

Slough Schools Forum- Meeting held on Thursday, 8th July, 2010

Present: Julia Shepard, Beechwood Secondary School (Vice-Chair, in the Chair)
Maureen Ball, Baylis Court Secondary School
Maureen Mallinson, Westgate Secondary School
Jo Matthews, Littledown Special School
Paul McAteer, Slough and Eton Secondary School
Charlie McGeachie, Montem Primary School
Maggie Stacey, St Anthony's RC Primary School
Barbara Clark, Godolphin Junior School
Lynda Bussley, JTUC (Observer)

Observers: Lynda Bussley, JTUC

Officers: Robin Crofts, Matt Espley, Annal Nayyar, Clair Pyper and Bob Garnett

Apologies: Maggie Waller, Jon Reekie and Arif Dar

PART I

62. Declarations of Interest

There were no declarations of interest.

63. Minutes of the meeting held on 20th May, 2010

The Minutes of the meeting held on 20th May, 2010 were approved as a correct record.

64. Matters Arising

The Deputy Director of Finance advised the meeting that a verbal update would be provided to the Forum with respect to the items listed in Minute 60 regarding the current meeting. These were as follows:

- Primary Places and Primary Support Funding
- National Funding Context
- Building Schools for the Future

65. National Funding Context

The Deputy Director of Finance updated the Forum on the national context for Local Authority funding. With regard to the in-year financial position, Local Authorities had been made aware, via the Queen's Speech on 25th May, 2010, that significant in-year savings would be required. This would amount to savings of approximately £6 billion nationally, with Local Authorities responsible for circa £1.2 billion. Further details had been made available to Local Authorities on 10th June, 2010. A reduction to the Area Based Grant (ABG) of approximately 24% meant that SBC would be required to make £3.3m in-year savings, with £1.5m of these drawn from the Education and Children's Services Directorate. A proposed reductions/savings plan

would be submitted to Cabinet on 12th July. This included broadly £1m of savings identified across the Education and Children's Services Directorate. If agreed, these would be implemented with immediate effect.

SBC would work closely with Schools to assess the impact of the impending cuts. With regard to the immediate in-year impact, the Strategic Director of Education and Children's Services advised that the cuts to the ABG would directly impact services going into schools. The Deputy Director highlighted that the cuts to the ABG included grants that were a priority for schools, such as the School Development Grant and the Children's Fund.

The Chair requested further information on the effect on schools' budgets and the DDF explained the broad impact on schools would be approximately £400k. However longer term i.e over the next four years, Local Authorities would be required to reduce expenditure by 25 – 40 % of their total budgets. Exact details would be provided to Local Authorities by 20th October, 2010 following up with a provisional settlement in late nov /early Dec , however, Members of the Forum were advised that Schools should plan for a circa 10-12% reduction in their budgets over this period. SBC would endeavour to limit the impact on schools, as had been done previously and any decisions would be made in line with the Council's priorities. A Member of the Forum enquired whether the Council was examining different ways of delivering services. The Strategic Director advised that SBC was exploring a variety of options including shared management structures, common services and partnerships that would benefit Slough.

The Chair suggested that it would be important for the Forum to be absolutely clear about its rights, role and responsibilities and in particular about the extent to which the Forum can be involved in decision making. It was agreed that a report be brought to the next meeting of the Forum regarding this. The Assistant Director of Inclusion suggested that with regard to the next four years, the Senior Management Team and schools would have to agree on how to move forward and that the appropriate forum for these discussions would have to be identified.

Resolved: -

- (a) That the verbal update regarding the national funding context be noted
- (b) That a report be submitted to the Forum at its next meeting regarding the rights, role and responsibilities of the Schools Forum.

66. Building Schools for the Future

The Deputy Director of Finance informed the meeting that all schools had been/would be briefed with regard to the Building Schools for the Future (BSF) initiative. The Forum was advised that the Council was in a strong position to take advantage of the less bureaucratic system currently in place. Not all of the Council's aims could be achieved through this, but neither could they have been fully realised under the BSF programme.

Resolved: - That the update be noted.

67. Primary Places and Primary Support Funding

The Strategic Director of Education and Children's Services outlined the current situation with regard to primary school places but emphasised that the position changed daily, with the movement of families into and out of the borough. A report was submitted to Cabinet on 14th June detailing the actions taken to accommodate the 2010 and 2011 intake and identifying those schools that would undergo expansion to meet the needs of the borough. The first stage of this process had been to assess where places were needed and where this coincided with the capacity of the school site. However, there had been a significant increase in demand for school places in years Reception, 1 and 2 which had prompted further urgent action. The new Willow School would open in September 2010 and intake would include both Reception and Year 1 pupils. Planned expansions of Castleview School and Priory School would be brought forward, with modular buildings to be used in the interim. The Assistant Director of Inclusion highlighted that the Council was looking at a variety of further options including the refurbishment of the old Town Hall for use as a primary school.

The Strategic Director emphasised that whilst the current demand was particularly high for primary school places, this would feed through the system to impact Slough's secondary schools. A report would be submitted to Cabinet in the near future, outlining the current pressure on Slough's schools in the context of the removal of the BSF programme and with particular reference to the impending impact on Slough's secondary schools.

A Member of the Forum noted that both Castleview and Priory School were Foundation Schools, responsible for their own Admissions Policy, and queried whether this would influence the intake of the school in the context of the high demand for places. The Strategic Director advised that Foundation Schools had been included in the assessment of the borough's capacity because of where demand was concentrated. It was intended that primary school children be allocated a place as close to their homes as possible. In addition, it was expected that there would be some internal movement between schools as a result of the expansion of Castleview and Priory schools.

The Deputy Director of Finance advised that there was a 1 child variance of the budget provision of £50,000. This sum would therefore be added to next year's budget.

Resolved: - That the update on primary school places and primary support funding be noted.

68. Governance Support to Schools - Verbal Update

The Deputy Director of Finance advised that a debate regarding governance support to schools had been initiated and the feedback received so far was that the timescales employed had been inappropriate. Several sources of training had been identified but Officers were continuing to search for more suitable options for September, 2010.

Resolved: - That the update be noted.

69. Schools Outturn for the Financial Year 2009 - 10

The Principal Accountant – Schools presented a report to the Forum detailing the balances held by Slough Schools at the end of the 2009/10 financial year. The unadjusted balances held by schools were £10,699,878, of which £9,388,030 was revenue and £1,311,878 was Capital. This was an increase of £1,137,821 or 12% on the same figure for 2008-9. Adjustments were made to these balances to better reflect the current position. As schools received funding for the academic year, not the financial year, schools were asked to identify any sums held at the end of the 2009-10 financial year where contractual commitments had been entered into for which they had not yet incurred any expenditure or the amount of grant funding being held. The adjusted revenue balance held by schools was £7,085,687, a reduction of £2.4 million from the unadjusted figure of £9,388,030.

In a comparison of the individual projections of schools at the 3rd quarter, ending 31st December, 2009, with the adjusted balances for the 2009-10 financial year, 14 schools were identified as falling within £15,000. Of these, a further 6 schools fell within £15,000 of their projections in 2008-09 financial year. A Member of the Forum suggested that efforts should be made to ensure that such projections were more accurate in the future.

Resolved: -

- (a) That the outturn across 2009-10 based upon year end returns from schools be noted.
- (b) That the comparison between balances held at the end of the financial year and those returned by schools as part of the budget monitoring for the 3rd quarter, ending 31st December 2009, be noted.

70. Balance Control Mechanism 2009 - 2010

A report was presented to the Forum by the Principal Accountant – Schools examining the application of the Balance Control Mechanism (BCM), following the closure of the accounts for 2009-10. The BCM applied where a school's adjusted balance was greater than the thresholds set out in Slough's Scheme for Financing Schools, namely 5% for Secondary Schools and 8% for all other schools. The report identified 19 schools that held adjusted revenue balances in excess of the thresholds permitted, amounting to a total of £2,908,660. However, as each school had assigned the total surplus, in line with the uses allowed within the BCM, no redistribution of surplus funds was required. Several of these schools were undergoing significant work on their premises for refurbishment and expansion purposes. The regulations governing the BCM did not permit schools to automatically retain funds beyond the period set out in their submission and in most cases balances would be expected to be used in 2010-11. An assessment of these plans would be undertaken at the end of the financial year.

A Member of the Forum queried how the impending 10-12% cuts to schools' budgets, referred to in the National Funding Context item, would impact those schools that were able to carry forward in excess of the thresholds. The Deputy Director of Finance advised that Central Government would take this into consideration, particularly where balances were high. However, until more information was made available regarding local authority funding, it would be difficult to speculate further. The Chair queried the method used by Central Government to

assess the Schools' balances. The Deputy Director advised that an average would be taken by examining the balance at the last settlement and then by looking at the 3 year balances using the Section 52 Statement.

Resolved: - That the results of the analysis of the application of the Balance Control Mechanism, following the closure of the accounts for 2009-10, be noted.

71. School Budgets 2010 - 11

The Principal Accountant – Schools outlined a report to the Forum detailing the budgets presented by Schools for the financial year 2010-11 and comparing these to the outturn for 2009-10. The budget plans submitted indicated that the school balances would reduce by 66% to £3.6 million. This was primarily the result of significant increases in expenditure. The Forum was advised that there was a substantial expectation for schools to plan for decreases in budgets and for deficits to be carefully managed. The authority would be contacting those schools with balances in excess of the thresholds to ensure that they were on track to spend the money as indicated.

Resolved: - That the overall financial position reflected in the budget plans for Slough Schools be noted.

72. Date of the Next Meeting

The dates of future meetings, as detailed on the agenda, were noted.

(Note: The Meeting opened at 8.00 am and closed at 9.14 am)