

# **Schools Forum**

**14 July 2011  
4pm**

Conference Room 1, North London Business  
Park

**Agenda, Papers and  
Minutes of the last meeting**

## CONTENTS

<b>AGENDA .....</b>	<b>3</b>
<b>SCHOOLS FORUM MEMBERS .....</b>	<b>4</b>
<b>3. MINUTES OF THE LAST MEETING (14 June 2011).....</b>	<b>5</b>
<b>6. ITEMS FOR DECISION.....</b>	<b>10</b>
<b>Item 6.1 Schools Budget 2011/12 .....</b>	<b>10</b>
<b>Action required .....</b>	<b>11</b>
<b>Item 6.2 Revised Schools Forum Terms of Reference.....</b>	<b>16</b>
<b>Action required .....</b>	<b>21</b>
<b>Item 6.3 Scheme for Financing Schools – Changes .....</b>	<b>22</b>
<b>Action required .....</b>	<b>23</b>
<b>7. ITEMS FOR INFORMATION.....</b>	<b>24</b>
<b>Item 7.1 Contracts Affecting Schools.....</b>	<b>24</b>
<b>Item 7.2 Pupil Premium for Looked After Children .....</b>	<b>28</b>
<b>Item 7.3 Schools Compliance Review .....</b>	<b>30</b>

## AGENDA

### Meeting to start at 4pm with no training session

1. Apologies for absence
2. Declarations of interest
3. Minutes of previous meeting: 14 June 2011
4. Matters arising
5. Actions from previous meeting
  - 5.1. Allied Irish Bank
6. Items for Decision
  - 6.1. Schools Budget 2011/12 – Val White
  - 6.2. Revised Schools Forum Terms of Reference – Carol Beckman
  - 6.3. Scheme For Financing Schools – changes – Nick Adams
7. Items for Information
  - 7.1. Contracts Affecting Schools
  - 7.2. Pupil Premium for Looked After Children – Carol Beckman
  - 7.3. Schools Compliance Review
8. Any Other Business

## SCHOOLS FORUM MEMBERS

Sector	Position	Name	School	Member Until
Nursery Schools (1)	Headteacher	Jane Chew	St Margaret's	07 Dec 2013
Primary Schools (11)	Community – Headteacher 1	Jeanette Adak	Monkfrith	30 Sep 2013
	Community – Headteacher 2	Helen Schmitz	Cromer Road	30 Sep 2013
	Community – Headteacher 3	Vacant		
	Community – Headteacher 4	Vacant		
	Community – Governor 1	Liz Pearson	Holly Park & Livingstone	30 Sep 2013
	Community – Governor 2	Kim Garrod	Church Hill	07 Dec 2013
	Community – Governor 3	Catrin Dillon	Martin Primary	07 Dec 2013
	VA – Headteacher 1	Clare Neuberger	Menorah Foundation	30 Sep 2013
	VA – Headteacher 2	Dee Oelman	St Mary's & St John's	30 Sep 2013
	VA – Headteacher 3	Tim Bowden	Holy Trinity	30 Sep 2013
VA – Governor	Anthony Vourou	St John's N11	30 Sep 2013	
Secondary Schools (8)	Community – Headteacher 1	Kate Webster	Queen Elizabeth Girls	30 Sep 2013
	Community – Headteacher 2	Paul Ferrie	Ravenscroft	30 Sep 2013
	VA – Headteacher 1	Vacant		
	VA – Headteacher 2	Seamus McKenna	Finchley Catholic	31 Nov 2013
	VA – Governor	Patricia French	St Mary's High	07 Dec 2013
	Foundation / Trust – Headteacher	Geoffrey Thompson	Mill Hill High	31 Nov 2013
	Foundation / Trust – Governor	Andrew Macalpine	Hendon	01 Feb 2014
Special Schools	Community – Governor	Vacant		
	Governor Gilbert	Knight (Chair)	Oakleigh	30 Sep 2013
Headteacher	Headteacher	Jenny Gridley	Oakleigh	30 Sep 2013
	Academies	Representative 1	Michael Whitworth	Wren Academy
Representative 2	Representative 2	Angela Trigg	London Academy	30 Sep 2013
	Stake-holders	14-19 Partnership	Keith Murdoch	Woodhouse
Private Early Years	Private Early Years	Sarah Vipond	Middlesex Uni	30 Sep 2013
	Unions	Vacant		30 Sep 2013
	Stakeholder	Vacant		
Non Voting Observers	Cabinet Member for Children	Cllr Andrew Harper	Deputy Leader	
	Director of Children's Service	Robert Mc-Culloch Graham	Children's Service	
	Consultant to Schools Forum	Geoff Boyd	Consultant	
Barnet Officers	Deputy Chief Executive	Andrew Travers	Finance Directorate	
	Assistant Director	Val White	Children's Service	
	Assistant Director, Schools and Learning	Mick Quigley	Children's Service	
	Principal Education Psychologist	Brian Davis	Children's Service	
	School Funding Manager	Carol Beckman	Finance Directorate	
	Schools Finance Services Manager	Nick Adams	Finance Directorate	
	Head of Finance	Kerry-Anne Smith	Finance Directorate	
	Clerk and minutes	Mark Callaghan	Finance Directorate	

### 3. MINUTES OF THE LAST MEETING (14 June 2011)

#### Meeting of the Schools Forum

Tuesday 14 June 2011

*(( pm, Sapphire Room, Emerald Suite, NLBP))*

#### Attended

Members: Tim Bowden (Head, Holy Trinity)  
Chris Brook ( Barnet LNI)  
Jane Chew (St Margaret's Nursery)  
Catrin Dillon (Governor, Martin Primary)  
Patricia French (Governor, St Mary's High)  
Kim Garrod (Governor, Church Hill Primary School)  
Jenny Gridley (Head, Oakleigh)  
Alan Homes (NASUWT)  
Gilbert Knight (Governor, Oakleigh)  
Clare Neuberger (Head, Menorah Foundation)  
Dee Oelman (Head, St Mary's & St John's)  
Elizabeth Pearson (Governor, Livingstone)  
Kate Webster (Head, QE Girls)

LA Officers: Nick Adams ( Schools Finance Services Manager)  
Carol Beckman (School Funding Manager)  
Brian Davis (Principle Educational Psychologist)  
Robert McCulloch-Graham (Director of Children's Service)  
Linda Parker (Joint Head of Finance Children and Adults)  
Mick Quigley (Assistant Director Schools and Learning)  
Kerry-Anne Smith (Joint Head of Finance Children's & Adults)  
Val White (Assistant Director, PPP)

Clerk: Mark Callaghan (School Resources and Support Officer)

Not Present

Members: Jeanette Adak (Head, Monkfrith)  
Paul Ferrie (Head, Ravenscroft)  
Jayne Franklin (Head, Childs Hill)  
Andrew Macalpine (Governor, Hendon School)  
Seamus McKenna (Head, Finchley Catholic)  
Keith Murdoch (Principal, Woodhouse College)  
Helen Schmitz (Head, Cromer Road)  
Geoffrey Thompson ( Head, Mill Hill High)  
Angela Trigg (Principal, London Academy)  
Sarah Vipond (Early Years Working Group)  
Anthony Vourou (Governor, St John's N11)  
Michael Whitworth (Principal, Wren Academy)

Consultant: Geoff Boyd (Independent Consultant)

LA Officers: Andrew Travers (Deputy Chief Executive)

Other: Cllr Andrew Harper (Cabinet Member for Education, Children & Families)

<b>1. Welcome and apologies for absence</b>	
GK opened the meeting noting that there was no training session scheduled.	
Apologies were received from Jeanette Adak, Geoff Boyd, Paul Ferrie, Andrew Macalpine, Claire Neuberger, Helen Schmitz and Michael Whitworth.	
<b>3. Declarations of interest</b>	
None received.	
<b>4. Minutes of previous meeting: 10 May 2011</b>	
The minutes were agreed as a true and accurate record of the meeting.	
<b>5. Matters arising</b>	
No issues raised.	
<b>5. 1 Actions from previous meeting</b>	
Item 4 (minutes of previous meeting) – MC to remove Stephen Parkin from the membership and distribution lists for the Forum – MC confirmed that this has been actioned.	
Item 5 (matters arising) – VW to produce an article for inclusion in the Schools Circular on the authority's approach to managing savings in redundancy costs in schools – VW advised that HR has been commissioned to produce this article and the Children's Service are waiting for it to be drafted.	
6.1 (Early Intervention Strategy) – Presentation on Early Intervention to be circulated to the Forum – GK confirmed that this has been received by Forum members.	
6.2 (Headteacher Proposals regarding Schools Forum) – Issues discussed in item 6.2 to be discussed by the working party prior to the July Forum meeting – GK confirmed that the first meeting of the working group was held on 8 <sup>th</sup> June.	
6.5 (School Funding Reform – DfE Consultation) – Comments on the School Funding Reform consultation to be sent to CB by the end of week commencing 16 May – CB advised that no comments were received from Forum members but confirmed that Barnet's response to the consultation was submitted by the due date.	
6.6 (Scheme for Financing Schools) – JH to re-investigate whether Allied Irish could be included in the authority's Treasury Management Policy – LP advised that this is in progress and a response will be provided at the next meeting of the Forum.	
<b>6 ITEMS FOR CONSULTATION</b>	
<b>6.1 The Schools Budget 2011/12</b>	<b>Val White</b>
VW delivered a presentation in response to feedback that the local authority had received from members of the Forum that a visual representation of the schools budget and central expenditure limit would be useful. The presentation summarised the following elements of the schools budget process:	
<ul style="list-style-type: none"> <li>• The purpose and principles of effective Schools Forums and the importance of taking a strategic view.</li> <li>• An explanation of the Central Expenditure Limit (CEL), what constitutes a breach of the CEL and a breakdown of the centrally expenditure for 2011/12, noting that the increase in retained funds since 2010/11 is primarily in the areas of SEN, the Carbon Reduction Commitment (CRC) and early intervention.</li> <li>• The impact that academies have on the calculation of the CEL – noting that to avoid breaching the CEL would require very large amounts of money to be taken away from the key spending areas of SEN and PRUs.</li> <li>• Confirmation that from 2010/11 to 2011/12 funding to Barnet schools had successfully been protected - ie the ISB, age weighted pupil units, resourced provision, maintained standards funds and the minimum funding guarantee.</li> </ul>	
AH stated that the presentation was helpful. He highlighted worrying trends as the situation around academies will be compounded next year as more schools convert. VW stated that although the CEL is an important indicator, the impact of Academy funding will reduce its significance and the key factor is to make sure that the money is spent on the right things. VW noted that Barnet delegates a high percentage of the schools budget and the only other local authorities with a high number of Academy conversions that do not breach the CEL,	

are likely to be those which are able to increase their level of delegation.

DO asked whether the government announcement about not clawing back money from local authorities for academies has had an impact on these discussions? VW stated that this does not relate to individual schools budgets'. Central government topsliced the revenue support grant for all local authorities, and the local authorities without academies complained that this was unfair to them. LP stated that it is not yet clear what the government's response will be.

GK thanked the officers for providing the presentation which clarified a lot of the confusion which arose at the previous meeting.

VW asked the group whether they were happy to endorse taking forward the budget as set out in Item 6.1 - Appendix A to the July meeting.

AH asked whether in endorsing this the forum would be agreeing to put forward the breach of the CEL? VW confirmed that this was the case.

JG asked what the effect will be in future years of breaching the CEL? VW stated that once the money has been put into the SEN budget, unless the cost for SEN provision reduces in subsequent years then the situation would be the same. It would then be a case of looking at all of the individual lines and making decisions about which services can be reduced or no longer provided. At this point it is not possible to say that Barnet will not breach the CEL next year as more schools are expected to convert to academies. CB explained that the conversion of schools to academies has a cumulative effect as the total schools budget and centrally retained portion remain the same but the funding for all the academies is recouped. KG asked whether this means that the remaining maintained schools will get less money as they receive a smaller portion of the schools budget? CB advised that this is not the case because there are correspondingly fewer schools to allocate the money to. LP commented that this is an issue which the government will have to take into account for future years and that it is likely that there will be some form of measurement for top-slicing the schools budget but that it will not necessarily be the CEL. RMG stated that the funding formula for schools is likely to change as the government are currently consulting about the implementation of a national funding formula. At this stage the local authority is only asking for the budget to be agreed for the 2011/12 financial year at this stage.

GK requested clarification regarding the £42,000 allocated to premises costs on line 1.2.1. LP explained that £30,000 of this relates to an increase in external education courses and £12,000 is for external premises costs for PRUs.

GK requested clarification regarding 3 and 4 year old funding on line 1.0.10 and whether this has any relation to the underspend identified in 3 and 4 year olds. LP clarified that this is separate to the underspend on early years education and the increase between 2010-11 and 2011-12 relates to the requirement for qualified teachers in Children's Centres.

GK asked members of the Forum to vote on whether to endorse the proposed budget in Appendix A of item 6.1 which results in a breach of the CEL for final approval at the July meeting.

The proposal was approved with a majority of 9 votes in favour, 0 against and 2 abstentions.

VW explained that the paper considers options for the funding pressures which were raised at the previous meeting. RMG noted that as a result of the lengthy debate at that meeting, the current meeting was arranged with the purpose of the authority putting forward further options for discussion around these pressures.

VW expanded on the options identified in Table 1 of item 6.2 as below:

- The Carbon Reduction Commitment is now expected to be £360,000 and an increase of £160,000 is required to take the budget up £350,000, which will still leave the budget £10,000 short.
- There is pressure around the schools contingency held on behalf of schools. The authority would like to increase this fund to £250,000 for the provision of additional places for SEN. BD added that the aim is to use the money more intelligently for pupils with multiple complex needs.
- Due to the rising population, particularly movers in, the authority is still having to fund new classes at short notice with the associated revenue costs for additional teachers. A contribution to top up the contingency will allow the LA to continue to respond to need.
- Because 'bulge classes' are proving to be an expensive option there is a need for capital investment in permanent provision which is more sustainable and better value for money.
- VW advised that in recognition of the reduction in Devolved Formula Capital, the local authority would like to make schools a one-off allocation towards buildings and ICT. DO asked whether this will be allocated to all schools including VA? VW confirmed that this was correct.
- The extended schools sustainability grant would provide funding for summer activities.

VW stated that the options put forward centre around the level of contribution to capital costs and funding for new primary school provision.

AH asked whether the provision for school places is for the expansion of existing schools or for new schools? VW confirmed that it would be targeted at the expansion of existing schools as the ability to create new schools is limited and complicated by the tendering regulations.

JG asked whether the pupil data was considered when allocating the special school resource provision? BD explained that the aim is to redistribute resources and make the best use of money by using intelligent placements. There are issues such as parental preference, movers into the authority and the need to build flexibility into the system which impacts on place numbers during the year. LP stated that when setting each individual budget, place numbers and the changes since the previous year were factored in. The contingency fund is for funding additional places on top of this. VW explained that in addition to whether there has been an increase in overall pupil numbers there is the issue of maximising the best value and impact of money spent. RMG stated that if any of the money put into the contingency was not used then it would contribute to the following year's underspend.

PF asked whether the one-off contribution towards capital costs is ringfenced? VW advised that it is a contribution towards a programme and schools should use it to obtain best value, but it is not ringfenced.

DO requested clarification of the implications if the use of the underspend for capital costs is not agreed and whether this would cut the number of permanent places? VW advised that a large pot of money is required for the capital costs and the authority will tailor the programme according to the funding available. If there is insufficient funding to provide permanent places, then the alternative will be bulge classes and Barnet is running out of schools to take on bulge classes. In addition to this bulge classes are proving very cost intensive and if they are in an area where there is high mobility it can result in ghost funding costs which further depletes the overall schools budget. The aim is to provide as much permanent provision in areas of high demand as possible.

AH asked whether there has there been an impact in classes exceeding the size limit for key stage one where the authority has had to provide the teacher in the second year? MQ advised that this has only applied in 2 instances and having a larger pot of money improves the options available.

GK requested clarification regarding the government announcement that local authorities received £800m in capital funding, of which Barnet received £6 million? VW advised that Barnet received £9m for basic needs

and that the money requested from the underspend would be in addition to this. RMG reiterated that the more money there is in the pot, the more options which are available. GK commented that the demand for places is a positive reflection on the quality of the schools in Barnet.

DO asked whether Barnet is looking towards the subsequent need for additional secondary places in the future? VW stated that the capital funding Barnet received was for 1 year only. The government task group has been looking at capital investments, but current estimates are that by 2015/16 there will be a shortage of secondary places. The initial impression is that a number of secondary schools in Barnet would be interested in expansion.

RMG stated that the task group looking at the future of schools funding is chaired by Baroness Ritchie who advises Cabinet. They are looking at a new funding regime and are currently debating on the level of local discretion which should remain. Capital is being considered by the James review, and indications are that there will be a nationally retained budget for capital investment, with the idea that by engaging larger scale contractors there will be savings through economies of scale. It is possible that there will be a compromise with decision making power sitting in regional bodies and schools and local authorities effectively becoming clients. It is therefore important to have an accurate impression of what condition Barnet's school building are in and the surveys conducted in 2010 were part of this. The budget proposed is for 2011/12 only in the knowledge that the school funding system may change considerably next year.

DO asked for clarification whether the purpose of today's meeting is to vote or for members to be provided with further information. VW stated that members should vote on their preferred option for the budget which would then go to the July meeting. It would not be possible to produce a budget without agreeing the use of the underspend. TB stated that the extended services money would be lost if it is not spent by the end of August 2011 so it is important to decide on the use for this.

AH asked whether the Forum was quorate? CB confirmed that 11 members (50% of membership) were present which was greater than the required 40% of the membership so the Forum was quorate.

The meeting was paused at 17:21 and recommenced at 17:34

GK noted that schools members were being asked to make a difficult decision, especially as there was a low attendance at the meeting, but that all members had received the papers with the available options and had been given the opportunity to either attend or have their views represented.

GK requested members of the Forum to vote on the preferred option for the use of the underspend rolled forward from 2010/11 as outlined in item 6.2 Table 1.

The forum voted with 7 members in favour of Option A and 4 members in favour of Option B. The motion was carried to proceed with Option A for the use of the underspend.

GK requested members of the Forum to vote on whether to support the application to the Secretary of State to consider the proposals for variations to the 2012/13 minimum funding guarantee for the one-off allocation of funding for the upkeep of school buildings and IT equipment.

The Forum voted overwhelmingly to support the application to the Secretary of State.

TB thanked officers for responding to the request of the Forum to provide further information, which has allowed them to work in effective partnership with the local authority and reach an effective decision.

RMG acknowledged the Forum's appreciation and recognition of the work of Barnet officers.

<b>8 Any Other Business</b>	
-----------------------------	--

No issues raised.
-------------------

## 6. ITEMS FOR DECISION

### Item 6.1 Schools Budget 2011/12

<b>Author</b>	<b>Val White</b>
<b>Position</b>	<b>Assistant Director, Children's Service</b>

#### 2010/11 Underspend

The Schools Forum meeting of 14 June considered the use of the Schools Budget underspend from 2010/11 of £2.35m. Members recommended Option A which provides:

- £500,000 for schools to help offset the 2011/12 reduction in Devolved Formula Capital.
- £100,000 for revenue costs of additional pupil places required in 2011/12.
- £125,000 contingency for special school and resourced provision places which are being reorganised.
- £160,000 addition to a higher than foreseen Carbon Reduction Commitment.
- a contribution of £1,465,000 to the capital programme for extra permanent school places.

A further £409,000 unspent from the 2010/11 Extended Services grant will be distributed to schools on a pupil basis before the end of the summer term.

#### Central Expenditure Limit 2011/12

The meeting also discussed the calculation of the Central Expenditure Limit (CEL) and in particular the major effect of the conversion of schools to academies. A need to breach the CEL this year was acknowledged because although the overall Schools Budget is falling (due to recoupment for academies), the demands (mainly SEN) for centrally retained expenditure are increasing. The meeting heard that some local authorities may be able to delegate more to schools to avoid breaching the CEL, but there is little room to do this in Barnet, as the authority is already a high delegator of funds.

Table 2 overleaf shows the revised Schools Budget for 2011/12 with the effect of the underspend included and the calculation of the CEL. Table 3 shows the Schools Budget in graphic form.

#### Pupil Numbers

The final pupil numbers for the 2011/12 Dedicated Schools Grant have not yet been received from the DfE. However, we are fairly confident that the true number is 50 more than previously used. 20 of these are under 5s from the Early Years census who were at private settings for which we had not received confirmation of Ofsted registration. 30 were duplicate pupils now confirmed as Barnet children.

The additional pupils would increase the Dedicated Schools Grant by £282,000 which it is proposed to add to the Individual Schools Budget. The exact amount will be confirmed when the DfE release final numbers.

#### Contingencies

Total contingencies are set out in Table 1 below:

- In-year statement top-up adjustments: lower than 2010/11 as it was set higher than needed last year.
- SEN contingency for mainstream exceptional and unforeseen need: set at the same level as last year
- School re-organisation reserve: increased as it was overspent in 2010/11 and the increasing need for primary places increases puts continued pressure on this reserve.
- Pupil Premium reserve: allows for in-year changes in the pupil premium for looked after children.
- Special and Resourced Places: 2011/12 is a transition year for places in special schools and maintained additional resourced provision. Where necessary, additional funding will be provided for admissions above the funded number of places.
- LACSEG (Local Authority Central Spend Equivalent Grant): The LACSEG is that part of the central expenditure budget which is passed pro-rata to the DfE for each academy that converts – see below. The LACSEG referred to here is not the same as the LACSEG funding an academy actually receives which is calculated differently.
- The Early Years contingency is a new line item which provides for in-year increases in early years funding at both maintained and private settings providing the free entitlement for 3 and 4 year olds.

**Table 1**  
**School Specific Contingencies 2011/12**

Line on S251	Detail	Schools		
		Forum June 11	Use of Underspend	Schools Forum July 11
1.1.2	In-year adjustments to statements	400,000		400,000
	SEN contingency (mainstream)	123,000		123,000
	School reorganisations	200,000	100,000	300,000
	Pupil Premium reserve	10,000		10,000
	Special and Resourced Places	125,000	125,000	250,000
	LACSEG	168,447		168,447
	Subtotal	1,026,447	225,000	1,251,447
1.1.3	Early Years	200,000		200,000
	Total Contingencies	1,226,447	225,000	1,451,447

If necessary money will be moved between contingencies during the year.

### **In-year changes – Academy conversions**

Like any budget, monthly monitoring will highlight areas of potential under and overspend in the Schools Budget as the year develops. The greatest effect is likely to be the conversion of schools to academies. The authority supports schools wishing to convert, but exactly which schools will convert on which date is often difficult to predict until quite a short time before it happens, which makes projections rather uncertain. The Schools Budget is affected in the following ways when a school converts:

- The school's budget share for the remainder of the financial year is recouped by the DfE (excluding nursery funding).
- For a secondary school with a sixth form the YPLA reduces local authority 6<sup>th</sup> form funding for the remainder of the year in order to pay it directly to the new academy.
- The LACSEG for that school is recouped by the DfE from the LA (money held in contingency for in-year conversions, see above).
- Barnet remains responsible for paying to the academy:
  - Statement top-ups.
  - Early years funding for nursery children.
  - The YPLA teachers pay grant for the remainder of the year.

### **Action required**

The Forum is asked to endorse the revised Schools Budget for 11/12 attached in Table 2 and approve the breach of the Central Expenditure Limit.

Table 2

	A	B	C	D	E	F	G	H	I	J
INCOME	Final 2010-11 Budget including in year budget changes*	Final Outturn 2010-11	Outturn Variance + over/ (under spend)	2011-12 Budget as presented to Schools Forum 14th June 2011	Adjustments for revised pupil numbers (not yet confirmed by DfE) and for 2010/11 underspend	2011-12 Budget for presentation to Schools Forum 14th July 2011	Change between 2010/11 and 2011/12	Comments on budget changes 2010/11 to 2011/12	Adjustment for additional academies expected to convert in 2011/12	Forecast of Revised Schools Budget
<b>Pupils (FTE)</b>	43,378			44,437	50	44,487	1,109	Final numbers expected before 14th July		44,487
<b>Dedicated Schools Grant</b>	£	£	£	£						0
Per Pupil Amount (£)	4,917			4,917	4,917	4,917		No change from 2010/11		4,917
Standard Fund (£)				725	725	725		Standards funds now mainstreamed		725
Dedicated Schools Grant (£)	213,274,877			250,706,888	282,093	250,988,981	37,714,103			250,988,981
Less cost of DSG recoupment for schools converting to academy status	(5,647,452)			(30,679,011)		-30,679,011	-25,031,559	Takes account of 3 schools converted in 2010-11 plus 1 in April 2011 and 5 in September 2011. Current expectation is actually 2 in August and 6 in September	- 11,651,725	-42,330,736
<b>Final DSG 2010-11/Estimated DSG 2011-12</b>	<b>207,627,425</b>			<b>220,027,877</b>	<b>282,093</b>	<b>220,309,970</b>	12,682,544			<b>208,658,245</b>
YPLA 6th Forms Schools	23,037,741			19,160,004		19,160,004	-3,877,737	Reduction due to 2010-11 academy converters		19,160,004
YPLA SEN	2,774,122			2,773,085		2,773,085	-1,037			2,773,085
YPLA Teachers Pay Grants	762,906			572,180		572,180	-190,726	Reduction due to 2010-11 academy converters		572,180
YPLA reduction (Academy converters)	(1,803,233)			(3,818,159)		-3,818,159	-2,014,926	estimated 5 2011-12 converters (actually expect 7)	- 2,961,197	-6,779,356
<b>Total Young People Learning Agency (YPLA)</b>	<b>24,771,536</b>			<b>18,687,110</b>	<b>0</b>	<b>18,687,110</b>	-6,084,426			<b>15,725,913</b>
Other- rolled forward underspend from previous year	1,031,000				2,350,000	2,350,000	1,319,000			2,350,000
<b>Pupil Premium</b>					0					
Free School Meals-maintained				3,221,524	0	3,221,524	3,221,524	Based on January census		3,221,524
FSM Non maintained				13,330	0	13,330	13,330	Based on January census		13,330
LAC				72,670	0	72,670	72,670	Based on government 2011 LAC return		72,670
Service Children				8,200	0	8,200	8,200	Based on January census		8,200
<b>Total Pupil Premium</b>				<b>3,315,724</b>	<b>0</b>	<b>3,315,724</b>	<b>3,315,724</b>	Will be finalised in the autumn		<b>3,315,724</b>
					0					
<b>Total Schools Budget</b>	<b>233,429,961</b>			<b>242,030,711</b>	<b>2,632,093</b>	<b>244,662,803</b>	<b>11,232,842</b>		<b>0</b>	<b>230,049,882</b>

Table 2 continued.

		A	B	C	D	E	F	G	H	I	J
S251 Line	EXPENDITURE	Final 2010-11 Budget including in year budget changes*	Final Outturn 2010-11	Outturn Variance + over/ (under spend)	2011-12 Budget (Schools Forum 10th May 2011 with updates)	Adjustments for revised pupil numbers (not yet confirmed by DfE) and for 2010/11 underspend	2011-12 Budget (Schools Forum 10th May 2011 with updates)	Change between 2010/11 and 2011/12	Comments on budget changes 2010/11 to 2011/12	Adjustment for additional academies now expected to convert	Forecast of Revised Schools Budget
1.0.1	ISB (Includes resources provision and statements at academies and YPLA funding)	207,396,712	207,440,227	43,515	251,841,512	782,092	252,623,604	45,226,892	increased due to pupil numbers, mainstreaming of former standards funds and free education entitlement 3&4 yr olds and YPLA teachers pay grant, plus additional sums from underspend agreed by Schools Forum 14th June 2011		252,623,604
1.0.1	Less estimated recoupment				(34,497,170)		-34,497,170	-34,497,170	Reduction due to academy recoupment DSG and YPLA for 2010-11 and estimate for 2011-12	14,612,921	-49,110,092
<b>1.0.1</b>	<b>Total for line 1.0.1</b>	<b>207,396,712</b>			<b>217,344,342</b>	<b>782,092</b>	<b>218,126,434</b>	<b>10,729,722</b>			<b>203,513,512</b>
1.0.3	Pupil premium allocated to school				3,248,680		3,248,680	3,248,680	New funding		3,248,680
1.0.3	Pupil premium managed centrally				67,044		67,044	67,044	New funding for pupils in non maintained schools		67,044
1.0.8	YPLA Teachers Pay Grants	762,906	762,906	0			0	-762,906	2011-12 TPG subsumed into ISB line 1.0.1		0
1.0.9	Under 5s (PVIs etc)	5,665,588	4,620,486	(1,045,102)			0	-5,665,588	now included in ISB above 1.0.1		0
1.1.2	School Contingencies including LACSEG (Academy recoupment of central expenditure)	505,119	22,052	(483,067)	1,026,447	225,000	1,251,447	746,328	additional £100,000 for pupil places and £125,000 for special and resourced provision approved by Schools Forum 14 Jun 11. Please note the 2010/11 original budget was £1.062m of which £621k was delegated to schools during the year.		1,251,447
1.1.3	Early Years contingency				200,000		200,000	200,000	new contingency due to the difficulties of estimating the level of claims for the year ahead		200,000
1.2.1	Provision for pupils with SEN (including assigned resources)	711,110	766,386	55,276	2,390,149		2,390,149	1,679,039	transfer of SEN budgets from line 1.2.2 £1.68m		2,390,149
1.2.2	Provision for pupils with SEN, provision not included in line 1.2.1	2,507,971	2,567,103	59,132	494,035		494,035	-2,013,936	transfer of SEN budgets £1.68m to line 1.2.1, £120k to line 1.2.3; £77k to line 1.2.6; part savings in behavioural support		494,035
1.2.3	Support for inclusion	307,700	337,463	29,763	489,700		489,700	182,000	Increase due to transfer of budget for special schools outreach work (moved from line 1.2.1) £120,000; Cost of virtual headteacher £31k & making good progress central co-ordination £44k (former standards fund)		489,700
1.2.4	Fees for pupils at independent special schools & abroad	7,543,149	7,318,826	(224,323)	7,806,458		7,806,458	263,309	increase in SEN placements: 153 in Dec 2010; projected placements 168 for 2011-12		7,806,458
1.2.5	SEN transport	400,000	400,000	(0)	400,000		400,000	0	Contribution only		400,000
1.2.6	Fees to independent schools for pupils without SEN				76,575		76,575	76,575	Costs of education of looked after children-budget transferred from line 1.2.2		76,575
1.2.7	Inter-authority recoupment	1,971,860	1,389,910	(581,950)	2,304,860		2,304,860	333,000	forecast increase in LEA recoupment cost		2,304,860

**Table 2 continued.**

1.2.8	Contribution to combined budgets	457,460	337,936	(119,524)	907,460	907,460	450,000	Increase due to addition of centrally retained element of former standard fund - Extended Services	907,460	
1.3.1	Pupil Referral Units	1,591,685	1,615,279	23,594	1,815,335	1,815,335	223,650	increase in budget now includes former standards fund £181k; increased budget for external education courses for pupils (£20K) and premises costs (£12k)	1,815,335	
1.3.2	Behaviour Support Services	300,340	286,762	(13,578)	237,730	237,730	-62,610	staffing savings in behavioural support service following restructure	237,730	
1.3.3	Education out of school	431,835	419,046	(12,789)	537,971	537,971	106,136	now includes former standards fund	537,971	
1.3.4	14 - 16 More practical learning options				64,000	64,000	64,000	Foundation Learning co-ordination	64,000	
1.0.10	Central expenditure on education of children under 5s	709,210	656,521	(52,689)	840,030	840,030	130,820	increase in requirement for qualified teachers in children centres	840,030	
1.4.1	Support to underperforming ethnic minority groups and bilingual learners				281,580	281,580	281,580	Former centrally retained standards fund (Ethnic Minority Achievement) as 2010/11	281,580	
1.5.1	Free school meals - eligibility	3,568	3,568	0	3,568	3,568	0		3,568	
1.4.3	Milk	1,570	491	(1,079)	-	0	-1,570	service now fully funded from parents and EU grant	0	
1.6.1	Insurance	415,226	415,225	(1)	415,226	415,226	0	Schools public liability insurance	415,226	
1.6.2	Museum and Library Services	41,760	35,286	(6,474)	32,753	32,753	-9,007	reduction due to first phase of transition to the service becoming fully self funded	32,753	
1.6.3	School admissions	429,792	439,142	9,350	394,192	394,192	-35,600	2010-11 one-off funding for IT system	394,192	
1.6.5	Miscellaneous (not more than 0.1% total of net SB)	238,974	205,305	(33,670)	211,580	211,580	-27,394	Cessation of FMSIS & Schools and learning reorganisation;	211,580	
1.6.6	Servicing of schools forums	34,680	34,680	0	34,680	34,680	0		34,680	
1.6.7	Staff costs - supply cover (not sickness)	155,620	158,696	3,076	155,620	155,620	0	Trade Union facilities time, magistrates and other special leave	155,620	
1.6.10	Purchase of carbon reduction commitment allowances				191,656	160,000	351,656	New line for 2011/12, revised estimate of cost now available	351,656	
	Other Standards Fund Allocation - Non-Devolved	77,086	77,086	0	-	0	-77,086	Schools and Learning reorganisation	0	
1.7.1	Capital Expenditure from Revenue (CERA) (Schools)	769,040	769,909	869	59,040	1,465,000	1,524,040	755,000	Building Schools for Future ended. Contribution to cost of providing additional permanent pupil places	1,524,040
	<b>Total Planned Expenditure</b>	<b>233,429,961</b>	<b>230,310,382</b>	<b>(2,349,670)</b>	<b>242,030,711</b>	<b>2,632,092</b>	<b>244,662,803</b>	<b>11,232,842</b>	<b>-</b>	<b>230,049,881</b>

\* includes recoupment of academies and allocation of schools contingency

**Calculation of the Central Expenditure Limit (CEL)**

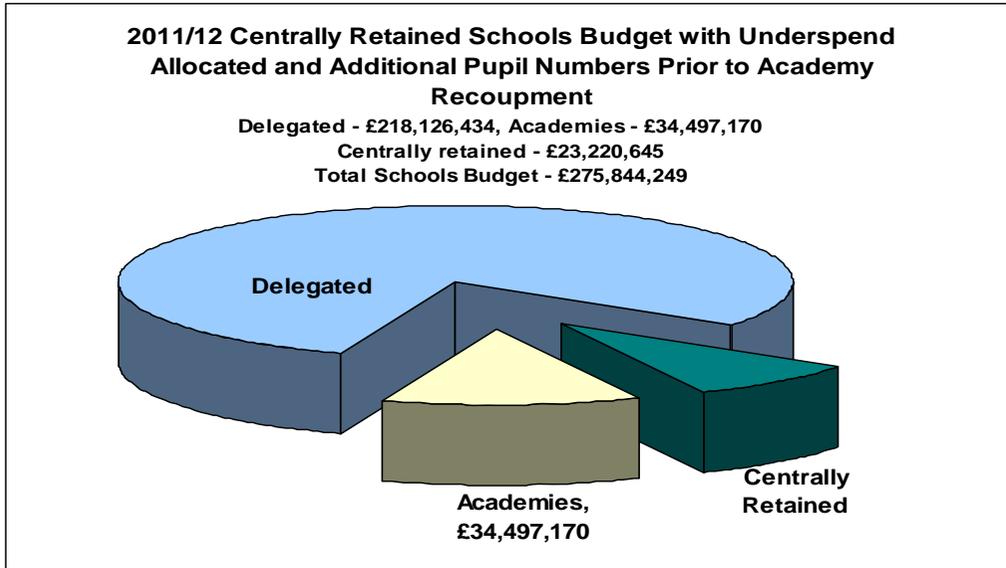
CEL for Schools Forum 14th June	2010/11 Restated in accordance with DfE regulations	2011/12 excluding roll forward, calculated according to DfE regulations	Change
Schools Budget (excluding Pupil Premium)	270,143,176	238,714,987	-11.6%
Central Expenditure Budget	19,097,582	21,370,645	11.9%
CEL breached?			Yes

CEL for Schools Forum 14th July	2010/11 Restated in accordance with DfE regulations	2011/12 excluding roll forward, calculated according to DfE regulations	Change
Schools Budget (excluding Pupil Premium)	270,143,176	241,347,079	-10.7%
Central Expenditure Budget	19,097,582	23,220,645	21.6%
CEL breached?			Yes

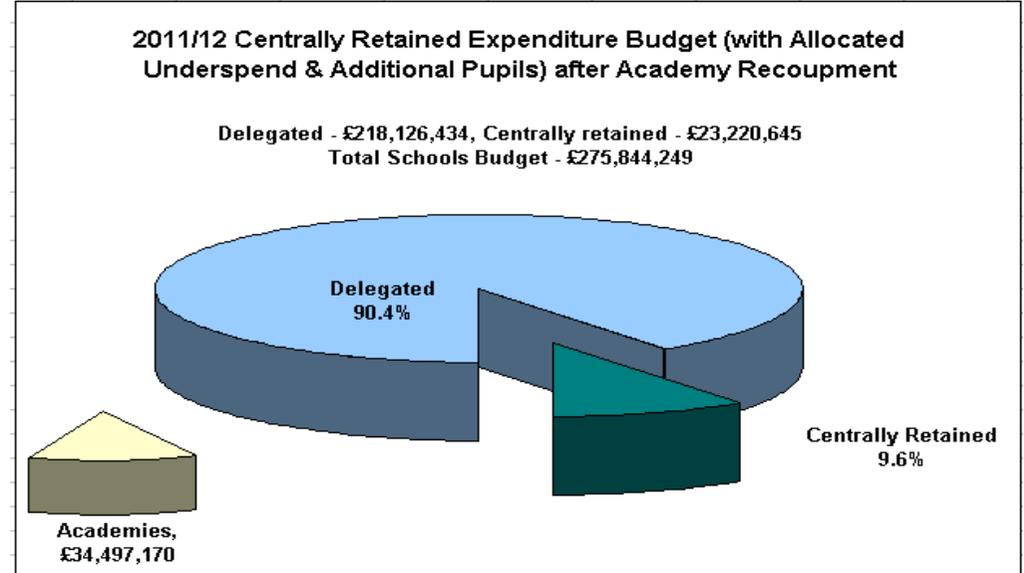
**Table 3**

**Currently Proposed Schools Budget 2011/12**

**1a**

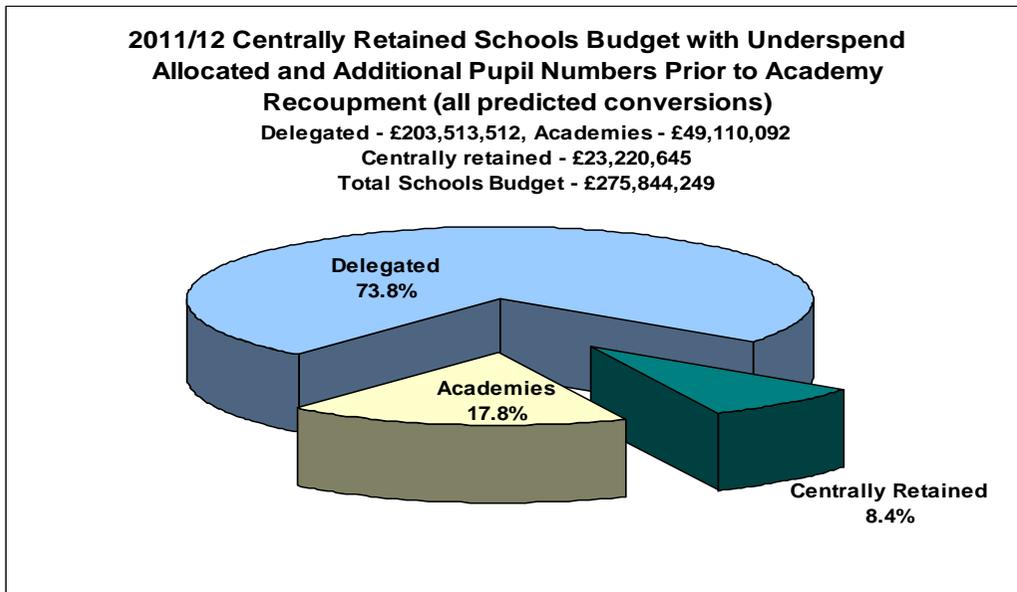


**1b**

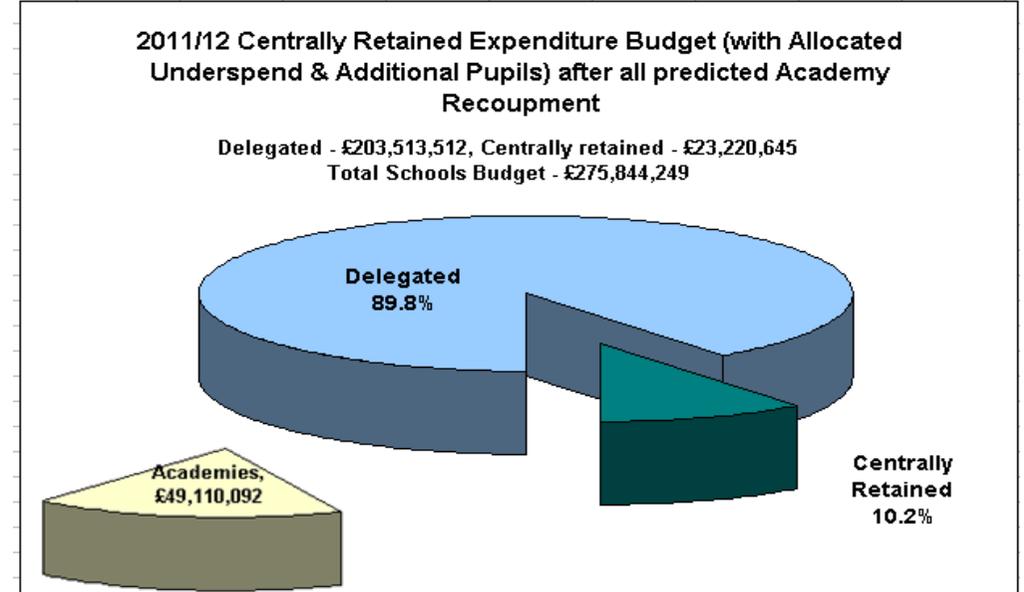


**Schools Budget with all expected 2011/12 Academy Conversions**

**2a**



**2b**



## Item 6.2 Revised Schools Forum Terms of Reference

**Author** Carol Beckman

**Position** School Funding Manager

As agreed at the meeting of the Forum on 10 May 2011, a working party was established to review the Terms of Reference for Barnet's Schools Forum. The remit for the working party was to consider whether the existing Terms of Reference documents meets:

- the changing school population and organisation (especially academy conversions),
- the needs of members and the local authority,
- ensures that the Forum operates within established good practice on a national and local level.

The proposed revised terms of reference document below was produced by the working party incorporating the operational and good practice guidance from the DfE, government regulations and the proposals from the primary and secondary heads document presented to the Schools Forum on 10 May.

### **BARNET SCHOOLS FORUM TERMS OF REFERENCE June 2011**

#### **1. The Purpose of the Schools Forum**

##### **1.1 The functions of the Forum are:**

- i. to be consulted on the local authority's school funding formula.
- ii. to be consulted on service contracts at least one month prior to the local authority issuing invitations to tender.
- iii. to be consulted on specified issues in connection with the Schools Budget:
  - (a) the arrangements for the education of pupils with SEN;
  - (b) Pupil Referral Units (PRUs) and the education of children otherwise than at school;
  - (c) early years education;
  - (d) insurance arrangements;
  - (e) arrangements for the allocation of Government grants; and
  - (f) arrangements for free school meals.
- iv. With regard to Central Expenditure (that which the local authority can retain from its Schools Budget):
  - a) to agree any increase in the maximum level of expenditure imposed by regulations
  - b) to agree any increase in spend on prudential borrowing, termination of employment costs, combined services, schools specific contingencies and SEN transport.
- v. To approve variations to the Minimum Funding Guarantee (MFG) without application to the Secretary of State where:
  - a) a variation to the coverage of the MFG has previously been approved by the Forum or the Secretary of State and did not have a specified time limit (variations to the level of the MFG which were for more than one year would not remain in place but would require a new application to the Secretary of State).
  - b) the variation applies to the implementation of the early years single funding formula in isolation.
  - c) the variation would result in a higher level of MFG than -1.5% (e.g. -1% per pupil)
  - d) the variation relates only to the Diploma formula grant and/or the targeted elements of primary and secondary National Strategies grant.

- vi. to agree application to the Secretary of State for all variations to the MFG not outlined in section 1.1.V.
- vii. to agree changes to the local authority's Scheme of Financial Management.

## **2. Roles and Responsibilities**

### **2.1 Members should:**

- i. take a strategic view of the issues they are considering and not be unduly influenced by personal views or circumstances.
- ii. scrutinise and challenge decisions or proposals by the local authority to ensure that changes are made in an appropriate and transparent manner.
- iii. ensure information is cascaded back to schools and relevant organisations which they represent, including signposting to online and other resources.
- iv. keep up to date with decisions and information covered at meetings they could not attend by accessing minutes of the meeting and consulting with colleagues in attendance.
- v. seek to acquire the necessary level of knowledge of school funding by reading background information and with support from the local authority.

### **2.2 The Local Authority should:**

- i. foster a positive working relationship with Forum members to feel comfortable to express opinions, ideas and concerns.
- ii. provide open and honest advice to enable members to reach necessary decisions and informed views.
- iii. provide all necessary resources and training to enable members to acquire the required level of knowledge to make informed and balanced decisions.
- iv. be responsive to reasonable requests from the Forum (e.g. to discuss particular topics or provide specific information or data) which fall within the Schools Forum remit.
- v. ensure that the Schools Forum operates within the local and national constitutional and procedural regulations.

### **2.3 The independent consultant to the Schools Forum should:**

- i. provide impartial technical guidance as required during discussions at meetings.
- ii. work alongside the local authority in the development of training materials and delivery of training sessions.

### 3. Membership

3.1 The membership will be reflective of the school community, local authority and other stakeholders.

3.2 The current membership structure is made up of the following:

Type of Member	Schools (expected Sept 11)	Pupils (Jan 11) Census	Head Teachers	Governors	Total Members
<b>Primary Schools</b>					
Community	49	17168	43		7
Foundation & VA	37	10418	32		5
Nursery	4	478	10		1
<b>Secondary Schools</b>					
Community & Foundation/Trust	33219		1	1	2
VA	6	4702	11		2
<b>Special Schools</b>					
	4	385	11		2
<b>Academies</b>					
	14	14112	32		5
			<b>14</b>	<b>10</b>	<b>24</b>
<b>Non Schools Members</b>					
Union					1
Stakeholders: TBC					1
Private Early Years Providers					1
14-19 Partnership					1
<b>Total</b>	<b>117</b>	<b>50482</b>			<b>28</b>

3.3 Nominations and elections for headteacher representatives will be conducted among the relevant school group

3.4 Governor representatives will be self-nominating. An election among Chairs of the relevant school type will be conducted if there are more nominations than vacancies.

3.5 Elected members who hold an executive role in a local authority (a lead member) are barred from being either a schools member or a non-school member. However, they have the right to attend meetings and speak but not vote.

3.6 The Director of Children's Service and other senior officers with a specific role in strategic financial management and/or the schools funding formula are barred from membership but they have the right to attend and speak at meetings.

3.7 The composition of the Schools Forum will be reviewed annually at the beginning of each academic year to ensure that the representation matches changes in pupil and school numbers and school type. Membership will not be restructured to reflect in-year changes such as conversion to academy status of members' schools.

#### **4 Terms of Office**

- 4.1 School and non-school members will serve for a period of three years. Subsequent re-election of existing members will be allowed. A member from the same representative group will replace members leaving early.
- 4.2 Members who miss two or more consecutive meetings will be asked if they want to continue to remain as members.
- 4.3 Where a member leaves the organisation they are representing they will cease to be a member.
- 4.4 If a school changes its status (e.g. becomes an Academy) the term of office of any member representing schools of the original status will come to an end at the end of the academic year.
- 4.5 The Secretary of State has powers to remove from the Forum any non-school member representing an organisation which she/he has determined, should not hold membership of the Forum.
- 4.6 Wherever possible no school should be represented more than once.

#### **5 Timing and frequency of meetings**

- 5.1 The local authority will timetable five meetings per year. These meetings will be arranged to coincide with the Schools' Budget setting cycle, in order that the Schools Forum can be consulted in good time for its view to be taken into account before final decisions are taken for the following year.
- 5.2 The Schools Forum can determine to hold additional meetings if considered necessary in liaison with, and organised by, the local authority. In the event of such exceptional meetings, all members and non-voting attendees of the Forum must be given the opportunity to participate in the meeting for it to be deemed constitutional.
- 5.3 Meetings will be held during normal business hours (i.e. 9am-6pm) on weekdays during school term times. Meetings will normally commence at 4 pm and to run until 6pm. The consultant will attend to provide brief impartial technical guidance as required during discussion of each agenda item.

#### **6 Proceedings**

- 6.1 The Forum will elect its own Chair and Vice-Chair from among its members at inception and then annually at the first meeting of each academic year.
- 6.2 The local authority will appoint a clerk.
- 6.3 For meetings to be quorate, at least 40% of current Forum members (excluding vacancies) must be present.
- 6.4 The quorum can include substitutes. Each member can have one nominated substitute. Substitutes must be nominated and recorded at the beginning of each member's term of tenure. The substitute may attend with the member but not vote. Substitutes will be expected to keep abreast of all issues in the same way as a full member.
- 6.5 Working parties may be set up as required but decision making remains with the full Schools Forum.
- 6.6 Forum meetings will be open to the public and unless specifically agreed all reports, minutes and agendas will be made available to the public online.
- 6.7 Where a member of the Forum has a personal or pecuniary interest (either as a head teacher, governor, parent or individual) in a matter to be discussed at a meeting of the Forum or a sub-committee, they must declare an interest at the start of the meeting or as soon as it becomes apparent. Following a declaration of interest, the Forum shall determine whether the member should withdraw from the meeting for that item or remain and not be counted in the quorum for the item.
- 6.8 The LA will endeavour to circulate minutes to members within 10 working days of each meeting.

## **7 Voting and Decision Making**

- 7.1 The Chair and Vice-Chair will be elected by a simple majority vote, cast by individual voting members present in each case. In the event of a tie, a revote will be held of the tying candidates. If there is still a tie the Director of Children's Service (or his/her representative) will have the casting vote.
- 7.2 General procedural matters (e.g. length of meetings, additional meetings, project work etc.) will also be decided by majority vote.
- 7.3 Any member may put forward a proposal for the Forum to consider on matters connected with:
- changes to the funding formula; or
  - special issues relating to the Schools' budget; or
  - service contracts
- The recommendation must be recorded, together with the number of individual members voting (i) in favour; or (ii) against; or (iii) abstaining.
- 7.4 All proposals (whether for decision or for consultation) will be decided by majority vote, recording the number of individual members voting (i) in favour; or (ii) against; or (iii) abstaining.

## **8 Distribution and Content of Papers**

- 8.1 The local authority will endeavour to distribute papers 10 working days (excluding weekends, school and public holidays) in advance of each meeting, with a minimum of 5 working days. Where the fluidity of information means that the content of papers is subject to rapid change, amendments to papers may be issued closer to the meeting. Tabled papers will be avoided if possible.
- 8.2 Papers will be presented in a logical order with a clear demarcation of issues for action and consultation to assist with the decision making process and focus discussion.
- 8.3 Papers will cover key issues with sufficient detail in plain English to allow members to make informed strategic decisions.
- 8.4 Where members do not understand the content of papers, it is their responsibility to contact the local authority or fellow members to request further clarity or support.

## **9. Training**

- 9.1 Comprehensive induction and training will be provided by the local authority for new members.
- 9.2 The local authority will organise an annual training day to bring all members up to the required level of knowledge to enable them to participate fully in all discussions and decisions.
- 9.3 Training should explain relevant issues and ensure that members are able to understand the consequences of financial decisions on other aspects of the budget. The local authority will work in conjunction with the Schools Forum consultant to achieve this.

## **10. Expenses**

- 10.1 All costs associated with the running of the schools budget will be met by the centrally retained element of the schools budget.
- 10.2 Reasonable expenses of members in connection with attendance at meetings of the Forum shall be reimbursed.
- 10.3 Based on the process agreed by the Forum, Supply cover will be available for teacher governors, but not headteachers.

## **11. Confidentiality**

- 11.1 Should information of a confidential or privileged nature (e.g. in matters relating to proposed contracts) be given to Forum members for an item under discussion, they must observe the confidentiality of such matters. During the discussion, any members of the public may, at the discretion of the Chairman, be asked to withdraw from the meeting.

## **12. Amendments to the Terms of Reference**

- 12.1 The terms of reference may be amended through a majority of members at a quorate meeting of the Schools Forum.

### **Action required**

The Forum is asked to review and endorse the revised Terms of Reference for the Schools Forum.

## Item 6.3 Scheme for Financing Schools – Changes

**Author** Nick Adams

**Position** Schools Finance Services Manager

### Introduction

At the meeting of the Schools Forum on 10 May 2011 a paper was presented highlighting the changes to the Scheme in response to the DfE guidance, which included some minor alterations and some large changes such as removal of the claw-back of surplus balances and cessation of FMSiS.

The only comment received in response to the changes related to schools' banking and the DfE guidance that all banks used must meet the authority's Treasury Management Policy (TMP), and includes both investment and current account banking.

The Forum was informed that four schools bank with Allied Irish Bank (AIB) and there was confusion as to why they were not on the list as their compensations are at least as strong as those for English banks.

The Forum was advised that the council sets a strategy determining which banks it can use including which countries it can bank with and the strength of their economies. The advisers had strongly advised the LA to avoid Ireland. The view was given that the Allied Irish Bank is governed by UK banking laws, and there is a double indemnity through both the Bank of England and the Bank of Ireland. The Forum was advised that the advice is that the Allied Irish Bank is not covered but this would be reinvestigated.

It was requested that if the advice is the same that sufficient time is given to the schools involved to move accounts and it was confirmed that sufficient time would be given.

It was agreed to re-investigate whether the Allied Irish Bank could be included in the authority's Treasury Management Policy and this report sets out the result.

### Background

The background to this is that in the light of significant changes in the banking world and the economic crisis, the DfE have sought fit to include guidance that the approved list of bankers with which schools may be allowed to bank must be consistent with the authority's Treasury Management Policy. This has been clarified to include both investment and current account banking. School accounts contain funding for which the authority is the owner. The effect of the change in the list of approved banks is to delete three banks but add an additional bank to give schools a choice of seven banking organisations.

The authority in formulating its Treasury Management Policy uses the services of Arlingclose, treasury advisors.

With regard to the security provided to account holders, the advice given by Arlingclose is *"Deposits (including current accounts) made by State schools with Irish institutions are not guaranteed by the Irish government"*.

They have also provided a copy of a letter from the Financial Services Compensation Scheme (FSCS), in which the Chief Executive, Mark Neale states that a school's eligibility for protection under FSCS would depend on how the school is set up and the school's legal status. If a school is part of a local authority they would not be protected by the FSCS. Whilst a school may be a VA school it is a maintained school for which the LB Barnet has responsibility and the relationship is governed by the Scheme for Financing Schools. The relevant part of the Scheme is section 3.6 Restrictions on Accounts.

Should the school bank with an institution which defaults and the school's funds are lost – the London Borough of Barnet would be liable/responsible to support the school financially so long as the school has adhered to the Scheme for Financing Schools.

The TMP sets approved counterparties lists based on complex risk assessment including credit ratings, credit default swaps, GDP, Net Debt as a percentage of GDP, Sovereign Support mechanisms/potential support from a well-resourced parent institution and share price. This is to protect the sums involved.

It has been suggested that the TMP might have two sections, one for investments and one for operational accounts. However a TMP with two tiers of approved counterparties, one for investments and one for current accounts would not be in keeping with the Department for Education's guidance which was intended to provide greater protection of school's funds and not to simply add a second tier of approved counterparties to the TMP.

The proposed change to the Scheme is not intended as an unnecessary interference in the freedom of schools to manage their financial affairs. The local authority respects the autonomy of schools under "local management" however the local authority has a duty to ensure that public funds are not put at risk. Hence the guidance which has been issued by the DfE in this respect.

With regard to freedom of choice, whilst it is understood schools are happy with the service of the AIB, the revised list of banking institutions contains seven banking organisations which have a number of banking outlets. It covers all major banking organisations and is considered to provide schools with a reasonable choice.

### **Conclusion**

This report sets out to explain the reason the authority wishes to follow the DfE guidance and amend its Scheme for Financing Schools to restrict the list of approved banking organisations set out in Appendix A. It also seeks to cover other concerns raised.

### **Action required**

The Forum is asked to support the proposed change to the Scheme for Financing Schools in respect of the list of approved bankers.

## **APPENDIX A**

### **ANNEX C**

### **APPROVED BANKS AND BUILDING SOCIETIES**

With reference to Section 3.5 of the scheme the following are the approved banks and building societies, in accordance with the authority's Treasury Management Policy.

Allied Irish Bank  
Banco Santander Central Hispano Group (includes Abbey National, Alliance & Leicester and Girobank)  
Bank of Ireland  
Barclays Bank plc  
Cooperative Bank plc  
HSBC Bank plc  
Lloyds Banking Group plc (includes Bank of Scotland, Lloyds TSB, HBOS)  
Northern Rock plc  
Royal Bank of Scotland Group including National Westminster Bank

### ***Proposed amendments -***

*Delete -* Allied Irish bank  
Bank of Ireland  
Northern Rock

*Add -* Nationwide Building Society

## 7. ITEMS FOR INFORMATION

### Item 7.1 Contracts Affecting Schools

**Author** Ola Yerokun

**Position** Contract Officer, Children's Service

Contract	Consortia	Value	Supplier	Start Date	Expiry Date	Duration	Contact	Schools Forum Gives a View	Access Details
<b>Accessible Contracts</b>									
<b>Utility Contracts</b>									
<b>Gas</b>									
Under 25,000 Therm	LASER	flexi rates	British Gas	01-Apr-10	31-Oct-12	2.5 Years	Nigel Bell 020 8359 4571	Y	Contact Nigel Bell
Over 25,000 Therm	LASER	flexi rates	British Gas	01-Apr-10	31-Oct-12	2.5 Years	Nigel Bell 020 8359 4571	Y	Contact Nigel Bell
<b>Electricity</b>									
Over 100 kW	LASER	flexi rates	N Power	01-Nov-09	31-Oct-12	3 Years	Nigel Bell 020 8359 4571	Y	Contact Nigel Bell
Under 100kw	LASER	flexi rates	N Power	01-Nov-09	31-Oct-12	3 year	Nigel Bell 020 8359 4571	Y	Contact Nigel Bell
<b>Fuel</b>									
Heating Oil	OGC	£160,000	PACE Fuel	30-Nov-09	29-Nov-11	2 Years	Nigel Bell 020 8359 4571	Y	Contact Nigel Bell
<b>Supply Contracts</b>									
Photocopier Equipment	OGC	£140,000 PA	Xerox (OGC Framework)	01-Jun-09	31/05/2012	3 years + option to extend for 1 yr	Simon Hime 020 8359 2046	Y	Contact Simon Hime Document Centre Manager
Computer Consumables	LCSG	£150,000 PA	Office Depot	01-Apr-10	31-Mar-14	4 years	Martyn Carter 020 8359 7267	Y	Contact Martyn Carter SPT
Stationery	LCSG	£200,000 PA	Office Depot	01-Apr-10	31-Mar-14	4 years	Martyn Carter 020 8359 7267	Y	Contact Martyn Carter SPT
Photocopy paper	LCSG	£80,000 PA	Talk Paper	01-Apr-10	31-Mar-14	4 years	Martyn Carter 020 8359 7267	Y	Contact Martyn Carter SPT
Office Furniture	LCSG	£150,000 PA	Unique Office Solutions	01-Jun-11	31-May-15	4 Years	Nadeem Ghani 020 8359 4558		Contact Nadeem Ghani SPT
			Office Depot Emergent Crown Wagstaff AFI Group						

NB// SPT = Strategic Procurement Team

Contract	Consortia	Value	Supplier	Start Date	Expiry Date	Duration	Contact	Schools Forum Gives a View	Access Details
Frozen Foods	ESPO (Authority Specific)	£550,000	Hopwells	28-Jul-08	28-Jul-11	3 year + option to extend	Teresa Goodall	Y	Need to visit ESPO (Eastern Shires Purchasing Organisation) <a href="http://www.espo.org/">www.espo.org/</a> and complete registration to view contracted prices and raise orders. If the Contract is authority specific, as opposed to National the price list will be available from Michael Miller in Teresa Goodall's team at NLBP. (Authority Specific)
Groceries	ESPO (Authority Specific)	£650,000	Danish Bacon Company	28-Jul-08	28-Jul-11	3 years + option to extend	Teresa Goodall	Y	ESPO as above (Authority Specific)
Fruit and Vegetables	ESPO (Authority Specific)	£450,000	Premier Fruits	01-Jan-09	31-Dec-12	3 years + option to extend	Teresa Goodall	Y	ESPO as above (Authority Specific) PRICES CHANGE WEEKLY AND ARE SENT VIA E-MAIL.
Sandwiches	ESPO (National)	£180,000	Raynor's	23-Feb-09	22-Feb-12	2 years + 1 year extension	Teresa Goodall	Y	ESPO as above
Frozen Foods	LCSG	£50,000	Brake Brothers	01-Sep-09	30-Aug-12	3 years	Teresa Goodall	Y	Need to visit LCSG (London Contract and Supplies Group) website <a href="http://www.lcsg.org/">www.lcsg.org/</a> and complete registration to view contracted prices and raise orders. Inform Heather Cutler of Barking and Dagenham Council, if you use this contract, as additional spend may achieve an additional rebate.
Cleaning Materials and Light Equipment	ESPO (National)	£40,000	ESPO	ONGOING	ONGOING		Teresa Goodall	Y	ESPO as above
Catering Consumables	ESPO (National)	£50,000	Bunzl	01-Apr-08	31-Mar-12	3 Years	Teresa Goodall	Y	ESPO as above
Kitchen Equipment	OGC Buying Solutions	£35,000	Hobart	01-Feb-11	31-Jan-13	3 years + option to extend	Teresa Goodall	Y	Need to visit Buying Solutions website <a href="http://www.buyingsolutions.gov.uk">www.buyingsolutions.gov.uk</a> and complete registration to view contracted prices and raise orders.
Halal Foods	ESPO	£30,000	Punjab Kitchen	01-Mar-10	28-Feb-13		Teresa Goodall	Y	ESPO as above
<b>Service Contracts General</b>									

Contract	Consortia	Value	Supplier	Start Date	Expiry Date	Duration	Contact	Schools Forum Gives a View	Access Details
Clinical Waste Disposal	BARNET QUOTATION	£11,000 PA	General Business Holdings	01-Dec-08	30-Nov-11	1 year + 1 year extension	Nadeem Ghani 020 8359 4558	Y	Contact Nadeem Ghani SPT
Translation & Interpretation Service		£160,000 PA (estimated)	Prime Productions Limited	30-Sep-09	29-Sep-13	4 Years	Nadeem Ghani 020 8359 4558	Y	Contact Nadeem Ghani SPT
Corporate Building Cleaning Contract		£596,400-£671,340	Contract A, C & D – Turners Cleaning Support Services	04-Apr-08	03-Apr-12	3 yrs + option to extend	Julia Galloway 020-8359-7017	Y	Contact Julia Galloway SPT
		£7,900 PA	Contract B – Churchill Contract Services				Julia Galloway 020-8359-7017	Y	Contact Julia Galloway SPT
Hired Transport (Including SEN) 1. Saloon Cars 2. Estate Cars 3. 7 Seater Vehicles 4. Wheel Chair Accessible 5. Minibuses 6. Tail-Lift Minibuses 7. Coaches		£4,315,000 PA (estimated)	See below:	2004	2011	7 years	Contract managed by Bernard McGreevy	Y	Contact Transport Ricky Rebello (5116).
			Star Cars and Bus Ltd (E4)					5 and 7.	
			H&B Travel (NW9)					1,2,3 and 4.	
			Lady Fare (HA3)					1	
			Cavendish Cars (N22)					1,2,3 and 4.	
			Brent Couriers (NW9)					1,2,3 and 4	
			Metro Cars (EN5)					1,2,3 and 4	
			Elite Broadway Cars (NW9)					1,2,3 and 4	
			Chequers Transport (NW9)					1,2,3 and 4	
			Bee Line Coaches (E4)					5 and 7.	
						These are the preferred suppliers against Framework Agreements. Prices are negotiated annually in September.			
Transportation Services Including rental of taxis and mini-buses etc		£4,000,000 (estimated)	Go Plant Ltd	04-Apr-08	03-Oct-18	10 Years + 5 year Extension Option	Contract managed by Bernard McGreevy	Y	Contact Transport Ricky Rebello (5116).

Contract	Consortia	Value	Supplier	Start Date	Expiry Date	Duration	Contact	Schools Forum Gives a View	Access Details
ICT Services for Schools	Becta	not specified	RM plc	12-Mar-10	11-Mar-13	3 years + option to extend for 2 years	David Tobin 020 8359 7274		Visit <a href="http://www.rm.com/shops/barnet/">http://www.rm.com/shops/barnet/</a> and register/login
ICT Services for Schools	Becta	not specified	Ramesys (Capita)	30-Oct-09	29-Oct-12	3 years + option to extend for 2 years	David Tobin 020 8359 7274		Visit <a href="http://bsf-store.ramesys.com/Landing/default.aspx?CUST=BARNET">http://bsf-store.ramesys.com/Landing/default.aspx?CUST=BARNET</a> and login
<b>Contracts Impacting on Schools but not Accessible</b>									
<b>Insurance</b>									
Fire and Terrorism		£402,000	Zurich Municipal	30-Sep-10	29-Sep-13	3 years + 2 year	Paul Smyth x7198		
Balance of Perils		£135,000	Zurich Municipal	30-Sep-10	29-Sep-13	3 years + 2 year extension	Paul Smyth x7198		
Personal Accident		£29,000	Zurich Municipal	30-Sep-10	29-Sep-13	3 years + 2 year extension	Paul Smyth x7198		
Third Party Hirers		£1,500 deposit (arranged on a declaration basis)	Zurich Municipal	30-Sep-10	29-Sep-13	3 years + 2 year extension	Paul Smyth x7198		
Employers Liability		TBA	Zurich Municipal	30-Sep-10	29-Sep-13	3 years + 2 year extension	Paul Smyth x7198		
Public Liability and Professional Negligence		TBA	Zurich Municipal	30-Sep-10	29-Sep-13	3 years + 2 year extension	Paul Smyth x7198		
Motor Minibus		TBA	Zurich Municipal	30-Sep-10	29-Sep-13	3 years + 2 year extension	Paul Smyth x7198		
<b>Audit</b>									
Internal audit of Schools		£233,000	Enpeyz	01-Apr-09	31-Mar-12	3 years + 2yr extension	Manjeet Bhanja	Y	
Assessment of schools' FMSIS self assessments		£180,000	Enpeyz	01-Apr-09	31-Mar-12	3 years + 2yr extension	Ian Speirs	Y	

## Item 7.2 Pupil Premium for Looked After Children

**Author** Carol Beckman

**Position** School Funding Manager

### Pupil Premium 2011/12

In 2011/12 the government's new Pupil Premium provides additional funding for children aged 5 to 15 (ie Reception to Year 11) who

- are eligible for free school meals (FSM)
- are from families where at least one parent is serving in the armed forces (SC)
- have been continuously looked after by (in the care of) the local authority for at least 6 months (LAC)

The first two categories are calculated using the January school census and schools have already been informed of their allocations. Barnet pays the premium for eligible children in Barnet maintained schools, regardless of where the child lives.

The situation is more complicated for looked after children. Each authority is responsible for providing the premium for the children they look after, regardless of where they live. Barnet has 114 looked after children attending 95 different schools outside the borough, distributed over 40 different authorities. Moreover, children will go in and out of the system during the year and some who did not fulfil the criteria of being looked after for 6 months at the beginning of the year may do so later on. For this reason a school's funding may change.

The government decided not to impose a single method of distributing the LAC pupil premium and left it up to individual councils to decide whether to pay each individual school direct or to pass payment to the local authority in which the child attends so that they could pass the money on to the school. Nationally and regionally authorities have not come to a consensus on which option to take, but some councils have said they will not accept money to pass on to their schools. There are administrative problems with paying the schools direct, such as obtaining bank account details and reclaiming any overpayment, but as the children are so thinly spread outside Barnet, the volume of payments will not be much different to paying authorities.

We propose to pay all out of borough maintained schools and academies direct in 2011/12. For looked after children at fee paying schools and where there are other arrangements, the money will be managed by the Head of the Virtual School for the benefit of the child.

The table overleaf shows how schools will receive the pupil premium for different types of eligible children:

Type of School	Type of child on roll	Method of payment for Barnet and non- Barnet residents
Barnet maintained infant, junior, primary, secondary and special schools	Children authorised for free school meals	£430 per child (Reception to Year 11) authorised for free school meals at the January 2011 school census. This funding was announced in March on individual school funding reports and will be paid quarterly via the autopayment system. No in-year adjustments for joiners, leavers or changes in eligibility
	Service children	£200 per child (Reception to Year 11) authorised identified as being from a service family at the January 2011 school census. This funding was announced in March on individual school funding reports and will be paid quarterly via the autopayment system. No in-year adjustments for joiners, leavers or changes in eligibility
	Children looked after continuously by Barnet for 6 months	£430 per eligible child. This funding was announced in March on individual school funding reports and will be paid quarterly via the autopayment system. Termly adjustments if necessary.
	Children looked after continuously by another authority for 6 months	£430 per eligible child. Notification and payment may be received in different ways depending on which authority the child belongs to.
Barnet Academies	FSM and Service children	Directly from the YPLA, except in the year of conversion
	Barnet LAC	Calculated termly and paid quarterly by Barnet to the academy
	Non-Barnet LAC	Will depend on the arrangements of the relevant local authority.
Independent Special Schools in Barnet	FSM and Service children	Managed by the Head of the Virtual School
	Barnet LAC	Managed by the Head of the Virtual School
	Non-Barnet LAC	Will depend on the arrangements of the relevant local authority.
Barnet PRUs	FSM and Service children	Calculated termly and paid quarterly by Barnet to the PRU
	Barnet LAC	Calculated termly and paid quarterly by Barnet to the PRU
	Non-Barnet LAC	Will depend on the arrangements of the relevant local authority.
Non Barnet Maintained schools	Barnet LAC	Calculated termly and paid quarterly by Barnet to the School
Non Barnet Academies		Calculated termly and paid quarterly by Barnet to the Academy
Non Barnet Independent Special Schools		Managed by the Head of the Virtual School
Independent Schools		
Other institutions		

Item **7.3 Schools Compliance Review**

**Author** Val White/Nick Adams

**Position** Assistant Director, Children's Service/ Schools Finance Services Manager

**Contract and procurement compliance**

The council is currently reviewing all of its external expenditure to ensure that it is compliant with the council's contract and procurement rules. The review covers all expenditure made to any third party to ascertain that appropriate contracts are in place, that documentation is to hand and that contracts are reviewed and monitored appropriately. Where appropriate arrangements are not in place, this will be put right as a matter of priority. Schools may wish to undertake a similar exercise, not only to achieve legal compliance and good governance but also to ensure that money is being expended effectively and to achieve the best value.

Specifically, schools are obliged to comply with Contract Standing Orders for Schools. These require schools to include in the "budget papers" at the meeting to approve the annual Budget a list of all the schools existing contracts and those it plans to enter into in the budget period. Any governing body which did not receive and approve such a list should undertake an exercise immediately as well as enquiring if there are any areas of expenditure that are not covered by a contract that should be under Contract Standing Orders.

Whilst purchases under £10,000 may not be covered by a 'contract', all purchases should be covered by a formal purchase order referring to terms and conditions to safeguard the interests of the school and Council. For services or goods obtained via a Council corporate contract, the school will not hold the contract but must be clear and have a record of the terms and conditions of purchase and its obligation in respect of monitoring, which should be delegated to a named officer within the school.