

DUDLEY SCHOOLS FORUM

Tuesday 10th July 2007 at 6.00pm
Saltwells Education Centre, Bowling Green Road, Netherton

PRESENT

Mr Patterson (Chairman)
Mrs Blunt, Ms Cosgrove, Mrs Elwiss, Mr Harrington, Mr Hatton, Mrs Hazlehurst, Mr Ingram, Mrs Jessup, Mr Leyshon, Mr Lloyd, Mr Millman, Mr Mountney, Councillor Nottingham, Mr Ridley, Mr Sorrell, Mr Timmins, Councillor Mrs Walker and Mr Wassall.

OFFICERS

Mr R Watson – Assistant Director of Children's Services (Resources), Ms J Porter – Assistant Director of Children's Services (Early Years, Youth and Education), Mrs K Cocker – Children's Services Finance Manager, and Mrs S Coates – Principal Accountant (Directorate of Finance, ICT & Procurement) and Mr Jewkes – Democratic Services Officer (Directorate of Law & Property) - All Dudley M.B.C.

1. APOLOGIES FOR ABSENCE

Apologies for absence from the meeting were submitted on behalf of Mr Conway, Mr Francis, Mrs Griffiths, Mr James, Mr Rhind-Tutt and the Director of Children's Services (Mr Freeman).

2. MINUTES

RESOLVED

That the minutes of the meeting of the Forum held on 22nd May, 2007, be approved as a correct record and signed.

3. MATTERS ARISING FROM THE MINUTES

In connection with Minute Number 5 – Matters Arising from the Minutes, Mr Jewkes reported on an issue raised at the last meeting of the Forum in relation to voting procedures. He reported that the regulations governing the operation of Schools Forums stated that Forums should determine their own voting procedures, and that under the Dudley Schools Forum constitution a show of hands was sufficient, unless six Forum Members requested a named vote, to carry a recommendation.

In connection with Minute Number 5 – Matters Arising from the Minutes, the Chairman requested an update in respect of the progress of the implementation of the Common Assessment Framework (CAF). In responding, Ms Porter reported that a series of training sessions for staff in relation to the new framework had already taken place, with more to come in due course. She added that all of the partners involved in the project had now committed funds as requested, and that the process for recruiting appropriate staff was now underway, with job descriptions being finalised. Further updates would be submitted to the Forum as appropriate.

In connection with Minute Number 11 – Consultation and Response on School, Early Years and 14 – 16 Funding, Mr Watson advised that work was in progress in respect of the report to be submitted to the Forum on partnership arrangements in Dudley. This report would be submitted to a future meeting.

4. SCHOOLS RESERVES OUTTURN 2006/07

A report of the Director of Children's Services was submitted on school reserve balances in the Dudley Borough at the close of the 2006/07 financial year. Statistical information indicating the amounts of funding held in reserve by schools, and detailing the reasons put forward by the schools as to why they were holding the funds, including details of future capital projects, was appended to the report.

Mrs Cocker reported that the overall level of reserves across all sectors had fallen from £10.49million at the close of 2005/06 to £9.48million at the close of 2006/07. Despite this overall fall, a number of schools had failed to use up funding which they had earmarked for use during 2006/07, and as a consequence, the Director of Children's Services was recommending the 'claw back' of £197,374 from these schools for redistribution across the Borough in 2007/08. Details of the schools from which it was proposed that funds would be 'clawed back', including the respective amounts, were appended to the report. Members were requested to endorse the requisition of these funds and also to approve the schools' provisional spending plans for 2007/08.

In relation to the proposed 'claw back', Members commented that the proposed amount was surprisingly small, given that the overall reserves across the Borough amounted to £9.48million. In responding to these concerns, Mrs Cocker agreed that the proposed 'claw back' was smaller than expected. However, she advised that criteria for 'claw back' was very stringent and that funding would only be requisitioned where schools had failed to comply with their spending plans. In many cases schools had submitted detailed plans for future projects to the Local Authority and therefore would be expected to honour those plans in the coming financial year.

Arising from consideration of the report, several Members commented

that the level of balances was often distorted when funding which should have been taken by other Council departments, in particular Dudley Property Consultancy (DPC), was left in their left possession following building work and other capital projects. It was widely agreed that this situation was causing major problems for schools, and Councillor Mrs Walker gave an undertaking to raise the issue with the Cabinet Member for Law and Property to see what could be done to speed up the clearing of accounts.

A Member commented that her school was included in the list of schools from which funds were to be 'clawed back', despite the Director of Children's Services having not yet considered the defence put forward by the school in relation to the reason for the funds being withheld. In view of this, she requested that the endorsement of the 'claw back' amounts be deferred until the Director returned from sick leave. It was noted that that whilst it would not be possible to defer the decision until the next Forum meeting in September, the Forum could endorse the proposed 'claw back', subject to any modifications agreed by the Director of Children's Services upon his return.

RESOLVED

1. That the financial data in relation to the reserves held by Dudley schools at 31st March 2007, be noted.
2. That, subject to any modifications agreed by the Director of Children's Services, the 'claw back' of unspent balances from Dudley schools, as set out in Appendix C to the report submitted, be endorsed.
3. That, subject to amendments resulting from 'claw back' as set out in the above resolution, the schools provisional spending plans for the 2007/08 financial year, as set out in Appendix A to the report submitted, be approved.

5. FINAL ALLOCATIONS OF DEDICATED SCHOOLS GRANT (DSG) – 2007/08 FINANCIAL YEAR

A report of the Director of Children's Services was submitted on the final allocation of Dedicated Schools Grant (DSG) for the 2007/08 financial year. A copy of correspondence received from DfES on 7th June in relation to this was appended to the report.

It was reported that the 2007/08 DSG allocation for Dudley had now been confirmed by DfES as £183.146million. This was £14,000 less than the estimate previously made by Children's Services Finance. It was proposed that this shortfall be met from the £100,000 contingency previously set aside by the Forum in order to offset any potential overspend in the 2006/07 financial year. This would leave an unallocated balance of £86,000 which could be redistributed

elsewhere. It was noted that in addition to this contingency, £300,000 had been set aside to help manage the closure of Cradley High, with an additional £50,000 also set aside for this purpose should it be required, which if not would form a separate contingency fund.

RESOLVED

1. That the information in respect of the allocation of Dedicated Schools Grant (DSG) for the 2007/08 financial year, as set out in the report submitted, be noted.
2. That the proposal to offset the £14,000 shortfall of DSG for 2007/08 against the £100,000 contingency previously set aside, as set out in the report submitted, be endorsed.

6. DEDICATED SCHOOLS GRANT (DSG) FINANCIAL MONITORING 2007/08

A report of the Director of Children's Services was submitted on the latest budget monitoring data in respect of the Schools Budget for the 2007/08 financial year.

Mrs Cocker reported that although the DSG for 2007/08 had been set and allocated, budget pressures arising from the closure of Cradley High School and staffing costs associated with the primary schools review would still need to be managed. She reported that it was anticipated that Cradley High would be overspent by £324,000 in 2007/08 and that £22,000 would need to be identified to meet staff costs arising from the closure of four primary schools in recent years. It was therefore proposed that an overspend of £346,000 be projected for the 2007/08 financial year, and that financial action to remedy this situation be agreed later on in the year when the position became clearer.

RESOLVED

1. That the information on the latest budget monitoring data in relation to the Dedicated Schools Grant (DSG) for 2007/08, as set out in the report submitted, be noted.
2. That a further report in relation to the current £346,000 projected overspend, including possible proposals of financial action to remedy the situation, be submitted to the next meeting of the Forum.

7. CLOSURE OF CRADLEY HIGH SCHOOL – 2007/08 FUNDING PROCESS

A report of the Director of Children's Services was submitted on the funding process for Cradley High School for the 2007/08 financial year. The report also contained the latest information in respect of the revenue budget position at the school.

Mrs Cocker reported that on 31st March 2007 the Cradley High accounts for the 2006/07 financial year showed a deficit of £160,000, which would now be carried forward into 2007/08 as required by regulations. In addition, an overspend of £514,000 was being projected for the 2007/08 financial year, meaning that overall, the school's accounts were expected to be £674,000 in deficit at the end of 2007/08. However, as the Forum had already set aside a contingency of £350,000 to offset this deficit, the actual projected overspend currently stood at £324,000.

Further to the information contained in the report, Mr Watson reported that since the papers for meeting had been distributed, the number of teaching staff employed at the school had now been reduced to 11, meaning that the projected deficit would be smaller than previously thought. Updates in respect of the situation would be submitted to the Forum in due course.

RESOLVED

That the information in respect of the closure of Cradley High School, and the budgetary arrangements for the closure of the school, as set out in the report submitted, be noted.

8. PRIMARY SCHOOLS REORGANISATION

A report of the director of Children's Services was submitted on the current financial position in relation to the residue costs associated with the closure of four primary schools in Dudley during 2006/07.

Mrs Cocker reported that two tranches of staff who had been affected by the closures were still being employed by the Local Authority, with a resulting budgetary implication. The first of these groups consisted of a number of staff who had not found alternative positions either within the Authority or elsewhere. It was now proposed that these staff be offered voluntary redundancy. The second group consisted of staff who were currently employed on temporary contracts with the Authority which were due to end in 2008/09.

Mrs Cocker advised that a funding shortfall of £107,955 was currently expected in respect of these two groups of staff, £86,000 of which could be offset using funds from the schools specific contingency. The remaining £21,955 would be met from any underspending identified within the Schools Budget and carried forward to 2008/09 if necessary.

RESOLVED

That the information in relation to the staffing implications of the 2006 Dudley primary schools reorganisation, and the associated effect on 2007/08 and 2008/09 budgets, as set out in the report submitted, be noted.

9. SCHOOL CATERING

On behalf of the Secondary School Headteachers Forum, Mr Sorrell raised a number of issues in relation to school catering and the funding arrangements with Dudley Catering Services. He reported that secondary headteachers had expressed concern that whereas their catering budgets had traditionally ran at a surplus, they had in recent years developed quite substantial deficits, apparently due to price rises and increased labour costs, meaning that their schools were having to identify additional resources to fill the funding gap. Secondary heads had also related anecdotally that schools appeared to be paying different amounts for catering services. He requested that a report providing information in relation to the funding of school catering and the amounts paid by individual schools, including the reasons for any discrepancies, be submitted to a future meeting of the Forum.

In responding, Mr Watson stated that he appreciated the concerns expressed, and understood that there were a number of financial issues in relation to the provision of catering which needed to be addressed.

RESOLVED

That Mr Watson be requested to make arrangements for a written report providing information and considering the issues outlined above in relation to School Catering, to be submitted to the next meeting of the Forum.

10. INTRODUCTION OF SINGLE POINT OF ENTRY FOR RECEPTION CLASSES

Mr Watson reported orally in relation to proposals by the Directorate of Children's Services to implement a single point of entry for all reception classes in Dudley. He reported that the Local Authority had carried out a consultation on the issue earlier in the year and that most of the responses received had expressed support for the proposal.

However, the implementation of such a system would have significant staffing and resources implications for many schools. It was therefore understood that further consultation would be undertaken in the Autumn, and that any changes to the funding formula for schools would be implemented after this date. Further updates would be provided to the Forum as appropriate.

RESOLVED

That the verbal update in respect of the possible implementation of a single point of entry for reception classes in Dudley primary schools, be noted.

11. SCHOOL, EARLY YEARS AND 14 – 19 FUNDING FOR 2008 – 11

A report of the Director of Children's Services was submitted on the DfES ministerial statement made on 25th June 2007 in respect of schools, early years and 14-16 funding for the period from 2008/09 to 2010/11. The statement, a copy of which was appended to the report, summarised the outcomes of the consultation carried out by DfES earlier in the year in relation to funding arrangements from 2008-2011, and set out proposed action in this regard. The following main points of the statement were noted at the meeting: -

- action to reduce the £1.6billion which was currently being held nationally in school balances, including placing an obligation on Local Authorities to 'topslice' 5% of all surplus school balances each year for redistribution.
- The broadening of the memberships of Schools Forums to include representation from the early years sector and from 14 – 19 partnerships.

RESOLVED

That the DfES ministerial statement made on 25th June 2007 in respect of schools, early years and 14-16 funding for the period from 2008/09 to 2010/11, be noted.

12. DEPRIVATION REVIEW

Mr Watson reported orally on the deprivation funding review. He reported that the Local Authority was required by DfES to undertake a full review of its arrangements for providing additional support in its funding formula for deprived areas. This review would need to be completed by 2008 with any changes being implemented subsequently. The proposed process was for the Directorate to collate and analyse its existing data in relation to deprivation funding and make recommendations to the Forum for formula changes which would be implemented with effect from April 2009. A further report

detailing the timetable for the review and the implementation of any formula changes arising from it would be submitted to the Forum, along with the Cabinet and the Select Committee on Children's Services, in due course.

RESOLVED

That the verbal update in respect of the deprivation funding review, be noted.

16. DATES OF FUTURE MEETINGS

It was noted that meetings of Schools Forum would be held on the following dates in 2007/08: -

- Tuesday 2nd October 2007
- Tuesday 11th December 2007
- Tuesday 5th February 2008
- Tuesday 18th March 2008
- Tuesday 20th May 2008
- Tuesday 8th July 2008

The meeting ended at 7.10pm

CHAIRMAN