

Notice of Meeting

Schools Forum

Monday 16th July 2018 at 5.00pm

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

Date of despatch of Agenda: Tuesday, 10 July 2018

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
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Agenda - Schools Forum to be held on Monday, 16 July 2018 (continued)

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

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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, 18 JUNE 2018

Present: Reverend Mark Bennet, Jonathon Chishick, Catie Colston, Chris Davis, Lynne Doherty, Reverend Mary Harwood, Brian Jenkins, Mollie Lock, Patrick Mitchell, Graham Spellman (Vice-Chairman), Bruce Steiner (Chairman), Suzanne Taylor and Keith Watts

Also Present: Wendy Howells (Finance Manager: Schools), Ian Pearson (Head of Education Service), Annette Yellen (Accountant for Schools Funding and the DSG) and Jessica Bailiss (Policy Officer (Executive Support))

Apologies for inability to attend the meeting: Councillor Anthony Chadley, Jacquie Davies, Antony Gallagher, Keith Harvey, Angela Hay, Jon Hewitt, Lucy Hillyard, Chris Prosser, David Ramsden, Michelle Sancho and Jane Seymour

PART I

85 Election of Chairman and Vice-Chairman

Ian Pearson in the Chair

Ian Pearson opened the meeting and informed members that the former Chairman of the Schools' Forum John Tyzack had sadly passed away. Ian Pearson stated that John Tyzack had chaired the Schools' Forum from its inception and had sat on the Schools' Consultative Panel, as well as being a Governor and Chair of Governors at a number of schools. He had been a great supporter of the work of the Schools' Forum and had brought a great sense of humour to meetings. A letter would be set from the Chairman on behalf of the Forum, expressing its condolences.

Ian Pearson invited the Forum to nominate and vote on the positions of Chairman and Vice-Chairman for the coming year.

RESOLVED that Bruce Steiner would continue as Chairman of the Schools' Forum for the 2018/19 municipal year, subject to continuing for a further term from July 2018 (see Membership).

Bruce Steiner in the Chair

RESOLVED that Graham Spellman would continue as Vice-Chairman of the Schools' Forum for the 2018/19 municipal year.

86 Minutes of previous meeting dated 12th March 2018

The minutes of the meeting held on the 12th March 2018 were approved as a true and correct record and signed by the Chairman.

87 Actions arising from previous meetings

There were no actions from the previous meeting.

88 Declarations of Interest

There were no declarations of interest received.

89 Membership

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The following points were noted regarding Membership:

- Mark Bennett's term ended in March 2018 and he confirmed that he had consulted his relevant colleagues and wished to continue.
- Bruce Steiner's term would end in July.
- Helen Newman had stood down from the Schools Forum as she was no longer a Governor at The Willink.

RESOLVED that Chris Prosser and David Ramsden to consult with the relevant governing bodies regarding the secondary governor vacancy.

90 **Scheme for Financing Schools 2018/19 (Wendy Howells)**

Wendy Howells introduced the Scheme for Financing Schools document (Agenda Item 7), which highlighted changes that had been made.

Wendy Howells reported that schools had to be consulted on the document. The copy included with the agenda highlighted what needed to be changed. Text highlighted in yellow/orange were statutory changes and text highlighted in blue showed changes that were for the Local Authority area.

The Local Authority change (on page 21) included an amendment to the policy for schools in deficit, which would mean that the whole document did not have to be brought back for agreement each time a change was required to this section.

RESOLVED that the Scheme for Financing Schools would be brought back to the Schools' Forum in July for agreement.

91 **DSG Outturn 2017/18 (Ian Pearson)**

Ian Pearson introduced the report (Agenda Item 8), which set out the actual deployment of the Dedicated Schools Grant (DSG) in 2017/18, explained the main variances and proposed the amount to be carried forward to 2018/19.

The report recommended that the Schools' Forum approve the overall carry forward, and the utilisation of the unspent DSG funds being carried forward from 2017/18 to 2018/19 as set out in section eight of the report. The Heads Funding Group (HFG) had considered the report at its meeting on the 6 June 2018 but had not reached a proposal on how the money should be used and therefore would reconsider the item at its meeting in July 2018. Therefore the item was only for discussion and would be brought back to the Forum in July with proposals, seeking agreement.

Ian Pearson explained that the report set out spend against the various blocks and identified any underspends. A breakdown of how DSG funding had been used could be seen under Appendix A to the report on pages 57 and 58. The situation had improved from what had been forecast and although there were still pressures to be faced going forward, there was an improved position.

Wendy Howells reported that Table 1 on page 50 of the agenda summarised the overall year end position for each DSG block, also compared to the Month Ten forecast, which was used when setting the budget for 2018/19. The final position was an overspend of £13,549. The final budget for 2017/18 was set at an overspend of £844k, so the final outturn was £787k better than the planned overspend and £689k better than the forecast overspend of £702k at Month 10.

The Schools Block had seen a larger underspend than usual and this was set out in Table 2 on page 51. During 2017/18, five schools had received funding from the maintained schools' Primary Schools in Financial Difficulty de-delegated fund, leaving an unspent budget of £259,099.

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The Early Years Block was in a better than expected position. This was partially due to take up of the additional 15 hours (particularly in the autumn term and to a lesser extent the spring term) being lower than expected and what was budgeted for. This was the main reason why total payments to providers in 2017/18 were £481k below budget. Also the final level of funding for early years in 2017/18 was based on the January 2018 census. As the take up of the additional hours was higher in the spring term than in the autumn term, the estimated final level of funding for the Early Years Block was only £364k below the budgeted level, giving an estimated deficit for the Block at the end of 2017/18 of £118k.

The High Needs Block had anticipated an overspend of £490k and achieved a £309k overspend at year-end, an £181k improvement with the top up funding for Further Education being the largest contributor to the improved position. This was largely because of an overestimation of Newbury College costs in 2017/18. The main overspend in the High Needs Block was the PRU top ups and it was noted the PRU ended the year with a significant balance.

Wendy Howells referred back to page 51, which set out options for how unspent funds could be utilised. The unspent primary schools in financial difficulty funding (£259,099) could be added to the funding available in 2018/19 to help meet restructuring costs for schools in deficit, which would provide a total budget of £379,120. Alternatively for this and other de-delegated services un-utilised funding could be carried forward to the following funding period as with any other centrally retained budget. There was an option to use the underspend specifically (as one off expenditure) in the current years' budget for each specific service area, or be used to reduce the cost of the de-delegated service to schools in the following year. Wendy Howells stated that this part was still undecided and would need to go back to the HFG so that recommendations could be formed.

A decision would also be required regarding school improvement funding. School improvement was funded via a new school improvement grant and therefore the under spend of £73,410 relating to school improvement could be used to either fund additional school improvement services or increase the budget of any other de-delegated services. Alternatively it could be carried forward to the next funding period to reduce the cost of de-delegations in 2019/20.

Wendy Howells highlighted that the table on page 57 gave the 2017/18 budget monitoring year end position.

Reverend Mark Bennett noted that the Schools in Financial Difficulty Fund seemed to be accumulating year on year. Wendy Howells confirmed that there had already been three to four bid applications received from schools for the fund since the beginning of the financial year and some of these were for substantial sums of money. Bids to the fund would go the HFG and Schools' Forum for consideration in July 2018.

Ian Pearson stated that there were some schools with a deficit balance and some with a surplus. Part of the deficit recovery work would involve looking at the cause of these differences. The Schools in Financial Difficulty Fund had an agreed expanded use and could be used for deficit recovery work and helping to meet redundancy costs. Reverend Mark Bennett noted that although it was uncertain how many schools would apply for funding, it seemed to be growing year on year. He asked how the money could be used strategically. Ian Pearson stated that in due course the Schools' Forum might wish to cap the budget. A decision on this would be required.

Councillor Lynne Doherty noted that Table 1 under paragraph 4.1 set out the year end position for each DSG Block and felt that it would be useful to have trend data so that comparisons could be made to the previous year. There were often variances between month 10 and year-end and Councillor Doherty felt it would useful to know if this was

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occurring annually. Wendy Howells felt that for the Schools' Block, the underspend in delegated services could possibly have been foreseen. The Early Years Block on the other hand was more difficult to predict.

Councillor Doherty commented that the information would hopefully show where focus was required on modelling work going forward. Wendy Howells acknowledged the point however, did not feel that all the issues could be attributed to modelling.

Ian Pearson highlighted that part of the report considered how unspent funding could be allocated going forward. He stated that the Forum had often discussed how there was not enough funding available to meet the needs of pupils falling within the High Needs Block. A change in the funding formula was unlikely and therefore an 'invest to save' approach could be considered.

As the 2018/19 High Needs Block had been set with a £565k overspend, but the actual position was £256k, it was proposed that £156k be used to reduce the deficit in 2018/19 and to utilise £100k in invest to save proposals, to lower the cost of the High Needs Block and in line with the SEND Strategy. It was highlighted that the money would be a one off sum.

Ian Pearson added that he needed to flag an issue regarding costs associated with resource units. Some schools provided an area wide resource, however the funding allocated to the resource units through the formula did not cover all the costs incurred by these services. The system did not seem to be working as planned as schools hosting a resource unit should be able to do so without incurring any net costs.

Keith Watts asked how long the issue with the resource centres had been occurring. Ian Pearson stated that members of the Forum might recall that the funding formula for resources had been reworked recently however, it did not seem to have worked and would need re-visiting.

Patrick Mitchell agreed that the situation with the resource centres seemed unfair however, there was a similar situation when a school accepted a child with an EHC Plan. The school was often not the catchment school but could offer better support for the needs of the child. Ian Pearson reported that they were talking about strategically formed resource units. If a child with significant needs required an EHC plan, then funding would be attached to this.

Jonathon Chishick asked what level of shortfall schools with resource centres were facing. Ian Pearson stated that he only had anecdotal information on this however, Trinity had stated that it was having to subsidise funding provided by West Berkshire Council by circa £20k.

Jonathan Chishick referred to the £100k for spend to save projects and asked if this was a finalised figure and what the process would be for agreeing projects. Ian Pearson stated that officers would be expected to provide a business case for each proposal. All proposals could for example accumulate to £200k however, the Schools' Forum would then need to agree which projects should be adopted.

RESOLVED that in due course a decision needs to be taken on how to effectively manage the Schools in Financial Difficulty Fund.

92 School Balances 2017/18 (Wendy Howells)

Wendy Howells introduced the report (agenda item 9) which set out for information purposes the year end balances for all maintained schools, highlighting those schools with a deficit or significant surplus.

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Table 1 summarised the overall closing balances of West Berkshire maintained schools compared to the previous year and Table 2 gave a breakdown of the 2017/18 year-end balances by type of fund.

Ian Pearson stated that last year, the Schools' Forum had been concerned about unspent Pupil Premium funding. An investigation was carried out and miscoding was identified as a contributing factor. It was uncertain as to why certain schools had not corrected the issue. Work would need to take place going forward to investigate schools with significant surpluses. Patrick Mitchell commented that it could be a timing issue particularly regarding Pupil Premium funding and the Sports Fund, as these funds were reported in line with the academic year. This would explain why there was still a significant balance at the end of the financial year.

Catie Colston queried if schools were able to merge Pupil Premium funding with other budgets. Ian Pearson stated that schools had to separately report on how Pupil Premium funding was utilised.

Suzanne Taylor asked if Pupil Premium funding details had been viewed on individual schools' websites to see if the funding matched what they had been given. Councillor Lynne Doherty added the caveat that not all schools were as robust in their reporting as others.

Patrick Mitchell commented that regarding the Sports Fund, schools had received an increased budget late in the year and therefore they might be acting cautiously about spending it.

Councillor Doherty referred to paragraph 4.5 and noted the £2.9 million being held in revenue balances. Councillor Doherty asked if like with the Council, there was a reserve budget for schools. Ian Pearson stated that schools would be aware of their balances in advance and a surplus of 10% or over was considered in excess of the norm.

Councillor Doherty asked what was considered to be a healthy balance and Ian Pearson commented that 5% was generally what was expected. The Chairman stated that it was important to note that governors often had varying views on this. Keith Watts stated that it also depended on the size of a school's budget to begin with. Reverend Mark Bennett stated that unexpected costs such as maternity costs and recruitment could have a big impact on schools budgets.

Suzanne Taylor felt that caution needed to be taken as the aim was to motivate schools to save money and plan ahead. Chris Davis concurred with this and stated that this was why the HFG had asked for further information from schools with a budget of more than 10%. Money being held back would have little benefit to children. Chris Davis added that the HFG had also discussed that a clear format was required when asking schools for information on their balances. There were a higher number of schools ending the year with a surplus or a deficit and therefore the question that needed to be asked was what was being done to ensure schools across West Berkshire were receiving the right amount of funding from the offset.

Reverend Mary Harwood stated that she was aware that Chaddleworth (considered a school with a significant surplus) and Great Shefford Primary Schools were predicting a deficit for the following two years and she felt that some small schools needed congratulating for thinking ahead.

Wendy Howells reported that Table 1 showed the position of school balances at the end of the year and some schools had moved out of deficit, which was very positive. The seven schools that had closed the year with either a worse deficit than planned or an unplanned deficit would be worked with closely.

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Patrick Mitchell noted that some of the narrative provided by the Willows Primary School did not match the information within the table in the report. Wendy Howells confirmed this was a typographical error and would be corrected.

It was asked if the Schools' Forum had a role to play in obtaining further information from schools. Wendy Howells confirmed that the HFG had requested further information from schools of concern and this information would be brought to the meetings of the HFG and Schools' Forum in July 2018.

Reverend Mark Bennett asked what had been learnt from the process and Wendy Howells reported that there had been one school that the Schools' Finance Team had not expected to report a deficit at year end. A process would begin whereby the Schools' Finance Team would work with the school to identify the issues. Reverend Mark Bennett asked if there were any indicators that could have flagged up that there were problems. Wendy Howells explained that if a school predicted a deficit then they would be monitored. If the school did not set a deficit or seek support then the Schools Finance Team were not able to send an officer in to provide support as they would not be aware of the situation. Schools had a delegated budget and were not obliged to send in additional information until they were in deficit as per the Scheme for Financing Schools.

Keith Watts asked if schools were asked about their expected levels of expenditure. Wendy Howells reported that schools were asked these questions when setting their budgets and a judgement was made regarding whether their figures were realistic. When a school was at risk of going into deficit then the Schools Finance Team would work with the school. However, it needed to be noted that there were also staffing pressures within the Schools Finance Team.

Chris Davis commented that he was interested to understand what could be improved, for example conducting a mid-term check to ensure all schools were monitoring their budgets. Wendy Howells agreed that it was these kinds of checks that needed to be carried out however, like in other areas of the Local Authority, it was about having the funding and resources to be able offer this level of support.

Ian Pearson noted that it was highlighted in the report that in some instances governing bodies were unaware of the situation being faced by their school and improving communication in this area might have a role to play going forward.

Wendy Howells reported that corporately the Local Authority monitored budgets at months three, six and nine, so the Schools' Forum might be minded to take the same approach, or alternatively just monitor at month six and nine if resources were an issue. Patrick Mitchell concurred with this approach however, stated that the capability of schools was being relied upon and in some instances the information received at month six might not be reliable. Wendy Howells acknowledged this point.

Suzanne Taylor asked if any training was offered to schools on forecasting. Wendy Howells felt that this was something that could be looked into. Reverend Mary Harwood stated that it was important to ensure that governing bodies were asking the right questions in order to get to grips with and deal with situations when they occurred.

Wendy Howells moved on to Table 4, which showed schools with significant surpluses in excess of 10% of their budgets. The HFG had asked for further information on schools showing a continued surplus and this was detailed in Table 5.

Chris Davis commented that the information contained within table 5 was very interesting. He felt that if schools with a continued surplus above 10% had been asked in 2013/14 what they expected this to look like going forward, none of them would have been likely to predict a larger surplus. There was a level of scrutiny required that would need to investigate annual data and would require robust justifications from schools.

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Keith Watts felt that important points had been raised about governing bodies. He was concerned that there was an element of governors who viewed a surplus as profit and allowed it to build up. There could also be an element of overzealous housekeeping and the relevant questions needed to be asked to discover the cause of surplus build up.

Wendy Howells confirmed that a table including predications for main schools budgets for 2018/19 and 2019/20 would be brought the next round of meetings in July 2018.

RESOLVED that a report would be brought back to the HFG and Schools' Forum meetings in July including:

- Further information on school balances and schools in financial difficulty.
- Information on work taking place to reduce the number and size of deficit being faced by schools.
- Forecast information for the main schools budgets.

93 **Vulnerable Children's Fund - Annual Report for 2017/18 (Michelle Sancho)**

Ian Pearson introduced the report which aimed to review the Vulnerable Children's Fund for 2017/18. The report set out how much money had been used in 2017/18 in the form of a table shown on page 80.

Graham Spellman noted that the fund was obviously well utilised and had received good feedback from those able to access it. He queried if it would be worth considering reimbursing the £10k that had been cut from the fund in 2017/18. Ian Pearson stated that this could be done however, highlighted this would only increase the fund for a year. It could be a bid against the £100k.

RESOLVED that the Schools' Forum noted the report.

94 **Trade Union Facilities Time - Annual Report for 2017/18 (Keith Watts)**

Keith Watts introduced the report that aimed to inform members of the activities of the teacher trade unions and invited any questions.

RESOLVED that the Schools' Forum noted the report.

95 **Forward Plan**

Jessica Bailiss stated that she had noted the additional items that needed to be added to the Work Programme and would update it accordingly.

RESOLVED that the Schools' Forum noted the Work Programme.

96 **Any Other Business**

There was no other business.

97 **Date of the next meeting**

The next meeting would take place on Monday 16th July 2018, 5pm at Shaw House.

(The meeting commenced at 5.00 pm and closed at 6.15 pm)

CHAIRMAN

Date of Signature

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Agenda Item 3

Ref No.	Date of meeting(s) raised	Item	Action	Responsible Officer	Comment / Update
Jun18 - Ac1	18th June 2018	Membership	Chris Prosser and David Ramsden to consult with the relevant governing bodies regarding the secondary governor vacancy.	Chris Prosser / David Ramsden	
Jun18 - Ac2	18th June 2018	Scheme for Financing Schools 2018/19	The Scheme for Financing Schools would be brought back to the Schools' Forum in July for agreement.	Wendy Howells	This will go to the Schools' Forum meeting in July (Agenda Item 9).
Jun18 - Ac3	18th June 2018	DSG Outturn 2017/18	In due course a decision needs to be taken on how to effectively manage the Schools in Financial Difficulty Fund.	Wendy Howells	
Jun18 - Ac4	18th June 2018	School Balances	A report would be brought back to the HFG and Schools' Forum meetings in July including: - Further information on school balances and schools in financial difficulty. - Information on work taking place to reduce the number and size of deficit being faced by schools. - Forecast information for the main schools budgets.	Wendy Howells	This will go to the HFG and Schools Forum in July (Agenda Item 12).

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Schools' Forum Membership and Constitution from September 2018

Report being considered by: Schools Forum on 16th July 2018
Report Author: Jessica Bailiss
Item for: Decision **By:** All Forum Members

1. Purpose of the Report

- 1.1 To review and where necessary update the membership and Constitution of the Schools Forum.

2. Recommendation

- 2.1 To approve the membership and Constitution of the Schools Forum from September 2017.

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/Background

- 3.1 The Schools' Forum is required to review its membership and constitution annually. The last change made to the constitution was in 2012 and there has since been no legislative changes requiring a change to our current practice. The current constitution complies with The Schools Forums (England) Regulations 2012. The membership however does need to be reviewed to see if the split based on pupil numbers is still correct or needs to be changed.
- 3.2 The current rules in respect to School Forum membership are as follows:
- (1) The need to have full representation for the various types of school with the number of members representing each being broadly proportionate to the number of pupils in each phase. This is to ensure debate within the Schools' Forum is balanced and representative.
 - (2) There is no minimum or maximum number of members, but non school members must not make up more than one third of the total membership. However, care should be taken to keep the Schools Forum to a reasonable size to ensure that it does not become too unwieldy.
- 3.3 The current breakdown in pupil numbers between the three main groups is as follows (*Pupil numbers include Nursery and Sixth Form*):

TABLE 1	Pupil Numbers (Jan 17 census)		Pupil Numbers (Jan 18 census)	
	Number	%	Number	%
Primary Schools	(63) 12, 930	52%	(62) 12,769	51%
Secondary Schools	(3) 3,861	15%	(3) 3,809	15%
Academy Schools	(10) 8,308	33%	(11) 8,513	34%
TOTAL	25, 099	100%	25,091	100%

(*The number of schools in each sector is shown in brackets)

3.4 Data shows that overall the percentage of pupils in each sector has remained relatively the same. No schools in West Berkshire have converted to Academies since the January 2017 census however, Lambourn Primary School is due to convert in September 2018 and therefore its pupil numbers have been included with the Academy data.

3.5 The current membership of the Schools' Forum is organised as follows:

TABLE 3					
School Members	Heads	Governors	Other	Total	
	Number	Number	Number	Number	%
Primary	4	3	1	8	50%
Secondary	2	1 (v)	0	3	19%
Academies	3	2	0	5	31%
	9	6	1	16	100%
Other School Members					
Nursery Schools	1			1	
Special Schools	1			1	
iCollege	1			1	
Non School Members					
RC Diocese			1	1	
C of E Diocese			1	1	
Early Years PVI			1	1	
Trade Union			1	1	
Non School Post 16			1	1	
TOTAL MEMBERSHIP	12	6	6	24	
Proportion of School Members (minimum must be 66.7%)				79.17%	

- 3.6 Elected Councillors join the Forum on the basis of being observers with speaking but not voting rights.
- 3.7 It is not proposed to make any changes to the structure of the membership.

4. Membership – end of term

- 4.1 The term of office for members of the Forum is three years or until the position by virtue of which they are eligible for Forum membership comes to an end, whichever is the sooner.
- 4.2 The following Forum members will be coming to the end of their terms in 2018:
- Bruce Steiner – July 2018
 - Jacquie Davies – October 2018
 - Charlotte Wilson – October 2018
 - Reverend Mary Harwood – October 2018
 - Angela Hay – December 2018
- 4.3 Each Member will be contacted individually as the end of their term approaches and asked to consult with their relevant forums.

5. Constitution

- 5.1 A single amendment has been made to the Constitution so that it reflects the Local Authority's rules on attendance at meetings. The amendment can be viewed under section 2.9 of the constitution:

2.9 Failure to attend meetings

Where a member of the Schools' Forum fails throughout a period of six consecutive months from the date of their last attendance to attend a meeting of the Forum (or to organise for an appropriate substitute to attend on their behalf), then subject to certain exceptions, they will cease to be a member of the Schools' Forum unless the failure was due to some reason approved before the expiry of that period.

- 5.2 Forum members are invited to suggest any further changes which they deem necessary or desirable.

6. Proposals

- 6.1 That the Schools' Forum agree the amendment regarding attendance at meetings as set out above in paragraph 5.1.
- 6.2 There have been no changes to the Regulations or Operational Guidance for the Schools Forum so it is not proposed to make any other changes to the Constitution.

7. Conclusion

- 7.1 The Schools Forum is invited to approve the membership and the Constitution for the Schools Forum from September 2018.

8. Consultation and Engagement

- 8.1 Ian Pearson (Head of Education) / Wendy Howells (Schools' Finance Manager) / Claire White (former Schools' Finance Manager).

9. Appendices

- 9.1 Appendix A: Membership of the Schools Forum as at July 2018
- 9.2 Appendix B: Constitution of the Schools Forum

West Berkshire Council Schools' Forum

Membership as of September 2018

Contact e-mail address for all members: schoolsforum@westberks.gov.uk

School Members:				E-Mail Address	Start	End	Duration
<u>Nursery Schools</u>	Suzanne Taylor	Headteacher	Hungerford Nursery School	headteacher@hungerfordnursery.w-berks.sch.uk	Apr-17	Apr-20	3 years
<u>Primary Schools</u>	Jonathan Chishick	Governor	Englefield C of E Primary	conyers.green@btinternet.com	Oct-16	Oct-19	3 years
	Antony Gallagher	Headteacher	Burghfield Primary School	headteacher@burghfield.w-berks.sch.uk	Jan-16	Jan-19	3 years
	Angela Hay	Headteacher	The Winchcombe School	headteacher@winchcombe.w-berks.sch.uk	Dec-15	Dec-18	3 years
	Keith Harvey	Headteacher	St Nicholas' School	headteacher@stnics.w-berks.sch.uk	Jan-16	Jan-19	3 years
	Chris Davis	Headteacher	Francis Baily Primary School	cdavis4@fb.w-berks.sch.uk	Feb-16	Feb-19	3 years
	Patrick Mitchell	School Business Manager	Francis Baily Primary School	finance.fbaily@fb.w-berks.sch.uk	Sep-17	Sep-20	3 years
	Catie Colston	Governor	St Nicholas' School	colstons@tiscali.co.uk	Apr-16	Mar-19	3 years
	Peter Hudson	Governor	Mortimer St Johns School	phudson@msj.w-berks.sch.uk	Apr-16	Mar-19	3 years
<u>Secondary Schools</u>	Chris Prosser	Headteacher	The Downs School	head@thedownsschool.org	Oct-17	Oct-20	3 years
	David Ramsden	Headteacher	Little Heath School	dramsdn@littleheath.org.uk	Sep-16	Sep-19	3 years
	<i>vacancy</i>						
<u>Special Schools</u>	Jon Hewitt	Headteacher	The Castle School	headteacher@castle.w-berks.sch.uk	Sep-16	Sep-19	3 years
<u>Pupil Referral Units</u>	Jacque Davies	Headteacher	The Reintegration Service	jdavies@icollege.org.uk	Oct-15	Oct-18	3 years
<u>Academies</u>	Reverend Mark Bennet	Governor	Kennet School	markbennet@btinternet.com	Mar-18	Mar-21	3 years
	Alan Henderson	Headteacher	John O'Gaunt School	ahenderson@johnogauntschool.co.uk	Dec-17	Dec-20	3 years
	Lucy Hillyard	Headteacher	Denefield School	LHD@Denefield.org.uk	Mar-17	Mar-20	3 years
	Bruce Steiner	Governor	St Bartholomews School	brucesteiner50@hotmail.com	Jul-18	Jul-21	3 years
	Charlotte Wilson	Headteacher	Trinity School	headteacher@trinity.newburyacademytrust.org	Oct-15	Oct-18	3 years
Non School Members:							
Non School Post 16 Providers	Ben Broyd	Learner Services Manager	Newbury College	b-broyd@newbury-college.ac.uk	Feb-16	Feb-19	3 years
Early Years PVI Providers	Brian Jenkins	Proprietor	Jubilee Day Nursery	brian.jenkins@btconnect.com	Sep-16	Sep-19	3 years
Church of England Diocese	Reverend Mary Harwood		Diocese of Oxford	maryharwood695@btinternet.com	Oct-15	Oct-18	3 years
Roman Catholic Diocese	Graham Spellman		Diocese of Portsmouth	graham@easytax.net	Jul-17	Jul-20	3 years
Trade Union	Keith Watts		NUT	keith.watts@neu.org.uk	Aug-16	Aug-19	3 years
Other Attendees:							
Executive Members:							
	Lynne Doherty	Portfolio Holder for Children and Young People		lynne.doherty@westberks.gov.uk			
	Mollie Lock	Shadow Portfolio Holder for Education, Children's Services, Adult Social Care, Health & Wellbeing		mollie.lock@westberks.gov.uk			
	Anthony Chadley	Portfolio Holder for Finance and Transformation		anthony.chadley@westberks.gov.uk			
LA Officers:							
	Ian Pearson	Head of Education Service		ian.pearson@westberks.gov.uk			
	Wendy Howells	Schools' Finance Manager		wendy.howells@westberks.gov.uk			
Clerk:							
	Jessica Bailiss	Policy Officer		jessica.bailiss@westberks.gov.uk			

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CONSTITUTION OF THE WEST BERKSHIRE SCHOOLS' FORUM

Background

1. The West Berkshire Schools Forum (hereafter referred to as the "the Forum").
2. The requirement to establish a schools forum comes from the Education Act 2002. The main purpose of the Forum is to consider aspects of the relationship between schools and the local authority relating to financial matters.
3. The Forum is a decision making and consultative body in relation to matters concerning schools' budgets as defined in the School and Early Years Finance (England) Regulations 2014, the Schools Forum Regulations 2012 and the School Budget Shares (Prescribed Purposes) (England) 2002. The Schools Forum Regulations 2012 govern the composition, constitution and procedures of Schools' Forums.¹

This document is divided into 3 sections:

- A. Terms of Reference of the West Berkshire Schools' Forum
- B. Membership of the West Berkshire Schools' Forum
- C. Operating Conventions of the West Berkshire Schools' Forum

A. TERMS OF REFERENCE OF THE FORUM

1.1 Status of the Forum

The Forum is established in accordance with Sections 47(1) 47A of the School Standards and Framework Act 1998 and The Schools Forums (England) Regulations 2012.

1.2 Annual Consultation on School Funding

The authority must consult the Schools Forum annually in respect of the authority's functions relating to school funding including:

- Changes to the funding formula.
- The allocation of the Dedicated Schools Grant (DSG), including redistributions between blocks
- Contracts where the LA is entering into a contract to be funded from the schools budget
- Funding arrangements for pupils with special educational needs, in particular the places to be commissioned by the LA and schools, and the arrangements for paying top up funding

¹ These Regulations can be accessed at: <http://www.education.gov.uk/schools/adminandfinance/financialmanagement/schoolsrevenuefunding/schoolsforums/a00213728/schools-forums-england-regs-2012>

- Funding arrangements for the use of Pupil Referral Units and the education of children otherwise than at school, in particular the places to be commissioned by the LA and schools, and the arrangements for paying top up funding
- Central spend on children and young people with high needs
- Funding arrangements for early years provision
- Central spend on licences negotiated centrally by the Secretary of State
- Administrative arrangements for the allocation of central government grants paid to the schools via the authority
- Changes to the Minimum funding Guarantee to go to the DfE for approval
- Any other matter concerning the funding of schools as the Forum sees fit

1.3 Annual Decisions on School Funding

School Forum Members must decide annually on the following proposals made by the LA:

- The amount of expenditure the local authority can centrally retain from the school budget, including growth fund, falling rolls fund, admissions, servicing of schools forum, central spend on early years
- The criteria for allocating funding from the growth fund and falling rolls fund
- The de-delegation for mainstream maintained schools of allowable central budgets by the schools representatives of the relevant phase on behalf of all the schools they represent.
- Carry forward of over/under spend on central expenditure to the next financial year
- Revisions to the authority's Scheme for Financing Schools

B. MEMBERSHIP OF THE FORUM

2.1 Composition

Schools' Forums regulations 2012 state that the primary schools, secondary schools and Academies must be broadly proportionately represented on the forum having regard to the total number of the registered pupils. The proportionality of the membership will be reviewed annually (in June/July) so that elections if required can be held by the end of the end of the Summer term ready for the new academic year.

The Forum shall in total comprise of 24 members being 19 school members (including Academies) and 5 non school members. The school members shall be Headteachers, Governors or Early Years representatives drawn from the schools / partnerships in the West Berkshire Local Authority area. The Primary and Secondary Headteacher members groups may also include, at the Local Authority's discretion, representatives of Headteachers - senior members of staff, such as School Business Managers.

2.2 School Members

The current number of representatives in each phase is as follows:

a) Primary Headteachers or their Representative

8 representatives from primary schools of which at least 4 must be Headteachers.

- b) Secondary Headteachers or their Representative**
3 representatives from secondary schools of which at least 2 must be Headteachers.
- c) Special School Representatives**
1 representative from the special schools.
- d) Nursery School Representatives**
1 representative from the nursery schools.
- e) Academy Headteachers or their Representative**
5 representatives from the Academies, as elected by the proprietors of the Academies, of which at least 2 must be Headteachers.
- f) Pupil Referral Unit Headteachers or their Representative**
1 representative from the Pupil Referral Units.

2.3 Election of Schools Members

The primary school and secondary school representatives shall be elected by their respective Heads Forum.

Academy representatives shall be elected by the Academies proprietors.

Governors shall be elected by the Governors Forum.

The special school representative shall be elected by mutual agreement between the two special schools.

The nursery school representative shall be elected by mutual agreement between the two nursery schools.

The pupil referral unit representative shall be elected by mutual consent between the pupil referral units.

Support can be requested by Heads Forums or Governors Forum to help manage their election process. The Clerk of the Schools' Forum must make a record of the process by which the constituents of each group elect their nominees to the Forum. An election scheme must take into account the following factors:

- The process for collecting names of those wishing to stand for election.
- The timescale for notifying all constituents of the election and those standing.
- The arrangements for dispatching and receiving ballots.
- The arrangements for counting and publicising the results.
- Any arrangements for unusual circumstances, such as only one candidate standing in an election or where there is a tie between two or more candidates.
- Whether existing members can stand for re-election.

If an election does not take place by any date set by the Authority or any such election results in a tie between two or more candidates the Authority will appoint the schools member.

2.4 Non-School Members

In addition to the 19 school members a representative of the following groups will have full voting rights within the Forum except for voting on the funding formulae where only the Early Years PVI Provider representative can vote:

- Roman Catholic Diocese
- Church of England Diocese
- Trade Union
- Early Years PVI Provider
- Non school Post 16

The representative will be elected by their group and the record of the appointment process will be held by the Clerk of the Schools' Forum.

2.5 Substitute Members

Representative groups may nominate permanent substitutes who have sufficient experience and knowledge of schools funding to attend meetings.

and/or

A stand-in substitute who attends as a full voting member if a headteacher or permanent substitute is unavailable. Stand-in substitutes may attend some meetings as an observer to gain an insight into the work of the Forum.

The clerk must be notified in writing 24 hours before the start of the meeting that a substitution will be required. Substitute members will have full voting rights when taking the place of the substantive member for whom they are the designated substitute.

2.6 Participation of Observers

Observers shall be invited to attend Forum meetings. Observers may participate in the debate but will not have voting rights should any business of the Forum require a vote. The following groups shall be asked if they would like to nominate an observer (and a named substitute) to the Forum:

- The Education Funding Agency (EFA)

2.7 Council Officers and Elected Members

Officers may attend and speak at the Forum meetings in an advisory capacity only. The following or their representatives will be invited to attend the Forum meetings:

- Corporate Director Communities or their representative
- Head of Finance or their representative
- Children & Young People Portfolio Holder
- Children & Young People Shadow Portfolio Holder
- Finance Portfolio Holder
- Clerk to the Schools' Forum

2.8 Terms of Office

The term of office for members of the Forum is three years. The same members can be reappointed providing they are re-elected by the group that they represent. This also applies to any permanent substitutes.

As well as the term of office coming to an end, a schools member ceases to be a member of the Schools' Forum if he or she resigns from the Forum, giving at least one month's written notice, or no longer occupies the office which he or she was nominated to represent. An election should be held within the outgoing members electing group to nominate a successor. The Clerk will then inform the Forum members of the result of the election within one month.

2.9 Failure to attend meetings

Where a member of the Schools' Forum fails throughout a period of six consecutive months from the date of their last attendance to attend a meeting of the Forum (or to organise for an appropriate substitute to attend on their behalf), then subject to certain exceptions, they will cease to be a member of the Schools' Forum unless the failure was due to some reason approved before the expiry of that period.

C. OPERATING CONVENTIONS OF THE WEST BERKSHIRE SCHOOLS FORUM

3.1 Ordinary Meetings

An ordinary meeting of the Forum shall be held, at a minimum, four times a year.

3.2 Administration of Meetings

Meetings of the Forum shall be convened by the Local Authority, who will arrange the clerking and recording of meetings. The cycle of annual meetings are based on the financial year. All the meeting dates for the next financial year are set by the end of March every year.

Items for consideration by the Forum shall be submitted to the Clerk no later than 10 working days prior to the meeting. The agenda and working papers should be circulated a week in advance of the meeting date. Every effort should be made to circulate minutes to Forum members within 10 working days of the meeting.

3.3 The Chair and Vice Chair

The Chair and Vice-Chair shall be elected from within the membership of the Schools Forum (but may not be either an elected member or an officer of the local authority).

3.4 Quorum

The Forum shall be quorate if at least 40% of the total membership is present (this excludes observers and vacancies). If the Forum is not quorate the meeting can proceed and the members present can give advice to the local authority, but the authority is not obliged to take that advice into consideration. Decisions on the schools budgets may not be taken unless 40% of the school members (Headteachers and Governors) are present.

3.5 Voting

Each member shall only have one vote. Voting shall be by show of hands. If there are equal numbers of votes for and against, the Chair will have a second or casting vote. There will be no restriction on how the Chair chooses to exercise a casting vote. When the vote is on the schools funding formula only the schools members and the Early Years Representative are eligible to vote.

3.6 Sub-Committees and Working Groups

The Forum may have sub-committees or working groups. The Forum shall receive reports from the sub-committees or working groups to approve formally.

3.7 Declaration of Interest

Any member of the Forum who has an interest in any proposal beyond the generality of the group that they represent or in which they might have a personal or prejudicial interest shall declare the interest at the beginning of the relevant item. The member can explain any issues to the meeting and then must leave the meeting until the item has finished. The member cannot vote on that item.

Where it is clear that a decision in which a member has an interest is likely to arise at a particular meeting, the meeting concerned may invite a substitute member (with no interest to declare) in accordance with the constitution to attend the meeting in their place.

Elected members are subject to the governance of the Council's Code of Conduct.

3.8 Status of Reports

All report authors will be responsible for informing the clerk in advance of the status of reports to be included in the agenda i.e. confidential or non-confidential.

3.9 Expenses

The Local Authority shall maintain a budget for the reimbursement of all reasonable expenses relating to the operation of the Forum and charge these expenses to the Schools Budget. The Local Authority shall reimburse expenses of members of the Forum when members submit appropriate claims, in connection with attendance at the meetings. Supply cover should only be claimed when it has been necessary to employ a supply cover teacher to enable the Headteacher to attend the Forum.

3.10 Interpretation of the Constitution

The Chair or person residing at the meeting shall be the final arbiter regarding the interpretation of the Forum's constitution. The constitution shall be interpreted in conjunction with the relevant provisions contained in the legislation relating to the Forum's proceedings. The requirements of legislation will prevail in the event of there being any inconsistency between the legislation and the constitution.

3.11 Amendment of the Constitution

With the exception of matters subject to legislative provision or approval by the authority, the Forum may vary its constitution by a simple majority vote by the members provided that prior notice of the nature of the proposed variation is made and included on the agenda for the meeting.

3.12 Publicity relating to the Schools Forum

The Schools Forum is a public meeting and the Local Authority is responsible for putting the Schools' Forum papers, minutes and decisions promptly on the West Berkshire Council website and generally draw schools attention to forthcoming Schools' Forum meetings and agendas and the minutes of forum discussions.

Document approved by the School's Forum on 13th July 2015 and was reviewed and agreed in 2016 and 2017.

Primary Schools in Financial Difficulty – Bid for Funding 2018/19

Report being considered by: Schools Forum on 16th July 2018

Report Author: Claire White, Ian Pearson

Item for: Decision **By:** All Primary Maintained Schools Representatives

1. Purpose of the Report

- 1.1 To summarise a bid that has been received from a school in deficit to access funding from the 'primary schools in financial difficulty' de-delegated fund.

2. Recommendation

- 2.1 To recommend to Schools' Forum approval of the bid, with payment being the full amount sought of £36,113.

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 Since April 2013, local authorities have been required to delegate to all schools the contingency previously held for schools in financial difficulty. Each phase in the maintained sector then has the option to de-delegate and pool this funding, with allocations made to schools that need it. This decision is made on an annual basis.
- 3.2 Primary schools have opted to continue to de-delegate this funding in 2018/19.
- 3.3 The budget for 2018/19 has been set with an initial budget of £120,020, which with Schools Forum agreement will increase to £379,120.
- 3.4 The criteria agreed by the Schools' Forum for allocating this funding to schools is as follows:

If a school has a deficit budget it may be allocated additional support funding. If a school can meet the following criteria, a bid for additional funding can be made by the school to be considered by the Schools' Forum:

- 1. The school has sought and followed the advice of the Schools' Accountancy Service **prior** to going into deficit*
- 2. The school has (up to) a five year robust deficit recovery plan in place which has been discussed with and verified by the Schools' Accountancy Service.*
- 3. Additional funding may be payable for one of the following exceptional unforeseen circumstances which has taken the school into deficit:*
 - a) Short term downturn in pupil numbers - to maintain current staffing structure where evidence can be provided that the numbers are likely to recover within a 2*

- 3 year period and where downsizing of staff and resultant redundancy costs in order to balance the budget on a short term basis would not be an efficient use of resources.
- b) Sudden permanent downturn in pupil numbers in a school causing concern (i.e. Ofsted category of notice to improve or worse – to maintain current staffing levels on a temporary basis where to reduce the staffing levels immediately in order to balance the budget would be detrimental to the recovery of standards in the short term.
- c) Unforeseen sudden permanent downturn in pupil numbers –to cover staffing costs during a short term interim period whilst restructuring takes place and in order where possible to avoid redundancies (such as through natural wastage).
- d) Redundancy payments, where the staffing reductions are required in order to balance the budget, but these costs will put the school further into a deficit position and taking the school longer to recover the deficit.
- e) Any other one off costs incurred on recovery of the deficit, such as specialist consultancy advice/support (it was agreed by Schools' Forum on 11th July 2016 that where West Berkshire's Accountancy Service are engaged for such support, the cost can be charged direct to this fund without making a separate bid).

In order to access this funding, a school will need to complete and submit an application to the WBC Schools' Finance Manager who will arrange a panel (usually the next Heads Funding Group) to assess the application. The school will be invited to present their case in person to the panel and answer questions. The panel will also be provided with benchmarking information produced by Schools' Accountancy (which will be shared with the school prior to the meeting). The panel will recommend the amount and duration of the financial support to Schools' Forum for approval or not.

- 3.5 Note that the decision to be taken by Schools' Forum is by Primary maintained school representatives only.

4. Bid from The Willows Primary School

- 4.1 Appendix A contains an application from The Willows Primary School. It is for £36,118 out of a total current year planned deficit of £130,797. This amount is to cover the cost of staff restructuring and Executive support following a formal warning to the school.
- 4.2 The school finished the year with a £213k deficit but has plans in place to come out of this deficit position by 2020/21.
- 4.3 There is a new interim Executive Head and a new substantive Head has been appointed. The school is currently also looking to appoint a new School Business Manager. The school has been undertaking work on their deficit recovery plan which has been submitted to Schools Accountancy for checking, and the current plans were set out in the bid. The bid meets the criterion (3d and e) set by the Schools' Forum.
- 4.4 The Executive Head attended the Heads Funding Group meeting on the 3rd July 2018 and gave an explanation as far as he was able as to the reasons the school went into deficit and explained the plans to take the school back into a balanced position.

5. Recommendation and Conclusion

- 5.1 The Heads Funding Group agreed to recommend that the bid be approved in full since the costs have already been incurred and have contributed to the deficit position.
- 5.2 Approval of the bid will not clear the school's deficit, and they will still be required to implement savings. Receipt of the funding will help repay the deficit in the year as planned.

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Primary Schools in Financial Difficulty – Bid for Funding 2018/19

Report being considered by: Schools Forum on 16th July 2018

Report Author: Wendy Howells, Ian Pearson

Item for: Decision **By:** All Primary Maintained Schools Representatives

1. Purpose of the Report

- 1.1 To summarise a bid that has been received from a school in deficit to access funding from the 'primary schools in financial difficulty' de-delegated fund.

2. Recommendation

- 2.1 To recommend to Schools' Forum approval of the bid, with payment being the full amount sought of £32,106.

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 Since April 2013, local authorities have been required to delegate to all schools the contingency previously held for schools in financial difficulty. Each phase in the maintained sector then has the option to de-delegate and pool this funding, with allocations made to schools that need it. This decision is made on an annual basis.
- 3.2 Primary schools have opted to continue to de-delegate this funding in 2018/19.
- 3.3 The budget for 2018/19 has been set with an initial budget of £120,020, which with Schools Forum agreement will increase to £379,120.
- 3.4 The criteria agreed by the Schools' Forum for allocating this funding to schools is as follows:

If a school has a deficit budget it may be allocated additional support funding. If a school can meet the following criteria, a bid for additional funding can be made by the school to be considered by the Schools' Forum:

- 1. The school has sought and followed the advice of the Schools' Accountancy Service **prior** to going into deficit*
- 2. The school has (up to) a five year robust deficit recovery plan in place which has been discussed with and verified by the Schools' Accountancy Service.*
- 3. Additional funding may be payable for one of the following exceptional unforeseen circumstances which has taken the school into deficit:*
 - a) Short term downturn in pupil numbers - to maintain current staffing structure where evidence can be provided that the numbers are likely to recover within a 2*

- 3 year period and where downsizing of staff and resultant redundancy costs in order to balance the budget on a short term basis would not be an efficient use of resources.
- b) Sudden permanent downturn in pupil numbers in a school causing concern (i.e. Ofsted category of notice to improve or worse – to maintain current staffing levels on a temporary basis where to reduce the staffing levels immediately in order to balance the budget would be detrimental to the recovery of standards in the short term.
- c) Unforeseen sudden permanent downturn in pupil numbers –to cover staffing costs during a short term interim period whilst restructuring takes place and in order where possible to avoid redundancies (such as through natural wastage).
- d) Redundancy payments, where the staffing reductions are required in order to balance the budget, but these costs will put the school further into a deficit position and taking the school longer to recover the deficit.
- e) Any other one off costs incurred on recovery of the deficit, such as specialist consultancy advice/support (it was agreed by Schools' Forum on 11th July 2016 that where West Berkshire's Accountancy Service are engaged for such support, the cost can be charged direct to this fund without making a separate bid).

In order to access this funding, a school will need to complete and submit an application to the WBC Schools' Finance Manager who will arrange a panel (usually the next Heads Funding Group) to assess the application. The school will be invited to present their case in person to the panel and answer questions. The panel will also be provided with benchmarking information produced by Schools' Accountancy (which will be shared with the school prior to the meeting). The panel will recommend the amount and duration of the financial support to Schools' Forum for approval or not.

- 3.5 Note that the decision to be taken by Schools' Forum is by Primary maintained school representatives only.

4. Bid from Parsons Down Partnership

- 4.1 An application has been received from Parsons Down Partnership. It is for £32,106 out of a total current year planned deficit of £80,785. This amount is to cover redundancy costs.
- 4.2 The Head Teacher attended the Heads Funding Group meeting on the 3rd July 2018 and gave a detailed explanation of the background to the bid. Questions were asked about the deficit recovery plan and were answered.
- 4.3 The school has gone into deficit mainly because pupil numbers have reduced and the senior leadership team previously put in place is no longer sustainable due to the reduction in the school's income.
- 4.4 The school has been undertaking work on their deficit recovery plan following the review meeting held with them in March and followed up in May, and the plans were set out in the bid. The bid meets the criterion (3d) set by the Schools' Forum.
- 4.5 2018/19 is the second year of the deficit. The school will be out of deficit by 2020/21 if the bid is approved.

5. Recommendation and Conclusion

- 5.1 The Heads Funding Group agreed to recommend that the bid be approved in full. The school has a robust deficit recovery plan including moving the school to a 2 form entry and restructure of staffing.
- 5.2 Approval of the bid will not clear the school's deficit, and they will still be required to implement the savings in their deficit recovery plan. Receipt of the funding will help repay the deficit in the year before the plan. If it is not approved this will inevitably increase the repayment period.

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Scheme for Financing Schools (2018)



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Annex A: Schools to which the scheme applies

SECTION 1: INTRODUCTION

1.1 The funding framework: main features

The funding framework, which replaces Local Management of Schools, is based on the legislative provisions in sections 45-53 of the School Standards and Framework Act 1998.

Under this legislation, local authorities determine for themselves the size of their schools budget and their non schools education budget – although at a minimum an authority must appropriate its entire Dedicated Schools Grant to their schools budget. The categories of expenditure which fall within the two budgets are prescribed under regulations made by the Secretary of State, but included within the two, taken together, is all expenditure, direct and indirect, on an authority's maintained schools except for capital and certain miscellaneous items. Authorities may deduct funds from their schools budget for purposes specified in regulations made by the Secretary of State under s.45A of the Act (the centrally retained expenditure). The amounts to be deducted for these purposes are decided by the authority concerned, subject to any limits or conditions (including gaining the approval of their Schools' Forum or the Secretary of State in certain instances) as prescribed by the Secretary of State. The balance of the schools budget left after deduction of centrally-retained expenditure is termed the Individual Schools Budget (ISB). Expenditure items in the non-schools education budget must be retained centrally (although earmarked allocations may be made to schools).

Authorities must distribute the ISB amongst their maintained schools using a formula which accords with regulations made by the Secretary of State, and enables the calculation of a budget share for each maintained school. This budget share is then delegated to the governing body of the school concerned, unless the school is a new school which has not yet received a delegated budget, or the right to a delegated budget has been suspended in accordance with s.51 of the Act.

The West Berkshire school formula and details of other funding are published on the following web page:

<http://info.westberks.gov.uk/index.aspx?articleid=31483>

The financial controls within which delegation works are set out in a scheme made by the authority in accordance with s.48 of the Act and regulations made under that section. All proposals to revise the scheme must be approved by the Schools' Forum, though the local authority may apply to the Secretary of State for approval in the event of the Forum rejecting a proposal or approving it subject to modifications that are not acceptable to the local authority.

Subject to any provision made by or under the scheme, governing bodies of schools may spend such amounts of their budget shares as they think fit for any purpose of their school and for any additional purposes prescribed by the Secretary of State in regulations made under s.50* of the Act. (*Section 50 has been amended to provide that amounts spent by a governing body on providing community facilities or services under section 27 of the Education Act 2002 are treated as if they were amounts spent for the purposes of the school (s.50 (3A) of the Act).

An authority may suspend a school's right to a delegated budget if the provisions of the authority's Scheme for Financing Schools (or rules applied by the scheme) have been substantially or persistently breached, or if the budget share has not been managed satisfactorily. A school's right to a delegated budget share may also be suspended for other reasons (schedule 17 to the Act).

Each authority is obliged to publish each year a statement setting out details of its planned schools budget and other expenditure on children's services, showing the amounts to be centrally retained and funding delegated to schools. After each financial year the authority must publish a statement showing out-turn expenditure at both central level and for each school, and the balances held in respect of each school.

The detailed publication requirements for financial statements are set out in directions issued by the Secretary of State, but each school must receive a copy of each year's budget and out-turn statements so far as they relate to that school or central expenditure.

Copies of these statements are published on the following web page:

<http://info.westberks.gov.uk/index.aspx?articleid=29831>

Regulations also require the local authority to publish their scheme and any revisions to it on a website accessible to the general public, by the date that any revisions come into force, together with a statement that the revised scheme comes into force on that date.

1.2 The role of the scheme

This scheme sets out the financial relationship between the authority and the maintained schools which it funds. It contains requirements relating to financial management and associated issues, which are binding on both the authority and on the schools.

1.3 Application of the scheme to the authority and maintained schools

The scheme applies to all community, nursery, special, voluntary and foundation schools (including trust) and foundation special schools and pupil referral units maintained by the authority, (as listed in Annex A), whether they are situated in the area of the authority or elsewhere. It does not apply to schools situated in the authority's area which are maintained by another authority, nor does it apply to academies.

1.4 Publication of the scheme

The scheme will be published on the West Berkshire website at

<http://info.westberks.gov.uk/index.aspx?articleid=29831>

1.5 Revisions of the scheme

Any proposed revisions to the scheme will be the subject of consultation with the governing body and the head teacher of every school maintained by the local authority. All proposed revisions must be submitted to the Schools Forum for approval by members of the forum representing maintained schools. Where the Schools Forum does not approve the proposed revisions or approves them subject to modifications which are not acceptable to the authority, the authority may apply to the Secretary of State for approval.

1.6 Delegation of powers to the headteacher

Each governing body is asked to consider the extent to which it wishes to delegate its financial powers to the headteacher, and to record its decision (and any revisions) in the minutes of the governing body. The first formal budget plan of each financial year must be approved by the governing body, or by a committee of the governing body.

In terms of the headteachers' role in financial management, governors may wish to delegate powers as follows:

- Responsibility for day to day management of resources (practical day to day management of resources may also be delegated to other senior staff and/or the finance officer);
- Signing off of all orders/cheques/BACS payments within a monitoring system approved by governors or under a certain sum to be decided by governors;
- Administration of the expenditure budget within the annual amount of any budget heading or authorisation of spending up to (a sum agreed with the governing body) within a budget heading;
- Authority over virement up to a sum agreed with the governing body;
- Monitor day to day management of the budget;
- Provision of regular reports to the governing body on expenditure and income;
- Preparation of the budget estimates of expenditure and income for governing body approval.

It is recognised that the level of delegation will be based on practice, experience, knowledge, size and resources of the school.

1.7 Maintenance of schools

The LA is responsible for maintaining the schools covered by the scheme, and this includes the duty of defraying all the expenses of maintaining them, except in the case of a voluntary-aided school where some of the expenses are, by statute, payable by the governing body. Part of the way an authority maintains schools is through the funding system put in place under sections 45 to 53 of the School Standards and Framework Act 1998.

SECTION 2: FINANCIAL CONTROLS

2.1. Application of financial controls to schools

In managing their delegated budgets schools must abide by the authority's requirements on financial controls and monitoring.

Certain of these are directly referred to in this scheme while others are included in the authority's Financial Regulations and Contract Standing Orders which are available within the West Berkshire Constitution, Parts 10 and 11 respectively. Copies of these can be found on the following web page:

<http://info.westberks.gov.uk/index.aspx?articleid=27929>

2.2 Provision of financial information and reports

Schools are required to provide the LA with details of anticipated and actual expenditure and income, in a form determined by the authority, compatible with the Consistent Financial Reporting framework. This information must be provided within one month of each quarter end (i.e. by 31 July, 31 October, 31 January and 30 April) unless:

- the LA has notified the school in writing that in its view the school's financial position requires more frequent submission or;
- the school is in its first year of operation or;
- the information is required in connection with tax or banking reconciliation when it can be requested more frequently.

This provision does not apply to schools submitting an imprest and which are part of the financial accounting system operated by the local authority (Agresso). However these schools are required to submit their month nine budget monitoring forecast and bank report by mid January.

2.3 Payment of salaries; payment of bills

The procedures for these will vary according to the choices schools make about the holding of bank accounts and the buying back of the authority's payroll and creditor payments systems.

2.3.1 Payment of salaries

In all cases schools are required to abide by the authority's financial regulations covering payments to staff.

The authority's payroll service

The authority can provide a payroll service that complies with all the statutory requirements and the conditions of service requirements for teaching and local government staff. The payroll service will also cover the deduction and paying over of contributions to both the Local Government Pension Scheme and the Teachers' Pension Scheme.

Under this service, all payments to staff, Inland Revenue, Teachers' Pension Agency etc. will be made from the authority's bank accounts either direct to the school's ledger account if on the council's financial system, or with appropriate adjustments being made to budget share instalments. All PAYE matters would be dealt with under the authority's Inland Revenue registration number.

The processing timetables and documents to be used for notification of all payroll variations are issued to schools by the payroll section.

Details of the buy back services and charges will be notified to schools ahead of each multiple year funding period.

Schools making alternative payroll arrangements

The school, as payroll provider, would need to ensure separate registration with the Inland Revenue, Teachers' Pension Agency and Local Government Pension Scheme.

2.3.2 Payment of bills

Schools are required to abide by the authority's financial regulations covering payments to creditors.

The authority provides a creditor payments service that generates payments on a weekly timetable and ensure compliance with both the VAT regulations and the Construction Industry Tax Deduction Scheme.

Under this service all payments would be generated from the authority's bank accounts and recharged to the school's account.

Details of the procedures and forms are issued to schools by the payments team. Details of this buy back service and charges will be notified to schools ahead of each multiple year funding period.

Those schools using their own bank accounts must ensure compliance with the authority's financial regulations in respect of the operation of those accounts.

2.4 Control of assets

Each school must maintain an inventory in accordance with the authority's financial regulations recording its moveable non-capital assets worth more than £1,000 and setting out the basic authorisation procedures for disposal of assets. For assets worth less than £1,000, schools must keep a register but this may be in a form as determined by the school.

2.5 Accounting policies (including year-end procedures)

Schools are required to comply with the procedures, requirements and regulations relating to the accounting policies and end of year financial procedures issued and determined by the authority as being applicable to schools.

This will include the setting of a de-minimus level for capital spend which as a guideline will be in the range of £2,000 to £5,000. As a default the LA de-minimus will apply, currently £5,000 or £2,000 for VA schools.

2.6 Writing off debts

No debt shall be discharged other than by payment in full or being written-off. The writing-off of non-recoverable debts is subject to individual consideration of the debt and appropriate approval. Those debts less than £2,000 may be written-off subject to the authorisation of the authority's Head of Finance (or nominated officer) and the Corporate Director Communities after the consideration of a report by the headteacher. All other debts may only be written off by the Head of Finance after consideration of a recommendation from the appropriate governing body.

This provision does not apply to the cancellation of invoices because a debt is deemed to be no longer due. Invoice cancellations can be approved by the head teacher.

2.7 Basis of accounting

The authority prepares its statutory accounts on an accruals basis. Maintained schools are required to ensure that annual spending notified to the authority and Consistent Financial Reporting returns are on an accruals basis. However, schools can choose their own basis of accounting for internal accounting and reporting.

Schools can choose which financial software they wish to use, provided they meet any costs of modification to provide the output required by the authority. In particular schools should be able to report separately to the authority on revenue and capital expenditure, and on any funds held by them on behalf of collaborative ventures with other schools where specified by the authority in order to demonstrate that only public funds have been reported to the authority and provide an audit trail back to the accounts for each of the separate funds.

2.8 Submission of budget plans

Each school is required to submit a budget plan to the authority **by 1st May each year**. The plan must show the school's intentions for expenditure in the current financial year and the assumptions underpinning the budget plan, which include taking full account of any estimated deficits/surpluses at the previous 31 March. The format of the budget submission must be as specified by the authority consistent with the Consistent Financial Reporting framework, and must be approved by the governing body or a committee of the governing body.

The authority may also require the submission of revised plans where the authority deems it necessary. Such revised plans shall not be required at intervals of less than three months.

The LA will supply schools with all school income and expenditure data, which it holds and which is necessary to efficient planning by schools. The LA will also supply schools with an annual statement of when this information will be made available throughout the year.

2.9 Submission of financial forecasts

Each school is required to submit a financial forecast covering each year of a multi-year period. This is required in the agreed format **by 1st May each year**. This is to provide evidence of schools adhering to best financial management practice, and to alert the local authority of any schools having difficulty in balancing future year budgets.

2.10 Efficiency and value for money

Schools must seek to achieve efficiencies and value for money, to optimise the use of their resources and to invest in teaching and learning, taking into account the authority's purchasing, tendering and contracting requirements.

It is for headteachers and governors to determine at school level how to secure better value for money.

There are significant variations in efficiency between similar schools, and so it is important for schools to review their current expenditure, compare it to other schools and think about how to make improvements.

2.11 Schools Financial Value Standard (SFVS)

All local authority maintained schools (including nursery schools and Pupil Referral Units (PRUs) that have a delegated budget) must demonstrate compliance with the Schools Financial Value Standard (SFVS) and complete the assessment form on an annual basis. It is for the school to determine at what time of year they wish to complete the form.

Governors must demonstrate compliance through the submission of the SFVS assessment form signed by the Chair of Governors. The form must include a summary of remedial actions with a clear timetable, ensuring that each action has a specified deadline and an agreed owner. **Governors must monitor the progress of these actions to ensure that all actions are cleared within specified deadlines.**

All maintained schools with a delegated budget must submit the form to the local authority before **31 March** each financial year.

2.12 Virement

Schools are free to vire between budget heads in the expenditure of their budget shares but governors are advised to establish criteria for virements and financial limits above which the approval of the governors is required.

Schools are also advised to refer to paragraph 2.20 when considering virement between budget heads.

2.13 Audit: General

Schools are required to co-operate both with auditors employed by the local authority (**internal audit**) and auditors appointed to audit the local authority itself (**external audit**).

In regard to **internal audit**, all schools come within the audit regime determined by the LA.

The depth and frequency of internal audit coverage of individual schools will depend on an assessment of each school's strength in financial management and by reference to the School's SFVS annual return. The authority's Internal Audit service will contact each school to arrange the appropriate audit coverage.

In relation to **external audit** all schools come within the local authority's external audit regime.

Governing bodies shall supply to both internal and external audit all financial and other information which might reasonably be required in discharging their duties.

2.14 Separate external audits

In instances where a school wishes to seek an additional source of assurance at its own expense, a governing body is permitted to spend funds from its budget share to obtain external audit certification of its accounts, separate from any local authority internal or external audit process. Any external audit commissioned by the school must take into account the status of the school as being a spender of the authority's funds. Copies of external audit reports commissioned by the school should be made available to the authority upon request.

Schools operating outside the local authority financial system and producing their own accounts are required to commission an external audit if the local authority requests it.

Where a school has such an additional audit it does not remove the requirement that the school must also co-operate with the local authority's internal and external auditors.

2.15 Audit of voluntary and private funds

In addition to the normal internal and external audits, schools must provide audit certificates in respect of any voluntary and private funds they hold and of the accounts of any trading organisations controlled by the school.

The procedures for furnishing these audit certificates and advice on the handling of such voluntary and private funds is set out in the authority's financial regulations.

2.16 Fraud

All schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets.

The governing body and the headteacher must inform all staff of school policies and procedures related to fraud and theft, the control in place to prevent them; and the consequences of breaching these controls. This information must also be included in induction for new staff and governors.

2.17 Register of business interests

The governing body of each school is required to maintain a register which lists for each member of the governing body and the head teacher:

- a) any business interests they or any member of their immediate family have
- b) Details of any other educational establishments they govern
- c) Any relationship between school staff and members of the governing body
- d) to keep the register up to date with notification of changes and through annual review of entries, to make the register available for inspection by governors, staff, parents and the authority and to publish the register, for example on a publicly accessible website.

2.18 Purchasing, tendering and contracting requirements

Schools are required to abide by the authority's financial regulations and standing orders in purchasing, tendering and contracting matters. This includes a requirement to assess in advance, where relevant, the health and safety competence of contractors, taking account of the LA's policies and procedures.

However any section of the authority's financial regulations and standing orders must be **disapplied** if it requires schools:

- a) to do anything incompatible with any of the provisions of this scheme, or any statutory provision, or any EU Procurement Directive;
- b) to seek LA officer countersignature for any contracts for goods or services for a value below £60,000 in any one year;
- c) to select suppliers only from an approved list;
- d) to seek fewer than three tenders or quotations in respect of any contract with a value exceeding £10,000 in any one year.

2.19 Application of contracts to schools

Schools are free to elect to opt out of local authority arranged contracts.

Although governing bodies are empowered under paragraph 3 of schedule 1 to the Education Act 2002 to enter into contracts, in most cases they do so on behalf of the local authority as the maintainer of the school and owner of the funds in the budget share. However, some contracts may be made solely on behalf of the governing body, when the governing body has clear statutory obligations e.g. contracts made by aided or foundation schools for the employment of staff.

2.20 Central funds and earmarking

The local authority is authorised to make sums available to schools from central funds, in the form of allocations which are additional to and separate from the schools' budget shares. Such allocations may be subject to conditions setting out the purpose or purposes for which the funds may be used and these conditions may preclude virement.

Earmarked funding from centrally-retained funds is to be spent only on the purposes for which it is given, and is not to be vired into the school's budget share. Schools should maintain an accounting mechanism in order to demonstrate that this requirement has been met. Unless previously agreed with the Corporate Director (Communities), schools are required to return to the local authority any earmarked funds not spent in the current financial year or within the period over which schools are allowed to use the funding as stipulated by the authority. Such allocations might, for example, be sums for SEN or other initiatives funded from the central expenditure of a local authority's schools budget.

The local authority is not allowed to make any deduction, in respect of interest costs to the authority, from payments to schools of devolved specific or special grant.

2.21 Spending for the purposes of the school

Section 50(3) of the School Standards and Framework Act 1998 allows governing bodies to spend budget shares for the purpose of the school, subject to the regulations made by the Secretary of State and any provisions of the scheme. Under section 50(3) (b) the Secretary of State may prescribe additional purposes for which expenditure of the budget share may occur. Such regulations are prescribed in the Schools Budget Shares (Prescribed Purposes) (England) Regulations 2002 (SI 2002/378) which have been amended by the School Budget Shares (Prescribed Purposes) (England) Amendment Regulations 2010 (SI 2010/190). In particular budget shares may be spent for the educational benefit of pupils registered at other maintained schools or academies. From 1 April 2011, under section 50(3a) amounts spent by governing bodies of all schools on community facilities or services under s27 of the Education Act 2002 will be treated as spent for the purposes of the school.

2.22 Capital spending from budget shares

Governing bodies are permitted to use their budget shares to meet the cost of capital expenditure on the school premises. This includes expenditure by the governing body of a voluntary aided school on work which is their responsibility under paragraph 3 of schedule 3 of the SSAF Act 1998.

Schools must notify the local authority of all proposed capital spending from their budget share. It is recommended that schools discuss their proposals with the authority prior to the final authorisation of such proposals and in particular that they ensure that the proposed works do not already form part of the council's approved capital programme. In any event if the expected capital expenditure from the budget share in any one year will exceed £20,000, the governing body must notify the local authority and take into account any advice from the Corporate Director (Communities) as to the merits of the proposed expenditure.

Where the premises are owned by the local authority, or the school has voluntary controlled status, then the governing body shall seek the consent of the local authority to the proposed works. However, consent will only be withheld on health and safety grounds.

2.23 Notice of concern

The authority may issue a notice of concern to the governing body of any school it maintains where, in the opinion of the Chief Finance Officer and the Corporate Director (Communities), the school has failed to comply with any provisions of the scheme, or where actions need to be taken to safeguard the financial position of the local authority or the school. In this connection you are referred to the Guidelines on the Process for Intervention contained in the Strategy for Schools in Deficit – April 2018.

Such a notice will set out the reasons and evidence for it being made and may place on the governing body restrictions, limitations or prohibitions in relation to the management of funds delegated to it. These may include:

- Insisting that relevant staff undertake appropriate training to address any identified weaknesses in the financial management of the school.
- Insisting that an appropriately trained/qualified person chairs the finance committee of the governing body.
- Placing more stringent restrictions or conditions on the day to day financial management of a school than the scheme requires for all schools – such as the provision of monthly accounts to the local authority.
- Insisting on regular financial monitoring meetings at the school attended by local authority officers.
- Requiring a governing body to buy into the local authority's financial management systems.
- Imposing restrictions or limitations on the manner in which a school manages extended school activity funded from within its delegated budget share – for example by requiring a school to submit income projections and/or financial monitoring reports on such activities.

The notice will clearly state what these requirements are and the way in which and the time by which such requirements must be complied with in order for the notice to be withdrawn. It will also state the actions that the authority may take where the governing body does not comply with the notice.

SECTION 3: INSTALMENTS OF BUDGET SHARE; BANKING ARRANGEMENTS

Budget share includes place-led funding for special schools, resource units and pupil referral units.

3.1 Frequency of instalments

Schools with their own bank accounts will receive monthly instalments of their budget share normally on the Monday before the last Thursday of each month. Schools that use West Berkshire's Imprest system will have an imprest limit set based on a monthly instalment of their budget share less any central payments e.g. payroll. Top-up payments for pupils with high needs should be made on a monthly basis unless alternative arrangements have been agreed with the relevant provider.

3.2 Proportion of budget share payable at each instalment

Budget share payments to schools will be made in accordance with the schedule of payment agreed with individual schools and the Head of Finance. The monthly payment will be equal to one twelfth of the schools approved budget share, except for month one where an additional one third of the normal monthly payment is paid at the beginning of the month, and month twelve where two thirds of the normal monthly payment is paid.

Schools on the imprest system which use an external payroll provider will make their salary payments through their imprest account and reclaim the expenditure retrospectively. The imprest limit will reflect this payment.

6th form funding and other EFA grants such as pupil premium will be paid according to the schedule and receipt of the grant from the Education Funding Agency.

3.3 Interest clawback

Where a school requests and the authority agrees to make available the budget share in advance (of what the authority believes to be reasonable cash flow needs taking account of the pattern of expenditure of schools of that size, and any particular representations relating to the individual school's circumstances), the authority may deduct from the budget share an amount equal to the estimated interest lost. The calculation basis will be at a rate up to 2 per cent above the bank base rate at the time of the advance.

3.4 Interest on late budget share payments

The local authority will add interest to budget share payments which are late as a result of local authority error. Interest due will be calculated on a daily basis at the bank base rate at the time that the payment was due.

3.5 Budget shares for closing schools

Budget shares of schools for which approval for discontinuation has been secured, will be made available until closure on a monthly basis, net of estimated pay costs, even where some different basis was previously used.

3.6 Bank and building society accounts

All schools may have an external bank account into which their budget share instalments (as determined by other provisions) are paid and any interest payable on the account can be retained by the school.

Where a school opens an external bank account, the local authority must, if the school desires, transfer immediately to the account an amount agreed by both school and local authority as the estimated surplus balance held by the local authority in respect of the school's budget share, on the basis that there is a subsequent correction when the accounts for the relevant year are closed.

In the event that a school with a deficit balance requests their budget share instalments to be paid into an external bank account, the deficit shall be cleared before this is agreed.

The local authority currently supports two options of bank account arrangements for use by schools; an independent external bank account or an Imprest account which the authority has arranged with its own banker.

New bank account arrangements may only be requested with effect from the beginning of each financial year provided two months notice has been given.

3.7 Restrictions on accounts

The banks or building societies with which schools may hold an account for the purpose of receiving budget share payments must be as per the approved list consistent with the local authority Treasury Management Policy.

Any school closing an account used to receive its budget share and opening another must select the new bank or building society which meets the criteria set out in this paragraph even if the closed account was with an institution which did not.

Schools are allowed to have accounts for budget share purposes which are in the name of the school rather than the local authority. Money paid by the local authority and held in such accounts remains local authority property until spent (s.49 (5) of the Act). The account mandate should therefore provide that the local authority is the owner of the funds in the account, that it is entitled to receive statements on request; and that it can take control of the account if the school's right to a delegated budget is suspended by the local authority. These provisions would only be used in exceptional circumstances e.g. the Local Authority would only require regular bank statements to be provided if the school was in serious financial difficulty or in a case of serious financial mismanagement (see also Section 2.21 Notice of concern).

3.8 Borrowing by schools

With the exception of loan schemes run by the authority and the financial instruments outlined in the scheme (section 4.10), governing bodies may only borrow money (which includes the use of finance leases) with the written permission of the Secretary of State. Details of all such requests and subsequent approvals or otherwise should be supplied in writing to the authority's Head of Finance. The Secretary of State's general position is that schools will only be granted permission for borrowing in exceptional circumstances. From time to time however, the Secretary of State may introduce limited schemes in order to meet broader policy objectives. Schools may use any scheme that the Secretary of state has said is available to schools without specific approval, currently including the Salix scheme which is designed to support energy saving.

The restrictions do not apply to Trustees or Foundations, whose borrowing as private bodies makes no impact on government accounts. These debts may not be serviced directly from delegated budgets, but schools are free to agree a charge for a service which the Trustees or Foundation are able to provide as a consequence of their own borrowing. Governing bodies do not act as agents of the authority when repaying loans.

Schools are barred from using credit cards which are regarded as borrowing. However schools may use a Government Procurement Card in order to facilitate electronic purchases. Schools are required to adhere to the local authority protocol on the use of procurement cards.

3.9 Leasing arrangements

Schools may not enter into finance leases for the purchase of assets because such agreements are credit agreements and constitute borrowing. A lease is defined as a finance lease if either or both of the following conditions are met:

- The school is the owner of the asset for the duration of the lease
- The residual value of the asset is less than 10% of its original value.

A "hire purchase" agreement is likely to be defined as a finance lease.

Schools may enter into operating leases that are akin to rental agreements. An operating lease must meet the following criteria:

- The leasing company owns the asset for the duration of the lease
- The asset is returned to the leasing company at the end of the lease unless the school makes an additional payment to buy it outright
- The value of the asset (i.e. the purchase price) at the end of the lease is at least 10% of its original value.

Schools are recommended to seek advice from Accountancy before entering into any such agreements.

SECTION 4: THE TREATMENT OF SURPLUS AND DEFICIT BALANCES ARISING IN RELATION TO BUDGET SHARES

4.1 Right to carry forward surplus balances

Schools must carry forward from one financial year to the next any surplus/deficit in net expenditure relative to the school's budget share for the year plus/minus any balance brought forward from the previous year.

If a school requests to set up its own bank account, an amount will be paid into the school's new account on the 1 April representing any invested balances held by the council on behalf of the school, plus an estimate of any underspend in the financial year immediately prior to the opening of the account. If the school is expected to overspend in the preceding financial year, the amount of the estimated overspend will be deducted from the invested balances transferred to the new account. The estimate of any under or over spend will be agreed between the LA and the school. When the school's final outturn position for the previous financial year is known and agreed between the LA and the school, an adjustment will, if necessary, be made to the opening balance paid into the account by adding to, or deducting an amount from the next instalment of the school's budget share to be paid into its bank account.

4.2 Controls on surplus balances

Although schools have the autonomy to plan for and use their funding in the way that best meets the purposes of their school, they should not be carrying forward significant excessive surplus balances which are uncommitted and without a plan for their use. An excessive balance for this purpose is deemed to be 10% of the school's actual income received in the financial year or £20,000, whichever sum is the greatest. This applies to all revenue funds of the school, but excluding community facilities and other external services.

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.

4.3 Interest on surplus balances

Balances held by the authority on behalf of schools will attract no interest unless it is invested in the authority's reserve account where this accrues directly to the school. The rate of interest paid will be based on the average rate earned by the council on its investments.

4.4 Obligation to carry forward deficit balances

Deficit balances will be carried forward by the deduction of the relevant amounts from the following year's budget share

Schools closing the financial year with an unplanned deficit, though setting a balanced budget for the current year, may be asked to submit the same additional information (for one year only) as those schools with a licensed deficit (see paragraph 4.9) and will be notified accordingly.

4.5 Planning for deficit budgets

Schools may only plan for a deficit budget in accordance with the terms of paragraph 4.9 below.

4.6 Charging of interest on deficit balances

The authority may charge interest on any deficit balance at the bank base rate depending on the reason why the deficit has occurred. The Head of the Education Service, in consultation with the Head of Finance will determine whether or not interest will be payable and will advise the school accordingly when the deficit is approved.

4.7 Writing off deficits

The LA has no power to write off the deficit balance of any school. Assistance may be given towards elimination of a deficit balance through the allocation of a cash sum from the schools centrally held budget specified for the purpose of expenditure on special schools and pupil referral units in financial difficulty or, in respect of mainstream maintained schools, from a de-delegated contingency budget where this has been agreed by the Schools Forum.

4.8 Balances of closing and replacement schools

Where in the funding period, a school has been established or is subject to a prescribed alteration as a result of the closure of a school, a local authority may add an amount to the budget share of the new or enlarged school to reflect all or part of the unspent budget share (including any surplus carried over from previous funding periods) of the closing school for the funding period in which it closes

4.9 Licensed deficits

The LA will permit schools to plan for a deficit budget in particular circumstances. The funding to allow such a deficit budget shall be provided from the collective surplus of school balances held by the authority on behalf of schools although it is open to the local authority, in circumstances where there is no such surplus, to make alternative arrangements if it can do so within the relevant local authority finance legislation. The detailed arrangements applying to this scheme are set out below:

- The maximum length over which schools may repay the deficit, i.e. reach at least a zero balance with appropriate mechanism to ensure that the deficit is not simply extended indefinitely, would normally be five years.

- The deficit will only be agreed to allow a school in the short term to maintain a level of spend which in the opinion of the Head of the Education Service is the minimum required to deliver the National Curriculum.
- The maximum size of the deficit in normal circumstances will not exceed 5% of the school's budget share.
- The maximum proportion of the collective balances held by the LA, which would be used to back the arrangement, shall not exceed 20%.
- Before a deficit budget is approved, the school must produce a detailed deficit recovery plan in the prescribed format for the duration of the planned period of the deficit, which will be reviewed at least annually.
- The school must meet with the local authority at least every 6 months to review progress of the deficit recovery plan and attend Schools' Forum if requested.
- The school must submit monthly budget monitoring reports to Schools' Accountancy.
- The school must submit a copy of any governor meeting minutes where the budget is discussed (a member of the LA may also attend such meetings).
- The Head of the Education Service, jointly with the Head of Finance, would be responsible for approving any deficit.

4.10 Loan Schemes

The LA provides a loan arrangement for schools which does not operate by way of a licensed deficit but rather by way of actual payments to schools or expenditure by the Authority in respect of a particular school on condition that a corresponding sum is repaid from the budget share. **Loans must not be used as a means of funding a deficit that has arisen because a school's recurrent costs exceed its recurrent income** The detailed arrangements applying to this scheme are set out below:

- The maximum length over which schools may repay the loan is five years.
- Loans will normally only be made available for the following purposes:
 - Repairs and maintenance or improvement to school buildings
 - Investment projects to produce future revenue savings (e.g. energy efficiency schemes)
 - Projects to improve school security
 - Purchase of major items of equipment with a useful life of at least the duration of the loan
- The LA will determine the schools ability to repay the loan by reviewing the following:
 - Last three years end of year balances
 - Last three years capital funding allocations

- Current five year budget plan
 - Schools estimate of next five year pupil numbers and funding allocations (verified by the LA)
 - Latest audit plan recommendations
- The maximum size of the loan in normal circumstances will not exceed 5% of the school's budget share.
 - The maximum proportion of the collective school balances held by the LA which is used to back the arrangement shall not exceed 20%.
 - The Head of the Education Service and the Head of Finance are responsible for approving any loans.
 - Interest will be charged at an appropriate rate.

4.11 Credit union approach

Schools may wish to group together to utilise externally-held balances for a credit union approach to loans. Where schools choose to borrow money through such a scheme the LA will require audit certification of the running of the scheme.

SECTION 5: INCOME

5.1 Income from lettings

Schools may retain income from lettings of the school premises which would otherwise accrue to the LA, subject to alternative provisions arising from any joint use or PFI/PPP agreements. Schools are allowed to cross-subsidise lettings for community and voluntary use with income from other lettings, provided the governing body is satisfied that this will not interfere to a significant extent with the performance of any duties imposed on them by the Education Acts, including the requirement to conduct the school with a view to promoting high standards of educational achievement and there is no net cost to the budget share. Schools whose premises are owned by the LA shall be required to have regard to directions issued by the LA as to the use of school premises as permitted under the School Standards and Framework Act 1998 for various categories of schools.

Income from lettings of school premises should not normally be payable into voluntary or private funds held by the school.

5.2 Income from fees and charges

Schools may retain income from fees and charges except where a service is provided by the LA from centrally-retained funds. However, schools are required to have regard to any policy statements on charging produced by the LA.

5.3 Income from fund-raising activities

Schools may retain income from fund-raising activities.

5.4 Income from the sale of assets

Schools may retain the proceeds of sale of assets except in cases where the asset was purchased with non-delegated funds (in which case it should be for the LA to decide whether the school should retain the proceeds), or the asset concerned is land or buildings forming part of the school premises and is owned by the LA.

5.5 Administrative procedures for the collection of income

Because of the potential VAT implications of providing services which lead to fees and charges, fund raising activities and the sale of assets, schools need to refer and adhere to the latest VAT guidance issued by the LAs VAT advisors.

5.6 Purposes for which income may be used

Income from the sale of assets purchased with delegated funds may only be spent for the purposes of the school.

SECTION 6: THE CHARGING OF SCHOOL BUDGET SHARES

6.1 General provision

The budget share of a school may be charged by the LA without the consent of the governing body **only** in circumstances set out in 6.2 below. The LA shall consult a school as to the intention to so charge, and shall notify a school when it has been done.

Schools are reminded that the LA cannot act unreasonably in the exercise of any power given by this scheme, or it may be the subject of a direction under s.496 of the Education Act 1996. The LA shall make arrangements for a disputes procedure for such charges that will include both council member and headteacher representation.

The LA will charge salaries of school-based staff to school budget shares at actual cost.

Local authorities may de-delegate funding for permitted services without the express permission of the governing body, provided this has been approved by the appropriate phase representatives at the Schools Forum.

6.2 Circumstances in which charges may be made

- Where premature retirement costs have been incurred without the prior written agreement of the LA to bear such costs (the amount chargeable being only the excess over any amount agreed by the LA).
- Other expenditure incurred to secure resignations where the school had not followed LA advice.
- Awards by courts and industrial tribunals against the LA, or out of court settlements, arising from action or inaction by the governing body contrary to the LA's advice.
- Expenditure by the LA in carrying out health and safety work or capital expenditure for which the LA is liable where funds have been delegated to the governing body for such work, but the governing body has failed to carry out the required work.
- Expenditure by the LA incurred in making good defects in building work funded by capital spending from budget shares, where the premises are owned by the LA, or the school has voluntary-controlled status.
- Expenditure by the LA incurred in insuring its own interests in a school where funding has been delegated but the school has failed to demonstrate that it has arranged cover at least as good as that which would be arranged by the Authority.
- Recovery of monies due from a school for services provided to the school, where a dispute over the monies due has been referred to a disputes procedure set out in a service level agreement and the result is that monies are owed by the school to the LA.
- Recovery of penalties imposed on the LA by the Board of Inland Revenue, the Contributions Agency, HM Customs and Excise, Teachers' Pensions, the Environment Agency or other regulatory authorities as a result of school negligence.

- Correction of LA errors in calculating charges to a budget share (e.g. pension deductions).
- Additional transport costs incurred by the LA arising from decisions by the governing body on the length of the school day, and/or failure to notify the LA of non-pupil days resulting in unnecessary transport costs.
- Legal costs which are incurred by the LA because the governing body did not accept the advice of the LA (see also section 11).
- Costs of necessary health and safety training for staff employed by the LA, where funding for training has been delegated but the necessary training not carried out.
- Compensation paid to a lender where a school enters into a contract for borrowing beyond its legal powers, and the contract is of no effect.
- Cost of work done in respect of teacher pension remittance and records for schools using non-LA payroll contractors, the charge to be the minimum needed to meet the cost of the authority's compliance with its statutory obligations.
- Costs incurred by the LA in securing provision specified in **an Education and Health Care Plan (EHCP)** where the governing body of a school fails to secure such provision despite the delegation of funds in respect of low cost high incidence SEN and/or specific funding for a pupil with high needs.
- Costs incurred by the LA due to submission by the school of incorrect data.
- Recovery of amounts spent from specific grants on ineligible purposes.
- Costs incurred by the LA as a result of the governing body being in breach of the terms of a contract.
- Costs incurred by the LA or another school as a result of a school withdrawing from a cluster arrangement, for example where this has funded staff providing services across the cluster.
- Costs incurred by the LA e.g. for school meals or transport, due to governing bodies setting different term dates, as well as length of day, or through additional closure days.

SECTION 7: TAXATION

7.1 Value Added Tax

The LA has established procedures to enable schools to utilise the authority's ability to reclaim VAT on expenditure relating to non-business activity and which have been circulated to schools separately.

Amounts reclaimed through these procedures will be passed back to the school.

However, in the case of voluntary aided schools the governing body retains statutory responsibility for certain capital expenditure, including when made from the school's delegated budget. Therefore, in respect of any supplies which fall within the prescribed definition of such expenditure, the supply will be made to the governing body, even where the expenditure is met from the school's delegated budget, and VAT incurred may not be recovered by the local authority. (HMRC briefing document 53/09)

Capital expenditure for which the governing body of a voluntary aided school is responsible is defined as expenditure relating to:

- the existing buildings (internal and external)
- those buildings previously known as 'excepted' (kitchens, dining areas, medical/dental rooms, swimming pools, caretakers' dwelling houses)
- perimeter walls and fences, even if around the playing fields
- playgrounds
- furniture, fixtures and fittings – including ICT infrastructure and equipment
- other capital items (which can include capital work to boilers or other services)

7.2 CIS (Construction Industry Taxation Scheme)

Schools are required to abide by the procedures issued by the authority in connection with CIS.

8.1 Provision of services from centrally-retained budgets

The LA shall determine on what basis services from centrally-retained funds (including existing commitments for premature retirement costs and redundancy payments) will be provided to schools, but the LA is debarred from discriminating in its provision of services on the basis of categories of schools except where such discrimination is justified by differences in statutory duties.

8.2 Provision of services bought back from the LA using delegated budgets

The term of any arrangement with a school to buy services or facilities from the LA shall be limited to a maximum of three years from the inception of the scheme or the date of the agreement, whichever is the later, and periods not exceeding five years for any subsequent agreement relating to the same services. There is an exception in the case of contracts for the supply of catering services which, on renewal, may be let for a maximum of seven years. Schools will be consulted as to the actual length of any new contracts or agreements to be let for services to schools.

Services provided to schools, for which funding is not retained centrally by the LA (under the regulations made under Section 45A of the Act) will be offered at prices which are intended to generate sufficient income to cover the cost of providing those services. The total cost of those services will be met by the total income, even if schools are charged differentially.

8.3 Packaging

The LA may provide any services for which funding have been delegated. But where the LA is offering the service on a buyback basis it must do so in a way that does not unreasonably restrict schools' freedom of choice among the services available. Where practicable, this will include provision on a service-by-service basis as well as in packages of services.

8.4 Service level agreements

Service level agreements for services to be provided by the LA to schools must be in place (i.e. signed and returned by headteachers/chairs of governor) by 31 March to be effective for the following financial year and schools will have at least a month to consider the terms of agreements prior to finalising them. In practice the LA will aim to make available any new service level agreements for the coming financial year by at least 1 January each year.

Services, if offered at all by the LA, shall be available on a basis that is not related to an extended agreement, as well as on the basis of such agreements. Where such services are provided on an ad-hoc basis they may be charged for at a different rate than if those services were provided on the basis of an extended agreement.

Where services or facilities are provided under a service level agreement, whether free or a buyback basis, the terms of any such agreement starting on or after the inception of the scheme will be reviewed at least every 3 years if the agreement lasts longer than that.

Centrally-arranged provision for premises and liability insurance are excluded from the requirements.

8.5 Teachers' pensions

In order to ensure that the performance of the duty on the authority to supply Teachers Pensions with information under the Teachers' Pensions Regulations 1997, the following conditions are imposed on the authority and governing bodies of all maintained schools covered by this scheme in relation to their budget shares.

The conditions only apply to governing bodies of maintained schools that have not entered into an arrangement with the authority to provide payroll services.

A governing body of any maintained school, whether or not the employer of the teachers at such a school, which has entered into any arrangement or agreement with a person other than the authority to provide payroll services, shall ensure that any such arrangement or agreement is varied to require that person to supply salary, service and pensions data to the authority which the authority requires to submit its annual return of salary and service to Teachers' Pensions and to produce its audited contributions certificate. The authority will advise schools each year of the timing, format and specification of the information required. A governing body shall also ensure that any such arrangement or agreement is varied to require that Additional Voluntary Contributions (AVCs) are passed to the authority within the time limit specified in the AVC scheme. The governing body shall meet any consequential costs from the school's budget share.

A governing body of any maintained school which directly administers its payroll shall supply salary, service and pensions data to the authority which the authority requires to submit its annual return of salary and service to Teachers' Pensions and to produce its audited contributions certificate. The authority will advise schools each year of the timing, format and specification of the information required from each school. A governing body shall also ensure that Additional Voluntary Contributions (AVCs) are passed to the authority within the time limit specified in the AVC scheme. The governing body shall meet any consequential costs from the school's budget share.

9.1 PFI/PPP

The LA shall have the power to issue regulations from time to time relating to PFI/PPP projects. Amongst other issues these may deal with the reaching of agreements with the governing bodies of schools as to the basis of charges relating to such projects; and the treatment of monies withheld from contractors due to poor performance. Such provisions may be scheme variations requiring consultation and approval.

SECTION 10: INSURANCE

10.1 Insurance cover

A policy arranged by the governing body must be at least as good as the relevant minimum cover arranged by the authority.

The buildings and contents of the school for which you are responsible should be insured on a full reinstatement basis.

Perils of all risks of physical loss or damage including terrorism to be insured.

Business interruption and increased / additional increased cost of working. The sum insured should reflect the loss of revenue / income likely to accrue if the school suffers a total loss. Increased cost of working would represent the costs incurred in hiring alternative premises in which to deliver the curriculum on an economic basis. Additional increased cost of working allows you to spend over the economic limit for hiring alternative premises; this of course depends on the availability of such sites. The indemnity period should reflect the period that it would take to get the school up and running in full.

If gross profit / revenue only is to be insured a basic guide as a starting point for the insurance figure would be the staff costs and overheads which would have to continue to be paid and the loss of income per head of pupil which may divert elsewhere to fund education in alternative establishments.

Advice must be obtained from a reputable insurer / broker who specialises in insurance for schools and is able to arrange a suitable programme and detail how this protects your interests.

Contract works insurance cover (as per the JCT conditions of contract) must be arranged on an individual basis for every building work contract arranged by the school which is the “employers” responsibility to insure. This usually encompasses work on existing structures, extensions, alterations etc. In addition you must notify your insurers of all work undertaken on your premises for which a contractor is responsible. Hot works must be managed by the school in accordance with the insurer’s requirements.

Employers and public liability for a sum insured of between £20 million and £30 million depending on whether you are a primary or secondary school.

Governors and official indemnity for a sum not less than £1 million

Professional indemnity if work is undertaken for the LA or for other schools and training/ advice given.

All liability insurance to include libel and slander cover as appropriate.

Legal expenses insurance cover to be considered.

Schools buying back the authority’s insurance service will have the above cover except:

Contract works insurance: This is arranged individually through our insurance arrangements by notification from the school and there is currently no additional charge for this service.

SECTION 11: MISCELLANEOUS

11.1 Right of access to information

Governing bodies shall supply to the LA all financial and other information which might reasonably be required to enable the LA to satisfy itself as to the school's management of its delegated budget share, or the use made of any central expenditure by the LA (e.g. earmarked funds) on the school.

11.2 Liability of governors

Because the governing body is a corporate body, and because of the terms of s.50(7) of the SSAF Act, governors of maintained schools will not incur personal liability in the exercise of their power to spend the delegated budget share provided they act in good faith.

11.3 Governors' expenses

The LA shall have the power to delegate to the governing body of a school yet to receive a delegated budget, funds to meet governors' expenses

Under s.50 (5) of the Act, only allowances in respect of purposes specified in section 19 of the Education Act 2002 may be paid to governors from a school's delegated budget share. Schools are expressly forbidden from paying any other allowances to governors.

Schools are also barred from payment of expenses duplicating those paid by the Secretary of State to additional governors appointed by him to schools under special measures.

11.4 Responsibility for legal costs

Legal costs incurred by the governing body, although the responsibility of the LA as part of the cost of maintaining the school unless they relate to the statutory responsibility of aided school governors for buildings, may be charged to the school's budget share unless the governing body acts in accordance with the advice of the authority.

In instances where there appears to be a conflict of interest between the council and the governing body, schools are advised to obtain a list of suitably qualified firms of solicitors practising in the area available from the Law Society, 113 Chancery Lane, London WC2, telephone number 0870 606 2500 or www.lawsociety.org.uk

Once the governing body has taken independent legal advice, if necessary, the LA's legal service will communicate directly with the governing body's legal adviser to resolve the dispute. In these circumstances the LA retains discretion as to whether or not to charge the school's budget for the cost of such legal actions.

11.5 Health and Safety

In expending the school's budget share, governing bodies should have regard to duties placed on the LA in relation to health and safety, and the authority's policy on health and safety matters in the management of the budget share.

11.6 Right of attendance for Chief Finance Officer

Governing bodies are required to permit the Chief Finance Officer of the authority, or any officer of the authority nominated by the Chief Finance Officer, to attend meetings of the governing body at which any agenda items are relevant to the exercise of his or her responsibilities. The Chief Finance Officer attendance shall normally be limited to items which relate to issues of probity or overall financial management and shall not be regarded as routine. The authority will give prior notice of the Chief Finance Officer intention to attend unless it is impracticable to do so.

11.7 Special Educational Needs

Schools are required to use their best endeavours in spending the budget share, to secure the special educational needs of their pupils.

11.8 Interest on late payments

The terms of the scheme cannot affect statutory requirements now introduced on this matter.

11.9 “Whistle Blowing”

If any person working at a school, or a school governor, wishes to make a complaint about financial management or financial propriety at the school they should contact the Chief Internal Auditor at the local authority.

11.10 Child protection

Schools should be prepared to release staff to attend child protection case conferences and other related events.

11.11 Redundancy / Early retirement costs

The local authority retains a central budget within the schools budget to fund the costs of new early retirements or redundancies by way of a deduction from maintained school budgets (excluding nursery schools) where the relevant members of the Schools Forum agree

The responsibility and procedure for the payment of redundancy/early retirement costs is set out in the School Severance Funding Policy of the local authority.

Schools cannot access central funding unless they have taken HR and finance advice before any steps towards potential redundancy have been taken.

SECTION 12: RESPONSIBILITY FOR REPAIRS AND MAINTENANCE

Responsibility for repairs and maintenance

The LA delegates funding for repairs and maintenance to schools. Only capital expenditure is to be retained by the LA. For these purposes, expenditure may be treated as capital only if it fits the definition of capital used by the local authority for financial accounting purposes in line with the CIPFA Code of Practice on local authority accounting. The LA uses a *de minimis* limit of £5,000 for defining capital in its own financial accounts.

For voluntary aided schools, the liability of the authority for repairs and maintenance (albeit met by delegation of funds through the budget share) is the same as for other maintained schools. However, eligibility for capital grant from the Secretary of State for capital works at voluntary aided schools depends on the *de minimis* limit applied by DfE to categorise such work, not the *de minimis* limit used by the authority.

SECTION 13: COMMUNITY FACILITIES

Note: This section of the scheme does not extend to joint-use agreements; transfer of control agreements, or agreements between the authority and schools to secure the provision of adult and community learning.

13.1 Introduction

Schools which choose to exercise the power conferred by s.27 (1) of the Education Act 2002 to provide community facilities will be subject to a range of controls. First, regulations made under s.28 (2) can specify activities which may not be undertaken at all under the main enabling power. Secondly, the school is obliged to consult its LA and have regard to advice from the authority. Thirdly, the Secretary of State issues guidance to governing bodies about a range of issues connected with exercise of the power, and a school must have regard to that.

However, under s.28 (1), the main limitations and restrictions on the power will be those contained in the local authority scheme. Paragraph 2 of Schedule 3 to the Education Act 2002 extends the coverage of schemes to the powers of governing bodies to provide community facilities.

Schools are therefore subject to prohibitions, restrictions and limitations in the Scheme for Financing Schools.

The mismanagement of community facilities funds can be grounds for suspension of the right to a delegated budget.

13.2 Consultation with the LA

Section 28(4) of the Education Act 2002 requires that before exercising the community facilities power, governing bodies must consult the Authority, and have regard to advice given to them by their LA.

Schools wishing to make provision for community use of school facilities should notify the Corporate Director (Communities) of their intention in writing giving details of their proposal. The Corporate Director (Communities) may from time to time issue guidance as to procedures to be followed by schools and the LA.

13.3 Funding agreements

When entering into a funding agreement with third parties for the provision of community facilities, schools must have regard to the authority's financial standing orders and contracts.

13.4 Other prohibitions, restrictions and limitations

Where the authority considers that such an agreement constitutes a significant financial risk, then the governing body may be required to make arrangements to protect the authority's financial interest. This may be by carrying out the activity concerned through

the vehicle of a private limited company or by obtaining indemnity insurance for risks associated with that project as specified by the LA.

13.5 Supply of financial information

Schools **which exercise the community facilities power** should normally provide the authority with a summary statement every six months, in a form determined by the authority, showing the income and expenditure for the school arising from the facilities in question for the previous six months and on an estimated basis, for the next six months.

Comment [WH1]: Wording was just missed out previously

If the authority has concerns about the financial arrangements for the provision of community use, then on giving notice to the school it may require such financial statements to be supplied every three months and, if the authority sees fit, to require the submission of a recovery plan for the activity in question.

13.6 Audit

The school should grant access to the school's records connected with the exercise of the community facilities power in order to facilitate internal and external audit of relevant income and expenditure.

Where funding agreements are entered into with third parties for the provision of community facilities, the governors shall ensure that provision is made for access by the authority to records and other property held on school premises, or held elsewhere insofar as they relate to the activity in question, in order for the authority to satisfy itself as to the propriety of expenditure on the facilities in question.

13.7 Treatment of income and surpluses

Schools may retain all net income derived from community facilities except where otherwise agreed with a funding provider, whether that be the LA or some other person.

Schools may carry such retained net income over from one financial year to the next as a separate community facilities surplus, or, subject to the agreement of the authority at the end of each financial year, transfer all or part of it to the budget share balance.

Where a school is a community or community special school, and the authority ceases to maintain the school, any accumulated retained income obtained from exercise of the community facilities power reverts to the authority unless otherwise agreed with a funding provider.

13.8 Health and safety matters

It will be the responsibility of the school's governing body to ensure that any health and safety provisions of the main scheme also apply to the community facilities power.

It will be the governing body's responsibility to meet the costs of securing Criminal Records Bureau clearance for all adults involved in community activities taking place during the school day. Governing bodies would be free to pass on such costs to a funding partner as part of an agreement with that partner.

13.9 Insurance

It is the responsibility of the governing body to ensure adequate arrangements are made for insurance against risks arising from the exercise of the community facilities power, taking professional advice as necessary. Such insurance should not be funded from the school budget share. Schools should seek the authority's advice before finalising any insurance arrangement for community facilities.

The LA is empowered to undertake its own assessment of the insurance arrangements made by a school in respect of community facilities, and if it judges those arrangements to be inadequate, make arrangements itself and charge the resultant cost to the school. Such costs could not be charged to the school's budget share.

13.10 Taxation

Schools should seek the advice of the LA and the local VAT office on any issues relating to the possible imposition of Value Added Tax on expenditure in connection with community facilities; including the use of the local authority VAT reclaim facility.

If any member of staff employed by the school or LA in connection with community facilities at the school is paid from funds held in a school's own bank account (whether a separate account is used for community facilities or not – see section 11), the school is likely to be held liable for payment of income tax and National Insurance, in line with Inland Revenue rules.

School should follow LA advice in relation to the Construction Industry Scheme where this is relevant to the exercise of the community facilities power.

13.11 Banking

Schools should either maintain separate bank accounts for budget share and community facilities, or have one account but with adequate internal accounting controls to maintain separation of funds.

School should also have regard to the provisions at 3.6 and 3.7 above relating to the banks which may be used, signing of cheques, the titles of bank accounts, the contents of bank account mandates, and similar matters. The general approach to these matters should mirror these sections, except that a provision requiring that a mandate show the LA as owner of the funds in the account should exempt the community facilities funds from that if they are not in the same account as the budget share.

Schools may not borrow money without the written consent of the Secretary of State except where this is from the LA as in sections 4.9 and 4.10 above.

13.12 Responsibility for redundancy and early retirement costs

For staff employed under the community facilities power, the default position is that any costs must be met by the governing body, but can be funded from the school's delegated budget if the governing body is satisfied that this will not interfere to a significant extent

with the performance of any duties imposed on them by the Education Acts, including the requirement to conduct the school with a view to promoting high standards of educational achievement. Section 37 now states:

(7) Where a local education authority incur costs—

(a) In respect of any premature retirement of any member of the staff of a maintained school who is employed for community purposes, or

(b) In respect of the dismissal, or for the purpose of securing the resignation, of any member of the staff of a maintained school who is employed for those purposes, they shall recover those costs from the governing body except in so far as the authority agrees with the governing body in writing (whether before or after the retirement, dismissal or resignation occurs) that they shall not be so recoverable.

(7A) Any amount payable by virtue of subsection (7) by the governing body of a maintained school to the local education authority may be met by the governing body out of the school's budget share for any funding period if and to the extent that the condition in subsection (7B) is met.

(7B) The condition is that the governing body are satisfied that meeting the amount out of the school's budget share will not to a significant extent interfere with the performance of any duty imposed on them by section 21(2) or by any other provision of the Education Acts.

(8) Where a person is employed partly for community purposes and partly for other purposes, any payment or costs in respect of that person is to be apportioned between the two purposes; and the preceding provisions of this section shall apply separately to each part of the payment or costs.

Annex A: LIST OF SCHOOLS TO WHICH THIS SCHEME APPLIES

PRIMARY SCHOOLS

Aldermaston Church of England Primary School
Basildon Church of England Primary School
Beedon Church of England Controlled Primary School
Beenham Primary School
Birch Copse Primary School
Bradfield Church of England Primary School
Brightwalton Church of England Aided Primary School
Brimpton Church of England Primary School
Bucklebury Church of England Primary School
Burghfield St. Mary's Church of England Primary
Calcot Infant School and Nursery
Calcot Junior School
Chaddleworth St. Andrew's Church of England Primary School
Chieveley Primary School
Cold Ash St Mark's Church of England Primary School
Compton Church of England Primary School
Curridge Primary School
Downsway Primary School
Enborne Church of England Primary School
Englefield Church of England Primary School
Falkland Primary School
Francis Baily Primary School
Garland Junior School
Hampstead Norreys Church of England Primary School
Hermitage Primary School
Hungerford Primary School
The Ilsleys Primary School
Inkpen Primary School
John Rankin Infant and Nursery School
John Rankin Junior School
Kennet Valley Primary School
Kintbury St. Mary's Church of England Primary School
Lambourn Church of England Primary School
Long Lane Primary School
Mrs Bland's Infant School
Mortimer St John's Church of England Infant School
Mortimer St Mary's Church of England Junior School
Pangbourne Primary School
Parsons Down Infant and Nursery School
Parsons Down Junior School
Purley Church of England Infant School
Robert Sandilands Primary School and Nursery
Shaw-cum-Donnington Church of England Primary School
Shefford Church of England Primary School
Speenhamland Primary School
Springfield Primary School
Spurcroft Primary School

St Finian's Catholic Primary School
 St John the Evangelist Infant and Nursery School
 St. Joseph's RC Primary
 St Nicolas Church of England Junior School
 St Paul's Catholic Primary School
 Stockcross Church of England Primary School
 Streatley Church of England Voluntary Controlled School
 Sulhamstead & Ufton Nervet Church of England Voluntary Aided Primary School
 Thatcham Park Primary School
 Theale Church of England Primary School
 Welford & Wickham Church of England Primary School
 Westwood Farm Infant School
 Westwood Farm Junior School
 Willows (The)
 Winchcombe School
 Woolhampton Church of England Primary School
 Yattendon Church of England Primary School

SPECIAL SCHOOLS

Brookfields Special School
 The Castle School

SECONDARY SCHOOLS

The Downs School

Little Heath School
 The Willink School

NURSERY SCHOOLS

Hungerford Nursery School Centre for Children & Families
 Victoria Park Nursery School

PRUS

iCollege –

- The Oaks
- Badgers Hill
- Bridgeway
- The Porch

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DSG Outturn 2017/18 and Carry Forward to 2018/19

Report being considered by: Schools Forum on 16th July 2018

Report Author: Wendy Howells

Item for: Recommendation **By:** All Forum Members

1. Purpose of the Report

- 1.1 To set out the actual deployment of the Dedicated Schools Grant (DSG) in 2017/18, explaining the main variances and to propose the amounts to be carried forward to 2018/19

2. Recommendation

- 2.1 To approve the overall carry forward, and the utilisation of the unspent DSG funds being carried forward from 2017/18 to 2018/19 as set out in section 8 of the report.

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 Schools Forum has already considered the DSG outturn which set out the year end DSG position for each block and explained the variances.
- 3.2 Schools Forum will now consider the recommendations made by Heads Funding Group on the 3rd July in relation to the de-delegation un-utilised carried forward amounts and the £100k proposal to invest to save High Needs funding.

4. Year End Position – Summary

- 4.1 Table 1 shows the year end position including variances to the final budget.

Table 1 - 2017/18 Year End Outturn - Breakdown by Funding Block						
Funding Block	Original Budget for Year	Virements	Final Budget for Year	Actual (period 13)	Variance	
Schools Block						
Expenditure	64,027,040	259,450	64,286,490	63,846,712	-439,778	
SSRs	333,800	0	333,800	333,800	0	
Total Expenditure	64,360,840	259,450	64,620,290	64,180,512	-439,778	
Grant	-64,360,840	-232,710	-64,593,550	-64,593,548	2	
Net Position (planned carry forward)	0	26,740	26,740	-413,036	-439,776	
Early Years Block						
Expenditure	8,982,690	0	8,982,690	8,452,978	-529,712	
SSRs	43,690	0	43,690	43,690	0	
Total Expenditure	9,026,380	0	9,026,380	8,496,668	-529,712	
Grant	-8,766,180	23,470	-8,742,710	-8,378,718	363,992	
Net Position (planned carry forward)	260,200	23,470	283,670	117,950	-165,720	
High Needs Block						
Expenditure	17,493,810	23,980	17,517,790	17,336,212	-181,578	
SSRs	145,640	0	145,640	145,640	0	
Total Expenditure	17,639,450	23,980	17,663,430	17,481,852	-181,578	
Grant	-17,055,470	-117,750	-17,173,220	-17,173,217	3	
Net Position (planned carry forward)	583,980	-93,770	490,210	308,635	-181,575	
Total						
Expenditure	90,503,540	283,430	90,786,970	89,635,902	-1,151,068	
SSRs	523,130	0	523,130	523,130	0	
Total Expenditure	91,026,670	283,430	91,310,100	90,159,032	-1,151,068	
Grant	-90,182,490	-326,990	-90,509,480	-90,145,483	363,997	
Net Position (planned carry forward)	844,180	-43,560	800,620	13,549	-787,071	

- 4.2 It should, however be noted that the “swing” in the Schools Block relates to de-delegation under spends which cannot be used to offset anything other than de-delegations and is not used for the setting of the overall DSG budget. For this reason the forecast at Month Ten for these budgets was set to on line. The situation was similar in 2016/17 where there was a similar under spend and therefore “swing” in the Schools Block where the de-delegations were under spent by £260k
- 4.3 Note that the final grant allocation for the Early Years Block is not notified by the Department for Education (DfE) until June/July as it is partly based on the January 2018 census. It is expected that there will be a further reduction in grant of approximately £364k; this adjustment has been accounted for in the 2017 outturn position for the Early Years Block.

5. Schools Block

- 5.1 A breakdown of the variances in the schools block is shown in Table 2:

TABLE 2	Final Budget £	Actual Spend £	Actual Variance £	Utilised for 2018/19 Budget	Unutilised Variance £
Primary schools in financial difficulty	314,650	55,551	-259,099	0	-259,099
Other de-delegated services	660,440	575,743	-84,697	50,990	-33,707
Growth fund/falling rolls fund	202,000	126,287	-75,713	0	-75,713
Maintained primary & Secondary school delegations	61,837,750	61,917,436	79,686	0	79,686
School improvement	223,240	149,830	-73,410	0	-73,410
Other centrally retained services	1,048,410	1,021,865	-26,545	0	-26,545
Support Service Recharges	333,800	333,800	0	0	0
Total Expenditure	64,620,290	64,180,512	-439,778	50,990	-388,788

Brought forward under spends from 2016/17 are included in the total actual variance. It has already been agreed by Schools Forum to utilise £38k and £13k of the 2016/17 brought forward variance in Ethnic and Minority Bilingual Learners and Behaviour Support respectively to reduce the cost to schools for these services in 2018/19. This reduces the overall amount of under spend available.

5.2 The options for utilising the unspent budgets are as follows:

- There is an option to use the under spend (as one off expenditure) in the current year's budget for each specific service.
- Alternatively the under spend can be used 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).
- Any carried forward over spends can be funded from the unspent budgets or carried forward to increase the charge to schools in 2019/20.

5.3 The following are the recommendations for utilising the unspent budgets

- For the Primary Schools in Financial Difficulty it is recommended that the unspent budget of £259,099 be added to the funding available in 2018/19 to help meet restructuring costs for schools in deficit – this would provide a total budget of £379,120.
- Support to Ethnic and Minority and Bilingual Learners - £35,170 – it is proposed to use this money to offset the cost to schools for this service in 2019/20 (this will be an approximate reduction of £50 per pupil)
- Behaviour Support - £4,500 – it is proposed to add this to the current year budget and utilise this in 2018/19.
- Growth Fund - £75,710 – it is proposed to roll this money into the budget already set for 2018/19 thereby increasing the budget to £277,710.
- School improvement - £73,410 – it is proposed to utilise £5,960 to offset the over spend in the Statutory and Regulatory Duties budget. School improvement is funded via a new school improvement grant and therefore the remainder of the under spend could be used to either fund additional school improvement services or increase the budget of any other de-

delegated service or be carried forward to the next funding period to reduce the cost of de-delegations in 2019/20. No further proposal was made in relation to the remaining under spend.

- Statutory and Regulatory Duties – (£5,960) is proposed to be covered by the school improvement under spend above.

6. Early Years Block

The explanations relating to Early Years has been the subject of the full report at the last Schools' Forum meeting and there is no carry forward under spend to consider.

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 3	Final Budget £	Actual Spend £	Actual Variance £
Place Funding	3,945,000	3,945,000	0
Top Up funding – WBC schools	4,933,690	4,994,350	60,660
Top up funding – non WBC schools	4,112,680	3,906,715	-205,965
Top up funding – Further Education	1,309,890	1,155,852	-154,038
Top up funding - PRUs	875,870	1,086,906	211,036
Disproportionate funding	100,000	100,972	972
Home Tuition	345,000	320,100	-24,900
Engaging Potential	455,160	456,177	1,017
Hospital Tuition	45,000	1,646	-43,354
Sensory Impairment	215,710	221,312	5,602
Therapy Services	267,460	266,257	-1,203
Vulnerable Children funding	63,980	63,980	0
Other centrally retained high needs budgets	848,350	816,945	-31,405
Support Service Recharges	145,640	145,640	0
Total Expenditure	17,663,430	17,481,852	-181,578
DSG Grant	-17,173,220	-17,173,217	3
Net Total to carry forward	490,210	308,635	-181,575

- 7.2 The original 2017/18 budget set an over spend of £490k. At month 10 the forecast was for a net overspend of £565k, and this figure was assumed as needing to be met from the 2018/19 high needs block grant. The actual over spend position is £309k, which is £256k lower than expected.
- 7.3 As the 2018/19 high needs budget has been set with a £565k over spend, but the actual position is £256k better off therefore it is proposed to use £156k of this to reduce the deficit in 2018/19 and to utilise £100k in invest to save proposal(s) to lower the ongoing cost of the high Needs Block. A separate report details the

proposals and the recommendations from this report are as follows (the numbering follows the report numbering):

- 5.1 - £10k to be utilised as one off money for equipment for Resource Units and Nursery Schools. For future budgets this needs to be addressed via the budgeting process.
- 5.2 - £78.4k to be utilised on a training programme for behaviour leads in schools if the bid to the Strategic Schools Improvement Fund is unsuccessful. This would be a reduced programme to bring the cost within an affordable budget.
- 5.3 - £11k to be utilised on PPEP Care training module on ASD for schools.
- 5.4 – the remainder of the money (approx. £0.6k) to be used for setting up an online forum for SENCOs.

8. Summary of the Carry Forward Proposals

- 8.1 Table 4 details the 2018/19 proposed budget virements to reflect the net reduction in DSG resources carried forward to 2018/19 as proposed in the detail of each block in the preceding paragraphs.

TABLE 4	Original Budget 2018/19 £	Virement Agreed £	Virement Proposal £	Revised Budget 2018/19 £	Carry Forward to 2019/20	Still to be Decided
Primary schools in financial difficulty	120,020	0	259,100	379,120		
Trade Union Costs	43,680			43,680		
Support to Ethnic Minority and Bilingual Learners	151,750	38,300		190,050	35,170	
Behaviour Support Services	196,830	12,690	4,500	214,020		
CLEAPPS	3,170			3,170		
Statutory and Regulatory Duties *	147,590		5,960	147,590		
Growth Fund	205,000		75,710	280,710		
To be allocated - School Improvement	0		-5,960	-5,960		67,450
Sub Total Specific Service Budgets		50,990	339,310		35,170	67,450
DSG b/f grant (L990W)	695,256		-681,710	13,546		
DSG assumed 18/19 year end c/f grant (L999W schools block)	0		-58,360	-58,360	35,170	67,450
Central Services Block	0		-26,550	-26,550		
DSG assumed 18/19 year end c/f grant (L999W early years block)	47,860		-84,930	-37,070		
DSG assumed 18/19 year end c/f grant (L999W high needs block)	-702,900		156,010	-546,890		
High Needs - proposals			100,000	100,000		
Sub Total General Budgets		0	-595,540		35,170	67,450
* note - the Statutory and Regulatory Duties budget has not increased but as a result of offsetting the over spend it has not reduced and not been carried forward to increase the budget in 2019/20						

- 8.2 If the proposals above are agreed there will be an increase of £390k (including increases already agreed) in various service budgets as detailed above. If the proposal to invest to save a sum of £100k from the High Needs budget this will be held in a separate fund in order to monitor specific spend; if not agreed this will reduce the amount of the High Needs over spend forecast for 2018/19.

9. Conclusion

The overall variance to the final budget was a positive £787k and compared to the month 10 forecast was a positive £682k. The “swing” in the Schools’ Block budget is explained above and there has been a substantial impact on the overall budget position for the High Needs Block which has allowed for some additional investment in the High Needs Block in 2018/19 together with a reduction in the planned carry forward budget into 2019/20.

High Needs Block: Invest to Save Proposals

Report being considered by: Schools' Forum on 16th July 2018
Report Author: Ian Pearson, Michelle Sancho, Jane Seymour
Item for: Discussion **By:** All Forum Members

1. Purpose of the Report

1.1 The Heads Funding Group / Schools Forum has requested proposals for invest to save projects using £100,000 of one off funding in 2018-19.

1.2 The purpose of this report is to put forward proposals for consideration.

2. Recommendation

To take a view on the proposals outlined in Part 3 of this report.

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 High Needs Block overspend in 2017-18 was £256K less than anticipated. The Heads Funding Group / Schools Forum agreed to use £156K of this to reduce the deficit in 2018-19 and wished to consider using £100K on projects which would help to generate savings in the High Needs Block.

4. Draft SEND Strategy 2018-23

4.1 One of the key thrusts of the draft SEND Strategy (currently out to consultation) is to reduce reliance on specialist placements for children with EHCPs by increasing the capacity of mainstream schools to meet needs and by creating more local provision in West Berkshire for children with ASD, SEMH and MLD, (as these are the areas where the main pressures for placements exist).

4.2 The SEND Strategy will be published in October 2018 following the public consultation and approval through the relevant channels.

4.3 Many of the proposals in the SEND Strategy, such as creating new resourced units in schools, will require ongoing revenue funding and will not therefore be suitable for consideration for funding from this source as the £100,000 available in 2018-19 is available as one off funding only.

4.4 However, some of the proposals which relate to improving capacity in mainstream schools could be implemented with non-recurring funding.

5. Proposals for consideration

5.1 Equipment for children attending resourced schools and nursery schools

The Schools Forum accepted a proposal, as part of the HNB savings programme in 2018-19, to delete the equipment budget on the basis that schools would pay for specialist equipment for children with EHCPs from their delegated SEN budgets. However, nursery schools do not have delegated SEN funding to pay for equipment. Similarly, it would not be reasonable to expect schools which host resourced units on behalf of the Local Authority to fund equipment for children in the resource as they would then face disproportionate costs compared to other schools. It is therefore proposed that **£10,000** is set aside to meet the costs of equipment in nursery schools and schools with resourced units.

5.2 Training programme for behaviour leads in schools with high exclusions

A bid has been made for funding from the Strategic School Improvement Fund for a programme of support and training for schools with high exclusions. Children who are excluded from school sometimes go on to need specialist SEMH placements. The project has been developed with schools and would involve a number of targeted schools identifying a behaviour lead who would access a 12 month CPD programme, with funding provided for supply cover. The behaviour leads would become part of a peer network and would receive mentoring from an Educational Psychologist, as well as accessing the training modules. The bid which has been put forward is for £167,000. If the bid is not successful, it would be possible to tailor the programme to be delivered for a lower amount. It is estimated that the project could be scaled back but still deliver 12 training modules and mentoring time for all secondary schools and the five primary schools with the highest exclusions at a cost of **£78,400**.

5.3 Delivery of PPEP Care Training Module on ASD for schools

PPEP Care stands for Psychological Perspectives in Education and Primary Care. It is a nationally recognised programme which offers training, usually delivered by CAMHS professionals, to staff in primary care (eg. GPs) and also to schools. The aim is to support schools to support children with mental health difficulties, drawing on a range of psychological techniques. A range of modules are available, including, for example, supporting children with anxiety; low mood and depression; behaviour difficulties etc. A new module has recently been developed on ASD. Children with ASD currently represent the greatest additional costs in terms of specialist placements. It would be possible to offer this module to all mainstream schools. Training costs would normally be met by charging schools; however, the HFG / Schools Forum may wish to consider using some funds to provide the training for free and also to fund supply cover to release staff to attend, in order to incentivise schools to take part. This could be achieved at a cost of **£10,000**.

5.4 Setting up on line forum for SENCOs

We have clear evidence that SEND practice in schools is variable, with some excellent practice and some schools needing support to develop their practice.

We already have a range of support in place for SENCOs, but recognising the practical difficulties involved for SENCOs in being able to attend training and networking events, an on line SENCO forum could be a helpful way for SENCOs to share ideas and expertise and in particular for less experienced SENCOs to be supported by others. More work would need to be done to identify costings but this could be a relatively low cost initiative. The remaining **£1,600** could be set aside for this purpose.

5.5 Funding for resourced schools experiencing financial pressures

West Berkshire has 11 schools with resourced units which are funded through a banding system. A number of schools with resourced units have expressed concern about their ability to meet the needs of children in the resource from the funding available. Some schools have said that they are having to subsidise the resource from the main school budget. There are a number of reasons for this:

- The value of funding bands has been reduced in recent years
- Schools now only receive £10K place funding for any vacant places but still have to fund their core staffing including a full time teacher in charge
- Children being referred to resourced units are increasingly complex
- Schools in some cases had surplus funding in their resourced unit budgets which they were able to use to offset these pressures, but these surpluses have now been exhausted.

It will be necessary to review the mechanism for funding resourced units in order to address these issues in the longer term.

In the short term, there may be some immediate pressures which need to be met, such as funding additional children going in to the new Fir Tree ASD Resource in September 2018. However, it is recommended that if there is a need to provide additional in year funding for resourced units this should be a pressure against the £156,000 rather than being taken from the £100,000 for invest to save initiatives.

6. Appendices

Appendix A - Strategic School Improvement Fund Bid



Department
for Education

Strategic School Improvement Fund Round 3

Word version of application form

Purpose of this document

This document provides applicants with an offline version of the Strategic School Improvement Fund application form to work on ahead of submitting their application via the online portal. DfE will not accept applications sent through by email. All applications must be made through the online portal available via the [apply page](#).

As you work your way through the application form, we recommend look at the corresponding section in the [application completion notes](#). For further information about the Strategic School Improvement Fund, please refer to the [overview guidance on GOV.UK](#).

If you have any problems, please contact ssif.enquiries@education.gov.uk.

Section 1 – Applicant details

(Page 1 ONLINE)

1. What type of organisation are you: (Please tick only one)

☐ **Teaching school**

If you are a teaching school, please enter your 6-digit URN so we can locate the details for your school. You can find your URN on [Get information about schools \(previously Edubase\)](#).*

Is your teaching school also part of a MAT? Yes/no

☐ **Multi-academy trust**

What is your [Companies House](#) number?

Please select your Local authority (drop down options):

☐ **Local authority**

If you are a local authority, what is the name of your local authority? West Berkshire Council

2. How many applications are you submitting in this round? 1

3. Has this application been discussed with your teaching school council regional representative? No

Section 2 – Project details

Overview (Page 2 ONLINE)

4. What is the title for your project? (max 300 characters)

Preventing Exclusions and Improving Attainment, Attendance and Mental Health in West Berkshire Schools: To improve prosocial behaviour and mental health especially for SEND pupils through building strong strategic leadership skills, knowledge and capacity.

5. What is the overall aim/final impact that you are looking to achieve through this project? (max 2,000 characters)

The aim of the project is to recruit and upskill specialist behaviour leaders within the targeted schools in order to reduce exclusions, reduce specialist placements, improve pupil attendance and attainment as well as improve staff knowledge, skills and confidence.

Teachers' insufficient training and knowledge can compound the challenges faced by children with complex needs. Addressing this is key to preventing exclusion. In particular, teachers have little access to training on child development and mental health, which results in teachers having difficulty recognising behaviour linked to mental ill health. Instead, challenging behaviour can often be construed as a moral choice and punished without appropriate intervention.

Target schools will nominate a behaviour lead who will take part in the project to provide strategic leadership, individual support and staff training within their school. The behaviour leads will receive a cycle of CPD followed by network meetings to support their work and enhance their skills. 12 days core CPD will be delivered in the areas of mental health, leadership, SEND and behaviour management. A behaviour toolkit which contains the training modules and best practice guidance will be produced to build capacity for further school delivery. Behaviour leads will be trained to complete a self-evaluation of their school and create an action plan in consultation with their senior leadership team and an external behaviour expert. This will initiate a cycle of self-evaluation and improvement. The project will be led by a steering group comprising of the LA Principal Educational Psychologist, Head teachers and the Headteacher of the Alternative Provision.

6. What is the planned start date for your project? (No start date should be earlier than 1st September 2018) 1st September 2018

7. What is the planned end date? (No end date should be later than 31st March 2020) 31st March 2020

8. Please confirm if you are applying under any of the following flexibilities (full details can be found on GOV.UK): No

- a. for special schools, pupil referral and alternative provision unit
- b. for applications supporting SEND pupils in mainstream schools
- c. for first and infant schools

Supported Schools (Page 3 ONLINE)

Each application must support a minimum of four schools, of which at least 70% must meet at least one of the supported schools [eligibility criteria](#) except in the circumstances outlined in the guidance on the [GOV.UK](#) page. There is no limit to the number of schools that can be supported in an application.

9. **Please list all supported schools below** (Please note: All schools listed must have given their explicit agreement to receive the proposed support, and in the case of academies, the agreement of their MAT.)

<i>What is the URN for the supported school?</i>	<i>Does this school meet the eligibility criteria?</i>	<i>Please tick to confirm the school has explicitly agreed to be supported through this application</i>	<i>Is this school part of the applicant's multi-academy trust? Please note if the applicant teaching school is not part of a MAT, or if the applicant is an LA, please select 'no'.</i>	<i>For MAT applicants only: Has this school passed a resolution to join the multi-academy trust during the lifetime of the improvement project? Please note if the applicant teaching school is not part of a MAT, or if the applicant is an LA, please select 'no'.</i>
137777 Denefield School	Yes / No		No	Yes / No
142822 John O'Gaunt School	Yes E13		No	
110048 The Willink School	Yes E14		No	
136733 Park House School	Yes E14		No	
139938 Theale Green School	Yes E4		No	
110102 The Downs School			No	
136647 Kennet School			No	
110063 Little			No	

Heath School				
137465 St Bartholomews School			No	
138525 Trinity School			No	

Evidence-based programme of work

Your answers to the following questions must include evidence to demonstrate why the proposed support is expected to drive up standards in schools. Please refer to the [Classification of Evidence on GOV.UK](#) and the [application completion notes](#).

ISSUE: (Page 4 ONLINE)

10. What is the issue/improvement need you are going to address in order to achieve your aim/final impact? (max 2,000 characters)

Issue

Nationally there has been a 40% increase in exclusions over the past three years (DFE, 2017). In West Berkshire the number of fixed term exclusions in 2016-17 increased by 28%. All secondary schools showed an increase in the number of fixed term exclusions from the earlier year to the later. Nine out of ten secondary schools showed an increase in the percentage of overall absence from 2015-16 to 2016-17. The rate of persistent absence in secondary schools has increased in seven of the ten secondary schools from 2015-16 to 2016-17. The target primary schools showed a marked increase in fixed term exclusions between the 2015-16 and 2016-17 academic years, or in the case of one school, only a small increase but both years are very high. Overall absence in West Berkshire remains below national, but these six primary schools all had an increase in overall absence from 2015-16 to 2016-17.

45% of all fixed term exclusions in 16-17 were of children with SEND (534 out of 1187 exclusions) and 7% of all fixed term exclusions were children with ASD

School Selection

All of the target primary schools showed a marked increase in fixed term exclusions between the 2015-16 and 2016-17 academic years. The rate of change for West Berkshire secondary schools for the same time period is 0.9, national is 0.4. All of the target schools would benefit from the project.

Current Work

A survey among all schools highlighted a need for teacher training in behaviour. Improvements in the behaviour support team have been made including an expansion in the team.

Research Evidence

Pupils with a recognised SEND are 7 times more likely to be excluded than their peers suggesting that their needs may be a causal factor in exclusion (DfE 2017). Only half of children with clinically diagnosed conduct disorders and a third of children with similarly diagnosed emotional disorders are recognised in their schools as having SEN (ONS 2005). This research indicates a need for improving teacher skills.

INPUT: (Page 5 ONLINE)

11. What will you actually do/deliver to address the improvement need in order to achieve the final impact/outcome identified and what is the rationale and evidence for why this will work including how that evidence translates into the specific activity you are proposing? (max 3,000 characters)

Rationale and Evidence

Evidence: "Developing Teachers: Improving Professional Development for Teachers" The Sutton Trust (2015). The report cites the following in relation to improving pupil performance:

1. It is through good quality professional development that real improvements in teaching and attainment take place
2. Schools should have a joint responsibility for each other and for all the young people in their community

Central to the project is good quality professional development which will enable behaviour leads to encourage improvements in teaching and attainment in their own schools. Schools will have joint responsibility as the teaching school will be used to support the development of action plans in the target schools. Joint responsibility will also be encouraged through network meetings.

Evidence: Engage in Education Research (Education Endowment Foundation) cites:

1. Training teaching staff in communication skills leads to improvements in pupil attendance, attainment and reductions in exclusions

A training module on communication skills will be delivered and the information cascaded to class teachers. The behaviour lead will monitor classroom practice to ensure the information shared is translated into the identification of communication difficulties and improved classroom teaching and learning.

Identified Approach

The model of following CPD into action in the classroom and upskilling staff will be implemented. This will be underpinned by teacher self-review and a sharp focus on improvements in outcomes for tracker pupils which is a sustainable school improvement model. The target professional development group are behaviour lead teachers from 16 schools with moderate to high exclusions. The behaviour leads will attend the core training and support follow up work in the classrooms of the tracker pupils by upskilling staff in their own schools and extending support to other teachers. There will be 12 days of central training. A government commissioned survey of teachers published last year found that one in two senior leaders felt their staff could not recognise behaviour linked to mental health and

were not equipped to teach pupils with mental health issues (Smith et al 2017). This bid will address this issue by training behaviour leads to understand mental health issues as well as disseminate learning to teachers teaching the target group. A recent government-commissioned survey found

less than half of mainstream schools collected data to inform themselves of pupils' specific mental health needs (44 per cent of maintained schools and 49 per cent of academies), compared with more than three-quarters of AP settings (77 per cent) (Marshall et al 2017). The project will provide tools to support schools to collect data and will use the input of the outstanding AP to disseminate good practice.

Action Plan/Timeline: (Page 6 ONLINE)

12. Please provide details of the high-level action plan in terms of main activities and milestones for the proposed project. There is no limit to the number of activities / milestones you can add to your action plan.

Term	Start date	End date	Main activity / Milestone (max 1000 characters)	Key Performance Indicator(s) that success of this activity will be measured against (500 characters)	Person leading and their role (max 1000 characters)

Providers and their Track Record: (Page 7 ONLINE)

13. Who will be delivering the activities outlined, what is their track record in delivering programmes of a similar size and nature to this programme of work?
(please include your organisation in this list)

Provider name	Organisation type	Please tick to confirm the provider understands and has agreed to fulfil the role outlined.	Past project(s) (please include and indicate where providers have previously worked together) (max 300 characters)	Evidence of Success (max 400 characters)	How many schools were supported through these projects?
The Willink	Teaching School	Y	The school improvement team has with The Willink on school improvement strategies. The LA has	Successful teaching school	5

			worked with the teaching schools on submission of bids.		
Northampton Centre for Learning Behaviour (University of Northampton)	University	Y	The LA has worked closely with the organisation.	National training provider	100 plus
The iCollege	PRU	Y	The LA has worked closely with the organisation. The PRU supports our schools through their outreach project.	Outstanding on past OFSTED inspection	80

[OUTPUT \(Page 8 ONLINE\)](#)

14. What are the specific changes within the classroom that you anticipate as a result of this activity? (1,000 characters)

Outline here the anticipated changes in the classroom and how this builds on existing effective teaching and delivery of the national curriculum.

The specific changes within the classroom are anticipated to be the following:

- Tracker pupils to achieve greater individual focus in their learning with measureable gains in progress, attainment, self-esteem, confidence & readiness for transitions
- For tracker pupils to gain a deeper understanding & improvement of their behaviour for learning
- For tracker pupils to demonstrate improved emotional regulation in the classroom
- For tracker pupils to demonstrate increased resilience & improved decision making with regards to their learning
- Behaviour leads to be upskilled so that they have a clearer understanding of SEND pupils and their barriers to learning
- Behaviour leads to ensure a connection between themselves and teaching and learning in the classroom
- Effective identification of tracker pupils' individual learning needs by class teachers who have been upskilled by behaviour leads
- An improved ethos for inclusion evidenced by a reduction in exclusion

In order to measure impact we would expect to see:

- Tracker pupils responding to teacher intervention constructively, e.g. re-drafting, reviewing & self-correcting with a demonstrated improvement in English and maths.
- Fewer fixed term and permanent exclusions of tracker pupils
- Quality First teaching in target year group classrooms.

Short Term Outcomes (Page 9 ONLINE)

15. What are the short-term outcomes to be achieved throughout the project? What performance indicators will you use to evidence that your project is on track to deliver its final impact?

Short term outcomes will likely be changes in practices, skills, behaviours and knowledge.

What is the outcome or performance indicator? (max 500 characters for each outcome / performance indicator)	By when will it be met / achieved? The latest date is 31 March 2020	What source(s) of evidence will show that the outcome has been achieved / performance indicator met? (max 500 characters)
Improved attendance, attendance within 5% of school average attendance excluding this cohort, closing the attendance gap	31 March 2020 Each cohort on half-termly/end of placement basis, eg Feb, Apr Oct Dec 2019 & Feb Mar 2020	<ul style="list-style-type: none"> • Individual student attendance compared to average student attendance for host school • Measure half termly
Periods of exclusion are shorter and less frequent for persistent, low level, disruptive behaviour for 70% of students on the placement in the first year and 80% of students in the second year of the scheme	31 March 2020 Each cohort on half-termly/end of placement basis, eg Feb, Apr Oct Dec 2019 & Feb Mar 2020	<ul style="list-style-type: none"> • Measure average duration of exclusions • Measure frequency of exclusions • Reasons for exclusions • Compare to benchmark pre-placement • Measure half termly
Progress within 5% of school average progress excluding this cohort, closing the progress gap	31 March 2020 Each cohort on half-termly basis, eg Feb, Apr Oct Dec 2019 & Feb Mar 2020	<ul style="list-style-type: none"> • Individual student progress compared to average student progress for host school • Measure half termly
Changed approaches to teaching to focus on tracker pupils' behaviour for learning and emotional self-regulation in the	31 March 2020 On half-termly basis, eg Feb, Apr Oct Dec	<ul style="list-style-type: none"> • Observations and teacher self-reflection

classroom, so that teachers are more confident in their skills	2019 & Feb Mar 2020	
Teachers will be more skilled in diagnosing reasons for antisocial behaviours and behaviour that challenges – evidence in work scrutiny; observations	31 March 2020 On half-termly basis, eg Feb, Apr Oct Dec 2019 & Feb Mar 2020	<ul style="list-style-type: none"> • Work scrutiny, observations
Bespoke lesson planning means that tracker pupils will quickly start to accelerate learning	31 March 2020 On half-termly basis, eg Feb, Apr Oct Dec 2019 & Feb Mar 2020	<ul style="list-style-type: none"> • Work scrutiny and progress data
Greater pupil resilience in maths and English		<ul style="list-style-type: none"> • Tracker pupil survey
Improved teacher knowledge of barriers to learning to support high quality teaching and learning in the classroom	31 March 2020 On half-termly basis, eg Feb, Apr Oct Dec 2019 & Feb Mar 2020	<ul style="list-style-type: none"> • Observations and teacher self-reflection
Deeper knowledge of child development, mental health, attachment, and diagnoses etc to enable teachers to provide challenge for all	31 March 2020 On half-termly basis, eg Feb, Apr Oct Dec 2019 & Feb Mar 2020	<ul style="list-style-type: none"> • Self-reflection, work scrutiny
Raised expectations and improve outcomes for tracker pupils	31 March 2020 On half-termly basis, eg Feb, Apr Oct Dec 2019 & Feb Mar 2020	<ul style="list-style-type: none"> • Progress data, end KS3 data
Teachers will become more reflective practitioners – self-evaluation log / reflective thinking	31 March 2020 On half-termly basis, eg Feb, Apr Oct Dec 2019 & Feb Mar 2020	<ul style="list-style-type: none"> • Self-reflection
The Network will encourage more sharing of good and effective practice	31 March 2020 On half-termly basis, eg Feb, Apr Oct Dec 2019 & Feb Mar 2020	<ul style="list-style-type: none"> • Steering group monitoring

Long Term Outcomes (Page 10 ONLINE)

16. What are the long term outcomes that need to be achieved in order for your final impact to be realised, and, what evidence *will you gather to determine whether these long-term outcomes have been achieved?*

Long term outcomes will likely be changes in pupil performance data or Ofsted results.

Definition of long-term outcome (max 300 characters for each outcome)	Date when this outcome will be achieved?	What source(s) of evidence will show that the outcomes have been achieved? (max 500 characters)
Improved attainment, 70% of students meeting their national expected progress at the end of Key Stage 3 based on CAT scores, closing the attainment gap in the 1st year and 80% in the 2nd year	30 September 2019 Year 1 30 September 2020 Year 2	<ul style="list-style-type: none"> • Student cohort anticipated Progress 8 at end of KS3 compared to predicted from, • Individual student CAT scores at entry KS3 • Measure 30 September 2019 Year 1 • 30 September 2020 Year 2
70% of student Year 4/5 and 80% of Year 9 cohorts are not fixed term / permanently excluded and remain in mainstream education	30 September 2019 Year 1 30 September 2020 Year 2	<ul style="list-style-type: none"> • Exclusion data relating to persistent disruptive behaviour as cause of fixed term / permanent exclusion
Progress and attainment rates in maths and English will improve on 2019 data	30 September 2019 Year 1 30 September 2020 Year 2	<ul style="list-style-type: none"> • KS2 and KS3 outcomes, teacher assessment, school data
KS3 outcomes for all tracker pupils will improve to at least national standards by 2020	30 September 2019 Year 1 30 September 2020 Year 2	<ul style="list-style-type: none"> • Data analysis, school self-evaluation, performance tables
The quality of teaching is securely good in target schools	30 September 2019 Year 1 30 September 2020 Year 2	<ul style="list-style-type: none"> • Observations, evaluation of this project, OfSTED
Tracker pupils sustain improvements made and resilient attitudes	30 September 2019 Year 1 30 September 2020 Year 2	<ul style="list-style-type: none"> • Tracker pupil survey
Behaviour Leads sustain the model in their own school and disseminate to other schools	30 September 2019 Year 1 30 September 2020 Year 2	<ul style="list-style-type: none"> • Training delivered across schools by 'expert' Behaviour Leads

Deliverability (Page 11 ONLINE)

17. How will you monitor that the improvement activities are on track to achieve the short and long term outcomes identified, including how providers and supported schools will manage any impact on workload? (Max 2,000 characters)

Please include in your answer:

- *Details of how you will monitor the completion and impact of the activities outlined and who will be accountable for this.*
- *What the process for addressing problems and bringing the project back on track should it falter.*

We will monitor the completion and impact of the activities by forming a Steering Group who will be held accountable. The Steering Group will consist of:

- 2 Mainstream Secondary School Headteachers
- 1 Mainstream Primary Headteacher
- 1 Alternative Provision Headteacher
- 2 LA representatives (incl. Chair)

The Steering Group will manage and review the operational activities of the project and provide strategic advice and support on a half termly basis. The Project Team (Behaviour Leads) will report to the Steering Group termly.

The Behaviour Leads will monitor progress in schools and actively manage and maintain a RAID log (a log of Risks, Actions, Issues and Dependencies) and an action plan. This will enable appropriate action to be taken for when required. There will be weekly in schools' meetings with the key staff that teach the target year group chaired by the Behaviour Leads. The Behaviour Leads will observe and monitor classroom practice and track the progress of the identified pupils at risk in their school.

The Steering Group will review progress against plan, half termly reports and the RAID log and resolve escalations when required.

The impact on workload will be proactively managed by initial workload assessment of job profiles and associated practices in conjunction with professional associations and DfE guidance on workload reduction. Workload would be an example of a risk that would be managed via the RAID log.

Evaluations from courses will be analysed by the Steering Group following each training. Headteachers of the target schools will be contacted in December 18 and April 19 to feedback their views and impact in school.

Behaviour Network meetings, attended by the Behaviour Leads will invite discussion of progress to date in schools.

Summative attainment data at the end of KS3 for tracker pupils will be analysed and reported in July 19 and 20

[Risks \(Page 12 ONLINE\)](#)

18. What are your top 5 risks to success?

Please describe the risk (<i>max 500 characters for each risk</i>)	What is the likelihood of the risk occurring? High Medium Low	If the risk occurs, what level of impact will it have on delivery of the improvement outcomes? High Medium Low	How will you mitigate the likelihood and impact of the risk? (<i>max 500 characters</i>)	What is your contingency should the risk arise? (<i>max 500 characters</i>)
Limited take up from schools	Low	High	The target schools have already agreed to be part of the project so the risk is low. We will ensure there is adequate time (September to December 2018) for schools to identify a behaviour lead. Workshops will be run to give information about the project.	The project lead will support any schools requiring support to select an appropriate member of staff.
Staff moving schools during the project	Low	Medium	Training time is relatively short. Will ask schools to nominate an assistant for each lead which is not funded by the project but will assist the lead.	The assistant would take the place of the lead.
Low calibre of behaviour leads	Low	High	Rigorous selection process using agreed criteria and applications	Project manager to be available to provide intensive coaching and

			and references	support
Lack of senior leadership support	Low	Medium	Schools have briefed and agreed to participate in the project which has zero costs for schools.	Project manager to meet with senior leadership team. Steering group available for further support.
Poor attendance due to other commitments	Low	High	High quality training will be provided. Training dates published well in advance. Fully funded training programme with supply money available to reduce barriers to attendance.	Project to address with individual concerned and with senior leadership of school if necessary

Sustainability (Page 13 ONLINE)

19. How will improvements be sustained beyond the period of funding, and how will they be embedded in the schools business as usual operations, including accountability for making it happen?(max 3,000 characters)

Please include in your answer:

- Details of how you will ensure that supported schools have embedded the improved practices, behaviours, systems and/or people to sustain the improved outcomes, beyond the life of this programme of work.
- Details of who will be accountable for ensuring that the improvement is sustained, including how the governance and leadership of the supported schools will ensure they sustain the improvements made.
- Details of how ongoing costs, if any, to sustain improvements will be resourced after the life of this programme of work.

An in depth evaluation of the project will be completed including a Behaviour Toolkit which will contain best practice examples and a bank of resources of “What works” as well as training modules which schools can deliver themselves.

The findings and the key effective strategies used by behaviour leads will be disseminated to Headteachers at Primary and Secondary Heads Forums to hear about outcomes from the target schools. Heads will be able to receive support from the expert teachers and link psychologists to deliver the CPD in school.

The use of behaviour lead teacher self-evaluation logs will be encouraged. The project

findings will also be disseminated to senior leaders at termly meetings.

The programme is designed to include dissemination of learned practices to other members of staff in school and improve classroom practice. Observation and mental health screening resources will be left with the schools for continued use. Collaborative working between schools is a key element of the bid and this would have a positive impact on sustainability. Schools will have resources from the self-evaluation tool used to set the school action plan and will be able to continue the cycle of sustained improvements. Exclusion data will continue to be disseminated to each school to inform their action plan and schools will have tools to enable them to track and monitor the progress of pupils at risk of exclusion. The LA will continue to hold network meetings for behaviour leads in order to monitor the sustained improvements and will embed this into usual operations. This will be overseen by the Principal Educational Psychologist and Service Manager for SEMH.

Value for Money: (Page 14 ONLINE)

20. How have you ensured that costs are minimised, and the delivery model is cost effective in relation to the scale of activity and intended impact (max 2,000 characters)

Please include in your answer:

- Details of how you have optimised resources, and minimised waste and duplication.
- The steps you have taken to ensure best value for each element of the costs of your proposal, including any benchmarks used for delivery costs.

School venues have been used for training and meeting purposes where possible. The trainers are experienced providers highly rated by schools previously and better value than high commercial rates. The expert teachers from local schools supporting delivery are cost effective. Venues are locally costed and we are using good value venues known to us. Where possible, network meetings after school have not been costed and school venues used. Supply rates are not based on high current agency rates. Costs will be evaluated throughout to keep a flexible approach. We have kept costs down to prioritise accessing school supply funds.

Project Management & Admin

Printing costs are supplied by the council and very competitive. Production of the Behaviour Toolkit will therefore be kept low. Data management costs are being absorbed by the LA as are some of the administration and management costs. The LA administration costs are low and not for profit. Travel costs have been kept low.

Section 3 - Project costs

Project Costs (Page 15 ONLINE)

21. How much funding are you seeking from the Strategic School Improvement Fund for this application?

22. Are you, or any other entity that is party to this application in receipt of, or have applied for, other sources of funding for the same activity?

- a. If yes, please provide details of how much, on what, and where it originates.
(max. 1,000 characters)

23. How does the total amount applied for break down into programme costs? Please indicate the estimated level of spend by type per term:

Instructions:

Please complete the table below taking care to list all costs under the appropriate cost type. A description of each cost type can be found in the [application completion notes](#):

The total spend across all cost types should equal the total amount applied for.

Project Costs	Application Development Cost	Autumn Term 2018	Spring Term 2019	Summer term 2019	Autumn term 2019	Spring term 2020	Total spend
Delivery		7000	42,533	42,533	42,533	42,533	134,600
Administration	250	300	750	750	750	750	3,550
Project management	3000	5,000	5,000	5,000	5,000	5,000	28,000
Travel and subsistence		200	200	200	200	200	1,000
Total spend	3250	12,500	48,483	48,483	48,483	48,483	167,150

[Breakdown of proposed provision \(Page 16 ONLINE\)](#)

24. Please provide the breakdown of proposed provision over the lifetime of the application

- The sum of the total spend here will need to match the total spend for each cost type
- The providers must match the providers you have previously listed in this application.

What service is being provided?	Name of provider	Role* (descriptions for role types can be found in the application completion notes)	Cost basis: OR Day rate Materials and resources	For day rates, please enter the day rate and number of days required.	For materials or resources, please confirm the total cost.	Number of people you will engage to deliver this (if applicable)
Delivery Administration Project Management Travel and subsistence						
Delivery	The Applicant	Training/CPD	Day rate	£600 day rate x 12 days	£7200	1 person
			Materials and resources		£4000	1 person
Delivery	ICollege	Headteacher	Day rate	£600 day rate x 6	£3,600	1 person
Delivery	Northampton Centre for Learning Behaviour	Consultant	Day rate	£600 day rate x 3	£1,800	
Delivery	The Willink	Head of Department	Day rate	£600 day rate x 3	£1,800	1 person
Delivery	The Applicant	Teacher	Supply cover for schools	£220 day rate x 360 days	£79,200	1 person
Project Management	The Applicant	Other – Educational Psychologist	Day rate	£500 day rate x 50 days	£25,000	1 person
Delivery	The Applicant	Other – Educational Psychologist	Day rate	£500 day rate x 50 days	£25,000	1 person
Delivery	The Applicant	Venues	Day rate	£750 day rate x 16 days	£12,000	1 person
Administration	The applicant	Administrator	Day rate	£220 day rate x 15 days	£3,300	
Travel and subsistence	The Applicant		Car mileage		£1,000	1 person

Section 4 - Summary information (Page 17 ONLINE)

25. Which key stage(s) are you targeting:

You can select multiple entries

Early years / Foundation stage ☐

Key Stage 1 ☐

Key Stage 2 ☐

Key Stage 3 ☐

Key Stage 4 ☐

Key Stage 5 ☐

26. How many pupils do you expect to directly benefit from this application?

2,500-3000

27. Please provide a short description of what this figure is based upon:

Pupils in Years 5 and 6 of the project Primary Schools

Pupils across the school in project Primary Schools

Pupils in Year 9 in project project schools

Pupils across the school in project Secondary Schools

28. Please specify the school year(s) of these pupils:

Pre-reception settings ☐

Reception ☐

Year 1 ☐

Year 2 ☐

Year 3 ☐

Year 4 ☐

Year 5 ☐

Year 6 ☐

Year 7 ☐

Year 8 ☐

Year 9 ☐

Year 10 ☐

Year 11 ☐

Year 12 ☐

Year 13 ☐

Contact details (Page 18 ONLINE)

Please provide the name and contact details for a single point of contact for us to correspond with. This person will need to email any supporting documents required to us separate to this form and we may need to contact them outside term time.

Title
First name
Surname
Position
Work telephone number
Mobile telephone number
Email address

Are you the senior responsible officer (SRO) Yes/No

The Senior Responsible Officer must be one of the following:

- **Teaching school applicants** – SRO must be the Headteacher of the teaching school
- **Local authority applicants** – SRO must be the Director, Assistant Director or equivalent for Children's Services of the local authority
- **Multi-academy trust** – SRO must be the chief executive officer/accounting officer of the MAT

If no, please confirm the name, position and contact details for the Senior Responsible Office for this application:

Title
First name
Surname
Position
Work phone number
Mobile phone number
Email address

Declaration of Interests

Declaration of Interests (Page 19 ONLINE)

DfE requires that the applicant and the provider/s offering services funded by this application declare any conflicts of interest they have with organisations party to this application. The Department for Education defines a conflict of interest as 'a situation in which someone in a position of trust either within the Department, or from a future or existing contractor, has competing professional or personal interests that may have the potential to distort competition. Such competing interests can make it difficult to fulfill his or her duties impartially.'

In deciding which interests to disclose, those affected by this declaration should ask whether, in the opinion of a fair-minded and informed observer, the interest would suggest a real possibility of bias.

If you declare an interest, we will take a decision on how these will be managed.

Could the personal interests of any party to this application or those of family members or friends be deemed to benefit from this application should it be funded?

If yes, please provide details. Please explain how will this be managed

Are there any other interests you wish to disclose?

If yes, please provide details:

[Submission \(Page 20 ONLINE\)](#)

You are now ready to submit your application

In order for your application to be put forward for assessment, you must submit your application by clicking the 'submit' button. To review a copy of your application prior to submitting click on 'Printable Version' to download a PDF copy. Once you have submitted your application a confirmation email along with a PDF version of the application will be sent to the email address you have provided

I verify that the information contained in this application is accurate and complete.

Evaluation and policy development

The Department for Education is committed to evaluating its programmes and policies. The Strategic School Improvement fund will be evaluated by external and independent organisations to ensure the programme's objectives are met in the most efficient and effective manner. We will share application details confidentially to third parties working with or to the Department for Education for the purpose of evaluation and policy development.

Submit

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School Budgets 2018/19 and Schools in Financial Difficulty

Report being considered by: Schools Forum on 16th July 2018

Report Author: Wendy Howells

Item for: Discussion **By:** All Maintained Schools Representatives

1. Purpose of the Report

- 1.1 All (but one) maintained schools have now submitted their three year budgets. This report sets out the overall position, highlights some key observations, and details the strategy that the Council intend to follow for schools in financial difficulty.

2. Recommendation(s)

- 2.1 That the report be noted.

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. Overall Position

- 3.1 Appendix A shows the budgets submitted by maintained schools for 2018/19 plus their two year strategic forecast, alongside their closing balance budget and actual for 2017/18 and the 2018/19 main school budget forecast submitted a year ago. The first set of figures combine together all the revenue accounts, so include the main school budget, resource unit, pupil premium and sports premium. The three year forecasts are for main school budget only.
- 3.2 The overall position of the 71 maintained schools (66 budgets submitted as 5 sets of federated schools now operate with one single budget for 2 schools) is shown in Table 1 – this is the total Revenue budget balances.

TABLE 1	2018/19 number	2017/18 number	2016/17 number	2015/16 number
Surplus budget	51 (77%)	48 (72%)	48 (70%)	54 (73%)
Balanced budget (contingency nil or less than £2k)	5 (8%)	8 (12%)	13 (19%)	16 (22%)
Deficit budget	10 (15%)	11 (16%)	8 (11%)	4 (5%)
TOTAL	66	67	69	74

- 3.3 The number of schools setting a deficit budget has decreased slightly, whilst those setting a surplus budget has increased. The value of the Revenue budgets set at a

deficit is over £800k, which is worrying compared to the value of budgets set at a deficit last year of £559k

3.4 Table 2 shows the overall balances compared to the original budget/forecast:

TABLE 2	2017/18 Total Revenue Budget Balance	2017/18 Total Revenue Actual Balance	2017/18 MSB Budget Balance £'000	2017/18 MSB Actual Balance £'000	2018/19 Forecast MSB (last year) £'000	2018/19 Actual MSB Budget
Nursery	31	121	30	121	-11	23
Primary	508	1,548	223	1,035	-904	328
Secondary	45	479	45	479	-862	76
Special	55	481	21	366	-793	207
Pupil Referral Units	141	253	141	253	-242	8
TOTAL	780	2,882	460	2,254	-2,812	642

3.5 In 2017/18 the actual Revenue balances were over £2m higher than the original budget (with the Main School Budget outturn nearly £1.8m higher than the original budget). The total Main School budgets set for 2018/19 are forecasting a net surplus of £642k which is £3.5m higher than the forecast as set a year ago. These swings are no different to previous years and it may be that many schools will generally set a “worst case scenario” budget for years 2 and 3 of their forecasts, but will manage spending decisions carefully during the year with sight of the longer term position; and/or assistance from the Schools Accountancy team in relation to the forecast deficit position has helped manage the budget deficits down.

4. Deficit Budgets

4.1 The deficit budgets set for the Main School budget (MSB) for 2018/19 total £923k. The schools setting a deficit budget in 2018/19 are shown in Table 3. Note that the balances in this table are the main school budget only and *exclude* pupil premium grant, resource units, and sports grant.

TABLE 3	2017/18 Opening Balance £	2017/18 Budget £	2018/19 Opening Balance £	2018/19 Forecast Closing Deficit Balance £	2018/19 Balance as Forecast Last Year £
Beenham	-34,360	-61,870	-64,783	-36,150	-18,809
John Rankin Schools (federation)	-109,190	-88,450	-189,992	-130,670	-73,490
Kintbury	24,960	-22,240	-12,317	-15,576	-6,346
Parsons Down Schools (federation)	16,150	-47,447	-22,432	-92,210	-158,092
St Finian's	-7,714	0	-31,909	-61,540	-42,637
St John the Evangelist	-22,730	-50,110	-37,759	-45,260	-39,060
Westwood Farm Schools (federation)	-67,110	-99,426	-82,753	-99,426	-40,571
The Willows	-17,826	1,227	-212,694	-130,800	23,707
The Willink	137,890	-147,088	-98,684	-311,590	-253,592
TOTAL	-79,930	-515,404	-753,323	-923,222	-608,890

- 4.2 There are nine schools setting a MSB deficit budget for 2018/19 compared to eleven last year (three of the eleven schools setting a deficit in 2017/18 have set a balanced budget for 2018/19). The table above shows that seven schools are continuing in deficit from the position in 2017/18 and a further two schools closed in deficit and set a deficit budget for 2018/19. Even though the number of schools predicting a deficit has decreased the value compared to last year has increased considerably as has the closing position for 2017/18 compared to 2016/17 (ie opening positions for 2017/18 and 2018/19 respectively). The current 2018/19 deficit budgets as set are also considerably more than was forecast for 2018/19 at this time last year.
- 4.3 The WBC schools finance team are currently reviewing the deficit recovery plans for each school. A report on each will be brought back to Schools' Forum later in the year.

5. Year Two and Three Forecasts

- 5.1 The overall three year forecasts for the Main School budget are shown in Table 4

TABLE 4	2018/19 Forecast £'000	2019/20 Forecast £'000	2020/21 Forecast £'000
Nursery	23	9	-25
Primary	328	-874	-3379
Secondary	76	-416	-907
Special	207	-439	-1331
Pupil Referral Units	8	-347	-747
TOTAL	642	-2,067	-6,389

- 5.2 If schools take no action, a significant overall net deficit balance would occur. 19 schools have forecast a year 2 (2019/20) deficit of greater than £25k, compared to 24 schools in 2017/18. The total value of deficits set in 2019/20 is approx. £2.4m compared with £2.8m last year. Since schools have delegated budgets they are not required to submit budget monitoring reports until month nine unless they have set a deficit budget or closed the previous year in deficit. It would therefore be recommended that schools be required to submit a budget monitoring forecast at month 6 at the end of September in order that the Local Authority and Schools Forum are alerted to problems earlier than month 9.
- 5.3 It is evident from Table 2, that the year 2 position is unlikely to materialise, as most schools will do what it takes to balance their budget, with some taking difficult decisions regarding changes to the way they operate.
- 5.4 During the autumn term once staffing structure and salaries are settled for the academic year and pupil numbers are known, schools will re-evaluate the position, and if still showing a deficit for year two, should start looking at savings options. Many of the schools that have closed the 2017/18 financial year with an unplanned deficit and have gone into deficit in 2018/19 are those that have left it too late to take action, particularly if the deficit is large and the only option is to restructure.
- 5.5 Schools that are showing an increase in their balance rather than going into deficit, are generally those where pupil numbers (hence funding) are rising greater than costs.
- 5.6 In their forward planning, schools will have assumed that funding rates per pupil will remain the same; however the proposed new national funding formula has changed the funding each school receives. As soon as the new rates are known, schools will need to reassess their position.

6. West Berkshire Strategy for Schools in Financial Difficulty

- 6.1 The Council has adopted a strategy aimed to minimise the number and size of deficits. It is in two parts – first, to be proactive in helping schools to reduce their deficits or prevent going into deficit by providing a supportive role; and second, the intervention required when a school is not reducing or eliminating its deficit. With the current staffing structure the strategy so far has been more reactive rather than proactive. However there is a proposal to have additional resource within the team to ensure that both parts of the strategy are carried out effectively and to ensure that the strategy is sustainable.

Proposed strategy to reduce the number and size of deficits

- 6.2 Schools currently in deficit – required for 9 schools in 2018/19:
- (1) Senior finance and education staff are to meet with the school to review, challenge and advise on their deficit recovery plan. This is to ensure that plans are realistic and to explore if more can be done to reduce the deficit and/or clear it sooner.

- (2) Finance staff review monthly monitoring reports (from month 4 to month 11). This is also a requirement for schools which closed in deficit in 2017/18 but set a balanced budget for 2018/19.
- (3) Senior finance and education staff to meet with each school for in year review and look forward (prior to setting 2019/20 budget).

6.3 Schools at high risk of going into deficit ie setting a deficit budget for 2019 onwards:

- (1) Senior finance and education staff are to meet with the school in the Autumn term to review their position. HR staff may also be required to attend such meetings to advise on staffing restructures.

6.4 All schools:

- (1) Facilitate workshops for groups of schools on specific savings strategies, such as for alternative staffing structures.
- (2) Support the reorganising of small and/or unviable schools. For example, suggest/assist with school mergers, review admission numbers in schools within same geographical area to ensure make financial sense.

Proposed intervention for schools not meeting their deficit recovery plan

6.5 The trigger points for intervention are as follows:

- (1) A school's deficit has grown compared to the approved budget (either by the end of the financial year or the following year's budget)
- (2) The deficit repayment period increases.
- (3) The monitoring meetings identify an unrealistic or high risk deficit recovery plan without any contingency plans.
- (4) The monitoring process identifies that the school is not adhering to its recovery plan and the deficit will potentially grow.

6.6 The schools that require intervention immediately:

John Rankin

The Willows

The Willink

Westwood Farm

All have significant deficits.

- 6.7 A "task force" will review the school's budget and staffing structure and determine options to repay the deficit, and make recommendations. The task force will consist of senior finance, education and HR staff in addition to an existing/recently retired head teacher either from within the local authority or neighbouring local authority, and/or bought in professional expertise. This will be at the school's own expense.

- 6.8 If a school does not follow the recommendations made by the task force (or determine their own realistic alternative), the “notice of concern” route will be followed, with the final stage being removing the Governing Body and replacing with an Interim Executive Board.

7. Conclusion

- 7.1 Many schools in West Berkshire have successfully managed to balance and control their budgets, and have taken action to reduce costs, for which they must be commended. However, it is evident that some schools don’t take the necessary actions to avoid going into deficit and don’t seek advice at an early stage. It is these schools that need to be identified and targeted for additional support.
- 7.2 The strategy will hopefully prevent many more schools going into deficit in the future, and ensure that those schools currently in deficit have robust plans to repay the deficit as soon as possible.

8. Appendices

Appendix A – Maintained School 3 Year Budgets 2018/19

	1	3	4	5	6	7	8	10	11	12	13	14	15	16	17	18
	West Berkshire Maintained Schools	School Revenue Balance History						2018/19	Main School 3 Year Budgets			2018/19 Revenue Budgets				
		Closing Balance 31/03/13	Closing Balance 31/03/14	Closing Balance 31/03/15	Closing Balance 31/03/16	Closing Balance 31/03/17	Closing Balance 31/03/18	Budget Balance 31/03/19	2018/19	2019/20	2020/21	Main School Budget	Pupil Premium Grant	Sports Grant	Resource Units	TOTAL Revenue
NURSERY SCHOOLS																
Hungerford Nursery School Centre for Children and Families		22,465	24,974	21,723	16,325	43,185	35,172	2,150	2,150	5,050	1,720	2,150				2,150
Victoria Park Nursery School		42,679	50,788	52,372	63,047	64,894	86,172	25,908	20,810	3,900	-26,430	20,810	100		4,998	25,908
TOTAL NURSERY SCHOOLS		65,144	75,762	74,095	79,372	108,079		28,058	22,960	8,950	-24,710	22,960	100	0	4,998	28,058
PRIMARY SCHOOLS																
Aldermaston Church of England Primary School		39,370	49,881	63,473	38,391	24,952	63,716	27,130	9,870	-43,930	-108,760	9,870	13,810	3,450		27,130
Basildon Church of England Primary School		38,802	18,238	22,725	22,502	13,202	18,244	12,340	2,240	10,650	35,010	2,240	6,960	3,140		12,340
Beedon Church of England (Controlled) Primary School		23,054	2,795	14,646	18,530	17,380	33,762	19,680	14,250	-12,515	-68,776	14,250	20	5,410		19,680
Beenham Primary School		2,217	-13,229	3,590	5,178	-34,347	-60,567	-32,560	-36,150	2,050	2,050	-36,150		3,590		-32,560
Birch Copse Primary School		50,035	104,463	29,561	7,116	881	26,663	27,060	25,780	12,740	11,270	25,780	400	880		27,060
Bradfield Church of England Primary School		28,460	-1,061	46,306	73,115	2,719	8,938	7,260	1,700	3,350	-12,220	1,700	3,770	1,790		7,260
Brightwalton Church of England Aided Primary School		29,269	21,994	28,745	29,047	23,858	11,349	2,470	2,470	-3,357	-35,442	2,470	0	0		2,470
Brimpton Church of England Primary School		26,688	22,660	18,170	20,490	7,190	7,669	12,520	6,320	1,440	-21,170	6,320	6,080	120		12,520
Bucklebury Church of England Primary School		7,126	-14,208	4,136	5,051	14,560	34,794	7,710	7,710	-51,490	-116,590	7,710	0	0		7,710
Burghfield St Mary's Church of England Primary School		15,006	3,123	-848	12,401	6,641	22,363	24,030	18,650	-11,860	-10,890	18,650	1,490	3,890		24,030
Calcot Schools Federation		86,489	121,424	189,329	197,277	137,397	124,895	15,070	20,510	-156,090	-461,710	20,510		-5,440		15,070
Chieveley Primary School		20,204	2,405	693	27,589	33,859	27,038	27,038	27,038	1,613	-56,140	27,038				27,038
Cold Ash St Mark's Church of England Primary School		57,112	52,459	50,549	71,387	114,161	117,621	62,690	47,050	-10,427	-96,993	47,050	2,310	13,330		62,690
Compton Church of England Primary School		27,908	17,953	18,908	35,129	48,011	34,629	17,065	16,345	20,033	542	16,345	-180	900		17,065
Curridge Primary School		19,694	10,032	11,451	19,464	17,908	28,415	19,490	19,490	-11,675	-59,391	19,490	0	0		19,490
Downsway Primary School		58,627	58,827	60,893	56,844	47,398	61,206	0	0	-87,150	-215,370	0	0	0		0
Enborne Church of England Primary School		26,443	11,516	5,216	14,256	10,336	16,459	4,580	2,970	-6,705	-17,975	2,970	0	1,610		4,580
Englefield Church of England Primary School		29,678	19,442	40,942	44,229	46,392	39,316	23,420	14,540	-22,140	-69,580	14,540	0	8,880		23,420
Falkland Primary School		121,029	110,033	127,017	136,793	157,706	144,949	69,079	54,299	-70,694	-252,474	54,299	9,840	4,940		69,079
Francis Baily Primary School		101,184	60,300	104,578	71,923	54,110	38,684	16,980	16,980	-23,760	-92,050	16,980				16,980
Garland Junior School		66,385	27,071	53,174	132,349	118,816	91,182	15,060	440	-69,890	-148,040	440	12,630	1,990		15,060
Hampstead Norreys & the Ilsleys Church of England Primary School		25,209	49,668	49,420	33,277	24,586	24,519	17,820	13,000	11,304	-11,215	13,000	4,260	560		17,820
Hermitage Primary School		33,708	29,647	51,514	37,379	48,122	18,698	13,365	10,455	6,283	-10,019	10,455	170	2,740		13,365
Hungerford Primary School		95,942	86,411	62,457	76,194	43,985	65,304	44,150	43,750	23,930	-37,630	43,750	240	160		44,150
The Ilsleys' Primary School		22,541	-21,475	19,073	2,425	-1,975	-6,143	0	0			0				0
Inkpen Primary School		17,777	24,521	46,375	22,212	19,689	21,308	17,100	17,000	-18,630	-62,480	17,000	0	100		17,100
John Rankin Schools Federation		87,303	64,637	-21,154	-169,724	-104,085	-160,378	-94,050	-130,670			-130,670		36,620		-94,050
Kennet Valley Primary School		58,193	53,962	59,956	37,989	48,873	35,561	28,950	22,210	-21,720	-100,070	22,210	5,350	1,390		28,950
Kintbury St Mary's Church of England Primary School		54,113	51,665	35,898	61,699	31,814	1,323	-5,143	-15,576	2,596	29,409	-15,576	2,879	7,554		-5,143
Lambourn Church of England Primary School		60,117	33,590	121,846	97,167	-24,915	-27,804	7,850	5,100	19,310	7,820	5,100		2,750		7,850
Long Lane Primary School		100,301	18,021	35,095	23,885	6,464	-5,060	4,140	1,120	13,110	22,010	1,120		3,020		4,140
Mortimer St John's Church of England School		44,831	14,054	-21,354	-307	5,125	23,097	10	10	-53,040	-137,600	10		0		10
Mortimer St Mary's CofE Junior School		67,757	55,356	57,488	43,589	50,002	47,941	31,450	30,150	2,120	-62,380	30,150	850	450		31,450
Mrs Bland's Infant School		42,085	39,133	5,988	21,888	6,152	13,192	9,440	9,440	-106,793	-260,567	9,440		0		9,440
Pangbourne Primary School		33,220	48,281	52,082	19,834	7,352	27,033	12,090	10,640	-2,815	-42,852	10,640	970	480		12,090
Parsons Down Schools Federation		108,796	78,144	155,018	117,697	65,292	23,128	-68,890	-92,210	-62,390	-69,180	-92,210	3,070	20,250		-68,890
Purley Church of England Infant School		27,441	10,642	23,912	53,046	51,302	68,166	59,790	32,490	17,591	-35,987	32,490	5,320	21,980		59,790
Robert Sandilands Primary School and Nursery		73,877	65,128	89,405	44,165	31,526	64,594	46,390	36,960	14,890	-34,830	36,960	6,330	3,100		46,390
Shaw-cum-Donnington Church of England Primary School		16,810	22,758	22,265	31,457	31,678	35,655	11,480	8,370	4,700	7,660	8,370		3,110		11,480
Chaddleworth Shefford Federation Cof E Primary School		27,851	36,993	52,521	19,077	33,542	55,893	25,390	20,500	11,350	-6,280	20,500	4,010	880		25,390
Springfield Primary School		85,357	60,172	34,611	39,620	35,572	54,299	58,250	56,780	17,445	-29,131	56,780	-710	2,180		58,250
Spurcroft Primary School		74,508	47,651	25,383	-78,930	-4,551	57,530	44,441	37,511	23,362	7,110	37,511		6,930		44,441
St Finian's Catholic Primary School		33,835	24,108	48,052	19,659	-7,449	-31,741	-60,950	-61,540	-18,180	2,690	-61,540		590		-60,950
St John the Evangelist Cof E Infant and Nursery School		8,574	13,362	-17,758	32,494	-22,318	-31,409	-46,010	-46,010	-11,230	18,370	-46,010	0	0		-46,010
St Joseph's Catholic Primary School		53,655	46,287	42,802	53,789	54,785	52,665	160	30	-55,710	-132,173	30	60	70		160
St Nicolas Church of England Junior School		52,724	63,438	20,380	1,085	11,716	35,737	40,340	40,340	6,280	-52,160	40,340				40,340
St Paul's Catholic Primary School		43,390	82,193	116,866	58,682	50,175	86,572	91,530	39,860	19,856	-62,028	39,860	7,530	44,140		91,530
Stockcross Church of England School		9,098	22,769	34,304	1,398	-5,490	1,078	6,670	6,510	10,030	5,560	6,510	0	160		6,670
Streatley Church of England Voluntary Controlled School		32,932	28,884	31,866	62,691	84,779	104,187	70,620	70,120	37,238	-1,386	70,120	0	500		70,620
Sulhamstead and Ufton Nervet CofE VA Primary School		34,288	23,804	42,673	-844	-3,141	-310	2,160	1,560	10,730	3,590	1,560	410	190		2,160
Thatcham Park Church of England Primary School		127,483	74,266	51,606	29,335	63,657	92,637	0	0	-131,130	-361,620	0	0	0		0
Theale Church of England Primary School		68,742	72,994	81,806	35,995	1,383	6,037	-21,450	0	-43,720	-110,310	0	0	0	-21,450	-21,450
Welford and Wickham Church of England Primary School		29,809	10,567	-1,914	1,970	-11,134	3,185	8,460	7,940	5,780	2,240	7,940	310	210		8,460
Westwood Farm Schools Federation		151,870	161,807	123,740	7,810	-50,426	-72,491	-32,710	-45,260	-21,620	2,950	-45,260	4,390	4,870	3,290	-32,710
The Willows Primary School		84,119	29,735	41,720	73,790	-8,308	-224,442	-129,900	-130,800	-58,380	5,570	-130,800	10	890		-129,900
The Wincombe School		39,686	105,380	140,523	84,008	63,494	137,693	54,790	27,480	2,230	-73,830	27,480	6,770	4,280	16,260	54,790
Woolhampton Church of England Primary School		27,721	15,738	16,980	35,740	28,080	34,014	24,510	16,030	10,164	-2,004	16,030	4,500	3,980		24,510
Yattendon Church of England Primary School		22,664	15,247	32,070	12,948	6,355	14,094	12,470	12,060	6,920	-3,070	12,060	100	310		12,470
TOTAL PRIMARY SCHOOLS		2,853,107	2,345,656	2,656,768	2,083,255	1,524,839	1,548,341	662,825	327,852	-873,946	-3,378,522	327,852	113,949	222,924	-1,900	662,825
SECONDARY SCHOOLS																
The Downs School		324,209	154,102	260,971	364,309	353,723	290,539	157,707	157,707	-75,712	-181,694	157,707				157,707
Little Heath School		113,755	69,407	23,911	103,383	187,470	287,347	230,280	230,280	-131,690	-643,027	230,280	0	0		230,280
The Willink School		199,355	151,083	31,603	118,444	13,513	-98,684	-311,590	-311,590	-208,296	-81,888	-311,590	0	0		-311,590
TOTAL SECONDARY SCHOOLS		637,319	374,592	316,485	586,136	554,706	479,201	76,397	76,397	-415,698	-906,609	76,397	0	0	0	76,397
SPECIAL SCHOOLS																
Brookfields Special School		213,794	556,603	346,214	230,911	256,707	86,996	6,340	4,210	-243,560	-629,120	4,210	280	1,850		6,340
The Castle School		-43,730	185,945	288,799	445,542	327,978	393,926	242,670	202,720	-195,852	-701,952	202,720	32,560	7,390		24

	West Berkshire Maintained Schools	School Revenue Balance History						2018/19	Main School 3 Year Budgets				2018/19 Revenue Budgets				
		Closing Balance 31/03/13	Closing Balance 31/03/14	Closing Balance 31/03/15	Closing Balance 31/03/16	Closing Balance 31/03/17	Closing Balance 31/03/18	Budget Balance 31/03/19	2018/19	2019/20	2020/21		Main School Budget	Pupil Premium Grant	Sports Grant	Resource Units	TOTAL Revenue
	Schools with Excess Surplus Revenue Balance	4	5	8	8	6											
	Schools with Deficit Revenue Balance	1	4	5	4	12			11								
	schools closing in deficit last year, or contingency of less than £5k and a deficit for 18/19								14								
	deficit of more than £50k in 18/19								5								

Dedicated Schools Grant Monitoring Report 2018/19 – Month 3

Report being considered by: Schools Forum on 16th July 2018
Report Author: Ian Pearson
Item for: Discussion **By:** All Forum Members

1. Purpose of the Report

- 1.1 This report sets out the current financial position of the services funded by the Dedicated Schools Grant (DSG), highlighting any under or over spends.

2. Recommendation

- 2.1 That the report be noted.

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. Background

- 3.1 The Dedicated Schools Grant (DSG) is a ring fenced specific grant which can only be spent on school/pupil activity as set out in The School and Early Years Finance (England) Regulations 2018.
- 3.2 The main change to the DSG for 2018 is that there are now four funding blocks: Schools Block, High Needs Block, Early Years Block and a new Central Schools Services Block. Each of the four service blocks has been determined by a separate national funding formula.
- 3.3 The schools block is ring fenced in 2018-19 but the Local Authority can transfer up to 0.5% of the funding out of the schools block with Schools Forum agreement. The other blocks are not subject to this limitation on transfers.
- 3.4 Table 1 shows the original DSG budget as set. The total budget was set with a planned over spend of £655k. This will be subject to change following the Schools Forum agreement on utilisation of actual over/under spends from 2017-18.
- 3.5 The actual in year grant allocation is £129m.

Table 1	Schools Block	Central Schools Services Block	Early Years Block	High Needs Block	DSG Total
Original Grant Allocation	98,011	992	10,357	19,665	129,025
Original Planned Budget carry forwards	-98	0	-747	-565	-1,410
Funding before any Block Transfers	97,913	992	9,610	19,100	127,615
Transfers in / -out		60	-33	-27	0
Funding after Transfers	97,913	1,052	9,577	19,073	127,615
Planned Over/-under spend	0	0	-48	703	655
Final Budget	97,913	1,052	9,529	19,776	128,270

- 3.6 The figures include funding to Academies and post 16 high needs place funding which form part of our allocation but not our budget as they are paid direct by the EFA – this totals £35.5m.
- 3.7 Over spends, unless funded from outside the DSG, can be carried forward and top sliced from the following year's DSG allocation. Under spends must be carried forward to support the schools' budget in future years.
- 3.8 The Authority and Schools' Forum are responsible for ensuring that the DSG is deployed correctly according to the Regulations, and monitoring of spend against the grant needs to take place regularly to enable decision making on over spends/under spends and to inform future year budget requirements.

4. Monitoring Position as at Month 3 (30 June 2018)

- 4.1 The forecast under or over spend position at the end of June is shown in Table 2 below. A more detailed position per cost centre is shown in Appendix A.

Table 2 - DSG Block Net Budgets	Total Net Budget £'000	Forecast (under) / over spend					Change from last Report £'000
		Month Three	Month Five	Month Seven	Month Nine	Month Ten	
		£'000	£'000	£'000	£'000	£'000	
Schools Block (inc ISB)	64,439	0					
Central Schools Services Block	847	0					
Early Years Block	9,479	0					
High Needs Block	17,569	0					
Total Net Expenditure	92,334	0	0	0	0	0	0
Support Service Recharges	444	0					
Total Expenditure	92,778	0	0	0	0	0	0
DSG Grant	92,123						
Net Position Over / -Under spend	655	0	0	0	0	0	0

- 4.2 The budgeted over spend on DSG is as per the decision made by the Schools' Forum when the budget was set in March 2018, which will be adjusted for the difference in the carry forward amounts following this meeting.

- 4.3 Explanations for variances per funding block are summarised in the following paragraphs.

5. Schools Block

- 5.1 Table 3 sets out the current position of the Schools Block. At this stage in the year, no variance is forecast. The main risk of over spend in this block is in relation to business rates (as schools are funded according to their actual rates bill). Note that the de-delegated budgets within the Schools Block will be forecast as on line during the year because any over or under spending can only be used within these budgets and cannot be allocated generally across the DSG.

Table 3 - Schools Block	Current Budget £000	Current Forecast £000	Variance £000
Expenditure	64,439	64,439	0
Support services	62	62	0
Schools Block DSG	64,501	64,501	0
Net Position	0	0	0

6. Early Years Block

- 6.1 Table 4 sets out the current position of the Early Years Block. The Early Years Block is difficult to predict due to the volatile nature of both the funding (the final grant allocation will be determined by the January 2019 census), and payments to providers (payments are made according to actual number of hours of provision each term). The budgeted under spend is due to the additional funding received in 2017-18 for estimated additional take up of the 30 hours allocation with a lower payment to providers because the actual take up was not as predicted. This enabled the brought forward over spend of £252k from 2016-17 to be paid back in 2017-18.

Table 4 - Early Years Block	Current Budget £000	Current Forecast £000	Variance £000
Expenditure	9,479	9,479	0
Support services	50	50	0
EY Block DSG	9,577	9,577	0
Net Position	-48	-48	0

- 6.2 The final grant for 2017/18 has still not been notified, and a claw back of £360k is expected and included in the above budget.

7. Central Schools Services Block

- 7.1 Table 5 shows the position for the Central Schools Services Block.

Table 5 - Central Schools Services Block	Current Budget £000	Current Forecast £000	Variance £000
Expenditure	847	847	0
Support services	205	205	0
CSSB Block DSG	1,053	1,053	0
Net Position	0	0	0

7.2 The budget for this new Block has been set with an on line budget position following transfers of funding from the Early Years Block and the High Needs Block towards paying for the central services that are carried out on behalf of settings within these blocks. There was a £27k brought forward under spend from 2017-18 which will be adjusted within this budget and will improve the year end projected carry forward position.

7.3 At this point there is no other variance to budget projected.

8. High Needs Block

8.1 Table 6 sets out the current position of the High Needs Block, which is set at a £703k over spend position. As per the detail in the outturn report, this position has improved and adjustments will be made following this meeting.

8.2 There is currently no variance to budget predicted.

Table 6 - High Needs Block	Current Budget £000	Current Forecast £000	Variance £000
Expenditure	17,569	17,569	0
Support services	127	127	0
CSSB Block DSG	16,993	16,993	0
Net Position	703	703	0

8.3 Top up budgets are the high risk budgets in this block due to funding following the pupil.

9. Conclusion

9.1 There are currently no significant variances, though it is not usually until the Autumn term when changes to high risk budgets such as high needs top ups and early years payments become apparent.

10. Appendices

Appendix A – DSG 2018-19 Budget Monitoring Report Month 3

Appendix A - Dedicated School's Grant (DSG) 2018-19 Budget Monitoring Month 3							
Cost Centre	Description	Original Budget 2018-19	Net Virements in year	Amended Budget 2018-19	Forecast	Variance	Comments
90020	Primary Schools (excluding nursery funding)	48,786,120		48,786,120	48,786,120	0	
DSG top slice	Academy Schools Primary	0		0	0	0	
90025	Secondary Schools (excluding 6th form funding)	14,784,820		14,784,820	14,784,820	0	
DSG top slice	Academy Schools Secondary	0		0	0	0	
90230	DD - Schools in Financial Difficulty (primary schools)	120,020		120,020	120,020	0	
90113	DD - Trade Union Costs	43,680		43,680	43,680	0	
90255	DD - Support to Ethnic minority & bilingual Learners	151,750		151,750	151,750	0	
90349	DD - Behaviour Support Services	196,830		196,830	196,830	0	
90424	DD - CLEAPSS	3,170		3,170	3,170	0	
90470	DD - School Improvement	0		0	0	0	
90423	DD - Statutory & Regulatory Duties	147,590		147,590	147,590	0	
90235	School Contingency - Growth Fund/Falling Rolls Fund	205,000		205,000	205,000	0	
	Schools Block Total	64,438,980	0	64,438,980	64,438,980	0	
90583	National Copyright Licences	159,610		159,610	159,610	0	
90019	Servicing of Schools Forum	43,580		43,580	43,580	0	
90743	School Admissions	244,860		244,860	244,860	0	
90354	ESG - Education Welfare	201,900		201,900	201,900	0	
90460	ESG - Statutory & Regulatory Duties	197,540		197,540	197,540	0	
	Central School Services Block DSG	847,490	0	847,490	847,490	0	
90010	Early Years Funding - Nursery Schools	876,070		876,070	876,070	0	
90037	Early Years Funding - Maintained Schools	1,269,090		1,269,090	1,269,090	0	
90036	Early Years Funding - PVI Sector	6,199,460		6,199,460	6,199,460	0	
90052	Early Years PPG & Deprivation Funding	48,280		48,280	48,280	0	
90053	Disability Access Fund	23,370		23,370	23,370	0	
90018	2 year old funding	719,480		719,480	719,480	0	
90017	Central Expenditure on Children under 5	223,300		223,300	223,300	0	
90287	Pre School Teacher Counselling	45,000		45,000	45,000	0	
90238	Early Years Inclusion Fund	75,000		75,000	75,000	0	
	Early Years Block Total	9,479,050	0	9,479,050	9,479,050	0	
90026	Academy Schools RU Top Ups	854,270		854,270	854,270	0	
90539	Special Schools - Top Up Funding	3,300,420		3,300,420	3,300,420	0	
90548	Non WBC Special Schools - Top Up Funding	1,098,070		1,098,070	1,098,070	0	
90575	Non LEA Special School (OofA)	840,100		840,100	840,100	0	
90579	Independent Special School Place & Top Up	2,436,400		2,436,400	2,436,400	0	
90580	Further Education Colleges Top Up	1,396,140		1,396,140	1,396,140	0	
90617	Resourced Units top up Funding maintained	293,020		293,020	293,020	0	
90618	Non WBC Resourced Units - Top Up Funding	107,000		107,000	107,000	0	
90621	Mainstream - Top Up Funding maintained	541,560		541,560	541,560	0	
90622	Mainstream - Top Up Funding Acadamies	185,170		185,170	185,170	0	
90624	Non WBC Mainstream - Top Up Funding	75,000		75,000	75,000	0	
90625	Pupil Referral Units - Top Up Funding	542,950		542,950	542,950	0	
90627	Disproportionate No: of HN Pupils NEW	100,000		100,000	100,000	0	
	High Needs Block: Top Up Funding Total	11,770,100	0	11,770,100	11,770,100	0	
90320	Pupil Referral Units	660,000		660,000	660,000	0	
90540	Special Schools	2,860,000		2,860,000	2,860,000	0	
90584	Resourced Units - Place Funding (70)	242,000		242,000	242,000	0	
	High Needs Block: Place Funding Total	3,762,000	0	3,762,000	3,762,000	0	
90240	Applied Behaviour Analysis	75,000		75,000	75,000	0	
90280	Speci Needs Spprt Team	319,170		319,170	319,170	0	
90287	Pre School Teacher Counselling	40,000		40,000	40,000	0	
90288	Elective Home Education Monitoring	27,990		27,990	27,990	0	
90290	Sensory Impairment	172,750		172,750	172,750	0	
90295	Therapy Services	240,760		240,760	240,760	0	
90315	Home Tuition	245,000		245,000	245,000	0	
90555	LAL Funding	82,400		82,400	82,400	0	
90565	Equipment For SEN Pupils	0		0	0	0	
90577	SEN Commissioned Provision	456,000		456,000	456,000	0	
90582	PRU Outreach	61,200		61,200	61,200	0	
90585	HN Outreach Special Schools	50,000		50,000	50,000	0	
90610	Hospital Tuition	45,000		45,000	45,000	0	
90830	ASD Teachers	141,550		141,550	141,550	0	
90961	Vulnerable Children	50,000		50,000	50,000	0	
90581	Dingleys Promise	30,000		30,000	30,000	0	
	High Needs Block: Non Top Up or Place Funding	2,036,820	0	2,036,820	2,036,820	0	
	High Needs Block Total	17,568,920	0	17,568,920	17,568,920	0	
	Total Expenditure across funding bocks	92,334,440	0	92,334,440	92,334,440	0	
	SUPPORT SERVICE RECHARGES	444,000		444,000	444,000	0	
	TOTAL DSG EXPENDITURE	92,778,440	0	92,778,440	92,778,440	0	
90030	DSG Grant Account	-92,778,440		-92,778,440	-92,778,440	0	
	NET DSG EXPENDITURE	0	0	0	0	0	

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Agenda Item 14

Schools Forum Work Programme 2018/19

	Item	HFG Deadline	Heads Funding Group	SF Deadline	Schools Forum	Action required	Author
Term 1	<i>Schools' Funding Arrangements for 2019/20</i>	26/06/18	03/07/18	10/07/18	16/07/18	Decision	Wendy Howells
	Schools Funding Formula 2019/20	25/09/18	02/10/18	09/10/18	15/10/18	Decision	Wendy Howells
	Additional Funding Criteria 2019/20	25/09/18	02/10/18	09/10/18	15/10/18	Decision	Wendy Howells
	De-delegations 2019/20	25/09/18	02/10/18	09/10/18	15/10/18	Decision	Wendy Howells/TBC
	High Needs Places and Arrangements 2019/20	25/09/18	02/10/18	09/10/18	15/10/18	Discussion	Jane Seymour
	High Needs Block - Resourced Units	25/09/18	02/10/18	09/10/18	15/10/18	Discussion	Jane Seymour
	West Berkshire Council School Funding Transfers for Mainstream Exclusions and Fresh Starts	25/09/18	02/10/18	09/10/18	15/10/18	Discussion	Jacquie Davies/Wendy Howells
	Review of West Berkshire Home Education on Medical Grounds	25/09/18	02/10/18	09/10/18	15/10/18	Discussion	Jacquie Davies
	Schools: deficit recovery (<i>standing item</i>)	25/09/18	02/10/18	09/10/18	15/10/18	Discussion	Wendy Howells
	DSG Monitoring 2018/19 Month 5			09/10/18	15/10/18	Information	Ian Pearson
Term 2	Draft DSG Funding & Budget 2019/20	21/11/18	28/11/18	04/12/18	10/12/18	Discussion	Wendy Howells
	Final School Funding Formula Proposal 2019/20	21/11/18	28/11/18	04/12/18	10/12/18	Decision	Wendy Howells
	Final Additional Funding Criteria 2019/20	21/11/18	28/11/18	04/12/18	10/12/18	Decision	Wendy Howells
	Final De-delegations 2019/20	21/11/18	28/11/18	04/12/18	10/12/18	Decision	Wendy Howells/TBC
	Draft Central Schools Block Budget	21/11/18	28/11/18	04/12/18	10/12/18	Discussion	TBC/Ian Pearson
	Draft High Needs Budget 2019/20	21/11/18	28/11/18	04/12/18	10/12/18	Discussion	Jane Seymour & Michelle Sancho
	Draft Early Years Budget 2019/20	21/11/18	28/11/18	04/12/18	10/12/18	Discussion	Avril Allenby
	Update on Schools in Financial Difficulty	21/11/18	28/11/18	04/12/18	10/12/18	Information	Wendy Howells
	Schools Funding Benchmarking Information	21/11/18	28/11/18	04/12/18	10/12/18	Information	Wendy Howells
	DSG Monitoring 2018/19 Month 7			04/12/18	10/12/18	Information	Ian Pearson
Term 3	Schools: deficit recovery (<i>standing item</i>)	21/11/18	28/11/18	04/12/18	10/12/18	Discussion	Wendy Howells
	Dedicated Schools Grant (DSG) Funding Settlement and Budget Overview 2019/20	02/01/19	08/01/19	15/01/19	21/01/19	Discussion	Wendy Howells
	Final Schools Funding Formula 2019/20	02/01/19	08/01/19	15/01/19	21/01/19	Decision	Wendy Howells
	Central Schools Block Budget Proposals 2019/20	02/01/19	08/01/19	15/01/19	21/01/19	Decision	TBC/Ian Pearson
	High Needs Block Budget Proposals 2019/20	02/01/19	08/01/19	15/01/19	21/01/19	Decision	Jane Seymour & Michelle Sancho
	Early Years Block Budget Proposals 2019/20	02/01/19	08/01/19	15/01/19	21/01/19	Decision	Avril Allenby
	Growth Fund and Falling Rolls Fund 2018/19	02/01/19	08/01/19	15/01/19	21/01/19	Information	Wendy Howells
	DSG Monitoring 2018/19 Month 9			15/01/19	21/01/19	Information	Ian Pearson
	Schools: deficit recovery (<i>standing item</i>)	02/01/19	08/01/19	15/01/19	21/01/19	Discussion	Wendy Howells
	Work Programme 2019/20	20/02/19	27/02/19	05/03/19	11/03/19	Decision	Jessica Bailiss
Term 4	Final DSG Budget 2019/20 - Overview	20/02/19	27/02/19	05/03/19	11/03/19	Decision	Wendy Howells
	Final Central Schools Block Budget 2019/20	20/02/19	27/02/19	05/03/19	11/03/19	Decision	TBC/Ian Pearson
	Final High Needs Block Budget 2019/20	20/02/19	27/02/19	05/03/19	11/03/19	Decision	Jane Seymour & Michelle Sancho
	Final Early Years Block Budget 2019/20	20/02/19	27/02/19	05/03/19	11/03/19	Decision	Avril Allenby
	DSG Monitoring 2018/19 Month 10			05/03/19	11/03/19	Information	Ian Pearson
	Schools: deficit recovery (<i>standing item</i>)	20/02/19	27/02/19	05/03/19	11/03/19	Discussion	Wendy Howells

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