

DUDLEY SCHOOLS FORUM

Tuesday 20th March, 2007 at 6.00pm
Saltwells Education Centre, Bowling Green Road, Netherton

PRESENT

Mr Patterson (Chairman)

Mr Bell, Mrs Blunt, Mr Conway, Ms Cosgrove, Mrs Elwiss, Mr Francis, Mrs Griffiths, Mr Harrington, Mr Hatton, Mrs Hazlehurst, Mr James, Mr Millman, Mr Mountney, Councillor Nottingham, Mrs O'Neill, Mr Ridley, Mr Sorrell, Mr Timmins, Councillor Mrs Walker and Mr Warner.

OFFICERS

Director of Children's Services, Assistant Director of Children's Services (Resources), Assistant Director of Children's Services (Partnership and Children's Trust), Assistant Director of Children's Services (Access and Inclusion) – Directorate of Children's Services, Children's Services Finance Manager and Principal Accountant – Directorate of Finance, ICT & Procurement, and Mr Jewkes – Directorate of Law & Property - All Dudley M.B.C.

1. **APOLOGIES FOR ABSENCE**

Apologies for absence from the meeting were submitted on behalf of Ms Cosgrove, Mr Francis, Mr Hatton, Mrs Hazlehurst, Councillor Nottingham, Mrs O'Neill, Mr Warner (substituted by Mr M Kelley) and Mr Sorell.

2. **MINUTES**

RESOLVED

That the minutes of the meeting of the Forum held on 12th December, 2006, be approved as a correct record and signed.

3. **MATTERS ARISING FROM THE MINUTES**

In relation to Minute Number 4 – Matters Arising from the Minutes, the Chairman requested an update in respect of the issue of procurement processes. In responding, the Assistant Director of Children's Services (Resources) reported that he was still engaged in discussions with the Director of Law and Property regarding the issue and that it was his hope that in the near future it would be possible to broaden the range

of procurement groups, in order to improve procurement processes.

In relation to Minute Number 6 – Funding of Schools' Redundancies and Nominations to Form the Redundancy Panel, it was noted that a representative of the secondary sector had now been nominated to serve on the Panel and that the Chair of the Primary Headteachers Forum had undertaken to obtain a nomination from that Forum in due course.

In relation to Minute Number 6 – Funding of Schools' Redundancies and Nominations to Form the Redundancy Panel, it was noted that, in accordance with the wishes of the Forum, the Standard Operating Procedure in relation to the funding of Schools' Redundancies had been amended to clarify the use of the word 'dismissal'.

In relation to Minute Number 11 – Financial Implications of Primary and Secondary Reviews – Update, it was noted that of the approximately forty staff who, at the time of the previous meeting of the Forum, were yet to be redeployed, nineteen, approximately four or which were teaching staff, were still awaiting redeployment.

In relation to Minute Number 5 – 2007/08 Schools Budget – Funded by the Dedicated Schools Grant, a brief written report was submitted arising from issues raised at the previous meeting of the Forum regarding the Educational Transport Review which was currently being carried out by the Directorate of Children's Services.

The Assistant Director of Children's Services (Resources) reported that in view of the projected overspend on the home-to-school transport budget, a review of current education transport provision was being carried out. The aims of the review were twofold. Firstly, it aimed to ensure that, in view of the strain on the budget, provision was maintained for pupils who were eligible. Secondly, it aimed to carry out route evaluation with the intention of streamlining provision in order to maximise the cost-effectiveness of the service.

Members raised questions regarding the current budgetary situation and why, when Education Transport had not been a problem in the past in terms of overspend, the situation was so urgent this year as to require restriction of the service. In responding, Councillor Mrs Walker, Cabinet Member for Children's Services, advised that the current financial situation across the Directorate was such that any budgets which were overspent were being looked at closely with a view to making savings to reduce the current projected overspend. Whilst the review had led to withdrawal of the services previously provided to some children, this had only been in cases where they had been found to be ineligible, according to the distance criteria, for assistance. Also, all parents had been given the opportunity to appeal against the decision to withdraw their transport provision.

Members expressed understanding with the points made and requested that further statistical information regarding the position with regard to Education Transport finances be submitted to the next meeting of the Committee. In responding to this request, the Assistant Director of Children's Services (Resources) suggested that this information be broadened out to include details of the effect 'out of Borough placements' were currently having in terms of transport, as provision for these placements was proving a major expense to the Directorate.

RESOLVED

That a report providing further statistical information regarding the budgetary position in relation to Educational Transport, as outlined above, be submitted to the next meeting of the Forum.

4. CHANGE IN ORDER OF BUSINESS

RESOLVED

That Agenda Item Number 13 – Implementing the Common Assessment Framework, be considered as the next item of business.

5. IMPLEMENTING THE COMMON ASSESSMENT FRAMEWORK (CAF)

A report of the Director of Children's Services was submitted on the implementation of the Common Assessment Framework (CAF) and Lead Professional. It was reported that under the Education Act 2004 partners, such as the Local Authority, Health, the Police and Youth Offending Teams were obliged to work together to meet the requirements of the 'Every Child Matters' agenda. Part of that agenda required the establishment, by April 2008, of integrated partnership processes designed to ensure that young people were able achieve the five outcomes set out in the Act. The CAF and Lead Professional were both examples of such processes.

The aim of the CAF was to establish a simple and agreed method of identifying the needs of young people at the earliest opportunity in order to provide services to prevent more intrusive and extensive work being required at a later stage. For example, in a situation where a family needed support with preparing their children for school and ensuring that they attended, the framework would provide a mechanism ensuring that appropriate support services were requested as quickly as possible, in order to prevent the onset of underachievement and/or extended absence.

The concept of the Lead Professional meant that in any given situation a child or any vulnerable person could identify a single point of contact who would support them in making choices and navigate them through the system. The Lead professional would coordinate a package of interventions which would be planned and reviewed in order to assist the client in obtaining the services they required.

Although integrated working had been piloted both locally and nationally, in order for the CAF to be rolled out it would be necessary to develop a pooled resource within Dudley. Early indications from the pilots which had been carried out were that in order to make the new process operate successfully, more than one dedicated officer for the Borough would need to be recruited. Consequently it was suggested that one officer be made responsible for coordinating services for residents of each of the five 'townships'. In this regard, the other partners in the proposed scheme, which included the Police, the Dudley Primary Care Trust, the Dudley Group of Hospitals, Connexions and the local Colleges had agreed in principle to providing a financial contribution to the scheme, in order to fund five area township managers for fixed term contracts lasting three years, at the close of which the impact of the work undertaken would be assessed. A contribution of £236,000, which equated to approximately £5 per pupil, was also being sought from schools. Schools Forum was requested to approve the allocation of this sum from the Dedicated Schools Grant (DSG) for 2007/08.

In responding to the report, Members considered a number of issues regarding the proposed scheme. These included the financial arrangements in situations where children from outside of Dudley were attending Dudley schools, the role of the proposed Area Township Managers in relation to training and the coordination of integrated services, and the operation of the Framework in terms of the mechanisms through which Headteachers or other Lead Professionals would be able to access support services for the children involved.

In responding to comments regarding the initial cost of the scheme, the Assistant Director of Children's Services (Partnership and Children's Trust) stated that although it was accepted that the scheme would be cost intensive at first, the idea was to catch problems early and coordinate services quickly to ensure that parents received the appropriate type and level of support, before their problems escalated and became more serious and therefore more costly. For example, half of Dudley's Looked After Children had been taken into care on the grounds that they were being neglected at home. The scheme was designed to get support to parents and children quickly, in order that their problems did not become so severe that the option of taking the children into care had to be considered.

It was noted that the proposals had already been considered at an earlier stage by the Headteachers Consultative Forum Budget Working Group. Members requested clarification as to what comment the Group had made at this time. In responding, the Assistant Director of Children's Services (Resources) reported that the Budget Working Group had raised a number of issues regarding the proposed role of the Area Township Managers, along with the costs involved. However, these concerns had all been addressed in the final draft of the report being considered by the Forum.

Members expressed concern that the amount Schools Forum was being requested to contribute to the scheme was considerably larger than that of the other agencies and it was commented that Governors at the respective schools should have been consulted as any funding which was provided would in effect be taken away from schools. There was general agreement that as the other agencies involved had thus far only committed to supporting the proposal in principle, the Forum should make no further commitment than this. In addition, it was felt that any allocation of funds should be agreed only when Members were satisfied that a robust performance management regime and annual review process would be put in place, and that the possibility of writing in a 'break clause' in the five temporary contracts had been considered, in case the scheme was found to have a lesser impact than was hoped.

Following a vote on the issue, it was

RESOLVED

That, subject to the meeting of the conditions outlined above, approval be given in principle to the allocation of £236,000 from the Dedicated Schools Grant for 2007/08 to support establishment the Common Assessment Framework, as detailed in the report submitted.

6. BUDGET FACT SHEET 2007 – NO. 1

The Director of Children's Services Budget Fact Sheet No. 1 for 2007/08 was submitted to the meeting. The Fact Sheet provided an update in respect of a number of issues regarding the Schools Budget for 2007/08, including the most current estimates for pupil numbers. The Children's Services Finance Manager reported that this draft of the Fact Sheet would be affected by decisions the Forum would be requested to make later in the meeting and would therefore be circulated to schools in due course.

RESOLVED

That the Budget Fact Sheet No. 1 for 2007/08 be noted.

7. DEDICATED SCHOOLS GRANT (DSG) BUDGET MONITORING
2006/07

A report of the Director of Children's Services was submitted on the latest monitoring data, correct up to the 31 December 2006, in respect of the Schools Budget for the 2006/07 financial year.

The Children's Services Finance Manager reported that since a forecasted overspend of the DSG of £1.4million had been reported to the Forum in October 2006, the Director of Children's Services had applied targeted budget restrictions and spending controls in an effort to ensure that the Directorate's spending was contained within the approved budget. As a result of the restrictions, the most up to date information suggested that the overspend would be reduced to approximately £300,000. In addition this, work was ongoing to try to offset the overspend altogether and it was envisaged that this could be achieved by retaining the spending restrictions until March 2007.

In responding to the report, the Chairman commented that the signs appeared favourable and requested that the Forum be updated as appropriate at future meetings.

RESOLVED

That the contents of the financial monitoring report in respect of the 2006/07 financial year, be noted.

8. 2007/08 SCHOOLS BUDGET – UPDATE

A report of the Director of Children's Services was submitted on the budget process and the estimated budget position for the 2007/08 financial year.

In introducing the report, the Children's Services Finance Manager reported that work had now commenced on running indicative budgets based on estimated pupil numbers for 2007/08. It was noted that it would not be possible to make more accurate estimates until the PLASC data, which was expected imminently from schools, was received. However, the current budget forecast based on estimated numbers was included in Table 1 of the report, and indicated an estimated DSG of £183.071 million. According to this estimate, the Forum would need to determine how the remaining £1.4million of the Grant should be allocated.

In relation to an issue which had arisen in previous years between Local Authorities and DfES regarding the funding of nursery places, it was reported that DfES would not be making a retrospective

adjustment to 'claw back' funds which had been allocated in error in 2006/07. However, for 2007/08 funding would only be provided for pupils registered on PLASC January 2007 who met the 'rising 3s' age criteria. In funding terms this meant that whereas previously the DfES had funded nursery children who were under the age of three, in future if this provision was to be maintained, the Local Authority would be required to identify resources to fund it. An additional funding issue had come to light in relation to some schools taking nursery pupils on a full-time rather than a half-time basis. The statutory DSG allocation for nursery pupils was paid on a half-time basis, meaning that in order for the LA to continue to fund full-time places where required, additional resource would have to be identified by the LA to bridge the gap. The Forum was requested to make recommendations in relation to whether or not the LA should continue to provide funding in respect of these anomalies.

In response to a question from the Chairman regarding the estimated cost of maintaining funding for nursery pupils under the age of three, and for funding full time nursery places where required, the Children's Services Finance Manager reported that it was estimated that approximately 30 pupils under the age of three would be attending Dudley nurseries in 2007/08, at an overall cost of approximately £20,000 to the DSG. The cost of funding a number of nursery pupils for full time teaching was also estimated to be in the region of £20,000.

In relation to the unallocated DSG balance, which was currently estimated at £1.4million, Members were requested to consider the following three options for the allocation of these funds: -

- Setting aside the unallocated balance to fund the possible DSG overspend incurred in 2006/07 (it was noted that as the projected overspend had been drastically reduced in recent months this might not be required).
- Allocating an element to schools by including it in their indicative budget data for 2007/08.
- Setting aside the unallocated balance in preparation for the possible outcomes of the secondary school review programme.

In relation to the third option, it was reported that the Dudley School Organisation Committee would be meeting on 7th February to consider proposals to close Cradley High School. In the event that the Committee decided to close the school, the nature of the proposals meant that a transitional period would ensue in which additional financial assistance would be required by pupils, and by the schools to which they were transferring as a result of the closure. In this regard it was proposed that in the event of closure, a one off allocation of funding be made to those schools receiving former Cradley High School pupils in September 2007 to assist the school and its parents in managing the transition. This provision would include a uniform allowance of £75 per pupil and an additional one off sum of

£100 per pupil to support the receiving schools in managing the process. The total cost of these measures would be approximately £60,000.

Following discussion by Forum Members in relation to the proposed grants and the wider financial issues raised, the Chairman summed up the position by requesting that, in view of the urgency of the situation, priority be given to agreeing a funding package which could be put in place should the School Organisation Committee approve the closure of Cradley High.

RESOLVED

1. That the allocation of school funds from the DSG for nursery pupils who are listed in the PLASC January 2007 data yet do not meet the 'rising 3s' criteria and for whom the LA is consequently not funded, be approved for the 2007/08 financial year.
2. That the allocation of school funds from the DSG for nursery pupils who are allocated a full-time place in a nursery but for whom the LA is funded at a part-time equivalent, be approved for the 2007/08 financial year.
3. That, in the event of the Dudley School Organisation Committee, at its meeting on 7th February 2007, approving proposals to discontinue Cradley High School, the allocation of one off grants on a per pupil basis for school uniform allowances and to assist those schools receiving former Cradley pupils in the management of the process, as detailed in the report submitted, be approved.
4. That further consideration of the options for the allocation of any surplus in the 2007/08 DSG be deferred to the next meeting of the Forum, in order that the position can be re-examined in the light of the PLASC 2007 data and other more up to date budgetary information.

9. SPECIAL SCHOOLS FORMULA REVIEW

A report of the Director of Children's Services was submitted on the responses received to the consultation regarding special school budgets for 2007/08, which included proposed new delegations and changes to the resource allocation formula for special schools. The report also included the recommendation of the Director of Children's Services arising from the consultation.

It was reported that the consultation on the proposed changes to the formula had ended in January. A total of twelve responses had been received and these were summarised in Appendix A to the report. Although the responses had generally welcomed the changes, a number had highlighted concerns regarding the proposed weightings. However, these had been dealt with at an additional meeting with the special school Headteachers and agreement had been achieved. It was therefore proposed that a matrix approach to funding special schools would be adopted in Dudley from April 2007.

In responding to the report, on behalf of the forum the Chairman thanked everyone involved for their tireless work in completing the review.

RESOLVED

That the intention of the Director of Children's Services to implement changes to the funding of special schools, as detailed in the consultation document entitled 'Special School Budgets 2007/08 –New Delegations and Proposed Changes in the Resource Allocation Formula for Special Schools', with effect from April 2007, be noted.

10. MINIMUM FUNDING GUARANTEE – EXCLUDED ITEMS

A report of the Director of Children's Services was submitted on the outcomes of a meeting of Headteachers Consultative Forum (HTCF) Budget Working Group (BWG) on 10 January 2007, in respect of proposed changes to the calculation of the Minimum Funding Guarantee (MFG) for schools.

It was reported that in accordance with regulation 25 of the School Finance (England) Regulations 2006, which delegated authority to Schools Forums to exclude formula factors which were normally included in the calculation of the MFG due to local circumstances, on 10 January the HTCF BWG had considered the possible exclusion of two formula factors: Trade Union Duties Safeguarding and Individual Needs Centres (INCs).

It was reported that Trade Union Duties Safeguarding was payable when a member of staff was the designated representative of a teaching union and consequently was absent from school occasionally. It was felt that as representative positions were subject to union elections on a regular basis it was inappropriate to include such funding in the calculation of MFG. Similarly, resources for INCs were allocated on a planned place basis, meaning that the number of places was determined on an annual basis and was subject to re-determination. It was therefore felt that it was inappropriate to include this funding in the MFG calculation.

In view of these considerations, HTCF BWG had recommended at its meeting on 10 January 2007 that funding for both Trade Union Duties Safeguarding and INCs be treated as excluded items in the calculation of the MFG.

RESOLVED

That the recommendation of the Headteachers Consultative Forum Budget Working Group that Trade Union Duties Safeguarding and INCs be treated as excluded items in the calculation of the MFG, as outlined in the report submitted, be approved.

11. SMALL SCHOOLS PROTECTION REVIEW

A report of the Director of Children's Services was submitted on the outcomes of a review of Small Schools Protection (SSP) Funding which had been undertaken in recent months by a Working Group appointed by the Forum.

It was reported that the Group had agreed unanimously that the current methodology for distributing SSP did not necessarily target funding to schools which met the DfES definition of a small school. After undertaking a comprehensive review of the current methodology and considering a number of alternative proposals, the Group had agreed to present two options to the Forum for consideration.

Both models being presented were designed to allocate SSP purely on the basis of pupil numbers according to January PLASC, rather than taking account of teacher numbers, as was currently the case. Spreadsheets demonstrating the impact the implementation of Models 1 and 2 would have on the distribution of SSP funding in Dudley, based on actual levels in 2006/07, were appended to the report. It was noted that following detailed consideration of both models, the Working Group had decided to recommend the adoption of model 2, following a period of formal consultation, with effect from 1st April 2008.

In responding to the report, the Chairman commented that with pupil numbers falling across the Borough, failure to act in respect of SSP would mean that an increasing number of schools would become 'small', which in effect would mean the diversion of funding from other schools.

A Member raised the issue of reserve balances, commenting that based on the most recent figures provided to the Forum in respect of reserves, the schools who received SSP often held particularly large amounts of funds in reserve in comparison with other schools. He questioned why larger schools should in effect subsidise small schools

while they withheld significant amounts of funding in reserve. In responding, the Director of Children's Services stated that the issue of reserve balances was a major concern which he was working to resolve. However, the issue of reserves was one which needed to be dealt with separately by ensuring that schools utilised their funds year on year. SSP was a budgetary tool designed to ensure that pupils who attended small schools were not penalised in terms of under-resourcing.

RESOLVED

That the following recommendations of the Small Schools Protection Review Working Group, as set out in the report submitted, be approved: -

1. That the provision of SSP funding for secondary schools be discontinued with effect from 1st April 2008, following a period of formal consultation.
2. That Model 2, as illustrated in the report submitted, be adopted for the distribution of SSP funding in primary schools with effect from 1st April 2008, following a period of formal consultation.

12. REVIEW OF PUPIL RETENTION FUNDING

A verbal update was given in respect of pupil retention funding. It was reported that a centrally retained budget of £750,000 was available for pupil retention grants. This was historically allocated to secondary schools according to a formula. In the context of the new financial arrangements however, the Children's Services finance team had undertaken a piece of work to analyse whether or not the current formula was still meeting need. The outcome of this work had been a general consensus that the basis for the formula was now out of date. The matter had been raised with both the HTCF-BWG and the Secondary Headteachers Forum who, whilst agreeing that the formula needed to be reviewed, had requested that any alterations were not implemented immediately. Consequently, the Forum was requested to note that a review of Pupil Retention Funding would be undertaken in 2007/08, and that the progress of the review would be reported to the Forum as appropriate.

RESOLVED

That the verbal update be noted.

13. LMS SCHEME FOR FINANCING SCHOOLS – RESPONSES TO CONSULTATION

A report of the Director of Children's Services was submitted on the response to the recent consultation regarding proposed changes to Dudley's Scheme for Financing Schools.

The Children's Services Finance Manager reported that further to the approval given by the Forum to the proposed changes at its meeting on 12th December 2006, the revised Scheme had been issued for consultation. No response had been received to the consultation, which had ended on 15th January 2007 and consequently no amendments had been made. It was therefore proposed that the final scheme, a copy of which was appended to the report, should be forwarded to the DfES for formal approval.

RESOLVED

1. That the revised Dudley Scheme for Financing Schools, as appended to the report submitted, be approved.
2. That the Scheme be forwarded to the DfES for formal approval.

14. SCHOOLS FINANCIAL BENCHMARKING CONSULTATION

A report of the Director of Children's Services was submitted on a consultation document recently issued by the DfES in relation to Schools Financial Benchmarking (SFB). The consultation document proposed the removal of anonymity on the SFB website, whereby schools would be able to compare their own finances against that of other similar schools which would be named, rather than displayed anonymously as was currently the case.

It was reported that Dudley MBC had already for some time allowed openness in its own internal SFB data, with all schools being able to view, albeit on a confidential basis, the comparative data of similar schools who were named in the information. It was proposed therefore that Dudley responded to the consultation by supporting the proposal to display the names of schools on the charts on the financial benchmarking website. A copy of the proposed response was appended to the report and the Forum was requested to approve it.

RESOLVED

That the proposed response to the DfES consultation on Schools Financial Benchmarking, as appended to the report submitted, be approved.

15. DATES OF FUTURE MEETINGS

It was noted that future meetings of Schools Forum were scheduled for the following dates:

- Tuesday 20th March 2007
- Tuesday 22nd May, 2007

The meeting ended at 8.00pm

CHAIRMAN