

# **Schools Forum**

**7<sup>th</sup> July 2009: 4:30pm**

Sapphire Room, Emerald Suite  
North London Business Park, London N11 1NP

**Agenda, Minutes and Discussion  
Papers**

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## Agenda

4:00pm Training session by Geoff Boyd (not minuted)

Subject: School balances

4.30pm Schools Forum meeting

1. Apologies for absence
2. Minutes of previous meeting: 12<sup>th</sup> May 2009
3. Matters arising
  - 3.1. Contracts
  - 3.2. Insurance
4. Items for Agreement
  - 4.1. School balances as at 31 Mar 2009
  - 4.2. Dedicated Schools Grant 2008/9 and 2009/10 – options for use of underspend
  - 4.3. Capital funding – School Kitchens
  - 4.4. Consultation on the Schools Forum Regulations
5. Items for Information
  - 5.1. Nursery Nurses – progress of negotiations
  - 5.2. Report of the Early Years Working Group
  - 5.3. Free Milk in Schools
  - 5.4. BSF Update
6. Any Other Business

### Dates for future meetings:

|                                    |        |
|------------------------------------|--------|
| Tue 6 <sup>th</sup> October 2009   | 4:00pm |
| Tue 24 <sup>th</sup> November 2009 | 4:00pm |
| Tue 2 <sup>nd</sup> February 2010  | 4.00pm |
| Tue 18 <sup>th</sup> May 2010      | 4.00pm |
| Tue 13 <sup>th</sup> July 2010     | 4.00pm |

## Members

# Schools Forum Membership

As 4<sup>th</sup> February 2009

|     |          |                     |                                  |      |           |            |
|-----|----------|---------------------|----------------------------------|------|-----------|------------|
| Ms  | Anthea   | Abery               | Rosh Pinah                       | Head | Primary   | VA         |
| Ms  | Jo       | Djora               | Coppetts Wood                    | Head | Primary   | Community  |
| Ms  | Jayne    | Franklin            | Childs Hill School               | Head | Primary   | Community  |
| Mr  | Kevin    | Hoare               | Finchley Catholic High School    | Head | Secondary | VA         |
| Ms  | Kate     | Webster             | Queen Elizabeth Girls School     | Head | Secondary | Community  |
| Ms  | Dee      | Oelman              | St Mary's & St John's            | Head | Primary   | VA         |
| Dr  | John     | Marincowitz (Chair) | Queen Elizabeth's School, Barnet | Head | Secondary | Foundation |
| Ms  | Jeanette | Adak                | Monkfrith                        | Head | Primary   | Community  |
| Mrs | Helen    | Schmitz             | Cromer Road Primary School       | Head | Primary   | Community  |
| Ms  | Jodi     | Gurney              | Hampden Way                      | Head | Nursery   | Community  |
| Mrs | Lynda    | Walker              | Oak Lodge School                 | Head | Special   | Community  |
| Mr  | Tim      | Bowden              | Holy Trinity                     | Head | Primary   | VA         |
| Mr  | Gary     | Tucker              | Christ's College Finchley        | Head | Secondary | Community  |

### GOVERNORS

|    |           |                     |                                    |          |           |            |
|----|-----------|---------------------|------------------------------------|----------|-----------|------------|
| Mr | Derrick   | Brown               | Headteacher, Ashmole               | Governor | Secondary | Foundation |
| Ms | Hazel     | Godfrey             | Governor, Broadfields              | Governor | Primary   | Community  |
| Mr | Jonathan  | Hewlings            | Governor, East Barnet School       | Governor | Secondary | Community  |
| Mr | Ken       | Huggins             | Governor, The Compton              | Governor | Secondary | Community  |
| Mr | Gilbert   | Knight              | Governor, Oakleigh                 | Governor | Special   | Community  |
| Mr | Stephen   | Parkin (Vice Chair) | Governor, St Mary's CE High        | Governor | Secondary | VA         |
| Ms | Elizabeth | Pearson             | Governor, Holly Park & Livingstone | Governor | Primary   | Community  |
| Mr | Anthony   | Vourou              | Governor, St John's N11            | Governor | Primary   | VA         |

### NON-SCHOOL MEMBERS

|    |        |        |                                       |       |                               |  |
|----|--------|--------|---------------------------------------|-------|-------------------------------|--|
| Mr | Martin | Baker  | Deputy Director of Children's Service | Other | Stakeholder – SIPs            |  |
| Mr | Alan   | Homes  | NASUWT                                | Other | Union                         |  |
| Ms | Angela | Murphy | Bishop Douglass                       | Other | 14-19 Partnership             |  |
| Ms | Sarah  | Vipond | Middlesex University Nursery          | Other | Private Early Years Providers |  |

### OBSERVERS

|      |        |         |                             |           |           |  |
|------|--------|---------|-----------------------------|-----------|-----------|--|
| Ms   | Angela | Trigg   | London Academy              | Principal | Academies |  |
| Ms   | Lucy   | Saloman | Learning Skills Council     | Other     |           |  |
| Cllr | Fiona  | Bulmer  | Cabinet Member for Children | Other     |           |  |

### OTHER ATTENDEES

|    |          |                  |   |  |         |         |
|----|----------|------------------|---|--|---------|---------|
| Mr | Robert   | McCulloch Graham | Director of Children's Service                          |  | Officer |         |
| Ms | Linda    | Parker           | Joint Head of Finance – Children's Service              |  | Officer |         |
| Ms | Denise   | Murray           | Joint Head of Finance – Children's Service              |  | Officer |         |
| Mr | Nick     | Adams            | Schools Finance Services Manager, Children's Service    |  | Officer |         |
| Ms | Carol    | Beckman          | School Funding Manager – Children's Service             |  | Officer |         |
| Ms | Sarrosch | Malik            | School Resources & Support Officer – Children's Service |  | Officer | Minutes |
| Mr | Graham   | Durham           | Assistant Director of Children's Service                |  | Officer |         |
| Mr | Geoff    | Boyd             | Consultant  |  | Other   |         |
| Ms | Stav     | Yiannou          | Divisional Manager, BRSI                                |  | Officer |         |
| Mr | Ieuan    | Renowden         | Special Projects  |  | Officer |         |
| Mr | Tony     | Lampert          | HR Manager  |  | Officer |         |

## 2. Minutes of the last meeting

### **Schools Forum Tuesday 12<sup>th</sup> May 2009 (4.00 pm, Training Room 2, Building 2 at NLBP)**

#### **Attended**

Members:

Alan Homes (NASUWT)  
Angela Murphy (14-19Partnership, Head Bishop Douglas)  
Anthony Vourou (Governor, St John's N11)  
Dee Oelman (Head, St Mary's & St John's)  
Derrick Brown (Governor, Ashmole)  
Elizabeth Pearson (Governor, Livingstone)  
Gilbert Knight (Governor, Oakleigh)  
Helen Schmitz (Head, Cromer Road)  
Jayne Franklin (Head, Childs Hill)  
Jo Djora (Head, Coppetts Wood)  
Jodi Gurney (Head, Hampden Way)  
John Marincowitz (Head, QE Boys)  
Johnathan Hewlings (Governor, East Barnet)  
Kate Webster (Head QE Girls)  
Ken Huggins (Governor, The Compton)  
Kevin Hoare (Head, Finchley Catholic)  
Mick Quigley (Principal Inspector, Children's Service)  
Sarah Vipond (Early Years Working Group)  
Stephen Parkin (Governor, St Mary's High)  
Tim Bowden (Head, Holy Trinity)

LA Officers:

Carol Beckman (School Funding Manager)  
Denise Murray (Strategic Finance Manager)  
Graham Durham (Assistant Director, Inclusion)  
Linda Parker (Strategic Finance Manager)  
Val White (Assistant Director, )  
Sheila Abbott (Extended Services Remodelling Manager)  
Stav Yiannou (BRSI Divisional Manager)  
Ieuan Renowden (Special Projects Consultant)  
Tony Lampert (HR Manager)

Consultant: Geoff Boyd (Consultant)

Observer Status: Lucy Salaman (LSC Partnership Manager)

Clerk: Sarrosh Malik (School Resources & Support Officer)

|                           |              |  |
|---------------------------|--------------|--|
| <b><u>Not Present</u></b> | Members:     | Anthea Abery (Head, Rosh Pinah)<br>Gary Tucker (Head, Christ's College Finchley)<br>Hazel Godfrey (Governor, Broadfields)<br>Jeanette Adak (Head, Monkfrith)<br>Lynda Walker (Head, Oak Lodge) |
|                           | LA Officers: | Martin Baker (Acting Director of Children's Service)   |
|                           | Observers:   | Cllr Fiona Bulmer<br>Angela Trigg (London Academy)   |

### **1. Apologies for Absence**

- 1.1 Apologies were received from Anthea Abery, Cllr Bulmer, Martin Baker and Lynda Walker.

### **2. Minutes of previous meeting (10<sup>th</sup> February 2009)**

Proposer: JH  
Seconder: AH

### **3. Matters Arising**

- 3.1 Minute 4.2.1 –Pupil Number Projections  
JM questioned whether the pupil numbers were accurate. AH said that there was a very small percentage change, 20-35 children amongst 20,000. JH said the question last meeting was more longer term than just around the budget cycle, looking ahead to regeneration and the number of residents increasing. CB explained that the council makes these projections, but the 'child yield' is difficult to estimate accurately. AH said that the economic downturn may have an impact on demand for provision. The numbers staying on in 6<sup>th</sup> forms may have a greater impact on SEN provision.

- 3.2 Minute 4.2.1 – SEN Benchmarking Data  
The SEN Choice Strategy, which will be consulted on soon, will contain SEN benchmarking information.

- 3.3 Minute 4.2.1 – Centrally Retained DSG – clarification of items  
LP explained that the total centrally retained budget increased by 2.5% and these changes are simply movements between budgets. AH asked about the CERA percentage decrease. LP replied that it should be 900% not 90%. JH asked for the variance commentary to be done every year.

AH questioned the increase in cost of PRUs. He said that the figures could increase further and it may not possible to retain pupils in school resulting in an increase need for provision.

JM asked if the centrally retained total has always excluded the under 5s budget. LP replied that it has always been like this. JM asked about the extra cost of extending nursery education. CB explained that a Standards Funds would cover that.

KH asked how many applications are processed by the admissions team. CB said that there are 2,500 in any year group. KH commented that it seems like a lot of money to process a few thousand. GD said that a benchmarking figure can be provided. He added that there is an appeals committee running permanently and dealing with worried parents. AH asked if the cost of appeals was included and that if it is a growing area then costs would also increase. GD explained that foundation and VA schools take that cost on.

#### **3.4** Minute 4.2.1 – Insurance

AM asked if all schools had been contacted. LP said she would check what notification has been sent out to schools. JM asked what the situation would be for foundation and VA schools. DO requested information on VA schools to be provided as she feared they may be paying twice.

SP asked if AIG had been checked as a risk factor. DM said the company cannot renege mid contract and that it is monitored by the treasury. LP will bring back more information and ask Paul Lawrence, Head of Insurance to attend the next meeting.

#### **3.5** Minute 5.3 – London Pay Addition

CB said the grant will be distributed to all schools and the LA will cover the costs of central staff

#### **3.6** Minute 5.4 – JCOSS

CB told the Schools Forum no further market research has been done but we are awaiting some data from JCOSS. She said that Ashmole have 50% of children from Barnet and 50% from Enfield, so 30% may be an underestimate.

#### **3.7** Minute 5.5 – Contracts

DM presented a list of all contracts that have an impact on schools. She said there was a wide range of traded services which are not published anywhere. She added that these were not confidential and need to be updated regularly. AM asked if tenders for renewals will be advised. DM replied that she would do this regularly, as was the case last meeting for FMSiS. AM wanted to know if traded services are compared against other tenders. DM said there is a new process to be embedded and will contact procurement about the details.

JH thanked DM for the detailed report. He wondered how the Schools Forum can use this information and what is their remit. JH said proper timing is essential for contracts. AH wanted to more information about the procurement process and what input the Schools Forum would have. DM said she would provide a summary of the process.

KH asked about the transportation service which is a £4m 10 year contract. DM said this was on lease. JM enquired about the connexions service. LP said it was an inhouse service.

### **3.8** Minute 6.1 – Extension to the free entitlement for nursery children (Item 6)

Item 6.1 (On Agenda) – Pilot Funding for Phase 1 Providers

CB presented a paper showing the work done by the Early years Working Group. She said Sheila Abbott and her team are working with Phase 1 settings to help them work on operational issues. All Phase 1s will receive additional funding and in 2009/10 £880,000 is available, comprised of a £480,000 ring fenced Standards Funds Grant and £400,000 reserved in the ISB. CB explained the table which showed the proposed funding for Phase 1 providers for the period September 2009 – March 2010 inclusive.

Recommendation: The Schools Forum endorses the above funding scheme for Phase 1 providers of the extension of the free entitlement.

Minute 5.3 – London Pay Addition

CB said the grant will be distributed to all schools and the LA will cover the costs of central staff.

The Schools Forum unanimously agreed.

Proposer: EP

Seconder: GK

### **3.9** Item 6.2 (On Agenda) – Single Funding Formula from April 2010 and Consultation with Providers

CB explained that private providers and Children's Centres are already funded by participation for the free entitlement, and they make termly claims. From 2010/11 maintained schools will also be funded on termly counts but PVIs and CCs will benefit from a formula that reflects their needs more closely than a single flat rate per child.

CB said that the EYWG recommends a consultation on a formula and she presented a table to the Schools Forum showing elements to be taken into consideration. She told the members that the consultation will be launched at the beginning of June, giving enough time for analysis and discussion in the autumn and then approval by cabinet in January.

AH asked about the qualifications of staff and if there would be training available. CB said this may be possible if there was funding from the council to provide training. SV mentioned that there are grants available to train to QTS level. EP explained that the settings must be able to afford to pay staff with QTS level.

Recommendation: The Schools Forum agrees to support this approach to the development of early years funding for 2010/11 and beyond, and monitor progress over the next 9 months.

The Schools Forum agreed unanimously. Proposer: JF Seconder: EP

## 4. Items for Agreement

### 4.1 Standards Funds 1.5 – 1-2-1 Tuition

Ieuan Renowden presented the paper explaining Standards Fund Grant 1.5. He explained the grant would be allocated to schools on a formula basis, with the exception of Key Stage Four. The LA proposed that primary and secondary schools receive a basic entitlement, plus an allocation based on the average number of pupil from 2006-2008 not making either two levels progress in primary or three levels in secondary.

AH requested clarity on the funding proposal. He asked if the funding would also be for non teaching and additional teaching staff. IR explained that the guidance says only qualified teachers would be eligible. AH asked if there would need to be an additional contract with an existing employed teacher. IR said the teachers are released and given extra pay. Any tutors from outside of the school would need a separate contract.

JF told the Schools Forum that the issues arising have already been debated and that the members should be aware that that a lot of teachers welcome the tutoring. HS agreed with JF.

AM asked why the funding will be allocated with a basic entitlement. Ieuan Renowden said it was some schools would not receive any funding if there is no basic entitlement. AM gave an example of The Ravenscroft having 126 eligible pupils and Henrietta Barnet having 1 pupil but both receiving same flat rate. GD said there is an urgency for distributing this funding and it would be helpful if the LA consulted next year. AM asked for a fair formula using past data. GD said a consultation will be sent around next year and will ask the Schools Forum for guidance.

JM explained that selective schools also have children who have difficulties in achieving. AM said exact data showing achievement could be obtained from the DCSF and would be a good basis for allocating funding. JH agreed with AM.

KH said there are other allocations which are funded according to basic entitlement. KW explained that for the 1-2-1 tuition funding it is not a DCSF requirement. DB said the net effect makes a small difference and is not worth making a fuss about. DO said the basic entitlement would help schools.

GD recommended the Schools Forum to implement the formula this year and next year the LA will bring a different proposal.

The Schools Forum agreed to the proposal.

## **4.2 Standards Funds 1.2 – School Lunch Grant**

Val White presented the report explaining the allocation of the School Lunch Grant. VW explained the formula for funding is the same as last year, however approval is being sought to transfer the food and labour element of the funding directly to the in-house provider for schools buying into the Barnet service. VW said this request came from a number of schools and will save money on invoicing costs.

AM asked about the Barnet catering contract date. DM said this was not a service contract. DM will bring back information.

The Schools Forum agreed to the proposal.

Proposer: JH Seconder: SP

## **4.3 2009/10 Schools Budget including Learning and Skills Council**

Linda Parker presented a report explaining the changes to the Schools Budget since the February Meeting. She added that despite the changes the central expenditure limit (CEL) is not breached.

In the report LP explained the changes were a result of the changes in the LSC Funding for 16+, minor amendments to the Section 52 analysis and projected brought forward centrally retained budget under/overspend from 2008/09. The latest position on pupil numbers was also discussed.

LP told the Schools Forum that the LSC allocation was reduced by £1,022,293 across all schools. She explained the method of how the LSC made the reductions in their funding allocations to schools.

LP continued explaining that the DCSF have yet to publish the final pupil numbers and dedicated schools grant, and it is expected that there will be no significant variances from the estimated figure used in the calculation of the Schools Budget in February. She mentioned that the lines of Section 52 changed because school salary safeguarding costs has been moved to a specific line for this activity.

LP said that at the February meeting the Schools Forum were informed that the projected outturn in the centrally retained budget was an overspend of £48,000. In the light of more up-to-date information on the outturn in setting the Schools Budget for 2009-10 the projected underspend has been removed.

JM asked about LSC funding. LS said the schools will receive what they were promised. CB said that there had been no change to the academic year funding, however schools are concerned about the financial year funding. LS said she would go back and check this. JM explained that all 6<sup>th</sup> form school need to know this information urgently. LS said she would pass the information to CB.

LP said that the learner numbers had been restored, however of the £1m reduction, £361,000 was due to numbers not being clear when changing from academic to financial year. AM said that the LA need to agree the pupil numbers with the LSC. GD said the numbers would be reported back to JM through CB.

JM asked what the underspend from 2008/09 would be used for. LP replied that once the final outturn is confirmed, options for using any underspend from 2008/09 will then be considered and brought to a future meeting. TB recommended the underspend could be used to help budget pressure for reception places. LP said that there is £400k in the school contingency budget to help increase place numbers from September 2009.

The Schools Forum was asked to approve the revised 2009/10 Schools Budget.

The Schools Forum agreed unanimously.

Proposer: AH

Secunder: GK

## **5 Items for Information**

### **5.1 2008/09 DSG Outturn**

LP distributed a tabled paper to the Schools Forum. She presented a report to inform the Schools Forum about the provisional outturn of the centrally retained schools budget.

AM said that there was not sufficient time to check through the analysis and more information was needed. LP told the Schools Forum that this item was for information. JM said this report can be discussed at the next meeting.

### **5.2 2009/10 Budget Shares**

CB presented the report showing the 2009/10 Budget Shares. She told the Schools Forum that the schools received their original budget share and standards funds for 2009/10 on 4<sup>th</sup> March and indicative 2010/11 three weeks later.

CB said this report is for information and has already been sent out in the School Circular.

### **5.3 Building Schools for the Future**

VW and DM gave a presentation informing the Schools Forum about the BSF Programme. VW said that there are huge financial opportunities for the LA, up to £330m capital investment. Workshops were held with schools during the short period available for preparing the Readiness to Deliver submission.

The next stage in the process, if Barnet is successful, will be an assessment panel with a view to joining the scheme in Autumn 2009. Although the submission is for the entire secondary estate, the scheme is allocated in waves by the DCSF and our first wave covers includes

St Marys High, PRU, Ravenscroft, Bishop Douglass, Oak Lodge and Copthall. AM asked why Copthall is eligible and not St James if the programme is aimed at deprived schools.

DM explained that BSF is the largest project in the LA and will require a project board and project teams to manage the programme. She said the Government default modes are a LEP, an ICT managed service and PFI. PFI is only for total rebuild. KH added that there had been bad press about PFI. DM replied that it is still the preferred default.

DM told the Schools Forum that a lot of specialist external advice would be needed as it is a complex programme. DM said the funding envelope includes ICT funding per pupil and the total allocation can be used across the schools as required.

DM said Barnet's allocations will range between £85m-£332m. The procurement costs are from £2.9m (no LEP) to £4.3m (LEP). These costs could be higher and the LA will need to find funding for this.

KH asked if Wave 2 starts after Wave 1 is complete. DM said yes, subject to DCSF allocation of funding. VW added that all waves have to be affordable within their envelopes. Waves 2 and 3 will incorporate the remaining secondary schools. GD mentioned that the general election is only one year away and it is not necessarily a priority for other political parties. AH added that the money might be used for something else.

DM talked about the affordability gap. The presentation showed a number of options, one of which was capital receipts but with land values currently low it is not deemed to be a viable option. JH said that land sales are challenging in the recession.

JM asked for the slide show to be distributed. He expressed his concern about the post general election landscape. He said that schools as a group must think strategically at the Schools Forum for different scenarios. VW mentioned that opportunities on offer must be taken. There is a chance that by November the LA will be fully committed and will need to know where the money is coming from. KH thanked the LA for submitting the application.

## **5.5 Update on Nursery Nurses grade review**

Tony Lampert presented a paper to the Schools Forum. TL told the Schools Forum of the progress so far. He said they are at a sensitive stage of communications at present and that a settlement is nearly there.

AM said that it was not acceptable for the LA to agree a 52 week contract for 40 weeks work. JD explained that in Children's Centres Nursery Nurses actually work 52 weeks but in the associated school work only 40 weeks. JF expressed her concern for the smaller schools which will be affected badly because there are more costs associated with additional nursery hours.

AM added that if agreed it would set a precedent. DO raised the issue about unions feeling that it is a different job for nurseries in Children's Centres and Schools. TL said any agreement reached will be based on the law and not on a precedent. TL told the Schools Forum that the LA is negotiating with unions on behalf of schools and will report back.

TL explained the difficult situation which is being dealt by the LA with clear legal advice. KH asked who is dealing with this. TL replied that MB and the HR Officers. AM asked if there were any Headteacher representatives. TL said that all primary school heads were consulted and he had involved some key nursery heads.

AM said that the schools have to manage disparity and would not want to set a precedent. TL explained that there is lots of history but they have had agreement from the Headteachers Advisory Group to go ahead.

## **6. Report of the Early Years Working Group**

**6.1** Dealt with under Matters Arising

**7** Any Other Business

**7.1** Members requested a larger room

## **8. Dates of future meetings**

**8.1**

|                               |                                |
|-------------------------------|--------------------------------|
| Tue 7 <sup>th</sup> July 2009 | 4.30 pm (with briefing at 4pm) |
| Tue 6 <sup>th</sup> Oct 2009  | 4.30 pm (with briefing at 4pm) |
| Tue 24 <sup>th</sup> Nov 2009 | 4.30pm (with briefing at 4pm)  |

### **3. Matters Arising from the Minutes of 12<sup>th</sup> May**

#### **Minute 3.4 Insurance**

This matter has been closely monitored since the news broke in early September 2008 of the downgrade of AIG ratings particularly as we were due to renew within the terms of the agreement from 1 October 2008.

The insurance detailed on the contract schedule provided is placed with AIG UK Ltd which is a separate company from AIG Inc and as such is regulated by UK legislation and the FSA in respect of trading as an insurer in the UK. The UK company maintains solvency of three times the required minimum and retains A+ rating from Standard & Poor's.

Consequences of the insurer failing or a conscious decision being taken not to renew were evaluated in view of the emerging situation and professional advice sought prior to renewing the contract. Details were reported / agreed through senior Resources management and reported to the Leader at the time. The decision to renew was taken and our Head of Risk and Insurance remains confident of the security of the arrangements.

The situation is constantly being monitored but we do not anticipate any change to the basis of cover until tender of these arrangements effective from 1 October 2010.

Denise Murray

#### **Minute 3.7 Contracts**

Barnet Catering in-house service – Benchmarking of inputs (supplies) is undertaken within the tendering process when renewing contracts. A bench-marking exercise on total service costs will be undertaken in the autumn with the London Client Group (incorporating a number of London Boroughs) and ESPO (Eastern Shires Purchasing Organisation) consortium Members.

The findings will be reported back to the Forum in October 2009.

The schedule of corporate contracts impacting on or accessible to Schools will be published in the 2009-10 guidance section of the Barnet Grid for Learning funding website by the 31st July 2009 and the database shall be maintained by the Contracts Officer, Children's Services Finance.

Accessibility details are outlined in the final column of the schedule and where relevant contract owners have been provided with the dates of future Schools Forum meetings to enable the required consultation process with the forum prior to tendering, to be incorporated within internal timetables.

It is recommended that goods and services outlined within the schedule are procured using the corporate contract for that good or service, unless following schools evaluation it can be demonstrated that better value for money can be achieved via an alternative arrangement.

**Corporate Contracts - Impacting on or Accessible to Schools**

| Contract   | Consortia                    | Value                        | Supplier                     | Start Date | Expiry Date | Duration                                    | Contact                                    | Schools Forum Gives a View   | Access Details   |
|--|------------------------------|------------------------------|------------------------------|------------|-------------|---|--|--|--|
| <b>Accessible Contracts</b>  |                              |                              |                              |            |             |   |  |  |  |
| <b>Utility Contracts</b>   |                              |                              |                              |            |             |   |  |  |  |
| <b>Gas</b>   |                              |                              |                              |            |             |   |  |  |  |
| Under 25,000 Therm   | LASER                        | £1,990,602                   | Scottish & Southern Energy   | 01-Apr-08  | 31-Mar-10   | 2 Years                                     | Martyn Carter<br>020-8359-7267             |  | Contact Martyn Carter SPT  |
| <b>Electricity</b>   |                              |                              |                              |            |             |   |  |  |  |
| Over 100 kW  | LASER                        | £650,000                     | EDF energy<br>EON            | 01-Nov-07  | 31-Oct-09   | 2 Year                                      | Martyn Carter<br>020-8359-7267             |  | Contact Martyn Carter SPT  |
| <b>Fuel</b>  |                              |                              |                              |            |             |   |  |  |  |
| Heating Oil  | OGC                          | £250,000                     | ESSO Petroleum Co Ltd        | 01-Jan-07  | 31-Dec-09   | 2 Years                                     | Martyn Carter<br>020-8359-7267             |  | Contact Martyn Carter SPT  |
| <b>Supply Contracts</b>  |                              |                              |                              |            |             |   |  |  |  |
| Fruit and Vegetables   | ESPO<br>(Authority Specific) | £450,000                     | H & B Hawkes                 | 01-Jan-09  | 31-Dec-12   | 1 year +<br>option to<br>extend             | Teresa Goodall                             |  | ESPO as above (Authority Specific)<br>PRICES CHANGE WEEKLY AND ARE<br>SENT VIA E-MAIL. |
| <b>Service Contracts General</b>   |                              |                              |                              |            |             |   |  |  |  |
| Hired Transport<br>(Including SEN)<br>1. Saloon Cars<br>2. Estate Cars<br>3. 7 Seater Vehicles<br>4. Wheel Chair<br>Accessible<br>5. Minibuses<br>6. Tail-Lift Minibuses<br>7. Coaches |                              | £4,315,000 PA<br>(estimated) | See below:                   | 2004       | 2011        | 7 years                                     | Contract managed<br>by Bernard<br>McGreevy |  | Contact Transport Ricky Rebello (5116).  |
|  |                              |                              | H&B Travel (NW9)             |            |             |   |  | Y  | 1,2,3 and 4.   |
|  |                              |                              | Lady Fare (HA3)              |            |             |   |  | Y  | 1  |
|  |                              |                              | Cavendish Cars<br>(N22)      |            |             |   |  | Y  | 1,2,3 and 4.   |
|  |                              |                              | Brent Couriers<br>(NW9)      |            |             |   |  | Y  | 1,2,3 and 4  |
|  |                              |                              | Metro Cars (EN5)             |            |             |   |  | Y  | 1,2,3 and 4  |
|  |                              |                              | Elite Broadway Cars<br>(NW9) |            |             |   |  | Y  | 1,2,3 and 4  |
|  |                              |                              | Chequers Transport<br>(NW9)  |            |             |   |  | Y  | 1,2,3 and 4  |
|  |                              | Bee Line Coaches<br>(E4)     |                              |            |             | Y   | 5 and 7.                                   |  |  |
|  |                              |                              |                              |            |             |   |  | These are the preferred suppliers against<br>Framework Agreements. Prices are<br>negotiated annually in September. |  |
| Transportation<br>Services including<br>rental of taxis and<br>mini-buses etc  |                              | £4,000,000<br>(estimated)    | Go Plant Ltd                 | 04-Apr-08  | 03-Oct-18   | 10 Years<br>+ 5 year<br>Extension<br>Option | Contract managed<br>by Bernard<br>McGreevy | Y  | Contact Transport Ricky Rebello (5116).  |
| <b>Contracts Impacting on Schools but not Accessible</b>   |                              |                              |                              |            |             |   |  |  |  |
| <b>Insurance</b>   |                              |                              |                              |            |             |   |  |  |  |
| Fire and Terrorism   |                              | £402,000                     | Zurich Municipal             | 01-Oct-08  | 30-Sep-09   | 1 year                                      | Paul Smyth                                 |  |  |
| <b>Audit</b>   |                              |                              |                              |            |             |   |  |  |  |
| Assessment of<br>schools' FMSiS self<br>assessments  |                              | £180,000                     | Enpeyz                       | 01-Apr-09  | 31-Mar-12   | 3 years +<br>2yr<br>extension               | Ian Speirs                                 | Y  |  |

## 4. Items for agreement

|  |                                 |
|--|---------------------------------|
| <b>4.1 School Balances as at the end of 2008/9</b> |                                 |
| <b>Author</b>                                      | <b>Nick Adams</b>               |
| <b>Position</b>                                    | <b>Finance Services Manager</b> |
| <b>Date</b>  | <b>7 July 2009</b>              |

### Summary

Revenue balances have increased by £1,779,919, 21%

Capital balances have decreased by £112,074, -3%

Total balances have increased by £1,667,845 (14%) to **£13,838,319**,

The variation by sector is illustrated below.

| Sector       | Revenue           |                  |                       | Capital          |                  |                      | Total at 31.03.09 |
|--------------|-------------------|------------------|-----------------------|------------------|------------------|----------------------|-------------------|
|              | As at 31.03.09    | As at 31.03.08   | Increase / (decrease) | As at 31.03.09   | As at 31.03.08   | Increase/ (decrease) |                   |
| Nursery      | 175,472           | 187,996          | -12,524               | 194,960          | 149,591          | 45,369               | <b>370,432</b>    |
| Primary      | 5,595,750         | 4,995,925        | 599,825               | 2,057,635        | 2,403,999        | -346,364             | <b>7,653,385</b>  |
| Second'y     | 4,128,642         | 3,047,068        | 1,081,574             | 1,115,454        | 1,032,705        | 82,749               | <b>5,244,096</b>  |
| Special      | 365,616           | 254,572          | 111,044               | 204,790          | 98,618           | 106,172              | <b>570,406</b>    |
| <b>Total</b> | <b>10,265,480</b> | <b>8,485,561</b> | <b>1,779,919</b>      | <b>3,572,839</b> | <b>3,684,913</b> | <b>-112,074</b>      | <b>13,838,319</b> |

### Details

The overall position hides variations, attached as **Appendix A** is the Final Individual School Outturn Balances 2008/09.

### Revenue Balances

A considerable number of measures have been taken in recent years to assist schools in their management of resources and highlight the issues around high school balances.

At the end of 2005/06 revenue balances fell by £2m, at the end of 2006/07 balances increased by £1.1m and they have increased substantially at the end of 2008/09.

The Revenue balances as a % of (2009/10) Budget Share by sector is

|             |     |                 |
|-------------|-----|-----------------|
| Nursery     | 11% | (last year 11%) |
| Primary     | 6%  | (last year 5%)  |
| Secondary   | 4%  | (last year 3%)  |
| Special     | 5%  | (last year 4%)  |
| All sectors | 5%  | (last year 4%)  |

The following schools with revenue deficits last year have recovered or improved as follows –

|                     |           |          |
|---------------------|-----------|----------|
|                     | 31 3 08   | 31 3 09  |
| Our Lady of Lourdes | - £65,520 | -£20,192 |
| St Mary's N3        | - £25,544 | -£20,314 |
| Hasmonean High      | -£154,202 | £11,017  |

All schools which have revenue balances in excess of 8% (Nursery, Primary & Special) or 5% (secondary) of their 2008/09 Budget Shares will be asked to explain their balance and potentially face claw-back in accordance with the Scheme for Financing Schools (para 4.1) and in accordance with the procedure agreed with the Schools Forum. This will involve the following number of schools –

|           |          |
|-----------|----------|
| Nursery   | 3        |
| Primary   | 21       |
| Secondary | 5        |
| Special   | <u>0</u> |
| Total     | 29       |

The results of this exercise will be reported to the Schools Forum.

### **Measures in place or taken to facilitate school financial planning/control school balances/highlight high balances issue**

- Challenging of schools with high contingency in budget or balance in Forecast.
- Year end forecasts are required as at end of Sept and December
- LNI and SIPartners advised of schools revenue balances; SIPs advised of issues around high revenue balances and need to encourage schools to use current resources for current pupils
- FMSiS requires all schools to have medium term financial plan and medium SIPlan with costings; most schools in Barnet have met FMSiS by end of 2008/09
- Budget/ 3 Year Financial Planning spreadsheet revised to accommodate reference to SIPlan items.
- Some training provided to schools on School Planning.
- Highlighting need to use balances – items in School Circular; Director's report to Governing Bodies.

### **Possible contributory factors to high revenue balances**

- It is difficult to ascertain the reasons for an increase in schools revenue balances but the following may be considered –
- Headteachers and governors wish to preserve a contingency as a safeguard.
- A lack of confidence/accuracy in three year planning linking the Financial Plan with the School Improvement Plan
- "Claw-back" rules allow schools to have balances of a set % plus unspent grants. Schools may see balance % allowed as a norm and "claw-back rules" may have reverse effect to that intended of "reducing"/controlling balances.
- Uncertainty of level of funding of nursery places (change from places to occupancy), encourages schools to hold balance to safeguard school's position re staff.
- Relatively few schools have significant deficits.
- In 2008/09 schools were informed direct revenue financing of capital should not be transferred to the capital budget until the school is contractually committed to the capital project. Previous analysis showed revenue transfers not used as capital project not proceeding. DRF transfers in 2007/08 totalled £3.2m, in 2008/09 totalled £1.5m although revenue can be assigned in specific circumstances.
- Budget Forecasts - all schools carry out in-year financial monitoring and submit two forecasts. Whilst most schools forecast balance was accurate to

within 1 or 2 % of their Budget Share a few schools had a large variation. However overall the net effect of all these variations was that revenue balances were under estimated; the position in total was –

September 08       £5,973,998

December 08       £7,106,865

Actual March 09   £10,265,480

- 8 Schools had Year end balances that were 5% greater than their December Forecast balances – these accounted for £874,195. Further work is required to try and understand the reasons for this inaccuracy.

The emphasis of improved school planning has lead a few schools to raise the need for additional revenue provision in the event of falling rolls to maintain staffing levels. Whilst schools are asked to use detailed planning to prevent excess surpluses, schools are also expected to plan to avoid deficits and this approach is supported.

### Previous consideration by Schools Forum

Reports on School Balances were submitted to the Forum on 1 July, 23 September and 9 December 2008. These reports noted, inter alia, that under the use of the current clause on possible claw-back of surplus balances, no "claw-back" had been required at the end of 2006/07 or 2007/08. It was noted that in the review at the end of 2007/08, 24 schools were reviewed and of their revenue balances of £3.8m, £1m were unspent Standards Funds, which was 17% of their SF allocations giving rise to concerns that schools were deferring spending SF and spending delegated Budget Share first. Concern was expressed that some SF grants were allocated late in the financial year but investigation showed 91% of allocations were done in March and only 1% were allocated in the last quarter. It was agreed that in the event of a significant increase in balances a review of the Scheme was supported.

### Capital Balances

The position with Capital balances in recent years as shown below.

| Sector    | As at 31 3<br>2009 | As at 31 3<br>2008 | As at 31 3<br>2007 | As at 31 3<br>2006 | As at 31 3<br>2005 |
|-----------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Nursery   | 194,960            | 149,591            | 104,700            | 135,564            | 109,168            |
| Primary   | 2,057,635          | 2,403,999          | 1,902,116          | 1,116,943          | 1,036,364          |
| Secondary | 1,115,454          | 1,032,705          | 1,515,674          | 819,896            | 495,368            |
| Special   | 204,790            | 98,618             | 89,140             | 34,367             | -39,827            |
| Total     | 3,572,839          | 3,684,913          | 3,611,631          | 2,106,770          | 1,601,073          |

The following 9 schools have significant capital balances and account for approx 50% of capital balances -

|                |          |   |
|----------------|----------|---|
| Colindale      | £296,645 | (contribution to Primary Cap Prog project)  |
| Fairway        | £103,118 | (additional work re new school)             |
| Hyde           | £165,528 | (PSCIP contribution + Children's Centre)    |
| Parkfield      | £103,448 | (PSCIP contribution + library in new build) |
| Copthall       | £170,994 |   |
| East Barnet    | £116,636 | (contribution to school rebuild)            |
| Mill Hill High | £136,696 |   |
| QEGirls        | £552,274 | (new 6 <sup>th</sup> form block)            |

The DCSF Technical Note on Devolved Formula Capital states amongst other matters –

“It is a general principle that schools should make best use of DFC as soon as it is received. However, given the nature and size of capital projects, schools may set aside their annual allocations up to three years to fund medium sized projects. Where, exceptionally, a school wishes to accumulate DFC for more than three years to finance a specific large project, it may do so. This applies both to unspent funds from previous periods, and to future allocations. In these circumstances, we expect the school to advance the excess funding temporarily available to its local authority to be spent on capital projects, with the right to reclaim the amount when the school needs the money.

**Any DFC unspent at the end of this period, either the three year period or the longer period regarding a specific large project, must be returned to the Department.”**

### Conclusion

The rise in balances if repeated nationally may cause the government to take action as set out in the Ministerial statement 24 February 2009.

The Forum is asked to note action being taken as follows

1. A report on school revenue balances and action required to Governors in next Director’s report to Governors. Also School Finance Support Officers and LNIs will be briefed about school revenue and capital balances and reminded of LA’s role of challenge re effective use of resources
2. All schools which have revenue balances in excess of 8% (Nursery, Primary & Special) or 5% (secondary) of their 2008/09 Budget Shares will asked to explain their balance in accordance with the Scheme for Financing Schools
3. All schools with revenue balances over 5% will be required to complete a Planned Use of Revenue Balances form in accordance with the Scheme, and that the covering letter explains the importance of accurate plans and implementation, except schools required to justify balances in conjunction with potential claw-back under 2 above.
4. It is proposed to consult schools on a change to paragraph 4.1 of the Scheme for Financing Schools (attached as **Appendix B**) in the following respects
  - Add the word “contractual” before “commitment to pay ………” in 4.1 paragraph b
  - Delete the words “and any unspent Standards Funds grant for the previous financial year” in 4.1 paragraph b.
  - Add a paragraph allowing deferred expenditure in respect of reasonable revenue provision to maintain staffing levels in respect of a school which is able to demonstrate a falling roll

A report on this and the results of the review of all schools with revenue balances over 8 or 5% will be submitted to a future meeting.

5. Ascertain the reason for the accumulation of DFC funding and details of the proposed project with its timescale. Subject to this being acceptable to the authority, arrangements will be made for the DFC to be repaid to the authority for use on alternative school capital projects and repaid to the school when required.

# Appendix A

## Final Individual School Outturn Balances 2008-9

| School                            | Revenue        |  |                |                               |                       | Capital        |                |                       | Total Balance  |                |                       |
|-----------------------------------|----------------|--|----------------|-------------------------------|-----------------------|----------------|----------------|-----------------------|----------------|----------------|-----------------------|
|                                   | As at 31.03.09 | Balance as % Original Budget Share 09/10 | As at 31.03.08 | % of Final Budget Share 08/09 | Increase / (decrease) | As at 31.03.09 | As at 31.03.08 | Increase / (decrease) | As at 31.03.09 | As at 31.03.08 | Increase / (decrease) |
| Brookhill                         | 47,506         | 11%                                      | 37,693         | 9%                            | 9,813                 | 53,009         | 44,139         | 8,870                 | 100,515        | 81,832         | 18,683                |
| Hampden Way                       | 54,243         | 18%                                      | 52,497         | 17%                           | 1,746                 | 47,423         | 38,069         | 9,354                 | 101,666        | 90,566         | 11,100                |
| Moss Hall                         | 31,811         | 7%                                       | 35,240         | 8%                            | -3,429                | 69,746         | 53,305         | 16,441                | 101,557        | 88,545         | 13,012                |
| St Margarets                      | 41,912         | 9%                                       | 62,566         | 13%                           | -20,654               | 24,782         | 14,078         | 10,704                | 66,694         | 76,644         | -9,950                |
| <b>Sub Total - Nursery Sector</b> | <b>175,472</b> | <b>10.69%</b>                            | <b>187,996</b> | <b>11.20%</b>                 | <b>-12,524</b>        | <b>194,960</b> | <b>149,591</b> | <b>45,369</b>         | <b>370,432</b> | <b>337,587</b> | <b>32,845</b>         |
| Akiva                             | -3,164         | 0%                                       | 18,590         | 2%                            | -21,754               | 0              | 0              | 0                     | -3,164         | 18,590         | -21,754               |
| All Saints' CE School (N20)       | 56,595         | 7%                                       | 42,868         | 5%                            | 13,727                | 0              | 125            | -125                  | 56,595         | 42,993         | 13,602                |
| All Saints' CE School (NW2)       | 82,138         | 11%                                      | 72,498         | 10%                           | 9,640                 | 598            | 10,754         | -10,156               | 82,736         | 83,252         | -516                  |
| Annunciation RC Infant School     | 45,558         | 6%                                       | 61,576         | 8%                            | -16,018               | 45,817         | 45,817         | 0                     | 91,375         | 107,393        | -16,018               |
| Annunciation RC Junior School     | 61,568         | 8%                                       | 45,916         | 6%                            | 15,652                | 8,967          | 24,000         | -15,033               | 70,535         | 69,916         | 619                   |
| Barnet Hill School                | 63,310         | 18%                                      | 106,179        | 11%                           | -42,869               | -2,285         | 2,046          | -4,331                | 61,025         | 108,225        | -47,200               |
| Barnfield School                  | 162,465        | 9%                                       | 168,662        | 10%                           | -6,197                | 0              | 48,894         | -48,894               | 162,465        | 217,556        | -55,091               |
| Beis Yaakov                       | -64,919        | -5%                                      | 7,105          | 1%                            | -72,024               | 0              | 0              | 0                     | -64,919        | 7,105          | -72,024               |
| Bell Lane School                  | 115,607        | 9%                                       | 119,076        | 9%                            | -3,469                | 63,926         | 31,353         | 32,573                | 179,533        | 150,429        | 29,104                |
| Blessed Dominic RC School         | 61,371         | 8%                                       | 32,012         | 4%                            | 29,359                | 0              | 0              | 0                     | 61,371         | 32,013         | 29,359                |
| Broadfield Primary                | 138,862        | 6%                                       | 86,134         | 4%                            | 52,728                | 58,026         | 20,366         | 37,660                | 196,888        | 106,500        | 90,388                |
| Brookland Infant School           | 82,934         | 8%                                       | 59,927         | 6%                            | 23,007                | 39,537         | 13,123         | 26,414                | 122,471        | 73,050         | 49,421                |
| Brookland Junior School           | 96,920         | 8%                                       | 73,697         | 6%                            | 23,223                | 28,839         | 13,021         | 13,818                | 123,759        | 86,718         | 37,041                |
| Brunswick Park School             | 122,777        | 12%                                      | 88,077         | 10%                           | 34,700                | 66,928         | 195,030        | -128,102              | 189,705        | 283,107        | -93,402               |
| Chalgrove School                  | 50,739         | 7%                                       | 46,986         | 7%                            | 3,753                 | 40,230         | 6,443          | 33,787                | 90,969         | 53,429         | 37,540                |
| Childs Hill School                | 64,845         | 4%                                       | 141,220        | 9%                            | -76,375               | 18,264         | 39,667         | -21,403               | 83,109         | 180,887        | -97,778               |
| Christ Church CE School           | 36,430         | 5%                                       | 11,670         | 2%                            | 24,760                | 0              | 0              | 0                     | 36,430         | 11,670         | 24,760                |
| Church Hill School                | 34,607         | 4%                                       | 58,682         | 7%                            | -24,075               | 26,922         | 23,556         | 3,366                 | 61,529         | 82,238         | -20,709               |
| Claremont Primary                 | 39,033         | 3%                                       | 61,079         | 5%                            | -22,046               | 19,242         | 10,533         | 8,709                 | 58,275         | 71,612         | -13,337               |
| Colindale School                  | 134,209        | 7%                                       | 161,058        | 9%                            | -26,849               | 296,645        | 323,561        | -26,916               | 430,854        | 484,619        | -53,765               |
| Coppetts Wood School              | 188,109        | 15%                                      | 192,252        | 16%                           | -4,143                | 73,766         | 96,317         | -22,551               | 261,875        | 288,569        | -26,694               |
| Courtland School                  | 51,471         | 7%                                       | 44,201         | 6%                            | 7,270                 | 56,429         | 19,425         | 37,004                | 107,900        | 63,626         | 44,274                |
| Cromer Road School                | 91,423         | 7%                                       | 80,801         | 6%                            | 10,622                | 16,588         | 25,542         | -8,954                | 108,011        | 106,343        | 1,668                 |
| Danegrove School                  | 150,682        | 7%                                       | 78,117         | 4%                            | 72,565                | -45,116        | 139            | -45,255               | 105,566        | 78,256         | 27,310                |
| Deansbrook Infant School          | 125,676        | 10%                                      | 84,635         | 7%                            | 41,041                | 545            | 52,273         | -51,728               | 126,221        | 136,908        | -10,687               |
| Deansbrook Junior School          | 131,322        | 10%                                      | 162,906        | 13%                           | -31,584               | 3,964          | -11,263        | 15,227                | 135,286        | 151,643        | -16,357               |
| Dollis Infant School              | 61,935         | 6%                                       | 59,053         | 5%                            | 2,882                 | 21,216         | 27,229         | -6,013                | 83,151         | 86,282         | -3,131                |
| Dollis Junior School              | 117,000        | 9%                                       | 80,045         | 6%                            | 36,955                | 6,709          | 49,965         | -43,256               | 123,709        | 130,010        | -6,301                |
| Edgware Infant School             | 57,762         | 5%                                       | 75,880         | 7%                            | -18,118               | 551            | 5,595          | -5,044                | 58,313         | 81,475         | -23,162               |
| Edgware Junior School             | 120,000        | 9%                                       | 109,912        | 9%                            | 10,088                | 82,398         | 74,420         | 7,978                 | 202,398        | 184,332        | 18,066                |
| Fairway School                    | 65,105         | 7%                                       | 129,485        | 14%                           | -64,380               | 103,118        | 21,361         | 81,757                | 168,224        | 150,827        | 17,397                |
| Foulds School                     | 79,823         | 7%                                       | 48,120         | 5%                            | 31,703                | 30,977         | 10,960         | 20,017                | 110,801        | 59,081         | 51,720                |
| Frith Manor School                | 184,679        | 8%                                       | 88,072         | 4%                            | 96,607                | 33,169         | 13,557         | 19,612                | 217,848        | 101,629        | 116,219               |
| Garden Suburb Infant School       | 60,897         | 6%                                       | 64,389         | 7%                            | -3,492                | 42,272         | 32,567         | 9,705                 | 103,169        | 96,956         | 6,213                 |
| Garden Suburb Junior School       | 91,271         | 7%                                       | 63,085         | 5%                            | 28,186                | 665            | 552            | 113                   | 91,936         | 63,637         | 28,299                |
| Goldbeaters School                | 74,137         | 4%                                       | 7,493          | 0%                            | 66,644                | 49,567         | -3,374         | 52,941                | 123,705        | 4,120          | 119,585               |
| Grasvenor Avenue Infant School    | 22,462         | 7%                                       | 37,525         | 12%                           | -15,063               | 26,453         | 31,567         | -5,114                | 48,916         | 69,093         | -20,177               |
| Hasmonean Primary School          | -22,915        | -3%                                      | -823           | 0%                            | -22,092               | 0              | 0              | 0                     | -22,915        | -823           | -22,092               |
| Hollicwood School                 | 54,907         | 7%                                       | 66,135         | 8%                            | -11,228               | 6,215          | 9,512          | -3,297                | 61,122         | 75,647         | -14,525               |
| Holly Park School                 | 50,997         | 3%                                       | 2,704          | 0%                            | 48,293                | -20            | 3,726          | -3,746                | 50,978         | 6,431          | 44,547                |
| Holy Trinity CE School            | 24,332         | 3%                                       | 29,916         | 4%                            | -5,584                | 0              | 0              | 0                     | 24,332         | 29,916         | -5,584                |
| Hyde School                       | 157,686        | 10%                                      | 188,079        | 12%                           | -30,393               | 165,528        | 191,342        | -25,814               | 323,214        | 379,421        | -56,207               |
| Independent Jewish Day School     | 10,154         | 1%                                       | -4,121         | -1%                           | 14,275                | 0              | 0              | 0                     | 10,154         | -4,121         | 14,275                |
| Livingstone School                | 176,317        | 12%                                      | 91,276         | 6%                            | 85,041                | 25,176         | 27,920         | -2,744                | 201,493        | 119,196        | 82,297                |
| Manorside School                  | 50,908         | 5%                                       | 71,070         | 8%                            | -20,162               | 46,653         | 24,699         | 21,954                | 97,561         | 95,769         | 1,792                 |
| Martin Primary                    | 159,141        | 10%                                      | 64,650         | 4%                            | 94,491                | 39,072         | 59,310         | -20,238               | 198,213        | 123,960        | 74,253                |
| Mathilda Marks Kennedy School     | 27,584         | 3%                                       | 10,671         | 1%                            | 16,913                | 0              | 0              | 0                     | 27,584         | 10,671         | 16,913                |
| Menorah Foundation School         | -14,123        | -2%                                      | 25,361         | 3%                            | -39,484               | 0              | 1              | -1                    | -14,123        | 25,362         | -39,485               |
| Menorah Primary School            | 84,877         | 6%                                       | 38,059         | 3%                            | 46,818                | 0              | 0              | 0                     | 84,877         | 38,059         | 46,818                |
| Monken Hadley CE School           | 3,163          | 1%                                       | 33,302         | 7%                            | -30,139               | 0              | 0              | 0                     | 3,163          | 33,302         | -30,139               |
| Monkfrith School                  | 66,485         | 8%                                       | 62,181         | 8%                            | 4,304                 | 4,023          | 69,507         | -65,484               | 70,508         | 131,688        | -61,180               |
| Moss Hall Infant School           | 37,382         | 4%                                       | 22,841         | 2%                            | 14,541                | 8,960          | 31,953         | -22,993               | 46,342         | 54,794         | -8,452                |
| Moss Hall Junior School           | 6,330          | 0%                                       | 3,015          | 0%                            | 3,315                 | 35,328         | 51,765         | -16,437               | 41,658         | 54,780         | -13,122               |
| Northside School                  | 125,991        | 14%                                      | 86,477         | 9%                            | 39,514                | 42,923         | 43,663         | -740                  | 168,914        | 130,140        | 38,774                |
| Orion School                      | 152,697        | 8%                                       | 90,919         | 5%                            | 61,778                | 865            | 63,398         | -62,533               | 153,562        | 154,317        | -755                  |

|                                     |                   |              |                  |              |                  |                  |                  |                 |                   |                   |                  |
|-------------------------------------|-------------------|--------------|------------------|--------------|------------------|------------------|------------------|-----------------|-------------------|-------------------|------------------|
| Oside School                        | 92,863            | 7%           | 71,100           | 5%           | 21,763           | 9,217            | 16,830           | -7,613          | 102,080           | 87,930            | 14,150           |
| Our Lady of Lourdes RC School       | -20,192           | -2%          | -65,520          | -8%          | 45,328           | 0                | 0                | 0               | -20,192           | -65,520           | 45,328           |
| Pardes House School                 | -138,673          | -20%         | -46,646          | -8%          | -92,027          | 0                | 0                | 0               | -138,673          | -46,646           | -92,027          |
| Parkfield School                    | 37                | 0%           | 20,901           | 2%           | -20,864          | 103,448          | 119,309          | -15,861         | 103,485           | 140,210           | -36,725          |
| Queenswell Infant School            | 14,424            | 1%           | 33,589           | 3%           | -19,165          | 285              | 48,097           | -47,812         | 14,709            | 81,686            | -66,977          |
| Queenswell Junior School            | 66,996            | 5%           | 76,261           | 6%           | -9,265           | 13,661           | 28,862           | -15,201         | 80,657            | 105,123           | -24,466          |
| Rosh Pinah School                   | 77,811            | 5%           | 74,755           | 5%           | 3,056            | 0                | 0                | 0               | 77,811            | 74,755            | 3,056            |
| Sacred Heart RC School              | 53,518            | 4%           | 52,894           | 4%           | 624              | 0                | 322              | -322            | 53,518            | 53,216            | 302              |
| St. Agnes' RC School                | 75,656            | 7%           | 28,816           | 3%           | 46,840           | 0                | 0                | 0               | 75,656            | 28,816            | 46,840           |
| St. Andrew's CE School              | -6,933            | -1%          | 2,900            | 0%           | -9,833           | 0                | 0                | 0               | -6,933            | 2,900             | -9,833           |
| St. Catherine's RC School           | 34,265            | 3%           | 14,694           | 1%           | 19,571           | 0                | 0                | 0               | 34,265            | 14,694            | 19,571           |
| St. John's CE School (N11)          | 26,543            | 3%           | 40,478           | 5%           | -13,935          | 0                | 0                | 0               | 26,543            | 40,478            | -13,935          |
| St. John's CE School (N20)          | 92,878            | 11%          | 71,308           | 9%           | 21,570           | 0                | 0                | 0               | 92,878            | 71,308            | 21,570           |
| St. Joseph's RC Infant School       | 32,503            | 4%           | 11,498           | 2%           | 21,005           | 0                | 0                | 0               | 32,503            | 11,498            | 21,005           |
| St. Joseph's RC Junior School       | 53,957            | 6%           | 32,248           | 4%           | 21,709           | 0                | 0                | 0               | 53,957            | 32,248            | 21,709           |
| St. Mary's & St. Johns Primary      | 119,675           | 8%           | 62,042           | 4%           | 57,633           | 0                | 0                | 0               | 119,675           | 62,042            | 57,633           |
| St. Mary's CE School (EN4)          | 42,596            | 5%           | 60,606           | 8%           | -18,008          | 0                | 0                | 0               | 42,596            | 60,606            | -18,008          |
| St. Mary's CE School (N9)           | -20,314           | -1%          | -25,544          | -2%          | 5,230            | 0                | 0                | 0               | -20,314           | -25,544           | 5,230            |
| St. Paul's CE School (N11)          | 79,085            | 10%          | 64,512           | 8%           | 14,573           | 3,337            | 3,337            | 0               | 82,422            | 67,849            | 14,573           |
| St. Paul's CE School (NW7)          | 45,211            | 6%           | 56,886           | 8%           | -11,675          | 0                | 0                | 0               | 45,211            | 56,886            | -11,675          |
| St. Theresa's RC School             | 35,976            | 5%           | 12,656           | 2%           | 23,320           | 0                | 0                | 0               | 35,976            | 12,656            | 23,320           |
| St. Vincent's RC School             | -458              | 0%           | 1,458            | 0%           | -1,916           | 0                | 0                | 0               | -458              | 1,458             | -1,916           |
| Summerside School                   | 137,127           | 9%           | 92,975           | 6%           | 44,152           | 16,636           | 36,125           | -19,489         | 153,763           | 129,100           | 24,663           |
| Sunnyfields School                  | 52,264            | 6%           | 47,025           | 5%           | 5,239            | 29,169           | 36,737           | -7,568          | 81,433            | 83,762            | -2,329           |
| Trent CE School                     | 16,855            | 2%           | 17,297           | 3%           | -442             | 0                | 0                | 0               | 16,855            | 17,297            | -442             |
| Tudor School                        | 11,758            | 1%           | -1,876           | 0%           | 13,634           | 14,509           | 263              | 14,246          | 26,267            | -1,613            | 27,880           |
| Underhill Infant School             | 26,850            | 3%           | 51,381           | 8%           | -24,531          | 53,885           | 92,158           | -38,273         | 80,735            | 143,539           | -62,804          |
| Underhill Junior School             | 32,827            | 3%           | 106,970          | 10%          | -74,143          | 22,336           | 15,640           | 6,696           | 55,163            | 122,611           | -67,448          |
| Wessex Gardens School               | 65,751            | 5%           | 44,166           | 3%           | 21,585           | 38,685           | 31,591           | 7,094           | 104,437           | 75,758            | 28,679           |
| Whittings Hill School               | 106,256           | 7%           | 74,359           | 8%           | 31,897           | 49,278           | 3,196            | 46,082          | 155,534           | 77,555            | 77,979           |
| Woodcroft Primary                   | 120,638           | 7%           | 126,638          | 8%           | -5,697           | 49,195           | 69,289           | -20,094         | 169,833           | 195,624           | -25,791          |
| Woodridge School                    | 60,446            | 8%           | 34,726           | 5%           | 25,720           | 66,344           | 70,326           | -3,982          | 126,791           | 105,053           | 21,738           |
| <b>Sub Total - Primary Sector</b>   | <b>5,595,750</b>  | <b>5.68%</b> | <b>4,995,925</b> | <b>5.23%</b> | <b>599,825</b>   | <b>2,057,635</b> | <b>2,403,999</b> | <b>-346,364</b> | <b>7,653,385</b>  | <b>7,399,924</b>  | <b>253,460</b>   |
| Ashmole School                      | 198,348           | 3%           | 57,030           | 1%           | 141,318          | 686              | 664              | 22              | 199,034           | 57,694            | 141,340          |
| Bishop Douglass RC High             | 228,514           | 6%           | 32,484           | 1%           | 196,030          | 1,678            | 34,999           | -33,321         | 230,192           | 67,483            | 162,709          |
| Christ's College                    | 194,264           | 4%           | 270,592          | 6%           | -76,328          | 11,980           | 4,723            | 7,257           | 206,244           | 275,315           | -69,071          |
| Compton School                      | 1,905             | 0%           | 45,608           | 1%           | -43,703          | 1,685            | 0                | 1,685           | 3,590             | 45,608            | -42,018          |
| Copthall School                     | 417,458           | 8%           | 385,229          | 7%           | 32,229           | 170,993          | 238,968          | -67,975         | 588,451           | 624,197           | -35,746          |
| East Barnet School                  | 239,924           | 4%           | 262,604          | 5%           | -22,680          | 116,636          | 94,936           | 21,700          | 356,560           | 357,540           | -980             |
| Finchley Catholic High School       | 579,197           | 11%          | 202,437          | 4%           | 376,760          | 1,500            | 459              | 1,041           | 580,697           | 202,896           | 377,801          |
| Friern Barnet School                | -29,866           | -1%          | 5,662            | 0%           | -35,528          | -1,103           | 55,328           | -56,431         | -30,969           | 60,990            | -91,959          |
| Hasmonean High School               | 11,017            | 0%           | -154,202         | -3%          | 165,219          | 0                | 0                | 0               | 11,017            | -154,202          | 165,219          |
| Hendon School                       | 370,183           | 3%           | 145,905          | 2%           | 224,278          | 11,628           | 3,589            | 8,039           | 381,811           | 149,494           | 232,317          |
| Hennetta Barnett School             | 142,664           | 4%           | 91,427           | 3%           | 51,237           | 0                | 15,526           | -15,526         | 142,664           | 106,953           | 35,711           |
| Mill Hill High School               | 408,007           | 5%           | 278,251          | 3%           | 129,756          | 136,696          | 121,738          | 14,958          | 544,703           | 399,989           | 144,714          |
| Queen Elizabeth's Girls' School     | 142,942           | 3%           | 525,576          | 10%          | -382,634         | 552,274          | 370,428          | 181,846         | 695,216           | 896,004           | -200,788         |
| Queen Elizabeth's School, Barnet    | 231,587           | 4%           | 72,588           | 1%           | 158,999          | -60,826          | -22,832          | -37,994         | 170,761           | 49,756            | 121,005          |
| Ravenscroft School                  | 486,187           | 10%          | 227,369          | 5%           | 258,818          | 116,695          | 347              | 116,348         | 602,882           | 227,716           | 375,166          |
| St James' Catholic High School      | 136,506           | 3%           | 5,667            | 0%           | 130,839          | 0                | 0                | 0               | 136,506           | 5,667             | 130,839          |
| St Mary's CE High                   | 166,458           | 4%           | 281,397          | 7%           | -114,939         | 0                | 100,000          | -100,000        | 166,458           | 381,397           | -214,939         |
| St. Michael's Catholic Gram'r Sch.  | 31,051            | 1%           | 55,559           | 2%           | -24,508          | 0                | 0                | 0               | 31,051            | 55,559            | -24,508          |
| Whitefield School                   | 172,296           | 4%           | 255,885          | 6%           | -83,589          | 54,932           | 13,832           | 41,100          | 227,228           | 269,717           | -42,489          |
| <b>Sub Total - Secondary Sector</b> | <b>4,128,642</b>  | <b>4.28%</b> | <b>3,047,068</b> | <b>3.23%</b> | <b>1,081,574</b> | <b>1,115,454</b> | <b>1,032,705</b> | <b>82,749</b>   | <b>5,244,096</b>  | <b>4,079,773</b>  | <b>1,164,323</b> |
| Mapledown School                    | 72,078            | 5%           | 56,935           | 4%           | 15,143           | 3,765            | 4,828            | -1,063          | 75,843            | 61,763            | 14,080           |
| Northway School                     | 25,938            | 2%           | 16,606           | 1%           | 9,332            | 27,858           | 7,444            | 20,414          | 53,796            | 24,050            | 29,746           |
| Oak Lodge School                    | 173,117           | 8%           | 144,581          | 7%           | 28,536           | 137,628          | 80,574           | 57,054          | 310,745           | 225,155           | 85,590           |
| Oakleigh School                     | 94,483            | 6%           | 36,450           | 2%           | 58,033           | 35,539           | 5,772            | 29,767          | 130,022           | 42,222            | 87,800           |
| <b>Sub Total - Special Sector</b>   | <b>365,616</b>    | <b>5.43%</b> | <b>254,572</b>   | <b>4.00%</b> | <b>111,044</b>   | <b>204,790</b>   | <b>98,618</b>    | <b>106,172</b>  | <b>570,406</b>    | <b>353,190</b>    | <b>217,216</b>   |
| <b>Sub Total All Sectors</b>        | <b>10,265,480</b> | <b>5.05%</b> | <b>8,485,561</b> | <b>4.29%</b> | <b>1,779,919</b> | <b>3,572,839</b> | <b>3,684,913</b> | <b>-112,074</b> | <b>13,838,319</b> | <b>12,170,474</b> | <b>1,667,844</b> |

## Appendix B

### Extract from Scheme for Financing Schools with proposed changes

#### 4.1 The Right to carry forward Surplus Balances

Whilst schools receive delegated budget shares and other revenue funding to meet the educational needs of pupils in the school at that time, schools are allowed to carry forward from one financial year to the next any shortfall in expenditure relative to the school's budget share for the year plus/minus any balance brought forward from the previous year.

Surplus budget share balances held by schools as permitted under this scheme are subject to the following restrictions with effect from 1 April 2007:

- the authority shall calculate by 31 May each year the surplus balance, if any, held by each school as at the preceding 31 March. For this purpose the balance will be recurrent balance as defined in the Consistent Financial Reporting Framework;
- the authority shall deduct from the calculated balance any amounts for which the school already has a prior-year

*Add underlined*

contractual commitment to pay from the surplus balance.

*Delete underlined -*

and any unspent Standards Fund grant for the previous financial year;

c. the authority shall then deduct from the resulting sum any amounts which the school declares to be deferred and assigned for specific purposes as permitted under this scheme (set out below) and which the authority is satisfied are properly assigned. To count as properly assigned amounts must not be retained beyond the period stipulated for the purpose in question, without the consent of the authority. In considering whether any sums are properly assigned the authority may also take into account any previously declared assignment of such sums but may not take any change in planned assignments to be the sole reason for considering that a sum is not properly assigned.

d. if the result of steps a-c is a sum greater than whichever is the greater of 5% of the current year's budget share for secondary schools, 8% for nursery, primary and special schools or £10,000 (where that is greater than either percentage threshold), then the authority shall deduct from the current year's budget share an amount equal to the excess.

Funds deriving from sources other than the authority will be taken into account in this calculation if paid into the budget share account of the school, whether under provisions in this scheme or otherwise.

The deferred expenditure must be either

Capital expenditure, or

Revenue expenditure that will result in the acquisition of a tangible durable asset or the improvement to the school's facilities within a reasonable timescale.

*Add underlined*

Proposed expenditure in respect of reasonable revenue provision to maintain staffing levels in respect of a school which is able to demonstrate a falling roll

The reason for deferral must be that the cost of the project is of a size of which it is not reasonable for the school to spend from the budget share of a single year, and/or there is a genuine and documented reason for deferral of expenditure, e.g. time lag between governing body decision to proceed with a project to completion/payment (building design, planning permission etc)

The deferred expenditure must be clearly documented in the school's Improvement Plan and the school's Asset Management Plan.

Funds held in relation to a school's exercise of powers under s.27 of the Education Act 2002 (community facilities) will not be taken into account unless added to the budget share surplus by the school as permitted by the Authority.

The total of any amounts deducted from schools budget shares by the authority under this provision are to be applied to the Schools Budget by the authority.

|   |   |
|---|---|
| <b>4.2 Dedicated Schools Grant 2008/9 and 2009/10 – options for use of underspend</b> |   |
| <b>Author</b>   | <b>Linda Parker</b>   |
| <b>Position</b>   | <b>Joint Head of Finance, Children’s Service, Resources Directorate</b> |
| <b>Date</b>   | <b>26 June 2009</b>   |

The final outturn for the centrally retained Schools Budget for 2008-9 was circulated at the last meeting of the Schools Forum. This report presents these figures again for information and makes proposals for the use of the DSG underspend from 2008-9. The report also presents the final Schools Budget for 2009-10 incorporating the Learning and Skills Council funding and the finalised DSG recently announced by DCSF. .

### **1. Centrally Retained Schools Budget Outturn 2008-9**

The 2008-9 centrally retained Schools Budget was underspent by £271.3k. The variances are shown in table 1 overleaf with brief explanations for the major variances. Proposals for the use of this one-off underspend are outlined in paragraph 4 below.

### **2. 2009-10 Schools Budget**

At the last Schools Forum meeting in May, details of the LSC 6<sup>th</sup> form allocations to schools on a financial year allocation were still awaited. Schools have now received their allocations and the LSC notified the Council that the level of funding is fully restored to the levels notified at the beginning of March 2009 i.e. £22,232,382. This figure was incorporated into the final Section 52 return for DCSF and the Schools Budget for 2009-10 is shown in Table 2.

### **3. Finalised DSG 2009-10**

On Thursday 25 June the DCSF announced the final DSG for 2009-10. The pupil number for Barnet is 42,803 which is 1 more than the estimate used in the calculation of the DSG for the Schools Budget. The finalised DSG is therefore £202,138,000, which is £4,271 more than estimated. The proposed use of the additional grant is outlined in paragraph 4 below.

### **4. Proposed use of rolled forward DSG underspend and grant variance and DSG budget issues 2009-10**

According to DCSF guidance on the carry forward of DSG balances, ‘a surplus or deficit can be carried forward into the following year, carried forward directly to a year or two after that or a combination of the two..... It is not expected that an authority would budget to carry forward a DSG surplus or deficit beyond the first year of a new Spending Review period.’ The final year of the current three year Comprehensive Spending Review is 2010-11.

Since the Schools Budget for 2009-10 was agreed a number of demands/budget pressures have been identified. These are as follows:

1. Pupil Place Planning – In certain areas of the Borough the demand for reception places in the next academic year is greater than the number of school places available. Officers are working with a number of schools to identify where capacity can be increased. The Schools Budget includes revenue contingency provision of £400,000 for schools reorganisation (which includes additional pupil places) and general risk. This funding is sufficient to fund up to an additional 200 new school places. At present we are planning to provide an additional 120 to 150 places. It is usual to continue to receive applications throughout the summer and should additional pupils be in excess of 200, funding will have to be identified elsewhere from the Schools Budget.
2. Nursery Nurses- Negotiations are ongoing regarding the grading arrears for nursery nurses. The settlement is agreed in principle with the unions and officers and unions representatives are now discussing its implementation. It is expected that the cost of the final settlement should be met from within the Individual Schools Budget element of the Schools Budget.
3. Asset Management Plans. The condition and measurement surveys for the school estate grounds and internal measurement required for the funding formula are significantly out of date. It is proposed that the underspend is utilised to fund the surveys. Details are as follows:

### **Background**

The DCSF requires Local Authorities (LA's) and schools to maintain accurate school building information for the purpose of Asset Management Planning (AMP), prioritising planned maintenance capital works and the transparent allocation of scarce resources. DCSF requires that "condition surveys should cover five year planning periods for the purpose of AMP's. Surveys may, however, also be used for other purposes, such as the bases for investment appraisals and in such cases will need to look further ahead. Surveys should be updated annually, to take account of changing needs and priorities."

Periodically the DCSF requires LA's to provide data on schools buildings areas and condition, as the data is used to formulise Barnet's capital programme allocations and therefore accurate condition and area measurement data forms an important part of ensuring Barnet receives adequate funding in the future.

In addition the methodology for allocating school funding uses the school building area measurements to allocate schools' individual revenue and capital budgets, so errors in measured areas have a direct effect on schools budget share allocation.

### **Current position**

Two types of survey are required: condition surveys and measurement surveys. The majority of surveys were last undertaken in 2002. Surveys typically cost around £3,500 for primary schools and £8,000 for secondary schools and incur revenue expenditure (as opposed to capital). In the financial year 2008/09 the Children's Service identified a small pot of money through efficiency measures to commission measured area surveys/production of CAD plans and condition surveys at nineteen

schools. However to continue undertaking the surveys in small waves could take up to five years to complete all schools.

### **Survey estimate summary**

To complete a full programme of surveys across the primary and secondary estate requires a budget of approximately £400k (primary £195k, secondary £205k)

The Children's Service is aiming to allocate £100k to surveying schools buildings in 2009/10 to continue the programme. The schools Forum is asked to agree the allocation of £175.6k to enable all primary schools and some secondary schools outside of the Building Schools for the Future to be surveyed this year. Primary schools are being prioritised as the Building Schools for the Future programme will enable the commissioning of surveys for secondary schools, should Barnet's bid to join the scheme be successful.

Building Schools for the Future. At the last meeting of the Forum, a presentation was provided on Building Schools for the Future (BSF). The total funding for Barnet's BSF Programme, if agreed is likely to be circa £85m- £330m, dependant on waves of funding granted by DCSF. The Authority's contribution to BSF may be in the range £2.9m to £4.3m depending on whether a Local Education Partnership is established or not. Since the last Schools Forum the Council has been called forward for an assessment panel which is part of the sieving process for identifying authorities to formally join the scheme. If successful at the assessment panel we will need to deploy dedicated resources immediately to start the preparation process. An initial contribution of £100k is required in 2009-10. Furthermore any underspend in the centrally retained Schools Budget for 2009-10 is to be prioritised for contribution to BSF.

### **4. Summary**

The carry forward Centrally Retained Schools Budget underspend is £271.3k and the finalised DSG is £4.3k more than estimated. The total resource available to be allocated is therefore £275.6k. The carry-forward is a one-off resource and therefore it is recommended that the use of this funding is for one-off costs.

Recommendation: The Schools Forum notes the outturn position, the final Schools Budget and the DSG for 2009-10. The Forum agrees to allocate the rolled forward underspend and additional DSG grant as follows:

|   |          |
|---|----------|
| Contribution to condition and measurement surveys | £175,600 |
| Contribution to BSF                               | £100,000 |

| <b>Table 1 2008-9 Centrally Retained Dedicated Schools Budget Outturn</b> |  |  |  |                      |                         |                                   |   |
|---|--|--|--|----------------------|-------------------------|-----------------------------------|---|
|   |  |  |  | Section 52<br>2008-9 | Final Outturn<br>2008-9 | Variance +/(-)<br>over/underspend | Comment   |
| <b>SCHOOLS BUDGET</b>   |  |  |  | £                    | £                       | £                                 |   |
| 1.0.1   | Individual Schools Budget  |  |  | 197,055,439          | 197,055,439             | 0                                 |   |
| 1.0.9   | Expenditure for Education of Children under 5s in Private, voluntary/ independent settings |  |  | 3,972,090            | 3,917,356               | (54,734)                          | Lower than projected payments to private & independent preschool providers  |
| 1.1.2   | School-specific contingencies  |  |  | 1,005,430            | 815,484                 | (189,946)                         | Lower than expected requirement for statement top-ups   |
| 1.2.1   | Provision for pupils with SEN (including assigned resources)                               |  |  | 538,000              | 577,361                 | 39,361                            | Increased nos. of supported SEN pupils agreed by panel  |
| 1.2.2   | Provision for pupils with SEN, provision not included in line 1.2.1                        |  |  | 2,508,760            | 2,415,119               | (93,641)                          | Staffing vacancies in specialist teams pending restructuring  |
| 1.2.3   | Support for inclusion  |  |  | 294,240              | 316,175                 | 21,935                            | Higher than anticipated expenditure on education services for children in care  |
| 1.2.4   | Fees for pupils at independent special   |  |  | 6,590,220            | 6,587,365               | (2,855)                           |   |
| 1.2.7   | Inter-authority recoupment   |  |  | 1,975,750            | 1,878,919               | (96,831)                          | Recoupment income higher than anticipated   |
| 1.2.5   | SEN transport  |  |  | 400,000              | 400,000                 | 0                                 |   |
| 1.2.8   | Contribution to combined budgets   |  |  | 457,700              | 340,636                 | (117,064)                         | Uncommitted budget held to offset potential overspends in other centrally retained areas & shortfall in DSG.  |
| 1.3.1   | Pupil Referral Units   |  |  | 1,375,440            | 1,580,094               | 204,654                           | The new statutory duty on authorities to make full time provision for students permanently excluded from school after six days commenced in September 2007. |
| 1.3.2   | Behaviour Support Services   |  |  | 422,250              | 412,601                 | (9,649)                           |   |
| 1.3.3   | Education out of school  |  |  | 450,470              | 384,645                 | (65,825)                          | Staffing vacancies pending restructuring  |
| 1.3.5   | Central expenditure on Education of Children u   |  |  | 633,000              | 630,869                 | (2,131)                           |   |
| 1.4.2   | Free School Meals - eligibility  |  |  | 3,470                | 3,470                   | 0                                 |   |
| 1.4.3   | Milk   |  |  | 38,070               | 12,712                  | (25,358)                          | Greater proportion of expenditure contained within grant  |
| 1.5.1   | Insurance  |  |  | 191,000              | 191,000                 | 0                                 |   |
| 1.5.2   | Museum and Library Services  |  |  | 42,330               | 31,384                  | (10,946)                          | Staff vacancies   |
| 1.5.3   | School admissions  |  |  | 328,650              | 289,049                 | (39,601)                          | Staff vacancy (post is now filled)  |
| 1.5.4   | Licences/subscriptions   |  |  | 2,750                | 2,750                   | 0                                 |   |
| 1.5.5   | Miscellaneous (not more than 0.1% total net Sp   |  |  | 36,630               | 36,630                  | 0                                 |   |
| 1.5.8   | Servicing of schools forums  |  |  | 17,160               | 17,203                  | 43                                |   |
| 1.7.1   | Capital Expenditure from Revenue (CERA)  |  |  | 608,430              | 599,240                 | (9,190)                           |   |
| <b>TOTAL SCHOOLS BUDGET</b>   |  |  |  | <b>218,947,279</b>   | <b>218,495,501</b>      | <b>(451,778)</b>                  |   |
|   | Less shortfall in finalised DSG grant  |  |  | (426,000)            | 0                       | 426,290                           |   |
|   | Carried forward underspend from 2007-8   |  |  | 246,000              | 0                       | (245,800)                         |   |
| <b>Total underspend to be carried forward to 2009-10</b>                  |  |  |  |                      |                         | <b>(271,288)</b>                  |   |

| <b>Table 2 Section 52 2009-10 Budget</b>         |  | <b>£</b>           |
|--|--|--------------------|
| 1.0.1  | Individual Schools Budget  | 203,952,383        |
| 1.0.8  | Threshold and Performance Pay (Devolved)   | 742,588            |
| 1.0.9  | Expenditure for Education of Children under 5s in Private/voluntary/independent settings | 4,504,388          |
| 1.1.2  | School-specific contingencies  | 1,000,570          |
| 1.2.1  | Provision for pupils with SEN (including assigned resources)                             | 548,760            |
| 1.2.2  | Provision for pupils with SEN, provision not included in line 1.2.1                      | 2,879,461          |
| 1.2.3  | Support for inclusion  | 300,750            |
| 1.2.4  | Fees for pupils at independent special schools & abroad                                  | 6,825,739          |
| 1.2.5  | SEN transport  | 400,000            |
| 1.2.7  | Inter-authority recoupment   | 2,209,230          |
| 1.2.8  | Contribution to combined budgets   | 280,000            |
| 1.3.1  | Pupil Referral Units   | 1,553,630          |
| 1.3.2  | Behaviour Support Services   | 343,198            |
| 1.3.3  | Education out of school  | 414,400            |
| 1.3.5  | Central expenditure on education of children under 5s                                    | 495,040            |
| 1.4.2  | Free school meals - eligibility  | 3,533              |
| 1.4.3  | Milk   | 17,070             |
| 1.5.1  | Insurance  | 425,000            |
| 1.5.2  | Museum and Library Services  | 42,330             |
| 1.5.3  | School admissions  | 383,037            |
| 1.5.4  | Licences/subscriptions   | 2,858              |
| 1.5.5  | Miscellaneous (not more than 0.1% total of net SB)                                       | 227,825            |
| 1.5.6  | Servicing of schools forums  | 34,150             |
| 1.5.7  | Staff costs - supply cover (not sickness)  | 100,000            |
| 1.6.2  | Other Standards Fund Allocation - Non-Devolved   | 82,920             |
| 1.7.1  | Capital Expenditure from Revenue (CERA) (Schools)  | 59,040             |
| 1.8.1  | <b>TOTAL SCHOOLS BUDGET</b>  | <b>227,827,900</b> |
| Has the Central Expenditure Limit been breached? |  | No                 |

#### **4.3 Targeted Capital Fund grant for improvements to school kitchens and dining rooms**

|                 |  |
|-----------------|--|
| <b>Author</b>   | <b>Keith Rowley</b>                            |
| <b>Position</b> | <b>Head of Children's Service Capital Team</b> |
| <b>Date</b>     | <b>24 June 2009</b>                            |

Last Autumn, the DCSF invited expressions of interest for a Targeted Capital Fund (TCF) grant for School Kitchens, aimed at increasing take up of school meals through improving school kitchen and dining room facilities.

The funding of projects required match funding (50% grant and 50% Local Authority/school contribution). Following an initial expression of interest, Barnet's detailed bid in February 2009 totalled £5,401,000 (£2,700,500 grant and £2,700,500 LA/school contribution).

The DCSF has recently advised that rather than select successful bidders, Ministers have now agreed that all authorities that submitted a bid should get half of the amount of their bid. Authorities have therefore been asked to submit a re-profiled bid to reflect the reduced funding, this must have the approval of the Schools Forum.

Barnet will receive £1.3 million from this funding source proportioned between financial year 2009/10 and 2010/11. Match funding will come from within the Children's Service capital programme and the Local Controlled Voluntary Aided Programme (LCVAP).

Barnet's bid has been revised in consultation with Diocesan partners and is contained in the table below.

| School                           | DCSF TCF Grant   | Local funding    | Comments  |
|----------------------------------|------------------|------------------|---|
| Kosher kitchen                   | 60,000           | 60,000           | Refurbishment of kitchen based at Tudor school site   |
| Garden Suburb Infant and Juniors | 400,000          | 400,000          | Replace dining and kitchen areas currently in poor condition temporary Horsa hut                        |
| Sacred Heart                     | 135,000          | 250,000          | Refurbishment of the kitchen, remodelling to provide compliant staff and food storage facilities.       |
| Colindale                        | 550,000          | 550,000          | Replace the kitchen and dining areas currently operating out of life expired mobile/temporary buildings |
| Monken Hadley                    | 218,201          | 262,500          | Creation of new kitchen and enlargement of multi use school hall  |
| <b>Total</b>                     | <b>1,363,201</b> | <b>1,522,500</b> |   |

**Recommendation:** The Schools Forum is asked to note and approve the projects listed in the revised bid for improvement to Barnet school kitchens and dining rooms.

| <b>4.4 Consultation on the Schools Forum Regulations</b> |                                 |
|--|---------------------------------|
| <b>Author</b>  | <b>Carol Beckman</b>            |
| <b>Position</b>  | <b>School's Funding Manager</b> |
| <b>Date</b>  | <b>7 July 2009</b>              |

The DCSF has redrafted the Schools Forum regulations and are consulting on a number of changes. Full details can be found at <http://www.teachernet.gov.uk/docbank/index.cfm?id=13568> The LA response is required by 28<sup>th</sup> August.

The main issues are

1. Whether the new regulations are clearer
2. Whether there should be regulations to ensure private early years providers receive sufficient funding
3. Whether schools forum members could represent locality teams of schools rather than phases.

| Question   | Comments   | Response                 |
|--|--|--------------------------|
| 1. Are the re-written regulations clearer than before?   | The regulations are in plain English, clearly identify who can and cannot be a member and what subjects the Schools Forum must be consulted on.<br>A new regulation states that Schools Forums must have a representative of Academies with member rather than just observer status.<br>Academy funding is based on the local school funding formula but the actual allocations to academies are not publicly available. | Yes / No<br><br>Yes / No |
| 2.1 Should the Schools Forum be required to take a view on sufficiency of places for early years (maintained and private)? | DCSF is concerned that the views of private early years providers are not heard sufficiently, and there is a danger of under-funding leading to insufficient places.<br>This is quite a heavy new responsibility   | Yes / No                 |
| 2.2 How else could we ensure early years providers are appropriately funded?   | We could have more PVI members.  |                          |
| 3a Would it be a good idea for representatives of locality teams to be   | The current arrangement is for the number of members from different phases should be proportional to the number of children in   | Yes / No                 |

|   |   |          |
|---|---|----------|
| members?  | that phase. LAs with large or diverse areas can group their schools into partnerships or locality teams. Schools Forum members could represent the schools in their area which could have children of any age or phase. |          |
| 3b If yes, why would this be better than at present?  | In Barnet this could allow each Learning Network to be represented equally  |          |
| 3c If no, why do you think the current arrangements are better?   | Barnet does not have large rural areas and is relatively homogenous, so it may be fairer for the number of members to continue to represent the number of children.   |          |
| 4 It is likely that academies would be excluded from locality teams – would this be a problem?  | The DCSF wish to ensure that academy representation is assured.   | Yes / No |
| 5 If there were representatives of locality teams how would this affect representation of pupils from different phases, and how would it affect the operation of the forum? | In Barnet it would probably not make difference as the schools are fairly evenly spread out over the geographical area.<br><br>Could we ensure that there was a fair mix of heads/governors from different phases?      |          |
| 6 Would you like to see the <b>option</b> of representatives of locality teams introduced from 2011?  |   | Yes / No |
| 6a If not, why not?   |   |          |

**Recommendation:** Members are asked to discuss these issues and suggest responses

## 5. Items for information

|   |                                |
|---|--------------------------------|
| <b>5.2 Report of the Early Years Working Group meeting on 1 July 2009</b> |                                |
| <b>Author</b>   | <b>Carol Beckman</b>           |
| <b>Position</b>   | <b>Schools Funding Manager</b> |
| <b>Date</b>   | <b>2 July 09</b>               |

### **Progress: Operational**

1. A detailed project plan for increasing the free entitlement has been drawn up and circulated to members for information.
2. Second round meetings with locality groups in phase 1 have taken place; recently an accredited childminder has joined the pilot.
3. Issues raised at those meetings were collated and shared with the Finance Team. As a result a grid has been created identifying the main areas on which we need to focus.
4. Providers are beginning to decide on their models of flexibility and forwarding them to us for funding decisions.
5. Every one of the schools and settings in Phase 1 have agreed to be champions in Phase 2. This will be of enormous help in supporting the large number of providers involved in Phase 2. Once we have evaluated Phase 1 in the autumn term they will play a vital role in the planning and implementation of Phase 2.
6. Applications for Early Years Capital projects from phase 1 will receive priority hearings.
7. Geoff Boyd our government partner is very satisfied with Barnet's progress thus far.
8. A meeting has been arranged for 21<sup>st</sup> September looking at maintaining quality while delivering the extension to the free entitlement. Diane Lewis and the Early Years consultants will be available to look at models of provision for individual providers. Geoff Boyd will also be available to take direct feedback on issues arising from this agenda. EYWG members and Phase 1 providers will be invited to this meeting.

### **Progress: Funding**

1. Funding for Phase 1 providers has been agreed.
2. Phase 1 providers have received early indications of funding allocations.
3. The Single Early Years Funding Formula consultation document has been released, although interest has been low at present.
4. The DCSF has now determined that the pupil count must be carried out at the time of the termly school census, but states that where home visits/phased admissions are undertaken, the child's entitlement to 38 weeks free education must be considered by LAs.
5. A survey of EYWG members has been undertaken regarding home visits and phased admissions.
6. Compared with other London authorities, Barnet's progress on the SEYFF is:

- a. Well advanced
- b. Has above average funding levels
- c. Similar formula to others

## Summary of Discussions

1. EYWG Members were advised that despite School Circular notices to maintained settings and letters to PVI providers, the response rate to the Single Early Years Funding Formula (SEYFF) consultation has been low to date. As it is close to the end of the academic year, members were asked to encourage colleagues in their various local networks to respond and express their views on these important issues.
2. The draft LA response to the DCSF consultation on the EY Code of Practice was circulated, and will be submitted to the DCSF on 7<sup>th</sup> July 2009. Members were asked to submit any amendments to the BRSI team by Friday 3<sup>rd</sup> July 2009 at the latest.
3. The main subject for discussion at the meeting was full compliance with the Early Years Code of Practice and the effect of the new funding formula on settings' finances. The views of members were;
  - a. Maintained sector representatives expressed ongoing concerns regarding the impact of participation-led funding, particularly those settings that operate home visits, phased admissions, have a spring term intake or are not full;
  - b. PVI representatives are concerned that full compliance with the revised EY Code of Practice in relation to charges for supplementary services and require parents to take up additional childcare will have a serious impact on providers to the extent that they may opt out of offering the free entitlement..

|   |   |
|---|---|
| <b>5.3 Administration of Free Milk in Schools</b> |   |
| <b>Author</b>                                     | <b>Linda Burbidge</b>                     |
| <b>Position</b>                                   | <b>Children's Service Finance Manager</b> |
| <b>Date</b>                                       | <b>25 June 09</b>                         |

The Council currently administers the provision of free school milk to children in Barnet schools and in early years settings. There are currently 84 schools and 2 stand alone children's centres participating in the scheme. The administrative process is lengthy and cumbersome and is briefly as follows:

- Each school or setting orders its own milk requirements from the milk supplier
- The supplier invoices the school or setting which charges the cost to its delegated budget.
- The school or setting records the numbers of children under 5 in attendance each week and the volume of milk delivered. A return is then sent to the Children's Service Finance team on a weekly basis together with a copy of the paid invoice.

- The Finance team records the details of the weekly returns on to a spreadsheet and reimburses the school or setting for the full cost via a BACS transfer to their bank account.
- The school credits the reimbursement to the delegated budget.
- The Finance team makes a consolidated grant claim to the Rural Payments Agency (European Union) on a termly basis and to the Welfare Food Reimbursement Unit (Dept of Health) on a quarterly basis.
- The amount of grant claimed is based on volume of milk consumed in the period multiplied by a unit rate per litre of milk, which is set by the funding bodies.

The number of returns being completed by schools and processed by the finance team is in the region of about 3,275 per annum.

Cool Milk is a company that offers an administration scheme at no cost to local authorities, schools or settings. The company can administer the free milk at no cost because their main aim is to offer parents of older children the option of purchasing a daily delivery of milk.

The company deal directly with the schools or settings, which are free to choose whether to offer the service for the older children. Where schools opt to participate in this part of the scheme, and parents choose to purchase milk for their children, the arrangement is purely between the company and the parent. Parents are invoiced directly and can also pay by online accounts. The only requirement of the school is to provide a list of children at the beginning of term and to distribute the milk as directed by the weekly drinking list provided by the company. The company provide fridges on loan free of charge.

The proposal to use Cool Milk to administer the free school milk scheme on our behalf was discussed at the Head Teachers Advisory Board in November 2008 and a selection of primary school head teachers and support staff were invited to a presentation by the company in January 2009. Feedback has been very positive as the burden on the schools and settings to produce returns, pay invoices and general administrative duties would be greatly reduced.

The arrangement with Cool Milk does not involve a contract as there is no cost to the Council, however, we have drawn up a framework agreement complete with LB Barnet's terms and conditions to negate any risk to the Council. These Terms and Conditions have been agreed by our Legal Services team.

The transfer of the administration of the school milk scheme to an external provider carries the risk of non performance of the provider. References have been sought from 6 of the 40 local authorities currently receiving the Cool Milk service, and they have been very satisfactory. However, should the external provider fail to administer the scheme efficiently, it would be necessary for the Council to resume the administration of the scheme.

It has become custom and practice in Barnet, that all children in reception class can have free school milk, although this does not appear to be a formally recorded policy. The Council can only reclaim the cost of milk consumed by children under the age of 5. The scheme is currently costing in the region of £17k per annum for children aged over 5 receiving milk. Under the new arrangements, Cool Milk will be collating the

information for the grant claim and administering the scheme on our behalf and only the children under the age of 5 will be provided with free milk. Milk will be available for children aged 5 and over under the arrangement for parents to purchase milk.

**Recommendation:** That the Schools Forum note that Cool Milk will be engaged to administer the free school milk scheme as from October half term 2009 and that free milk will be available for children under the age of 5 with the option for parents of older children to purchase.

|   |  |
|---|--|
| <b>5.4 Building Schools for the Future – Update July 2009</b> |  |
| <b>Author</b>   | <b>Alice Bolton, Strategy &amp; Planning Manager, Children’s Service</b> |
| <b>Position</b>   | <b>Children’s Service</b>  |
| <b>Date</b>   | <b>2 July 2009</b>   |

Barnet submitted the ‘Readiness to Deliver’ assessment to apply to join the BSF programme in May 2009. As a result of this, Barnet was among 9 authorities to be invited to a ‘Readiness to Deliver Assessment Panel’ on 1<sup>st</sup> July at the Department for Children, Schools & Families. The feedback at this panel was generally positive and our submission was regarded as strong.

A decision will be made on 21<sup>st</sup> July as to how many of the 9 shortlisted LAs will be able to enter the programme. This will depend on the funding available to the government at this time.

If Barnet is invited to enter the programme, the first stage will be working towards a formal entrance meeting in the Autumn. The first months of the programme will be used to develop a ‘Strategy for Change’, setting out Barnet’s vision and ambitions for BSF. The formal procurement process will begin around 12 months after we enter the programme.

If we are not invited to enter the programme at this stage, we anticipate that a further group of authorities will be invited to enter at a later stage this year.