
Manchester School Funding Forum

Minutes of a meeting held on 1st March 2010

Present:

Members of the Forum

Secondary Sector Headteachers David Watchorn and Andy Park

Secondary Sector Governors: Colin Collinson, Kath Fry (In the Chair) and Julie Reid

Primary Sector Headteachers, Samantha Offord and Pat Adams

Primary Sector Governors: Isobel Freeman

Non-School Members: Jenny Andrews, Harry Spooner, George Strachan

Other persons present at the meeting

In Attendance: Councillor Sheila Newman.

Officers:

John Edwards, Children's Services

Rachel Rosewell, Children's Services

David Elcock, Children's Services

Roger Fielding, Governance and Scrutiny Support Unit

Apologies: Maureen Curley; Julie Baker; Ian Fenn; Afzal Khan; Bernice Kostick and Steve Nuttall.

FF/10/7 Minutes

Minute FF/10/1 was clarified to reflect that the Manchester Governor's Association would be responsible for 'seeking nominations' for governor places on the Forum.

Decision

To approve the minutes of the meeting held on 25th January 2010.

FF/10/8 Presentation on School funding

The Forum received a detailed and informative presentation on the funding regime for mainstream schools, and changes to be implemented for 2011/12. Members agreed that it would be useful to repeat this presentation by way of induction training for new members joining the Forum.

FF/10/9 Indicative Schools Budget 2010/11

The Forum considered a paper by the Head of Finance that informed the Forum of (a) the anticipated level of DSG and the Young Peoples Learning Agency grant for Manchester in 2010/11 (b) the anticipated allocation of the 'schools budget' between the funding delegated too schools (known as the individual schools budget ISB) and the centrally retained schools budget (RSB) (c) the plan for considering appropriate use of the DSG surplus and (d) the impact of Academy budgets on the ISB for 2010/11. The report also set out the reasons for the need to breach the Central Expenditure Limit (CEL) by 0.2% due to the impact of Academy budgets on the ISB, but the officers reported at the meeting that the deft use of budget capacity within the

existing RSB had now removed the necessity for this.

The Forum was requested to give guidance on the use of the 2008/09 DSG surplus carry-forward and discussion ensued about options for making most effective use of these resources. John Edwards expressed the view that these resources, which it was estimated would be about £3M, represented a one-off opportunity to address some specific priorities in schools against a commitment that the whole amount would be reinvested in schools. Some concerns were expressed that the key driver should be the priorities of schools and not the priorities of the authority, specific reference being made to the potential dilemma to be faced by some secondary schools in terms of falling rolls following the opening of the new academies.

The Chair suggested that a mechanism was needed to ensure that the resources were passported to school budgets, but that due care was necessary not to further aggravate the situation in relation to individual surplus budgets, in response to which John Edwards proposed, and it was agreed, that a further paper should be brought back to the May meeting with specific proposals.

Decision

1. To note the estimated 'schools budget' for 2010/11 as reported and the estimated DSG funding; to note that DSG will not be finalised until confirmation is received from the Department of Children, Schools and Families in June 2010, and that any under or over-provision will be a call on (or addition) to the DSG in the following year.
2. To note that the requirement to breach the Central Expenditure Limit in 201/11 due to the impact of budgets for academies being deducted from the Authority's DSG has been avoided by the use of surpluses within the RSB.
3. To note at this stage the use of DSG surpluses from 2009/10 pending a more detailed report on proposed priorities to the May meeting.

FF/10/9 School balances – claw-back

A paper was submitted by the Head of Finance outlining progress to date in reviewing the 2008/2009 end of year schools budget surpluses and balances. It was reported that, consistent with the recommendation by the Forum at its last meeting, the Council had agreed to defer the implementation of the claw-back scheme until the 2009/10 balance figures were available. Officers indicated that the work so far done would continue to have relevance in terms of having established an evidence base that could be rigorously applied for the 2009/10 figures. Members were keen to ensure that all clawed-back resources were earmarked for children, and that the Forum's recommendation that *'officers be requested to seek the views of governing bodies to establish what their priorities would be for the redistribution of such funds,*

so that the Forum can make recommendations with the benefit of that information' should be progressed.

A member sought clarification that the close-down of school accounts was in accordance with DfES standards of accounting as this was important in terms of ensuring that Manchester schools were being considered on a level playing field with all other schools. David Elcock confirmed that this was being reviewed as a priority.

Decision

1. To note the decision to defer implementation of the claw-back scheme until the 2009/10 balance figures are available, and to support that decision.
2. To note the position regarding the future utilisation of any clawed back amounts and to reiterate the request that officers be requested to seek the views of governing bodies to establish what their priorities would be for the redistribution of such funds, so that the Forum can make recommendations with the benefit of that information.

FF/10/10 Exceptional Circumstances Grant

A paper was presented by the Head of Finance informing the Forum of the additional grant received for the 2009/10 financial year, and how it was proposed to be used. The report indicated that notification had been received at the end of January of the award of ECG totalling £639k (£373k in 2009/10 and £266k in 2010/11; this was effectively additional DSG which would be used to meet the cost pressures experienced from current year demand for additional primary school places. The Forum noted also the successful bid for an additional capital allocation of £6.8M to establish permanent additional school places and facilities.

Decision

To welcome the additional grant received but to request the officers to give further consideration to smarter methods of targeting the use of the grant in future years.

FF/10/11 Work Programme

A paper was submitted providing Members with details of work to be undertaken at future meetings of the Forum.

Decision

To agree the draft work programme and to confirm the following dates for future meetings.

FF/10/13 Standards Fund Music Grant

An oral report was received about clarification from DfES about the use of the Music Grant, and recent guidance that the grant should be targeted at Scale 2. Officers indicated that the Music Service would require some time in which to re-gear its activities.

Members highlighted the difficulties that would be involved for secondary schools if the grant was withdrawn, and the fact that the late clarification would effectively trash effective budget planning in schools if implemented in 2010/11. Most secondary schools already supplemented what the grant covered, but its withdrawal would pose serious problems.

The key issues that the Forum explored were –

- The capacity of the primary sector to effectively spend the whole of the Music Grant focussed on activities in Key Stage 2, and
- The impact on the capacity of secondary schools in terms of continuing to provide opportunities for quality music tuition in the secondary sector, including meeting the needs of gifted and talented pupils.

Decision

To recommend the Director of Children's Services to allocate the Music Grant in 2010/11 using the same funding formula as was used for 2009/10, so as to provide an opportunity in the year ahead to (a) review the impacts of the DfES guidance if implemented from 2011/12 onwards, and (b) make representations to DfES if it is considered that the implementation of the guidance will create serious inequity, or is unworkable.

Future meetings

Agreed dates:

17th May
5th July

Provisional dates:

4 October
6 December
10 January 2011
7 March 2011