

## SCHOOLS FORUM

WEDNESDAY, 25 APRIL 2018

PRESENT: Richard Pilgrim (Chairman), Amanda Dean, Hugh Boulter, Frances Walsh, Martin Tinsley, Michael Wallace, Chris Tomes, Joolz Scarlett and Amanda Hough.

Officers: Wendy Binmore, Tracey Anne Nevitt and James Norris

### APOLOGIES

Apologies for absence were received from Isabel Cooke, Alison Penny and Jo Haswell.

### DECLARATIONS OF INTEREST

None.

### MINUTES

**RESOLVED UNANIMOUSLY: That the Part I minutes of the meeting held 16 January 2018 be approved with the following clarifications:**

- **Under the item Wellbeing Team Evaluation and Future, Members noted that the submission of the plan had been deferred to the next meeting.**
- **Under the item Falling Rolls Funding 2018/19, Members received clarification that Churchmead School had met the criteria for the fund and had been allocated a budget of £100,000 for 2018/19.**

Members also discussed the scheduling of meetings for the next Municipal year 2018/19. The Chairman stated the Forum needed to discuss deadlines for reports and suggested the meeting dates be scheduled first and then, Members could organise when to plan work in time for deadlines of agenda publication. Hugh Boulter stated once the meetings had been scheduled, papers should be published two weeks prior to the meeting taking place so that head teachers had a change to look at the papers and make proper representations. James Norris (Head of Finance (AFC RBWM)) commented whilst every effort would be made to meet the two weeks' deadline RBWM operational practice is five working days.

Members noted the next meeting of the Schools Forum on the 22 May 2018 had been cancelled and therefore the next Forum was to be scheduled for 18 July 2018.

### SCHOOLS BUDGET OUTTURN 2017-18 AND SCHOOL BALANCES

James Norris, Head of Finance (AfC RBWM) stated he had some relatively favourable news on the January 2018 projected positions and highlighted the following key points in the report:

The paper summarised the final outturn position of the 2017/18 Schools Budget, the funding held in the DSG reserve and the level of maintained school balances held at 31 March 2018.

- The DSG opening reserve as at 31 March 2017 was a deficit of £399,000 with net earmarked project reserves of £353,000 and a general deficit of £752,000
- the DSG reserve as at 31 March 2018 was a deficit of £981,000 with earmarked project reserves of £231,000 and a general deficit of £1,212,000
- the central schools budget ended the financial year 2017/18 with an over spend of £460,000. This is funded by an increase in the DSG general deficit
- the balances of RBWM's maintained schools at 31 March 2018 decreased by a net £100,000 to £1,937,000 in 2017/18
- The 2017/18 schools budget of £61,860,000 consisting of £35,679,000 of maintained schools delegated budgets and £26,179,000 central schools budget (including Early Years). Delegated budgets were treated as spent as soon as they were delegated, and more information on maintained school balances was given in part 5 of the paper. The central schools budget ended the financial year 2017/18 with an over spend of £460,000 (0.7%).
- There was a net in year deficit of £460,000 relating to the dedicated schools grant funded services. The in-year deficit of £460,000 would be a pressure on the dedicated schools grant which already had a deficit of £752,000 brought forward from 2016/17. The revised deficit on the dedicated schools grant would be £1,212,000.

The Head of Finance (AfC RBWM) stated the overspend was reduced in comparison to the previously reported position.

A number of factors had contributed to this movement including increased vacancies and lower than anticipated take up of the Early Years SEND Fund in its first two terms of operation with settings using training support before seeking support for specific children.

Overall there was a net in year deficit of £460,000 with a carried forward deficit of £1.2m

The Chairman queried how the new National Funding Formula (NFF) was introduced. He asked what the point was of trying to reduce the deficit when others were running up debts of £30m - £40m worth of debts. The Head of Finance (AfC RBWM) confirmed that he was aware that other Local Authorities (LA's) did have debts of £10m but he suggested maintaining debts at appropriate levels due to the situation being unknown of what was to happen with the NFF. The Borough's schools needed to remain cautious. The Chairman stated there was a moral position to live beyond schools means as due to other LA's debts being greater, their children were getting a better deal and then there was the possibility that those debts would then be written off. Mike Wallace stated they needed a comparison per pupil of debt across other LA's and to find out what they intended to do about their debts. The Head of Finance (AfC RBWM) confirmed that other LA's were in more debt and the Borough's schools were holding a steady line with regards to reducing the debts. Martin Tinsley stated his school's children would suffer with a potential lesser education if he had to lose staff

unlike other LA's which had far greater debts. Tracey Anne Nevitt, Accountancy, stated it was difficult to make comparisons. Martin Tinsley responded he wanted to know the percentage of debt of the whole budget per pupil and then compare it other LA's; it could be that Surrey had £30m debt but, per pupil it worked out a similar percentage of the Borough's due to budget size.

- **Action** – the Head of Finance (AfC RBWM) to liaise with other LA's to find out what they were doing with their debts and report back to the Forum.

The Head of Finance (AfC RBWM) explained to Members that table four of the report was set out across different sectors and their net position. The Chairman stated he had looked at the table and middle and secondary schools had a £103,000 surplus. The Head of Finance (AfC RBWM) confirmed one school had a surplus of £133,000 but there were four others with a deficit. He added table five set out the High Needs Draft Budget allocation for 2018/19.

The Chairman stated the last column on table five showed there was money left over. The Head of Finance (AfC RBWM) explained that total balances brought forward were £100k down and that secondary and nursery schools had contributed to the reduction but primary schools had increased spending. Martin Tinsley confirmed his school had put capital projects on hold till next year therefore, there will be a zero spend as building works could not go ahead; there were a number of schools that had done the same. The Chairman stated it was a difficult picture; the Borough used to drawback a percentage but he had no idea if any councils were going to do that now. There was a strong argument to so say schools had to spend what was in the pot on their current children and no surplus should be sat there. Tracy-Anne Nevitt responded that academies were talking about publishing their own accounts but, she had not had confirmation about that as yet. The Chairman said it would be nice to find out how much money was sat unspent in academies which could be passed on to schools.

**RESOLVED UNANIMOUSLY: That the Schools Forum noted the contents of the report and approved the carry forward of the deficit balance on the DSG reserve.**

#### BUDGET SETTLEMENT 2018/19

James Norris, Head of Finance (AfC RBWM) stated there had been various announcements on the budget but, they were indicative. The paper looked at the impact of what was agreed back in January 2018 and tables two, three, four and five of the report set out all the detail.

Tables two and three were final allocations and table four were Early Years indicative, he would not have details until later in June 2018 but would update the forum in July 2018 if the details were available in time.

The Chairman asked how the current position compared to the figures for 2017/18 . Tracey Anne-Nevitt, Accountant stated that 2018/19 was the first year there was a separate central block. 2017/18 only had three blocks. The figures had been extracted from other blocks and then been put into a central block and this year was the first year where the full year effect could be seen and where it showed 30 full hours entitlement over £10m. she added the schools block had increased due to changes in pupil numbers and high needs had had a relatively small increase of £55,000.

Tracey-Anne Nevitt , when asked with regards to basic pupil funding, were they on the intermediate funding, confirmed there had been an increase two years ago, and in 2017/18 the Borough was notified of the NFF rate but, there had been no legislation to bring in the NFF as yet. The Head of Finance (AfC RBWM) stated through consultation, the Borough moved towards the rate locally back in November 2017. Members asked if an increase in pension contributions and back dated payments to support staff had been factored into the budgets yet as they made up quite a big slice. Tracey-Anne Nevitt confirmed they were never factored in and the costs were not truly reflected.

The Chairman stated they were all waiting to hear about any increase in teacher's salary to be funded by central government. Nurses wages had risen and that rise was not from the NHS budget, it had come from central government. If teachers' salaries were not increased from central government, it would have a major impact on schools' budgets. Tracey-Anne Nevitt confirmed that it was very unusual to receive an in year settlement. The formula was set at the beginning of the year.

**RESOLVED UNANIMOUSLY: That the Schools Forum noted and commented on the paper.**

#### SCHOOLS FORUM MEMBERSHIP

The Chairman stated there was a time when Members were thinking if the Forum would have a role once NFF was implemented. However, the NFF was not in place and until that time, the Schools Forum needed to continue. He added there were a number of vacancies and those vacancies needed to be filled. He welcomed Frankie Walsh, Headteacher of Cox Green School, who was taking over as the academy headteacher representative on the Forum. There was still another vacancy from the academy side and that could be filled at either primary or secondary level. There were also four other vacancies which needed to be filled.

James Norris, Head of Finance (AfC RBWM) confirmed there were five vacancies in total. The guidance for the Forum stated it was for individual sectors to try and fill vacancies and officers would try and encourage people to join where they could. Martin Tinsley confirmed there was no academy representation from Windsor. The Chairman suggested circulating the list of vacancies around Windsor schools to see if anyone wanted to nominate or volunteer as a candidate. He added he wanted to check there was a sum set aside for running the Forum and if anyone could claim for time spent working in the Forum. The Head of Finance (AfC RBWM) confirmed there was a fund that could be used.

- **Action** – The Head of Finance (AfC RBWM) to circulate the list of vacancies on the Schools Forum to all head teachers.

**RESOLVED UNANIMOUSLY: That the Schools Forum noted and commented on the contents of the paper.**

#### SCHEME FOR FINANCING SCHOOLS

James Norris, Head of Finance (AfC RBWM) explained that the scheme sets out the financial relationship between the authority and the maintained schools which it funds. that the scheme contains requirements relating to financial management and associated issues, binding on both the authority and on schools., he required Members to note and agree the implementations. He added the new scheme was currently being drafted and would be published 4<sup>th</sup> May 2018. Schools would be given three weeks to consult and then any feedback received would be brought back to the Schools Forum in July 2018. The Head of Finance (AfC RBWM) confirmed the process should be done annually and paragraph four of the report showed where changes had to be made due to changes in legislation such as loans not be used to fund deficits.

The Chairman asked if the Forum would see a draft they could have input on, the Head of Finance (AfC RBWM) stated the draft would be available to view on the Borough's Firsclass and they could comment on the document. It was to help bursars know how to operate and acted as a helpful guidance for them.. The Head of Finance (AfC RBWM) stated his team would notify Headteachers, school business managers and Forum Members when the consultation opened and schools would be able to comment on the draft for three weeks. A report would be presented to the Schools Forum in July 2018.

Tracey-Anne Nevitt confirmed that if a school converted to academy status, the Secretary of State had the power to not transfer any debt or loan over to the academy, so it would be left with the LA suggesting the government did not want LA's to give schools loans to reduce debts. She added that currently there were only two loans outstanding which would be cleared imminently. The Chairman stated the Department for Education agreed to clear the outstanding Desborough College loan.

**RESOLVED UNANIMOUSLY: That the schools forum noted the contents of the report and the proposed timetable for implementing the new Scheme for Financing Schools.**

The meeting, which began at 2.00 pm, finished at 3.00 pm

CHAIRMAN.....

DATE.....

