

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



please ask for Martha Clampitt
direct line 0300 300 4032
date 9 June 2011

NOTICE OF MEETING

CENTRAL BEDFORDSHIRE SCHOOLS FORUM

Date & Time

Monday, 20 June 2011 at 09.00 a.m.

Venue at

Room 15, Priory House, Monks Walk, Shefford

Richard Carr
Chief Executive

To: The Chairman and Members of the CENTRAL BEDFORDSHIRE SCHOOLS FORUM:

School Members: Anne Bell, Headteacher, Willow Nursery School
David Brandon-Bravo, Headteacher Parkfields Middle School
Shirley-Anne Crosbie, Headteacher, Glenwood Special School
Richard Holland, Governor, Harlington Upper School
Sue Howley MBE, Governor, Greenleas Lower School
Sharon Ingham, Headteacher, Hadrian Lower School
Vaughan Johnson, Governor, Edward Peake Middle School
Ian Mitchell, Headteacher Etonbury Middle School
Ray Payne, Headteacher, Henlow Middle School
Rob Robson, Headteacher, Samuel Whitbread Collegiate
Stephen Tikin, Governor, Linslade Lower School

Non School Members: Ian Greenley, Church of England Diocese Representative
Bill Hamilton, Roman Catholic Diocese Representative
Caroll Leggatt, PVI Early Years Providers Representative
Mr A Hadawi, 14-19 Partnership Sector Representative

Observer: Cllr Mark Versallion

Please note that there will be a pre-meeting starting **half an hour before** the Forum meeting to enable technical aspects of the reports to be discussed with officers before the Forum meeting begins.

AGENDA

1. **Apologies for absence**

To receive apologies for absence and notification of substitute members.

2. **Minutes of the previous meeting and matters arising**

To approve the minutes of the previous meeting 24 January 2011 and to receive an update on any matters arising from these.

Proposals

Item	Subject	Page Nos.
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3	Dedicated Schools Grant (DSG)	* 15 - 46
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To update and make recommendation on DSG and Pupil Premium.

Approximately 09.10 – 09.30

4	Schools Forum Budget	* 47 - 48
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To provide an update on the School Forum Budget for 2011/12 and to propose a work session for the impending National Consultation.

Approximately 09.30 – 09.50

Updates and Feedback

Item	Subject	Page Nos.
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5	Extended Early years Offer in Schools	* 49 - 50
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Situation Update

Approximately 09.50 – 10.00

6	Summary of the findings & recommendations of the James Review	* 51 - 56
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To provide information on the findings and recommendations of the recent review of school capital.

Approximately 10.00 – 10.10

- 7 **School Finance Update** * 57 - 60

To update the Schools Forum on the Schools out-turn position for 2010/11 and approach to Surplus Balances.

Approximately 10.10 – 10.20

- 8 **Outline Forward Programme** * 61 - 62

To provide an update on the likely programme for the next year and request Sub Group membership.

Approximately 10.20 – 10.30

- 9 **Schools Specific Contingency Budget** * 63 - 64

To provide an update on the Schools Specific Contingency Budget for 2011/12.

Approximately 10.30 – 10.40

- 10 **Proposed Meeting Dates for 2011 – 2012**

The following are proposed meeting dates for 2011 – 2012:-

Monday 19 September 2011 at 18.00

Monday 31 October 2011 at 18.00

Monday 23 January 2012 at 18.00

Monday 5 March 2012 at 09.00

Monday 25 June 2012 at 18.00

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CENTRAL BEDFORDSHIRE COUNCIL

At a meeting of the **CENTRAL BEDFORDSHIRE SCHOOLS FORUM** held at Room 14 - Priory House, Monks Walk, Shefford, SG17 5TQ on Monday, 7 March 2011

PRESENT

Jim Parker (Chairman)

School Members:	Anne Bell	Headteacher, Willow Nursery School
	David Brandon-Bravo	Headteacher Parkfields Middle School
	Shirley-Anne Crosbie	Headteacher, Glenwood Special School
	Richard Holland	Governor, Harlington Upper School
	Sharon Ingham	Headteacher, Hadrian Lower School
	Vaughan Johnson	Governor, Edward Peake Middle School
	Ray Payne	Headteacher, Henlow Middle School
	Rob Robson	Headteacher, Samuel Whitbread Collegiate
	Stephen Tiktin	Governor, Linslade Lower School
	Non-School Members:	Libby Bevan
Ian Greenley		Church of England Diocese Representative
Bill Hamilton		Roman Catholic Diocese Representative
Caroll Leggatt		PVI Early Years Providers Representative
Observer:	Cllr Mrs A M Lewis	Portfolio Holder for Children's Services
Apologies for Absence:	Ali Hadawi CBE Sue Howley MBE	
Officers in Attendance:	Mrs M Clampitt	Committee Services Officer
	Mrs E Grant	Deputy Chief Executive/Director of Children's Services
	Dawn Hill	Senior Finance Manager - Children's Services
	Mr J McDermott	Projects Officer, Schools Organisation & Capital Planning
	Mr R Parsons	Head of School Organisation and Capital Planning
	Helen Redding Mr N Turner	Head of SEN and Inclusion e-Learning Strategy Team

CBSF/10/118 Minutes of the previous meeting and matters arising

RESOLVED

that the minutes of the meeting of the Central Bedfordshire Schools Forum held on 24 January 2011 be confirmed and signed by the Chairman as a correct record.

CBSF/10/119 Teachers Union and Professional Association

The Forum considered the report which sought approval for the continuation of DSG funding for facilities release time for trade unions and professional associations. Trade unions and professional associations made a significant contribution to the smooth running of schools both locally and nationally.

It was noted that the current claim process was sporadic and except for two exceptions was required to go through the school. A suggestion was made that the payments could be made directly to the Union representative thus not encroaching on the school's finances.

In response to a query raised at the Schools Forum in relation to accredited representatives time to carry out their duties, confirmation was received that at an early meeting of the trade unions and professional associations for Central Bedfordshire, the additional time allocated to NAHT was agreed due to the complexities of the work involved.

RESOLVED

that the continued funding for facilities release time for Teachers Unions and Professional Association for 2011/12.

CBSF/10/120 Behaviour and Attendance Partnerships

The Forum considered a report which proposed alternative use of DSG previously used to support a Behaviour and Attendance Partnership in Dunstable/Houghton Regis in the light of the additional resources received through the Pupil Premium.

Since September 2008, the Area Based Grant (ABG) had been used to support further Behaviour and Attendance Partnerships in Leighton/Linslade and Sandy/Biggleswade. The distribution was calculated using levels of deprivation. In 2010/11, the ABG was reduced by 24% in year reduction and each area's proportion was reduced accordingly. The money for the three partnerships had been agreed on a year by year basis.

The Forum noted that for 2011/12 the Area Based Grant would no longer be available and schools should consider how to ensure the continued delivery of the successful aspects of the partnership through pooled resources.

The Forum was asked to consider the reallocation of the centrally retained DSG be reallocated to fund the increased costs in Out of County Placements where pupils needs were such that they cannot be met within Central Bedfordshire. The Forum supported this proposal.

RESOLVED

that the DSG currently allocated to the Chiltern Behaviour and Attendance Partnership be reallocated to the Out of County Budget in the light of the changes that relate to the Pupil Premium.

CBSF/10/121 Dedicated Schools Grant

The Forum considered a report which provided an update and made recommendations on the School Funding Settlement for 2011/12.

It was noted that the Dedicated Schools Grant is distributed to the Individual Schools Budget (ISB) and the Central Expenditure (table provided). The Forum agreed at the 1/11/10 meeting (Min no. CBSF/10/ refers) that there would be no changes to the formula funding factors that distribute funds via ISB. Any grants which merged with the DSG would be clearly shown. It was further agreed by the Forum at the 24/01/11 meeting (minute no. cbsf/10/112 refers) that the Pupil Premium Allocation for Alternative provisions would be centrally retained.

The estimated DSG for 2011/12 was £169.61m at the time the agenda was published. Officers confirmed that the amount had been increased to £172.61m at the time of the meeting due to the rise in pupil numbers.

RESOLVED

- 1. To note the estimated Dedicated Schools Grant (DSG) funding and deployment.**

The Forum noted that of the six schools which had received Secretary of State approval to become Academies, it was anticipated that four would convert on 1 April 2011. Eight additional schools were at the advanced stage of applying.

When schools convert to Academies an estimated sum of £481k will be recouped from the DSG during the financial year when the school changed. The Forum agreed that recoupment of up to £1m could be processed without notification to the Forum but should the cumulative amount exceed £1m then the item to be brought back to the Forum for further consideration.

The Forum were asked to approve a one year budget of £60,000 be set aside to fund a temporary appointment to provide dedicated programme management support and coordination of the LA conversion process and to manage the communication relationship between the Council, converting schools and their professional consultants and legal terms. The Forum did agree to the budget being set aside but had expressed concerns at the reduction in available funding for the non converting schools.

- 2. to endorse that LACSEG (Academy) recoupment of up to £1m for 2011/12 to be paid from Headroom and any amount over this cumulative sum would be brought back to the Forum.**
- 3. to endorse the use of headroom to fund a temporary appointment for 1 year and to commission targeted support for Academy conversions.**

The Forum were informed that three grants which were previously awarded independently through Standards Fund have now been merged into the DSG. These grants were previously retained centrally and allocated to schools via various formulae and criteria.

The grants were the following:-

The 1-2-1 Tuition grant would now be paid out at the beginning of the financial year on a per pupil basis at Key Stages 2 and 3 at a current rate of £57. The payment would be recorded separately on the ISB through the factor Raising Standards.

- 4. to endorse the distribution of 1-2-1 Tuition Grant mainstreamed into DSG to Key Stage 2 and 3 pupils.**

Previously schools had worked together in clusters to provide extended services. It was noted that the previous cluster approach was no longer appropriate and the funds would now be allocated to the most vulnerable through direct allocation to schools through the Social Deprivation factor of the ISB.

- 5. to endorse the distribution of the Extended Schools Grant mainstreamed into DSG through the Deprivation factor.**

National Strategies previously directed at pupils who are at risk of underachieving at key stage 2, 3 and 4 was proposed that the funds be delegated via the AWPU (age weight pupil units) for 3 to 10 years to support achievement at these key stages.

- 6. to endorse the distribution of the National Strategies Grant mainstreamed into DSG to the age weighted pupil unit for year groups 3 to 10.**

The Forum were asked to agree a probable breach of CEL at the beginning of the financial year, due to the initial level of headroom being retained centrally.

The Forum noted that should they not agree the probable breach then the Secretary of State would have to be contacted for approval.

7. to approve a breach of the Central Expenditure Limit (CEL) in the specific circumstance of funds held as Headroom.

The Forum noted that the recommendation 8 – to endorse that shortfall arising from the funding for Looked After Children Pupil Premium be funded from headroom, was not required for consideration at this time.

The Young People Learning Agency (YPLA) SEN funding could have a shortfall and the Forum was asked to approve this being covered by Headroom.

8. to endorse that any shortfall from the Young People Learning Agency (YPLA) SEN funding to be funded from Headroom.

CBSF/10/122 Scheme for Financing Schools

The Forum considered a report which provided an update and made recommendations following the recent consultation on proposed revisions to the Scheme for Financing Schools following revised DfE guidance.

The Scheme is based on the legislative provisions in Section 45-53 of the Schools Standards and Framework Act 1998 and the Schools Finance Regulations 2008.

The Forum noted that 8 responses had been received from the 136 schools. The responses were included in paragraph 4 of the report. Officers reported that the FMSiS had been removed and the replacement would be advised shortly. Procurement cards would be considered at a later meeting in preparation of a possible September start.

The Forum noted that the last year for clawbacks would be 2010/11. The DfE has proposed that the maximum length for repayment of deficits should be 3 years which is an increase for Central Bedfordshire from 2 years. The Forum supported this recommendation.

Officers informed the Forum that the DfE default position advised in the consultation on redundancies and early retirement is that ; premature retirement costs must be charged to the schools delegated budget, whilst redundancy costs must be charged to the LA's budget. However it was pointed out that there were circumstances where the redundancy cost would be delegated to the school's budget if:-

- A school acts outside the authorities policy
- The LA believes the redundancy is not necessary
- The redundancy has arisen due to a deficit within schools control
- A school has refused to engage with the LA's redeployment policy.

It was agreed by the Forum that as there would no longer be surplus balances that “the school has excess surplus balance and no agreed plan to use these” be removed from the list of exceptions.

Officers explained that since the last Scheme the numbering and heading of paragraphs had been realigned to match the DfE published template Scheme for Financing Schools.

RESOLVED

- 1. that schools must be allowed to opt out of LA arranged contracts.**
- 2. that all references to FMSiS be removed from the Scheme.**
- 3. that the introduction of procurement cards be postponed and a report on their introduction be brought back to a future meeting of the Schools Forum.**
- 4. that there is no balance control mechanism on schools balances from 2011/12 onwards**
- 5. that the maximum length over which schools may repay a deficit should not exceed three years**
- 6. that the Department of Educations default position for payment of redundancies and early retirement costs be adopted.**
- 7. that the Scheme has been amended numerically to align with the Department for Education’s statutory guidance for LAs be noted.**

CBSF/10/123 Schools Specific Contingency Budget

The Forum received and considered a report which provided an update on the use of the Schools Specific Contingency Budget for 2010/11 and to propose the level for 2011/12. The Forum approved a budget for 2010/11 of £980,728. The 2010/11 budget was £500,000 for General Contingency, £275,670 for SEN Contingency and £205,058 to finance the shift of funding between the two new authorities arising from the Special Schools Funding Formula review.

The Forum considered the General Contingency be set at £500,000 and the SEN be £275,670 for the 2011/12 financial year. The SEN contingency was the former allocation to Rainbow School and was retained for the SEN provision and mostly pays for Outreach work. It was noted that the payment to Bedford Borough Council in 2009/10 was the last payment to be made following changes by the DofE.

RESOLVED

- 1. that the the School Specific Contingency position statement as at February 2011 be noted.**

- 2. that the 2011/12 the General Contingency be set at £500,000 and SEN Contingency £275,670 be proposed.**

CBSF/10/124 School Forum Budget

The Forum considered a report which provided an update on the use of the School Forum Budget for 2010/11 and to propose the level for 2011/12. It was agreed at the 8 March 2010 meeting of the Schools Forum that a budget of £5,000 would be established to meet the costs associated with the operation of the Forum. The budget would be reviewed annually.

The Forum noted that there was balance of £3,848 for the 2010/11 budget.

Officers proposed that for the 2011/12 budget the amount be £3,000 and that £2,000 be held for the Chairman to allocate for consultancy work as required.

The Forum agreed for the continuation of membership in the F40 Group and that the £2,000 annual subscription be paid from the budget.

RESOLVED

- 1. that the School Forum noted the position statement as at February 2011.**
- 2. that the School Forum budget be set at £3,000 for 2011/12, with the continued membership of the F40 group and £2,000 delegated to the Chairman of the School Forum to fund the commissioning of consultancy and administration support.**

CBSF/10/125 Capital Allocations 2011/12

The Forum considered the report which advised of the total Department for Education capital allocations to schools and the Local Authority (LA) for 2011/12 and to invite the Forum to comment on the proposed use of the LA level allocations.

The Forum noted that Appendix A to the report contained the breakdown of the Department of Education's (provisional) £17,934,872 capital allocations for Central Bedfordshire for 2011/12.

Appendix B to the report provided a provision allocation of £737k for 2011/12 in relation to Locally Controlled VA programme (LCVAP).

Appendix C to the report provided the draft Strategic Maintenance programme relating to categories D1, D2, C1 and C2 works which could be afforded within the £6.314m envelope. The main focus would be on keeping buildings watertight and warm.

It was noted that the £9.791m funding allocation would be used for “Basic Need” which was for all schools in the LA area including:- LA maintained, VA schools, Academies and new (free) schools where the proposals increased the capacity in response to the need for additional places. The Forum noted that £2m would be allocated to the Roecroft Lower School Scheme as it was being replaced as a larger school to meet growth in the area.

It was noted that maintenance funding for Academies was being held by Central Government.

NOTED

- 1. that the overall Department for Education allocations for 2011/12.**
- 2. that a further report would be presented to the Forum in due course setting out any implications of the James Review of capital expenditure and bringing forward proposals for expenditure of the Basic Need allocation to the Authority.**

CBSF/10/126 Draft Schools Carbon Reduction Action Plan

The Forum received and considered the report which contained the draft Schools’ Carbon Reduction Action Plan. The Plan had been produced to ensure that carbon reduction was owned and addressed by all stakeholders across the schools’ estate: by implementation of both behavioural and physical changes that would result in greater energy efficiency and reduced carbon dioxide (CO₂) emissions thereby minimising utility costs and mitigating against the impact of future carbon taxes.

Central Bedfordshire Council has been given the challenge of reducing the impact of the changing climate and the delivery of services. The Council has been working on the reduction of its own carbon footprint and reducing energy costs and fuel use from the Council’s estates, schools, fleets and services it provides.

The Council was working towards the establishment of a Schools’ Carbon Reduction Action Plan by March 2011. The work included the establishment of a Schools’ Asset Management Planning sub group of the Schools’ Forum which consisted of a cross section of school Governors, Headteachers and Business Managers from CBC’s Upper, Middle and Lower schools and specialist CBC Officers. The sub group followed three work-streams:-

- Corporate context and suggested Carbon Reduction Commitment actions for schools
- Zero Carbon Taskforce roadmap and Eco-schools Agenda
- Results of the LowC Commission

Officers informed the Forum that the Council would be recharging the allowances through the DSG. There had been an invest-a-save grant established with a value of £200k to allow schools to undertake improvements. It was explained that Officers would work with the schools to help them make changes, some behavioural, to help minimise their carbon footprints. Officers did acknowledge that whilst new schools/academies were being built to be long term sustainable and with minimal carbon footprint some schools had been built over 20 years ago and would not be able to easily reduce their footprint.

RESOLVED

- 1. that the Schools' Forum considered the draft Schools' Carbon Reduction Action Plan as attached at Appendix A to the report and indicated its support for the approach taken in developing the plan.**
- 2. that the Schools' Forum invites all schools to support and adopt the approaches set out in this plan.**

CBSF/10/127 Harnessing Technology 2010/11 Update

The Forum considered the report which provided details of the annual maintenance resource implications for the Harnessing Technology and Learning Platforms and the communications sent to the schools which advised of the proposed broadband charges. It was noted that at the 1 November 2010 meeting, the Forum requested a report back when a clearer picture of costs for the broadband package and learning platforms had been made.

The Forum noted that the requested information had been circulated through Central Essentials.

Officers explained that should 100 schools sign up to the learning platforms that a cost reduction of 50p per student would be achieved. At the time of the meeting 71 schools had migrated.

The Forum noted that the cost of the broadband would increase significantly following the 1 April with the removal of the Harnessing Technology subsidy. Schools were asked to indicate their intention to either accept the proposed new costing or indicate their intention to make alternative arrangements. It was noted that notification was required by 11 March 2011 and that 40 schools had responded to date. One school had indicated its intention to make alternative arrangements.

RESOLVED

- 1. that the details of proposed charges for the purchase of a learning platform – July 2011 onwards be noted.**
- 2. that the details of charges for the Broadband package to schools be noted.**

3. that the communications with schools regarding broadband package charges and distribution of HT funding for migration to G2 management information system be noted.

CBSF/10/128 Correspondence to and from the Forum

The Forum considered a request to review the membership of Academies on the Forum in light of the new academies being established in the area. It was agreed that the appointments would be reviewed and reported to the next meeting.

CBSF/10/129 Future Meeting Arrangements for the Forum

The Forum noted the arrangements for the following meetings of Central Bedfordshire Schools Forum:-

- **20 June 2011 at 9.00am in Room 15, Priory House**

(Note: The meeting commenced at 6.00 p.m. and concluded at 8.00 p.m.)

Chairman.....

Dated

Meeting: Schools Forum
Date: 20th June 2011
Subject: Dedicated Schools Grant (DSG) Update
Report of: Deputy Chief Executive and Director of Children's Services
Summary: To update and make recommendation on DSG and Pupil Premium

Contact Officer: Dawn Hill, Technology House, Bedford

Public/Exempt: Public

Wards Affected: All

Function of: Council

Reason for urgency
(if appropriate)

RECOMMENDATIONS:

1. To note the update on the estimated DSG funding and deployment.
2. To note the estimated Headroom.
3. To propose the use of Headroom to fund new specialist schools as of Sept 2010.

Background

1. Since the beginning of the financial year 2006/07 local authorities have received allocations of DSG to finance the Schools Budget in each authority. The full DSG received must be applied to the Schools Budget in each authority, although authorities may provide additional resources in support of the Schools Budget should they decide to do so.
2. The Schools Budgets, as set out in the Statutory Section 251 budget, comprises the following:
 - a) Individual Schools Budgets (ISB), delegated to individual schools, by phase (also known as School Budget Shares). These allocations are delegated via the local Fair Funding Formula, which the Local Authority (LA) sets, in conjunction with its Schools' Forum.
 - b) Central Expenditure. This is the amount held back centrally for expenditure on pupils and includes:
 - Special Education Needs - provision for statemented pupils, pupil referral units, behaviour support units
 - Termination of Employment costs
 - School Specific Contingency

3. Central expenditure must not increase as a proportion of the overall Schools' Budget. This mechanism is known as the Central Expenditure Limit (CEL) and can only be breached in exceptional circumstances and with the specific approval of the Schools' Forum. In the case of Schools' Forum refusal the LA can ask the Secretary for State to approve the breach.
4. The final Schools' Budget depends on the January PLASC count and is determined by the units of funding (no of pupils - FTE) multiplied by the Guaranteed Unit of Funding (GUF).

Update

5. The estimated DSG for 2011/12 is the full time equivalent number of pupils as at Jan 2011 of 37,046 multiplied by the Guaranteed Unit of Funding (GUF) £4,658 amounting to **£172.564m**. The table below represents the distribution of DSG based on January pupil numbers and 7 Schools converting to Academy status. Please note the level of funding is not confirmed by the DfE until the pupil data has been cleansed.

DSG £'000	Academy Recoupment £'000		ISB £'000	Centrally Retained £'000	Headroom £'000
	ISB	LACSEG			
172,564	14,959	264	143,603	12,648	1,091

The ISB includes £17.9m of mainstreamed grants that has been delegated to schools through the local formula.

6. The recoupment of LACSEG (Academy Central Spend) from DSG is based on specific Table 1 lines (Schools Budget) of the section 251 Statement. In addition there is an adjustment to the Councils Revenue Support Grant in respect of Academy converters taking place at a national level.

Central Bedfordshire currently has 7 Academies (2 primaries and 5 secondary). The LACSEG unit per pupil for 2011/12 is £37.33 for Primary and £76.09 for Secondary, amounting to a total recoupment of £264k.

It is anticipated that a further 22 schools will convert to Academy status during 2011/12 estimating an additional deduction to DSG through LACSEG of 440k.

Headroom

7. Headroom is the amount of unallocated DSG once the ISBs have been issued and funds allocated to central services. An element of this (£208k) is as a result of merged grants into the DSG and for which following the issuing of the ISB to schools, have received confirmation from the DfE that this includes £104k for schools that became Specialist schools from Sept 10 (5 Middles and 2 Specials).
8. The estimated Headroom currently stands as £1,091k after the initial LACSEG recoupment of £264k. The Schools Forum agreed at their meeting in March 2011 the use of Headroom for LACSEG up to £1m, any amount over this cumulative sum would be brought back to the Forum.

Consultation Update

9. The Secretary of State launched two Consultations on April 13th 2011 ending on May 25th 2011; 'A consultation on school funding reform: Rationale and principles' and 'Academies Pre-16 Funding: Options for the 2012/13 Academic Year'. A precise of the consultations and questions were circulated to School Forum members and appropriate Officers, requesting feedback by the 11th May. Support was given to the F40 group response (Appendix A and B).

Recommendation

10. To propose that the £104k in Headroom for schools becoming Specialist schools from September 2010 be paid to those schools concerned.

Appendices:

Appendix A - F40 Response to School Funding Reform

Appendix B – F40 Response to Options for 2012/13 Academies pre-16 funding

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Academies Pre-16 Funding: Options for the 2012/13 Academic Year

Consultation Response Form

The closing date for this consultation is: 25 May
2011

Your comments must reach us by that date.

If you have an enquiry related to the policy content of the consultation you can contact either:

Annie Raw (telephone: 020 7340 8143) or Victoria Ismail (telephone: 020 7783 8682)

e-mail: AcademiesFunding.CONULTATION@education.gsi.gov.uk

If you have a query relating to the consultation process you can contact the Consultation Unit by telephone: 0370 000 2288 or e-mail: consultation.unit@education.gsi.gov.uk

Please mark ONE box that best describes you as a respondent

<input type="checkbox"/> Academy	<input type="checkbox"/> School applying for academy status	<input type="checkbox"/> Maintained School
<input type="checkbox"/> Academy Sponsor	<input type="checkbox"/> Schools Forum	<input checked="" type="checkbox"/> Campaign Group
<input type="checkbox"/> Union/Professional Body	<input type="checkbox"/> Parent/Carer	<input type="checkbox"/> Governor Association
<input type="checkbox"/> Local Authority	<input type="checkbox"/> Other	

Please Specify:

1 Do you agree with our analysis that the current system is not appropriate to fund an increasing number of Academies in a fair and transparent way? (see section 2 in the consultation document)

X	Yes	No	Not Sure
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The current system is unfair in both obvious and obscure ways. There is a clear financial advantage for schools converting to academy status. In the final analysis this advantage is at the expense of both schools remaining in local authority (LA) control and to wider LA budgets.

The mechanisms involved in operating the LACSEG grant are clearly beyond the capacity of those charged with doing it in the light of the number of academy conversions occurring.

Media coverage of academy funding issues demonstrates that the LACSEG grant mechanism and basis are poorly understood at best and more usually perceived to be utterly impenetrable.

2 Do you agree with the principles for an alternative method of funding Academies in 2012/13? (see section 3 in the consultation document)

All	X	Some	None
Not Sure			

F40 agrees that an alternative method is needed for 2012/13 because the current system is clearly unsustainable. It is also clearly unfair, but this is a separate issue.

The aim of having a smooth transition to a new system is one f40 fully supports but we fail to see how this has any meaning unless the system to which one is moving is clearly defined. F40 supports the view that the current system is unfair and that a fair system is needed. It is not axiomatic that a fair system can be found and no one will know if there is such a thing until one has been devised and tested. In broad principle we support the sentiment expressed but would comment on the wisdom of having a clear target in mind before discussing the transition.

Whilst f40 supports the view expressed in the second principle, it is clearly the case that the concepts of localism, academy independence from LAs and fair funding across all schools, may contain a degree of mutual exclusivity meaning that not all of those aims can be realised at the same time. If LAs have any

responsibility over redistribution of even a small element of funding, which we believe they should if such issues as split sites, higher than average premises costs and small rural schools are to be supported, then any school operating above or below the LA mean will be financially advantaged or disadvantaged through academy conversion.

If it is the political view that the majority of schools should be academies or free schools or other forms of independent state funded school, then it seems to us that the only sensible and fair decision to sort out the current mess is to take all schools out of LA control and declare them academies in one step. This is almost certainly an unrealistic idea. In a sense, therefore, the rapid development of the academy programme has produced a set of mutually intractable issues, and a clearly unexpected set of consequences.

The current mess does not have the type of simple solution implied by the principles listed in the consultation document. Whilst not rejecting the admirable sentiments expressed in the principles, we suggest that there are only eventually two stable states for the system: either all state funded schools are under LA or similar control, or all schools are funded as independent state schools.

In the second case, whether or not schools federate into independent or LA managed groups is a separate matter which may or may not follow. How one ends up in either of these states, or whether the system remains in a degree of unfair chaos, is beyond the scope of this response. It is trivial but also true to state that we would not choose to start from here.

The third principle concerning transparency is in our view desirable but not essential. What is essential is that the base line funding for all schools is fit for purpose. The mechanism should not be obscure but that does not mean it will necessarily be simple either to explain or to understand. The key issue is that it produces a fair result and that it can be justified at a higher level. This is clearly not the case at present where schools are clearly seeking academy status for the temporary financial advantage it will bring and in effect penalising those that remain in LA control by doing so.

3 Are there other aims we should have for the Academy funding system in the absence of cross-system reform, such as a Fair Funding Formula? If yes, what are they?

<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Sure
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In the absence of cross system reform the overriding aim for the academy funding system is that the funding for all schools must be sufficient for purpose in that all schools have equality of opportunity to deliver the standard of education required no matter what their status.

LAs need the funding system to have a significant degree of predictability and also to be free of step changes given that the timescale for sensible adjustment to funding changes in a maintained school is of the order of two years.

4 Do you agree with the broad analysis of how each option might work? (see section 4 in the consultation document)

<input checked="" type="checkbox"/> All Not Sure	<input type="checkbox"/> Some	<input type="checkbox"/> None
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Comments: None.

5 Which option do you think is the best way of funding Academies in 2012/13? (see section 4 in the consultation document)

Roll forward		Fair funding formula for Academies only	X	Local authority based calculations
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We are in favour of the LA based calculation. This, to our mind, is the most sensible option on the table. This method of calculation would make use of the same data for academies and maintained schools so it is most likely to meet the key principle of fairness with no advantage or disadvantage to LA or academy schools. It would provide a better reflection of what's needed locally, and would certainly be a more accurate and up-to-date method of calculation

We appreciate that implementing this option relies on the LAs having the capacity to do the relevant work but we believe they are well able to manage this task.

The issue of what is a fair and accurate non-DSG LACSEG addition still needs to be resolved.

The option to roll forward – which appears to be being heavily promoted by the government in the supporting documentation – will perpetuate funding problems and will not create the fair and equitable system we are intent on achieving.

6 Are there potential advantages and disadvantages in implementing each option that we have not considered? If yes, what are they?

X	Yes	No	Not Sure
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Please see comments in answer 5.

7 Are there changes you think we should consider to the way the Local Authority Central Spend Equivalent Grant (LACSEG) is calculated for FY2012/13? If yes, what are they? (see section 5 in the consultation document)

X	Yes	No	Not Sure
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Although f40 would support the government considering the way LACSEG is calculated we would only support a change if it did not produce significant turbulence and if it is notified in sufficient time for its implementation to be managed sensibly.

The reality of the current academy conversion process is that the schools that have initially converted have been outstanding schools and they are receiving an element of funding for behaviour support based, we believe, on an average value, when the schools themselves have very few students to whom this funding is relevant. This is just one example of the inherent unfairness of the current situation. Similar issues arise with FSM eligibility in the Centrally Retained Budget and pupil support and education welfare in the notional 'LEA' Budget. The topslicing of the LA budgets to fund the academy programme is also, in our view ill defined and therefore obscure and, as a result, almost certainly unfair.

The majority of students for whom the funding is intended remain in LA schools. The funding available for the LA to support the students has reduced whilst academies have gained a small bonus. This and similar issues should be addressed.

8 What factors would you want us to take into consideration if we were to make changes?

Timescale and turbulence (see previous comments).

9 Have you any further comments?

Comments: None

Thank you for taking the time to let us have your views. We do not intend to acknowledge individual responses unless you place an 'X' in the box below.

Please acknowledge this reply **X**

Here at the Department for Education we carry out our research on many different topics and consultations. As your views are valuable to us, would it be alright if we were to contact you again from time to time either for research or to send through consultation documents?

X Yes	No
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All DfE public consultations are required to conform to the following criteria within the Government Code of Practice on Consultation:

If you have any comments on how DfE consultations are conducted, please contact Donna Harrison, DfE Consultation Co-ordinator, tel: 01928 738212 / email: donna.harrison@education.gsi.gov.uk

Thank you for taking time to respond to this consultation.

Completed questionnaires and other responses should be sent to the address shown below by 25 May 2011

Send by post to: Annie Raw, Academy Funding and Finance Team, Department for Education, Level 3, Sanctuary Buildings, Great Smith Street, London SW1P 3BT.

Send by e-mail to: AcademiesFunding.CONULTATION@education.gsi.gov.uk

A consultation on school funding reform: rationale and principles

Consultation Response Form

The closing date for this consultation is:

25 May 2011

Your comments must reach us by that date.

THIS FORM IS NOT INTERACTIVE. If you wish to respond electronically please use the online response facility available on the Department for Children, Schools and Families consultation website www.education.gov.uk/consultations

The information you provide in your response will be subject to the Freedom of Information Act 2000 and Environmental Information Regulations, which allow public access to information held by the Department. This does not necessarily mean that your response can be made available to the public as there are exemptions relating to information provided in confidence and information to which the Data Protection Act 1998 applies. You may request confidentiality by ticking the box provided, but you should note that neither this, nor an automatically-generated e-mail confidentiality statement, will necessarily exclude the public right of access.

Please tick if you want us to keep your response confidential.

Name Doug Allan, Secretary

Organisation (if applicable) F40

Address: C/o DTW
Bank Chambers
Market Place
Guisborough
TS14 6BN
doug@dtw.co.uk
07785 223707

If you have an enquiry related to the policy content of the consultation you can contact either

Juliet Yates on: Telephone: 020 7340 8313 e-mail: juliet.yates@education.gsi.gov.uk,
or Ian McVicar on: Telephone: 020 7340 7980 e-mail:
ian.mcvicar@education.gsi.gov.uk

If your enquiry is related to the DfE e-consultation website or the consultation process in general, you can contact the Consultation Unit by e-mail: consultation.unit@education.gsi.gov.uk, by Fax: 01928 794 311, or by telephone: 0870 000 2288.

Please tick the box that best describes you as a respondent.

<input type="checkbox"/> School	<input type="checkbox"/> Schools Forum	<input type="checkbox"/> Governor Association
<input type="checkbox"/> Teacher	<input type="checkbox"/> Local Authority Group	<input type="checkbox"/> Individual Local Authority
<input type="checkbox"/> Teacher Association	<input type="checkbox"/> Other Trade Union / Professional Body	<input type="checkbox"/> Early Years Setting
<input checked="" type="checkbox"/> Campaign Group	<input type="checkbox"/> Parent / Carer	<input type="checkbox"/> Other

If 'Other' Please Specify:

1. Do you agree with the stated characteristics of an ideal school funding system? (Section 2)

All	X	Some	None	Not Sure
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Comments:

f40 broadly agrees with Section 2 of the consultation document subject to the following points:

1) Whether schools can be viewed as having similar circumstances or similar intakes should be based on a comprehensive range of factors. It is not sufficient to define similarity by, say, a band of free school meal eligibility. Factors such as sparsity and regional variation in the cost of living are significant. For example, the average house price in February 2011 in the London area was of the order of eight times the cost of a house in Kingston upon Hull. Some schools that have recently benefited from building work may also be at a significant advantage compared to apparently similar schools which missed out on the Building Schools for the Future initiative.

2) Distribution of extra resources towards pupils who need it most should not be limited to pupils falling within a deprivation definition such as free school meal eligibility. Pupils in schools where the type of factor listed in point 1 above, outside the school's control, make the cost of delivery significantly more expensive than it would be otherwise, could be considered to be educationally deprived in some sense.

3) The idea of a funding system being easy to understand and explain should be secondary to its ability to deliver base line funding that is fit for purpose. We do not agree that predictability is a necessary consequence of transparency. The operation of the National Lottery is perfectly transparent but the result, including the idea that someone will win it remains unpredictable.

4) We agree that schools should understand why they receive the funding levels they do and how pupil changes would affect their funding. We question whether this could lead to perverse incentives with regard to recruitment unless there is a central guide on admissions as existed when all schools were under local authority control.

2. Are there further characteristics the system should have? (Section 2)

X	Yes	No	Not Sure
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If 'Yes', what are they?

All schools - Academy, Free, Maintained etc - should be funded on an academic year basis.

Notification of funding should be received by local authorities and hence to schools, allowing suitable time for sensible financial planning i.e. February (half term) for the following September.

F40 firmly believes that the needs of children and schools are paramount and, therefore, a key characteristic of the new funding model should be that it promotes good outcomes for children and young people.

3. Do you agree with the analysis of how the current system falls short of these aims? (Section 3)

X	Yes	No	Not Sure
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Comments:

The current arrangements for allocating funds to local authorities are grossly inadequate.

The combination of specific grants and the minimum funding guarantee has led to serious anomalies in the way individual schools are funded, and we are very pleased to see that this issue appears to be being addressed.

4. Do you agree with the case for reforming the system?

<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Sure
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Comments

We can see no case why *core* funding should vary across the country. As the basic needs of pupils are common to all areas, we fail to see why core funding should vary across the country. The F40 Group has been pressing this point for many years.

The government's policy on academies and free schools has added to the need for a review of how schools are funded.

5. Do you agree that the aim of ensuring all deprived pupils get the same level of funding no matter where they live is the right one? (Section 4)

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Not Sure
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Comments:

F40 believes that all deprived pupils should get a level of funding which allows them to access comparable levels of additional provision wherever they live.

Given the variation in provision costs, access to specialism and ease of recruitment across the country, the same level of funding will not result in the same level of opportunity.

This point is echoed in the consultation paper itself in paragraph 5.1 which indicates that fair funding does not mean the same level of funding for every school.

F40 also wishes to highlight the fact that deprivation is not simply “an economic matter” – it should also incorporate other factors, such as access to arts and cultural opportunities. Pupils in rural areas often have significantly less opportunity to take part in ‘out of school’ activities and other development initiatives.

The extended schools initiative is important and should not be forgotten in any new arrangements.

6. Do you agree the underlying funding formula needs to change to meet this aim more quickly and effectively?

Yes	No	X	Not Sure
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Comments:

This question is poor. It assumes one agrees with the aim of ensuring that all deprived pupils get the same level of funding.

The pupil premium has been introduced and the revision of the overall funding formula is now being considered after the event. The idea of delivering all funding associated with deprivation through a revised pupil premium and separating deprivation from a national funding formula seems to be one worth investigation.

If that is the case then we think deprived pupils in different parts of the country should have equality of opportunity so the pupil premium will need to be less simplistic than a fixed per pupil rate based on a single proxy indicator.

7. Do you think the school funding system should be based on a purely national formula? Or should there be flexibility for local decisions about funding levels? (Section 5)

Purely National	Some local flexibility	X	A lot of local flexibility	Not Sure
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Paragraph 5.5 in the consultation document underlines the key issue here. The idea of a funding system which is responsive to local circumstances, even though it works in the context of a national formula, is inconsistent with the model of academies and free schools in the same area not being subject to local adjustments by virtue of their independence.

F40 fully supports the idea of flexibility for local decisions about funding levels.

F40 fully supports the idea of flexibility for local decisions about funding levels, for all types of schools, but especially in the area of Special Schools and SEN where flexibility around the needs of individual children is very important.

We have no suggestions for resolving the issue that arises for academies and free schools as a result.

8. If so, should that flexibility be limited, and if so how? (Section 5)

Yes	X	No	Not Sure
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How?

F40 does not think local flexibility should be limited, other than that it should operate within the overall envelope defined for the local authority by a national formula, and subject to the type of local consultation and agreement outlined in paragraph 5.3 of the consultation document.

9. If there is local flexibility, what should the roles of local authorities, schools and the Schools Forum be in decision making? (Sections 5 and 6)

<p>Local authorities:</p> <p>The role should be as at present.</p>
<p>Schools:</p> <p>The role should be as at present.</p>

Schools Forum:

The role should be as at present.

Comments:

F40 supports the view in paragraph 6.2. of the supporting documentation for the clarification of the division of responsibilities between schools and local authorities.

10. If there is local flexibility for maintained schools, how should Academies and Free Schools be funded? (Section 5)

X	Through the fair funding formula	Taking into account local decisions	Not Sure
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Comments:

F40 sees no alternative to funding academies and free schools on the basis of the national formula, with an additional grant to cover the additional responsibilities that they carry for not being in a local authority.

The split of responsibilities must be clearly defined and the LA should receive an equivalent grant for their maintained schools.

We note that this will inevitably produce perverse incentives and perceived levels of unfairness for institutions that find themselves on the wrong side of the local 'mean'.

We believe that this is an unavoidable consequence of attempting to fund a mixed system which is already been put into motion through a single approach that is being devised at a later time.

11. How do you think SEN support services might be funded so that schools, Academies, Free Schools and other education providers have access to high quality SEN support services? (Section 7)

Comments:

If local authorities are to be responsible for the funding of high cost special needs pupils from an allocation outside the fair funding formula then f40 proposes that all funding for SEN support services, including the 'pot' for high cost pupils, should be given to local authorities. We also suggest that the services are then allocated on the same pupil needs basis to whatever institution the pupil attends in the local authority area whether it be a free school, academy or maintained school.

Academies should not then receive an element of their funding for these specific pupils.

12. How do you think a national banded funding framework for children and young people with SEN or who are disabled could improve the transparency of funding decisions to parents while continuing to allow for local flexibility? (Section 7)

Comments:

F40 believes that a national banded framework, which is clear, consistent and precise, is a reasonable suggestion.

13. How can the different funding arrangements for specialist provision for young people pre-16 and post-16 be aligned more effectively to provide a more consistent approach to support for children and young people with SEN or who are disabled from birth to 25? (Section 7)

Comments:

F40 does not have any suggestions for this.

14. How successfully has the EYSFF been implemented? How might it be improved? (Section 8)

Very

Fairly

A little

Not at all

Not Sure

Comments:

F40 is not aware of any specific issues with the implementation of the EYSFF from 2011.

If there is to be a national funding formula for schools it is assumed that the EYSFF will continue for maintained nursery schools and nursery classes and that there will not be a back tracking of the EYSFF for these providers.

The interaction of the EYSFF in schools with nursery classes with a national funding formula needs to be recognised or managed as does the interaction of the NFF with the YPLA post-16 funding at the other end of the system.

Schools should neither be double fund or underfunded as a result of having these facilities.

15. How important is an element of local flexibility in free early education funding? What might alternative approaches look like? (Section 8)

<input type="checkbox"/> Very	<input type="checkbox"/> Fairly	<input type="checkbox"/> A little	<input type="checkbox"/> Not at all	<input type="checkbox"/> Not Sure
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Comments:

The Early Years market varies considerably in different parts of the country. Some areas are dominated by maintained nursery provision while others have no maintained provision at all. Given the recent implementation of the EYSFF nationally this might be a better question for consideration in 2-3 years time.

16. How should we identify the total amount of funding for early years and free early education for three year olds and four year olds not in reception from within the overall amount of 3-16 funding? (Section 8)

Comments:

Section 251 information on the costs of the EYSFF should give an indication of total levels of funding, but the additional costs and geographical differences of maintained nursery schools will complicate matters.

Ministers need to decide what protection they wish to afford to this type of provision (if any) and how this works alongside the protection in an NFF of any other type of school provision (e.g. small rural schools, free schools).

**17. Should the formula include only pupil led factors or also school led factors?
(Section 9)**

Only pupil-led factors	X	Include school-led factors
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Comments:

School-led factors also need to be included if local flexibility is excluded (questions 7 to 10).

If local flexibility is included, particularly in the widest sense, then school-led factors are best dealt with at that level and only pupil-led factors should be included at the higher level.

Where turbulence in funding is caused because schools of a specific size or type do not fit the NFF optimum, there is an underlying assumption that the local authority can reorganise schools to support them. But given national policies for the formation of academies and free schools, and the presumption against closure of rural schools, there is very little scope for local authorities to reorganise schools to ensure they are cost efficient. This could lead to pupils being left in schools that are struggling financially for a number of years with the local authority unable to either support the school or reorganise it to ensure that pupils are able to achieve to their abilities.

18. What factors should be included? (Section 9)

Comments:

This should be a matter for local judgement but is most likely to include split sites, higher than average staff costs for small schools in remote areas, and higher than average site costs.

Whilst there is some sense in the sentiment expressed in the last sentences of paragraph 9.3 in the consultation document, it should be noted that in many schools the choice to move to a more efficient organisation in school characteristic terms is largely mythical given the serious reduction in available capital funding and the need to terminate the Building Schools for the Future programme.

19. What is the right balance between simplicity and complexity? (Section 9)

Comments:

This is a poor question. There is no 'right balance'. The key point is that the result is fair and that at the 'broad brush' level it can be seen to be fair.

20. What level of change in budgets per year can schools manage? (Section 10)

Comments:

This question can only be meaningfully answered following careful modelling and analysis across a wide sample of schools.

**21. How much time do schools need to plan for changes in their funding?
(Section 10)**

3 months	3 – 6 months	X	6 – 12 months	More than 1 year	Not Sure
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In the short-term, local authorities need to know funding levels in time to inform schools in February so that changes can be made for September.

There is a clear difficulty with the financial year starting in April and the academic year starting in September. To some extent this difficulty has been eased for academies.

F40 suggests that the same arrangement should be considered for local authorities.

As things stand, a financial year impact of say a 5% reduction is condensed into a seven month period in most schools equating to a more serious impact approaching an 8% reduction in operation. Where schools need to make staffing changes these have a realistic minimum lead time of around 6 months (taking into account consultations and notice periods).

**22. When is the right time to start moving towards a fair funding formula?
(Section 10)**

<input type="checkbox"/> 2012 – 13	<input type="checkbox"/> 2013 – 14	<input type="checkbox"/> 2014 - 15	<input type="checkbox"/> 2015 - 16	<input type="checkbox"/> Not Sure
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Comments:

As soon as it is clear that:

- a) there is a funding formula available that will in fact be significantly fairer
- b) sufficient modelling has been done to reasonably anticipate as many consequences of the change as can be expected
- c) it has been clearly shown that in making the transition the education of pupils currently in the system and entering the system during the period of transition will not be disadvantaged.

23. Have you any further comments?

Comments:

There is no mention of the centrally retained budgets and how these would interact with a national funding formula? If there is local authority these could be managed as now, if there is none does that imply that these budgets will no longer exist? Further consideration will need to be given to what is expected in each circumstance.

Thank you for taking the time to let us have your views. We do not intend to acknowledge individual responses unless you place an 'X' in the box below.

Please acknowledge this reply - YES PLEASE

Here at the Department for Education we carry out our research on many different topics and consultations. As your views are valuable to us, would it be alright if we were to contact you again from time to time either for research or to send through consultation documents?

Yes

Completed questionnaires and other responses should be sent to the address shown below by 25 May 2011

Send by e-mail to: schoolfunding.consultation@education.gsi.gov.uk

Send by post to:

Ian McVicar
Funding Policy and Efficiency Team
4th Floor, Sanctuary Buildings
Great Smith Street
London
SW1P 3BT

Meeting: Schools Forum
Date: 20 June 2011
Subject: School Forum Budget
Report of: Deputy Chief Executive and Director of Children's Services
Summary: To provide an update on the School Forum Budget for 2011/12 and to propose a work session for the impending National Consultation.

Contact Officer: Dawn Hill, Technology House, Bedford
Public/Exempt: Public
Wards Affected: All
Function of: Council
Reason for urgency (if appropriate)

RECOMMENDATIONS:

- 1. To note the School Forum position statement as at 27th May 2011.**
- 2. To propose the School Forum budget be utilised for the provision of training and feedback to the National School Funding Consultation.**

Background

1. The School Forum Budget falls under Section 2 of The School Finance Regulations 2008. 'Classes or descriptions of planned expenditure prescribed for the purposes of the Schools budget of a Local Education Authority which may be deducted from it to determine the Individual Schools Budget' (top slice Direct Schools Grant - DSG) – 'establishment and maintenance, of and consultation with, schools forums'.
2. It was agreed at the School Forum meeting of the 7th March 2011 that a budget of £3,000 will be available for costs associated with the operation of the Forum e.g. venue hire, expenses and clerking costs, of which £2,000 be set aside and delegated to the Chairman of the Schools Forum to fund the commissioning of consultancy and administration support. The level of the budget will be reviewed annually.
3. The School Forum budget under spend from 2010/11, as at 31st March 2011 is £3,650, which is carried forward to 2011/12.

Expenditure to Date

4. It was resolved at the School Forum meeting of the 7th March 2011 that Central Bedfordshire would remain a member of the F40 Group, representing the lowest funded Local Authorities.
5. The following table sets out the expenditure to date against the School Forum Budget.

	BUDGET £	SPEND £	BALANCE £
Carry Forward from 2010/11	3,650		
Budget Allocation 2011/12	3,000		
F40 Subscription		(1,000)	
Total General Contingency	6,650	(5,650)	5,650

Recommendations

6. It is recommended that the School Forum budget is utilised to commission a Consultant to review the impact of the proposals of the impending National School Funding Review and Academies funding review, provide training and updates and a forum for a final group response.

Appendices:

None

Meeting: Schools Forum
Date: 20 June 2011
Subject: Extended Early years Offer in Schools
Report of: Edwina Grant Deputy Chief Executive/Director of Childrens Services
Summary: Situation update

Contact Officer: Sue Tyler, Head of Child Poverty and Early Intervention
Public/Exempt: Public
Wards Affected: All
Function of: Council
Reason for urgency (if appropriate) None

RECOMMENDATIONS:

To note the situation regarding maintained schools offering the extended early years entitlement.

Background

1. From September 2010 the Flexible Free Extended Entitlement (FFEE) became part of the universal offer for all three and four year olds. This meant that all children, in the term after they become three, until they reach statutory school age are entitled to 15 hours free early years education and care. This was an increase from the previous level of 12½ hours. The additional part of the offer is the flexible entitlement, which means that the 15 hours can be taken over three days at five hours a day.
2. In general the flexible part of the FFEE is not practical in a school environment and in the main this part will be offered by the Private Voluntary and Independent sector.
3. Some maintained schools have found it challenging to extend sessions from 2½ hours to 3 however most schools are now offering the extended entitlement.
4. Of 96 Lower Schools 3 are presently not offering any three hour sessions, (Southlands, St.Georges Toddington and Robert Peel) and a further 8 schools are offering morning three hour sessions only but not both morning and afternoon. (Eversholt, Greenleas, Kensworth, Lawnside, Moggerhanger, St.Georges Leighton Buzzard, St.Swithuns and Ardley Hill) Of these 8 schools two have firm plans to extend their afternoon session immediately. By September 2011 all lower schools except 2 (Southlands and Toddington St.George) will be offering full length three hour sessions in both the morning and afternoon.

5. The Early Years and Childcare Development Team will continue to work with the schools who are not offering the extended entitlement, including discussions around the funding implications. If requested by the school one of the Early Years Consultants will visit to further discuss teaching time and other impacts on the delivery of 15 hours through both morning and afternoon sessions.
6. 95 Private Voluntary and Independent settings are offering the extended offer (out of 106) of which 73 are also offering the flexible offer whereby parents can access the 15 hours across three days. Work is continuing with the last few groups to ensure a 100% extended offer across the sector.
7. As the final few schools change their offer between the January census dates the Schools Forum has agreed that any additional funding required will be funded through the school contingency fund.

Appendices: None

Meeting: Schools Forum
Date: 20 June 2011
Subject: Summary of the findings & recommendations of the James Review
Report of: Deputy Chief Executive and Director of Children's Services
Summary: To provide information on the findings and recommendations of the recent review of school capital.

Contact Officer: Rob Parsons, Head of School Organisation & Capital Planning
Public/Exempt: Public
Wards Affected: All
Function of: Council
Reason for urgency (if appropriate)

RECOMMENDATIONS:

To note the findings & recommendations of the James Review.

Background

The independent Review of Education Capital, led by Sebastian James (Group Operations Director of Dixons Retail plc), was published by the Department for Education (DfE) on 8 April.

It was asked to review, in the context of the Government's deficit reduction plans and emerging policy the Department's existing capital expenditure and make recommendations on the future delivery models for capital investment for 2011-12 onwards to;

- ensure that future capital investment represents good value for money and strongly supports the Government's ambitions to reduce the deficit
- raise standards and tackle disadvantage
- and to consider how all DfE capital expenditure within any spending constraint and PFI policy could be distributed more effectively over the next Spending Review period (2011-12 to 2014-15).

The review was announced in July 2010 alongside the DfE decision to end the Building Schools for the Future programme, and has been published much later than originally planned. It makes 16 recommendations which, if adopted, would lead to a fundamental change in the present system for building and maintaining schools.

The report is presented in two parts. Part 1 is a critique of the current processes for capital allocation, Building Schools for the Future (BSF), devolved and targeted programmes, and the maintenance of 'the school estate'. It also looks briefly at ICT, the impact of building regulations and the planning system, energy use and purchasing, and insurance. Part 2 sets out the review's recommendations.

Review findings in summary

The review highlights problems with BSF, but also the primary capital programme and the academies programme, the lack of clear aims, the concept of educational transformation, rather than focus on condition and need, bureaucratic, high cost, high risk process. The review criticises the extent of the involvement of both pupils and senior staff in individual schools on the design process – and notes that attainment fell on average during and just after the building process in BSF schools. The review further notes the variation in costs and standard of designs across the process and that this did not improve as more schools were built, suggesting a failure to build on experience from other schools/ LAs.

The review also criticises the process for devolved capital, the lack of data on building condition, the need for local determination of priorities within a local area, but for distribution of funds between local areas to be based on a better understanding of need. Allocation of basic need funding is seen as appropriate being based on population projections, but the formula for distributing maintenance funding to schools on pupil numbers means that the schools in the worst condition lose out. There is little information about how devolved capital is spent either nationally or at LA level, with schools not being monitored on how the capital is spent. This, in some cases, has led to neglect of the buildings in favour of ICT for example due to a lack of accountability for the school buildings.

The review also considered the negative impact that the numerous targeted funding streams have had on the capacity for local authorities and schools to plan their capital spend, increases in bureaucracy and the danger that those who are good at bidding for funds get most, while those in need do not.

ICT expenditure in schools is often ad hoc and has not benefited from the expected advantages of a strategic approach through the capital programme. Where it was included in BSF programmes the lifecycle of the technology is much shorter than the building, causing problems later on.

The regulatory framework for school buildings is more onerous in state schools than in private schools; it is rigorously policed and because each school is bespoke, have to be considered for every new school. Planning regulations hinder changes to projects mid-stream and bespoke designs again cause delay. Energy efficiencies and insurance costs need further examination but seem to vary dramatically across schools and LAs.

Recommendations

The recommendations address three areas: capital allocation, design and build, and effective procurement and maintenance. The specific recommendations are:

- 1) Capital investment and apportionment should be based on objective facts and use clear, consistently-applied criteria. Allocation should focus on the need for high-quality school places and the condition of facilities.
- 2) Demand-led programmes, such as Free Schools, are most sensibly funded from the centre and a centrally retained budget should be set aside for them.

- 3) The Department should avoid multiple funding streams for investment that can and should be planned locally, and instead apportion the available capital as a single, flexible budget for each local area, with a mandate to include ministerial priorities in determining allocations.
- 4) Notional budgets should be apportioned to Local Authority areas, empowering them fully to decide how best to reconcile national and local policy priorities in their own local contexts. A specific local process, involving all Responsible Bodies (ie. those which own and manage facilities), and hosted by the Local Authority, should then prioritise how this notional budget should be used.
- 5) The local prioritisation decisions should be captured in a short local investment plan. There should be light-touch central appraisal of all local plans before an allocated plan of work is developed so that themes can be identified on a national level and scale-benefits achieved. This must also allow for representations where parties believe the process has not assigned priorities fairly.
- 6) Individual institutions should be allocated an amount of capital to support delivery of small capital works and ICT provision. Wherever possible, this should be aggregated up to Responsible Bodies according to the number of individual institutions they represent, for the Responsible Body then to use for appropriate maintenance across its estate, working in partnership with the institutions.
- 7) The Department ensures there is access to clear guidance on legal responsibilities in relation to maintenance of buildings, and on how revenue funding can be used for facility maintenance.
- 8) That the Department:
 - gathers all local condition data that currently exists, and implements a central condition database to manage this information.
 - carries out independent building condition surveys on a rolling 20% sample of the estate each year to provide a credible picture of investment needs, repeating this to develop a full picture of the estate's condition in five years and thereafter.
- 9) That the Department revises its school premises regulations and guidance to remove unnecessary burdens and ensure that a single, clear set of regulations apply to all schools. The Department should also seek to further reduce the bureaucracy and prescription surrounding the use of BREEAM assessments (Building Research Establishment Environmental Assessment Method).
- 10) There should be a clear, consistent Departmental position on what fit-for-purpose facilities entail. A suite of drawings and specifications should be developed that can easily be applied across a wide range of educational facilities. These should be coordinated centrally to deliver best value.
- 11) The standardised drawings and specifications must be continuously improved through learning from projects captured and co-ordinated centrally. Post occupancy evaluation will be a critical tool to capture this learning.
- 12) As many projects as possible currently in the BSF and Academy pipeline should be able to benefit from the Review's findings to ensure more efficient procurement of

high quality buildings. This should be an early priority to identify where this could be done.

- 13) That the Central Body should put in place a small number of new national procurement contracts that will drive quality and value from the programme of building projects ahead.
- 14) That the Department uses the coming spending review period to establish a central delivery body and procurement model, whereby the pipeline of major projects – to a scale determined by the Department – is procured and managed centrally with funding retained centrally for that purpose.
- 15) The Department quickly takes steps to maximise the value for money delivered through maintenance and small projects and puts in place a simple and clear national contract to make this happen.
- 16) That the Department revisit its 2004 Cap Gemini report (on school insurance) and implement proposals where they are appropriate.

Commentary

Among these recommendations a clear role for a 'Central Body' emerges. This body will have the capacity and expertise to act as the 'expert client' across the system, with responsibility for data collection, allocation of funding and setting expected outputs, signing off local investment plans, procuring and managing national contracts with suppliers, directly procuring and managing most new build and other major contracts, monitoring the performance of contractors and Responsible Bodies, ensuring continuous improvement through the system, working with the industry supply chain to drive down costs and timescales, and deliver high quality buildings on time and on budget.

The recommendation to create a local panel based on the LA area, responsible for developing a local investment plan, will require the LA to work with all responsible bodies in the area to establish the strategic direction of capital investment across **all** schools except free schools which would still be managed by the DfE. The focus of the plan would be the prioritisation and allocation of a notional single flexible local budget to address condition issues and to manage growth.

The process for aligning expenditure proposed through the local investment plan with S106 collected by the LA will need to ensure that the Council's legal obligations for appropriate and timely expenditure of developer contributions are met. This will be particularly relevant where new provision is proposed to be procured and managed by the 'Central Body'.

The recommendation that capital investment should be based on objective facts and use clear, consistently-applied criteria reflects the process established by Central Bedfordshire in prioritisation of the schools capital maintenance and other rolling programmes. This will shortly be strengthened further by the publication of a range of school asset management data that has been collected by the authority.

The School Organisation & Capital Planning Team intends to publish the Council's first School Organisation Plan in June 2011 and this will be the key document in the process of planning school places and managing growth across the LA.

The document will contain:

- The policies and principles that will guide the Council and its partners in school organisation
- An explanation of the methodology used to calculate projected future demand for school places
- Current and future demand for school places at an LA and local area level

The SOP will form the basis for discussions with schools over school organisation and will also guide future decisions regarding the integration and form of required new provision. The document will be reviewed and updated annually to ensure that the projections of demand for school places are as accurate as possible.

Next steps

The review has been welcomed by Michael Gove but no further statements have been made as to a formal DfE response, any consultation or indeed potential implementation timeframe for the 16 recommendations that the report makes. However it is clear that the DfE are developing these recommendations further through workshops with the Education Building Design Officer Group and other representative professional bodies and further detail is expected shortly with a formal response from the DfE.

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Meeting: Schools Forum
Date: 20 June 2011
Subject: School Finance Update
Report of: Deputy Chief Executive and Director of Children's Services
Summary: To update the Schools Forum on the Schools out-turn position for 2010/11 and approach to Surplus Balances.

Contact Officer: Dawn Hill, Technology House, Bedford

Public/Exempt: Public

Wards Affected: All

Function of: Council

Reason for urgency
(if appropriate)

RECOMMENDATIONS:

To note the update on the School's out-turn position for 2010/11 and approach to Surplus Balances.

Background

1. There are 137 Schools in Central Bedfordshire (excluding Academies) in 2010/11 with a delegated budget of £132.3M.
2. The financial controls within which delegation works are set out in Central Bedfordshire Council's Financial Regulations for Schools in accordance with Section 48 of the Schools Standards and Framework Act (1998) and approved by the Secretary of State. The Scheme has been updated for the financial year 2011/12
3. The LA may suspend a school's right to a delegated budget if the provisions of the Scheme have been substantially or persistently breached, or if the budget share has not been managed satisfactorily.
4. The Scheme (Section 4.9) permits schools to plan for a deficit budget with the normal maximum length of time over which schools may recover being three years.
5. Unlicensed deficits are reported to the Department for Education as part of the School's Consistent Financial Reporting (CFR) return. An unlicensed deficit will have a direct bearing on the schools ratings with OFSTED.

6. The Scheme for Financing Schools November 2010 to March 2011 Section 4 details the treatment of surplus balances arising in relation to budget shares. Where schools have a surplus balance that exceeds the prescribed thresholds (5% Upper/Middle and 8% Nursery/Lower and Special), the Governing Body are required to put in place a financial plan to reduce the surplus to below the threshold. The plan is reviewed and agreed by the Sub Group of the Schools Forum each year and monitored to ensure such surpluses are used appropriately for the benefit of the school. However, if the Sub Group is minded to believe that a school is not retaining the balance for appropriate reasons, then a process will be started to recycle the funds in excess of the threshold.
7. The Schools Forum at its meeting on 7th March 2011 resolved that there be no balance control mechanism for balances arising from 2011/12 onwards.
8. Section 151 of the Local Government Act 1972 states that every local authority make arrangements for the proper administration of their financial affairs, including the supervision of all systems and records used for accounting purposes relating to the finances of Central Bedfordshire Council. Schools are required to operate accounting systems in support of proper budget monitoring and control arrangements.
9. To assist the Section 151 Officer in exercising his duties under the Act, Schools are categorised into Red, Amber, Green (RAG) ratings of risk. This process takes place twice a year in June following the financial year end and receipt of the current budget plan, and January, following the Schools completion of the year end forecasts outturn. A regular update is held as schools circumstances change.

Update

10. Schools balances as at 31st March 2011 are as follows:-

Sector	Revenue £	Capital £	Total £
Nursery	518,464	101,718	620,182
Lower	3,846,384	2,878,667	6,725,051
Middle	1,682,918	1,099,789	2,782,707
Upper	3,652,205	144,265	3,796,470
Special	852,395	198,843	1,051,238
Total	10,552,366	4,423,282	14,975,648

11. Before the declaration of committed balances (Earmarked Funds), 81 schools would be subject to the Surplus Balance Sub Group for having balances above the defined thresholds.
12. At the 2010/11 financial year end, 17 schools held an agreed licensed deficit with a value of £635,751. One additional school applied the 1% deficit budget tolerance allowance. Subject to the receipt of the School's Consistent Financial Reporting (CFR) return, one school will exceed their agreed licensed deficit by £90,339, implications of which are under review. Two of the licensed deficit agreements continue into the 2011/12 financial year.

13. The categorising of schools into a risk register will take place during June and brought back to the next meeting of the School Forum.
14. Due to the removal of the balance control mechanism for 2011/12 onwards, surplus balances arising from 2010/11 will be dealt with by form of a single letter ensuring a response is received.

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Meeting: Schools Forum

Date: 20 June 2011

Subject: Outline Forward Programme

Report of: Deputy Chief Executive and Director of Children's Services

Summary: To provide an update on the likely programme for the next year and request Sub Group membership

Contact Officer: Dawn Hill, Technology House, Bedford

Public/Exempt: Public

Wards Affected: All

Function of: Council

Reason for urgency
(if appropriate)

RECOMMENDATIONS:

- 1. To note the programme and to request membership to a Technical Funding Sub-Group.**

Update

1. Set out in the table below are the likely agenda items for the Schools Forum for the 2011/12 Financial Year. The programme will need to be flexible, to respond to national and local policy issues and the actual timings of preparatory work, including that of any sub-groups.

	September	November	January	March
Dedicated School Grant	Yes	Yes	Yes	Yes
National Consultation Funding		Yes	Yes	
Early Years Reference Group Report		Yes		Yes
Technical Funding Group	Yes	Yes	Yes	Yes
SEN Review			Yes	
Pupil Referral Unit			Yes	
License Deficit Schools	Yes		Yes	
Scheme for Financing Schools			Yes	
School Capital Programme				Yes
School Carbon Reduction Action Plan				Yes
14 – 19 Arrangements	Yes			
School Risk Register	Yes		Yes	
School Contingency and Forum Budget	Yes	Yes	Yes	Yes

Sub Groups

2. The Early Years Reference Group is already established as a sub-group to the Schools Forum on the Early Years Reform.
3. The 14 – 19 Partnership effectively acts as a sub-group for 14-19 funding decisions, in its strategic capacity within the authority and the Children's Trust.
4. It is proposed that a Technical Funding sub group is formed to agree any changes arising out of the National Consultation on School Funding. This could include reviewing specific areas of the current LA formula alongside any guidance issued following the consultation.
5. Members of the Technical Funding sub group will be required to meet outside of the normal School Forum meetings, frequency of which yet to be determined.

Appendices: None

Meeting: Schools Forum
Date: 20 June 2011
Subject: Schools Specific Contingency Budget
Report of: Deputy Chief Executive and Director of Children's Services
Summary: To provide an update on the Schools Specific Contingency Budget for 2011/12.

Contact Officer: Dawn Hill, Technology House, Bedford

Public/Exempt: Public

Wards Affected: All

Function of: Council

Reason for urgency
(if appropriate)

RECOMMENDATIONS:

- 1. To note the School Specific Contingency position statement as at 27th May 2011.**

Background

1. The Schools Specific Contingency Budget falls under Schedule 2 of The School Finance Regulations 2008. 'Classes or descriptions of planned expenditure prescribed for the purposes of the Schools budget of a Local Authority which may be deducted from it to determine the Individual Schools Budget' (top slice Direct Schools Grant – DSG).
2. At the Central Bedfordshire School Forum on 7th March 2011, the following budgets were agreed:
 - £500,000 General Contingency plus a further £1,000,000 in anticipation of the cost of redundancies in schools during 2011/12.
 - £275,670 SEN Contingency.

Total Budget agreed for 2011/12 is £1,775,670.

3. The School Contingency carry forward from 2010/11, as at 31st March 2011 is £1,061,547 which is split into General (£845,708) and SEN Contingency (£215,839).
4. The General Contingency budget can be utilised to fund the following:
 - Rent and Joint Use equalisation charges;
 - Rates adjustments that have arisen from re-valuations or an adjustment to original formula;

- Lease/planning permission associated with curriculum classes;
- Adjustment to Formula i.e. floor area, teacher threshold, NQT, additional pupil numbers;
- DSG shortfall;
- Closing Schools;
- Redundancy costs where applicable
- Funding of exceptional circumstances, the Director of Children's Services can authorise sums up to £10,000 in respect of any one school in a financial year.

General Contingency Expenditure to Date

5. The following table sets out the expenditure to date against the General contingency.

	BUDGET £	SPEND £	BALANCE £
Carry Forward from 2010/11	845,708		
Budget Allocation 2011/12	1,500,000		
Floor Area Adjustments		(10,092)	
Rates Adjustments		(68,704)	
Lump Sum		(7,915)	
ISB Adjustments		26,822	
Admissions		(665)	
Total General Contingency	2,345,708	(60,554)	2,285,154

6. The detail on the spend is as follows -

- Floor Area adjustments to the initial allocation of SBS.
- Rates adjustments that have arisen from revaluations/ rates relief.
- Lump sum adjustment as agreed by School Forum for St Vincent School
- Adjustment to allocation of Early Years Funding
- Admissions responsibilities

SEN Contingency Expenditure to Date

7. The SEN Contingency has been agreed to fund :

- A growth in Behavioural Emotional and Social Difficulties (BESD) provision
- Revised formula for Special Schools
- Additional and alternative models of specialist provision within mainstream schools
- Additional support to mainstream schools:-
 - i. Specialist support services and BESD services
 - ii. Special Schools Outreach
 - iii. Commissioned support

8. There has been no spend to date from SEN Contingency.

Appendices:

None