

**SCHOOLS FORUM**  
**MEETING HELD ON 5<sup>th</sup> FEBRUARY 2013**

**PRESENT:**

**Primary School Headteachers:** Ms M Carlton, Mrs J Conway, Mrs S Jones and Mr G Leck

**Primary School Governors:** Mrs A Cains, Mr H Smith and Mr C Wilson

**Secondary School Headteachers:** Mr C Walker and Ms J Wilson

**Secondary School Governors:** Mr I Bartle and Mr L Wadey

**Trade Union Representative:** Mr D Campbell

**Observer:** Councillor Mrs A McCoy – Cabinet Member Children and Young People

**Officials** Ms J Humpherys – Corporate Director, Education and Social Care  
 Mrs L Brown – Head of Education, Early Years and Complex Needs  
 Mr G Cummings – Head of Operational Finance  
 Mr D New – Senior Finance Manager  
 Mr A l'Anson – Acting Secretary to the Forum

*The Chair thanked Mrs Conway for chairing the last meeting in the absence of the Chair and Vice Chair.*

1. **EVACUATION PROCEDURES**

Members noted the Evacuations procedures to be used to exit the building in an emergency.

2. **APOLOGIES FOR ABSENCE**

Apologies for absence had been received from Cllr Mrs C Clark, Mr M Clinton, Mr T Gittins and Mr A Khushi.

3. **DECLARATION OF INTERESTS**

Members were invited to declare any personal or business interests they may have in any item included on the agenda.

No interests were declared.

4. **MINUTES FROM THE LAST MEETING – 11<sup>th</sup> December 2012**

RESOLVED that the minutes of the meeting held on 11<sup>th</sup> December 2012, be approved as a true record.

5. **MATTERS ARISING FROM THE MINUTES**

There were no matters arising from the minutes.

6. **COUNCILS MEDIUM TERM FINANCIAL PLAN UPDATE AND STRATEGY**

A copy of the Cabinet Report and subsequent Cabinet Decision on the Medium Term Financial Plan Update and Strategy had been circulated to members outlining the

Council's financial position for Forum members' information.

Mr Cummings took members through the report. The report provided an update on the Council's Medium Term Financial Plan (MTFP) position for 2013 to 2017. It included areas where there were uncertainties and an approach for addressing budget pressures and budget gaps.

Mr Cummings explained that the Council had seen a significant reduction in resources over the past few years. Between 2010/11, and 2013/14, there had been a total reduction of £34m which was approximately a 30% cash reduction in Government Funding (approximately 40% in real terms).

The approved MTFP had included a number of assumptions relating to:-

- government funding
- a restricted Council Tax level
- staff pay increases.

The Plan also included the savings coming from the Council's planned approach to efficiency measures over the past three years.

Details of a number of announcements / changes were outlined to be considered in terms of their impact upon the Council's approved MTFP. These included:

- Introduction of a Business Rate Retention System
- Reductions in Government Funding
- New Homes Bonus
- 2% Council Tax Referendum level
- Localisation of Council Tax benefit
- Council Tax Freeze Funding
- Public Health Funding transfer

It was explained that the MTFP had been reviewed and a number of issues needed to be incorporated in to it:-

- Some minor amendments due to returns on investments being lower than estimated.
- Income associated with the invest to save schemes.
- Demand led pressures, particularly in respect of Looked After Children, requiring an increase in the budget in this area.
- Unallocated funding associated with Public Health
- Proposed changes to Council Tax Discounts

It was explained that the current approach for allocating resources to Services provided for an inflationary element, included in the plan and budget gap of future years. It was proposed that the Council revised this approach and placed a freeze on all budgets across the medium term financial plan, other than pay, where the assumptions included a provision for 1% increase in 2013/14 and 2014/15, with 2% thereafter.

Given recent trends in the high cost areas of Looked After Children, Adult Social Care and Energy and Waste, it is suggested a contingency be included for growth. If it was assumed this was £1.8m per annum, then the change would remove inflationary increases valued at £700,000 in 2013/14 rising to £4m by 2016/7. This meant that all services would be operating with a standstill budget for the next four years, which would be a reduction in real terms.

It was noted that there had been many changes to the MTFP, since the budget was set for 2012/13. It was noted the estimated budget gap in 2016/17 was now estimated to be £20,888,000

Members were provided with details of on-going and planned work to identify further savings. This included:

- A Review of 'big ticket' areas of Energy and Waste, Adult Social Care and Looked After Children.
- Invest to Save schemes
- Other issues which would be considered by Cabinet before implementation

The Council was in a position, that through careful financial management, the 2013/14 position could be managed through one off resources which would allow it to continue the managed approach to delivering savings to address the gap in future years. The final 2013/14 budget report to Cabinet and Council would provide an update on the Final Settlement and focus on setting the 2013/14 budget.

The Council needed to examine all other areas of spend to identify savings, to address the gap. It was therefore proposed that potential savings and service reductions were identified, assessed and discussed within an agreed timeframe with Cabinet and Council.

The Council would continue to manage service changes sensitively and proactively and had a long history of doing so. Given the extent of change and the budget reductions outlined above and in the report there would clearly be a further reduction in the number of posts over the coming MTFP period.

It was clear that a period of uncertainty was beginning for employees, and the HR service was continuing to ensure that a package of employee support and targeted training was available to all employees.

G Cummings was thanked for his presentation.

*Mr. G Cummings left the meeting.*

## 7. SCHOOL BUDGET 2013/14

D New presented a report on the proposed Schools Budget for 2013/14. The paper required the Forum to make a number of decisions regarding the budget.

Members were asked to note the following;

- The 2013/14 Dedicated Schools Grant settlement.
- The Early Years Block DSG will not be finalised until confirmation is received from the DfE in 2014.
- The High Needs Block allocation will not be finalised until DfE have confirmed the Post 16 and non maintained special school allocation adjustments.
- Significant risk with the High Needs budget for 2013/14 particularly relating to the shortfall and risk with post 16 SEN funding.

RESOLVED that the Forum noted the above.

The funding formula had been consulted upon with all schools/ academies/ PVI providers and discussed at length at previous Forum meetings. D New took members through the

Formula as to how the proposals were arrived at. The Forum was asked to approve the funding Formula as set out in paragraphs 13 – 19 of the report.

RESOLVED that the Forum supported the proposed funding formula.

D New referred to the budget statement (in the Appendix to the report) which set out the proposed position and planned action for 2013/14. Draft schools budget appendix was discussed with regard the De-delegation budgets for Free School Meals and Contingencies funding, and how these figures were arrived at

RESOLVED that the proposed budget be agreed including the respective block and central spend values.

Specifically, the Forum was asked to approve the Schools Block central spend proposals, which were the same as in 2012/13. The proposals were as follows;

- a. Contribution to Combined Budgets : £88,748
- b. School Admissions: £200,720
- c. Servicing of Schools Forums: £20,622
- d. Capital Expenditure from Revenue : £911,742
- e. Miscellaneous (up to 0.5% of School Budget) : £66,552
- f. Carbon Reduction Commitment Allowances : £133,721
- g. Centrally funded termination of employment costs : £11,141

D New detailed what each payment referred to and the fact that the proposed spend was £0.530m below the DfE allocation for the School Block given the pressures on the High Needs Block.

There was some discussion as to whether VA schools were able to benefit from support given to Capital Projects under proposal (d). Officers were asked to check whether or not VA schools benefited from this funding.

RESOLVED that;

- a) the Forum approved proposals (a) to (c) and (e) to (g).
- b) proposal (d) was agreed subject to clarification being received as to whether VA schools are included in this Capital Expenditure scheme.

The Forum was asked to consider a number of proposals in respect of the new support for disadvantaged two year olds.

There was some discussion around the proposals, particularly the setting up of pilot programmes and the advantage that PVI's have over school settings, as schools are required to employ qualified teachers, and pay accordingly, whilst PVI's do not.

RESOLVED that the four proposals would be looked at in more detail and it was agreed that the decision on the proposals be considered by a group consisting of Jane Wright and the Primary School Headteacher representatives on the Forum.

D New outlined to the Forum the High Needs spending block and how funds would be delegated.

It was pointed out that the funding of post 16 High Needs was a particular concern. As DfE were only to support 154 student places, however the Council was already aware of 222

known students for whom the Council would have responsibility. This would give a shortfall of £470k grant funding. The Council has made representations to the DfE regarding this shortfall. Various aspects of the High Needs arrangements were discussed.

RESOLVED that the Forum supports the proposal to continue funding the SEN group funding until the end of the academic year at a cost of £126k and they approved the carry forward of the £300k projected overspend to the next financial year to be met from the Schools Budget.

Members discussed the funding of academies and the fact that the EFA would claw back from Stockton's DSG an amount based on a notional budget allocation under the Stockton Funding Agreement. The budget amount actual given to academies was determined by the EFA .

8. ANY OTHER URGENT BUSINESS

There were no other items of urgent business to be discussed.

9. DATE AND TIME OF NEXT MEETING

RESOLVED that the next meeting would be held at 2:00pm on Tuesday 7<sup>th</sup> May 2013 at the Education Centre, Junction Road, Norton.

