

Schools Forum Agenda

Thursday, 6 October 2016

4.30 pm – 6.30pm , Bonus Pastor Catholic College, Churchdown, Bromley
BR1 5PL

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Item	Pages
1. Apologies and Acceptance of Apologies	
2. Election of Chair and Vice-Chair	
3. Declaration of Interests	
4. Minutes of the Meeting 30 June 2016	1 - 5
5. Matters Arising	
6. Annual Internal Audit Report	6 - 13
This report provides details of the auditors finding during the year.	
7. Annual Health & Safety Report	14 - 21
This report provides details of the auditors finding during the year.	
8. Catering Contract Annual Report	22 - 27
This report reviews the performance and charging mechanism for schools.	
9. Admissions Budget Review	28 - 34
Officers have been asked to bring a rolling programme of reviews and this report reviews the School Admissions and Appeals Team.	
10. Time Off for Trade Union Activities (TOFTUA)	35 - 41
To consider the current arrangements for facilities time for trade union representatives and the impact that future changes in government funding	

requirements will have.

11. Financial Update & Budget Monitoring 42 - 67

This report updates members on the latest financial events and looks at the monitoring position.

12. Early Years Funding Consultation & Sufficiency Review 68 - 74

To update members on the consultation document issued by the Department for Education on the 11 August 2016 on the reforms to early years funding. The report also updates members on the sufficiency review.

13. Council Savings Potential Impacting on Schools 75 - 80

This report looks at the future financial position of the Council and the savings currently proposed to the Mayor that impact on schools, parents and children.

14. Any Other Business

Future Meetings

08 December 2016
09 February 2017
16 March 2017

All meetings will be held between 16.30 and 18.30

Sub Group Meetings

High Needs Sub Group	Funding Task Group	
04 November 2016	03 November 2016	Provisional*
18 November 2016	22 November 2016	Provisional*
02 March 2017	25 January 2017	Provisional*

*** These meeting dates will depend on whether the second national funding consultation document has been received.**

Agenda Item 4

LEWISHAM SCHOOLS FORUM

Minutes of the meeting held on Thursday 30th June 2016

Membership (Quorum = 40% i.e. 8) ✓ = present ✕ = absent a = apologies

		Attendance				
		10/12	19/01	04/02	17/03	30/06
Primary School Headteachers						
Liz Booth	Dalmain	✓	✓	✓	✓	✕
Paul Moriarty	Good Shepherd	✓	✓	✓	✓	a
Michael Roach	John Ball	✓	a	✓	✓	✓
Sharon Lynch	St William of York	✓	✓	✓	✓	a
Keith Barr	Kender	✓	✓	✓	✓	✓
Nursery School Headteacher						
Nikki Oldhams	Chelwood	✓	✓	a	a	a
Secondary School Headteachers						
Jan Shapiro	Addey & Stanhope	✕	✓	✓	a	✓
David Sheppard	Leathersellers Federation	✓	✓	✕	✓	a
VACANT	SECONDARY					
VACANT	SECONDARY					
Special School Headteacher						
Lynne Haines (Chair)	Greenvale	✓	✓	✓	✓	✓
Pupil Referral Unit Headteacher						
Liz Jones	Abbey Manor	✓	✓	a	✓	a
Primary School Governors						
Rosamund Clarke	Perrymount	✓	a	✓	✓	✓
Dame Erica Pienaar (Vice-Chair)	John Ball	a	a	✓	✓	✓
Keith Dwan	King Alfred Federation				✓	✓
Secondary & Special School Governors						
Pat Barber	Bonus Pastor	✓	✓	✓	✓	a
James Pollard	Addey & Stanhope	✓	✓	✕	✓	a
Ruth Elliot	Watergate		✓	✓	✓	✓
Academies						
Declan Jones	Haberdashers' Aske's	✓	✓	✓	✓	a
14-19 Consortium Rep						
Gordon Gillespie	14-19 Consortium					✕
Early Years Rep						

Cathryn Kinsey	Clyde Nursery	a	✓	✓	✓	✓
Diocesan Authorities						
Rev Richard Peers	Southwark Diocesan Board of Education	x	a	a	a	x
Stephen Bryan	Education Commission	x	x	x	x	✓

Also Present	
Dave Richards	CYP Group Finance Manager
Sara Williams	Executive Director for CYP
Selwyn Thompson	Head of Financial Services
Kate Bond	Head of Standards & Achievement
Hayden Judd	Principal Accountant - Schools
Janita Aubun	Clerk

1. Apologies and Acceptance of Apologies

Apologies received from Nikki Oldhams, Pat Barber, Sharon Lynch, Declan Jones, James Pollard, Ruth Elliott, Paul Moriarty and Liz Jones.
Apologies accepted.

There were no substitutes.

2. Declaration of Interests

The Chair clarified the provision in the Schools Forum constitution on declaration of interests, held in the Constitution:-

‘Forum members are required to declare an interest in and withdraw from the meeting for any relevant matter under consideration in which they have a direct pecuniary interest’.

There were no declaration of interests.

3. Minutes of the Meeting held 17th March 2016

Minutes were agreed.

Forum agreed to carry forward all items which are pending on the Schools Forum Action Summary.

4. Matters Arising

No matters arising.

5. Dedicated Schools Grant – 2015/16 End of Year Financial Position

DSG Outturn

At the year end there was an overspend on high needs pupil of £2.3M caused by out of borough placements. The early years block overspent by £0.2M. The DSG balanced at the end of 2015/16 due to the use of funds set aside from previous years.

Schools' Carry Forwards

Forum were informed that the average percentage balance for Primary Schools is a 7% surplus, Secondary Schools is a 2% deficit and 17% surplus for Special Schools.

Vice-Chair raised the issue of a possible forced academy on schools with deficits. It was confirmed that any deficit balance would either be charged to the contingency or Local Authority

There was concern at the number of schools needing to balance their budget by using their surplus balances.

Mutual Funds

Growth fund has £220K surplus, contingency £727K surplus and non-sickness supply £176K deficit.

Decision:

- Forum agreed to roll forward the mutual fund balances into 2016/17.

6. School Budgets 2016/17 and beyond

Submission of Budget Plans

9 schools with outstanding budget plans.

Of the budget plans received, 7 primary schools are projecting to be in deficit in 2017/18 and these schools will be visited by the LA in the autumn term. This to be a joint visit of finance and Schools Improvement Team colleagues

Future Support

Forum discussed peer review and stressed that this should be targeted at all schools across the board and not just with schools with financial issues.

Discussions around group procurement and shared contracting for schools and the need to consult with Legal for advice.

Nomination/suggestions for the Peer Review System to be obtained during the summer.

Decision:

- Noted current steps in place to support and challenge schools.
- Agree the school budget return date be brought forward to 1 May each year.
- Agree to support the notion that those schools whose budget plans show a deficit in 2017/18, submit a deficit recovery plan to the LA in the autumn term.
- To support the promotion of the Peer Review System.

7. Spending Review of Selected DSG Budgets – CERA

Forum reviewed the Capital Expenditure from Revenue at this meeting. Discussions held around the National Regulations and the DfE's approach regarding contribution to the PFI and BSF Schemes, and how this should be built into the ISB. The funding would then be reclaimed from the school on a like for like basis. Where Lewisham has not done this in the past the Chair feels that with any such changes, there has to be clarity. Agreement that to aid transparency a paper be brought to the Forum.

8. Deferred Admissions Funding

Forum reviewed the October 2015 decision that the Contingency be used to fund schools for the pupils who miss the October and January census by reason of deferred admission.

Forum were informed that no claims on the Deferred Admissions funding have been received and under the proposed changes to the national funding system, it is unlikely that this type of funding allocation would be possible.

Decision:

- Discontinue the Deferred Admissions funding support.

9. Any Other Business

No other business was raised.

Meeting closed.

Date of next meeting:-

6 October 4.30 to 6.30pm

SCHOOLS FORUM ACTION SUMMARY

ITEM	ACTION TO BE TAKEN	OFFICER (S) RESPONSIBLE	OUTCOME/ CURRENT POSITION
Minutes of 19 March 2015	Follow up action re. Rushey Green backdated NNDR bill	Hayden Judd	On-going
Forum Membership March 2016	Hold Elections For PVI Representative	Warwick Tomsett	Pending
Sub Group Membership March 2016	Add Secondary Head to Formula Consultation Task Group	Dave Richards	On hold
Forum Membership March 2016	Establish Early Years Task Group	Warwick Tomsett	Pending

Agenda Item 6

AUDIT PANEL		
Report Title	Internal audit report for the School Forum for 2015/16	
Key Decision	No	Item No. 6
Ward	All	
Contributors	Head of Corporate Resources	
Class	Part 1	Date: 6 October 2016

1. Purpose of this report

- 1.1. This report presents members of the Schools' Forum with a summary of the 2015/16 (fiscal year) internal audit work in schools.

2. Recommendations

- 2.1. That the Schools' Forum

- Note this report and the proposed change to include an assurance opinion on the key risks of governance, procurement and assets for 2017/18.
- Request officers write to schools highlighting the main recommendations in the report.

3. Background

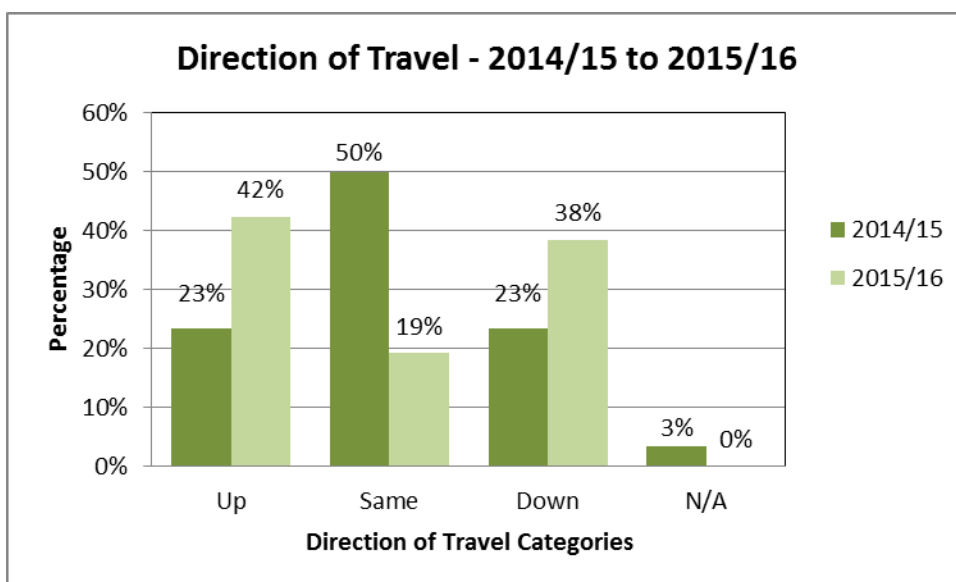
- 3.1. All schools under the responsibility of the Council have an internal audit every three years. Members' agree the schools' audit plan around February / March for the following fiscal year (April to March). The Royal Borough of Greenwich conducted all of the school audits during 2015/16 under a Service Level Agreement (SLA).
- 3.2. Internal audit use the same scope for testing at each school. The scope covers nine high-risk (non-teaching) areas which include; Procurement (purchasing), Governance, Asset Management, Banking, Budget Monitoring, Income, Recruitment, Payroll, and Data Security (DPA).
- 3.3. Internal audit assesses the controls in these risk areas and provides an opinion on the effectiveness of them to Governors, School Senior Management, and Senior Management at Lewisham Council. The overall assurance opinion categories are Substantial, Satisfactory, Limited and No Assurance.
- 3.4. Where appropriate internal audit will make recommendations to help management improve these controls to minimise the risks. Recommendations are ranked using three levels, High, Medium and Low.

4. Audit assurance opinion

- 4.1. In 2015/16 26 schools had an internal audit. The number of schools with a Limited or No assurance opinion remains low, with only two schools having a Limited opinion (one primary and one special). The rest of the schools had either a Substantial (8) or Satisfactory (16) assurance opinion. The definitions of the assurance opinions and the categories of the recommendation are in Appendix 2.
- 4.2. The overall assurance opinion for the year for all the schools' is Satisfactory. This is consistent with the previous year. Councillors were informed of this opinion in the annual assurance report presented to them at the June 2016 Audit Panel meeting. The annual assurance report feeds into the Annual Governance Statement (AGS), which forms part of the Council's financial accounts.
- 4.3. A list of the schools that had an audit can be found in Appendix 1. It details the audit opinion, number of recommendations made, and the date of the final report.

5. Direction of travel

- 5.1. In addition to providing an assurance opinion, internal audit also notes the direction of travel for each school. It compares the audit assurance opinion from the last audit (normally three years earlier) to the current assurance opinion.
- 5.2. The graph below show the direction of travel for 2015/14 compared to 2014/15. It shows that 38% of the audits have a lower audit opinion than last time. This does not necessarily mean they have a negative opinion. They could have moved from Substantial to Satisfactory, which are both positive opinions. In addition, 42% of schools audit opinions have improved since the last audit, which is a step in the right direction.



6. Follow-up reviews

- 6.1. Where a school has had a negative assurance opinion, (Limited or No Assurance), internal audit will conduct a formal follow-up review, normally nine months after the final report. This allows time for the agreed actions to be implemented and assessed.
- 6.2. During the internal audit review, the auditor will review the status of all the agreed High and Medium recommendations made and provide a brief report to Senior Management

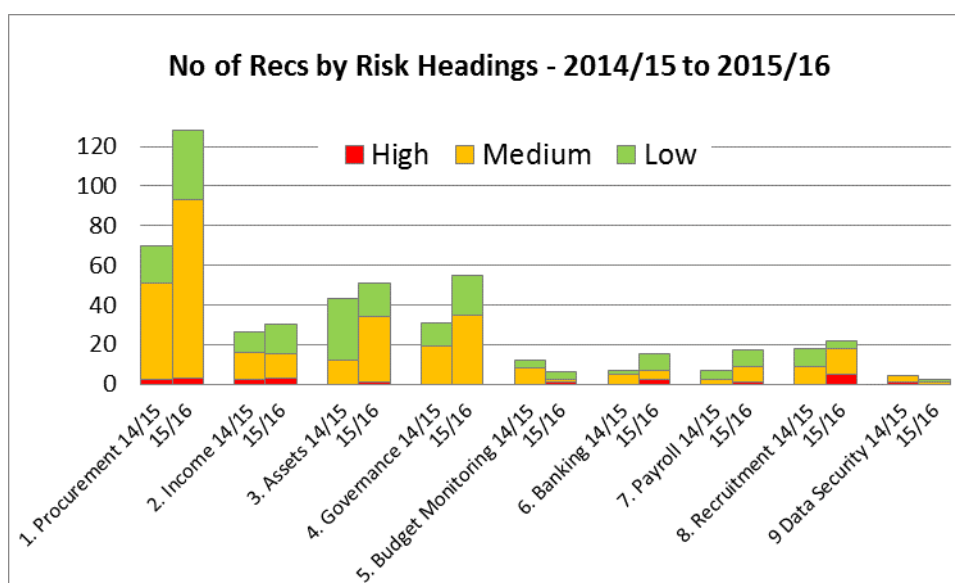
at the school, Chair of Governors and relevant Senior Management at the Council. These follow-up reviews are in addition to any updates provided by the school to the CYP Directorate.

- 6.3. For 2015/16, the two schools that had negative opinions had their follow up reviews done in April and May 2016. The status of the recommendations at the time of the follow-up are set out in the table below.

Audit Followed – Up	Original Opinion	Original Final Rpt Date	Follow-up Rpt Date	Implemented	In Progress	Not Implemented	Total
Adamsrill Primary	Limited	26/08/15	26/04/16	9	5	2	16
Watergate Special	Limited	11/08/15	09/05/16	11	1	1	13

7. Recommendations

- 7.1. The auditor will make recommendations where improvements to controls are required. A comparison to the number of recommendations made for the previous year can be seen in the graph below.



- 7.2. As you can see, the main areas where the majority of recommendation are made are Procurement, Governance, and Assets. This is a consistent theme. There has been an increase of medium recommendations in Procurement compared to last year. There does not seem to a particular reason for this. However, the majority of secondary schools were audited in 2015/16 so this may account for the increase.

- 7.3. The main findings in Procurement are:

- Non-compliance with the procurement levels set by the Council, EU regulations and the school's own procurement levels.
- Purchase Orders (PO) not being raised (and therefore commitment to spend not approved).
- POs not completed prior to purchasing the goods or receiving the invoice.
- Lack of separation of duties in the procurement process.

- Not obtaining authorisation from the Council's payroll department to pay individuals from the schools bank account (rather than through payroll).
- Purchasing alcohol, gift vouchers, payment to staff social events and leaving / birthday presents out of schools main bank account.

7.4. The main findings in Governance:

- Lack of approval from Governing body for finance policy and / or local scheme of delegation.
- Finance policy not being updated with key changes.
- Register of interest forms not completed by governors or staff with financial responsibility (or staff that can influence spend).
- Governors not declaring invoiced work at the school they are a governor at.
- Voluntary Fund / School Fund not audited and presented to governors for approval.
- Changes to the schools website regarding governors not being done in a timely manner.

7.5. The main findings for Assets Management:

- Lack of segregation of duties - the officer who maintains the asset register also completes the stock take.
- Asset register not in place or not containing all the appropriate assets.
- Annual stock take not done.
- Write off policy not in place.
- Write off of assets not documented or authorised.
- Assets not appropriately security marked.

7.6. In light of these same key risks – governance, procurement and assets - continuing to be the ones on which internal audit raise significant recommendations, for the next three year review cycle starting in 2017/18 internal audit will revise their assurance reporting. In addition to providing the assurance opinion from the audit, as part of this a specific assurance opinion on these three key risks will also be given (using the same scales).

8. Conclusion

- 8.1. Overall, although the assurance opinions remain positive for the majority of schools the same types of recommendations continue to be made in a significant proportion of schools in the same areas - governance, assets and procurement. For the next round of audit reviews an assurance opinion on these three risks will be provided, as well the overall one for the audit.
- 8.2. To improve controls in schools and avoid the financial and reputational risks associated with any failure for these reasons, internal audit recommends that the Governors consider including a review of recommendations from internal audit and/or other reports as a regular agenda item. This will enable them to monitor the progress of actions to address recommendations and respond to any issues that may arise.

9. Financial implications

There are no financial implications arising directly from this report.

10. Legal implications

There are no legal implications arising directly from this report.

11. Crime and disorder implications

There are no crime and disorder implications arising directly from this report.

12. Equalities implications

There are no equalities implications arising directly from this report.

13. Environmental implications

There are no environmental implications arising directly from this report.

14. Background Papers

If there are any queries on this report, please contact David Austin, Head of Corporate Resources, on 020 8314 9114, or email him at: david.austin@lewisham.gov.uk .

Appendix 1 - Schools' audited in 2015/16

School	Assurance level given	H	M	L	Areas / Risks tested during the review	Date of final report
Watergate	Limited	1	12	10	Procurement, Banking, Budget Monitoring, Governance, Recruitment, Payroll, DPA, Income and Asset Management	11/08/15
Adamsrill School	Limited	1	15	6	As above	26/08/15
Abbey Manor College	Satisfactory	-	11	10	As above	16/09/15
Athelney Primary School	Satisfactory	-	7	1	As above	10/03/16
Bonus Pastor RC College	Satisfactory	1	8	10	As above	15/12/15
Chelwood Nursery	Satisfactory	1	12	3	As above	22/10/15
Deptford Green Secondary	Satisfactory	-	8	4	As above	15/10/15
Edmund Waller Primary	Satisfactory	1	8	-	As above	18/09/15
Forest Hill Secondary	Satisfactory	-	11	5	As above	25/02/16
Holbeach Primary	Satisfactory	-	10	1	As above	03/02/16
Kender Primary	Satisfactory	-	7	2	As above	06/07/15
Launcelot Primary	Satisfactory	-	7	4	As above	23/02/16
Our Lady and St Philip Neri RC Infant and Jnr	Satisfactory	3	9	9	As above	04/02/16
Trinity All Through CE Secondary	Satisfactory	2	6	2	As above	13/11/15
Sedgehill Secondary	Satisfactory	3	7	-	As above	26/04/16

Appendix 1 - Schools' audited in 2015/16

School	Assurance level given	H	M	L	Areas / Risks tested during the review	Date of final report
Kilmorie Primary	Satisfactory	1	11	1	As above	22/04/16
Prendergast Hilly Fields College (Secondary)	Satisfactory	1	9	-	As above	29/07/16
Prendergast Ladywell Fields College (Secondary)	Satisfactory	1	9	1	As above	29/07/16
Addey & Stanhope Secondary	Substantial	-	2	2	As above	19/08/15
Conisborough College - (Colfe's Associated School)	Substantial	-	2	13	As above	15/10/15
Fairlawn Primary	Substantial	-	4	-	As above	02/10/15
Forster Park Primary	Substantial	-	5	10	As above	27/01/16
St Mary Magdalen's Catholic	Substantial	-	5	1	As above	02/07/15
St Michael's CE Primary	Substantial	-	4	8	As above	19/10/15
Sydenham Secondary	Substantial	-	6	7	As above	27/11/15
Prendergast Vale College (Secondary)	Substantial	-	3	1	As above	29/07/16

Appendix 2 - Definitions of audit opinions and categories of recommendations

Level	Definition
Substantial Assurance ★	A strong framework of controls is in place to ensure that the service area is more likely to meet their objectives. In addition, the controls in place are continuously applied or with only minor lapses.
Satisfactory Assurance ●	A sufficient framework of controls is in place, but could be stronger to improve the likelihood of the service area achieving its objectives. In addition, the controls in place are regularly applied, but with some lapses.
Limited Assurance ▲	There are limited or no key controls in place. This increases the likelihood of the service area not achieving its objectives. Where key do controls exist, they are not regularly applied.
No Assurance ■	There is no framework of key controls in place. This substantially increases the likelihood that the service area will not achieve its objectives. Where key controls do exist, they are not applied.

Definitions of Category of recommendations.

High	It is crucial that this recommendation is implemented immediately. This will ensure that service area will significantly reduce its risk of not meeting its objectives.
Medium	Implementation of this recommendation should be done as soon as possible, to improve the likelihood of the service area meeting its objective.
Low	Implementation of this recommendation would enhance control or improve operational efficiency.

Agenda Item 7

LEWISHAM SCHOOLS' FORUM		
Report Title	Lewisham Schools Annual Health and Safety Report 2015/16	
Key Decision	No	Item No. 7
Ward	All	
Contributors	Head of Corporate Resources, Service Manager – Estates Management & Contracts	
Class	Part 1	Date: 6 October 2016

1. Purpose of the report

- 1.1. This report presents members of the Schools Forum with a summary of the 2015/16 Health & Safety (H&S) work in schools.

2. Recommendations

- 2.1. It is recommended that the Schools Forum note this report.

3. Background

- 3.1. The Council aims to carry out the following annually:
- Self-Assessment H&S Audits of all schools in the borough
 - A selection of onsite H&S audits of schools for community schools
 - Offer schools a Statutory Inspection audit through a SLA
 - Inspections of all schools with radiation sources (under CLEAPPS guidelines)
 - Offer schools a Fire Services SLA inclusive of a Fire Risk Assessment (FRA)
 - Review and any follow up required on all reported accidents, incidents, dangerous occurrences and instances of work-related ill-health.

4. Onsite and self-assessment H&S audits

- 4.1. The council aims to conduct a full (onsite) audit on all community schools on a four year cycle. During the academic year 2015/16 six schools were audited.
- 4.2. Further to the rolling onsite audits noted in 4.1 the council on an annual basis requests that every school complete a self-assessment audit of their H&S arrangements. This is partly for assurance purposes but also to maintain awareness of H&S matters within schools.
- 4.3. The format of the audit is reviewed annually following feedback from the schools and any changes in H&S legislation and policy. The 2016/17 self-assessment audit (to be issued in November) aims to have clearer categories with more explanatory notes. It was noted that in some cases previously there was a weakness in the understanding of risk assessment and risk management. The Council will continue to issue advice and is looking into how this may be incorporated into the 2016/17 training programme.

The scope of each self-assessment audit reviews the key risk areas for effective management of H&S in the school. Within each of these areas specific risks are considered. These are:

- **H&S Documentation** including Policies, Procedures and Risk Assessments
- **Workplace/Site-specific arrangements** such as, for example, statutory inspections including gas, electricity and boilers, and other inspections such as playground equipment and security)
- **Job Specific risks** such as, for example, lone working, working at height, homeworking, use of computers and manual handling.
- **Hazardous materials** such as, for example, laboratory chemicals, cleaning chemicals and specialist substances used in arts projects.
- **Work Equipment risks** such as, for example, maintenance of workshop equipment, maintenance of ladders, maintenance of contractors' equipment such as floor cleaners and ovens.
- **Occupational Health** such as, for example, medical follow up on issues such as back problems and stress.
- **Welfare** such as, for example, provision (and maintenance) of adequate changing facilities, toilets, dining areas and locked storage.

- 4.4. Noting the lack of response from some schools to the self-assessment questionnaire in 2014/15 the council has introduced a more robust procedure for following up those schools not responding. This resulted in an increase of 10% more school returning the audits in 2015/16. The majority of those not reporting were found to be non-community schools. However It should be noted that while in respect of voluntary aided schools (VA) the Chair of Governors is the statutory duty holder the council has a duty of care to ensure that **all** schools within the borough meet acceptable health and safety standards and further work is planned on the assessment process.
- 4.5. The Council's onsite H&S audits of schools for the 2015/16 year up to January 2015 were conducted by the Corporate H&S Team under an SLA agreement with the Council. This approach was changed during the Council's restructure and a new post, Schools' H&S Compliance Officer, was created. This position aims to cover H&S compliance, radioactive source management and statutory compliance within schools and has been staffed as an interim post during the recruitment process for a permanent member of staff.
- 4.6. In 2014/15 seventeen onsite audits were planned with five completed before the arrangements changed in January 2015. Five audits were then completed in 2015/16. The assurance opinions from these audits were:

	2014/15	2014/15	2015/16
Schools	Onsite Audit	Self-Assessment	Self-Assessment
Abbey Manor	Excellent	Excellent	Excellent
Baring	Good	Not returned	Excellent
Dalmain	Excellent	Excellent	Excellent
Greenvale	Excellent	Not returned	Not returned
Haseltine	Good	Not returned	Excellent

	2015/16	2014/15	2015/16
Schools	Onsite Audit	Self-Assessment	Self-Assessment
Ashmead	Good	Excellent	Excellent
Coopers Lane	Good	Not returned	Not returned
Drumbeat Downham	Excellent	Excellent	Not returned
Drumbeat Brockley	Excellent	Excellent	Not returned
Sedgehill	Good	Not returned	Excellent

- 4.7. All onsite audits conclude with a report and an assurance opinion that is shared with the Council and the School's Governors and Senior Management. The H&S assurance opinions used by the Council are:

H&S Assurance Opinion	Adequacy of H&S arrangements	Compliance with H&S arrangements
EXCELLENT	Robust framework of controls matched to risk ensures H&S objectives are likely to be achieved.	H&S controls are applied continuously or with minor lapses.
GOOD	Sufficient framework or key controls for H&S objectives to be achieved but could be stronger.	H&S controls are applied with some lapses.
WEAK	Risk of H&S objectives not being achieved due to the absence of key internal controls.	Significant breakdown in the application of H&S controls.
POOR	System of control not in place. Absence of basic H&S controls resulting in inability to meet objectives.	Absence of compliance with fundamental H&S controls.

- 4.8. H&S reports are typically carried out on an exception basis (i.e. recording only areas for improvement). Within each audit report where areas for improvement are noted recommendations are made. These are rated High, Medium, or Low and it is the responsibility of the School's management to record when and by whom the recommendations will be addressed and feedback the same to the Council.

5. Radiation Source Management Inspections

- 5.1. 2015/16 saw the introduction of annual inspections under CLEAPSS guidelines (see www.cleapss.org.uk) for those schools managing radioactive sources. Nine schools were identified for inspection (six community and three voluntary aided) of which two have been inspected to date (Sedgehill and Forest Hill), both receiving an "excellent" rating. The remainder are programmed to be inspected before Christmas.

6. H&S Training

- 6.1 Whilst the Council offers Governors training and a full suite of courses throughout the year, a number of schools identified a lack of take up (via the self-assessment and onsite audits) as an issue impacting their H&S arrangements.

- 6.2 Stress management, lone working and events risk assessment and management have been identified as key areas needing further support from the council.
- 6.3 The requirement for Trained Assessors (for example, for the risks of working at height, display screen equipment (workstation) assessment, manual handling, construction and maintenance projects, fire marshals and PEEPs training) has again been identified by some schools.
- 6.4 The council is currently preparing a new training programme for the current year in consultation with schools to try and ensure the most effective delivery. Consideration is being given to e-learning alongside traditional classroom methods.
- 6.5 Nonetheless, and noting these specific areas for attention and action to continue to improve, overall the combination of generally positive full audit opinions and high self-assessment scores indicates that schools are moving forward positively and with confidence in respect of H&S.

7. Incident Reporting

- 7.1 Accidents, incidents and dangerous occurrences continue to be reviewed monthly and comparison statistics are given in Appendix 1 below.
- 7.2 Primary schools continue to report the most accidents and these are largely trips and falls and bumps from collisions.
- 7.3 Assaults by pupils have also increased slightly overall and this will continue to be monitored closely. One school has received death threats further to an event they organised. This will be considered within the training management programme currently being developed. In particular, de-escalation training and general personal safety training have been highlighted. In addition, there will be a focus on providing schools with information and training on how to risk assess and manage events.
- 7.4 From site inspections it was noted that many instances of verbal and minor physical abuse are not being recorded and further advice will be issued regarding what constitutes abuse and how it should be followed up.
- 7.5 Finally, a number of schools have not been reporting RIDDOR incidents to the HSE or appear not to be reporting incidents to the Council. These have been identified and the schools will be individually approached over the incidents concerned. Schools have already received advice from LBL and from the HSE on this subject but further advice and reinforcement will be provided.

8. Statutory Maintenance

- 8.1 In 2015/16 the statutory maintenance audit SLA become chargeable to schools. As such schools were offered the opportunity to purchase the SLA or self-assess and provide evidence of compliance.
- 8.2 Only a third of schools purchased the statutory maintenance audit SLA with number of schools failing to confirm compliance with some of the schools who undertook their own self-assessment not understanding their responsibilities or unable to provide satisfactory evidence to demonstrate statutory compliance. This leaves the school and the Council vulnerable.
- 8.3 In light of the lack of clarity and perceived understanding relating to statutory compliance and the paramount importance of ensure school buildings and managed and maintained in accordance with relevant legislation all school governors have been communicated through the governors bulletin. The purpose of the message was to raise awareness of both the governing bodies and schools statutory duties. Further the council are reviewing how statutory compliance is monitored and will report back to Schools Forum at the next meeting.

9. Summary and Actions

In summary, the majority of schools are performing well in terms of compliance and continue to improve.

The key issues being addressed by the council to support this in 2016/17 are:

- Appraising schools' H&S training with the aim of developing a more accessible and focussed training programme.
- Reinforcing the procedures for reporting accidents, incidents, dangerous occurrences and work-related ill-health with a view to improving the standard of general reporting and especially focussing on RIDDOR reportable incidents and the subsequent follow up investigations, and abuse.
- Significantly improving reporting from the schools' the self-assessment H&S auditing.
- Raising the level of onsite H&S auditing.
- Reviewing the monitoring of schools statutory compliance.

For further information on this report please contact:

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Appendix 1 – Incident Statistics – 2015/16

Row Labels	Count of Primary Cause of Incident
Abuse verbal/threatening behaviour	13
Another kind of accident/incident	197
Assault by a member of the public on an employee	5
Assault by a pupil/client on an employee	484
Assault by a pupil/client on pupil/client	104
Contact with electricity/discharge	1
Contact with moving machinery/machined material	16
Contact with moving/flying/falling object/person	996
Contact with sharp edge inc. needles	34
Contact with something fixed or stationery	521
Dangerous Occurrence	2
Drowned or asphyxiated	1
Exposure to an explosion	2
Exposure to fire/heat	10
Exposure/contact to a harmful substance	7
Exposure/contact with hot material/substance	10
Fall from a height	126
Human bite	44
Illness	10
Incident/Accident involving a vehicle	15
Injured by an animal/insects	3
Injured whilst manually handling, lifting/carrying	33
Known Medical condition	3
Near miss	29
Not known	136
Property/equipment damage only	4
Slip/trip/fall on same level	816
Swallowed inhaled substance	4
Swimming/diving related activity	2
Trapped by something collapsing/overturning	9
Grand Total	3637

Agenda Item 8

LEWISHAM SCHOOLS FORUM			
REPORT TITLE	Catering Contract Annual Report		
KEY DECISION	Yes	Item No.	8
CLASS	Part 1	Date	6 October 2016

1. Purpose of the Report

The purpose of this report is to review the performance and charging mechanism for schools.

.2 Recommendation

The Forum agree

- i. To note that revising the charging method could cause wide variations for Primary, Special and Nursery schools.
- ii. To agree to continue to charge Primary, Special and Nursery schools on the current charging basis of pupil numbers and FSM Ever 6 numbers for 2017/18
- iii. Agree to increase the price of a paid meal from £2.00 to £2.10 from 1 May 2017
- iv. Note the performance of the contract since commencement 1 May 2015
- v. To distribute the £200k balance relating to the old catering contract to schools on the basis of the proportion of payments into the contract over the last two years of the contract.

3 Background

In May 2015, Lewisham Council entered into a school meals contract with Chartwells on behalf of schools for five years with the option to extend for two further years subject to the necessary approvals.

The contract was awarded inclusive of payment of the London Living Wage on a phased implementation. There are 71 schools who have bought into the school meals centralised service with contract value of circa £4.5m, the exact figure will vary due to the number of meals supplied and inflationary pressures.

4 Charging

- 4.1 Due to the phased implementation of the London Living Wage in the first two years of the contract it was anticipated that staffing costs

would increase by circa 20% with the potential of further above inflationary increases anticipated. To avoid primary schools experiencing a steep rise in the costs after the first term and commencement of the second full academic year officers proposed that the current charging at contract commencement should be continued allowing the cost of the school meals provision to be evened out over the life of the contract (first five years). Officers considered a number of variables such as staffing costs, inflation, and some are more predictable than others. A risk remains around national decisions, such as the future of the universal infant free meals. It is likely to mean that an adjustment to this price or charge will need to be made in the future. As the catering contract is run on a self-financing basis the charge could go down as well as up.

- 4.2 The current basis of charging schools is based on a combination of pupil numbers and FSM Ever 6. This may or may not reflect the cost of the contract for individual schools as each will have a different level of take up of meals. The advantages to this method are that the charge and the funding provided to the schools within the formula allocation can be matched and that the charge can be levied at the start of the year, providing schools with more certainty over the charges. An alternative would be to base the charge on the number of meals supplied which would seem more logical. If the method were to change, schools with higher take up and/or higher free school meal numbers would see the level of their charge increase whilst some schools would see a decrease. Also, the link between the funding provided and the charge would be broken and the charges could not be levied until the meal numbers were known.
- 4.3 In February 2016 Schools Forum asked officers to explore an alternative method of charging based on a per meal price.
- 4.4 As requested by Schools Forum officers undertook an exercise to determine the impact should school meal charges be based on a per meal price rather than based on the current method as set out in 4.2. The modelling of the charges is complex in order to anticipate future costs and volumes and currently shows that there would be significant increases and decreases in charges. The initial model indicates that 47% of schools will see a change in their charges of more than 10% (see Appendix 1). The adoption of a per meal charging policy may leave schools open to additional risk as falls or increases in uptake or supporting funding e.g. UIFSM could lead to uncertainty around the amount of budget to set aside. Further there will be a greater responsibility on the schools to ensure meal numbers are accurately reported.
- 4.5 Since the commencement of the contract the minimum hourly rate for staff has risen to £9.15 (September 2016) with a further increase to £9.40 to be implemented 1 April 2017. This increase represents a circa 20% increase.

- 4.6 Given the degree of movement in charges that would result from moving to meal based charging along with the increased level of uncertainty and much later raising of charges, it is recommended that the current method of charging based on roll numbers and FSM Ever 6 be retained.

5 Paid Meal charges

- 5.1 The current charge to a parent for a paid primary school meal is £2.00, however the actual cost of a meal is in an excess of this. Therefore for every paid meal there is a subsidy which is borne by the school.
- 5.2 In February 2016 Schools Forum agreed to permit an annual increase of ten pence to the primary paid meal until the price is comparable to the governments agreed price of £2.30 for Universal Infant Free School Meals (UIFSM).
- 5.3 Benchmarking data indicates the uplift still places Lewisham on the low side in London. The current cost of the universal free school meal grant is £2.30. This is more in line with the paid meal charges of other London Boroughs.
- 5.4 Therefore it is recommended that Schools Forum agree to increase the primary paid meal price by 10 pence to £2.10 for 1 May 2017 and agree to consider a further uplift in a years' time.
- 5.5 As noted in 6.1 each paid meal is currently subsidised. Therefore an increase in the charge of the paid meal will reduce the cost of the contract to schools.

6 Overview of the Contract Performance (year one)

- 6.1 The school meals contract has been in operation for four terms and completed one full academic year September 2015 - July 2016. Noted below are some of the benefits realised since the contract commenced.
- 6.2 Despite the number of schools within the central contract reducing, the take up of meals between April 2015 - March 2016 increased by nearly 178,000 meals an increase of circa 6%.
- 6.3 The school meals contract employs circa 470 staff with 70% of the workforce being Lewisham residents. Since the commencement of the contract staff will have seen a circa 20% increase in salary to reflect Lewisham Council and our schools commitment to pay the London Living Wage. Further, three apprentices and one graduate have been employed on the contract with Chartwells looking to recruit additional apprentices in the next year.
- 6.4 Chartwells have attained or retained the following;

- Food for Life Silver
- Sustainable Fish City
- Red tractor
- Fairtrade

This above has contributed to Lewisham becoming joint second in London rankings as rated by the Good Food for London Report.

- 6.5 The programme for schools and the community continues to expand at the Lewisham Training Kitchen and 18 nutrition assemblies were conducted by Chartwells
- 6.6 The Council's Education Catering Client team continue to monitor the school meals contract and have entered into a partnership with Environmental Health to enable increased visits to school and better working relations.
- 6.7 In addition to the school meals contract the Council manage an FM and equipment contract to ensure the school kitchen estate complies with statutory guidance and food safety regulations. Unfortunately the contract that commenced in June 2016 had to be terminated due to poor performance with an interim arrangement in place until March 2017. A new maintenance provider will be procured for the summer 2017 term.

7 Former Catering Contract Balance

- 7.1 Having received a further payment from Chartwells relating to the catering contract that ended in April 2015, there is now a £200k balance relating to this old contract.
- 7.2 In February 2016 the Forum agreed to distribute the balance at that time to schools on the basis of the contract payments made to schools in the last two years of the contract.
- 7.3 Agreement is sought to perform the same distribution of the current £200k balance in the same way.

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Schools Forum, October 6th 2016
Item 8 - Catering Contract Annual Report
Appendix 1 - Comparison Of Catering Charging Methods

	Methodology - Pupil No's & FSM Ever 6	Methodology - Take Up	Movement	
Adamsrill Primary	140,576	125,352	15,224	-10.8%
All Saints Primary	-	-	-	
Ashmead Primary	61,647	60,105	1,542	-2.5%
Athelney Primary	122,307	112,836	9,471	-7.7%
Baring Primary	63,828	65,901	2,073	3.2%
Beecroft Primary	81,711	90,380	8,669	10.6%
Bindishe Manor Primary	103,159	89,491	13,668	-13.2%
Brindishe Green Primary	166,740	146,147	20,593	-12.4%
Brindishe Lee Primary	63,036	63,755	719	1.1%
Childeric Primary	114,591	110,597	3,993	-3.5%
Cooper's Lane Primary	117,430	102,811	14,619	-12.4%
Dalmain Primary	96,646	89,393	7,252	-7.5%
Deptford Park Primary	-	-	-	
Dowderry Primary	124,755	110,177	14,577	-11.7%
Edmund Waller Primary	100,342	101,134	792	0.8%
Elfrida Primary	107,235	115,426	8,191	7.6%
Eliot Bank Primary	117,488	113,810	3,678	-3.1%
Fairlawn Primary	-	-	-	
Forster Park Primary	124,824	109,007	15,817	-12.7%
Good Shepherd School	68,248	69,503	1,254	1.8%
Gordonbrock Primary	134,171	124,627	9,544	-7.1%
Grinling Gibbons Primary	-	-	-	
Haseltine Primary	132,360	134,457	2,097	1.6%
Holbeach Primary	112,047	98,504	13,543	-12.1%
Holy Cross Primary	59,747	67,899	8,152	13.6%
Holy Trinity Primary	50,708	52,505	1,796	3.5%
Horniman Primary	51,311	45,058	6,252	-12.2%
John Ball Primary	108,711	97,035	11,676	-10.7%
John Stainer Primary	72,701	79,113	6,412	8.8%
Kelvin Grove Primary	153,505	161,122	7,616	5.0%
Kender Primary	90,218	110,401	20,184	22.4%
Kilmorie Primary	108,153	111,214	3,061	2.8%
Launcelot Primary	106,214	99,480	6,734	-6.3%
Lucas Vale Primary	107,689	114,205	6,516	6.1%
Marvels Lane Primary	-	-	-	
Myatt Garden Primary	114,479	119,668	5,189	4.5%
Our Lady and St Philip Neri Primary	72,148	71,978	170	-0.2%
Perrymount Primary	61,602	54,929	6,673	-10.8%
Rangefield Primary	119,576	110,757	8,819	-7.4%
Rathfern Primary	122,016	133,730	11,714	9.6%
Rushey Green Primary	-	-	-	
Sandhurst Infant	78,738	70,963	7,776	-9.9%
Sandhurst Junior	77,966	90,220	12,254	15.7%
Sir Francis Drake Primary	-	-	-	
St Augustine's Primary	55,429	55,121	307	-0.6%
St Bartholomew's Primary	81,423	80,593	829	-1.0%
St George Primary	-	-	-	
St James's Hatcham Primary	60,075	68,846	8,771	14.6%

	Methodology - Pupil No's & FSM Ever 6	Methodology - Take Up	Movement	
St John Baptist Primary	53,522	63,141	9,620	18.0%
St Joseph's Primary	85,105	97,337	12,231	14.4%
St Margaret's Lee Primary	54,518	61,511	6,993	12.8%
St Mary Magdalen's Primary	53,040	57,272	4,232	8.0%
St Mary's Lewisham Primary	54,663	60,726	6,063	11.1%
St Michael's Primary	-	-	-	
St Saviour's Primary	59,567	62,621	3,055	5.1%
St Stephen's Primary	62,692	58,867	3,825	-6.1%
St William of York Primary	66,621	71,579	4,959	7.4%
St Winifred's Primary	73,101	87,389	14,288	19.5%
Stillness Infant	73,817	79,182	5,365	7.3%
Stillness Junior	83,415	100,809	17,394	20.9%
Torridon Infant	74,912	85,256	10,344	13.8%
Torridon Junior	85,782	82,990	2,792	-3.3%
Turnham Primary	92,678	102,901	10,223	11.0%
Trinity Lewisham Primary	75,806	29,596	46,211	-61.0%
Brent Knoll School	39,108	36,734	2,374	-6.1%
Drumbeat School	40,616	49,447	8,832	21.7%
Greenvale School	28,799	36,064	7,265	25.2%
New Woodlands School	29,388	33,319	3,931	13.4%
Watergate School	26,810	27,393	583	2.2%
Chelwood Nursery School	14,374	15,787	1,413	9.8%
Clyde Nursery School	18,369	24,079	5,710	31.1%

Agenda Item 9

Schools Forum			
REPORT TITLE	Spending review of selected DSG budgets – School Admissions and Appeals Team		
KEY DECISION	Yes	Item No.	9
CLASS	Part 1	Date	6 October 2016

1. Purpose of the Report

As part of the budget setting process it was agreed that it was not possible to review all the budgets in the Dedicated School Grant in one meeting when the total Dedicated School Grant budget is set as it did not allow sufficient time to give proper consideration to the issues. Officers were asked to bring a rolling programme of reviews. This report reviews the School Admissions and Appeals Team

2. Recommendation

The Forum note the report

3. Background

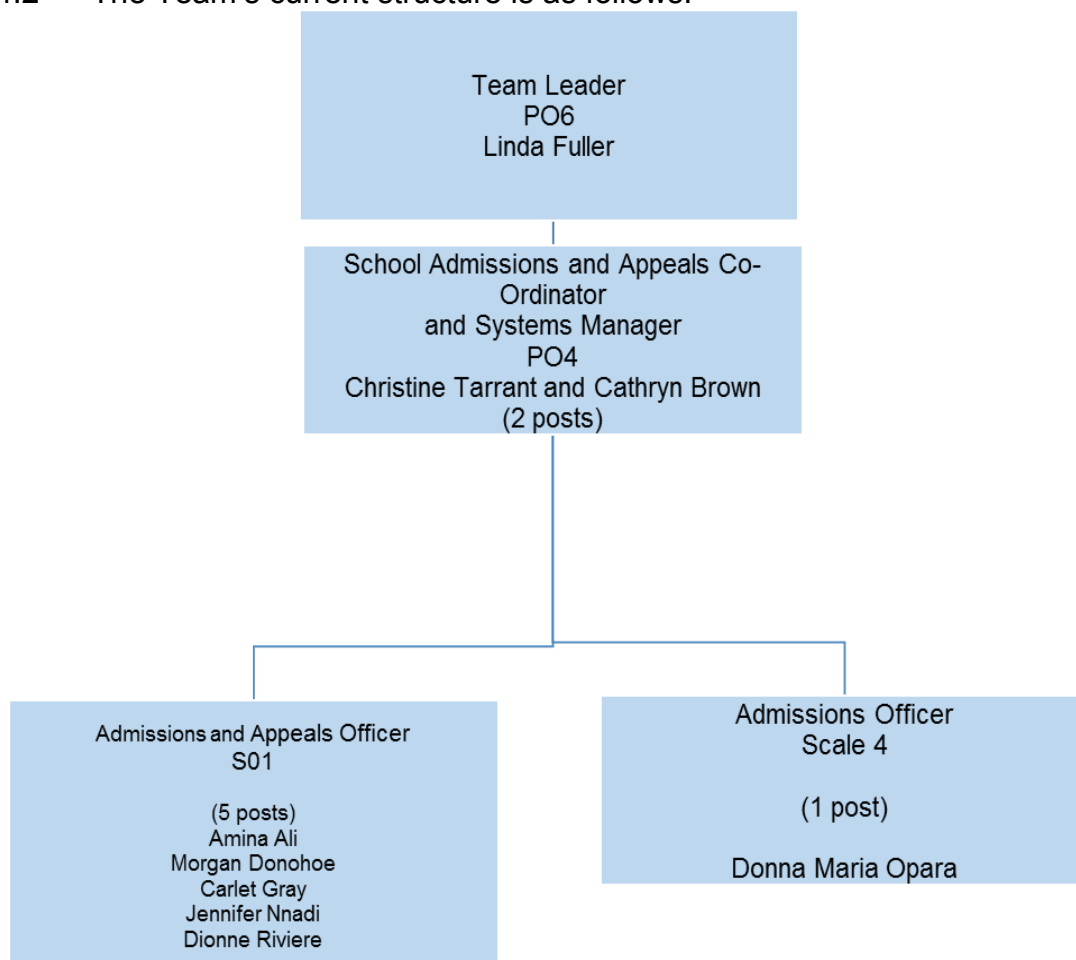
- 3.1 Lewisham is an inner London borough and the demand for school places is not expected to diminish for the foreseeable future. Current predictions are that over the next 20 years Lewisham will see one of the fastest population growths in London. The population of Lewisham is driven by the birth rate (5,000 live births each year) however immigration from overseas as well as inward migration by families seeking work in the Capital also influence demand.
- 3.2 The School Admissions and Appeals Team is the first source of school application data and information is regularly presented to the Place Planning Manager and strategic planning meetings.
- 3.3 Reception Admissions: In Lewisham 3848 Lewisham resident children made an on time application i.e. before 15 January 2016. The outcomes for these children are as follows: 80.4% first preference, 92.8% second preference.
- 3.4 Secondary Admissions: In Lewisham 3040 Lewisham resident children made an on time application i.e. by 31 October 2015. The outcomes for these children are as follows: 59.9% first preference, 84.3% second preference.

3.5 To safeguard children the home local authority has a statutory duty to ensure children are placed in school without delay. The aim of Lewisham's in year admission arrangements is to provide an applicant with an outcome of their school application within 20 school days. Whilst this deadline has been achieved for in year primary admissions the deadline has not always been met for secondary applications. This is because secondary schools in Lewisham have required the Admissions Team to collect additional information about the child not already collected on the in year application form from the previous school before agreeing to offer a place. This process adds time onto the period a child is out of school and considerably delays the admissions process.

4. Service Budget

4.1 The Admissions Team's budget £449,104 is met from the Dedicated Schools Grant (DSG) and predominantly covers the staff budget (92%) the remaining budget covers Lewisham's annual contribution to the pan London Register and the Schools Admissions Module (SAM) and other expenses including stationery.

4.2 The Team's current structure is as follows:



5. National Regulations

The regulations state that the Local authority can propose the budget for admissions up to the amount up to the value committed in 2014-15. The schools forum have power to decide the budget level.

6 Value for money/ price per pupil assessment

- 6.1 The budget has been historically capped with no allowance for inflation. With the rise in pupil numbers this has meant the cost per pupil of £16 on 2011/12 has fallen to £14. When compared with our statistical neighbours Lewisham ranks the 5th highest out of 10 authorities. Islington is the highest at £35 per pupil. Croydon reports a spend of £22. One authority reports no spend. Lewisham spend is just below the average for our statistical neighbours.
- 6.2 No other London Local Authority's Admissions Team is structured in the same way as Lewisham and local authorities are of various sizes dealing with differing cohorts. From recent recruitment opportunities advertised by other London local authorities Lewisham's admissions officers are similarly graded.

7. In Year Admissions 2015/16 academic year

Although there is currently no statutory requirement for the local authority to coordinate in year admissions, Lewisham Council has determined that it will do so for all mainstream maintained schools, including faith, foundation and free schools and Academies. This enables the local authority to:

- monitor and track children's placement in school,
- refer cases to the Children Missing in Education (CME) Officer when a school offer is not taken up and it appears that the child is not attending full time education,
- inform the Place Planning Manager of demands for school places and
- identify trends in applications including outward or inward migration.

In year admissions relate to all admissions to primary or secondary schools in a year group other than the planned admissions scheme to primary (Class R to Year 6) and secondary school (Year 7 to Year 11).

Applications for reception and Year 7 made from July in the year before the admission year commences are considered as 'in year' applications'. Applications should be made on a Lewisham In Year Admission Common Application Form (iCAF) and returned direct to the School Admissions and Appeals Team.

7.1 Primary In Year - primary applications – academic year 2015/16

Year group	In-Year Transfer Request since 1/8/15	Not in Education applications received since 1/8/15	All Applications received since 1/8/15	Offers made since 1/8/15	Notified vacancies **	Declines
R	330	149	479	311	13	70
1	224	216	440	334	85	43
2	195	184	379	294	128	21
3	197	181	378	287	137	28
4	149	144	293	211	168	25
5	91	132	223	193	263	14
6	36	92	128	94	226	8
Total Year R - 6	1222	1096	2320	1724	1020	209

In some cases it has become necessary to admit children to primary school under the Fair Access Protocol. Such cases include the admission of:

- a Child Looked After (CLA) to their preferred school,
- a sibling where other children in the family have been offered a vacancy but where a place does not exist for the child in question,
- where the child is new to the local authority and there are no vacancies within a reasonable distance to the family home or
- where there are safeguarding concerns and it has been necessary to transfer the child to a school which is full.

During the 2015/16 academic year 44 children were placed to accommodate such children by Admissions Officers under the Fair Access Protocol in the following year groups:

Year Group	R	Y1	Y2	Y3	Y4	Y5	Y6	Total
Placements	19	5	5	2	7	5	1	44

7.2 Secondary In Year – secondary applications 2015/16 academic year

Year group	In-Year Transfer Request since 1/8/15	Not in Education applications received since 1/8/15	All Applications received since 1/8/15	Offers made since 1/8/15	Notified vacancies **	Declines
7	114	45	159	88	134	6
8	130	60	190	101	207	4
9	93	60	153	90	260	5
10	71	58	129	70	187	0
11	31	40	71	57	222	1
Total Year 7-11	439	263	702	406	1010	16

Bonus Pastor Catholic College, Haberdashers' Aske's Knights Academy and Sedgehill School did not update their roll information during the 2015/16 academic year so the actual number of vacancies may be greater than those given above.

The Admissions and Appeals Team has reminded all schools of the requirement to update their admissions numbers regularly and as they change for the 2016/17 academic year. The Team will challenge those schools who do not comply and, if necessary, cases will be escalated to senior officers for resolution.

7.3 In Year Admissions – 2016/17 academic year

The demand for school places for the 2016/17 academic year shows no sign of abating. Data relating to the in year admissions process so far this academic year (up to 29 September 2016) is as follows:

Primary and Secondary In-Year applications as at 29th September 2016

Primary

Year	Applications	Offers/Accepted	Awaiting Proofs	Withdrawn
R	125	88	3	31
1	187	93	11	69
2	112	67	10	36
3	113	74	17	28
4	97	63	10	34
5	90	64	7	27
6	61	45	9	14
Total	785	494	67	239

Secondary				
Year	Applications	Offers/Accepted	Awaiting Proofs	Withdrawn
7	35	20	4	5
8	65	25	18	14
9	49	31	4	8
10	40	12	13	10
11	39	24	8	7
Total	228	112	47	44
Grand total	1013	606	114	283

Applications that are ‘withdrawn’ are those who are already on a roll of a local school, have applied for a transfer to another school in the area and where a place cannot be offered.

8. Challenges / gaps

8.1 There is likely to be a greater demand on officer’s time to:

- Counsel and advise parents on the process. Senior officers are attending eight secondary transfer meetings at Lewisham primary schools this month. They are all out of hours and means staff have to take time off in lieu (the team has not been able to claim overtime for these meetings for many years). This puts pressure on a small team at the start of the term.
- Process a higher proportion of applications. Although parents apply electronically the admissions process is not simply a press of a couple of buttons.
- Respond to growing numbers of enquiries; telephone, emails, complaints, MP enquiries etc:
 - 18 Corporate Stage 1
 - 1 Corporate Stage 2
 - 1 Corporate Stage 3
 - 28 MP enquiries
 - 2 Councillor enquiries
 - 1 Mayor enquiry
 - 4 General enquiries
 - 21 Freedom of Information requests
- Present and defend admission appeals – in a year the local authority was unable to meet demand for reception class places the Team presented and defended 120 admissions appeals.

- Meet groups of disgruntled parents – again the year the local authority was unable to meet demand the lead Councillor agreed to meet with groups of parents which required Officer presence.
- Have a lead on customer services and communications to manage the relationships with schools.
- Respond to customer enquiries including emails. So far the team have received and responded to:
1200 emails addressed to the School Admissions inbox in August and September 2016.
600 (approx.) emails each sent direct to the two Lead Officers and the Team Manager.

8.2 Ideally we would like more capacity to support the challenges and gaps identified in order to have a stronger customer service and communications focus, to better manage the relationships with schools, deal with the complaints and increase in work load, in particular during the busy periods, which the service is experiencing a growth in.

Schools Forum			
REPORT TITLE	Trade Union Facilities Time		
KEY DECISION	Yes	Item No.	10
CLASS		Date	6 October 2016

1. Purpose of the Report

To consider the current arrangements for facilities time for trade union representatives. To further consider the impact that future changes in government funding requirements may have on facilities time arrangements and how the Forum, may wish to manage this impact.

2. Background

- 2.1 Lewisham Council strongly supports the principle of collective bargaining and recognises the role that local trade unions can play in maintaining good employee relations, assisting communication between the authority and its workforce, as well as representing individual employees.

- 2.2 The Forum has supported the process of 'de-delegation' for a number of years now in relation to Lewisham maintained Primary and Secondary schools. The Forum has recognised the value of having a consistent group of experienced trade union representatives to work with on a borough wide basis. The budget in question relates to the teacher trade unions only.

3. Recommendation

- To continue 'de-delegation' for the 2017/18 financial year subject to the outcome of the consultation.
- To consider the options post the possible end of 'de-delegation.
- To consider adjustments to the current scheme in relation to paid time off for members to sit on their union National Executive Committee and in relation to paid time off to undertake the role of Union Side Secretary for the teacher unions.
- To consider the request from the Council's Head of HR to make a financial contribution to the corporate centre on behalf of schools for support staff union facilities time in schools.

4. De-delegation

- 4.1 Lewisham Council recognises the role that the local trade unions can play in maintaining good employee relations. There are distinct advantages for both authority officers and Headteachers/Governors in developing good working relationships with a core group of representatives. These representatives are familiar with local employment policies and employment law. Maintaining good working relationships with a core group assists good communication and often prevents unnecessary conflict and the escalation of disputes. The current arrangements work well on the whole.
- 4.2 The government is proposing to introduce a new national funding formula for schools in April 2018. With the current details available through the release of the first stage consultation earlier in the spring, it is not possible to see the exact impact on Lewisham. The most likely scenario is that schools in Lewisham will see a circa 10%, or £17m reduction in funding over the next three years. This is likely to impact on the level of traded services schools buy from the council. Likewise there is a review of the high needs block funding and it is expected the funding in the high needs block could also be reduced by some 10%, or £4.5m.
- 4.3 The DfE are proposing to withdraw current arrangements for de-delegation with the introduction of the hard national funding formula in 2019-20 to give schools greater responsibility for their budgets. Responsibility for services that can currently be de-delegated will rest with individual maintained schools, who will have a choice about whether to buy the service from the local authority or an alternative provider.
- 4.4 If de-delegation is no longer an option in the future, the Forum could consider offering a 'buy back' Service Level Agreement to schools to provide TOFTUA. The issue here is that many schools, those with stable budgets and staffing arrangements for example, may not accept that there is a value in facilities time and may not want to buy into this offer.
- 4.5 If only a small proportion of schools wanted to buy back it would not be viable both operationally and logistically. It would be nigh on impossible to keep control of where the unions spend their time and the small income is unlikely to cover release time in the way it does now. In reality, the union representatives would be expected to cover all schools. If the Forum are keen for a 'buy back' service to work and are concerned about the possible level of engagement from schools, they could consider merging TOFTUA with the supply (non-sickness) budget. This is likely to be more popular with schools as it covers maternity, paternity, jury service and suspension absence.

- 4.6 If the Forum decides that schools should manage facilities time locally within the school on an ad hoc basis, there are a number of potential problems to consider. Agreeing time off on an ad hoc basis could be disruptive to the school day. The current arrangement allows for staff not to be timetabled into the day, however, ad hoc release time would need to be covered as and when the request came in. The regional unions are likely to ask for local representatives to undergo formal training which can mean an average of 2 weeks away from school for each individual. It is also likely that the use of regional officer time would be required more frequently and this would slow down the ability to deal with case work quickly.
- 4.5 In Lewisham, two of the teacher union branch secretaries sit on their National Executive Committees and receive one day per week paid time off in term time. This is a heavy burden on Lewisham's resources. While time off should be granted for this purpose, it can be unpaid as it is considered a 'trade union activity' rather than a 'trade union duty' which does attract paid time off. The Forum are asked to consider if this is something they wish to change or make a charge for in the future going forward. Officers may then begin consultation with the affected representatives.
- 4.6 In the last year the role of union side secretary for the teaching unions has not been effective and has failed to add value to employee relations. This is evident amongst the unions themselves and the working arrangements between Schools' HR and the secretary. This role undertaken by the NUT as the largest union attracts a day per week of facilities time. It should also be noted that the Council's corporate HR function has deleted this role for the support staff unions. The Forum is asked to consider if facilities time should be continued for this purpose.
- 4.7 In the last financial year, the General Fund contributed 40K to the corporate TOFTUA budget to cover schools' usage of support union time. (This was in addition to the budget spent on teacher time). The amount was considered to be reasonable. It covered one full time equivalent representative. Bearing in mind that school staff make up over 50% of the Council as a whole and in particular membership of the GMB is almost entirely concentrated in schools. The Schools Forum are asked to consider if this arrangement should continue and where this contribution should come from if they agree to continue.

5. Budget 16/17

- 5.1 The current budget is £123,700
- 5.2 Spend on National Executive days for 2 representatives = £19,928
- 5.3 Spend on time allocated for union side secretary duties = £9,964

- 5.4 Spend on attendance at CYP Health and Safety Committee meetings = £1,532
- 5.5 Spend on attendance at CYP Joint Consultative Committee meetings = £1,532
- 5.6 Balance of budget left for employee case work allocation = £90,744

6. Conclusion

This is an opportunity for the Forum to consider now, how they want to deal with potential future changes to financial arrangements regarding TOFTUA and to also take the opportunity to review some of the current arrangements.

Diane Parkhouse

Schools' HR Team Business Manager – Children and Young People

Contact on 020 8314 6291 or by e-mail at diane.parkhouse@lewisham.gov.uk

25th September 2016

Dear Sara Williams and members of Lewisham Schools Forum

De-delegation funding for supply costs, including trade union facilities time

We are writing on behalf of all employees working within the boundaries of your local authority who are members of ATL, NUT and NASUWT.

You will recall that, from April 2013, local schools agreed through your Schools Forum to 'de-delegate' funding for supply cover costs going forward, including for trade union facilities time. Where de-delegation took place we believe this was the right decision and would like to see this replicated across both Primary and Secondary phases.

We believe that the central retention and distribution of the fund is the most effective and efficient arrangement and would like to work with you to ensure that this arrangement applies to all schools. Discussions are now taking place in Lewisham on funding arrangements for supply cover costs from April 2017 and we are asking you to consider the information in this letter and hope it will encourage you to vote again for de-delegation of funding arrangements for supply cover costs, including time off for trade union duties.

Successive governments have recognised the importance of good industrial relations and have legislated to provide a statutory basis for facilities time as follows.

- Paid time off for union representatives to carry out trade union duties.
- Paid time off for union representatives to attend union training.
- Paid time off for union 'learning representatives' to carry out relevant learning activities.
- Paid time for union health and safety representatives during working hours to carry out health and safety functions.
- Paid time off for union representatives to accompany a worker to a disciplinary or grievance hearing

These provisions are contained within the Employment Relations Act 1999 and the Trade Union Labour Relations (Consolidation) Act 1992 and the Safety Representatives and Safety Committees Regulations 1997.

The trade unions have members and union representatives in academies as well as maintained schools within your authority and, in addition to seeking your support for de-delegation, we are seeking your agreement for the local trade union funding arrangement to be formally extended to academies within your local authority boundaries.

The trade union recognition agreement between the authority and the recognised unions will have transferred to the academy school as the new employer of the transferred staff as part of the conversion process to academy status under TUPE. We believe that, following conversion, academies should also become parties to local authority trade union facilities arrangements.

The academies within your boundaries will have received funding for trade union facilities time in their budgets and they are entitled to use that funding to buy-back into local authority arrangements. Indeed, many academies across England have already agreed to buy in to local authority trade union facilities arrangements.

Pooled funding will help the local authority and all schools to meet their statutory obligations on trade union facilities time. Setting up a central funding arrangement will allow academies to pay into a central pool if they wish to. But most importantly it will help maintain a coherent industrial relations environment where issues and concerns whether individual or collective can be dealt with more effectively.

We urge you therefore to support the de-delegation funding for supply cover costs, extending it, where necessary, across all schools and to continue a mechanism whereby academies within your boundaries are able to buy into a central fund for trade union facilities time. If you agree to do so, we will write to academy principals again to encourage them to buy in to your arrangement.

To aid your decisions, please see attached an update on government plans for schools funding in England.

Yours sincerely

Kim Knappett ATL, Kathy Duggan NASUWT, Lea Bonnell NUT

NATIONAL FUNDING FORMULA FOR ENGLAND

The Secretary of State for Education, Justine Greening, announced on 21 July that the Government will not be progressing to complete the review of the National Funding Formula until 2018-19 at the earliest.

As a result of Ministerial changes following the EU Referendum, the Government has decided to postpone the publication of its response to the stage one consultation on the national funding formula for schools and to launch the stage two consultation on the formula factors and weightings in the Autumn. It is expected that the Government will commit to a full consultation on the stage two proposals, probably lasting 12 weeks.

However, it should be noted that the Government's manifesto commitment to a new national fair funding formula remains in place.

The statement to Parliament from the Secretary of State confirmed:

- in 2017 to 2018, no local authority will see a reduction from their 2016 to 2017 funding (adjusted to reflect authorities' most recent spending patterns) on the schools block of the dedicated schools grant (per pupil funding) or the high-needs block (cash amount);
- the publication of detailed funding tables to enable local authorities to see the basis for funding allocations;
- final allocations for schools and high-needs blocks will follow in December on the basis of pupil numbers recorded in the October census;
- for 2017 to 2018, the Government will retain the current minimum funding guarantee for schools, so that no school can face a funding reduction of more than 1.5% per pupil next year in what it receives through the local authority funding formula.

The Government expects that these commitments will enable local authorities to begin the process of setting the budgets of schools in their area in time for the start of the coming financial year.

The Ministerial statement makes clear that the Government does not intend to proceed, for 2017 to 2018, with proposals to create a new central schools block, allow local flexibility on the minimum funding guarantee or to ring-fence the schools block within the dedicated schools grant. These matters will be covered, for 2018 to 2019 and beyond, in my response to the stage one of the consultation in the Autumn.

Detailed funding tables showing local authorities exactly how the funding has been calculated are available from:

<https://www.gov.uk/government/publications/schools-funding-arrangements-2017-to-2018>

Further details of the announcement can be found at:

<https://www.gov.uk/government/speeches/schools-funding>

Agenda Item 11

Schools Forum			
REPORT TITLE	Financial Update and Budget Monitoring Report		
KEY DECISION	Yes	Item No.	11
CLASS	Part 1	Date	6 October 2016

1. Purpose of the Report

This report looks at the budget monitoring position of the Dedicated Schools Grant and considers the financial position of the mutual funds held by the Forum.

2 Recommendation

The Forum agree

- i. To note the report
- ii. To note the position on the budget plan escalation process detailed in section 3.4
- iii. Note the position on discretionary relief on business rate relief
- iv. The change in the use of the partnership funding (red and amber fund) to be given to the collaborative on the following basis
 - a) Support for red / amber primary schools of £23,450 to be allocated by the Primary schools through the Leadership Forum
 - b) Support for red / amber secondary of £50,000 to be allocated by the secondary schools through the Secondary Challenge Collaborative

3 Dedicated Schools Grant

- 3.1 The DSG for 2016/17 now stands at £284.7m, it has increased by £1.2m as a result of an adjustment to replace the estimate of January 2016 early year numbers with actual numbers. The DSG is now £48m (or 20%) larger than the Council's Net General Fund budget.

Further grants are given to schools and routed through the Local Authority. This includes the Pupil Premium (£17m), Post 16 funding (£6m), and Universal Free School Meals Grant (£3m). Making total

funds of £309m. In total this is £73m higher than the Council's Net General Fund.

3.2 Schools

The deadline for schools to submit budget returns to the Local Authority is 31 May. The last of the budget returns were received at the end of July. The overall escalation process on non-submission of budget plan is detailed below with the number of schools triggering the steps

Step 1	1 week after deadline	Email from the School Finance Team to school bursar	26
Step 2	3 weeks after deadline	Email from the School Finance Team to Headteacher	17
Step 3	5 weeks after deadline	Letter will be sent from the Head of Education, Standards and Inclusion	17
Step 4	7 Weeks after the deadline	Letter will be sent from the Executive Director of CYP to the Headteacher and Chair of Governors and Head Teacher	4
Step 5	9 Weeks after the deadline	If necessary the Chair of Governors and Headteacher will be called in to meet the Executive Director of CYP	0

- 3.3 At the end of the 2015/16 financial year there were 11 schools that had deficits. This compares with the three schools that had a license deficit agreement in place for the year end.

There are 9 schools who will be in deficit this year

The nine schools are

- All Saints' Church of England Primary School
- Prendergast Ladywell School
- Sedgemoor School
- Sydenham School
- Bonus Pastor Roman Catholic School
- Deptford Green School
- Forest Hill School
- Trinity
- Addey and Stanhope

The causes of the deficit vary between schools but mostly relate to falls in pupil numbers, cost pressures and financial management controls.

The deficit position in other London Borough's will be tabled at the meeting.

- 3.4 The following escalation process exists for schools with deficit budgets.

		No of schools
Step 1	Review by the Schools Finance Team.	9
Step 2	Joint School visit by the Schools Finance Team / School Improvement.	7
Step 3	If the deficit < £500k, Chair & Headteacher may be called in to meet the Executive Director of CYP.	0
Step 4	If the deficit > £500k, Chair & Headteacher called in to meet the Executive Director of CYP.	2
Step 5	If necessary a warning notice given with an action plan.	0
Step 6	If not complied with a withdrawal of delegation or IEB set up .	0

- 3.5 Looking further ahead the returns show another 6 schools going into deficit in 2017/18. While there are 45 schools who are using their carry forward to balance their budget this year.

These schools have been written to to confirm the position and have been asked to draw up recovery plans as per Step 1 in the escalation process. It is expected that Step 2 will then be instigated.

- 3.6 Currently officers have performed reasonableness checks on the information provided by schools. Such checks include
- Does the budget plan income agree to funding notification?
 - Is the carry forward quoted in the budget plan incorrect?
 - Do the budgets set align to previous year's income and expenditure?
- 3.7 A presentation on school finances was made to the Chair of Governors of the 12 September 2016 highlighting the financial issues. The presentation is attached in Appendix A
- 3.8 The government is proposing to introduce a new national funding formula for schools in April 2018. With the current details available through the release of the first stage consultation earlier in the spring, it is not possible to see the exact impact on Lewisham. The most likely scenario is that schools in Lewisham will see a circa 10%, or £17m reduction in funding over the next three years. This is likely to impact on the level of traded services schools buy from the council. Likewise there is a review of the high needs block funding and it is expected the funding in the high needs block could also be reduced by some 10%, or £4.5m.
- 3.9 The government has released a consultation document on Early Years funding, while there is extra funding overall due to the funding of the new 30 hours child care for working families the underlying position is a loss for Lewisham. It is estimated that this loss will be £1.5m but in the next two years there will be some protection and the loss will initially be £0.9m. The consultation closed on 22 September a separate paper will look at the details of this and the consultation response made by Lewisham.

DSG central expenditure

- 3.10 The High Needs block is showing signs of pressure and an overspend of £0.7m is forecast at the year end. This is the result of demand. There has been a significant growth in the number of children with Education, Health and Care Plans for pupil aged 5 and below, growth in the number of post 19 children with high needs, lack of commissioned places by other boroughs in post 16 provision outside the borough and an increase in pupil numbers in special schools and resource bases.

The Schools Forum High Needs sub group met on the 22 September 2016 and are continuing the work on designing and implementing new top-up funding bands for high needs pupils. Their objective is that any new system is cost neutral and that any implementation will take place in April 2017.

4 Business Rates

- 4.1 Under Section 47 of the Local Government Finance Act 1988 (LGFA) billing authorities have discretion to grant rate relief to certain ratepayers (certain types of charitable and non-profit organisations) from all or part of the non-domestic rates payable.
- 4.2 The Localism Act 2011 amends section 47 of the Local Government Finance Act 1988 to replace the limited circumstances in which local authorities can currently give discretionary relief with a power to grant relief in any circumstances.
- 4.3 The cost of granting discretionary rate relief varies according to the circumstances. For schools discretionary relief is funded 50% by the Local Authority and 50% by central government
- 4.4 For schools, the current policy is to provide discretionary rate relief to voluntary aided organisations in receipt of mandatory rate relief. The cost for this relief is funded from the Dedicated Schools Grant. Academies, private and independent schools with appropriate charitable status receive mandatory relief do not attract discretionary rate relief. It is expected that central government will want all schools brought into line.
- 4.5 Under the current funding formula a school receives the exact same funding as their charge. Currently for voluntary aided schools within Lewisham the relief is given and the proportion of the relief met by the Council is charged to the DSG. This is achieved by adding onto the rates bill of all schools but is matched by the funding so the net impact on schools is nil, but it does mean that the DSG is meeting the cost.
- 4.6 It is unlikely this could happen under a national funding formula and the discretionary relief would be met by the Council alongside any academies being required to be treated in the same way. The Mayor is considering withdrawing the relief. Schools will not see any impact as under the national funding formula they will still receive the exact amount of the rates bill.

5 Partnership Funding (Red and Amber Schools)

- 5.1 At the meeting on 10 December 2015 School Forum agreed that 'The partnership funding should be renamed to the "Red and Amber" school fund and be reduced from £115k to £100k.
- 5.2 Since April 2016 this fund has been used by the LA School Improvement Team to provide bespoke and additional support to red and amber schools as follows:
 - Maths support £2,700 in red/ amber secondary schools
 - Science support £5,850 in red/ amber secondary schools

- SIO support work £18,000 across primary and secondary schools of red / amber schools.

This totals £26,550 and there remains £73,450 still to be allocated.

- 5.3 Following the Education Commission Report in June 2016 Lewisham schools and the LA are now working closely together to establish both a Secondary Challenge Collaborative and a wider School Improvement Partnership as we move towards a schools led system.

In a school led environment it makes sense for schools themselves (through the partnerships/collaboratives) to decide how best to allocate and spend the resource available to support red and amber schools.

- 5.4 At the time of writing there are 5 amber and 3 red secondary schools (approx. 8,000 pupils) and 8 amber primary schools (approx. 4,000 pupils).

- 5.5 It is proposed that the remaining funds of £73,450 are allocated to the school collaboratives themselves to decide how best to spend the money on the following basis

- Support for red/ amber primary schools (8 amber/ 0 red): £23,450 – to be allocated by the Primary schools through the Leadership Forum
- Support for red/ amber secondary schools (5 amber/ 3 red) = £50,000 – to be allocated by the secondary schools through the Secondary Challenge Collaborative

- 5.6 It is expected that each of the collaboratives should provide a report to School Forum outlining the spend and impact of funding in Autumn 2017. The allocation is broadly in line with pupil numbers within the red / amber schools

6. Mutual Funds

The Schools Forum has a number of mutual funds it manages on behalf of schools. At the end of the year any balances are returned to schools or rolled forward to the next year. The current position of the funds is described below:

	Growth Fund	Contingency	Non-Sickness Supply
	£	£	£
Brought Forward	-247,083	-726,549	158,993
Distributed To Schools	0	0	0

Offset	0	0	0
	-247,083	-726,549	158,993

De-Delegation Income	0	-649,998	-799,993
Budget	-1,092,000	0	0
Spend To Date	984,786	0	446,953
Projected Spend	74,634	1,310,355	1,068,000
	-32,580	660,357	714,960

Cumulative Total	-279,663	-66,192	873,953
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6.1 Growth Fund

The budget for the year is £1,092k, but with the £247k brought forward surplus, the amount of funds available rises to £1,339k.

Allocations have been journalled to maintained schools and payments are in process for academies. The October census will be examined to verify the allocations/payments and identify any necessary adjustments.

At present a surplus of £280k is forecast, but these funds may be called upon to cover projected overspends elsewhere in the mutual funds.

6.2 Contingency

The de-delegation charges for the year have provided £650k, but with the £727k brought forward surplus, the amount of funds available rises to £1,377k.

No charges have been actioned against the Contingency yet in 2016/17, but as discussed at the June 2016 Forum these funds will be called upon should a school with a deficit become an academy.

At present a surplus of £66k is forecast, but these funds may be called upon to cover projected overspends elsewhere in the mutual funds.

6.3 Non-Sickness Supply Fund

The de-delegation charges for the year have provided £800k, but with the £159k brought forward deficit, the amount of funds available falls to £641.

To date only summer term claims have been paid. These totalled £447k.

Forecasting future claims is difficult and previous years show little consistency, but as the summer term claims for this year are approximately twice that of the same period last year, a large estimate has been added for the remainder of the year.

This leads to the forecast of a deficit of £874k, but there is a large margin of error in projecting for this expenditure which the autumn term figures will help to reduce.

The summer term claims breakdown is as shown in the table below:

Phase	Claim Type	Number	Amount £	Average £
Nursery	Suspension	1	800	800
Primary	Adoption	1	7,368	7,368
	Jury Service	5	3,236	647
	Maternity	46	275,495	5,989
	Paternity	3	4,920	1,640
	Suspension	8	19,360	2,420
		63	310,380	4,926
Secondary*	Adoption	0	0	0
	Jury Service	5	5,495	1,099
	Maternity	14	109,412	7,815
	Paternity	2	3,280	1,640
	Suspension	0	0	0
		21	118,187	5,628
Special	Maternity	1	13,545	13,545
	Suspension	1	4,041	4,041
		2	17,586	8,793
		87	446,953	5,137

* includes all-through schools

Dave Richards

Group Finance Manager – Children and Young People

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Chairs Briefing

12 September 2016

Jackie Jones - Strategic Leader - Secondary, School Improvement Team

Dave Richards – CYP Group Finance Manager



Background

Budget planning is going to become more difficult



Background

Schools cannot operate a deficit budget without approval

**If the deficit is greater than £500k the Mayor needs to approve the deficit
The reports will be in the public domain**

**If it is lower than £500k approval can be given by the Executive Director
of Children and Young People**

The deficit will be funded as a loan

**The loan will be interest free and need to be repaid over a three year
period for Primary or a five year period for Secondary.**

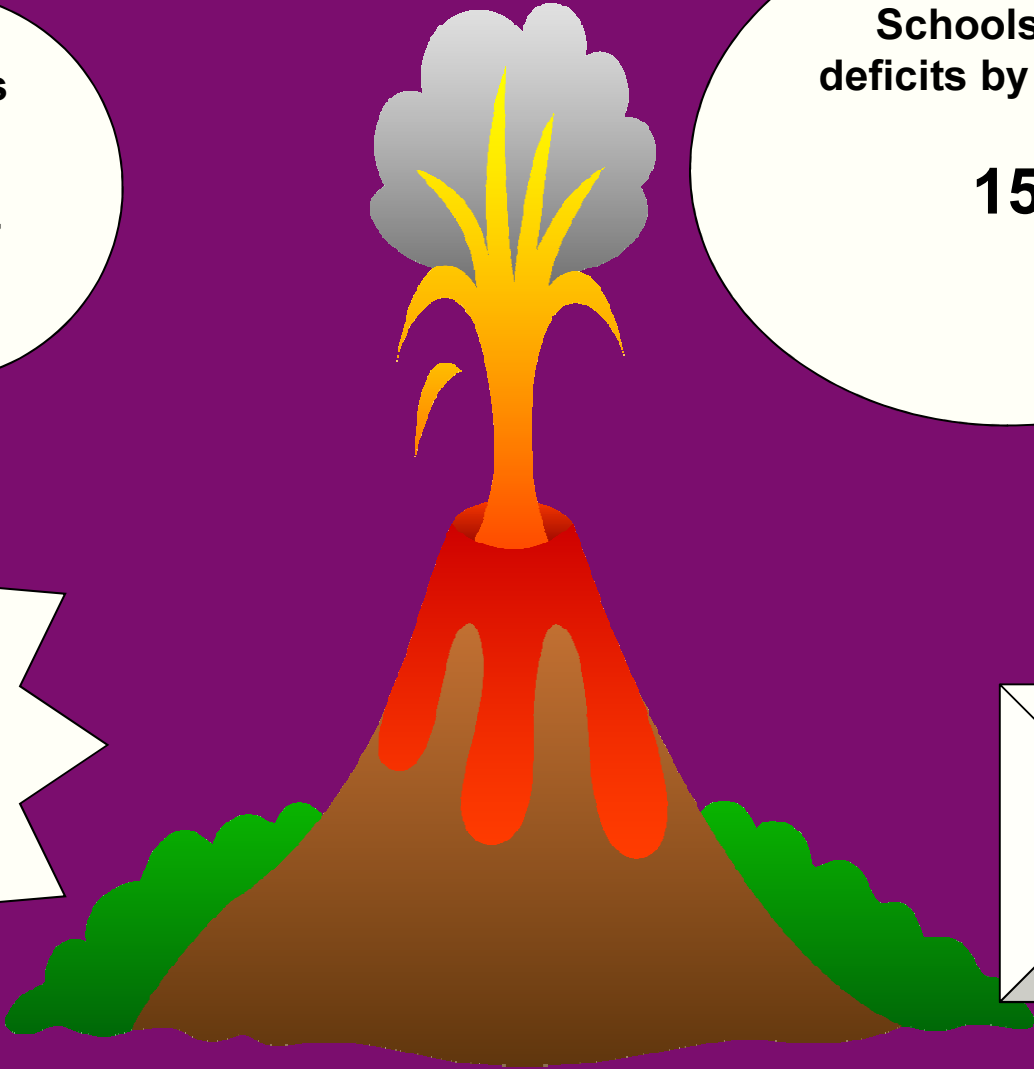
**A school cannot run out of cash; cash flow is a separate issue from a
budget deficit.**

Current Position

Schools with deficits 2016/17
9

Schools with deficits by 2017/18
15

Schools with in-year deficits
45



26 Schools are showing a zero carry forward

Background

The deficits and recovery plans in Lewisham have had a distinct pattern over the past few years.

The deficit is identified as the budget comes overspent at the year end and a budget recovery plan is put in place



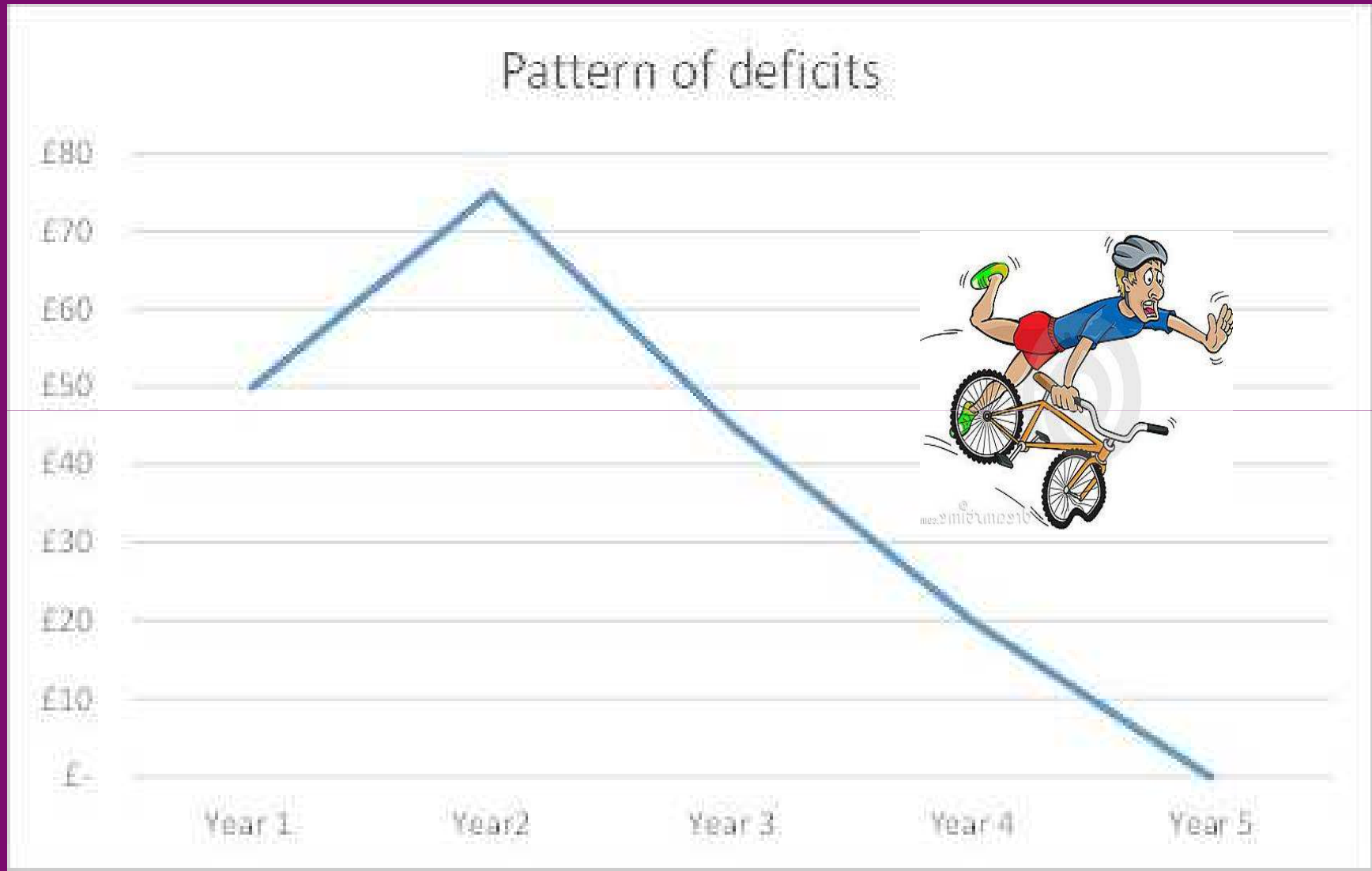
In the first year of the recovery plan the deficit rises further before it falls and the school eventually comes back into balance,



The fact that a deficit increases in the second year is often a product of management action that is taken too late. This is often as a consequence of the deficit not being identified early enough.

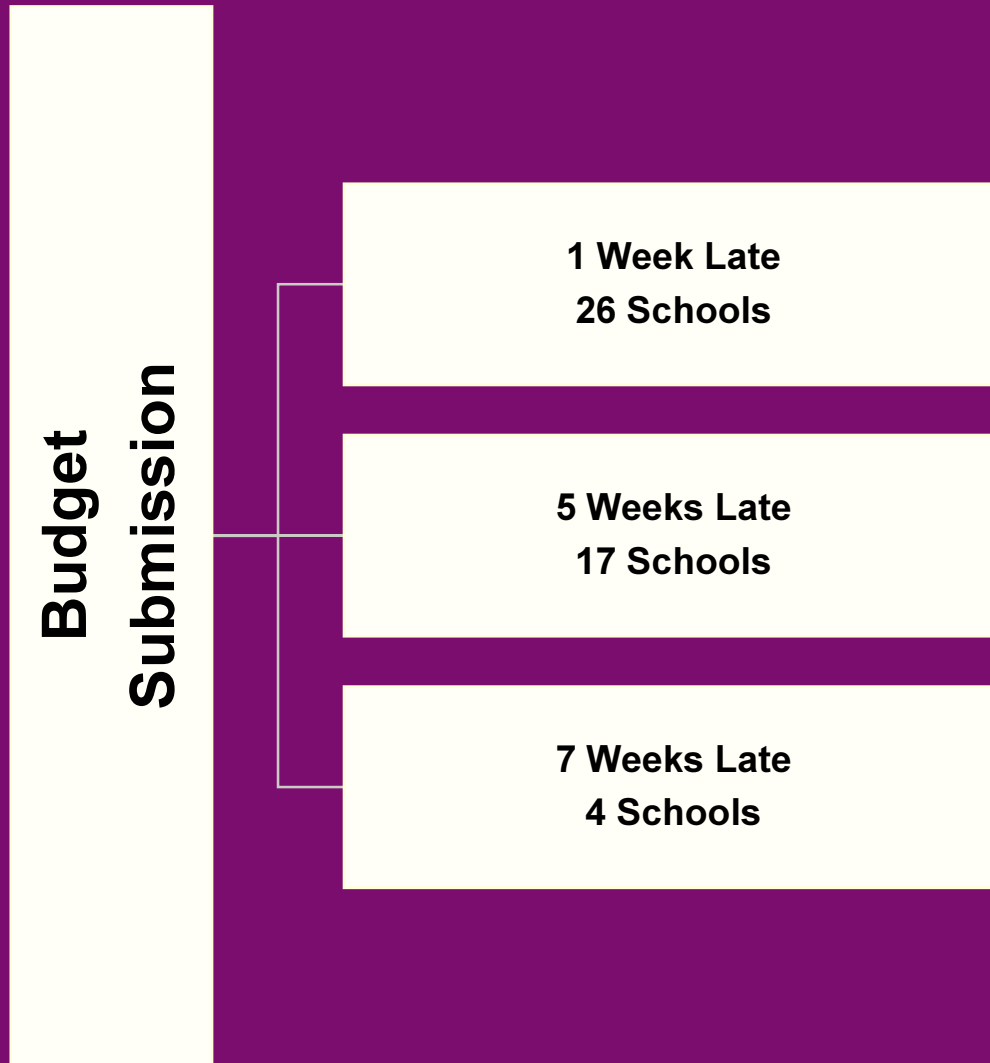
Don't get caught sleeping at the wheel

Background



Escalation process

Budget returns and monitoring returns



**Last Budget
return 28
July**

What's the problem

	Deficit In Year	Accumulated Deficit
Year 1	£100,000	£100,000
Year 2	£900,000	£1,000,000
Year 3	£400,000	£1,400,000
Year 4	£0	
Year 5		
Year 6		

**In the September of year 3
budget reductions of £500k are
implemented**

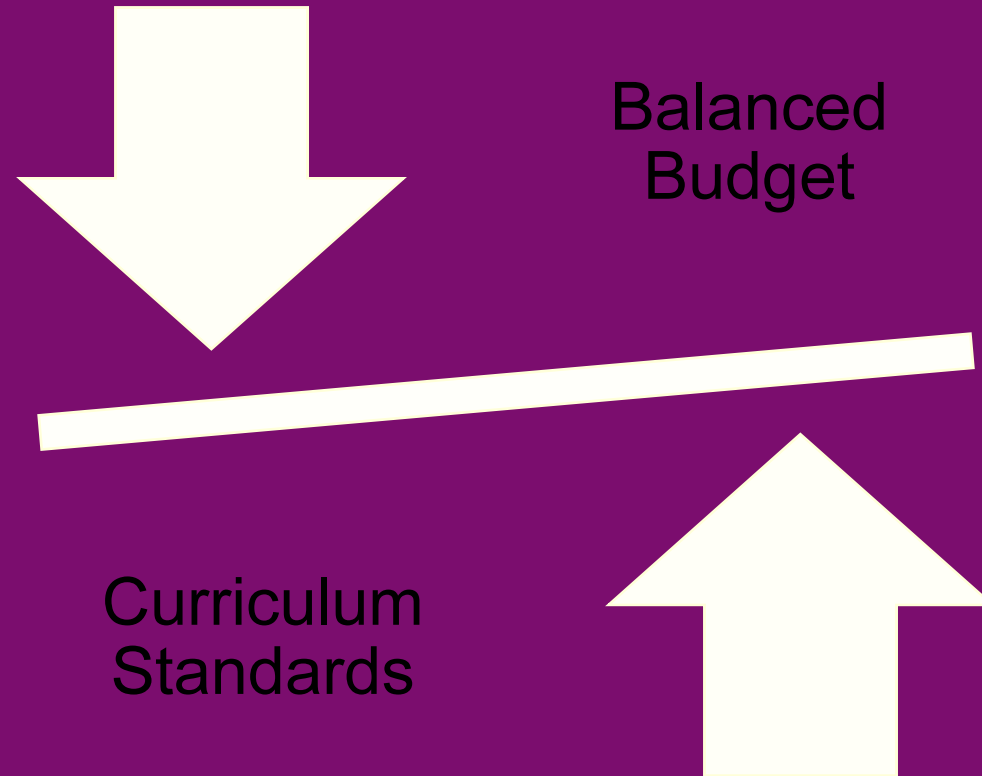
What's the problem

	Deficit In Year		Accumulated Deficit
Year 1	£100,000		£100,000
Year 2	£900,000		£,1000,000
Year 3	£200,000	Saving £700,000	£1,200,000
Year 4	£-400,000	Saving £600,000	£800,000
Year 5	£-400,000		£400,000
Year 6	£-400,000		£0

Quality of Budget Plans

- **Managed to balance the budget by including £800k worth of income, until it was realised that the past income levels were roughly £10k**
- **Budget return with no staffing costs in future years signed by the Head and Chair**
- **School budget in deficit as the premises costs for water charges was £6k inserted as £60k**
- **Making staffing appointments but not checking whether there was budget**

The dilemma



Escalation process – Recovery Budget Plan

Step 1

- Review by the Schools Finance Team

Step 2

- Joint School visit by the Schools Finance Team / School Improvement

Step 3

- If the deficit > £500k, Chair & Headteacher called into meet the Executive Director of CYP

Step 4

- If the deficit < £500k, Chair & Headteacher maybe called into meet the Executive Director of CYP

Step 5

- If necessary a warning notice given with an action plan

Step 6

- If not compiled with a withdrawal of delegation or IEB set up

The Schools Forum have asked that for those schools showing a deficit in 2017/18 that the recovery plan process starts this Autumn.

Questions To Be Addressed

Looking back

- How has the deficit arisen?
- How early were school leaders including governors alerted to the situation and could this have happened earlier?
- Have the governors fulfilled their statutory role of monitoring the budget?
- What management action was taken and could it have been taken earlier?
- What action has been taken to prevent a deficit recurring?
- Costing of the School Development Plan – how was this monitored?

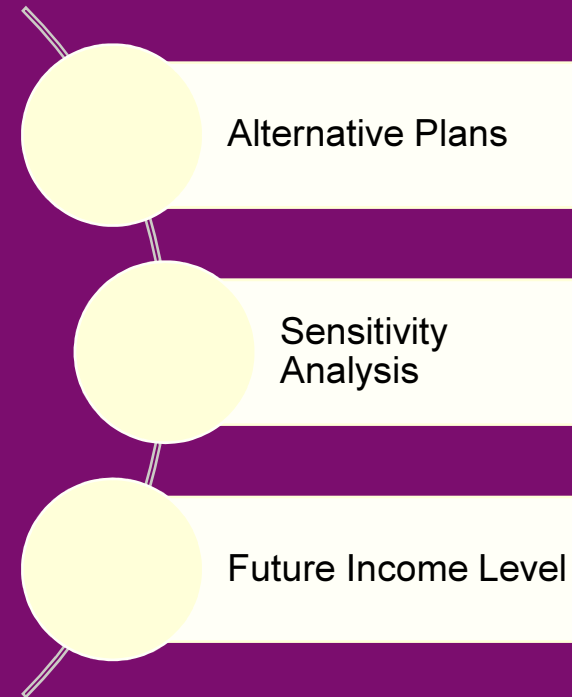
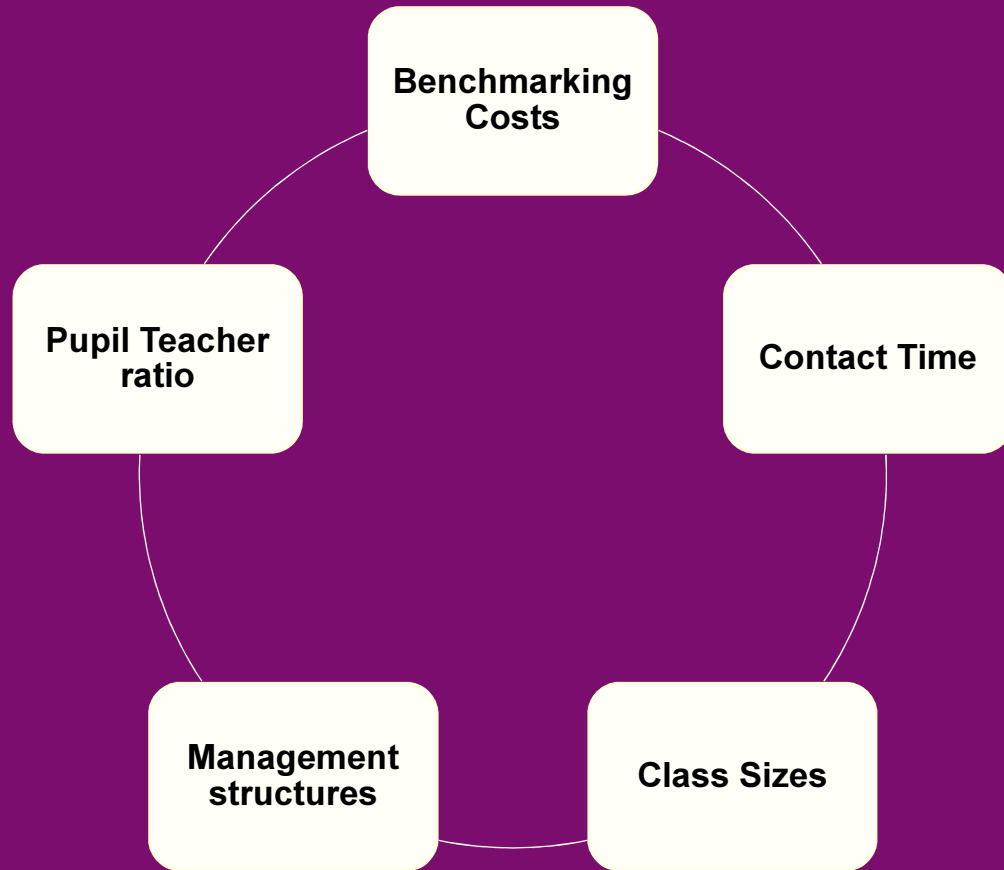
Questions To Be Addressed

Looking Forward

- **How will you minimise the impact on curriculum delivery and on students?**
- **What assumptions is the budget plan is built on?**
- **What is your action plan to deliver savings and when will each saving be implemented?**
- **How long is your recovery plan and what is the rationale for this?**
- **How will the implementation of savings be monitored?**

Questions To Be Addressed

Page 64



Support

Package of support

Crosses a number of professional disciplines

Finance

Challenge budget plans / recovery plan

Check the budget plans

Help with benchmarking

Seek the necessary Local Authority approval

If needed, write the report for the Mayor

Share that report before it is published

HR

Help with reorganisation, redundancy and reemployment process

School Improvement

Impact on the curriculum

The Technical Side Of The Loan

Signed legal agreement

Interest free

Loan period will vary

Repayments may or may not be standard through the life of the loan

Loan will be the maximum value of the deficit during the recovery period

Loan comes from the accumulated balances of schools

**On agreement of the loan, a credit is processed in the school accounts.
The accounts will not show the school is in deficit.**

How can the School Improvement Team help?

- Support for school leaders in the review of the curriculum.
- Help to assess the impact on pupils so that the impact on them is minimised.
- Support for governors in asking the right questions about the school's budget and the impact on provision.
- Sharing best practice.

Agenda Item 12

Schools Forum			
REPORT TITLE	Early Years National Funding Consultation		
KEY DECISION	Yes	Item No.	12
CLASS	Part 1	Date	6 October 2016

1. Purpose of the Report

To update members on the consultation document issued by the Department for Education on the 11 August 2016 on the reforms to early years funding. The consultation closed on the 22 September 2016. This report looks at the consultation, possible impact and discusses the timelines which are planned to meet the implementation deadlines. The report also updates members on the sufficiency review

2. Recommendation

The Schools Forum agree to

- Note the report
- To ask the Early Years sub group to report back to the full Schools Forum meeting on the 8 December 2016 on the impact of the national funding formula and how this should be managed.

3. Overview

The consultation document has three main thrusts

3.1 National Funding Formula

The Department for Education (DFE) wish to see a funding formula that allocates funding fairly, efficiently and transparently in order to give local authorities the funding they need to ensure that sufficient numbers of providers are willing and able to deliver 30 hours of free childcare on a sustainable basis.

Their proposal features three funding factors that determine the funding per child that each local authority receives:

- a universal base rate of funding for each child;
- an additional needs factor, reflecting the extra costs of supporting children with additional needs to achieve good early learning and development outcomes; and
- an area cost adjustment, reflecting the different costs of providing childcare in different areas of the country.

The base rate will allocate the majority (89.5%) of all early years formula funding. The remainder will flow through the additional needs factor which the DFE believe will reflect each local authority's funding allocation reflects their proportion of children with additional needs and the extra costs of meeting these needs. It will be based on the three metrics

- Free School Meal eligibility, which we propose to weight to 8%;
- English as an Additional Language, which we propose to weight to 1.5%; and
- Disability Living Allowance, which we propose to weight to 1%.

3.2 Distribution of funding by local authorities

The DFE believe that local authority central spend on early years is excessive and wish to curb this by implementing a 'high minimum threshold' on early years funding that local authorities must pass on to providers. This will be set at 93% in 2017-18 and 95% thereafter.

Lewisham central spend is at xxx%

The DFE feel that local authority funding formulae will be fairer to different types of providers by requiring local authorities to use a 'universal base rate' of funding for all providers from 2019-20 at the latest.

This will mean that, all else being equal, a child in a private or voluntary setting will receive the same level of 'per child' funding as a child in a nursery class in a primary school. This is not the case in Lewisham as when the formula built it took into account the different staff levels and staff qualifications in the maintained sector and the private, voluntary and independent sector.

The DFE feel that reducing the variation in local formulae will make the system simpler and clearer for providers. The DFE propose to reduce the use of local authority funding supplements by limiting the types of supplements that can be used and will be limited to key drivers of local cost such as deprivation or rurality, and key policy objectives such as 30 hours delivery. The DFE propose to consult on a cap, of 10%, on the amount of funding that can flow through these supplements.

The DFE feel that the current funding system in the early years lacks the necessary structure and transparency to ensure that children with SEN receive the support that they need to develop while taking up the free entitlement. The school funding system has long had a 'notional SEN budget' to give schools some indication of the resource they have to support children with SEN, but this has not been replicated in the early years.

The DFE are proposing in this consultation that all local authorities should set up an inclusion fund in their local funding systems. We believe such a structure will support local authorities to work with individual providers to resource support for the needs of individual children with SEN. It will also enable local authorities to carry out an effective strategic role in their local area to increase the capacity of their childcare market so that it appropriately supports and develops children with SEN in the early years.

To establish an inclusion fund the DFE consider that local authorities should pool an amount of funding from either one or both of their early years and high needs allocations from the Dedicated Schools Grant.

3.3 Childcare or working parents of 30 hours

This Government is still committed to extending the free entitlement to childcare from 15 to 30 hours a week for working parents from September 2017. In order to do this extra funding will be added to the national pot and will be distributed in line with the revised funding formula discussed above

4 Impact on Lewisham

The DFE quote comparison figures between the funding under the current formula and the new proposed formula for each local authority. This needs careful interpretation due to the additional funding that has been added to the national totals for the new 30 hours of childcare.

However there are some clear messages

- Lewisham will see a loss in funding of £1.5m which equates 8%
- In the first year the loss will £0.9m. Protection of £0.6m will be built in for the nursery schools.
- The way the national formula is being constructed there is likely to be a transfer off resources from nursery schools and nursery classes in schools to private, voluntary and independent providers. This will impact on differently.
- Unknown in this is the take up of the 30 hours childcare and how different providers may be able to offset the transfer of funds and adapt in the appropriate way to provide appropriate flexibility in provision as well at a cost that is in line with the funding
- The impact on individual providers will be different depending on the supplementary funding they received currently. Under the current formula a provider with a good or outstanding Ofsted judgement receives extra funding this will not be allowed in the

future. Likewise the changes to deprivation may impact differently.

- In order to reduce the current level of funding to fit into the new funding a number of potential areas will need to be considered this will include additional hours 15 hours for deprived families and the level of funding rates.

While the exact financial picture remains uncertain and this will continue to be case until the outcome of the consultation is confirmed and the financial settlement known the Early years task group has been set up and they will meet during October and November and report back to the Forum in December with their recommendations of dealing with likely impact and the support for schools.

5 Consultation Documents

For information the link to the consultation documents is

<https://consult.education.gov.uk/early-years-funding/childcare-free-entitlement>

The consultation response form is via an online survey and has limited scope to respond to all the points raised in the consultation. Lewisham's response is attached in Appendix A

6. Sufficiency Review

6.1 With plans for an extended early education entitlement for eligible children aged 3 and 4 years from September 2017,

- Rushey Green,
- Lewisham Central,
- Forest Hill,
- Evelyn,
- New Cross and
- Perry Vale

wards will have greater total numbers of children eligible for these places. This points to greater requirements in these wards for more flexible early education to meet the needs of working families. Parents are very positive about the introduction of the extended entitlement, although few parents with young children have heard of this entitlement.

6.2 Primary objectives for parents in relation to the extended entitlement are:

- a. Limit the amount of settings that children attend.
 - b. To access the extended entitlement during school holiday periods and after 3pm.
 - c. Have any setting make available additional hours if required for purchase; and ideally existing settings their children attend will offer the extended entitlement.
 - d. For parents with children that are attending school, they want any of their younger children to have access to the extended entitlement at the school nursery.
- 6.3 This will impact the existing market. Most parents report that they will move children so that they benefit as much as possible from access to their early education entitlement in a single setting. This is likely to impact school nurseries and pre-schools/play groups the most; and will benefit those early years settings which make available more flexible provision.
- 6.4 There are likely enough places to meet the anticipated demand for the extended early education entitlement in Lewisham. This arises because there appear to be plans for expanded supply and current supply is characterised by many early years settings with low to medium levels of occupancy (57% occupancy for childminders and 73% occupancy for PVI settings) and where more places will be available for funded entitlements, if necessary, in settings that rate at least 'satisfactory'/'requires improvement' or better from September 2017. However, key to ensuring sufficiency of places are
- (1) more flexibility in provision to better meet the needs of working families and
 - (2) where families can access the extended entitlement in a single setting.
- 6.5 A key gap relates to childcare and early education for children with additional needs/disabilities. Parents of children with additional needs/disabilities are less likely satisfied with their childcare and 9 in 10 early years settings rate additional support in meeting the needs of children with additional needs as useful/very useful. Priorities include building the skills and confidence of staff to work with children with additional needs/ disabilities and ensuring access to targeted early intervention support for children prior to any agreed Education, Health and Care Plan.
- 6.6 Families and early years settings identify that a key gap is having a single comprehensive directory of childcare provision which provides information about all childcare and early education options in

Lewisham. The existing FIS Directory needs to be updated and also needs to set out the new minimum standards.

6.7 Key priorities for childcare market development in Lewisham:

Encouraging more flexible provision and opportunities for children to access early education and childcare in a single setting.

- a. Especially longer opening hours and childcare availability during school holidays (this includes for parents stretching early education entitlements across more than 38 weeks). This includes targeting PVI settings and school nurseries and especially those in faster growing wards in Children's Centre Service Areas (CCSA) 1 and 2 i.e. Evelyn, New Cross, Lewisham Central, Blackheath and Brockley wards (as well as Sydenham ward in CCSA 4) where more than 9 in 10 early education places are available from PVI settings and school nurseries.
- b. Through supporting innovative collaborations between early years settings such as schools and childminders to offer longer opening hours and childcare availability during school holidays.
- c. Efforts to improve the low occupancy rates for many childminders as well as encouraging greater supply of childminders in the fast growing wards of Evelyn, New Cross, Lewisham Central, Blackheath and Brockley.

6.8 Contributing to delivery of the Childcare Act 2006 section 12 duty, Family Information Service (FIS) must build a more comprehensive, up to date directory of childcare and early education services for families across Lewisham. This includes setting out the minimum standards that parents can expect of childcare provision. This will also assist future sufficiency planning, better inform parents about their childcare options and help early years settings with their business planning and marketing.

6.9 Working with early years settings to agree a refreshed provider agreement. This offers scope to set out the roles and responsibilities of early years settings that offer funded early education and Lewisham Council (particularly the Early Years Quality and Sufficiency Team and the Family Information Service).

6.10 In clarifying partner roles and responsibilities, the newly formed Early Years Quality and Sufficiency Team has the opportunity to establish its own Service Plan. This includes setting out the Team's focus and scope of their support for early years settings quality improvement, sufficiency

and networking/ collaboration. This includes in supporting the roll out of the extended entitlement in September 2017.

- 6.11 Working with early years settings and families with children with additional needs/disabilities to improve the accessibility of childcare and early education. This includes clarifying the available targeted early interventions for children that do not have an EHC Plan and the available advice, guidance and resources for early years staff to confidently manage children's behaviour and other needs, as well as making early years information and advice for parents of children with additional needs/disabilities more integrated.
- 6.12 Multi-agency practitioners who work with families with children aged 0-4 must be encouraged to continue raising awareness of early education entitlements and the benefits of these entitlements for families they interact with; together with providing practical help to families to take up these entitlements.
- 6.13 This especially includes families eligible to the funded entitlement for children aged 2 years. A continuing focus on building the quality of funded early education for children aged 2 years is also a priority. This is especially so for settings in CCSA 1 (Evelyn and New Cross wards most particularly).
- 6.14 The Early Years Quality and Sufficiency Team and FIS in contributing to strategic objectives for increased social and economic wellbeing for families and reduced worklessness and child poverty will also value partnering with Employment, Skills and Adult Education leads to ensure families they are supporting return to work know about the early education entitlements and can help parents with taking these up.

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LEWISHAM SCHOOLS FORUM			
REPORT TITLE	Council Savings Impacting on Schools		
KEY DECISION	Yes	Item No.	13
CLASS	Part 1	Date	6 October 2016

1. Purpose of the Report

This report looks at the future financial position of the Council and the savings currently proposed to the Mayor that impact on schools, parents and children.

2. Recommendation

The Schools Forum note the report

3. Background

- 3.1 The Council's net General Fund budget for 2016/17 is £236m. This is based on using reserves for the third consecutive year to balance the budget.
- 3.2 In order to put the Council's finances on a sustainable footing, the Medium Term Financial Strategy identifies the need for £45m of ongoing savings in the three years to 2019/20, at £15m per year. However, this remains an estimate pending confirmation of any policy, funding, or wider implications from the change of Prime Minister and European Referendum decision in June.
- 3.3 This is also in addition to £17.4m savings already identified and agreed for 2017/18. In total this would bring the total savings made in the ten year period 2010 to 2020 to £200m.
- 3.4 Through the Lewisham Future Programme approach officers have worked hard to identify possible new savings proposals to meet the £45m target over the three years to 2019/20. In so doing, targets by work strand have been set on a differential basis to protect front-line services where possible.
- 3.5 The total savings currently being presented to Mayor for the whole Council identifies savings proposals from officers of £21m.

4 Children and Young People's Directorate

- 4.1 Within the Children and Young People's Directorate total savings of £3.1m are being considered, with existing saving of £0.7m agreed last year for 2017/18, the total savings for next year are £3.8m. The net budget of the CYP directorate is £48.9m, the savings proposals represents 8% of the budget. Two main savings that potentially will impact on schools cover the Child and adolescent mental health services (CAMHS) service and public health

4.2 Child and adolescent mental health services (CAMHS). **Saving £244k**

The CAMHS service in Lewisham is divided into specialist community and tertiary inpatient/outpatient services. There are eight teams within the specialist community service, which cover:

- Generic support for significant mental health issues/access into CAMHS
- Children and young people involved with the Youth Offending Service
- Children and young people who are looked after (LAC)
- Children and young people with disabilities
- Children and young people with severe and enduring mental health issues

4.3 The savings proposals focus on the four teams providing generic support to young people (East and West Clinic teams) and specific support to looked after children (SYMBOL and the Virtual School for CAMHS).

5 Commissioning

Lewisham CAMHS (excluding inpatient and some outpatient services) is commissioned by the Joint Commissioning team on behalf of both NHS Lewisham Clinical Commissioning Group (CCG) and the London Borough of Lewisham. Services are delivered by South London & Maudsley (SLAM) NHS Foundation Trust.

6 Funding

The total funding for CAMHS is £4.286m, broken down as follows:

- Local authority contribution – £1.008m
- CCG contribution – £2.775m
- Other funding (e.g. DoH, DSG, Pupil Premium Grant) – £503k

7 Provision

CAMHS services are limited and can only be accessed by young people who exceed certain thresholds for risk and need. However, CAMHS provision is one element of a broader range of support available to meet the emotional and mental health needs of children and young people – other provision includes schools-based counselling and mental health & wellbeing services delivered by local voluntary and community organisations

7.1 These savings proposals should be regarded as an opportunity for positive change, enabling us to reshape part of the current CAMHS service (supported by CAMHS transformation funding) in order to deliver a more integrated and streamlined clinical function which embeds outreach and consultation within community-based settings and services, meeting the needs of children and young people more effectively.

7.2 Proposal 1 – Improve the access pathway for child and adolescent mental health services

Phase 1 – we will enable greater alignment of the two generic teams which provide a route into CAMHS by merging operational management. Alongside this, we will integrate the crisis care team within the generic function, providing additional resources to assess all emergency presentations via A&E, all urgent presentations via schools, police, children’s social care & GPs and undertake seven day follow-ups

Phase 2 – we will implement the Choice & Partnership Approach (CAPA) across the service. The CAPA model was developed specifically for CAMHS services and, based on its implementation in other areas (including Greenwich), we anticipate that it will significantly improve the flow of cases, reduce the overall treatment time and increase the speed from referral to treatment. This will be supported by technical and process redesign across the generic function, plus a reduction in non-core functions. Wider redesign activity (supported by CAMHS transformation funding) – we intend to further enhance the access pathway for children and young people through the development of a blended online/face-to-face triage and clinical support model (see report for further detail) and by establishing CAMHS outreach support in the community, which will combine consultation training and short term interventions

7.3 Delivery of savings

Phase 1 – we anticipate that savings of £44k could be achieved in 2017/18 through the merger of operational management. However, given the existing demand and capacity issues within the two generic teams, making further savings in this phase would present a potential clinical risk

Phase 2 – the implementation of the CAPA model will take place during 2017/18 (using CAMHS transformation funding to support programme and change management). The expected reduction in demand as a result of improvements to the access pathway as well as increased capacity following the CAPA implementation (plus wider redesign activity) and integration of the crisis care team should enable us to achieve savings of £150k during 2018/19 and 2019/20. The local authority contribution to the generic CAMHS teams is £224k, so delivering savings of c.£194k would effectively mean that Lewisham no longer funded this part of the service. We are not proposing any savings to the CCG contribution at this stage as there would be a significant impact on the sustainability of the service, (as well as increased pressure on adult mental health services) if these savings were delivered over the same period. Given that the CCG contribution in this area has increased as a result of CAMHS transformation funding and the new access pathway should improve capacity and demand management, we will consider whether any further savings are viable after 2019/20.

7.4 Proposal 2 – Further integration of mental health services for looked after children

The Lewisham Virtual School has collaborated with CAMHS to pilot an integrated mental health outreach service (funded via the Pupil Premium Grant) which supports Lewisham looked after children and improves their

readiness to learn. Given the success of this new approach, we intend to integrate the outreach service with the CAMHS SYMBOL service (which provides more traditional, clinic-based support for looked after children), blending outreach and clinic-based support within a graduated model. This will increase the speed of response for the most vulnerable children and young people whilst ensuring that we maximise opportunities to see them in the most appropriate environment

- 7.5 Delivery of savings – we will work closely with CAMHS and the Lewisham Virtual School to develop and implement a new model at a lower cost by April 2017 (releasing savings of £50k, equivalent to one clinical post). To support the implementation of the new delivery model (particularly the outreach element), we will fund a CAMHS Practitioner post via the Pupil Premium Grant

Impact and Risks of Proposals

Outline impact to service users, partners, other Council services and staff:

Proposal 1 – Improve the access pathway for child and adolescent mental health services

The proposed model offers a more coherent and consistent pathway for children and young people accessing mental health services, ensuring that there is better integration between community provision and CAMHS clinical services.

Although there will be a reduction in clinical staff within the generic function, the CAPA approach will enable the service to manage demand & capacity more effectively and respond flexibly to clinical pressures

Proposal 2 – Further integration of mental health services for looked after children

The outreach approach will enable better promotion of resilience, prevention and early intervention whilst the blended model will deliver a more tailored intervention based on individual need

8 Health visiting and school nursing

The Council will deliver savings of £1.7m through a combination of re-commissioning and redesign of the health visiting service and the school aged nursing service. These proposals have been drawn up with an emphasis on effectiveness of outcomes, increased integration of services for children and young people, and (i) Savings from the school aged nursing service

The proposed redesign will deliver savings of £510,915 (2017-18) and an additional £15,057 (2018-19 onwards).

(ii) Savings from health visiting

The proposed redesign will deliver savings of £1,203,813 (2017-18 onwards).

	Budget £'000	saving £'000	2017/8 £'000
Health Visiting	7,350	1,204	6,146
School aged Nursing	1,750	511	1,239 *
Teenage health and wellbeing Service	n/a	n/a	348 **

* An additional £130,000 will be added to this budget to pay for the new integrated weight management service.

** There will be additional funding for this new service to finance substance misuse, sexual health and mental

The full report can be found in Appendix A

9 Savings from the children's weight management service (£100,000)

The Council will cease commissioning the provider of the existing service. This will be mitigated by investing £130,000 in the new contract for school nursing, to ensure weight management is a core function of the service.

The EAA identified potential negative equalities impacts of children with complex needs receiving the same offer as other children in the new service, which the Council will seek to mitigate through specifying strong pathways to other areas of the redesigned health visiting and school nursing services. The incorporation of the service into school nursing may help to mitigate this negative health impact by maintaining close links with children with complex needs to provide some additional support where required.

The EAA identified potential positive impact for age, the integration the service into school nursing may mean better follow up of those in overweight/obese groups requiring MEND since the National Child Measurement Programme (NCMP) takes place in schools. However, since there will be reduced capacity of the service to provide additional support to children, this may offset any new benefit for young people overall.

The professionals consultation of Staying Healthy services expressed concern of a potential equalities impact of any reduction in overall service capacity as a result of changes most notably that childhood obesity affects those of lower socio-economic status the most, and that any reduction in capacity of the service would increase health inequalities.

Close monitoring of service use and health outcome data following the introduction of the proposed changes, particularly to capture demographic data for service users will be vital to identify if any negative impacts are realised and to work to mitigate them when/if they arise.

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