

Notice of Meeting

Schools Forum

Monday 19th June 2017 at 5.00pm

**At Shaw House Church Road Newbury
RG14 2DR**

Date of despatch of Agenda: Tuesday, 13 June 2017

For further information about this Agenda, or to inspect any background documents referred to in Part I reports, please contact Jessica Bailiss on (01635) 503124
e-mail: jessica.bailiss@westberks.gov.uk

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Agenda - Schools Forum to be held on Monday, 19 June 2017 (continued)

Forum Members: Reverend Mark Bennet, Ben Broyd, Anthony Chadley, Jonathon Chishick, Catie Colston, Jacquie Davies, Chris Davis, Lucy Dawe, Paul Dick, Lynne Doherty, Antony Gallagher, Keith Harvey, Reverend Mary Harwood, Angela Hay, Jon Hewitt, Peter Hudson, Brian Jenkins, Mollie Lock, Sheilagh Peacock, Chris Prosser, David Ramsden, Graham Spellman (Vice-Chairman), Bruce Steiner (Chairman), Suzanne Taylor, Keith Watts and Charlotte Wilson

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Agenda - Schools Forum to be held on Monday, 19 June 2017 (continued)

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Monday 17th of July 2017, 5pm at Shaw House

Andy Day
Head of Strategic Support

If you require this information in a different format or translation, please contact Moira Fraser on telephone (01635) 519045.



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Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

SCHOOLS FORUM

**MINUTES OF THE MEETING HELD ON
MONDAY, 6 MARCH 2017**

Forum Members Present: Reverend Mark Bennet, Ben Broyd, Anthony Chadley, Jonathon Chishick, Catie Colston, Jacquie Davies, Chris Davis, Paul Dick, Lynne Doherty, Antony Gallagher, Keith Harvey, Reverend Mary Harwood, Jon Hewitt, Peter Hudson, Mollie Lock, Sheilagh Peacock, Chris Prosser, Graham Spellman (Vice-Chairman), Bruce Steiner (Chairman), Suzanne Taylor and Keith Watts and Nicola Walters

Also Present: Avril Allenby (Early Years Service Manager), Ian Pearson (Head of Education Service), Jane Seymour (Service Manager, SEN & Disabled Children's Team), Claire White (Finance Manager (Schools)) and Annette Yellen (Accountant for Schools Funding and the DSG), Jessica Bailiss (Policy Officer (Executive Support))

Apologies for inability to attend the meeting: Angela Hay, Brian Jenkins, David Ramsden and Charlotte Wilson

PART I

81 Minutes of previous meeting dated 23rd January 2017

The Minutes of the meeting held on 23rd January 2017 were approved as a true and correct record and signed by the Chairman.

82 Actions arising from previous meetings

Members of the Schools Forum noted that one action was completed and the other was ongoing. Chris Prosser stated that there was nothing to report regarding action Jan17-Ac2 at that time, however they would continue to raise awareness of the vacancy.

83 Declarations of Interest

There were no declarations of interest received.

84 Membership

The Chairman reported that Derek People had reached the end of his term as Academy School Representative and it had been proposed by Academy Headteachers that a shared position be created going forward consisting of the Headteachers from St Bartholomew's, Denefield and John O'Gaunt schools.

The Chairman stated that it was preferable that one Headteacher be nominated as the representative and the other two be substitutes. This would ensure continuity of ongoing discussions. All would receive the papers and minutes for every meeting.

RESOLVED that the Schools Forum agreed that there should be one nominated Academy representative and two nominated substitutes going forward.

85 Final DSG Budget 2017/18 (Claire White)

Claire White introduced the report to the Schools' Forum, which set out the final position of the Dedicated Schools Grant (DSG) budget for 2017/18. Claire White commented that

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the report provided updated information from that which was provided at the meeting of the Schools' Forum in January.

It was suggested that the Forum go through agenda items seven and eight before voting on the recommendation set out under paragraph 2.1 of the report, which was to agree the overall DSG budget for 2017/18.

Regarding the Schools Block the Council's Executive had agreed the formula funding on the 19th January, along with the methodology for allocating headroom to schools. All headroom (£226k) was allocated out to schools as per the agreed methodology and schools had received their formula funding allocation for 2017/18.

Although the funding rates for the Early Years Block had been confirmed, the final funding was determined by hours of provision in both the January 2017 census (five twelfths) and the January 2018 census (seven twelfths)

The funding for the block was currently estimated based on the draft January 2017 census, plus the estimate used by the Department for Education (DfE) for the increase to 30 hours of provision from September 2017. It was unknown what the impact this increase in hours would have on the budget position.

The High Needs Block funding was confirmed and would not change. The 2017/18 allocation added an additional £350k, which was based on actual population and assumed population increases. There was a more detailed report on this area next on the agenda.

86 Final High Needs Budget 2017/18 (Jane Seymour)

Ian Pearson introduced the report to the Schools' Forum, which set out the final proposal for balancing the high needs block budget over 2017/18 and 2018/19. He stated that it largely followed on from the discussion that had taken place at the last meeting of the Schools' Forum in January.

West Berkshire remained in a difficult position as it experienced increases in numbers and age range however, would not receive an increase in funding to meet these growing demands. The budget had been well controlled overtime and had only suffered difficulties over the past two years. Paragraph 3.4 of the report outlined a number of ways the Local Authority was striving to deliver its policy to help ensure there was local provision for children with Special Educational Needs or Disabilities (SEND) and a reduction in reliance over time on external specialist placements.

Ian Pearson drew attention to the table on page 20 of the report. This included a range of saving options that were ranked. There was a total saving calculated at the bottom of each column. When this table was discussed by the Heads' Funding Group (HFG), there had been concern raised about just taking the savings in column one, as this would not sufficiently deal with the deficit.

Ian Pearson drew the Forum's attention to paragraph 5.4, which had been added to the report as a result of the HFGs discussion. If just category A savings were agreed, it would take three years for the deficit to be paid back and for the budget to be balanced. The HFG had been uncomfortable with this approach and recommended savings further to category A be taken. They recommended the following additional savings, totalling £104,780 be taken, which would bring the total savings in 2017/18 to £219,090:

- £20,000 reduction to the Specialist Inclusion Support Service – the two special schools to absorb the cost.
- £40,000 reduction to PRU outreach – the PRU to absorb the cost.

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- £20,000 reduction to the Vulnerable Children's' Fund.
- £24,780 by reducing top up rates for mainstream, resource units and special schools by 0.5%.

Proposed savings bullet pointed above needed to be agreed by the Schools' Forum. The impact of the savings if they were agreed were shown in Table 3 of the report. Although there would be a deficit in 2017/18 and 2018/19, it was predicted that there would be a surplus of £432,180 by 2019/20.

Claire White highlighted that top up funding on page 37 of the agenda needed to be approved.

Catie Colson felt that the feasibility and sustainability of the proposed savings needed to be checked. She wanted assuring that it was realistic for schools to make the cuts and queried if the Schools' Forum would be in the same position in two years time. Ian Pearson stated that it was difficult to predict how much money there would be in 2019/20. Regarding feasibility, no-one was implying the savings would be easy for schools. Jane Seymour reported that they had tried to select areas with the least risk. For example, regarding the Resource Units, all units were under subscribed and therefore it made sense to make savings in this area. Any cuts that required schools to make up the difference were more difficult.

Regarding the top up rates being reduced by 0.5%, schools would be required to make up the difference in funding however, the numbers were relatively small. Catie Colson stated that some schools would - be setting a deficit budget and therefore picking up costs could be difficult.

Peter Hudson asked if there was a down stream cost risk associated with the proposed savings. Jane Seymour reported that some of the potential savings identified in columns B and C would have a down stream costing risk and this was why effort had been made to avoid these areas. Jane Seymour did not think that the identified £220k of savings had down stream cost risk attached.

Jonathon Chishick queried how a set deficit was normally funded and Claire White confirmed it had to be the first call on the following years budget. Jonathon Chishick was also concerned about the surplus amount in 2019/20 and Ian Pearson reported that discussions had taken place regarding the approach to the cuts at the HFG. Concern had been raised given the changing system and that nothing was guaranteed. It had therefore been felt that building in a degree of flexibility was advisable for in the event that the end result was not as positive as originally anticipated.

Paul Dick confirmed that he had been part of the discussions at the HFG where further cuts had been supported. He had little confidence that the budget would balance in the third year. He added that there might be a small grant consisting of capital money that would be available to the local authority to help improve provision within the High Needs Block. Paul Dick stressed that if this money became available it was important that it went to the HFG for discussion to ensure it was maximised to its full potential.

Claire White referred to the forecast surplus amount for 2019/20 and stated that a number of the budgets with proposed cuts could be reinstated at a later date if there was a funding surplus.

Keith Harvey stated that he had not been in support of further cuts at the HFG however, he did agree that the surplus could be used for something positive in the future.

Keith Watts was concerned that they were just moving costs around, in particular for those pupils with additional needs. He asked for assurance that costs were not being moved from the collective to the individual. Ian Pearson explained that due to the

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complexity of the formula it could not be guaranteed however, fair access was needed to avoid particular schools being penalised.

Ian Pearson reminded Members of the Forum that the HFG was made up of headteachers from all the different types of school across West Berkshire and they were aware of the implications for colleagues.

Keith Harvey commented that he was least comfortable with the cut to top up rates. This was because special schools were already impacted upon by other additional cuts. Ian Pearson was aware that special schools would be impacted upon the most however, there did not seem to be an alternative solution. The level of impact also depended on the number of statements.

The Chairman asked the Forum to vote on the recommendations set out under 2.1, 2.2 and 2.3 of the report. Paul Dick proposed that the Forum agree the recommendations and Jon Hewitt seconded the proposal and at the vote the motion was carried.

RESOLVED that the Schools' Forum agreed the following recommendations:

- 1) To agree the budget for 2017/18 as set out in Section 5 of the report.
- 2) To agree that the top up high needs funding rates for 2017/18 are a 0.5% reduction on the 2016/17 rates (as set out in Appendix C of the report)
- 3) To agree that the PRU top up charges for schools in 2017/18 remain the same as 2016/17 (as set out in Appendix C of the report).

87 Final Early Years Budget 2017/18 (Avril Allenby)

Avril Allenby introduced the report to the Schools' Forum, which set out the proposal for the Early Years budget.

As proposed in the consultation there would be a universal base rate required for all types of providers. The Early Years Pupil Premium Grant and deprivation funding would continue at the current rate of £1. There would also be a Disability Access Fund (DAF). £615 per child, per year, would be payable to children in receipt of Disability Living Allowance.

A Special Education Needs (SEN) Inclusion Fund would be required by April 2017 and the details would be published by the local authority as part of its local offer.

Avril Allenby drew attention to paragraph 3.14 of the report, which stated that the pass through rate had been confirmed as 93% for 2017/18 and 95% thereafter.

Avril Allenby stated that it was important to remember the context of the changes, when the Government would be introducing an additional 15 hours for three to four year olds from September 2017. It was anticipated that this offer would experience a high level of uptake in West Berkshire. The Early Years budget was particularly difficult to predict.

Regarding the budget model for 2017/18, it was proposed that for three and four year olds West Berkshire used a single base rate of £4.25 with a quality supplement of £0.65 and a deprivation supplement based upon the current arrangements with the funding being linked to the early year's pupil premium. For two year olds the proposed rate was £5.45. The three year budget model was contained within the appendices to the report.

Attention was drawn to the table on page 47 of the report. The provider funding rates would need to be revisited each year in order to balance the budget by 2019/20.

The Chairman asked the Forum to vote on the recommendation set out under paragraph 1.1 of the report. Suzanne Taylor proposed that the Forum agree the recommendation and Chris Davis seconded the proposal and at the vote the motion was carried.

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RESOLVED that the Schools' Forum agreed the three year budget model for the Early Years block, based upon the recommendations of the Early Years Funding Group.

The Chairman asked the Forum to vote on the recommendation set out under 1.1 of the report under agenda item six (Final Dedicated Schools Grant (DSG) Budget 2017/18). Chris Prosser proposed that the Forum agree the recommendation and Peter Hudson seconded the proposal and at the vote the motion was carried.

RESOLVED that the Schools' Forum agreed the overall DSG Budget for 2017/18, having considered the other reports contained on the agenda.

88 **School and High Needs Consultation (Claire White)**

Claire White introduced the report, which aimed to inform the Schools' Forum about the current Government consultation on the proposed national funding formula for schools from 2018/19, and the proposed methodology for funding the high needs block from 2018/19. The closing date for responses to the consultation was 22 March 2017.

Page 53 of the report included the summary of the proposals and implications for West Berkshire Schools regarding the Schools National Funding Formula.

The basis for the consultation was so schools would be funded fairly, to help ensure children with similar characteristics and similar needs attracted similar levels of funding regardless of where they lived. There were currently significant differences in the levels of funding received by similar schools located in different parts of the country. London authorities in particular received more than double the amount of funding of the lowest funded schools.

The second stage of the consultation addressed how the funding would be weighted across the different factors. Implementation would be from April 2018 and September 2018 for Academies. From 2019/20 the national formula would be in place and there would be very little flexibility for schools through the Schools' Forum.

For schools that gained funding, the maximum gain per pupil in 2018/19 would be 3% and a further 2.5% in 2019/20. For schools that lost funding, there would be a minimum funding guarantee of minus 1.5% per pupil year on year. There would also be a funding floor that would ensure no school would lose more than 3% per pupil overall.

Regarding the new funding formula, funding had been redistributed between the factors. This had taken away funding from the basic entitlement and lump sum and added funding to additional needs. The table under paragraph 2.8 of the report illustrated how schools across the country would be affected.

The DfE had not determined the basic entitlement and lump sum funding rates by applying a needs based approach. There had been no explanation as to why the Government had weighted the funding based on deprivation and there was concern over whether this was a fair approach. The point coming across in the press was that fair funding could not be reached without more money being added to the funding pot.

When comparing the total of all school formula allocations in 2016/17 to what the total would be using the proposed formula, West Berkshire was a loser. The loss however, in financial terms was very small (£218k).

The schools that gained overall were those with higher deprivation and/or high level of low prior attainment and/or small rural primary schools would qualify for sparsity funding. Due to the reduction in secondary sparsity rates, one secondary school in West Berkshire would lose.

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Appendix A of the report repeated the consultation questions. Questions four and five were based on weighting and question 11 on the finding floor.

Other areas covered by the consultation included the Central Services Schools Block. Central services previously funded from the Schools' Block would have a separate new funding block and formula based on a per pupil amount, plus a deprivation element. The exemplification showed that West Berkshire would lose funding.

Paul Dick stated that he would be interested to see the Council's position and therefore it was agreed the Council's draft response would be forwarded to all schools.

The report on page 63 of the agenda pack included the summary and implications for West Berkshire Schools regarding the High Needs National Funding Formula. It also included a summary of the proposals.

High needs funding was currently based on a historical amount, which had only seen minimal increases over the last several years. The first stage of the consultation set out the case for reform and proposed methodology on which to operate a high needs formula. The second stage of the consultation set out the proposal for how funding would be weighted across different factors.

For local authorities that would lose funding, there would be no cash losers as a result of the new formula. The Government had not taken into account the number of children with high needs within an area.

Claire White reported that when running the formula there were winning and losing local authorities. 50% was based on what was being spent and the other 50% was based on proxy factors. The result of using the proxy factors reduced West Berkshire's high needs funding block allocation by £2.6million or 15%. The funding floor ensured West Berkshire would not lose. So in essence the new funding formula was about distributing additional funding.

into the pot and it was confirmed that it was. Keith Watts asked which local authorities gained and Claire White confirmed those with high deprivation rates and low prior attainment would gain.

Reverend Mark Bennett commented that there could be a correlation between deprivation and children with high needs. He was concerned that there was not a sufficient population number to ensure robust averages. He also reported that Disability Living Allowance (DLA) was particularly difficult to apply for and support needed to be given to families when filling out the forms. Jane Seymour confirmed that services within the local authority did support families applying for DLA.

Graham Spellman expressed his scepticism of the Government and it seemed a number of local authorities would lose.

RESOLVED that a copy of the Local Authorities response to the consultation would be forwarded to all schools.

RESOLVED that the Schools' Forum noted the report and that all Members endeavour to respond to the consultations. It was agreed that this would provide more weight than one single response from the Schools' Forum.

89 **Alternative Provision for Young People with Additional Needs (Caroline Simmonds)**

Ian Pearson introduced the report that aimed to give an update on the proposals for Alternative Education Provision: Education Plan for young people with additional needs.

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Ian Pearson highlighted that the main change was the increase in secondary school places. Home Education would remain within Alternative Provision services in 2017/18, but this would be reviewed..

The table under paragraph 6.4 set out the costs of the proposed model including additional costs to schools. The estimated saving to the High Needs Budget (compared to the 2016/17 budget) would be £589,000.

When the Heads Funding Group had considered the information they had proposed two recommendations:

- i) That Home Education is reviewed prior to the 2018/19 financial year with the aim of looking to see how costs can be reduced.
- ii) That the staffing model for the new service is further reviewed before the 2018/19 financial year to see how costs to schools can be reduced to avoid the level of increase set out in paragraph 6.4 of the report.

Keith Watts referred to the recommendation (ii) and felt that it should read that 'costs to schools might be reduced' rather than 'can be reduced'. Keith Watts also raised the issue of unqualified teachers and asked whether this was legal (*Post meeting note: staffing in the proposed new PRU structure is in line with the latest regulation for the employment of unqualified teachers*).

Keith Harvey proposed that the Forum agree the recommendations by the HFG and this was seconded by Chris Prosser and at the vote the motion was carried.

RESOLVED that the Schools' Forum agreed the recommendations by the HFG set out in section nine of the report, subject to the wording being amended as suggested by Keith Watts.

90 DSG Monitoring 2016/17 Month 10 (Ian Pearson)

Ian Pearson introduced the report to the Schools' Forum which set out the current financial position of the services funded by the Dedicated Schools Grant (DSG), highlighting any under or over spends.

Ian Pearson drew attention to paragraph 7.1 of the report and stated that the High Needs Block was showing an under spend of just £183k not £43k.

RESOLVED that the Schools' Forum noted the report.

91 Apprenticeship Levy (Ian Pearson)

Ian Pearson informed Forum Members about the Apprenticeship Levy. It was intended that guidance on this would be provided informing schools on how money could be accessed. There was also more information on the DfE website. The Levy was set at 0.5% of each individual school's pay bill subject to National Insurance contributions. Most of the levy would initially go towards accredited training for non teaching staff however, it was likely that this list would expand.

Schools would be able to bid for the money and a mechanism for allocating the funding was required. This could possibly involve a sub group of the Heads' Funding Group.

Peter Hudson requested that a summary regarding how the funding was used be published. Ian Pearson confirmed that this would be done once the funding had been distributed.

RESOLVED that the Schools Forum noted the information given on the Apprenticeship Levy and requested that the Heads' Funding Group oversee assessing bids to access this pot.

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92 Work Programme 2017/18 including Forward Plan (Jessica Bailiss)

RESOLVED that the Schools' Forum noted the Work Programme for 2017/18.

93 Any Other Business

There was no other business raised.

94 Date of the next meeting

The next meeting would take place on Monday 19th June 2017, 5pm at Shaw House.

(The meeting commenced at 5.00 pm and closed at 6.10 pm)

CHAIRMAN

Date of Signature

Agenda Item 4

Ref No.	Date of meeting(s) raised	Item	Action	Responsible Officer	Comment / Update
Jan17-Ac2	6th March 2017 23rd Jan 2017 5th Dec 2016 10th Oct 2016	Membership	Chris Prosser and David Ramsden would inform their respective Governing Bodies of the Secondary Governor vacancy on the Schools Forum.	Chris Prosser and David Ramsden	Ongoing - David Ramsden and Chris Prosser to continue to raise awareness with colleagues of the Secondary Governor vacancy on the Schools Forum.
Mar17-Ac1	6th March 2017	Membership	The Schools Forum agreed that there should be one nominated Academy representative and two nominated substitutes going forward. Academy headteachers to be informed of this decision.	Jessica Bailiss	Lucy Dawe (Denefield School) will be the Academy School representative on the Schools' Forum going forward, with Alan Henderson and Julia Mortimore as substitutes.
Mar17-Ac2	6th March 2017	School and High Needs Consultation	A copy of the Local Authority's response to the consultation to be forwarded to all schools.	Claire White	Sent to all schools on 10th March.

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Alternative Provision for young people with additional needs.

Report being considered by: Schools Forum
On: 06/06/2017
Report Author: Caroline Simmonds
Item for: Discussion **By:** All members

1. Purpose of the Report

- 1.1 To update The Schools Forum on the progress towards the development of a single Alternative Education Provision.

2. Recommendation(s)

- 2.1 For information only

Will the recommendation require the matter to be referred to the Council or the Executive for final determination?	Yes: <input type="checkbox"/>	No: X
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3. Introduction/Background

- 3.1 The process of consultation and Council approval:
- A Joint Strategic Review was established in November 2014 and pre-consultation exercise was undertaken with secondary Headteachers in the summer 2015. A paper was brought to The Schools Forum on 25th May 2016 to seek comment and input on the 'Alternative Provision: Education Plan for young people with additional needs.
 - The proposals were shared with the staff and following these meetings a formal consultation on Alternative Provision was posted on the West Berkshire website and closed on 27th September 2016 as a result of which some changes were made to the proposal.
 - The Statutory notice, reflecting these changes, was posted on the West Berkshire website on the 24th October and closed on 21st November 2016. No representations were received.
 - The proposals have successfully passed through the council procedure and were approved by Executive meeting on 19th January 2017.
 - The proposal to have a single service providing alternative provision for young people with additional needs was approved by the full council on 27 March 2017
 - The proposal for restructuring of the service went out for consultation with staff and unions. The consultation closed on 3rd March and, taking account of

the consultation, the staffing restructuring proposal was agreed by the governors on 7th March 2017.

4. Supporting Information

- 4.1 The recruitment process was conducted during term 5 and all teaching posts filled and those who are being made redundant, voluntarily or compulsorily, were notified by the deadline of the end of term. Some non teaching posts are still to be appointed. All appointments have been made from the existing staff group
- 4.2 The approximate cost of redundancies and early retirements is £176k. This may vary slightly depending on how a teacher accesses the TP pension. The cost of this will be funded through money carried forward from the existing service
- 4.3 The new service, which will be called 'icollege' alternative curriculum, will be implemented from 1st September 2017.
- 4.4 The service will offer:
 - Full time placements to support learners in achieving personal and academic success (yrs 9, 10, 11 & KS5)
 - Off site reactive provision to improve mainstream engagement (KS 1-4)
 - Bespoke packages including core subjects to meet individual learner needs (KS1-5)
 - Short term proactive/pre-booked programmes to sustain mainstream engagement (KS 3)
- 4.5 The new model as presented, to Schools Forum on 06/02/17, showed an increase cost to schools. As a result the forum asked that the structure and cost of the new service be reviewed in 2017-18. A working group, of Headteachers, will be set up by the Headteacher of 'icollege' to undertake this review and the work of this group will be completed and implemented by 1st September 2018.
- 4.6 Charges to schools will be protected in the financial year 2017/18

5. Options for Consideration

- 5.1 None

6. Proposals

- 6.1 The initial proposal was for Home Education to be separated from the service but after consultation it was agreed that it should remain within the service but its structure and location be reviewed. This review will start in September 2017 and be completed by 31st March 2018.
- 6.2 The structure and cost of the new service be reviewed in 2017-18. A working group, of Headteachers, will be set up and by the Headteacher of 'icollege' the work of this group will be completed and implemented by 1st September 2018.

7. Conclusion

- 7.1 The new single service will be implemented on 1st September 2017 and it's structure will be reviewed during 2017-2018.

8. Consultation and Engagement

- 8.1 The Joint Service Review group 23/05/2017

9. Appendices

- 9.1 None

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School Balances 2016/17

Report being considered by: Schools Forum
On: 19th June 2017
Report Author: Claire White
Item for: Discussion **By:** All Maintained Schools Representatives

1. Purpose of the Report

- 1.1 This report sets out for information purposes the year end balances for all maintained schools, highlighting those schools with a deficit or significant surplus.
- 1.2 This information can also be used to identify if there are any schools whose financial management may be a cause for concern and require some support.

2. Recommendation(s)

- 2.1 To note the report and determine whether any further information needs to be requested from specific schools.

Will the recommendation require the matter to be referred to the Council or the Executive for final determination?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
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3. Introduction

- 3.1 The Scheme for Financing Schools was amended in 2015 in relation to school balances. The claw back of excess surplus balances was removed and has been replaced with a light touch review of all balances.
- 3.2 The scheme states: “In order to control surplus balances, the authority will report the balances held by each school at the end of the financial year to the Schools’ Forum (during the Summer term), alongside the actual and planned balance for the previous three years and any other data deemed to be of relevance. The Schools’ Forum may request individual schools to provide further information and/or attend a meeting of the Heads Funding Group if the data reported raises any concerns regarding their financial management in respect of their balances”.
- 3.3 This report provides an overview of school balances as at the end of 2016/17 and highlights those schools with a deficit or significant surplus.

4. Overview of School Balances as at 31st March 2017

- 4.1 The schools accounts for 2016/17 have now been closed and the closing balances for each school determined.
- 4.2 Table 1 summarises the overall closing balances (all funds) of West Berkshire Maintained schools compared to the previous year (adjusted for in year academy

conversions whose opening balances have been removed). A detailed breakdown per school is shown in Appendix A.

TABLE 1	As at 31 st March 2016	As at 31 st March 2017	Increase/(Decrease)	
	£'000	£'000	£'000	%
Nursery Schools	193	224	30	+15.5%
Primary Schools	2,698	2,133	(565)	-20.9%
Secondary Schools	882	603	(278)	-31.5%
Special Schools	836	616	(220)	-26.3%
Pupil Referral Units	666	495	(171)	-25.7%
Total	5,275	4,071	(1,204)	-22.8%

4.3 As would be expected, school revenue balances have continued to decrease over the last year. This is by £1.2m or 23%, the greatest reductions being in primary schools. The overall level of balances does however continue to remain high in special schools and PRUs.

4.4 A breakdown of the 2016/17 year end balances by type of fund is set out in Table 2.

TABLE 2	Main School Budget £'000	Pupil Premium £'000	Sports Fund £'000	After School Clubs £'000	Capital £'000	Total £'000
Nursery Schools	107	1	0	6	110	224
Primary Schools	1,145	201	179	203	405	2,133
Secondary Schools	538	16	0	0	49	603
Special Schools	469	102	14	18	13	616
Pupil Referral Units	465	4	0	0	26	495
Total Balance	2,724	324	193	227	603	4,071
2015/16 Balance	3,400	473	168	169	1,065	5,275
Increase / (Decrease)	(676)	(149)	25	58	(462)	(1,204)
%	-19.9%	-31.5%	14.9%	34.3%	-43.4%	-22.8%

4.5 In addition to £3.2m being held in revenue balances, £227k is held in before and after school club funds and £603k in capital balances. Of the revenue balances, £324k is unspent pupil premium grant (though note that not all schools account for this separately and include within the main school budget).

5. Schools Closing in Deficit

5.1 Table 3 shows the financial position of schools opening and/or closing the year in deficit or who set a deficit budget for the year but closed in surplus (main school revenue budget only – most schools account for their resource units, pupil premium grant and sports fund separately). The seven schools with a planned “licensed” deficit for the year are those shaded.

TABLE 3	Opening Balance 2016/17 £'000	Budgeted Closing Balance 2016/17 £'000	Actual Closing Balance 2016/17 £'000	Actual Variance 2016/17 £'000
Beenham	2	-11	-37	-26
Enborne	8	0	-1	-1
Hampstead Norreys	9	-20	2	22
The Ilsleys	2	6	-2	-8
John Rankin Federation	-170	-182	-109	73 (additional funding £61k)
Lambourn	32	6	-39	-45
Long Lane	10	10	-2	-12
Mortimer St Johns	-3	0	5	5
Purley	25	-24	17	41
Spurcroft	-82	-80	-8	72
St Finians	20	0	-8	-8
St Johns	26	9	-23	-32
Stockcross	3	3	-6	-9
Sulhamstead & Ufton Nervet	-6	-12	-4	8
Welford & Wickham	4	2	-11	-13

Westwood Farm Federation	-40	-122	-67	55 (additional funding £76k)
The Willows	68	1	-18	-19
The Willink	76	3	-3	-6

- 5.2 The fifteen schools closing the year in deficit have been asked to provide an explanation and what actions they are taking, and the responses received are provided in Appendix B. It is disappointing that the number of schools closing the year in deficit has increased from five at the end of 2015/16, and from seven actually setting a deficit budget for 2016/17. However, two of the seven schools that set a deficit budget have managed to close the year in surplus (Hampstead Norreys and Purley) and all except Beenham reduced their planned deficit. This reflects the hard work undertaken by these schools to actively manage their budget, find efficiencies, and reduce/remove the deficit as soon as possible.
- 5.3 Many of the schools with an unplanned deficit had set a budget with little or no contingency. This suggests that more in year scrutiny should be carried out on such schools.
- 5.4 Appendix A also shows the month nine forecast provided by each school and for many schools there was a significant swing between this forecast and the actual. In response to strengthening the quality of budget forecasting in schools, the local authority is offering a new software package as part of the accountancy buy back service, which will be rolled out to schools from the autumn term.

6. Schools with Significant Surpluses

- 6.1 Although the Schools' Forum has agreed to remove the claw back scheme for schools with excess surplus balances, it was agreed that information on high surplus balances would still be looked at. Appendix A also shows each school's revenue balance as a percentage of actual funding received in the year. Table 4 shows those schools with a surplus of greater than 10% of their funding in 2016/17 and shows the 2015/16 excess surplus balances for comparison.

TABLE 4	2015/16 Actual Surplus £	2016/17 Budget Surplus £	2016/17 Actual Surplus £	Percentage of Funding %	Balance in Excess of 10%
Victoria Park Nursery	63,047	1,395	64,894	13.06%	15,219
Hungerford Nursery	n/a	0	43,185	10.05%	197
Bradfield	73,115	4,360	2,719		n/a

Cold Ash	n/a	77,350	114,161	14.93%	37,716
Garland	132,349	126,190	118,816	13.48%	30,657
Lambourn	97,167	5,890	-24,915		n/a
Purley	53,046	-8,520	51,302		n/a
Streatley	62,691	35,610	84,779	19.18%	40,581
The Castle	445,542	204,790	327,978		n/a
Alternative Curriculum	425,361	168,000	393,311	28.69%	256,199
Reintegration Service	190,322	17,850	76,097		n/a

- 6.2 Six schools have closed the year with a surplus of greater than 10% of their funding for the year compared to nine schools in the previous year. Four of these schools also had a significant surplus in 2015/16. It is understandable for the nursery school and PRU to operate with a larger surplus due to the volatility of their funding.
- 6.3 It is interesting that three primary schools have such a high surplus whilst most other schools are seeing their balances reduce, but it is acknowledged that schools are cautious given the uncertainty of future funding.

7. Conclusion

- 7.1 Overall, balances are reducing, though not at the rate that may have been expected given that funding has not increased in line with inflation, and this suggests that schools generally are being very cautious in their use of balances. However, the number of schools closing the year with unplanned deficits has increased, which is of concern. A further report on school budgets for 2017/18 will be brought to Schools Forum in July, and this will detail a strategy by the local authority for dealing with the growing number of schools in deficit.
- 7.2 It should be noted that Schools' Forum may request information from any school whose balance is of concern and does not have an adequate explanation.

8. Appendices

Appendix A – School Balances 2013 to 2017

Appendix B – Explanations from Schools with a Deficit Balance

School Balances 2013 to 2017

West Berkshire Maintained Schools	School Revenue Balance History				2016/17 Year End Revenue Balances						Breakdown of 2016/17 Year End Balances							
	Closing Balance 31/03/2013	Closing Balance 31/03/2014	Closing Balance 31/03/2015	Closing Balance 31/03/2016	Original Budget 2016/17	Year End Forecast at Month 9	Year End Actual 31/03/2017	Actual Funding 2016/17	Closing Balance as Percentage of Funding	Excess Balance over 10%	Main School Budget	Pupil Premium Grant	Sports Grant	Resource Units	TOTAL Revenue	TOTAL Community	TOTAL Capital	ALL FUNDS TOTAL
NURSERY SCHOOLS																		
Hungerford Nursery School Centre for Children and Families	22,465	24,974	21,723	16,325	0	24,910	43,185	429,877	10.05%	197	43,185				43,185	0	3,336	46,521
Victoria Park Nursery School	42,679	50,788	52,372	63,047	1,395	65,764	64,894	496,751	13.06%	15,219	63,435	1,459			64,894	5,509	106,526	176,928
TOTAL NURSERY SCHOOLS	65,144	75,762	74,095	79,372	1,395	90,674	108,079	926,628	11.66%	15,416	106,620	1,459	0	0	108,079	5,509	109,862	223,449
PRIMARY SCHOOLS																		
Aldermaston Church of England Primary School	39,370	49,881	63,473	38,391	18,280	7,525	24,952	798,415	3.13%	0	17,144	4,459	3,348		24,952	0	22,231	47,184
Basilton Church of England Primary School	38,802	18,238	22,725	22,502	4,540	9	13,202	621,475	2.12%	0	1,123	3,280	8,799		13,202	8,065	1,102	22,369
Beedon Church of England (Controlled) Primary School	23,054	2,795	14,646	18,530	6,480	14,852	17,380	328,364	5.29%	0	12,317	2,261	2,802		17,380	0	5,307	22,686
Beermham Primary School	2,217	-13,229	3,590	5,178	-5,180	-12,630	-34,347	502,867	-6.83%	0	-37,090	2,733			-34,347	0	6,340	-28,008
Birch Copse Primary School	50,035	104,463	29,561	7,116	480	-13,252	881	1,574,504	0.06%	0	6,373	-4,933	-558		881	-38	0	843
Bradfield Church of England Primary School	28,460	-1,061	46,306	73,115	4,360	10,580	2,719	612,382	0.44%	0	585	1,908	226		2,719	0	4,479	7,198
Brightwalton Church of England Aided Primary School	29,269	21,994	28,745	29,047	9,310	12,417	23,858	482,299	4.95%	0	21,741	746	1,372		23,858	0	0	23,858
Brimpton Church of England Primary School	26,688	22,660	18,170	20,490	4,130	4,412	7,190	309,232	2.33%	0	5,300	942	948		7,190	477	685	8,352
Bucklebury Church of England Primary School	7,126	-14,208	4,136	5,051	110	8,777	14,550	549,999	2.65%	0	13,411				14,550	0	3,623	18,183
Burghfield St Mary's Church of England Primary School	15,006	3,123	-948	12,401	4,950	3,929	6,641	829,601	0.80%	0	1,740	3,448	1,148		6,641	0	1,246	7,887
Calcot Schools Federation	86,489	121,424	189,329	197,277	126,340	125,111	137,397	2,360,385	5.82%	0	140,975		-3,579		137,397	51,171	18,126	206,694
Chieveley Primary School	20,204	2,405	693	27,589	0	12,547	33,859	833,334	4.06%	0	28,296	2,728	2,889		33,859	0	32,560	66,418
Cold Ash St Mark's Church of England Primary School	57,112	52,459	50,549	71,387	77,350	104,748	114,161	764,455	14.93%	37,716	98,760	8,135	7,266		114,161	380	8,330	122,872
Compton Church of England Primary School	27,908	17,953	18,908	35,129	42,330	52,840	48,011	761,260	6.31%	0	48,011				48,011	0	10,000	58,011
Curridge Primary School	19,694	10,032	11,451	19,464	6,550	16,870	17,908	483,217	3.71%	0	18,900		-992		17,908	1,717	11,033	30,658
Downsay Primary School	58,627	58,827	60,893	56,844	35,440	66,467	47,398	877,729	5.40%	0	43,780	106	3,512		47,398	168	27,381	74,947
Enborne Church of England Primary School	26,443	11,516	5,216	14,256	4,830	-1,110	10,336	346,060	2.96%	0	-1,359	8,391	3,304		10,336	0	0	10,336
Englefield Church of England Primary School	29,678	19,442	40,942	44,229	19,170	41,728	46,392	495,660	9.36%	0	43,903		2,489		46,392	0	0	46,392
Falkland Primary School	121,029	110,033	127,017	136,793	50,520	87,639	157,706	1,618,488	9.74%	0	152,399	1,702	3,605		157,706	0	19,037	176,744
Fancis Baily Primary School	101,184	60,300	104,578	71,923	26,780	1,820	54,110	2,067,378	2.62%	0	54,110				54,110	6,759	8,082	68,951
Garland Junior School	66,385	27,071	53,174	132,349	126,190	139,020	118,816	881,595	13.48%	30,657	85,642	26,651	6,524		118,816	0	29,754	148,571
Hampstead Noreys Church of England Primary School	25,209	49,668	49,420	33,277	-1,230	12,073	24,586	440,889	5.58%	0	2,264	15,838	6,484		24,586	7,694	10,629	43,109
Herritage Primary School	33,708	29,647	51,514	37,379	11,410	29,921	48,122	779,067	6.18%	0	38,182	4,372	5,569		48,122	4,414	14,236	66,772
Hungerford Primary School	95,942	86,411	62,457	76,194	12,120	19,714	43,985	1,616,512	2.72%	0	39,169	2,258	2,558		43,985	0	25,030	69,015
The Isley's Primary School	22,541	-21,475	19,073	2,425	5,670	310	-1,975	350,136	-0.56%	0	-1,697	217	-496		-1,975	0	0	-1,975
Irleton Primary School	17,777	24,521	46,375	22,212	11,930	17,466	19,689	390,813	5.04%	0	18,585		1,104		19,689	0	2,266	21,955
John Rankin Schools Federation	87,303	64,637	-21,154	-169,724	-182,300	-127,720	-104,085	2,244,832	-4.64%	0	-109,196		5,102		-104,085	15,469	0	-88,616
Kennet Valley Primary School	58,193	53,962	59,956	37,989	2,020	54,448	48,873	886,551	5.51%	0	41,326	6,079	1,468		48,873	44	12,238	61,156
Kirby St Mary's Church of England Primary School	54,113	51,665	35,898	61,699	17,730	16,850	31,814	644,739	4.93%	0	24,958	2,673	4,182		31,814	0	17,890	49,704
Lambourn Church of England Primary School	60,117	33,590	121,846	97,167	5,890	-	-24,915	969,467	-2.57%	0	-38,734		13,819		-24,915	0	0	-24,915
Long Lane Primary School	100,301	18,021	35,095	23,885	22,027	2,109	6,464	889,429	0.73%	0	-3,241	4,263	4,541		6,464	4,516	2,785	13,764
Mortimer St John's Church of England School	44,831	14,054	-21,354	-307	0	-10	5,125	739,598	0.69%	0	5,040		8,253		5,125	0	267	5,392
Mortimer St Mary's C of E Junior School	67,757	55,356	57,488	43,589	25,610	48,471	50,002	870,873	5.74%	0	47,673	3,552	-1,223		50,002	0	0	50,002
Mrs Bland's Infant School	42,085	39,133	5,988	21,888	1,105	-	6,152	865,837	0.71%	0	6,444		-293		6,152	1,789	4,247	12,188
Nangbourne Primary School	33,220	48,281	52,082	19,634	7,150	7,862	7,352	869,231	0.85%	0	6,344	1,024	-16		7,352	0	9,979	17,331
Pangbourne Down Schools Federation	108,796	78,144	155,018	117,697	9,060	70,310	65,292	2,206,705	2.96%	0	16,147	27,060	22,085		65,292	20,043	14,988	100,323
Rury Church of England Infant School	27,441	10,642	23,912	53,046	-8,520	30,797	51,302	522,371	9.82%	0	16,745	14,752	19,805		51,302	3,082	10,398	64,783
Robert Sandilands Primary School and Nursery	73,877	65,128	89,405	44,165	5,580	31,450	31,526	1,071,169	2.94%	0	30,288	971	266		31,526	0	12,343	43,869
Shaw - cum Donnington Church of England Primary School	16,810	22,758	22,265	31,457	20,670	26,630	31,678	516,215	6.14%	0	30,768		909		31,678	3,983	8,233	43,893
Shadwell orth Shefford Federation C of E Primary School	27,851	36,993	52,521	19,077	11,360	20,410	33,542	501,589	6.69%	0	27,541	1,183	4,818		33,542	0	4,753	38,296
Springfield Primary School	85,357	60,172	34,611	39,620	38,340	33,477	35,572	1,254,061	2.84%	0	34,296	3,159	-1,894		35,572	10,708	6,832	53,112
Sprucecroft Primary School	74,508	47,651	25,383	-78,930	-71,190	-58,208	-4,551	1,782,687	-0.26%	0	-7,842		3,291		-4,551	2,957	1	-1,593
St Finian's Catholic Primary School	33,835	24,108	48,052	19,659	251	1,802	-7,449	783,438	-0.95%	0	-7,714		265		-7,449	0	0	-7,449
St John the Evangelist C of E Infant and Nursery School	8,574	13,362	-17,758	32,494	8,810	-992	-22,318	826,977	-2.70%	0	-22,724		406		-22,318	4,305	138	-17,875
St Joseph's Catholic Primary School	53,655	46,287	42,802	53,789	12,900	26,689	54,785	858,777	6.38%	0	53,394	431	960		54,785	21,749	0	76,534
St Nicolas Church of England Junior School	52,724	63,438	20,380	1,085	4,610	320	11,716	962,426	1.22%	0	11,716		6,209		11,716	9,835	0	21,551
St Paul's Catholic Primary School	43,390	82,193	116,866	58,682	43,940	17,975	50,175	1,220,709	4.11%	0	36,586	2,324	10,994		50,175	0	3,054	53,229
Stockcross Church of England School	9,098	22,769	34,304	1,398	5,110	-10,930	-5,490	468,702	-1.17%	0	-5,324	68	766		-4,490	0	0	-5,490
Streatley Church of England Voluntary Controlled School	32,932	28,884	31,866	62,691	35,610	78,689	84,779	441,973	19.18%	40,581	74,572	5,049	5,157		84,779	0	1,754	86,533
Sulhamstead and Upton Nervet C of E VA Primary School	34,288	23,804	42,673	-844	-10,190	-7,983	-3,141	492,146	-0.64%	0	-3,778	365	272		-3,141	0	0	-3,141
Thatcham Park Church of England Primary School	127,483	74,256	51,606	29,335	0	58,141	63,657	1,658,618	3.84%	0	46,340	13,130	4,187		63,657	0	576	64,233
Theatre Church of England Primary School	68,742	72,994	81,806	35,995	0	-	1,383	1,480,754	0.09%	0	8,835		209	-7,661	1,383	0	3,361	4,744
Welford and Wickham Church of England Primary School	29,809	10,567	-1,914	1,970	2,500	-10,430	-11,134	474,664	-2.35%	0	-10,940	29	-224		-11,134	910	12,678	2,454
Westwood Farm Schools Federation	151,870	161,807	123,740	7,810	-122,070	-40,785	-50,426	1,963,020	-2.57%	0	-67,108	5,614	5,333	5,736	-50,426	6,641	16,059	-27,726
The Willow Primary School	84,119	29,735	41,720	73,790	1,430	-44,619	-8,308	1,670,215	-0.50%	0	-17,826	8,944	574		-8,308	6,601	353	-1,354
The Winchcombe School	39,686	105,380	140,523	84,008	8,570	64,790	63,494	1,841,110	3.45%	0	43,788	7,191						

Explanations from Schools with a Deficit Balance

Beenham

Budget: deficit of £11,280, Actual: deficit of £37,090

The school set a deficit budget in 2016/2017. This was as a result of a two year period of severe recruitment issues and high supply teaching agency costs.

The budget plan was reviewed again in April 2017 as the end of year deficit had increased because of a fall in pupil numbers due to the relocation of several vulnerable families. In addition the school faced redundancy costs arising from the planned Teaching Assistant restructure and for the after school club which wasn't viable anymore.

The following steps have been taken to reduce this deficit:

- Teaching Assistant restructure resulting in redundancies and early retirement (July 2017)
- Reduction from 4 classes to 3 (September 2017)
- A teacher who left the school at Easter has not been replaced and the Head is now teaching the class for the remainder of the academic year
- Rigorous monthly budget monitoring and additional control measures in place to ensure spending is only as per budget plan

Enborne

Budget: surplus of £226, Actual: deficit of £1,359

There were costs in the 2016/17 accounts which related to 2017/18 (an internal transfer was posted in the wrong year by accountancy), so the true position on the main school budget was a surplus of £450. All other funds were in surplus. A surplus budget has been set for 2017/18.

The Ilsleys

Budget: surplus of £5,670, Actual: deficit of £1,697

Reasons:

- A teacher left in last year and there was only one applicant for the vacancy at a much higher grade, which had a very significant impact on staff costs as there are only three full time teachers at the school.
- The funding impact of falling pupil numbers not covered fully by the Falling Rolls Grant.
- Higher than expected maintenance costs for the school building. A new central heating system had to be installed.

Actions:

Maximising funding and income opportunities

- Utilising existing funding available from Friends of The Ilsleys Primary
- Increasing Lettings opportunities
- Increased use of students from Oxford Brookes

Cost Reduction and greater efficiency

- Reduction of headcount in staff support.
- Reduction of overtime for LSAs.
- Changing of suppliers i.e grounds maintenance, WAN, water hygiene, wherever possible.
- Reduction in training costs wherever training has not been fully utilised currently i.e. governor support.

- Reduction in planned maintenance, due to the expenditure that has taken place in the current year, equipment is new and or under warranty.
- Increased efficiency for energy costs from the new heating system.

Future:

- We anticipate being in back in surplus by the end of our five year plan.

John Rankin Schools

Budget: deficit of £182,300, Actual: deficit of £109,186 (federated school budget)

John Rankin Schools Federated their budget for the first time last year and set a deficit budget of £182k.

The plans proposed to reduce this deficit were as follows:

- Restructure the finance and admin teams
- The renewal of fixed term contracts were ceased
- Tighter financial controls were implemented

The Federation ended the financial year 16/17 with a deficit of £109k.

The deficit was lower than originally planned due to a successful bid from Schools Forum and staff savings from posts remaining vacant during recruitment and reduction in hours.

Extensive 'unthinkable' options have been considered during this budget setting period for the next 5 years. The options built into the budget are as follows:

- Restructure of the SLT across the Federation
- Timetable change including a change of PPA management
- TA cover plan, reducing the reliance on external agency

The first two options are planned to commence during 18/19. Plans to implement these options will commence from Autumn term (September 2017).

The TA cover plan has already been implemented via an internal training programme ran by Federated SENCO.

Lambourn

Budget: surplus of £5,887, Actual: deficit of £38,734

The reason Lambourn C of E Primary school ended the financial year 2016/2017 in deficit was due to an unrealistic budget being set as well as poor financial control. The school had an Executive Headteacher over seeing the school one day a week.

They did not have a School Business Manager, the previous finance office had resigned and was coming in 2 days a week in 2016.

Moving forward we have set a budget for 2017/18 with a small carry forward which we will be monitoring closely each month. The school is also undertaking a restructuring with teachers and admin staff.

The school is bidding for outside funds and is has a spending freeze on all but essential items.

Long Lane

Budget: surplus of £9,510, Actual: deficit of £2,341

We have had to set a deficit budget for 2017/2018 due to our pupil numbers reducing gradually over the last 4 years because of Purley Infants becoming a Primary school – pupil numbers have been lower by 15 each year and are now 210 instead of 270. Although most costs were predicted during

this phase of change not all higher costs and reduced funding were predicted. We have managed to balance our budget over the last few years but have not managed it this year. Our budget includes high redundancy costs due to teaching assistant staff reductions/ redundancies and our teaching staff are all very experienced and therefore expensive.

We have been consulting on a change to the staffing structure to remove the Deputy Headteacher non-teaching role and replacing it with two team leaders who will be class-based. We use HLTAs for PPA cover to keep costs down. We have reduced costs by removing some contracts and others brought back in-house. We have managed to let our spare classrooms to a local pre-school group in order to generate income from September 2017. We have reduced costs across most budget lines including training and curriculum.

We have made further reductions in support staff in 2019/2020 to enable the school to have a balanced budget by 2019/2020 and if a teacher resigned we would look at taking on an NQT to keep costs down.

We anticipate a return to a surplus position in 2019/2020.

Spurcroft

Budget: deficit of £80,130, Actual: deficit of £7,842

Spurcroft School has reduced its deficit in 2016/17 to £7,842 from a carry forward of £102,460 for the year end 2015/16.

Actions taken:

1. The reorganisation of teaching staff to reduce supply costs
2. The restructure of the TA timetable to reduce additional hours
3. The restructure of support staff
4. More robust financial controls
5. A 'Good OFSTED' and marketing to increase numbers

We are on course to return to surplus in 2018/19 as per our Licenced Deficit Agreement.

Further actions:

1. Restructure of the teaching staff
2. Further restructure of the TA team
3. Recharging of costs to the after school club
4. The increase in pupil numbers and continued marketing

St Finians

Budget: surplus of £251, Actual: deficit of £7,714

Reasons:

- Two teachers with long-term absence required supply cover;
- One teacher with repeated short-term absence required supply cover;
- Increase in TA working hours to cope with a high needs class;
- Recruitment of caretaker working 20 hours per week;
- High level of teaching staff turnover (5) prior to September 2016 which required increased recruitment costs.
- Increase in training costs due to NQTs requiring training.

Actions:

- Deputy Head will provide supply cover as far as possible;
- Full complement of teaching staff recruited;
- Caretaker will take on grounds maintenance to remove requirement for grounds maintenance company;

- NQTs now fully trained;
- Reduction in IT curriculum support hours;
- Increase in lettings to include holiday clubs to increase income.

Future:

- The 2017/18 budget is balanced.
- Conversion to Portsmouth Dioceses Multi Academy Trust in February 2018.

St John the Evangelist

Budget: surplus of £8,810, Actual: deficit of £22,724

Reasons:

St Johns have been negatively impacted by long term sickness of Teaching Staff. Whilst Supply insurance has covered some of the shortfall, we are still left with higher costs. Further to this a member of staff signed a Compromise agreement which held a further cost to the school. We have suffered a lower uptake of Nursery places during 16/17, decreasing our EY funding significantly. We have also struggled to achieve full capacity in our offer of UIFSM which has affected this funding source. We have also had difficulty encouraging parents to sign up for the pupil premium grant despite our Inclusion Manager's best efforts. This may be just an overall reduction in eligible families; however the decrease could also be due to the introduction of UIFSM. Further to this, during 16/17 we had to place a pupil in a PRU from October 16, costing £4,512. During 16/17 we have also taken another previously excluded child which has required full time 1-1 support; meaning the employment of a TA 6 hours per day with VCG funding of only £992 received.

Action:

St Johns did not set a deficit budget 16/17; in fact a small surplus. However due to the main reasons listed above we finished the year in deficit. During 17/18 this is only set to increase by an in year deficit of £27k, with deficit reductions beginning to appear during 18/19.

During 17/18 we have sustained a £9k reduction in our funding, due mainly to a reduction in MFG and the increase in de-delegations. Further to this the buybacks that we remain with during 17/18 have increased in cost resulting in us having to refuse Health and Safety and EHA this year. We have agreed a small change to the cleaners' contract going forward from this year and a fixed term Nursery Nurse contract will revert to the original TA contract providing some small savings. Other than this we cannot with certainty predict many staff turnover scenarios.

The school is working hard to promote the nursery to fill the 26 available places in 17/18 and going forward. We have budgeted for the 30 hours nursery to begin in the Autumn Term of 2017, predicting that only 10 of our expected children would take up the offer. Both of these assumptions lead to a larger amount of EY funding for 17/18. We are considering flexible sessional delivery models, to maximise the uptake of this offer.

We are doing an increased amount of work making parents aware of the UIFSM offer and encouraging the maximum uptake. We predict that this will increase our overall funding for 17/18.

Future:

Further to the changes put forward during 17/18, during 18/19 we expect the current Head to retire and plan to replace with an Executive Head. Pay scales have been checked with our HR provider to ensure costings within the budget are robust. This provides the most significant saving.

We also take on a 2 year old class from September 2018 - currently we have budgeted for 12 funded children staffed by a Level 3 and 2 * Level 2 as per the EY guidance. This increases our EY funding again in 18/19.

The other major change happens in 21/22 with the retirement of a UPS3 teacher replaced with a TMS3 teacher.

Other than these main items, we continue to keep the nursery full with 10 pupils taking 30 hours and the 2 year old class at capacity (12). We increase the Breakfast and Afterschool session costs year on year and keep current levels of uptake. We continue to have higher numbers of UIFSM due to communications with parents.

We will be in surplus by the financial year 2020/21.

Stockcross

Budget: surplus of £3,017, Actual: deficit of £6,324

Staffing budget: 5.56% overspent

- E02 Supply Staff, overspend due to DHT sickness cover. Whilst supply insurance claimed this was £4909 less than the supply costs. Daily rate paid under the insurance claim less than the daily rate of supply cover.

- E03 Education Support Staff: Cost of TA support for SEN pupil, not budgeted as unknown at the time. Additional TA time to support interventions.

- E05 Admin and clerical: Long term sickness of FO, cost of additional hours of Finance staff plus WBC Accountancy staff (E28 Prof Services). Non-teaching supply insurance claimed less than the cost of cover need due to daily rate paid.

Learning Resources: 17% overspent

- Primarily due to IT spend – new Web site, not budgeted. Additional network connections in hall, library and HT office.

Prof services: E28.

- Overspent due to additional support from Accountancy to cover FO sick leave.

Under spend on: E01 Teaching staff, increase in additional income and additional payment for School lunches grant.

MSB Budget 2017-18 has been set with a surplus of £5859 on the following basis:

Funding:

- Total funding £422,714, down from £ 431,122 last year. Pupil numbers are 2 less than last year at 101. Projections for September 2017 are total pupil numbers of 99. April 2018 funding projected to reduce further to £416,790.

- New staffing structure from April/September 2017.

o SENCO/IT & Sports co-ordinator role will not be extended after August. Saving of .5 teacher at each School (Stockcross and W&W). EHT to take on SENCO role and teach 1 afternoon a week.

o Reduction in TA hours from 1 September 2017

o Reduction in Finance staff, long term sick FO will not be replaced, temporary support from another SBM on much fewer hours. 1 May 2017

o Resignation of Site Controller, not to be replaced. 1 May 2017

- Change in IT supplier to cover: IT support – curriculum and non-curriculum/ VOIP telephony system from 1 August 2017 and Broadband from 1 September when LA provision expires.

- Buy backs

- Continue with an external HR company.

- WAN provision via LA until 1 Sept 2017.

- Move to external company for supply insurance. WBC no longer competitive.

Sulhamstead & Ufton Nervet

Budget: deficit of £11,670, Actual: deficit of £3,778

A licence deficit budget was set in 2016/17 with the following actions to bring the school back to surplus by 2017/18:

- SLT provision reduced from 1.0 to 0.8 FTE from Sept 16;
- Headteacher will job share (0.2 equivalent) in KS2;
- LSAs will provide part of the PPA cover

Further savings in year were made to reduce the planned deficit:

- SLT provision reduce by a further 0.6 due to a vacancy arising in Sept 16 for the part time assistant head post, which was chosen to be unfilled for the year.
- Headteacher job share increased from 0.2 to 0.3 FTE in KS2;
- Increase in LSA hours used for HLTA to cover PPA and supply;
- School agreed to take on a fresh start pupil with an EHC Plan with an AWPU funding adjustment and temporary TA hours support funding. Some of the TA hours have been met in house;
- Increased UIFSM uptake providing an end of year funding additional funding adjustment.

The school has returned to a small surplus set in 2017/18 in line with the recovery plan by continuing with:

- Reduced SLT provision;
- Reduction to teacher PPA support by 0.2 FTE;
- Further increased HLTA cover for PPA and supply ;
- Increase to number of pupils on role.

Welford and Wickham

Budget: surplus of £1,650, Actual: deficit of £10,940

Staffing budget: 4.2% overspent

- E02 Supply Staff, £3.3k over budget. Significant spend on training impacted demand for supply cover particularly to cover NQT training for 2 NQTs

- E03 Education Support Staff: £3k over budget. 4 SEN pupils whose EHCP's necessitated additional TA staff before any top up funding agreed and received. 2 SEN pupils conditions deteriorated over the summer which meant extra support required in the Autumn term.

- E05 Admin and clerical: £4k over budget. Long term sickness of FO, cost of additional hours of Finance staff plus WBC Accountancy staff (E28 Prof Services).

- E07 other Staff: £2.3K LC impact of SEN pupils.

- E09 Training: £3.4k overspent. Cost of NQT training significantly underestimated. Cost of training new SENCO. Training costs for VC to VA conversion.

Property Costs: 4.77% overspent

- E12 Buildings maintenance £3.8k overspent. H&S improvements and non-discretionary repairs & maintenance.

- Water charges double compared to last year.

Learning Resources: overspent

- Unbudgeted IT spend on new Web site

- Repair costs to Minibus – new tyres and brake discs, offset by income from running Minibus service under WBC contract.

- Diocese SLA £600, following VA conversion 1 Sept 2017, not budgeted.

- New Infant resources following change in staff identified gaps in resources.
- Printing costs higher due to SEN pupil requirements.
- **Professional Services:**

- **E25 Catering Supplies:** Cost of pupil meals coming in under budget, due to 2 fewer infant pupils (13) plus 1 long term sick. Impact on UIFSM grant has been £892 claw back as fewer pupils in census than previous year.

E27 and E28.

Overspend on additional support from Accountancy to cover FO sick leave. Overspend on Family Support worker, unable to anticipate.

EHA buy back £700, not budgeted but necessitated by needs of SEN pupil.

Income

£2075 teacher supply insurance and £1183 for FO.

SEN top up funding of £6975 (P12).

MSB Budgets 2017-18 has been set with a surplus of £1,063:

Funding:

- Total funding £415,453, down from £ 424,826, 1 fewer pupil than last year. We are losing 4 pupils to private sector at end of summer term. R pupil numbers down by 1. Projections for September 2017 are total pupil numbers of 97. On these pupil numbers April 2018 funding projected to rise to £422,259.

- New staffing structure from April/September 2017.

o SENCO/IT & Sports co-ordinator role will not continue in September. Saving of .5 teacher at each School (SX and W&W) EHT to take on SENCO role and teach 1 afternoon a week.

o Reduction in TA hours from 1 September 2017.

o Reduction in Finance staff, long term sick FO will not be replaced, temporary support from another SBM on much fewer hours, 1 May 2017.

o Resignation of Site Controller, not to be replaced. 1 May 2017

- Change in IT supplier to cover: IT support – curriculum and non-curriculum/ VOIP telephony system from 1 May 2017 and Broadband from 1 September when LA provision expires.

- **Buy backs**

- Continue with an external HR company.

- WAN provision via LA until 1 Sept 2017.

- Move to external company for supply insurance. WBC no longer competitive.

Westwood Farm Schools

Budget: deficit of £122,070, Actual: deficit of £67,108 (federated school budget)

The deficit arose as a result of unplanned compromise agreements paid to two senior leaders at the school.

A deficit budget was set for 2016/7. As part of that process the main actions identified by the Acting Executive Headteacher and newly appointed Executive Headteacher (with effect from Sept 2016) to support the schools' return to a surplus position are summarised below together with progress on each aspect:

- Stopping fixed term contracts

Fixed term contracts have ended

- Teaching vacancies - new appointments on lower salary

PPA teachers have gone back into class to fill vacancies with a less costly PPA plan

- No team leader replacements

Head of School not replaced fully (although increase in AHT by 1 FTE)

- From September 2016 to employ HLTA for supply cover

HLTA in post and providing cover.

The schools are currently engaged in a restructure process of teaching support and administrative staff with a redundancy programme to be effective from 1.1.18.

Income generation opportunities, for example outsourcing Breakfast and After School Club provision (staffing reduction ~ lettings income) are proving effective.

The school remains on target to recover from deficit within the agreed 5 year plan and the Junior School moved from 'Requires Improvement' to 'Good' Ofsted rating in March 2017.

The Willows

Budget: surplus of £620, Actual: deficit of £17,826

The overriding explanation for the main school budget resulting in a small deficit was the fact that we acted on a request from the LA Admissions team to run an additional reception class in September 2016 and in the summer term duly recruited an additional teacher for a third class. Additional funding was promised according to the guidance published by the LA and this was therefore included in our budget submission for 2016/17. We have paper trails to confirm these discussions and arrangements which were instigated by the local authority who were fully aware and included in communication regarding this matter.

Unfortunately the headteacher was advised during the last week of the summer holidays that this class was unlikely to be required, resulting in the fact that we carried an additional teacher for the rest of the year. We were advised by Schools Accountancy to challenge the withdrawal of the funding we had been promised and our Chair of Governors approached the LA directly to request some assistance. This was denied.

It is worth noting that last year we funded the furnishing of 8 additional classrooms including high quality IT equipment from within our own resources and with the help of a very generous PTFA. We continue to fully staff our school with no reliance on supply teachers – a trend we have maintained for the last 5 years.

Our budget plan for 2017 2018, though admittedly tight, predicts a balanced budget. Our 5 year plan forecasts a positive position. We have an established track record of efficient financial controls within school over the past 7 years which have resulted in returning the school finances to a stable position from a very significant deficit situation.

The Willink

Budget: surplus of £2,560, Actual: deficit of £2,630

For Financial Year 2016/17 the Willink School separated out main School budget (Fund 01) and PPG (Fund 08)

We ended the year with a surplus of £16,143 on PPG and a deficit of £2,630 on Main School giving an overall surplus across the two accounts of £13,513.

The reasons for the marginal (0.05%) overspend in Fund 01 are:

1. An unbudgeted severance payment of £10,083
2. Higher than budget spend on PRU costs
3. Higher than budget spend on Agency Supply due to long-term sickness and a late resignation coupled with an inability to recruit RE teachers
4. Including some PPG expenditure in whole school costs (this also explains the underspend on Fund 08).

The School has submitted a 5 year plan which will bring us back to surplus in Year 5. The school will endeavour to return to surplus sooner.

The measures we are/will undertake are:

1. Reductions in support staff hours across a number of areas. The school is working with West Berks HR to implement this.
2. Replacement of staff leavers on UPR with NQTs wherever possible.
3. Rationalisation of teaching staff across all curriculum departments to remove spare capacity through the targeted use of part-time staff and employing teaching staff with more than 1 subject.
4. Some known retirements will not be replaced on a like for like basis.
5. Employing staff on 1 year contracts to manage curriculum change
6. Review and rationalisation of "option" subjects at GCSE and sixth form concentrating on viable courses. Class sizes and hours taught are also being reviewed.
7. Increase intake at Year 7 (to 196 students) and throughout the school. (Note that this is already underway re entry to current Year 7, 8 and 9). This will increase funding during 2017/18 without increasing staffing in the year.
8. Improved marketing for the sixth form with the aim of increased recruitment (will also develop as larger year groups make their way through the school)
9. Review of subjects offered at 6th form to make more attractive
10. Action to counteract any loss of students to UTC in Reading at the end of Year 9 e.g. focussed advice and guidance.
11. Revised arrangements for cover to reduce reliance on expensive Agency Supply
12. Restructure of the SLT (short and long term)
13. Training spend limited to Health and Safety and Curriculum change/development
14. Essential maintenance and refurbishment only
15. Reduced hours for FSSW as no longer works with local feeders
16. Reduction in departmental capitation budgets
17. Further collaboration with other local schools and have applied for Teaching School status although the cost benefits of this are not included in the model
18. Reviewing all contracts including SLAs currently purchased from West Berkshire
19. Greater emphasis on the work of the Willink School Charitable Trust and the Willink Alumni Association to apply for grants and raise money through parents, ex students and the local community

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DSG Outturn 2016/17 and Carry Forward to 2017/18

Report being considered by: Schools Forum
On: 19th June 2017
Report Author: Claire White
Item for: Decision **By:** All Forum Members

1. Purpose of the Report

1.1 To set out the actual deployment of the Dedicated Schools Grant (DSG) in 2016/17, explaining the main variances and to propose the amounts to be carried forward to 2017/18

2. Recommendation(s)

2.1 To approve the overall carry forward, and the utilisation of the unspent DSG funds being carried forward from 2016/17 to 2017/18 as set out in section 8 of the report.

<b style="color: #008080;">Will the recommendation require the matter to be referred to the Council or the Executive for final determination?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
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3. Introduction

- 3.1 The main source of funding for schools is the Dedicated Schools Grant (DSG). It is a ring fenced specific grant and can only be used on school/pupil activity. It is split between three funding blocks – schools, early years and high needs.
- 3.2 The majority of funding is delegated to schools, using national formula factors but applying local rates. The remainder is retained and spent centrally mainly on early years and specialist high needs provision, but also on some services for the benefit of all schools.
- 3.3 Centrally Retained Overspends, unless funded from outside the DSG, are carried forward and top sliced from the following year’s DSG allocation. Under spends must be carried forward to support the school’s budget in future years.
- 3.4 The Authority and Schools’ Forum are responsible for ensuring that the DSG is deployed correctly, and monitoring of spend against the DSG needs to take place regularly to enable decision making on overspends/under spends and to inform future year budget requirements.
- 3.5 The Schools’ Forum has received monitoring reports at each meeting held in the autumn and spring term during 2016/17.

4. Year End Position - Summary

4.1 Table 1 summarises the overall year end position for each DSG block, also comparing to the month 10 forecast which was used when setting the budget for 2017/18. The final position is an overall overspend of £345k, which is £656k less of

an overspend than the revised budget, and £362k less of an overspend than the month 10 forecast. The breakdown for each cost centre within each block is detailed in Appendix A.

TABLE 1	Final Budget after Virements + SSRs £'000	Actual Outturn £'000	Actual Variance £'000	Month 10 Forecast (used for 17/18 Budget) £'000	Difference (impact on 17/18 budget)
Schools Block	65,080	64,548	-532	-300	-232
Early Years Block	7,179	7,361	182	191	-9
High Needs Block	17,428	17,122	-306	-185	-121
Total DSG Expenditure	89,687	89,031	-656	-294	-362
DSG Grant	-88,686	-88,686	0		
Net Position	1,001	345	-656		

4.2 Table 2 is a breakdown of the outturn and variance on the DSG grant, split between each funding block.

TABLE 2	Final Budget £'000	Actual Outturn £'000	Actual Variance £'000
Underspend on Schools Block	0	-532	-532
Overspend on Early Years Block	207	389	182
Planned Overspend on High Needs Block	794	488	-306
Total	1,001	345	-656

4.3 Note that the final position on the Early Years Block is not notified by the DfE until June/July as it is partly based on the January 2017 census. It is expected that there will be a further reduction in grant of approximately £30k which will have an impact on the 2017/18 budget.

5. Schools Block

5.1 A breakdown of the variances in the schools block is shown in Table 3.

TABLE 3	Final Budget £	Actual Spend £	Actual Variance £	Specific Carry Forward	General Carry Forward
Primary schools in financial difficulty	332,600	137,930	-194,670	194,670	
Other de-delegated services	493,570	428,791	-64,779	64,779	
Growth fund/falling rolls fund	433,920	100,922	-332,998		332,998
Maintained primary & Secondary school delegations	63,298,150	63,366,460	+68,310		-68,310
Other centrally retained services	359,400	351,302	-8,098		8,098
Support Service Recharges	162,040	162,040	0		
Total Expenditure	65,079,680	64,547,445	-532,235	259,449	272,786

- 5.2 During 2016/17, just two schools received funding from the primary schools in financial difficulty de-delegated fund. It is proposed to add the unspent budget to the funding available in 2017/18 to help meet restructuring costs for schools in deficit – this would provide a total budget of £314,650 for 2017/18.
- 5.3 For this and all other de-delegated services, the only other option is to hold the carry forward in the current year's budget for each specific service, and use to reduce the cost of that de-delegated service to schools in the following year (in other words, to benefit only those schools that have pooled their budgets). This is the proposal for the other de-delegated services with an under spend – the virtual school service £42k, and behaviour support service £23k.
- 5.4 The overspend on maintained school delegations is due to actual business rates being higher than originally budgeted for in the school formula. For maintained schools the adjustment is carried out in year, whereas for Academies the DSG is adjusted in the following year.
- 5.5 In setting the 2017/18 budget it was assumed there would be an under spend of £300k on the growth/falling rolls fund, and this was allocated out to schools in the 2017/18 formula funding. Although this budget has under spent by an additional £33k, the other budgets are a net overspend of £60k. It is proposed that the net deficit of £27k on the schools block is carried forward.

6. Early Years Block

- 6.1 Table 4 summarises the outturn of the early years block. (Note that PPG is understated by £5,787 which is included in 3 & 4 year old funding).

TABLE 4	Final Budget £	Actual Spend £	Actual Variance £
3 & 4 year old funding	6,294,460	6,449,654	+155,194
2 year old funding	611,450	705,082	+93,632
PPG & deprivation funding	100,000	36,973	-63,027
Pre School Teacher Counselling	45,000	45,000	0
Early years support team	95,960	92,063	-3,897
Support Service Recharges	32,140	32,140	0
Total Expenditure	7,179,010	7,360,912	+181,902
DSG Grant	-6,971,630	-6,971,630	0
Net Total	+207,380	+389,282	+181,902

- 6.2 Early years funding is demand led, with providers claiming funding for actual hours of provision (up to 15 hours per child) at the hourly rate that has been set for the year. Funding through the DSG is based on the January census count, for 2016/17 based on five twelfths of the January 2016 census and seven twelfths of the January 2017 census. Both expenditure and funding is therefore variable and difficult to predict, and can produce significant variances when compared to the budget set.
- 6.3 The actual numbers of hours of provision for 2, 3, and 4 year olds was greater than the budget, but will not be matched by an increase in DSG funding, hence the £389k overspend, £182k greater than the budgeted overspend. In addition, it is predicted that there will be a claw back of grant of approximately £30k in 2017/18, not included in the outturn figures; the 2017/18 budget will be adjusted when the final figure is notified.
- 6.4 The net overspend of £182k is mainly due to the fact that funding is based on the January census, yet this has not represented the actual “average” count for the year, with summer numbers being significantly higher than the January average. It can also be due to higher hours of provision at the higher funding rate rather than the average (budgeted) funding rate. The £207k budgeted shortfall in DSG grant is due to the clawback of 2015/16 funding.
- 6.5 The month 10 forecast was for a overspend of £398k, and this figure was assumed in determining the resources available in setting the 2017/18 early years block

budget. The actual overspend is £9k lower. It is proposed to reduce the budgeted overspend accordingly, but to bear in mind that this will change again when the final early years DSG for 2016/17 is announced by the DfE later in June.

7. High Needs Block

7.1 Table 5 summarises the outturn of the high needs block, listing separately both the high cost and demand led/unpredictable services.

TABLE 5	Final Budget £	Actual Spend £	Actual Variance £
Place Funding	4,153,330	4,153,334	+4
Top Up funding – WBC schools	4,722,430	4,607,928	-114,502
Top up funding – non WBC schools	3,618,770	3,377,868	-240,902
Top up funding – Further Education	832,650	753,033	-79,617
Top up funding - PRUs	1,033,340	1,292,642	+259,302
Disproportionate funding	127,690	114,033	-13,657
Home Tuition	300,000	358,551	+58,551
Engaging Potential	540,260	476,407	-63,853
Hospital Tuition	20,000	43,107	+23,107
Sensory Impairment	238,800	198,866	-39,934
Therapy Services	324,430	293,320	-31,110
Vulnerable Children funding	60,000	36,021	-23,979
Other centrally retained high needs budgets	929,540	890,163	-39,377
Support Service Recharges	526,710	526,710	0
Total Expenditure	17,427,950	17,121,983	-305,967
DSG Grant	-16,633,200	-16,633,200	0
Net Total to carry forward	+794,950	+488,783	-305,967

- 7.2 The main overspend in the high needs budget is the PRU top ups. This is due to a high number of places taken by sixth form pupils which are funded 100% by the high needs budget, a high number of pupils receiving exceptional needs additional funding, and the fact that pupils are staying in the reintegration service for longer (the high needs budget picks up 100% of the cost after 12 weeks).
- 7.3 The other main areas of overspend are home tuition and hospital tuition. The home tuition budget was affected by an increase in pupils accessing the service together with an inability to provide group work due to PRU premises. This is expected to change next year when the home tuition budget and service undergoes a review. The small hospital education budget was in response to a change in national legal and financial arrangements whereby Local Authorities became responsible for pupils who are sent by Health to specialist mental health settings. This is difficult to predict but for 2017/18 the budget has been set at the 2016/17 level of spend.
- 7.4 Overall, the high needs budget was £306k under spent compared to budget, with non WBC top ups being the largest under spend. This is largely because Thames Valley Free School is now full and could not take additional pupils, so the expenditure incurred at this school last year wasn't repeated. Expenditure on non West Berkshire placements continues to reduce due to investing in more in house provision. Much work has taken place in driving contract costs down and minimising placements, such as for the Sensory Consortium and therapy services. The saving at Engaging Potential is due to selling places for pupils living outside the LA.
- 7.5 The Vulnerable Children's Fund (VCF) under spent by £24k. The amount of funding available to spend in 2016/17 increased to £98k due to a carry forward from 2015/16 of £38k in exclusions savings. It is requested that this under spend be carried forward due to the £20k reduction in the current year budget.
- 7.6 The original budget set an overspend of £795k. At month 10 the forecast was for a net overspend of £610k, and this figure was assumed as needing to be met from the 2017/18 high needs block grant. The actual is £489k, which is £121k lower. As the 2017/18 high needs budget has been set with a £584k overspend, it is proposed to reduce this budgeted overspend accordingly. If the transfer of under spend on the VCF is agreed this will then reduce the planned DSG carry forward of overspend at the end of 2017/18 by £97k to £487k).

8. Summary of the Carry Forward Proposals

- 8.1 Table 6 details the 2017/18 budget virements to reflect the net reduction in DSG resources carried forward to 2017/18 as proposed in the detail of each block in the preceding paragraphs. This is a net total of £345k, compared to the reduction of £708k assumed when setting the 2017/18 budget.

TABLE 6	Original Budget 2017/18 £	Virement £	Revised Budget 2017/18 £
Primary schools in financial difficulty (90230)	119,980	194,670	314,650
Virtual Schools Service	210,580	41,450	252,030

(90255)			
Behaviour Support (90349)	193,860	23,330	217,190
Vulnerable Childrens Fund (90961)	40,000	23,980	63,980
Sub Total Specific Service Budgets		283,430	
DSG b/f grant (L990W)	708,080	-363,560	344,520
DSG assumed 17/18 year end c/f grant (L999W schools block)	0	-25,910	-25,910
DSG assumed 17/18 year end c/f grant (L999W early years block)	-260,200	8,930	-251,270
DSG assumed 17/18 year end c/f grant (L999W high needs block)	-583,980	97,110	-486,870
DSG to be received in year	-90,890,570	0	-90,890,570
Sub Total DSG grant	-91,026,670	-283,430	-91,310,100

8.2 Due to overestimating by £363k the overspend to be carried forward, the effect on the DSG budget if the proposals are agreed is an increase of £283k in various service budgets as detailed in the report, and an overall reduction of £80k in the budgeted overspend of grant at the end of 2017/18.

9. Conclusion

9.1 The final variance compared to the month 10 forecast of £363k is insignificant when based on a percentage of total expenditure, but is sizeable enough in that it could have made a difference when setting the 2017/18 budget, particularly for high needs. It shows how some forecasts even late in the year can be unpredictable, particularly for demand driven expenditure.

9.2 It is good news that the predicted deficit for the end of 2016/17 reduced by £656k and closed at a modest £345k, and is partly due to the continued work of officers to drive costs down wherever possible. This has enabled a small offset to the predicted deficit for 2017/18.

10. Appendices

Appendix A – Dedicated Schools Grant 2016-17 Final Outturn

Appendix A

Dedicated School's Grant (DSG) Final Outturn 2016-17								
Budget manager	Cost Centre	Description	Original Budget	Net Virements in year	Amended Budget	Actual Outturn 2016-17	Variance	Comments
Ian Pearson	90019	DSG Servicing of Schools' Forum	42,220.00		42,220.00	41,058.82	-1,161.18	Members Expenses Underspend
Ian Pearson	90020	Primary Schools	47,945,750.00	-160,770.00	47,784,980.00	47,879,149.32	94,169.32	Rates adjustments in year
Ian Pearson	90025	Secondary Schools	16,477,900.00	-964,730.00	15,513,170.00	15,487,310.42	-25,859.58	Rates adjustment including rates saving from JOG transfer to Academy.
Rob O'Reilly	90112	Special Costs Primary - closed	34,790.00	-34,790.00	0.00	0.00	0.00	
Rob O'Reilly	90117	Special Costs Secondary - closed	11,970.00	-11,970.00	0.00	0.00	0.00	
Rob O'Reilly	90113	Trade Union Costs - New	0.00	46,760.00	46,760.00	46,760.00	0.00	
Ian Pearson	90230	Schools in Financial Difficulty	117,320.00	215,280.00	332,600.00	137,930.00	-194,670.00	Two approvals to Schools in year, plus 'Budget Advice' funding as agreed by Schools Forum
Ian Pearson	90235	Growth Fund/Falling Rolls Fund	290,000.00	143,920.00	433,920.00	100,922.00	-332,998.00	Four approvals in year. £300k of underspend agreed by SF to be allocated to schools in 17/18 formula
Maxine Slade	90255	Virtual School Service	229,130.00	3,150.00	232,280.00	190,836.00	-41,444.00	Underspend in Employees due to vacancies and subsequent scaling down of activities. 2015-16 Carry Forward underspend also factored in.
Cathy Burnham	90349	Behaviour Support - DSG	203,890.00	10,640.00	214,530.00	191,195.21	-23,334.79	Employee vacancies and 2015/16 Carry Forward of surplus.
Caroline Corcoran	90583	CLAMPA Licences	126,780.00		126,780.00	126,784.19	4.19	
Caroline Corcoran	90743	Admissions	190,400.00		190,400.00	183,459.24	-6,940.76	Supplies and Services underspend
Schools Block Total			65,670,150.00	-752,510.00	64,917,640.00	64,385,405.20	-532,234.80	
Ian Pearson	90010	Nursery Schools	779,380.00		779,380.00	779,853.00	473.00	
Avril Allenby	90017	Early Years Support Team	95,960.00		95,960.00	92,062.97	-3,897.03	Employees underspend
Avril Allenby	90018	Expenditure on 2 year olds	611,450.00		611,450.00	705,082.40	93,632.40	Actual Hours of Provision more than budget
Avril Allenby	90036	Early Years Funding for PVI	4,382,000.00		4,382,000.00	4,554,292.52	172,292.52	Actual Hours of Provision more than budget
Ian Pearson	90037	Early Yrs Funding Maintained Sector	1,133,080.00		1,133,080.00	1,115,508.00	-17,572.00	
Avril Allenby	90052	Early Years PFG & Deprivation Funding	100,000.00		100,000.00	36,973.37	-63,026.63	Low take up of Premium
Rhian Ireland	90287	Pre School Teacher Counselling	45,000.00		45,000.00	45,000.00	0.00	
Early Years Block Total			7,146,870.00	0.00	7,146,870.00	7,328,772.26	181,902.26	
Nicola Ponton	90026	Academy Schools RU Top Ups	546,760.00		546,760.00	483,102.00	-63,658.00	Fewer EHC Plans requiring Top Up Funding
Nicola Ponton	90539	Special Schools - Top Up Funding	3,142,550.00		3,142,550.00	3,108,607.00	-33,943.00	Demand Led - not as many additional places required as anticipated
Nicola Ponton	90548	Non WBC Special Schools - Top Up Funding	1,068,100.00		1,068,100.00	904,043.14	-164,056.86	Alternative settings used due to Thames Valley Free School being full.
Nicola Ponton	90575	Non LEA Special School (OofA)	750,950.00		750,950.00	790,409.60	39,459.60	Demand Led
Nicola Ponton	90579	Independent Special School Place & Top Up	1,683,500.00		1,683,500.00	1,588,161.27	-95,338.73	Savings due to late starters
Nicola Ponton	90580	Further Education Colleges Top Up	832,650.00		832,650.00	753,033.32	-79,616.68	Reduced costs negotiated by SEN Team.
Nicola Ponton	90617	Resourced Units top up Funding Maintained	367,910.00		367,910.00	306,091.00	-61,819.00	Lower number of pupils than budgeted
Nicola Ponton	90618	Non WBC Resourced Units - Top Up Funding	50,000.00		50,000.00	34,037.11	-15,962.89	Demand Led
Nicola Ponton	90621	Mainstream - Top Up Funding maintained	480,420.00		480,420.00	526,027.15	45,607.15	Increased number receiving Top Up funding in Nursery places.
Nicola Ponton	90622	Mainstream - Top Up Funding Academies	184,790.00		184,790.00	184,101.06	-688.94	Demand Led
Nicola Ponton	90624	Non WBC Mainstream - Top Up Funding	66,220.00		66,220.00	61,217.16	-5,002.84	Demand Led
Cathy Burnham	90625	Pupil Referral Units - Top Up Funding	1,033,340.00		1,033,340.00	1,292,642.00	259,302.00	Pupils placed from other Specialist SEN Settings and Post 16 places not funded by School Contribution. High number of pupils placed with 'Exceptional' Banding
Nicola Ponton	90627	Disproportionate No: of HN Pupils NEW	127,690.00		127,690.00	114,033.00	-13,657.00	Demand led
High Needs Block: Top Up Funding Total			10,334,880.00	0.00	10,334,880.00	10,145,504.81	-189,375.19	
Cathy Burnham	90320	Pupil Referral Units	840,000.00		840,000.00	840,000.00	0.00	
Ian Pearson	90540	Special Schools	2,860,000.00		2,860,000.00	2,860,000.00	0.00	
Nicola Ponton	90584	Resourced Units - Place Funding	470,830.00	-17,500.00	453,330.00	453,334.00	4.00	Speenhamland Transfer
High Needs Block: Place Funding Total			4,170,830.00	-17,500.00	4,153,330.00	4,153,334.00	4.00	
Rhian Ireland	90238	Sen Pre School Childrn	50,210.00		50,210.00	41,879.81	-8,330.19	Unexpected low uptake in the Autumn Term
Nicola Ponton	90240	Applied Behaviour Analysis	76,130.00		76,130.00	77,947.03	1,817.03	Demand Led
Rhian Ireland	90280	Cognitive and Learning Team	300,280.00	-27,840.00	272,440.00	271,247.34	-1,192.66	Supplies and Services underspend
Rhian Ireland	90288	Elective Home Education Monitoring - New	0.00	27,840.00	27,840.00	22,751.28	-5,088.72	Exam Grant uptake from parents lower than expected.
Jane Seymour	90289	Learning Independence for Travel	40,000.00		40,000.00	16,670.40	-23,329.60	Recruitment to post later than expected.
Jane Seymour	90290	Sensory Impairment	238,800.00		238,800.00	198,866.20	-39,933.80	Due to Joint Arrangement costs negotiations. Refunds of £14.5k in relation to previous years.
Jane Seymour	90295	Therapy Services	324,430.00		324,430.00	293,320.12	-31,109.88	Due to Contract negotiations.
Cathy Burnham	90315	Home Tuition	300,000.00		300,000.00	358,550.96	58,550.96	Due to high numbers of pupils increase in Supply Teachers' costs.
Rhian Ireland	90555	LAL Funding	116,200.00		116,200.00	116,200.00	0.00	
Nicola Ponton	90565	Equipment For SEN Pupils	20,000.00		20,000.00	18,660.80	-1,339.20	Demand led
Jane Seymour	90577	SEN Commissioned Provision	540,260.00		540,260.00	476,407.34	-63,852.66	Two places funded by Other LA's
Cathy Burnham	90582	FRU Outreach	117,000.00		117,000.00	117,000.00	0.00	
Jane Seymour	90585	HN Outreach Special Schools	70,000.00		70,000.00	70,000.00	0.00	
Nicola Ponton	90610	Hospital Tuition	20,000.00		20,000.00	43,107.00	23,107.00	Specialist Hospital Tuition for WBC pupils
Rhian Ireland	90830	ASD Teachers	139,720.00		139,720.00	137,805.88	-1,914.32	Employees underspend
Cathy Burnham	90961	Vulnerable Children	60,000.00		60,000.00	36,020.82	-23,979.18	Outturn includes use of 2015-16 Carried Forward surplus. Carry Forward and of 2016-17 surplus to be requested.
High Needs Block: Non Top Up or Place Funding			2,413,030.00	0.00	2,413,030.00	2,296,434.78	-116,595.22	
High Needs Block Total			16,918,740.00	-17,500.00	16,901,240.00	16,595,273.59	-305,966.41	
Total Expenditure across funding blocks			89,735,760.00	-770,010.00	88,965,750.00	88,309,451.05	-656,298.95	
SUPPORT SERVICE RECHARGES			720,890.00		720,890.00	720,890.00	0.00	
TOTAL DSG EXPENDITURE			90,456,650.00	-770,010.00	89,686,640.00	89,030,341.05	-656,298.95	

Union Work supported by 'Facilities Time' June 2016 – May 2017

Report to West Berkshire Schools Forum May 2017

What union officers do

Union officers use 'facilities time' to work with members experiencing professional pressures and difficulties.(casework) and to support groups of members either in individual schools or through negotiation and consultation with the local authority acting on behalf of its schools (collective work).

Collective issues have in recent years become focussed on individual schools rather than the whole LA. Most decisions are made at the school level. We have noted a blurring of the distinction between casework involving the individual and that involving groups. As an example pressure placed on a Headteacher by a parent or governor has a knock on effect on the senior management team and beyond, especially in primary schools.

It is more efficient for there to be a core group of union officers who are trained (and in most cases very experienced), than for schools to release their own staff to undertake the work. Each school representative would need extensive and regular training and time off during the school day. He/she would also be unlikely to have the opportunity to gain the desirable experience in dealing with a broad range of issues.

The union officers spend most of the facilities time dealing with member teachers and headteachers. Teachers in West Berkshire schools are able to contact their union representative directly by email or telephone. Issues raised by members in this way are known as casework. Casework can be divided into capability; disciplinary; grievance; and contracts, pay and conditions including redundancy.

Whenever possible we give advice on how the member can try to resolve the matter for themselves. This is often successful, as local officers know individual schools well and are often able to advise teacher members how they can deal with a problem informally. However, there are a number of cases where the union officer has to make contact with school management, human resources provider or an LA officer directly. This may involve a face-to-face meeting. School policies confer a right for employees to be accompanied at most meetings by a union representative.

Capability, in its broader sense, now includes support through performance management as well as the formal capability procedure. The capability procedure may be invoked when the employer deems that an employee's performance is below that expected. An employee is entitled to be accompanied by a union representative at all stages.

Questions of capability also include incapability through illness. Usually an employee is referred for a consultation with an occupational health medical professional and advice to management is produced. This advice is discussed with the employee, who is entitled to be accompanied by a union representative. We have noted an increase in the number of ill health capability cases. This may not be due to an increase in staff illness but to management invoking ill health capability meetings earlier in a member's absence than before. There is no data available to enable comparisons to be made.

We have concerns that governors and headteachers are not always clear as to the distinct role each has in school management. This has led to casework in a worrying number of schools.

Report to West Berkshire Schools Forum May 2017

Disciplinary, includes investigations of complaints and allegations as well as any formal hearings. An employee is entitled to be accompanied by a union representative at an investigative interview and at any hearing. We are concerned that headteachers and governors are increasingly inclined to pursue a formal route (hearing) rather than informal route (advice) when dealing with disciplinary issues.

Grievance is where the employee lodges a grievance against their employer. Formal grievances are quite rare, but very time consuming for all concerned. Problems that might lead to a grievance are usually resolved through informal discussion between school management and the member, supported by their union officer either in person (or, more frequently, through prior discussion between the member and the union officer). An employee is entitled to be accompanied at meetings.

Grievances can also be collective (a group of employees who are affected by the same issue) rarely reach the formal stage.

Contracts, Pay and Conditions issues such as pay determination appeals and questions of what teachers can be directed to do are becoming increasingly common but are often straightforward to resolve.

Collective cases

These include consultation on changes to working conditions such as pay policies, sickness absence policies, codes of conduct restructuring and redundancy.

This school year has again seen an increase in the number of school restructurings accompanied by the risk of redundancy, as school budgets come under further pressure. The redundancy procedure is complex and often involves multiple meetings. The threat of redundancy can quickly undermine morale in a school and often the role of union officers is to reassure and support employees as well as ensuring that correct procedures are followed. We often spend a lot of time working with school management to ensure that selection criteria are robust – no one wants to end up with a decision ending up before an employment tribunal.

Where schools elect, or are compelled, to become academies the ACAS guide to Transfer of Undertakings (Protection of Employment) regulations known as TUPE requires consultation with staff and union representatives through the process. There is always at least one meeting with staff and unions and often one or more change in employment practice that is consulted on.

LA Policies and guidance

In addition to the above, time has been spent on consultation on policy and guidance documentation that the LA to issue to schools (saving schools the need to consult/negotiate at a school level) and research, planning, inter-union and internal union consultation.

Union Work supported by 'Facilities Time' June 2016 – May 2017

Report to West Berkshire Schools Forum May 2017

Activity

Number of contacts made to/by union officers

Casework	Email	Phone	In person	Meeting
Capability Issues ¹	2	6	4	21
Pay & Conditions	15	8	5	2
Contracts	6	1	0	0
Disciplinary Issues	8	6	2	3
Grievance	7	2	1	1
Redundancy**				18
Restructuring**	22			8

Collective	In Person
LA Meetings ²	32**
Deliver Training	6
Personal (estimated hours)	
Receive Training	140
Research	100
Union Briefing	40

¹ Includes formal support through appraisal

² Such as Joint Consultative Panel and Education Liaison meetings.

** Number of attendances or responses. Officers of several unions are normally present at each meeting

Notes

This is hierarchical, i.e. an email that leads to a meeting is not recorded.

Email: number of members supported by an exchange of emails

Phone: number of members supported through at least one phone call.

In person: number of members with whom a officer has met at least once

Meeting: number of members supported at a meeting with management.

Hearing: number of members supported at a hearing

Officers also spend time on internal union organisation such as attending, committee and general meetings. These activities are not undertaken in 'facilities time' Each union has a support infrastructure for its officers that includes reference resources as well as briefings and training courses included above.

Facilities payments to schools for 2016 - 2017

Payments are made to the schools that employ each union's principal officer. The payments accord to a formula, which takes into account membership and also reflects a basic level of activity that every union needs to undertake.

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Agenda Item 12

Schools Forum Work Programme 2017/18

	Item	HFG Deadline	Heads Funding Group	SF Deadline	Schools Forum	Action required	Author
Term 6	Schools Funding Formula 2018/19 Proposal	28/06/17	05/07/17	10/07/17	17/07/17	Decision	Claire White
	De-delegations and Buy Back arrangements for 2018/19	28/06/17	05/07/17	10/07/17	17/07/17	Decision	Claire White
	School Budgets 2017/18 & Schools in Financial Difficulty	28/06/17	05/07/17	10/07/17	17/07/17	Discussion	Claire White
	DSG Monitoring Month 3			10/07/17	17/07/17	Discussion	Ian Pearson
	Vulnerable Children's Fund - Annual Report for 2016/17			10/07/17	17/07/17	Information	Michelle Sancho
	Scheme for Financing Schools 2017/18	30/05/17	06/06/17	10/07/17	17/07/17	Decision	Claire White
Term 1	Schools' Forum Membership & Constitution from September 2017			10/07/17	17/07/17	Decision	Jessica Bailiss
	Schools Funding Formula 2018/19	04/10/17	11/10/17	16/10/17	23/10/17	Decision	Claire White
	Additional Funding Criteria 2018/19	04/10/17	11/10/17	16/10/17	23/10/17	Decision	Claire White
	De-delegations 2018/19	04/10/17	11/10/17	16/10/17	23/10/17	Decision	Claire White
	High Needs Places and Arrangements 2018/19	04/10/17	11/10/17	16/10/17	23/10/17	Discussion	Jane Seymour
	Election of Chair and Vice-Chair			16/10/17	23/10/17	Decision	Ian Pearson
Term 2	DSG Monitoring 2017/18 Month 5			16/10/17	23/10/17	Information	Ian Pearson
	Draft DSG Funding & Budget 2018/19	21/11/17	28/11/17	04/12/17	11/12/17	Discussion	Claire White
	Final School Formula Proposal 2018/19	21/11/17	28/11/17	04/12/17	11/12/17	Decision	Claire White
	Draft High Needs Budget 2018/19	21/11/17	28/11/17		11/12/17	Discussion	Jane Seymour & Cathy Burnham
	Draft Early Years Budget 2018/19	21/11/17	28/11/17	04/12/17	11/12/17	Discussion	Avril Allenby
	Update on Schools in Financial Difficulty	21/11/17	28/11/17	04/12/17	11/12/17	Information	Claire White
Term 3	Schools Funding Benchmarking Information	21/11/17	28/11/17	04/12/17	11/12/17	Information	Claire White
	DSG Monitoring 2017/18 Month 7			04/12/17	11/12/17	Information	Ian Pearson
	Dedicated Schools Grant (DSG) Funding Settlement and Budget Overview 2018/19	03/01/18	10/01/18	15/01/18	22/01/18	Discussion	Claire White
	Final Schools Block Budget 2018/19	03/01/18	10/01/18	15/01/18	22/01/18	Decision	Claire White
	High Needs Block Budget Proposals 2018/19	03/01/18	10/01/18	15/01/18	22/01/18	Decision	Jane Seymour & Cathy Burnham
	Early Years Block Budget Proposals 2018/19	03/01/18	10/01/18	15/01/18	22/01/18	Decision	Avril Allenby
Term 4	Growth Fund and Falling Rolls Fund 2017/18			15/01/18	22/01/18	Information	Claire White
	DSG Monitoring 2017/18 Month 9			15/01/18	22/01/18	Information	Ian Pearson
	Work Programme 2018/19	20/02/18	27/02/18	05/03/18	12/03/18	Decision	Jessica Bailiss
	Final DSG Budget 2018/19	20/02/18	27/02/18	05/03/18	12/03/18	Decision	Claire White
	Final High Needs Block Budget 2018/19	20/02/18	27/02/18	05/03/18	12/03/18	Decision	Jane Seymour & Cathy Burnham
	Final Early Years Block Budget 2018/19	20/02/18	27/02/18	05/03/18	12/03/18	Decision	Avril Allenby
	DSG Monitoring 2017/18 Month 10			05/03/18	12/03/18	Information	Ian Pearson

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