

2012-13 Outturn and Use of DSG Balances

Appendix B

Meeting Of:	Use of DSG Underspend for 2012-13	Date:	11 th July 2013	Next Meeting:
Present:	Peter Dawe, Chair – Chair to Schools Forum	Maureen Okoye, Schools Forum Primary Headteacher representative	Date:	A further meeting is not required
	Debbie Callender, Clerk to Schools Forum – minute taker	Rishi Peetamsingh, Group Accountant for Schools	Time:	
	Florence Fadahunsi, Principal Accountant - Schools	Adrian Williams, Interim Assistant Director, School Effectiveness	Venue:	
	John Hernandez, Headteacher, Norlington School and Schools Forum Secondary Headteacher representative			Not applicable
	Graham Moss, Strategic Development Consultant			

Apologies: Ian Moyes, Schools Forum Secondary Governor Representative and Lynnette Parvez, Schools Forum Secondary Headteacher representative

Subject		Summary
1	Welcome and Introductions	PD welcomed all to the first working group of the <i>Use of DSG Underspend for 2012-13</i> . PD asked RP to lead on the report 'Use of DSG Underspend 2012-13'.
2	Introduction	RP tabled the following documents:- <ul style="list-style-type: none"> Report on Use of DSG Underspend 2012-13 with Action for Task and Finish Working Group

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<p>Reconciliation Summary (continued)</p>	<p>considerably.</p> <p><u>Practical Learning-Pool - £65,262.00</u> Schools Forum agreed this, so why is this different? Response: every secondary school contributed to £12,000 to the Practical Learning Pool. This was used make sure every young person has a robust and rigorous education offer that will enable them to each full potential. There are a lot of 'NEET/Unknowns' in the borough. The new funding arrangements states you cannot use DSG for that. This is to be returned to schools</p> <p><u>S&L (Education Project) – Pool - £2,718.00</u> All agreed to return this</p> <p><u>Strategic Offer - £63,834.00</u> This was used to support legal and accountancy costs and suggested that it should go forward. Working group agreed this can be rolled forward. The new funding arrangements explain that at the end of the financial year, the SO would need to be given back (if the Local Authority doesn't spend it). This was agreed</p> <p><u>Other Bids</u></p>

Subject	Summary
<p>Reconciliation Summary (continued)</p>	<p><u>Teachers' Pension Support - £10,000</u></p> <p>There have been several investigations from the Teachers' Pension Agency (TPA). The team have to trace back queries and report back to the TPA. It affects some schools more than others. Schools Finance receives at least 3 – 4 queries per week regarding teachers' pensions. This was agreed</p> <p><u>IT Development in Schools - £80,000</u></p> <p>RP explained this project has been implemented at Newham Council as a budget monitoring system, but it has not developed in Waltham Forest. It will strengthen our financial controls, but it was noted that Academies do their own accounts. If Academies wants to be in this service, the Local Authority cannot really refuse their request. The entire cost is unknown. The £80,000 is what it cost Newham Council.</p> <p>It may be a good protection and we may benefit from it. RP went on to say that it is not known how much it will cost Waltham Forest. JH expressed his concerns as it is about having cost-effective mechanism to control finances. What is the purpose of this? Remote access? A quarterly monitoring system can achieve this. He is concerned that it will be a financial constraint when there may be other cost-effective systems that could replace this.</p> <p>If a school has a deficit it doesn't mean that it has an adequate score rating. It depends what is going to be implemented. There isn't the need to have a remote access database. A telephone call should suffice. Is this any benefit to schools?</p> <p><i>The working group has not agreed to this bid.</i></p>

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<p>Reconciliation Summary (continued)</p>	<p><u>Leadership and Management Underspend from 2012-13 - £393,024.00</u></p> <p>RP explained this is used to secure school improvement. He asked the group this is one bid to consider carefully. In a previous Schools Forum, it was agreed to support failing schools to support their leadership. Last year an amount was allocated, but this was not spent. Schools Forum has to agree to roll forward to the next financial year.</p> <p>Question: if there is left over money, can deficit schools benefit from funds held back ?</p> <p>Response: Cannot solve a deficit by giving more money. That is the law. Schools Forum need to agree that schools facing financial pressure would allow the Authority to use that funding to support that school.</p> <p>The government has listened and noted that some successful schools do go through low numbers with the expectation that numbers will rise eventually and has now given the Local Authority powers to have a formula to deal with that..</p> <p>There are other ways to deal with deficits</p> <p>Question: Regarding the BSF programme, £30,000 was allocated for special needs support. The school is not expanding; therefore this money should be available. Would it possible to get the money back?</p> <p>Response: This is related to secondary schools. Under the present arrangement, Schools Forum agreed in the September 2012 meeting, to the establishment of a Growth Fund from April 2013 which compensates maintained schools and Academies for the increased costs incurred through planned expansions or casual admissions. Where the planned expansion of the maintained</p>

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	Reconciliation Summary (continued)	<p>school or Academy is by at least 2FE, the Local Authority will provide additional Leadership and Management funding worth £150,000 over the first three financial years in recognition of the increase in management costs associated with significant expansion.</p> <p>In the case of Leytonstone School, there has to be a business case to be agreed at a future Schools Forum meeting.</p> <p>Comment: other schools are going through similar situations where lots of management time is used which have an effect on those schools.</p> <p>Response: Highams Park has no additional funding. St Joseph Infants, Selwyn Primary and George Mitchell are due to be totally rebuilt on existing sites. The management issues have arisen and the Authority would like to raise that with Schools Forum.</p>
5	Risks	<ul style="list-style-type: none"> • LA is footing the bill for new Academies and Free schools where basic need have to be met. • Schools are expected to make efficiency savings
6	Options	<ul style="list-style-type: none"> • Hold underspend in reserve for unforeseen risks(do nothing) • Subsidise Growth and other central items to allow increased AWP, while NOR increases(including new academies and free schools meeting basic need)This was agreed. • Support good or outstanding schools with falling rolls, but in areas with expected bulge. <i>This</i>

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	<p><i>was also agreed by all</i></p> <ul style="list-style-type: none"> • Allocate underspend fully to schools in relation to specified criteria e.g. NOR <p>Comment: It might be an idea to cushion the costs of the Growth Fund. If extra kids are on roll, more funding will be allocated. Waltham Forest has the fifth largest rise in pupil numbers in the country. There is still a problem with numbers and the government has given Waltham Forest the option again.</p> <p>All agreed to spread £2 million of DSG underspend over two years to subsidise growth.</p>
ACTIONS	
ACTIONS	<p>Action by Task and Finish Group: RP asked the group to duly note the contents of the report and all agreed:</p> <ol style="list-style-type: none"> 1. To note analysis 2. Agree Terms of Reference and note time lines. 3. Note Commitments and risks 4. Consider and agree Bids – The group <u>has not</u> agreed to the IT Development in

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	ACTIONS	<p><i>Schools bid</i></p> <p>5. Consider options and make recommendations in respect on the unallocated underspend. <i>All agreed to spread £2 million over two years</i></p> <p>Peter thanked GM and RP for their contribution and clarity towards this report. No further meeting is required for this task and finish group.</p>