

**EDUCATION CONSULTATIVE FORUM****10 DECEMBER 2003**

Chair:	* Councillor Stephenson	
Councillors:	* Miss Bednell * Gate * Jean Lammiman (3)	* Janet Mote * Ray * Thammaiah
Teachers' Constituency	* Mr R Borman * Ms H Cowgill * Ms C Gembala	* Mr P Large † Ms P Langdon
Governors' Constituency	* Ms H Henshaw * Mrs C Millard	† Mr N Rands * Ms H Solanki
Elected Parent Governor Representatives	† Mr Epie	* Mr Sutcliffe
Denominational Representatives	† Rev P Reece	† Mrs Rammelt
Arts Culture Harrow Representatives	* Mr K Parker	† Mr D Pullinger

- \* Denotes Member present
- (3) Denote category of Reserve Member
- † Denotes apologies received

**Proposed Schools' Budget 2004/2005:**

The Forum received a report from the Executive Director of People First and the Executive Director of Business Connection, which was presented by Education Financial Services Manager, the People First Director of Strategy and the Interim Director of Education. The report focused upon the proposed Schools' Budget for 2004/05.

Members were informed of the changes to the budget from last year and the implications of those on the forthcoming year's budget. It was also highlighted that the Council had to notify the Secretary of State by 31 December 2003 of Harrow's proposed Schools' Budget 2004/05. It was also mentioned that the Secretary of State had the reserve power to set a minimum level of Schools' Budget if the Local Education Authority figure was considered to be inadequate.

Officers reminded Members that from April 2003, the Government had introduced a new funding regime for Education, which split the Education Formula Spending Share (EFSS) into two elements. One of the two elements was the Schools' Budget, which included the Individual Schools Budget (ISB) and budgets for early years, admissions, education out of school and provision of places for pupils with Special Education Needs (SEN). The second element was the LEA formula spending share that provided funding for statutory functions of the LEA.

Officers indicated that Harrow's Schools' Budget for 2004/05 was £103.77m, and this was an increase of £6.311m compared with 2003/04, and was an increase in SFSS of 6.54%. It was emphasised that within the proposed Schools' Budget, there was enough leverage to meet the: base budget, policy and legislative changes, as well as demographic and other growth costs, which provided an additional £5.8m. However, in context of inflationary pressures the figure was reduced to £2.9m, taking into account the deductions for teachers' pay-awards of 2.5%, non teachers' pay-awards of 3%, Local Government superannuation increase of 1% and other prices at 2.8%. In comparison to last year's budget 2003/04, there had been a total increase of £5.175m for the ISB; a 6% increase. It was stated that out of the £2.9m, further costs would need to be considered in relation to underfunding issues relating to 2003/2004, remodelling the school workforce, the movement of teachers from UPS2 to 3 and other salary pressures over and above inflation.

Officers also mentioned that the Authority was required to implement a Minimum Funding Guarantee as determined by the Government which would deliver a 4% increase to schools whose pupil numbers remained the same between years. Officers advised Members that, the funding formula within Harrow with a 6% increase should in the majority of cases deliver additional resources over and above the 4% minimum guarantee, but this could not be confirmed until January 2004 when pupil numbers at each school was known.

It was also highlighted that it would be possible to give financial support for schools in difficulty over and above the minimum guarantee from within the increase in SFSS. The Schools Forum had considered this briefly and would be looking at this matter again, but did not favour this approach. Members were made aware that the Government acknowledged the decisions made last year had adversely affected school budgets, so Ministers expected LEAs to identify those schools that might encounter problems and offer additional support to discourage any disruption to pupils' education.

It was also highlighted that the Standards Fund and School Standards Grant rates for 2004/05 had been announced by the DfES, and would provide a cash increase in funding of 4%.

The Chair in introducing the debate detailed the lobbying of Ministers concerning the problems experienced last year, Harrow had once again had a higher level EFSS and had indeed been capped at 6%, unfortunately this would not be enough to meet the needs of schools.

There was overwhelming consensus in the Forum that the 6% increase, despite being fully passported, would still place severe pressure on school budgets. A member of the Teachers' Constituency emphasised that this increase would merely add to the deficit from last year, so in real terms it was not a significant increase.

Members of the Teachers' Constituency urged the Chair to recommend to Cabinet a 2-3% Council Tax rise for Education, as this was what headteachers wanted. The Chair explained that there would be consultation on a 1% on ISB, which would correspond to a 1% rise on Council Tax. He added that other parts of the Council had competing priorities, some of which would benefit children and schools. He explained that there was a risk of capping if the Council Tax increase was too great.

Members also expressed concern that the number of pupils with SEN had increased, but the SEN funding was not ring-fenced in the budget, and could potentially be used to fund other cost pressures.

A member of the Teachers' Constituency expressed concern over the pay scales of teachers and non-teachers compared with the national rate of inflation, and the fact that there were no guidelines from Government detailing the criteria in which to achieve upper pay scales. The Director of Strategy explained that some problems had come about as a direct consequence of the reduction of the number of increments on the teachers' pay scales and the need for schools to offer competitive salaries. A member of Teachers' Constituency proposed a higher level of teacher assistants, which would avoid incremental drift.

A member of the Governors' Constituency mentioned that teaching assistants needed to have more money to do a proper a job, which was not fully reflected in the proposed budget.

A member of the Teachers' Constituency commented that Harrow schools would benefit if they received 'inner' rather than 'outer' London weighting. The Chair responded by saying that he understood that point of view and had raised it with Ministers.

A Member of the Teachers' Constituency queried the progress made in remodelling the workforce, as she believed this was not being done according to the national Workforce Agreement. The Director of Strategy explained that schools were at different stages in implementing the agreement. The Chair requested that a progress report be presented at a future ECF meeting, which was agreed to by the Director of Strategy.

It was agreed that a three-way approach should be adopted to convey the Forum's views. Action would therefore include: a recommendation to Cabinet, meeting with MPs, and writing letters from various education constituencies.

Members also wished to express their appreciation of the in-depth and comprehensive presentation on the proposed Schools' Budget for 2004/05, which was carried out by the Education Financial Services Manager.

**Resolved to RECOMMEND:** (for decision by Cabinet):

That the comments made by Members on the ECF on the proposed Schools' Budget for 2004/2005 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 2003.