



EDUCATION CONSULTATIVE FORUM

**TUESDAY 1 FEBRUARY 2005
7.30 PM**

COMMITTEE AGENDA (ADVISORY AND CONSULTATIVE)

**COMMITTEE ROOMS 1 AND
2, HARROW CIVIC CENTRE**

PRE-MEETINGS:

HTCC 6.45 PM, COMMITTEE ROOM 6 GOVERNORS 6.45 PM, COMMITTEE ROOM 3

MEMBERSHIP (Quorum 3 representatives of each side)

Chair: Councillor Stephenson

Councillors:

Gate Ismail Ray	Mrs Bath Miss Bednell Janet Mote
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Teachers' Constituency: (nominated by Harrow Teachers' Consultative Committee)

Mr R Borman Ms C Gembala	Ms J Lang (VC) Ms L Snowdon	(Vacancy) (Vacancy)
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Governors' Constituency: (nominated by Association of Harrow Governing Bodies)

Ms H Henshaw Mrs C Millard	Mr N Rands Ms H Solanki	(Vacancy) (Vacancy)
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Elected Parent Governors:

1. Mr H Epie	2. Mr R Sutcliffe
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Denominational Representatives:

1. Mrs J Rammelt	2. Reverend P Reece
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Arts Culture Harrow Representatives:

1. (Vacancy)	2. (Vacancy)
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**Issued by the Democratic Services Section,
Legal Services Department**

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HARROW COUNCIL

EDUCATION CONSULTATIVE FORUM

TUESDAY 1 FEBRUARY 2005

AGENDA - PART I

1. **Attendance by Reserve Members:**

To note the attendance at this meeting of any duly appointed Reserve Members.

Reserve Members may attend meetings:-

- (i) to take the place of an ordinary Member for whom they are a reserve;
- (ii) where the ordinary Member will be absent for the whole of the meeting; and
- (iii) after notifying the Chair at the start of the meeting.

2. **Declarations of Interest:**

To receive declarations of personal or prejudicial interests, arising from business to be transacted at this meeting, from all Members present.

3. **Arrangement of Agenda:**

To consider whether any of the items listed on the agenda should be considered with the press and public excluded on the grounds that it is thought likely, in view of the nature of the business to be transacted, that there would be disclosure of confidential information in breach of an obligation of confidence or of exempt information as defined in the Local Government (Access to Information) Act 1985.

Enc. 4. **Minutes:** (Pages 1 - 8)

That the minutes of the meeting held on 23 September 2004 and the minutes from the special meeting on 7 December 2004, having been circulated, be taken as read and signed as correct records.

5. **Matters Arising from the Minutes:**

6. **Public Questions:**

To receive questions (if any) from local residents or organisations under the provisions of Advisory Panel and Consultative Forum Procedure Rule 15 (Part 4E of the Constitution).

7. **Petitions:**

To receive petitions (if any) submitted by members of the public/Councillors under the provisions of Advisory Panel and Consultative Forum Procedure Rule 13 (Part 4E of the Constitution).

8. **Deputations:**

To receive deputations (if any) under the provisions of Advisory Panel and Consultative Forum Procedure Rule 14 (Part 4E of the Constitution).

- Enc. 9. **People First Education Budget 2005/2006 and Medium Term Budget Strategy:** (Pages 9 - 16)
Report of the Executive Director, Business Connections and Executive Director, People First.
- Enc. 10. **Contingency Provision Within Schools' Budget:** (Pages 17 - 20)
Report of the Executive Director (People First).
11. **School Term Dates for 2006/2007:** (To Follow)
To consider the proposed term dates.
12. **Operation of the Fines System for Non-Attendees:**
Verbal report of the Interim Education Welfare Service Manager.
13. **Date of Next Meeting:**
To note that the next meeting of the Forum is due to be held on 23 March 2005.

AGENDA - PART II - NIL

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EDUCATION CONSULTATIVE FORUM

23 SEPTEMBER 2004

Chair:	* Councillor Stephenson	
Councillors:	* Mrs Bath * Miss Bednell * Gate	* Ismail * Janet Mote * Ray
Teachers' Constituency:	† Mr R Borman * Ms C Gembala	Ms J Lang * Ms L Snowdon
Governors' Constituency:	† Ms H Henshaw * Mrs C Millard	* Mr N Rands * Ms H Solanki
Elected Parent Governor Representatives:	* Mr H Epie	* Mr R Sutcliffe
Denominational Representatives:	† Mrs J Rammelt	Reverend P Reece
Arts Culture Harrow Representatives:	Mr V Gresty	

* Denotes Member present
† Denotes apologies received

PART I - RECOMMENDATIONS

RECOMMENDATION 1 - Standard School Year Model and School Term Dates for 2006-07

The Forum received a report of the Director of Strategy, People First on the progress on the consultation on school term dates and the setting of dates for the school year 2006-07.

It was reported that the Forum had agreed provisional procedures for the setting of term dates in Harrow and that neighbouring Boroughs' decisions were an important factor in this process. The Association of London Government (ALG) was looking to reach a Pan-London agreement on a standard school year model, which included a fixed spring break and five development days to be chosen by the individual schools to cater for the specific needs of their communities. It was suggested that the Working Group undertake a consultation on the ALG term dates for 2006-07 when the ALG had agreed the proposed term dates.

Resolved to RECOMMEND: (to Portfolio Holder)

That (1) a consultation on the ALG standard school year model, with agreed principles for determining the school term dates for the school year 2006-07 and beyond, be undertaken as outlined in the officer report in paragraphs 7.2 to 7.4;

(2) the consultation be undertaken in the Spring term 2005 when the ALG's final proposed dates for the school term dates for 2006-07 have been received as outlined in the officer report in paragraph 7.5(i) and

(3) the outcome of the consultation be reported back to the Education Consultative Forum for a final recommendation to Cabinet without any further consultation.

REASON: To agree the school term dates for 2006/2007.

PART II - MINUTES

124. **Minute's Silence:**
The Forum observed a one minute silence in memory of the victims of the siege at school 1 in Beslan, Russia.

125. **Attendance by Reserve Members:**

RESOLVED: To note that there were no Reserve Members in attendance at this meeting.

126. **Apologies for absence:**

It was noted that apologies had been received from the following Members of the Forum:

Mrs J Rammelt	- Denominational Representative
Mr R Borman	- Teachers' Constituency
Ms Henshaw	- Governors' Constituency

The Chair informed the meeting that Ms Langdon had resigned from the Forum as she was no longer an employee of Harrow Council. Members wished her well and commended her contribution over the years.

A Member of the Teachers' Constituency read out a statement from the Chair of HTCC and the Vice Chair of the Forum, Mr Paul Large, advising that he was stepping down from the Forum due to other commitments. The Forum asked for their thanks to Mr Large to be recorded and wished him luck in the future.

The Chair asked the Members of the Teachers' Constituency to nominate a new Vice-Chair.

127. **Declarations of Interest:**

In relation to this item, Council Members re-stated the governorships, which they each held, as set out in the minutes of the meeting of the Education Consultative Forum on 15 July 2004 (Minute 110).

RESOLVED: That the Declarations of Interest now made by Council Members be noted.

128. **Arrangement of Agenda:**

RESOLVED: That all items be considered with the press and public present.

129. **Minutes:**

RESOLVED: That the minutes of the meeting held on 15 July 2004, having been circulated, be taken as read and signed as a correct record.

130. **Matters Arising from the Minutes:**

To note that there were no matters arising from the minutes.

131. **Public Questions:**

RESOLVED: To note that no public questions were received at this meeting under the provisions of Advisory Panel and Consultative Forum Procedure Rule 15 (Part 4E of the Constitution).

132. **Petitions:**

RESOLVED: To note that no petitions were received at this meeting under the provisions of the Advisory Panel and Consultative Forum Procedure Rule 13 (Part 4E of the Constitution).

133. **Deputations:**

RESOLVED: To note that no deputations were received at this meeting under the provisions of Advisory Panel and Consultative Forum Procedure Rule 14 (Part 4E of the Constitution).

134. **Appointment of Members of the Teachers' Constituency:**

RESOLVED: That Ms Snowdon and Ms Lang be appointed as Members of the Teachers' Constituency of the Education Consultative Forum.

135. **Update Report on the Implementation of Fixed Penalty Notices for School Non-attendance:**

The Forum received a report from the Executive Director, People First outlining the progress regarding the implementation of fixed penalty notices under the Anti-Social Behaviour Act 2003. Penalty notices would be issued as an alternative to prosecution and only in the cases where there was evidence that parents did not ensure their children's school attendance. Harrow had a low level of non-attendance. Penalty notices would be considered along with the other options available to support parents to ensure their children attended school.

In response to a Member's query regarding the information submitted to the School Attendance Panel, officers replied that the investigating officers would have to gather all available information and meet with the family prior to attending the Panel to ensure that the views of the family were reflected.

Some Members queried the effectiveness of the enforcement procedures to ensure school attendance as the cost of prosecuting and issuing penalties might exceed the benefits of the proposal.

The Forum suggested that a wide consultation be undertaken with all Governing Bodies, Headteachers and parents on how to implement the code of conduct for issuing penalties.

RESOLVED: That the report and the above comments be noted.

136. **Drug Testing Pupils:**

The report of the Director of Learning and Community Development provided the Forum with an update on the national guidance on drugs for schools.

Officers reported that following the newly issued national guidelines on drugs, a draft amended version outlining Harrow's policy would go out for consultation in the autumn. It would be recommended that drug testing of pupils would not usually be an appropriate response for the reasons outlined in Appendix 10 of the national guidance. In exceptional circumstances, where schools deemed it necessary to consider drug testing, the schools would be advised to refer to the guidance in Appendix 10. Schools would also be advised to consult with Governors and parents prior to making a decision.

In response to a question from a Member whether the 'leading teachers' had been appointed, officers replied that some schools had selected teachers to have special training on drug related issues. This was to develop their particular expertise in the area as part of a strategy to strengthen drugs education in schools.

In response to Members' concern regarding drug dealers around schools, officers advised that the community police were very supportive and worked closely with schools. It was reported that students who were excluded from school for selling drugs were referred to support workers.

RESOLVED: That the report be noted.

137. **Standard School Year Model and School Term Dates for 2006-07:**

See Recommendation 1.

138. **Implementation of the Joint Single Status Agreement:**

The report of the Executive Director, Organisational Development provided the Forum with information on the key issues arising from the implementation of the Joint Single Status Agreement and outlined the action taken to compensate staff and minimise the impact on those most adversely affected.

Members of the Governors' Constituency raised concern that the agreement would demotivate staff as there was a general feeling among employees that they would have to work longer for less pay. It was felt that the information had been received late and that no time had been given to consult with Governors or staff who were not members of UNISON.

In response to the comments, officers stated that the process was accelerated as the Council was facing a deadline for implementation under a regional agreement. It was advised that the Council had agreed with UNISON that to avoid conflicting information, only joint statements would be issued during negotiations hence information had been limited to these statements.

It was noted that many members of staff had benefited from the agreement and that the Council was trying to ensure that those adversely affected would be compensated and that pension entitlements would remain unaffected. Officers reported that the Council would provide support to schools to assist in the implementation of the change in working hours. It was noted that those Local Authorities which had only implemented increased working hours for newly recruited staff could only do this on a temporary basis and would need to address this as an Equal Pay issue at a later stage.

RESOLVED: That the report be noted.

139. **Public Library Position Statement and Standards Report 2004:**
The Forum noted the progress in the library services, the extended opening hours and forthcoming initiative to expand and integrate the services at Wealdstone Library with other partners. Members thanked the library staff for all their hard work.

RESOLVED: That the report be noted.

140. **Date of Next Meeting:**
It was noted that the next meeting of the Forum was due to take place on 7 December 2004.

(Note: The meeting having commenced at 7.37 pm, closed at 9.50 pm)

(Signed) COUNCILLOR BILL STEPHENSON
Chair

EDUCATION CONSULTATIVE FORUM (SPECIAL)**7 DECEMBER 2004**

Chair:	* Councillor Stephenson	
Councillors:	* Mrs Bath * Miss Bednell * Gate	* Ismail Janet Mote * Ray
Teachers' Constituency:	† Mr R Borman * Ms C Gembala	* Ms J Lang * Ms L Snowdon
Governors' Constituency:	* Ms H Henshaw * Mrs C Millard	† Mr N Rands Ms H Solanki
Elected Parent Governor Representatives:	* Mr H Epie	* Mr R Sutcliffe
Denominational Representatives:	Mrs J Rammelt	* Reverend P Reece
Arts Culture Harrow Representatives:	(Vacancy)	(Vacancy)

* Denotes Member present

† Denotes apologies received

PART I - RECOMMENDATIONS**RECOMMENDATION 1: Proposed Schools' Budget 2005/2006**

The Forum received a joint report of the Executive Director (Business Connections) and Executive Director (People First), which outlined the proposed Schools' Budget for 2005/2006.

It was reported that on 2 December, the Department for Education and Skills (DfES) had made the announcement on the minimum amount which the Local Education Authority (LEA) should pass on to schools and that Harrow had received a larger increase in the schools formula spending share (SFSS) than the national average. Officers explained that the report outlined Harrow's proposed budget based on the amount specified by the DfES. There was a statutory duty to notify the proposal by the end of December which was known as 'fully passporting'.

The SFSS was divided into two parts, the Individual Schools' Budget (ISB) which was given directly to schools and the Central Items, which were retained by the Local Education Authority (LEA) to be spent on Special Education Needs (SEN), nursery provision and other services.

It was advised that the ISB funding would be increased by 7.1% if it were agreed to reduce schools' contingency provision. The proposed budgets for the Central Items were discussed and it was noted that the budget for SEN provision was anticipated to increase by over £500k and this could be funded from an anticipated reduction in the Early Years' budget.

It was reported that the entire Schools' Budget for 2006/2007 would be set and funded by the Government, which was planning to increase the funding to those LEAs that currently funded below SFSS. There was therefore a risk that this would be resourced from those Authorities who currently spent above the SFSS.

The Chair informed the Forum that the December Cabinet needed to decide whether to agree to recommend fully passporting or not. The specific budget allocations to education would be discussed at the next meeting.

In response to a query from a member of the Elected Parent Governors regarding the high number of SEN placements outside the Borough, officers replied that most of the SEN budget was spent on Harrow pupils attending schools outside the Borough as there was not sufficient specialised provision within the Borough to cover all SEN pupils. However, Harrow collaborated with the Boroughs in West London and Pan-London to cut costs and to ensure good service to all SEN pupils.

In response to a question from a member of the Governors' Constituency regarding whether sufficient trend analysis had been made in order to safely reduce the contingency for schools, officers advised that the decision to accept the total allocated sum upfront or at a later stage was currently the subject of consultation with individual schools. There was a certain risk in the decision, but officers explained that the allocations to schools would be based on last year's trends and therefore the risks should be minimal.

In response to another question regarding possible cutbacks in the Schools' Budget after 2006, officers replied that it was uncertain whether a possible reduction in the budget would affect both the ISB and the Central Items.

The Chair stated that strong representations would be made to the Government to ensure that funds for schools were not reduced in the future.

In response to a query regarding the deprivation indicators used to target schools with high levels of deprivations, officers confirmed that both the provision of free school meals and the postcode to determine the pupils' place of residence, were being used as measures of deprivations.

A member of the Teachers' Constituency commented that more support to schools with a large number of refugees was needed to cater for additional needs such as counselling and the provision of English as a second language.

In response to this comment, the Chair stated that the Extended Schools initiative, which was partly funded by the Government, had initially been rolled out in deprived areas but would eventually be rolled out to all schools.

The Chair recognised the considerable financial pressure placed on schools last year having to deal with issues such as the workforce re-modelling, single status, recruitment and retention and other extra costs. Last year the Council had therefore decided to grant an extra £1.2 million to the Schools' Budget which was intended to fund initiatives in coming years.

A member of the Governors' Constituency voiced concern regarding the proposed Schools' Budget as the settlement received from the Government last year had been too low, and hoped that schools would not be underfunded this year.

The Chair indicated that he anticipated that the Authority's administration would be asking the Council to support full passporting of the proposed Schools' Budget. Another Council Member advised that she believed that this would also be the position adopted by her political Group on this issue.

The Forum thanked officers for the presentation.

Resolved to RECOMMEND: (for decision by Cabinet)

That the comments made by Forum members on the proposed Schools' Budget for 2005/2006 be considered at Cabinet.

REASON: To meet the Education Act 2002 requirement to notify the proposed Schools' Budget to the Secretary of State by 31 December 2004.

PART II - MINUTES

141. **Appointment of Chair:**

RESOLVED: That the appointment at the meeting of the Cabinet on 11 November 2004, of Councillor Stephenson as Chair of this Forum for the remainder of the Municipal Year 2004/05 be noted.

142. **Attendance by Reserve Members:**

RESOLVED: To note that there were no Reserve Members in attendance at this meeting.

143. **Declarations of Interest:**

In relation to this item, Council Members re-stated the governorships, which they each held, as set out in the minutes of the meeting of the Education Consultative Forum on 15 July 2004 (Minute 110).

Councillor Ray declared a personal interest as a member of his family was a teacher at Rooks Heath High, but he remained and took part in the discussion.

RESOLVED: That the Declarations of Interest now made by Council Members be noted.

144. **Arrangement of Agenda:**

RESOLVED: That all items be considered with the press and public present.

145. **Appointment of Vice Chair:**

RESOLVED: That Ms Jo Lang, from the Teachers' Constituency, be appointed as Vice Chair of this Forum for the remainder of the Municipal Year 2004/05.

146. **Minutes:**

RESOLVED: That the signing of the minutes of the meeting held on 23 September 2004, be deferred until the next ordinary meeting of the Forum.

147. **Public Questions:**

RESOLVED: To note that no public questions were received at this meeting under the provisions of Advisory Panel and Consultative Forum Procedure Rule 15 (Part 4E of the Constitution).

148. **Petitions:**

RESOLVED: To note that no petitions were received at this meeting under the provisions of the Advisory Panel and Consultative Forum Procedure Rule 13 (Part 4E of the Constitution).

149. **Deputations:**

RESOLVED: To note that no deputations were received at this meeting under the provisions of Advisory Panel and Consultative Forum Procedure Rule 14 (Part 4E of the Constitution).

150. **Proposed Schools' Budget for 2005/2006:**

Further to Recommendation 1 it was

RESOLVED: That a report on contingency provision in Harrow schools be made to the next meeting.

151. **Date of the Next Meeting:**

It was noted that the next meeting of the Forum was due to be held on Tuesday 1 February 2005.

(Note: The meeting having commenced at 7.37 pm, closed at 8.35 pm)

(Signed) COUNCILLOR BILL STEPHENSON
Chair

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Meeting:	Lifelong Learning Scrutiny Sub Committee Education Consultative Forum
Date:	12 January 2005 and 1 February 2005
Subject:	People First Education Budget 2005/2006 and Medium Term Budget Strategy
Responsible Officer:	Executive Director of Business Connections and Executive Director People First
Contact Officer:	Paula Foulds
Portfolio Holder:	Business Connections and Performance and Education and Lifelong Learning
Key Decision:	No
Status:	Part 1

Section 1: Summary

Decision Required

To forward any comments on the People First Education Budget agreed for consultation for 2005/2006, for consideration by the Cabinet and Council.

Reason for report

To meet the budget timetable for consultation for Cabinet to recommend to Council a budget for 2005/2006.

Benefits

The comments of the Education Consultative Forum and Lifelong Learning Scrutiny Sub Committee will be considered by the Cabinet and Council.

Cost of Proposals

The draft budget requirement for 2005-06 is £254.570m. The Council's budget is funded from a combination of government grants, Council Tax, fees and charges and investment income. The anticipated Harrow council tax for 2005-06, based

on the provisional settlement, is £1049.16 for a Band D property, an increase of 1.48%. The detailed schedules attached analyse the proposals for the People First Education Budget.

Risks

There is minimal risk in consulting on the draft budget for 2005/2006.

Implications if recommendations rejected

The comments of the Education Consultative Forum and Lifelong Learning Scrutiny Sub Committee will not be able to be considered by the Cabinet and Council.

Section 2: Report

Brief History

- 2.1 The People First Directorate budget has been summarized into 3 areas; Children's Services, Adult Community Care and Learning & Community Development. The elements of the budget that relate to education and lifelong learning are included within Children's Services and Learning & Community Development and therefore the Adult Community Care proposals have been excluded from this report.
- 2.2 In addition to the above there is the Schools Budget. The proposed Schools Budget was the subject of a separate report to the Lifelong Learning Scrutiny Sub Committee and Education Consultative Forum in December 2004 and therefore has also been excluded from this report.

Provisional Settlement 2005/2006

- 2.3 Details of the provisional finance settlement for 2005/2006 were published and announced on 2 December 2004.
- 2.4 The Council's Formula Spending Share is a key determinant of the Council's resources and its spending plans.
- 2.5 Harrow's provisional formula spending share FSS for 2005/2006 is £235.4m an increase of £12.9m or 5.5%. This compares an average Outer London Borough increase of 5.22% and a national average of 5.4%.

Education Formula Spending Share 2005/2006

- 2.6 The table below details the changes to the Education Formula Spending Share and its components:

Table 1 Harrow's Education Formula Spending Share 2004-05 to 2005-06

	FSS 2004-05 £m	Adjusted FSS 2004-05 £m	FSS 2005- 2006 £m	% Change on adjusted	% Change National Average
Schools Formula Spending Share (SFSS)	102.8	102.8	109.9	6.9%	5.8%
LEA Formula Spending Share	12.2	12.2	12.9	4.95%	4.2%
Total EFSS	115.0	115.0	122.8	6.76%	5.6%
Youth & Community (included within LEA FSS)	2.8	2.8	3.0	6.1%	5.9%

2.7 The Education formula spending share does not include funding for capital financing charges or Libraries and Arts which are part of the People First budget in Harrow.

Options considered

2.8 The Council's draft budget requirement for 2005-06 is £254.570m. The Council's budget is funded from a combination of government grants, Council Tax, fees and charges and investment income. The anticipated Harrow council tax for 2005-06, based on the provisional settlement, is £1049.16 for a Band D property, an increase of 1.48%.

2.9 Appendix A sets out all the draft proposals to the People First Children's and Learning & Community Development budgets. The table below summarises the proposals:

Table 2 Summary of Changes to Budgets

Service	Growth £k	Income & Efficiencies £k	Net Change £k
Children's Services	2,933	-567	2,366
Learning & Community Development	244	-100	144

2.10 In addition to the above there are a number of corporate efficiency savings including procurement savings that include People First budgets. These have also been included within Appendix A.

2.11 Also included within the budget proposals for 2005/2006 is funding to cover the following:

- Teachers' pay award 3.25%;
- APT&C pay award 2.95%;

- Local Government pension increase of 1.67% on employer's contributions;
- Other price inflation at 1.2%.

Consultation

2.12 Consultation will take place with the Lifelong Learning Scrutiny Sub Committee on 12 January 2005 and the Education Consultative Forum on 1 February 2005. In addition there are further stakeholder meetings for other areas of the Council's budget.

Financial Implications

2.13 This is a report of the Executive Director of Business Connections and the Executive Director of People First and is concerned with financial matters throughout.

Legal Implications

2.14 There are no legal implications arising from this report.

Equalities Impact

2.15 The budget provides resources to ensure that the Council delivers its Corporate Equalities Plan and achieves Level 3 of the Equalities Standard.

Section 3: Supporting Information/ Background Documents

Appendices are attached as follows

A – Budget Detail

The following background papers are available on request:

Proposed Schools Budget – Report to Schools Forum, Education Consultative Forum and Lifelong Learning Scrutiny Sub Committee – 7/8 December 2004
Provisional Settlement 2005/2006 Various papers 2 December 2004

People First - Children's Services

	2005-06	2006-07	2007-08	Notes
<u>In MTBS reprice</u>				
Staffing to meet National Care Standards	100	0	0	At Haslam House & Silverdale
Increases in Looked After Children	50	50	50	Expected demographic increases
Children's Advocacy	70	0	0	Required by Children's Act
Youth & Community	300	300	0	To fund improvements agreed in strategy
Children's Services staffing	70	0	0	To meet increased caseload
<u>New Growth</u>				
CAMHS services	108	0	0	Funded from specific grant increase
Residential placements base budget	298	0	0	Pressures on base from increased numbers
Foster Care Base Budget	430	0	0	Pressures on base from increased numbers
Leaving Care Base Budget	301	0	0	Pressures on base from increased numbers
Children's placement officer	60	0	0	To develop more cost effective placements
Social care recruitment & retention	150	150	0	To reduce reliance on agency staff
Children with disabilities	100	0	0	To meet increased caseload
Adoption Service	45	0	0	To meet requirements of Adoption Act
Enhance Carers Services	53	0	0	Funded from specific grant increase
Quality Assurance development	70	0	0	To improve quality of casework
SEN transport	200	-100	0	Increased numbers requiring transport
Social Care Training	248	0	0	To meet national targets
Asylum Seeking Children	280	0	0	Requirement to fund costs after 16th birthday
Grand Total Growth	2933	400	50	
Income & Efficiency Savings				
Increase in other social care grants	-567	-65	-120	Specific grant increases
Children's Placement Officer	0	-100	0	Efficiencies from post included above
Net Children's Services	2366	235	-70	

People First - Learning Services

	2005-06 £000	2006-07 £000	2007-08 £000	Notes
<u>In MTBS reprice</u>				
Cultural strategy	93	0	0	To implement strategy
PFI affordability gap (special schools)	15	38	0	Costs of Special Schools PFI
School reorganisation	100	100	100	To implement strategy
IT licenses/training	0	100	0	Revenue costs of new systems
<u>New Growth</u>				
Libraries Sunday opening	11	57	0	Extension of opening hours
Arts Culture Harrow	25	0	0	To meet unavoidable costs
Community Schools	0	120	0	Roll out of pilot areas
Grand Total Growth	244	415	100	
Income & efficiency savings				
Capitalise PFI costs in PF	-100	0	0	Capital cost built into revenue budgets at present
Net New Growth	144	415	100	

Corporate

	2005-06	2006-07	2007-08	Notes
<u>In MTBS reprice</u>				
Capital Financing	510	600	1000	Revenue costs of capital programme
Contribution to change mgt reserve	-630	0	0	One off budget in 2004-05
ICT infrastructure	330	150	150	Revenue cost of ICT investment
Grand Total Growth	210	750	1150	
Efficiency Savings				
NHP restructure	-370	-370	0	From restructure of the Council
Reduction in sickness absence	-200	-200	0	Reductions in overtime/agency staff
Reduction in lease cars	-69	-48	-25	Scheme being wound up
First Contact	-100	-500	-1000	Development of contact centre/one stop shop
ERP	-100	-300	-250	Savings from the back office
Procurement savings	-3350	-1000	-1000	Improved procurement of goods & services
Insurance contributions	-250	0	0	Reduced contributions to provision
Introduce voice over IPT	-125	-125	0	Reduced telephone bills
Net New Growth	-4354	-1793	-1125	

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Meeting:	Education Consultative Forum
Date:	1 February 2005
Subject:	Contingency Provision within Schools Budget
Responsible Officer:	Executive Director People First
Contact Officer:	Ian Webster
Portfolio Holder:	Education & Lifelong Learning
Key Decision:	No

Section 1: Summary

1.1 The report describes the consideration given by Schools Forum to setting the contingency provision for 2005/06 at a lower level than in previous years.

1.2 Decision Required

The report is for noting only.

1.3 Reason for report

Education Consultative Forum asked for the report at its last meeting on 7 December 2004.

1.4 Benefits

There are three main benefits from a smaller contingency

- It increases the financial certainty of schools, giving them an extra £0.85M at the start of the year
- It allows schools to budget for an extra £0.85M of spending at the beginning of the year, reducing the tendency to underspend
- It meets the School Forum objective of reducing the level of funds heldback from schools until late in the year.

1.5 Cost of Proposals

There is no cost over the provision made in the LEA's budget for 2005/06.

1.6 Risks

For the LEA, there is a risk that the lower provision will be inadequate, but this is considered a small risk. Any small loss of NQT funding to individual schools will be outweighed by the early distribution of £0.3M to all schools.

1.7 Implications if recommendations rejected

If the proposal is rejected by Cabinet, then schools indicative budgets for 2005/06 will be reduced by £0.85M, in order to provide a contingency of £1.5M.

Section 2: Report

Brief History

- 2.1 There are four main reasons to reduce the contingency provision. 1) Heads have clearly expressed the view that too much money is 'heldback', and only released towards the end of the year. This acts to increase balances. 2) Schools budget only for the income they are certain of. A larger contingency means that schools budget for a lower level of income, and so reduce spending unnecessarily. 3) Harrow 'holds back' three times as much funding as other Outer London Boroughs. 4) Reducing the contingency provision increases the sum distributed in April to schools.
- 2.2 The following table compares the 2004/05 contingency provision with that planned for 2005/06, and explains the rationale for the proposals.

	2004/05 £000	Rationale	2005/06 £000
Costed SEN statements	365	The need for extra in year funding will half if SEN phase 3 delegation is agreed.	200
Pupil trigger funding	120	Leave unchanged. Reflects schools or year groups with Sept numbers 4% & 8% above Jan levels	120
Other trigger funding	170	Covers FSM, KS1 and year 7 changes in Sept. Need for funding to correct errors is diminishing.	180
Errors	224		
ASTs	75	Will fund existing 5 ASTs, and a further 5. Locations unknown.	150
NQTs	325	Schools were paid £1000 a term to ensure induction support was provided. Schools save money when	0

		appointing NQTs. The impact on schools is small.	
Special schools	130	Now that place numbers and formula have been reviewed, there is less need for extra in year funding.	0
Total	1409		650

Options considered

- 2.3 The size of the contingency provision is a matter of judgement. However, there can be little doubt that the current size of the contingency is too large, tends to reduce schools budgets, and increase their balances. The 2005/06 provision could be even smaller than the proposed £650K, but this could only be achieved by making no provision for AST, and reducing, say trigger funding. These would have increased schools spending, and would have materially increased schools risks. Such a proposal would almost certainly not have received 90%+ support from schools. It is considered that the chosen option is the best balance achievable.

Consultation

- 2.4 All schools were consulted about this change as part of the formula funding changes consultation. 14 schools, a both primary and High school heads responded. Three opposed the change. Each saying that it was the delegation of NQT funding which concerned them. This was debated at Schools Forum on 12 January. It was agreed that NQT funding would be delegated on the basis of pupil numbers rather than AWPU values. With this change, Schools Forum unanimously re affirmed its support for the provision of a smaller contingency.

Financial Implications

- 2.5 There is no extra cost to this proposal. Rather it is a distribution issue. The proposal does not represent a material shifting of risk from the LEA to schools. Rather, it increases certainty for schools, and improves their ability to budget soundly, and minimise underspending.

Legal Implications

- 2.6 It is necessary for the Authority to consult on the contents of the schools funding formula each year. In making decisions about changes, the Authority must take into account the results of the consultation exercise.

Equalities Impact

- 2.7 No impact

Section 3: Supporting Information/ Background Documents

- 3 Schools Forum report 12 October 2004
Responses to consultation from schools.