



GATESHEAD SCHOOLS FORUM AGENDA

Thursday, 9 June 2016 at 10.00 am in the J Abbot Room, Dryden Centre

From the Chief Executive, Jane Robinson

Item Business

1. Apologies

2. Minutes (Pages 3 - 8)

The Forum is asked to approve as a correct record the minutes of the last meeting held on 14 April 2016

3. DSG Outturn (Pages 9 - 12)

Alan Foster, Corporate Resources

4. Use of DSG Reserves (Pages 13 - 14)

Carole Smith, Corporate Resources

5. Use of Early Years Underspend (Pages 15 - 20)

Gillian Dodds, Care Wellbeing and Learning

6. Schools Surplus Balances Review of 2015/16 Licences (Pages 21 - 24)

Carole Smith, Corporate Resources

7. Schools Surplus Balances 2015/16 Licence Applications (Pages 25 - 28)

Carole Smith, Corporate Resources

8. Schools Surplus Balance Change Request (Pages 29 - 30)

Carole Smith, Corporate Resources

9. Growth Fund Application (Pages 31 - 32)

Carole Smith, Corporate Resources

10. Date and Time of Next Meeting

Thursday 14 July at 10.00am

Contact: Rosalyn Patterson

Email: rosalynpatterson@gateshead.gov.uk, Tel: 0191 433 2088,

Date: Thursday, 2 June 2016

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Agenda Item 2

GATESHEAD METROPOLITAN BOROUGH COUNCIL

GATESHEAD SCHOOLS FORUM MEETING

Thursday, 14 April 2016

PRESENT

Ken Childs (Chair)	Special School Governors
Cllr Malcolm Brain	Elected member representative
Sarah Diggle	Primary Governors
Julie Goodfellow	Primary Academy Headteachers
Steve Haigh	Secondary Academy Headteachers
Peter Largue	Trade Union Representative
Mustafaa Malik	Primary Haedteachers
Andrew Ramanandi	Primary Headteachers
Chris Richardson	Secondary Headteachers
Michelle Richards	Special School Headteachers
Allan Symons	Primary Governors
Matthew Younger	Primary Headteachers

IN ATTENDANCE:

Carole Smith	Corporate Resources
Alan Foster	Corporate Resources
Rosalyn Patterson	Corporate Services and Governance

1 APOLOGIES

Apologies for absence were received from Elaine Pickering, Ethel Mills and Denise Henry.

2 MINUTES

The minutes of the meeting held on 17 March 2016 were agreed as a correct record subject to it being noted that Andy Ramanandi is representing Primary Headteachers and not the Diocese.

3 HIGH NEEDS FUNDING AND OTHER REFORMS CONSULTATION

The Forum received the draft response to the High Needs Funding Consultation. The closing date for responses is Sunday and all schools were emailed on 23 March for comments on the response before finalisation. The Forum was advised that a separate submission can be made by the Schools Forum.

Since the response was drafted an officer meeting was held which resulted in some answers changing once their impact was better known.

Each question was looked at by the Forum and responses agreed, with the following comments being noted to be included in the Forum's response;

Q1 – Forum agreed with the response and noted that, in terms of paragraph three of the response, this needs to be reviewed when further information is known.

Q3 – Forum agreed the high needs formula should be based on actual assessed need, however it was noted that it is on an individual basis as to whether proxy or assessed measures are best. This will not be clear until further information is known at the next phase. The Forum agreed that a comment be made under this question about autism and hearing impairment as deprivation measures.

Q10 – Forum agreed that its response should include a comment that there are differences in the phases and that one size does not fit all because of how ARMS function differently.

RESOLVED -

That the Schools Forum noted the contents of the report and reviewed the draft consultation response to submit on behalf of Gateshead Schools Forum.

4 NATIONAL FUNDING FORMULA CONSULTATION

The Forum received the draft response to the National Funding Formula Consultation and the group made comments on the answers, which would be used as the Forum's formal response to the consultation.

Each question was looked at by the Forum and responses agreed as follows;

Q1 – The Forum did not agree with the proposed principles for the funding system. It was noted that the system may be efficient but not necessarily effective nor fit for purpose or fair.

Q2 – The Forum did not agree with the proposal to move to a school-level national funding formula. It was noted that if this was done at a national level there would be no feel for schools in Gateshead. The Forum felt that one size does not fit all.

Q3 – The Forum felt that the funding for each pupil should be different for all key stages and that primary should not be one block. Therefore it was agreed that the response should say 'yes' with the comment that primary should be split into key stages one and two.

Q4a – The Forum agreed that a deprivation factor should be included.

Q4b – The Forum supported all three measures for the deprivation factor, but weighted to more FSM numbers.

Q5 – The Forum agreed that low prior attainment factor should be included and noted that a comment be included around the possibility of including a high attainment factor for gifted and talented pupils.

Q6a – The Forum agreed a factor for English as an additional language should be

included.

Q6b – The Forum agreed that EAL3 be used as it takes EAL pupils three years to take part in the curriculum.

Q7 – The Forum agreed that a lump sum factor should be included as this is important for small schools to remain viable.

Q8 – The Forum agreed that a sparsity factor should be included as this can affect schools in rural communities.

Q9 – The Forum agreed that a business rates factor should be included, but not on a historic cost basis as rates can vary year on year and will increase in future years.

Q10 – The Forum agreed that split sites factor should be included.

Q11 – The Forum agreed that a private finance initiative factor should be included but not on historic cost basis.

Q12 – The Forum agreed that an exceptional premises circumstances factor should be included criteria should be developed to be applied on a national basis.

Q13 – The Forum did not agree that funding for rates, PFI, exceptional circumstances and growth funding in 2017-18 and 2018-19 should be allocated based on historic basis.

Q14 – The Forum agreed a growth factor should be included but not on a historic basis.

Q15 – The Forum did not agree that funding for growth be allocated based on historic spend as past growth is no indication of current growth.

Q16a – The Forum did not agree that an area cost adjustment should be included.

Q16b – The Forum agreed that if an area cost adjustment were to be included it should be a hybrid methodology.

Q17 – The Forum did not agree that targeted support for looked after children should be through pupil premium plus, rather than including a looked after children factor in the formula. The Forum agreed that this does not support the school, it supports the child and therefore should not come out of the formula.

Q18 – The Forum did not agree that a factor for mobility should be removed from the formula.

Q19 – The Forum agreed that the post-16 factor from 2017-18 should be removed.

Q20 – The Forum agreed with the proposal to require local authorities to distribute all of their schools block allocation to schools from 2017-18.

Q21 – The Forum did not agree that it would be helpful for local areas to have flexibility to set a local minimum funding guarantee. The Forum agreed that it would not be fair and consistent if there was different MFG in schools in different LA's.

Q22 – The Forum did not agreed that local authorities' ongoing responsibilities should be funded according to a per-pupil formula.

Q23 – The Forum agreed that local authorities' ongoing historic commitments should be funded based on case-specific information, to be collected from local authorities.

Q24 – Forum agreed with the comments but that it should state; Any funding reductions should not be considered to be reduced until very clear guidance has been issued to both LA's and schools on what schools and LA's responsibilities will be and the impact on schools budgets is known.

Q25 – The Forum did not agree with allowing local authorities to retain some of their maintained schools' DSG centrally to fund the duties they carry out for maintained schools.

RESOLVED -

That the Schools Forum noted the content of the report and the draft consultation response and agreed that a consultation response should be submitted in the name of Gateshead Schools Forum.

5 EDUCATION EXCELLENCE EVERYWHERE - EDUCATION WHITE PAPER SUMMARY

The Forum received a summary of the Education White Paper – Educational Excellence Everywhere. It was noted that there is a significant reduction in autonomy.

RESOLVED -

That the Schools Forum noted the contents of the report.

6 SURPLUS BALANCE LICENCE CHANGE

The Forum received a report following a request from Corpus Christi Catholic Primary School to extend its surplus balance licence. The licence was for refurbishment of toilets, however the work was not finished in time as could only be carried out over the holidays.

RESOLVED -

That the Schools Forum ratified the decision to extend Corpus Christi's surplus balance licence due to the start of the refurbishment of the toilets.

7 CONSULTATION - CHILDCARE FREE ENTITLEMENT DELIVERY MODEL

Forum was advised that the closing date for this consultation is 6 June, this is before the next meeting so it was agreed that a response would be emailed round for consideration.

RESOLVED - That the information be noted.

8 DATE AND TIME OF NEXT MEETING

The date and time of the next meeting is Thursday 9 June at 10.00am.

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Item 3

TITLE OF REPORT: Dedicated Schools Grant Revenue Outturn 2015/16

Purpose of the Report

To bring to Schools Forum attention information on the outturn position of DSG for 2015/16.

Background

The Dedicated Schools Grant (DSG) is made up of three main funding blocks:

1. The **Early Years** block - for 2 and 3 & 4 year old funding
2. **Mainstream Schools** block - which includes some centrally held and de-delegated funding
3. **High Needs** Block - which includes special schools and PRU funding

Schools Forum receives details of DSG revenue monitoring throughout the financial year, with the format presented based on the expenditure headings of section 251.

The final outturn report for 2015/16 is included at appendix 1, reporting an outturn of £94.959m against the budget of £95.333m, resulting in an under spend of £0.374m.

The under spend of £0.374m is also supplemented by £0.155m additional Early Years settlement (based on updated census information) for 2014/15 received in 2015/16, to give a total of £0.529m to be appropriated to the DSG reserve.

This £0.529m is added to the current balance brought forward from 2014/15 of £2.828m to give a balance to be carried forward to 2016/17 of £3.357m. A summary of the movement in reserves is included in appendix 2.

Proposal

That Schools Forum notes the content of the report.

Recommendations

That Schools Forum:-

- Note the contents of the report

CONTACT: Alan Foster

Appendix 1

2015/16 DSG Revenue Monitoring Qtr 4				
DSG Area	Total Approved Budget	Outturn	Variance	Comments/Notes
	£'000	£'000	£'000	
Maintained Schools Budget Share	73,569	73,523	-46	Relates to NNDR rebates for academies (pre transfer)
DEDELEGATION				
Contingencies	0	0	0	
Behaviour support services	166	166	0	
Support to UPEG and bilingual learners	227	234	7	
Free school meals eligibility	0	0	0	
Insurance	0	0	0	
Museum and Library services	0	0	0	
Licences/subscriptions	0	0	0	
Staff costs – supply cover	184	174	-10	
HIGH NEEDS BUDGET (inc Special Schools, PRU and Additional Support Top-ups	14,610	14,385	-225	-£330k ARMS, -£225k PRU, -£80k staff slippage, -£194k post 16, -£217k SEN support, +£304k Independent, +£517k pre 16
EARLY YEARS BUDGET				
2,3 and 4 year old funding to PVI's	5,207	5,187	-20	-£385k 3/4 year old, +£450k 2 year old, -£85k EYPP
CENTRAL PROVISION WITHIN SCHOOLS BUDGET				
Contribution to combined budgets	440	424	-15	
School admissions	122	122	0	
Servicing of schools forums	105	105	0	
Termination of employment costs	527	446	-81	PRC
Falling Rolls Fund	0	0	0	
Capital expenditure from revenue (CERA)	0	0	0	
Prudential borrowing costs	0	0	0	
Fees to independent schools without SEN	0	0	0	
Equal pay - back pay	0	0	0	
Pupil growth/ Infant class sizes	100	69	-31	
SEN transport	0	0	0	
Exceptions agreed by Secretary of State	0	0	0	
Other Items	77	124	47	CLA/ MPA Licences top sliced from DSG for all school licences
TOTAL DSG	95,333	94,959	-374	

Appendix 2

Movement in DSG reserves 2015/16

	£m
Reserves brought forward from 2014/15	-2.828
Appropriation to reserves 2015/16	-0.529
Reserves carried forward to 2016/17	-3.357

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Item 4

TITLE OF REPORT: Use of DSG Reserves

Purpose of the Report

To request that Schools Forum agree to the use of Dedicated Schools Grant (DSG) reserves to fund additional special school places for Gibside early years pupils.

Background

The Council has a statutory duty to provide suitable education for Gateshead Children with Special Educational Needs. With a growing population, earlier identification and increased complexity there is increased pressure on all our special school places.

The Special Educational Needs and Disabilities Team have identified a need for additional early years and reception places for children with ASD and Cognition and Learning.

It is the LA's view that the most appropriate provision for these identified children, (to prevent out of borough placements which may not be suitable for these very young children) would be for places to be found at Gibside School.

Gibside School has already increased provision on the Gibside site by building 3 additional classrooms, and room for expansion on the site has been exhausted.

Gibside currently have an early years unit within the Blaydon Children's Centre and the proposal is to increase early years capacity on this site.

Meetings have taken place with the school, officers and children centre staff, and an agreement has been reached to convert further accommodation for approximately an additional 15 children on the site and move some children's centre activities to other parts of the building.

Estimates have been provided for the required alterations to the Atrium, Rooms 2 and 2A, rooms 3, 4, 5 and alterations to some external fencing and doors.

At the present time there is no capital funding to finance this expansion, the school does not have the capital or revenue funds to finance the work and there is no children's centre funding available either as this has significantly reduced over recent years.

Being able to provide local places for these young vulnerable children will reduce the cost of educating these children as they will be educated within Gateshead, and not in more costly out of borough provision.

Officers and the school have worked together to reduce cost of the work to be undertaken, and Gibside School will finance the outfitting of the spaces once converted.

The total cost of the work is estimated at £37,200

Local Environmental Services has agreed to "match fund" the project as the school buys into this service and will contribute £18,600 which is 50% of the cost of the scheme. The school will contribute the cost of the external fencing work totalling £2,292 and outfit all the spaces once converted. This leaves a balance of £16,308 required for the work to be undertaken.

Proposal

Recommendations

Schools Forum approves the proposal to fund £16,308 from DSG reserves for the work to be undertaken at Blaydon Children's centre for the additional early years children.

For the following reasons:-

- To ensure the Council meets its statutory duty to provide sufficient places for children with Special Educational Needs.
- To enable approval to be sought from the Secretary of State to approve an application for the use of DSG reserves for capital purposes.
- Other options will have a detrimental impact on Gateshead's DSG High Needs Block

CONTACT Carole Smith



9th June 2016

Item 5

TITLE OF REPORT: Use of Early Years Block Revenue Underspend for Capital

Purpose of the Report

To provide Schools Forum with further information to assist in a decision being reached in respect of the use of some of the Early Years Block underspend to create additional two year old funded places through proposed schemes in the Crookhill and Ryton areas.

Background

Officers from Early Years Childcare Service presented a report to Schools Forum held on 17th March 2016 to request the use of some of the Early Years Block underspend to create additional two year old funded places in the Crawcrook and Ryton areas of Gateshead.

Analysis of take-up of 2 year old free places at that time (in March) indicated that there was a need for additional funding for projects to create an additional 19 places in Crawcrook and 14 places in Ryton.

A demountable was advised as the best option to proceed at Emmaville School costing an approximately £175,000. The cost of the demountable was queried as the Forum felt there could be better value for money options thereby enabling an additional scheme at Crookhill School to also progress. The Forum acknowledged that council services must be used.

In addition approval was also requested to support a new business established by Care with Cuddles in Ryton Church Hall through funding of £11,000 to purchase resources. This will enhance the learning environment for 2 year olds that they are already accepting and support this setting to be judged Good when inspected by Ofsted.

It was resolved at the meeting that no decision could be made on the proposals until a cost breakdown and supply and demand analysis be brought back to a future meeting.

Analysis of Demand

The Local Authority receives lists of eligible families each term from the Department of Works and Pensions (DWP). This data has been used to analyse the demand for places.

Ryton, Crookhill and Stella ward

There were 24 eligible two year old children in the Ryton, Crookhill and Stella ward on the February 2016 DWP list. Of these, 9 have taken up a place (2 at Willows Montessori, 4 at Care with Cuddles, 1 at Bright Sparks and 2 at Blaydon Pre-School) and 15 have not.

The most recent DWP list, from April 2016, shows that there will be 19 eligible children from September in this ward, with 3 of these already having a secured place. Therefore, 16 places are needed.

Using the post codes of the children who need a place in September, officers have established that of the number of children living within the Ryton, Crookhill and Stella ward, 3 children live in Stella, 5 in Crookhill and 8 in Ryton.

Crawcrook and Greenside ward

There were 19 eligible two year old children in the Crawcrook and Greenside ward on the February 2016 DWP list. Of these, 9 have taken up a place (2 at Willows Montessori, 2 at Care with Cuddles, 5 at Bright Sparks) and 10 have not.

Whilst Bright Sparks are currently offering places for eligible two year olds, children do not have the opportunity to access their full entitlement due to the lack of places.

The most recent DWP list, from April 2016, shows that there will be 24 eligible children from September in the Crawcrook and Greenside ward, with 8 of these already having a secured place. Therefore, 16 places are needed.

Using the post codes of the children who need a place in September, officers have established that of the number of children living within the Crawcrook and Greenside ward, 8 children live in Greenside and 8 live in Crawcrook.

Analysis of Supply

All place planning is based on the assumption that a child will take up a place near to where they live, which we know is not always the case. Evidence currently shows there

are 4 children attending provision in Ryton who live in Crawcrook. This may be for a variety of reasons, however, the lack of places within Crawcrook could be a contributing factor and this in turn limits the number of places for the children in Ryton to access their place near to home.

Officers have spoken to each provider within these wards and established the following place availability.

Places	Current position	September forecast
Places needed in Ryton, Crookhill, Stella ward	15	16
Places needed in Crawcrook, Greenside ward	10	16
Total places needed	25	32
Available places in Crookhill Early Years(RCS ward)*	0	4
Available places in Care with Cuddles (RCS ward)	10	10
Available places in Willows Montessori (RCS ward)	3	0
Total available places in Ryton, Crookhill, Stella ward	13	14
Available places in Bright Sparks (CG ward)	0	0
Total available places in Crawcrook, Greenside ward	0	0
Total available places	13	14
Shortage of places in Ryton, Crookhill, Stella ward	2	2
Shortage of places in Crawcrook, Greenside ward	10	16
Total shortage of places	12	18

*RCS ward = Ryton, Crookhill and Stella ward.

*CG ward = Crawcrook and Greenside ward.

In Stella it would seem reasonable that the 3 children could access provision in Blaydon as there is already a precedent for this.

Places are available for the 8 children living in the Ryton area at Care with Cuddles.

The three areas that therefore have insufficient places without currently a reasonable solution are Crawcrook, Crookhill and Greenside.

Capital funding of £9,190 for the creation of 26 two year old places was given to Crookhill Early Years in 2013/14. Owing to the demand within the area and as the 2 year olds became 3 year olds the setting have now filled these places with 3 and 4 year olds and currently have only 1 two year old now attending.

Officers have already been in contact with Greenside Primary School. The governing body explored the option of taking two year olds but decided against this. Greenside parents will have to travel to access a place.

Options

1. Create places in Emmaville Primary School and Crookhill Early Years.
2. Create places at Emmaville Primary School only.
3. Create places at Crookhill Early Years only.
4. Enhance the learning resources at Care with Cuddles

Costs of Options

Officers from Council Housing, Design and Technical Services have carried out a feasibility survey of siting a demountable building at Emmaville School. Due to the cost of this initial work being £3,000, we were advised that it would be reasonable to assume costs would be similar at Crookhill.

The cost of the project is £205,000, excluding adverse ground conditions, removal of asbestos, loose furniture fittings and ICT and VAT. This is higher than the £175,000 quoted in the March report.

Recommended Options

In order to create sufficient places to meet the identified demand in the Crawcrook and Greenside ward, £205,000 be approved for option 2, to create places at Emmaville Primary School.

£11,000 is approved for option 4, to enhance the learning resources at Care with Cuddles.

For the following reasons:-

- There is insufficient funding available for two capital schemes.
- There are currently no places available in the Crawcrook and Greenside ward.
- Children are travelling from Crawcrook to Ryton thus taking places away from Ryton children.
- Funding to create places for eligible two year olds has already been given to Crookhill Early Years. (£9,190 in 2013/14 financial year).
- To support Care with Cuddles to be judged Good when inspected by Ofsted and therefore retain these 2 year old places.
- To ensure the Council meets its statutory duty to provide sufficient places for funded two year olds.
- To enable approval to be sought from the Secretary of State to approve an application for the use of Early Years Block revenue underspend for capital purposes.

EMMAVILLE ACCOMMODATION FOR 2 YEAR OLDS

Single storey isolated MOBILE unit with flat roof

Single Storey Mobile Unit	GIFA m2	99	£142,900
<u>External Works, hardstandings etc.</u>			£27,700
Drainage	Item	1	
External ramps – 2 Nr. - included by mobile supplier	m2	24	
Making good play yard around new building	m2	54	
Playground; tarmac to replace area subsumed by new extension	m2	496	
Fencing timber palisade 1.20m high (post through tarmac)	m	40	
Bin store & container	Item	1	
EO for Pedestrian gates	Item	3	
Form gate in 1.80m high Steel palisade fence	Item	1	
Gas water eletricity (all capacities OK - supply pipes & trenches only)	m	30	
<u>SUMS</u>			
Planning		2	
Building Regulations	weeks	22	£2,200
CONSTRUCTION COSTS			£172,800
Pre-Construction Costs (Asbestos survey & tial pits only)			£3,000
PROFESSIONAL FEES			£29,200
Construction and Fees Costs excluding VAT			£205,000

Excluding:-

Adverse ground conditions
 Removal of Asbestos
 Loose furniture fittings and ICT
 VAT

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9 June 2016

Item 6

TITLE OF REPORT: Schools Surplus Balances Review of 2015/16 Licences

Purpose of the Report

1. To update the Schools Forum on the use of Schools Surplus Balances licences granted in 2014/15 for licences granted for balances as at 31st March 2015 and multi-year licences already held.

Background

In January 2007 Local Authorities were directed by the Secretary of State for Education to make certain directed revisions to their Schemes for Financing Schools.

Under the directed revisions a local authority scheme was required to include a mechanism to control school surplus balances. These revisions should have come into effect from 1st April 2007, but were only implemented for Gateshead Schools from April 2008.

Under the regulations in effect for 2011/12 Schools are permitted to have an "unlicensed" carry forward amount that is equal to or less than 8% for Special and Primary Schools, and 5% for Secondary Schools of the next financial year's School Budget Share. Under the new regulations LA's could review their clawback mechanism, and as per report to Schools Forum in March 2012 limits were raised. For primary and special schools the new thresholds would be 16% or £20,000 and 10% for secondary schools.

The Schools "Surplus Balance" is calculated using the schools closing balance as at the end of the financial year less, additional grants, pupil premium, any known prior year commitments, and the calculated "unlicensed" amount.

In order to comply with these requirements schools were issued with the following information: -

- An application form for a licensed Surplus balance
- The list of permissible exemptions
- Control of Surplus Balances Procedure

Following the approval of licensed surpluses for 2014/15 Schools were charged with spending and reporting their spend against the granted licence in accordance with the Schools Surplus Balance Procedure.

Schools that have been granted a multi-year licence have up to three financial years to use their licensed surplus. Appendix 1 provides a summary of the surplus balances held by the schools as at 31st March 2016.

Surplus Balance Licences

At the end of the 2015/16 financial year the total surplus balances held under previous years licences was £184K which is a reduction of £231K from £415K

Proposal

That the Schools Forum notes that Schools surplus balances have reduced by £231K, and all schools will continue to have their licences monitored.

Recommendation

It is recommended that the Schools Forum Notes: -

- Surplus Balance licences have reduced by £231K during 2015/16

For the following reason(s):

- To ensure that the Control of Surplus Balances Procedure is adhered to in a clear, fair and transparent manner.

CONTACT: Carole Smith

Appendix 1

Costc	Costc(T)	Account	Approved Budget	Virements	TOTAL BUDGET	Amount	VARIANCE
S1000	Bensham Grove Nursery School		57,670.00	0.00	57,670.00	57,670.00	0.00
S2231	Fellside School		20,608.00	0.00	20,608.00	20,608.00	0.00
S2238	Harlow Green Primary School		33,705.00	0.00	33,705.00	33,705.00	0.00
S3313	Corpus Christi RCP		62,353.00	0.00	62,353.00	49,399.20	-12,953.80
		S0037	174,336.00	0.00	174,336.00	161,382.20	-12,953.80
S2168	High Spen Primary		74,356.00	0.00	74,356.00	45,061.85	-29,294.15
S2194	Washingwell Primary		26,965.00	0.00	26,965.00	11,965.00	-15,000.00
S3317	St Josephs RCP Gateshead		50,648.00	0.00	50,648.00	12,243.94	-38,404.06
S3318	St Oswalds RCP		89,071.00	0.00	89,071.00	0.00	-89,071.00
		S0038	241,040.00	0.00	241,040.00	69,270.79	-171,769.21
			415,376.00	0.00	415,376.00	230,652.99	-184,723.01

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Item 7

TITLE OF REPORT: Schools Surplus Balances 2015/16 Licence Applications

Purpose of the Report

1. To update the Schools Forum on the level of schools surplus balances and the number and amount of licence applications for the use of 2015/16 surplus balances.

Background

This report builds on the Agenda item 4 and reports on the 9th year that schools have had to apply to keep surplus balances.

Under the regulations Schools are permitted to have an “unlicensed” carry forward amount that is equal to or less than 16% for Special and Primary Schools, and 10% for Secondary Schools of the next financial year’s School Budget Share.

The Schools “Surplus Balance” is calculated using the schools closing balance as at the end of the financial year less any known prior year commitments, and the calculated “unlicensed” amount.

Schools were required to submit their licence applications to retain their surplus balances by 1st May 2016. All schools were notified of their expected surplus balance amount prior to the deadline, but schools should have been planning for any possible surplus balances during the financial year as part of their budget monitoring and good financial management practices.

Current Position

The total amount of schools balances as at 31st March 2016 was £7.045m which is a decrease from the 2015 balance of £7.816m, by £771K.

The total balance amount for 2015/16 included unspent licences of £185K that relates to previous years licence surpluses.

The total amount of **surplus balances** calculated as directed by the Secretary of State for Education for all schools maintained totalled £270K with the split of surplus balances being: -

- Nursery Sector £ 40K
- Primary Sector £ 230K
- Secondary Sector £ 0K
- Special Sector £ 0K

A total of 6 schools applied for licences on either a current year or multiyear basis, (time scale cannot be greater than 3 years). Some schools applied for licences totalling more than their surplus balance amount, either to take account of the total cost of the expenditure for which the surplus balance is to be used, (i.e. whole piece of equipment), or where they are applying for a number of licences and the full cost details were not known, (i.e. estimated costs or future capital projects).

All schools that applied for a licence will have a licence granted for the use of their surplus balances, subject to outstanding supporting documentation.
Please see Appendix 1 for details of surplus balances

Proposal

The Schools Forum notes the details of the surplus balance amounts at Appendix 1.

Recommendation

- Schools Forum notes the details at Appendix 1 detailing surplus balance amounts.

For the following reason(s):

- To ensure that the Control of Surplus Balances Procedure is adhered to in a clear, fair and transparent manner.

CONTACT: Carole Smith

Appendix 1

New Licences Required	
School Name	Surplus Licence required
Bensham Grove Nursery School	£40,051.45
Harlow Green Primary School	£80,346.32
Corpus Christi Catholic School	£78,870.15
St Joseph's R C Primary School	£37,540.64
Birtley St. Joseph's Catholic Infant School	£24,500.85
St Agnes' R C Primary School	£8,286.64
Primary Total	£229,544.60
Total	£269,596.05

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REPORT TO SCHOOLS FORUM

9 June 2016

Item 8

TITLE OF REPORT: Schools Surplus Balances Licences Amendment

Purpose of the Report

To update the Schools Forum on the outcome of a school requesting to alter their Surplus Balance Licence.

Background

This report builds on the previous reports on Schools surplus balances.

Under the regulations Schools are permitted to have an “unlicensed” carry forward amount that is equal to or less than 8% for Special and Primary Schools, and 5% for Secondary Schools of the next financial years School Budget Share, for balances prior to 31st March 2012. Surplus balances after 31st March 2012 have been increased to 16% for Special and Primary Schools, and 10% for Secondary Schools.

The Schools “Surplus Balance” is calculated using the schools closing balance as at the end of the financial year less unspent additional grants, pupil premium, and any known prior year commitments, and the calculated “unlicensed” amount.

Change of Licence Application

Corpus Christi Catholic Primary School

The School originally requested to use their surplus balance for the refurbishment of pupil’s toilets. The work was not fully complete at the year-end; however the internal charge for the work was put through to the schools repairs and maintenance code, and not against schools surplus balance licence. This charge would have fully used the surplus balance licence. This issue was not picked up before 2015/16 accounts were closed and therefore the error could not be corrected.

The school have therefore requested to use the remaining licence to fund a teaching assistant.

As the circumstances were outside of the schools control and the licence would have been fully spent if the charge had been correctly allocated, the request for the school to change their surplus balance has been granted.

St. Josephs Gateshead

The school originally requested to use some of their surplus balance to make improvements to their carpark, however due to budgetary pressures the school requested to change that part of the licence to maintain support staff levels for the financial year 2016/17.

As the licence was a multiyear licence and the schools 3 year projected budget position will benefit from the change in the licence, and therefore the change in surplus balance licence has been granted.

Proposal

It is the proposal that Schools Forum notes the change of surplus balance for Corpus Christi Primary School and St Joseph's Gateshead Primary School.

Recommendation

It is recommended that Schools Forum notes the above change in surplus balance licences.

For the following reason:

- To ensure that the Control of Surplus Balances Procedure is adhered to in a clear, fair and transparent manner.

CONTACT: Carole Smith



Item 9

TITLE OF REPORT: Growth Fund Allocation

Purpose of the Report

To inform Schools Forum that there has been a successful application for Growth Funding which has satisfied all of the growth fund criteria approved by schools forum.

Background

In December 2014 Schools Forum approved the creation and the criteria of a Growth Fund for mainstream schools. Schools Forum agreed to centrally hold £100K of the Dedicated Schools Grant for a Growth Fund as a permitted centrally retained service in accordance with Schools and Early Years Finance Regulations 2015 and the Education Funding Agency Schools Revenue Funding 2016 -17 Operational Guide.

The criteria for the Growth Fund have been checked and passed for compliance by the Department for Education.

Ravensworth Terrace School

Ravensworth Terrace School made an application to the Growth Fund for funding for pupil growth from September 2016.

The school is in the process of being re-built on a new site as a 2 form entry school due to basic need in the Birtley area, and as such the schools Planned Admissions Number (PAN) has been increased from 30 to 60 from September 2016.

School admissions have confirmed that 60 children will be admitted in September 2016 and the school meet all of the Growth Fund criteria.

In accordance with the Growth Funding criteria, the allocation is calculated as
AWPU * pupil numbers * 7/12

$£2,905 * 30 \text{ pupils} * 7/12 = £50,837.50$

This amount is over the maximum allocation permitted for primary schools and therefore the amount of £35,000 will be allocated to Ravensworth Terrace.

Proposal

That Schools Forum notes the application for Growth Funding by Ravensworth Terrace Primary School and the allocation of £35,000 for additional pupils from September 2016.

Recommendations

That Schools Forum notes that funding has been awarded to Ravensworth Terrace Primary School for growth in pupil numbers.

For the following reasons:-

- To provide funding for increased pupil numbers from September 2016

CONTACT: Carole Smith