tools as helpful as they can be?
  - Should local authorities be more active in recycling excess school balances to support their schools?
  - How can SIPs be most effective in helping schools make better use of resources?
15. Partnership and shared services
16. The draft Educational Vision for Central Bedfordshire emphasises the importance of schools working closely together in strong, governed partnerships to, for example, improve continuity of learning and achieve better outcomes, increase opportunities around recruitment and leadership and achieve economies of scale including developing shared posts.
17. The paper reflects these aspirations for improving partnership working but it also emphasises the revenue savings which can be achieved and goes on to look at the benefits of working more closely with a range of stakeholders.
18. The discussion points raised are:
  - How can schools be encouraged to collaborate and share services so as to cut their costs and improve outcomes for pupils?
  - What additional help do schools need to support and facilitate shared services and the creation of federations?
19. Conclusion and next steps
20. The paper concludes by looking at the role of the national partners, the DCSF, the local authority and schools in making improvements.
21. The consideration for Schools Forum is what areas should be supported and how best can this happen using training and development; models of best practice and local and LA support. Is there a need to develop a specific area of work within the Children and Young People's Plan to ensure that these developments are properly planned and improvement is monitored or is this a role for the Schools Forum? If the latter then how do we progress this?
22. Is there a direct link with the Council's initiative to ensure that Every Penny Counts? This aims to raise awareness of working efficiently and to encourage colleagues to share their ideas and experience of doing so.

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## Briefing Note

**Date:** 8<sup>th</sup> March 2010

**Subject:** Correspondence to and from the School

1. Templefield Lower School.
2. Holywell VA Middle Schools.
3. Fair Funding Briefings for Prospective Parliamentary Candidates
4. Parkfields Middle Schools
5. Letter to accompany School's Individual Budgets for 2010/11

### 1. Temple field Lower

A letter received from the Chair of Finance concerning the allocation of deprivation funding being directed solely to a school in Flitwick East. He believes a more equitable way of allocating funds would be to base the funds on the school % regardless of threshold. He believes that would underpin the ethos of the deprivation funding and recognise the pupil requiring additional attention. He understands that it would not be a significant amount if distributed in this way but in restricted budgets any additional income is vital.

Edwina has responded stating that the letter will be brought to the attention of the School Forum and will respond further.

Deprivation funding had been reviewed and agreed at the January Forum meeting, to combine the Acorn factors 4 and 5, reduce the threshold and include a tapering methodology.

This still does not allocate funds to Templefield. January 2009 pupils in category 4 are 12 and category 5 is 8. and a total pupil population of 249. 5% Category 4 and 3% category 5, combined factor including weighting would give a 4.8%. Funding is directed at a minimum of 15% combined factor.

Technical Funding Group looked at allocating funds per pupil but this would have resulted in the funding being diluted to such an extent that schools in very deprived areas would have received a large reduction in funding. The DCSF guidance is to direct funds to pockets of deprivation.

### Recommendation

School Forum to respond to the school detailing the work of the Technical Funding Sub Group and the revised way of distributing funds.

### 2. Holywell VA Middle School

The revisions to the Scheme for Financing School were agreed by the School Forum in September 2009 following a consultation with all schools. One of the revisions stated that Voluntary Aided School must only transfer the 10% contribution from revenue to the capital account when invoices need to be paid and not as a lump sum each year. The consultation with schools only brought one response against the proposal,

The Finance Committee of Holywell Middle have addressed an appeal to the forum against this new revision. They cite the new ruling as time consuming and bureaucratically frustrating. If the only reason is to stop schools hiding revenue funds in their Capital Account then there must be a better way of monitoring and accounting for those funds to the Local Authority.

The school have sought advise from the VA Budget Officer/Operations Manager who gave an opinion that as long as the 'Schools Forum' agree he could not see a problem with transferring all of the 10% into the capital account. The school believe it to be a local issue not a government issue.

The revision to the Scheme was not proposed for a local issue but one as guidance from the DCSF, which clearly conflicts with the advice from the VA Officer.

Further clarification has been sought from the DCSF and confirmation has been received 4<sup>th</sup> March 2010 from the FMSiS Policy Lead – School Funding and Technology division, that contribution from revenue to capital works should be actioned at the point the money is spent.

### **Recommendation**

School Forum to respond to the school as advised by the DCSF Policy Lead

### **3. Fair Funding Briefings for Prospective Parliamentary Candidates**

Letter addressed to the Lead Politicians (Children and Young People's Services) and Chairs of School Forums in F40 Authorities from the Chair and Vice Chair of the F40 Group. The letter raises the concerns of increasing cost pressures on school budgets and believes that the LA would deliver a much stronger lobby if they work closely with their School Forum. The letter has been circulated to all School Forum Members.

### **Recommendation**

Joint response from Chair of School Forum and Director of Children, Families and Learning.

### **4. Parkfields Middle Schools**

Appeal received from the Chair of Governors for Parkfields Middle regarding the LA's decision to stop payments to schools for the Headteacher's services in managing the Hearing Impaired Unit. He does not believe the decision to be lawful. They have also set the Headteachers salary based on receiving this money from the LA. He believes that the school has a legitimate expectation that this money would continue, until after the expiry of reasonable notice. Reasonable notice in this context as one year or more.

Finance Manager Schools has responded advising that the Schools Forum decision was based on a review of Headteachers salaries. The payment been historic and assumed that Headteachers of Special unit were paid on a higher point and the payment was to make equitable. The review showed this is no longer the case. Funds are paid from School Contingency outside of the Financial Regulations requiring any changes to formula to be notified to the forum and in advance. This only applies to the current funding period which ends 10/11.

### **Recommendation**

To pay all schools with Special units for the financial year 2009/10 but cease payment in 2010/11. This would equate to £1,710 for Parkfields and £3,512 for all schools and paid from School Contingency.

### **5. Letter to accompany School's Individual Budgets for 2010/11**



The concerns of School Finance highlighted in item 10 have been raised and discussed with the Director of Children, Families and Learning. It has been agreed that a letter will accompany the 2010/11 School's Individual Budget reiterating the responsibility of stewardship of public money and compliance with Regulations.

**Recommendation**

To share the concerns and contents of the proposed letter.

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## School Forum – 8<sup>th</sup> March 2010

### Papers to be distributed for Agenda items:

#### Proposals involving Decisions

1. SEN Review - Helen Redding
2. PVI 2010/11 Rate - Bob Thompson
3. School Specific Contingency – Dawn Hill
4. School Forum Budget - Dawn Hill
5. Terms of Reference and Membership - Mel Peaston

#### Updates and Feedback

6. Presentation - Impact Council's Budget Decisions – Katia Partington
7. Discussion Securing our Future - Patrick Shevlin
8. Presentation CFL Capital Programme – Rob Parsons
9. Dedicated School Grant (DSG) Update - Dawn Hill
10. School Finances – Dawn Hill

#### Correspondence to and from the Forum

11. Letter Received Templefield Lower School regarding Deprivation Funding
12. Appeal Holywell VA Middle treatment of 10% DFC contribution - Dawn Hill
13. Fair Funding Briefings for Prospective Parliamentary Candidates

(Briefing Note to be provided along with any further communications)

#### AOB

14. Good Practice and the Future of School Forum - Jim Parker
15. Membership Technical Funding Sub Group and agenda items - Jim Parker
  - School Formula Lump Sums
  - New School Factor
  - PFI Schools
  - Special Unit Lump Sum
16. F40 Dates (Proposed 8<sup>th</sup> May)

### Proposals

#### 1. SEN Review

Review of the allocation of formula funding to pupils in Special Schools. Overall number of pupils reduced however the profile is shifting into the more complex needs bands. In order to achieve the aim, two new bandings to be introduced, however, recommended not to be included in the Individual Schools Budget in the final year of their three year settlement. Special

Schools funding would be reviewed again with the National review of the Dedicated School Grant.

**Recommendation:**

- 1) Budgets set for 10/11 based on pupils on roll
- 2) Oakbank to be funded on 60 places
- 3) To continue to fund the higher complex needs outside of the Individual School Budget.
- 4) New admission bandings to be agreed at panel

**2. PVI 2010/11 Rate**

Now that the EYSFF has been deferred until April 2011, the Schools Forum is required to review the hourly rate for the Early Years Entitlement for the PVI sector. An increase of approximately 2.8% to £3.70 per hour is proposed. This is affordable within the DSG, broadly in line with inflation and just above the 2.1% increase of the MFG.

**Recommendation:**

- 1) To propose an increase of £0.10 to £3.70 per hour for the PVI Sector.

**3. School Specific Contingency**

Budget 09/10 £970,840, plus carry forward from 08/09 £671,100. Total budget available £1,641,940. Agreed split General Contingency £783,260 and SEN Contingency £858,680. Balance remaining at 31<sup>st</sup> January 2010, General Contingency £557,597 (Earmarked for Formula Adjustments and Redundancies) and SEN £457,970 (Earmarked Oakbank, Hitchmead and Outreach work).

**Recommendation:**

- 1) To propose the budget for 2010/11 - General Contingency £500,000 and SEN Contingency £480,728

**4. School Forum Budget**

Budget available 09/10 £5,000. Spend to 31st January 2010 - £2,290 relating to Annual membership of the F40 group and travel/refreshments expenses. Balance remaining £2,710

**Recommendation:**

- 1) To propose the budget for 2010/11 to remain at £5,000
- 2) Continue the membership of the F40 group
- 3) Set aside £2,000 for the discretion of the Chair of School Forum to fund commissioning consultancy and administration support

**5. Terms of Reference and Membership**

A further report on the terms of reference for the School Forum.

**Recommendation:**

- 1) To propose membership

**Updates and Feedback****6. Impact Council's Budget Decisions**

Presentation by CFL on the impact of the Council's Budget Decisions.

**7. Securing our Future**

A copy of the publication from the DCSF 'Securing our Future: using our resources well' was circulated with last forum meeting papers (25<sup>th</sup> January 2010). To be discussed in detail at this meeting.

**8. CFL Capital Programme**

Presentation on the Asset Management Plan for Central Bedfordshire Council.

**9. Dedicated School Grant Update**

Indicative DSG values for 10/11 will be revised once pupil numbers confirmed (June). Anticipated that the AWPU levels set at beginning of funding period 2008 -2011 can be maintained. School will be protected by Minimum Funding Guarantee. Review of the formula factors can be funded from within the Individual Schools Budget. To note the latest update.

**10. School Finances**

Increasing concern regarding the stewardship of public money and the achieving of value for money. Concerns can be placed broadly under four headings - Licensed Deficits (LD), General lack of compliance with Schemes and Regulations, Procurement and Capital. Risk to the school and the authority - increased number of LDs, overdrawn bank accounts, Extended Services directing funds away from education, Health and Safety issues, and reduced Capital schemes.

**Correspondence to and from the Forum****11. Letter Received Templefield Lower School regarding Deprivation Funding**

Letter received from Chair of Finance concerning the allocation of deprivation funding, requesting a more equitable way of allocating funds. Suggested should be based on % of pupils from the total number of pupils in the deprivation post code, regardless of threshold.

**12. Appeal Holywell Middle treatment of VA DFC contribution**

Appeal received against the treatment of VA Schools 10% contribution to Diocese Capital works. Scheme for Financing Schools states VA Schools must only transfer 10% contribution from revenue to separate VA Capital account when invoices need to be paid and not as a lump sum each year. Conflicting advice received from DCSF, currently seeking clarification.

**13. Fair Funding Briefings for Prospective Parliamentary Candidates**

Correspondence from F40 Secretary regarding increasing cost pressures on school budgets believes that LA would deliver much stronger lobby if they work closely with their School Forum

(Briefing Note to be provided along with any further communications)

**AOB**

**14. Good Practice and the Future of School Forum**

Discussion led by the Chair of the School Forum regarding the good practice and future of the School Forum including dates for future meetings and proposed agenda items.

**15. Membership Technical Funding Sub Group and agenda items**

Request for membership and to agree the Formula Factors to be reviewed. Items currently on agenda; Formula Lump Sum, New School Factor, PFI and Special Unit Provision (Hearing Impaired, Language, Inclusion class)..

**16. F40 Dates**

Resolved at the January meeting to continue with membership of F40 group with the Chairman and Portfolio Holder for Children Services attending their meetings. To note the dates of the next meetings provisionally 8<sup>th</sup> May (although may be brought forward if and when the government makes its announcements on the outcomes of the Funding Formula Review) .