

Schools Forum Agenda

Thursday, 4 October 2018

4.30 pm – 6.30pm, Committee Room 3 - Civic Suite
Lewisham Town Hall
London SE6 4RU

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Future Meetings

06 December 2018
17 January 2019
21 March 2019

All meetings will be held between 16.30 and 18.30

Sub Group Meetings

High Needs Sub Group
25 September 2018-TBC 20 November 2018 05 March 2019

Agenda Item 3

LEWISHAM SCHOOLS FORUM

Minutes of the meeting held on Thursday 21st June 2018

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

		Attendance				
		05/10	07/12	17/01	15/03	21/06
Primary School Headteachers						
Liz Booth	Dalmain	✓	✓	a	✓	✕
Paul Moriarty	Good Shepherd	✓	✓	✓	✓	✓
Michael Roach	John Ball	✓	✓	✓	a	✓
Sharon Lynch	St William of York	✓	✓	a	✓	a
Keith Barr	Kender	✓	✓	✓	✓	a
Nursery School Headteacher						
Nikki Oldhams	Chelwood	✓	a	✓	✓	✓
Cathryn Kinsey	(Substitute)		s			
Secondary School Headteachers						
Jan Shapiro	Addey & Stanhope	a	a	✓	a	✕
David Sheppard	Leathersellers Federation	✓	✓	✓	✓	✓
Mark Phillips	Deptford Green	✓	✕	✕	✓	✕
Clare Cassidy	Sedgehill		a	✓	✓	✓
Special School Headteacher						
Lynne Haines	Greenvale	✓	✓	✓	✓	✓
Pupil Referral Unit Headteacher						
Heather Johnston	Abbey Manor		✓	✓	✓	✕
Primary School Governors						
Rosamund Clarke	Perrymount	✓	✓	✓	✓	a
Dame Erica Pienaar	John Ball	a	✓	a	✓	a
Keith D'wan	King Alfred Federation	✓	x	a	a	✕
Secondary & Special School Governors						
Pat Barber	Bonus Pastor	✓	✓	✓	✓	a
James Pollard	Addey & Stanhope	✓	✓	✓	✓	✓
Ruth Elliot	Watergate	✓	✓	✓	✓	✓
Academies						
Declan Jones	Haberdashers' Aske's	a	✓	✓	✓	✓
14-19 Consortium Rep						
Gordon Gillespie	14-19 Consortium	✕	✕	✕	✕	a

Early Years - PVI						
Dawn Nasser	Rose House Montessori	a	a	✓	✓	a
Diocesan Authorities						
Sara Sanbrook-Davies	Southwark Diocesan Board of Education	✓	a	✓	✓	✓
Yvonne Epale	Substitute – Education Commission – Catholic Diocese of Southwark	✓		✓	✓	✓

Also Present	
Selwyn Thompson	Head of Financial Services
Yusuf Shaibu	CYP Interim Group Finance Manager
Hayden Judd	Principal Accountant - Schools
Sara Williams	Executive Director for CYP
David Austin	Head of Corporate Services
Martin O'Brien	LB Lewisham
Thracia Perrett	LB Lewisham
Jackie Jones	School Improvement & Intervention
Cllr James Rathbone	Lewisham Councillor
	Parent Engage
	Newshopper
Janita Aubun	Clerk

1. Apologies and Acceptance of Apologies

Apologies received from Dame Erica Pienaar, Rosamund Clarke, Dawn Nasser, Sharon Lynch, Pat Barber and Keith Barr.

Apologies accepted.

Substitute for 14-19 Consortium did not attend.

Additional Item:-

Chair reminded members of the need to ensure that your attendance is recorded or noted by the clerk at each and every Forum. The attendance register must be swiftly distributed.

2. Declaration of Interests

There were no declaration of interests.

3. Minutes of the Meeting held 15 March 2018

Schools Forum 17 January 2018, Item 6 – Catering. Contracts Review is being worked on and is to be deferred till next Forum.

Schools Forum 15 March 2018, Item 9 – Banding – Resource Base Provision & Mainstream Funding. Forum informed that the protection level for special schools is to end this summer.

Schools Forum 15 March 2018, Item 11 – Scheme of Delegation. Legal are still dealing with this, hence the delay. Forum requests this item not be deferred post for a further meeting and to convene an extraordinary meeting if necessary.

4. Matters Arising

No matters arising.

5. DSG End of Year Financial Report

Schools' Carry Forwards

Forum were presented with a report which gave the 2017/18 year end balances in schools as £18.3M (excluding external funds). It was noted that the balance at the end of 2016/17 was £12.4M; which is a rise of £5.9M. However If we take into account the £3M loan to schools, the real rise is in the region of £2.9M.

Forum were informed that the main theme surrounding these rises in surplus balances is unutilised contingency. Discussion around whether the LA provides guidance to schools on how to manage their reserves. Officers confirmed that we are looking to provide a procedure note (Hayden).

Appendix A was circulated to officers and this details the 2017/18 school balances.

DSG Outturn

£147K DSG surplus as at end 2017/18. £1.4M underspend on Early Years.

The £46M High Needs Block was in effect, balanced with a very marginal £58K overspend. Underlying pressures within High Needs such as an unexpected high demand for places, resulting in £40K overspend. This is mitigated by an underspend in Access, Inclusion and Alternative provision. Officers assured Forum that they will be kept informed of the situation as part of their in-year monitoring.

Forum were made aware that with existing on-going pressures in special educational needs and alternative provision, there is significant risk of overspend, and these challenges are not unique to Lewisham.

Mutual Funds

£1.5M contingency has been earmarked for one of our schools which is to be academised.

Finance & HR Support

Forum were given a breakdown of the number of school visits, training sessions, HR health checks and reorganisations that have been carried out in 2018/19 and were advised of a risk profiling tool being implemented to identify financial risks earlier.

Concern was raised about the capacity within finance, the transition with the new IT system for finance and the lack of central funding for functions critical to schools. Officers to come back with a proposal for next forum.

Financial Performance & Compliance

Schools Financial Value Standard (SFVS) 2017/18 - 100% return rate. Finance are looking to use the SFVS as a tool and have been reviewing the returns to identify early warning signs and to ensure that the results are evidence based.

3 Year Budget Plans

Forum were informed that there are 3 budget plans outstanding to date and that 14 schools are projecting a deficit balance or forecasting to have a deficit loan. Forecast cumulative revenue balances 2018/19 is £13.9M surplus. 70% of schools are projecting an in-year deficit for the same. Cumulative revenue balances are forecast to fall to £8.6M surplus by end 2019/20 with a small deficit at 2020/21 – but this may improve slightly.

Loans to Schools

9 schools with deficit loans totalling £3M. To date there is 1 loan pending signature. Finance are continuing to work with these schools to ensure a sustainable budget recovery plan and in-year budget.

Forum questioned how confident officers are of the ability for schools to repay their loans considering teacher pay rises and pension contribution costs. Officers informed of the possibility of varying repayment schedules and/or withdrawing delegation from schools should financial mismanagement occur.

Decision:

Forum agreed the following:-

- To note the balances held by schools.
- To note the position on the DSG.
- Roll forward the mutual fund balances into 2018/19.

6. Internal Audit Report 2017-18

Forum were presented with a report which summarises the internal audit work on 27 schools during the 2017/18 financial year.

Forum were advised that for the first time, all of these schools concluded with a positive opinion.

Breakdown for 2017/18

26% audits received a lower audit opinion than their last audit.

44 % audits had the same audit opinion.

26% audits received an improved audit opinion.
4% audits not applicable. (not audited previously)

Recommendations and Audit Opinions

The report detailed the following:-

- Top 4 areas with the majority of medium recommendations in respect of controls, were in Procurement, Income, Assets and Governance.
- An assurance opinion on each risk area is given by internal audit, and the results were that negative opinions were given in the areas of Procurement, Governance and Budget Monitoring.
- The same type of recommendations continue to be made in many of the schools i.e. governance, assets, budget monitoring and procurement.
- How due to the increased financial pressures on schools, from 2018/19, audit will categorise recommendations made about budget monitoring from Low to Medium.

Officers reminded forum that governors continue to be advised to review internal audit recommendations as a regular agenda item.

Concerns raised by Forum

Level of Internal audit specialist knowledge regarding Special Schools - officers will brief their team regarding this.

Forum were informed that the internal audit department are subject to an annual self-assessment.

Audit advised forum that schools should always be given a feedback form and assurances have been given that if this has not been happening then this will be the case, going forward.

Forum wanted to know how many high recommendations a school needed to receive before they acquired a satisfactory assurance. The answer to this however is not conclusive, as this will depend on the risk being judged.

Decision:

Forum agreed the following:-

- To note the report.

7. Contributions to Capital Works

Forum reviewed a report on the schools contribution to minor works capital programme.

Members were presented with a revised method which will allow schools to contribute an affordable amount which can be covered by their devolved

formula capital allocation (DFC), as opposed to contributing a flat rate of 5%, as is presently the case.

Advantages/Implications to schools of proportional contributions

- Officers informed forum that schools will be unlikely to be asked to contribute an amount in excess of the capital funding received through DFC.
- Schools will project manage the smaller works (<£10,000), e.g. boilers, roofs, unless the work is of a specialist nature and consequently there will be less demand on the LA's Capital Programme Delivery Team and a reduced cost to the overall works.
- There are varying thresholds to be applied and these were detailed in the report. Depending on the costs of the works, schools will make a level of contribution dependant on the devolved formula capital.

Decision:

Forum agreed the following:-

- To the contribution from schools to capital works being proportional in line with the devolved formula capital (DFC) and the table listed in the report on alternative contribution.

8. School Energy Billing Proposal

A report was presented to forum seeking agreement to change the way payments for schools' utilities are processed across the Council's corporate utility contracts. This will mean moving to centralised consolidated payments. The Council's energy team will instruct suppliers to merge all accounts to one single account which will be paid by BACS and recharged to individual sites.

Forum were informed that historically there have been billing problems associated with suppliers implementing new software, having the perception of debt and consequent late payment charges.

Benefits

Various benefits of the proposal were explained to forum and this included:-

- Council's ability to negotiate better deals and avoid additional charges imposed with utility debt disputes.
- Council will be able to use utility management software to validate billing and perform automatic checks.
- The financial benefit of using the Crown Commercial Services contracts for electricity and gas.
- Additional energy cost savings possible and dependant on consumption.

- 4% potential saving where portfolio is settled within four days, is more achievable.
- How gaps in school data would disappear.
- Knowing the payment periods for each meter (monthly/quarterly).
- Reduction in officers and Bursar/School Business Manager time and streamline administration.

Readiness

The council's energy team have successfully tested their utility management software against the new oracle payment system.

The team are also preparing to roll out the utility management 'web module' which will allow the viewing of invoices in excel, produce comparisons between financial years and monitor budget spend. Go live for this is planned for end of summer 2018.

Business continuity arrangements are in place in case of IT failure.

Single portfolio payment, allowing the energy team to have permanent access to full payment details of all users; using the council's payment system as well as the utility team's management database.

Conditions

Forum were informed of the following:-

Should a school use a third party to settle their utilities invoicing it may be possible to continue these arrangements as long as that party commits to paying within 4 days and that remittance data is made available to the energy team.

If schools forum agree this new model, any school unwilling to commit to this portfolio payment model, will need to make their own arrangements for utilities supplies.

Schools will need to register their consent to this portfolio payment model, or otherwise, by 30th September 2018 using the Services for Schools online portal. After this date, the energy team will inform the Crown Commercial Services of the sites who are not continuing with their contracts. Those schools will need to make arrangements for their own energy suppliers to be in place for April 2019.

Notes

There is a briefing for School Business Managers in September and forum request that the Asset Management Planning Manager attend, to share this information.

Schools are asked to email energyhelpdesk@lewisham.gov.uk if they require further clarification.

Decision:

Forum agreed the following:-

- Billing arrangements for schools using the Council's corporate utility contracts be processed by the Council's energy team and schools will then be recharged through the Council financial system i.e. centralise the payments and then recharge.

9. Schools Forum -Terms of Office Update

Forum reported and discussed member's terms of office which are coming to an end and looked at the agreed re-balancing of schools forum membership from the last meeting. Representatives wishing to re-elect themselves or submit nominations, were asked to notify either the school's forum chair and/or clerk.

8 out of 23 member terms expire June 2018. Schools forum chair confirmed that the chair of the primary and secondary consultatives have been contacted for nominations for new or continuing electives for the respective positions. The academy representative informed forum that he will be stepping down from his position on schools forum with immediate effect. Finance are to provide the chair with a list of all the existing academies in Lewisham.

Rebalancing Schools Forum Membership

The rebalanced membership in terms of numbers and constitution, was re-confirmed and agreed.

Decision:

Forum agreed the following:-

- That affected school groups re-elect representatives or elect new member for expiring terms.
- That Schools Forum is updated by the Chair on the outcome of nominations at the next meeting, reflecting rebalanced membership.

10. Any Other Business

Forum still face uncertainty surrounding the apprenticeship levy and issues around schools access to the portal. HR to be approached to write an update paper regarding this.

Forum informed of the Council's new Chief Executive Officer, Ian Thomas and new mayor, Damien Egan.

No other business was raised.

Meeting closed 5:45pm.

SCHOOLS FORUM ACTION SUMMARY

ITEM	ACTION TO BE TAKEN	OFFICER (S) RESPONSIBLE	OUTCOME/ CURRENT POSITION
Forum 17 January 2018, Item 6 - Catering	Contracts Review.		Pending?
Forum 15 March 2018, Item 5 – Financial Report	Item to be published in Schools Mailing regarding Catering		Pending?
Forum 15 March 2018, Item 11 – Scheme of Delegation	For update and review	Yusuf Shaibu/Selwyn Thompson/ Legal	For schools forum October 2018
Forum 21 June 2018, Item 5 – DSG End of Year Financial Report	Procedure note on how to manage school reserves	Hayden Judd	Pending
	Detailed analysis of school surpluses with explanations of 2018/19 & 2019/20 balances.	Yusuf Shaibu	For schools forum October 2018
	Finance Re-organisation – update/information	Selwyn Thompson	For schools forum October 2018
Forum 21 June 2018, Item 9 – Forum Terms of Office Update	New appointments and re-elections - update	Chair	For schools forum October 2018
Forum 21 June 2018, AOB	Updated apprenticeship levy paper	HR – Diane Parkhouse	For schools forum October 2018

Agenda Item 5

Schools Forum			
REPORT TITLE	Proposed Amendments to the Scheme of Delegation		
KEY DECISION	Yes	Item No.	5
WARD	N/A		
CLASS	Part 1	Date	4 October 2018

1 Purpose of the Report

- 1.1 The purpose of this report is to consider a revision to the Scheme of Delegation to schools.

2 Recommendation

- 2.1 The Schools Forum is recommended to:

- 2.1.1 Agree to incorporate the proposed amendments to the scheme of delegation to schools as set out in Appendix 1 to this report.

3 Background

- 3.1 Prior to the start of each financial year the Schools Forum undertakes an annual review of the scheme of delegation and its finance manual. This is to incorporate any legislative changes required and any changes which the Schools Forum consider desirable to make. In response to a potential legal challenge to the current provision of Section 6 of the scheme of delegation (pertaining to the costs of dismissals, resignations and premature retirement set out in Annex E of the Scheme) and an enquiry from the DfE following a complaint to the Secretary of State, it became necessary to review the provision set out in this section of the Scheme. There has been considerable delay in reaching a proposal which could be brought to Schools Forum. Officers apologise for the lengthy delays.

4 Redundancy

- 4.1 Lewisham's Scheme of Financial Delegation, in line with national requirements which have been in place for many years, gives schools the freedom to exercise choice over their spending plans. Like other local authorities, Lewisham Council can only impose regulations which are consistent with the need for accountability and control over the expenditure of public funds. The Scheme expects all schools to set a balanced budget and to manage within the resources made available to them. This is specifically a duty on the governing body of the school.

- 4.2 Proposed changes to the Scheme of Delegation to schools were considered by the Schools Forum in October 2017. There was subsequent consideration and agreement to changes to the Scheme in December 2017. In the light of further concerns raised by the DfE and in accordance with further external advice, it is

proposed that further amendments are necessary and these changes are reflected in the documents appended to this report.

- 4.3 The Council had the approach of automatically charging redundancy costs to school budgets unless it identified good reason to do otherwise. After discussions with the Department for Education and having sought external legal advice, the local authority has revisited its procedures and proposes the amendments set out in Appendix 1.
- 4.4 Members of the Schools Forum should note that the Appendix to this report sets out a proposed revision to Section 6 of the Scheme 'for the costs of dismissals, resignations and premature retirement' with the revised Annex E to the Scheme incorporating these proposed changes.
- 4.5 Essentially, the proposed revisions to the Scheme clarify the position in relation to the circumstances in which costs incurred in respect of dismissals, resignations and premature retirement may or must be met from a school's budget in accordance with the requirements of section 37 of the Education Act 2002. The proposed amendments of Annex E, which is attached at Appendix 1 sets out the Council's policy in relation to the consideration of such matters.
- 4.6 As set out in the proposed amendments at Annex E, Section 37 of the Education Act 2002 sets out two basic rules for members of staff of a maintained school. Firstly, that costs incurred by the local authority in respect of premature retirement must be met from the school's budget share unless (and to the extent that) the authority and governing body agree otherwise in writing. Secondly, that costs incurred by the local authority in respect of dismissal or securing the resignation of a staff member may be met from the school's budget share, but only if (and to the extent that) the local authority has "good reason" to deduct those costs from the school's budget share.
- 4.7 Members of the Schools Forum will note that the proposed revision to the Scheme sets out the local authority's policy and revised process for the consideration of such matters on an individual case basis. Members will also note that whilst it is not considered possible to satisfactorily provide an advance definition of what may constitute "good reason" for charging school's budget share, the examples provided in DfE guidance whilst helpful, are not to be treated as exhaustive.
- 4.8 Members will also note that even in cases where "good reason" for charging a school's budget share exists in principle, the local authority may exercise its discretion so as not to do so, in whole or in part.

5 Further Information

- 5.1 Should you require any additional information regarding the items contained in this report please contact:

Selwyn Thompson
Head of Financial Services
selwyn.thompson@lewisham.gov.uk

Proposed amendments to Scheme of Delegation to Schools

Section 6

Para 6.2.25 to be reworded as follows:

“For the costs of dismissals, resignations and premature retirement, see Annex E.”

New Annex E (to appear as set out below)

Costs of dismissals, resignations and premature retirement

Statutory framework

The circumstances in which costs incurred in respect of dismissals etc. may or must be met from a school’s budget share, whether in whole or in part, are addressed by section 37 of the Education Act 2002.

Separate rules apply where the member of staff concerned is employed (wholly or partly) for “community purposes” (see below).

Otherwise, the two basic rules laid down by the legislation for members of the staff of a maintained school are that:

- (A) Costs incurred by the local authority in respect of premature retirement MUST be met from the school’s budget share UNLESS (and to the extent that) the authority and the governing body agree otherwise in writing [section 37(4)]; and
- (B) Costs incurred by the local authority in respect of dismissal or securing the resignation of the staff member MAY be met from the school’s budget share BUT ONLY IF (and to the extent that) the authority has “good reason” to deduct those costs from the budget share [section 37(5)].

What follows sets out Lewisham’s policy in relation to these matters. Further guidance and assistance may, if required, be sought from the Lewisham’s Schools HR service in particular cases.

Premature retirement costs

Any governing body contemplating incurring costs in respect of premature retirement, and inviting Lewisham to agree that the costs will be met otherwise than from the school’s budget share, should raise the issue with Lewisham at the earliest opportunity, and certainly in any normal case before any commitment to such costs has been made. Lewisham will normally require a full reasoned justification as to why it would be appropriate to give its agreement, and (given what is said below about the management of staffing and budgets) it is expected that such agreement will only exceptionally be forthcoming, although applications will be considered on their merits.

Other dismissal/resignation costs

The legislation does not define what is a “good reason” to charge such costs to the school’s budget share (save that a “no redundancy” policy cannot itself be a good reason).

The DfE’s guidance *Schemes for Financing Schools* (December 2015) suggests that schemes should contain a provision setting out the circumstances “in which exceptions will be made”. When read with Annex B to the guidance, it appears that the DfE’s advice is that an authority’s scheme should set out its policy on what it will treat as a good reason for charging dismissal/resignation costs to a school’s budget. Annex B suggests that: “Although each case should be considered on its merits, this should be within an agreed framework.” Annex B also sets out a number of examples of situations in which a good reason for charging costs to a school’s budget might exist:

- Where a school has decided to offer more generous terms than the authority’s policy.
- Where a school is otherwise acting outside the authority’s policy.
- Where staffing reductions are being made which the authority does not believe to be necessary to set a balanced budget or meet the conditions of a licensed deficit.
- Where staffing reductions arise from a deficit caused by factors within a school’s control.
- Where a school has excess surplus balances, and no agreed plan to use them.
- Where a school has refused to engage with the authority’s redeployment policy.

Lewisham has considered the DfE guidance as set out above. It agrees that it is appropriate to consider whether a good reason applies in each case on its own merits. To that end, when relevant costs have been or are expected to be incurred, the school will be expected to complete a proforma giving details of the member of staff whose employment is terminating or has terminated, the reasons for and terms of the termination, and other relevant circumstances. Lewisham may seek other information if necessary. Lewisham’s Schools HR service will then record on the proforma what the costs associated with the dismissal are, and will give an initial view as to whether (and if so, why) good reason exists to charge all or part of those costs to the school’s budget. The school will have the opportunity to comment upon any such proposal to charge costs to its budget. If there is disagreement between Schools HR and the school as to what should happen, a decision will normally be taken by an officer at a senior level within the Directorate of Children and Young People, consulting if necessary with Schools HR and/or other officers. Exceptionally, the Executive Director Children and Young People may decide to refer such an issue for decision at an appropriate level outside the Directorate. Schools will be expected to co-operate fully and promptly with this process, and a failure to do so may itself be treated as a good reason to charge the relevant costs to the school’s budget share.

Lewisham does not consider that it is possible satisfactorily to provide a complete advance definition of what may constitute a good reason for charging the school’s budget share. The examples of “good reason” given in the DfE guidance are helpful and applicable but will not be treated as exhaustive. In particular, Lewisham expects

schools to manage their staffing and budgets responsibly, both in the short term and over longer periods. This includes developing plans to adjust expenditure in line with actual and anticipated funding and income levels. There is an expectation that in many cases it should be possible to avoid the need for redundancies, or payments in lieu of notice, by appropriate planning and vacancy management. Schools which have incurred redundancy costs will be expected to explain why such costs could not reasonably have been avoided, and the absence of a satisfactory explanation is likely to be regarded as a good reason for charging the school's budget share. Likewise, schools are expected to engage at an early stage with the Schools HR service, and to follow Lewisham's policies, and other good employment practice, with a view to avoiding or minimising the cost of redundancies through redeployment. If a school has significant unspent and uncommitted balances (even if those balances are not "excess" ones as contemplated by the DfE guidance), and no pressing need to retain those balances, then that may constitute a good reason why costs should fall to the school's budget share, rather than having to be met from other hard-pressed budgets.

Where an individual's employment is terminated for reasons other than redundancy (e.g. misconduct or lack of capability), it should normally be possible to effect this without additional cost by following proper procedures, and giving any notice to which the individual may be entitled. It is acknowledged that there may be cases where that is not so, but the incurring of unnecessary costs will normally be regarded as a good reason for charging the school's budget share. Where liability for costs arises from an adverse decision of a court or tribunal concerning the lawfulness of a dismissal, or where it has been necessary to pay sums by way of settlement in the face of a claim or potential claim of such unlawfulness, then that will normally be regarded as a good reason for the school's budget share to be charged – although the LA will always be prepared to consider the individual circumstances of the case.

It is only in unusual cases that it is appropriate for payments to be made to secure the resignation of an individual employed to work at a school. Schools which anticipate offering such payments should consult with Schools HR in advance. A failure to do so, or a departure from the advice given, will generally amount to a good reason for charging any resulting additional costs to the school's budget share.

Even where there is a "good reason" for charging costs to a school's budget share, Lewisham may exercise its discretion so as not to do so, in whole or in part. A favourable exercise of discretion may be considered, for example, if meeting the costs in full would have a disproportionate impact upon the school's budget and functioning. However, schools must be aware that there is no centrally retained budget or contingency fund for meeting such costs, and that Lewisham is therefore likely to take a rigorous approach in such cases.

Staff employed for community purposes

"Community purposes" refers, in relation to the staff of a maintained school, to members of staff employed for the purposes of the provision of services and facilities under section 27 of the Education Act 2002.

In such cases, the legislation requires both costs in respect of premature retirement, and costs in respect of dismissal, or incurred for the purpose of securing resignation, to be recovered from the governing body except in so far as it is agreed in writing between the authority and the governing that they shall not be so recoverable.

Where schools wish to seek such agreement, the same guidance and policy applies as set out under "Premature retirement costs" above.

The governing body may meet such costs out of the school's budget share, but only if it is satisfied that to do so will not to a significant extent interfere with the performance of its duties.

Where a person is employed partly for community purposes and partly for other purposes then section 37(9) provides that the costs are to be apportioned between the two purposes.

Agenda Item 6

Schools Forum			
REPORT TITLE	Schools Finance Team Capacity		
KEY DECISION	No	Item No.	6
WARD	N/A		
CLASS	Part 1	Date	4 October 2018

1. Purpose of the Report

- 1.1 The purpose of this report is to look at the current support available to schools from the local authority and consider whether this will be appropriate over the short to medium term. There is a growing focus on school finances and with the backdrop of further financial burdens increasing through cost pressures, it is essential that the level and quality of finance team support is adequate to meet support schools in meeting these challenges.

2. Recommendations

- 2.1 The Schools Forum is recommended to:
- 2.1.1 Note the contents of the report;
- 2.1.2 Request that the Head of Financial Services report back to the next Schools Forum with an update on the finance team capacity issues.

3. Legal and Policy Context

- 3.1 The 1988 Education Reform Act removed the financial control of schools from local authorities and gave it to the governing body of the school (and by extension, headteachers). The local authority has some continuing responsibilities however particularly in relation to community schools, in that it employs school staff and owns the land and buildings. However, it does not 'run' the school on a day to day basis or have the ability to second guess decisions of the headteacher and governors. Interventions by the local authority are very problematic and have to be considered only in extreme cases. To illustrate this, while the local authority will give advice on the appointment of a head teacher, the decision lies with the governing body and if they choose to ignore the advice there is nothing the local authority can do.
- 3.2 Councils provide some services to schools, but the schools are not obliged to take them up and can choose to look elsewhere. This can include diverse activities such as school meals, payroll services and financial services.
- 3.3 Under the School Standards and Framework Act 1998, local authorities are required to draw up a scheme for financing schools (The Scheme). This scheme sets out the financial relationship between the local authority and the maintained schools which it funds. It contains requirements relating to

financial management and associated issues, which are binding on both the local authority and on the schools. Any proposed revisions to the scheme are subject to consultation of Schools Forum for approval pursuant to regulation 27 of The Schools and Early Years Finance (England) Regulations 2015. The Scheme for Lewisham is updated annually, in consultation with the Schools Forum. A paper setting out revisions to the scheme of delegation is contained elsewhere on the agenda for this meeting.

3.4 In line with national requirements which have been in place for many years, the Scheme gives schools freedom to exercise choice over their spending plans. Like other local authorities, Lewisham can only impose regulations which are consistent with the need for accountability and control over expenditure of public funds. The Scheme expects all schools to set a balanced budget and manage within the resources made available to them. This is specifically a duty on the governing body of the school.

3.5 The school's governing body is responsible for setting the budget for the school within its resources and are required to continually monitor the spending. The governing body is required to send a budget to the local authority by May 1st each year and budget monitoring returns at the end of September and December each year.

4. An outline of statutory roles

4.1 As a reminder to Finance Forum members and in summary, the statutory roles of the local authorities with respect to finance are as follows:

- Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education
- Administration of grants
- Authorisation and monitoring of expenditure not met from schools' budget shares
- Formulation and review of local authority schools funding formula
- Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools

5. Current Budgets

5.1 Lewisham is witness to a significant increase in the number of schools in deficit. There were nine schools with deficits at the year-end 31 March 2018 totalling £1.5m. It is anticipated that there will be 14 schools in deficit at the end of March 2019. These are not all the same schools as some schools expect to recover their current deficit during 2018/19, but others are projected to go into deficit.

5.2 The forecast cumulative revenue balances for the year to 2018/19 is a surplus of £13.9m which represents a reduction of £4.3m to the 2017/18 balance (£18.3m). Approximately 70% of schools are forecasting an in year deficit for 2018/19.

5.3 The support is delivered in two distinct ways, firstly as an offer to all schools and then through a service level agreement (SLA). The SLA is split into two services, one for technical accounting support and one for strategic budget planning advice.

6. School Finance Support Team

6.1 The finance support team establishment consists of three officers: a principal accountant, an accountant and an assistant accountant. Members should note that given the pressures in the Schools Team a temporary principal accountant joined the team in early 2017 to support on the technical side. The team is then managed by a group finance manager covering all the children and young people's directorate. In theory, this role is split evenly on a 50:50 basis, but in practice the schools element of the role absorbs more time. Members will be aware that this group finance manager post is currently vacant. The last substantive post-holder had held his position for a nine year period and left the authority February 2018. The post was immediately filled on an interim basis. However, without any prior warning or indication, and with a week's notice period, the interim post-holder left the authority in early September 2018.

6.2 The schools finance team functions are wider than just direct support to schools it includes:

Schools Forum

- Schools Forum reports
- High Needs sub-group and other designated sub-groups
- Response to consultations
- Formula notification
- Schools Forum mutual funds monitoring

Finance Monitoring

- Budget analysis
- Schools monitoring returns
- Support on audit reports
- Escalation process
- Monitoring central budget including high needs

Financial Accounting

- School bank accounts
- VAT
- Bank reconciliation
- Grant claims

- Transaction reports
- Closing the accounts
- Transaction processing
- Enquires from schools*
- SLA processing
- Capital (Private Finance Initiatives etc.,)

* It should be noted that during term time an average of about 400 e-mails are received are received by the schools team each month.

Other support

- Catering contract accounting
- Statistical returns
- Freedom of Information Requests
- Scheme of Delegation
- Finance Manual
- Advice to directorate and Members (reports, emails, correspondence)
- Training
- Induction for new business managers
- Interview assistance
- Benchmarking

- 6.3 Some aspects of the finance team's work can take considerable time to conclude. For example, for the local authority to check a school budget plan, it takes on average half a day. Therefore, the workload for all schools would be 42 days or over eight weeks. Similarly with the budget monitoring returns, both for the September and December periods.
- 6.4 If a school is in deficit this level of support can grow significantly and can be between a week or two weeks dedicated time and in some cases even more. In the anticipation that 14 schools are likely to be in deficit by March 2019, this work poses a significant demand on the team's time.
- 6.5 The workloads is such that a risk approach was adopted to this in 2010. Further staffing reductions in 2015 then changed these risk levels such that the concentration was on those schools with significant problems. The increasing number of schools facing financial difficulties will only serve to intensify the demands on the schools finance team to support schools.
- 6.6 At one stage the team was much larger, incorporating a number of officers who supported schools directly, however these officers are no longer employed and some now act as peripatetic bursars with separate contractual arrangements with school. In 2010 and 2015, the team was further reduced as the austerity measures being faced by local government continued to impact. The cuts in finance staff have been felt right across the council. It should also be noted that there are further local authority revenue budget cuts planned for 2019/20 and 2020/21 totalling £30m for which the financial services division in Lewisham will be expected to absorb its share.

7. Learning from other places

- 7.1 There is not a great deal of evidence on the benchmarking of costs. However, a specific piece of work was undertaken last year across London to understand the position and Lewisham's finance team as a whole benchmarked significantly less than the others in terms of cost. There has been no work specifically on schools finance teams, however in the dialogue which the Head of Financial Services has had with colleagues in other boroughs, the overall position of the schools finance team in Lewisham would appear to suggest the team is lean.

8. Building Capacity

- 8.1 There is a proposed reorganisation of the wider finance function for which details are currently being developed. Any proposed changes will take effect from the start of the 2019/20 financial year. More information will emerge on this at the appropriate time. However, the direction of travel for the finance function remains clear given the council's current financial position, in that there is a requirement to remain streamlined, but at the same time maintain a stable, flexible and dynamic service.
- 8.2 In recent years it has been difficult to attract a good level of quality of finance personnel to work in our finance teams, but it remains a top priority to get the right balance of staff to support our dynamic services. Members of the Schools Forum will be aware that there are a number of key skill sets that staff need to work in the area: understanding of the national funding mechanisms, how resources are allocated and a broad understanding of how schools operate. The nature of school funding and the type of support which schools require is not straight forward and experience suggests that anybody coming into a schools finance team will take some time to acquire this knowledge.
- 8.3 Specifically in relation to the Children & Young People Directorate and schools in particular, the Head of Financial Services is working with the HR Department to fill vacant posts on a permanent basis and ahead of the timeline for the wider finance function re-organisation. In recognition that permanent recruitment is longer dated, there is an urgent need now to fill posts to bridge the gap until such time permanent recruitment is made. This is specifically in relation to the group finance manager position and some additional support at the accountant / assistant accountant level in the schools finance team.
- 8.4 Currently, CVs are being reviewed and interviews are being held for a group finance manager, and up to two additional accountants/ assistant accountants. This will have the impact of putting the staffing level to six officers working on the schools finance side, plus a proportionate level of support from the group finance manager. The ultimate intention is provide more direct support to schools, to provide greater training and work closer with schools on a number of financial issues that impact on them.

8.5 The new interim group finance manager will have some initial tasks to focus on when they arrive and in preparation for the permanent recruit for this position. They will be asked to:

- Examine the process by which schools plan their budgets and make their submissions to the local authority in terms of quality and timeliness;
- Explore the appropriateness of the local authority training offer on all aspects of schools' finance, especially with bursars and business managers;
- Explore the feasibility of moving away from our risk based approach to budget challenge and support where resources allow;
- Examine potential synergies in the use of financial systems in schools, particularly in light of the new Oracle Cloud solution being implemented by the local authority;
- Review the SLA agreement and all service provided to schools to ensure it represents the appropriate costs.

8.6 The Head of Financial Services will provide a verbal update on all the recruitment activity at the meeting.

9. Further Information

9.1 Should you require any additional information regarding the items contained in this report please contact:

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Agenda Item 8

Schools Forum			
REPORT TITLE	Growth Fund Distribution		
KEY DECISION	Yes	Item No.	8
WARD	N/A		
CLASS	Part 1	Date	4 October 2018

1. Purpose of the Report

- 1.1 The purpose of this report is to provide the Schools Forum with the necessary information to decide on any action to be taken regarding undistributed 2018/19 Growth Fund amounts.

2. Recommendations

- 2.1 The Schools Forum is recommended to:
- 2.1.1 Agree that any excess above the revised estimate of Growth Fund required for 2018/19 be distributed to schools;
- 2.1.2 Agree for recommendation 2.1.1 to be actioned during the autumn term;
- 2.1.3 Agree for recommendation 2.1.1 to be actioned in line with the Minimum Funding Guarantee

3. Background

- 3.1 Regulations restrict the uses of the Schools Block of the Dedicated Schools Grant (DSG) to distribution to schools via the Individual Schools Block (ISB) formula or distribution to schools via the Growth Fund.
- 3.2 The Growth Fund is set aside to provide schools with additional resources to cover expansions required for basic needs purposes (i.e. due to a shortage of places).
- 3.3 The Schools Forum in each authority decides on the specifics of the Growth Fund distribution methodology.

4. 2018/19 Growth Fund

- 4.1 The 2018/19 Growth Fund in Lewisham was set at £1,100,000 and is supplemented by an unspent balance of £130,865 from 2017/18, giving a total of £1,230,865.

- 4.2 The current estimate for the required funding (with a margin for error) stands at £800,000, meaning an excess of approximately £430,000.
- 4.3 Given the size of the amount that is anticipated to be available for distribution, it is proposed that the excess amount be given to schools during the autumn term 2018 rather than waiting until after the year-end.
- 4.4 The actual amount available will become clearer once the October census figures are finalised. Instead of waiting until December when a more definite figure could be provided, and make the funds available in the Spring term, we are seeking an 'in principal' agreement from Schools Forum to enable distribution this term.
- 4.5 If the Growth Fund had been set at a lower level, then Schools Forum would have been able to agree a higher Minimum Funding Guarantee (MFG) level, so it is proposed that the excess amount be distributed to replicate a higher MFG rate. Appendix 1 shows how much each school would receive from a distribution of £430,000 using this method.

5. Further Information

- 5.1 Should you require any additional information regarding the items contained in this report please contact:

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Agenda Item 9

Schools Forum			
REPORT TITLE	Dedicated Schools Grant 2019/20		
KEY DECISION	Yes	Item No.	9
WARD	N/A		
CLASS	Part 1	Date	4 October 2018

1. Purpose of the Report

- 1.1 The purpose of this report is to provide Schools Forum with the latest information regarding the Dedicated Schools Grant for the 2019/20 financial year.

2. Recommendations

- 2.1 The Schools Forum is recommended to:

2.1.1 Note the provisional figures ahead of more detailed consideration of the 2019/20 budget at later meetings;

2.1.2 Agree the submission of a Minimum Funding Guarantee disapplication to the Department for Education (DfE) to ensure primary pupils in former secondary schools are protected at the correct level.

3. The 2019/20 Allocation

- 3.1 The DfE has announced provisional DSG allocations for the 2019/20 financial year which can be seen below. The latest 2018/19 allocations are provided for comparison.

Table 1 – DSG Allocations

	Schools Block (£'000's)	Central School Services Block (£'000's)	High Needs Block (£'000's)	Early Years Block (£'000's)	Total DSG (£'000's)
Provisional 2019/20 DSG Allocation	212,518	5,436	50,519	No Allocation Published	
Latest 2018/19 DSG Allocation	210,998	5,405	49,479	24,200	290,082
Movement	1,520	31	1,040		
Movement	0.7%	0.6%	2.1%		

4. The Schools Block

- 4.1 The Schools Block is used to fund the Individual Schools Budget (ISB) formula and the Growth Fund.
- 4.2 Table 1 shows a 0.7% increase in cash terms, but on a per pupil basis this works out to a 0.5% increase, as announced when the National Funding Formula (NFF) was first published.
- 4.3 All Lewisham primary and secondary schools are currently funded on the Minimum Funding Guarantee (MFG). The rate at which this can be set will principally vary from the 0.5% increase shown in the table above as a consequence of the amounts of the schools block which are required for the Growth Fund and for National Non-Domestic Rates (NNDR).
- 4.4 It should be noted that the provisional schools block allocations will be updated with pupil numbers and characteristics from the October 2018 school census.
- 4.5 From 2019/20, the following change will be implemented to the Schools Block National Funding Formula calculation.

<p><u>Growth will be funded on lagged numbers</u> An amount for increases in pupil numbers in middle super-output areas An amount for new schools Protection based on past historic figures No effect on how LA's operate their Growth Fund</p>

- 4.6 Resolution of the following outstanding National Funding Formula has been deferred to 2020/21.

Allocations for premises costs
Allocations for mobility (casual joiners)

5. Central School Services Block (CSSB)

- 5.1 The Central School Services Block is used to fund Admissions, School Improvement, Licensing, Pensions, and Contributions to Combined Budgets, Schools Forum and Overheads.
- 5.2 Again the allocations excluding historic commitments will be updated with pupil numbers from the October 2018 school census.
- 5.3 From 2020/21 the DfE intends to implement the following change to the CSSB calculation.

<p><u>Phased reduction in historic commitments allocation</u> Allocation will be reduced by a set percentage per year that assumes an end to historic commitments Lewisham's allocation includes £3.7m for historic commitments.</p>
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6. High Needs Block

- 6.1 The High Needs Block is used to fund Placements, Support in Mainstream Schools and Alternative Provision.
- 6.2 Whilst the potential £1m increase in the High Needs block is welcome, the pressures for 2019/20 have been estimated at £2m so the High Needs Sub Group will still need to be looking for ways to bring spend in line with the available funding.
- 6.3 The allocations will be updated using the pupil numbers from the October 2018 school census.
- 6.4 The DfE intends to implement the following changes to the calculation of the High Needs block.

Inclusion of special free school funding in the High Needs Block
Inclusion of post 16 funding in the high needs block
Moving Hospital Education funding to a formularised basis. A consultation is due this term

7. Early Years Block

- 7.1 The Early Years Block is used to fund the schools and PVI providers (private, voluntary and independent) for 2,3 and 4 year olds provision, including Early Years Pupil Premium, Disability Access Fund and the Inclusion fund. Some 5% of the block is allowed for central expenditure on quality, sufficiency and other services to this age group.
- 7.2 The DfE has not released any information regarding the Early Years block for 2019/20 and nothing is expected before the budget. There have been indications that the budget will contain some information about the future funding of maintained nursery schools.

8. Minimum Funding Guarantee Disapplication

- 8.1 The Minimum Funding Guarantee is a DfE mandated funding element that protects schools' funding at the per pupil level. In 2018/19, this meant that if a school's 2017/18 eligible funding equated to £5,000 per pupil, its 2018/19 per pupil funding could not be less than £5,014.
- 8.2 For former secondary schools that are still expanding into the primary phase, normal operation of the MFG would lead to new primary pupils being funded inappropriately at secondary funding levels. The DfE stipulates an adjustment to the operation of the MFG in such cases which protects the two age groups at the appropriate levels.
- 8.3 As the adjustment is a variation in the regulations, local authorities need to apply to the DfE to use their adjustment and Schools Forum's agreement to apply for the variation is sought.

9. Further Information

- 9.1 Should you require any additional information regarding the items contained in this report please contact:

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Agenda Item 10

Schools Forum			
REPORT TITLE	2018 School Teachers' Pay Award		
KEY DECISION	Yes	Item No.	10
WARD	N/A		
CLASS	Part 1	Date	4 October 2018

1. Purpose of the Report

- 1.1 To consider the current options available to implement the 2018 School Teachers' Pay Award and to make recommendations.

2. Recommendations

- 2.1 The Schools Forum is recommended to:
- 2.1.1 Make a recommendation regarding the approach the authority should adopt towards teacher pay spine points between the maxima and minima stipulated by the DfE.

3. Background

- 3.1 The School Teachers' Review Body (STRB) was established in 1991 as an independent body to examine and report on such matters relating to statutory conditions of employment of school teachers in England and Wales as may be referred to it from time to time by the Secretary of State for Education. The STRB reports to the Prime Minister and the Secretary of State for Education. The legal foundation for the function and work of the STRB is Part Eight of the Education Act 2002.
- 3.2 In December 2017, the STRB was asked by the Secretary of State to make recommendations on: *an assessment of what adjustments should be made to the salary and allowance ranges for classroom teachers, unqualified teachers and school leaders to promote recruitment and retention.* The STRB were further asked to have regard to the government's policy for public sector pay awards, the national state of teacher and school leader supply, affordability and the need to offer value for money, forecast changes in the pupil population and level of demand for teachers and the government's commitment to increasing autonomy for schools on pay matters.

4. The STRB Analysis and Recommendations

- 4.1 It will be of no surprise to colleagues that following consultation the STRB found that maintaining teacher supply had become more difficult and

recruiting and retaining school leaders was an emerging problem. They also found evidence that teaching continued to lag behind other graduate professions, both in terms of starting salaries and pay progression. Having considered the decline in the position of the teachers' pay framework in the labour market for graduate professions the STRB, in its 28th report, recommended and uplift of 3.5% across all pay and allowance ranges for teachers and school leaders.

4.2 However, for the first time in the history of the STRB, the DfE has not accepted in full the recommendations the Body has made. As a reminder the pay award is for:

- 3.5 percent to the minimum and maximum of the unqualified pay range and main pay range
- 2 percent to the minimum and maximum of the upper pay range, leading practitioner pay range
- 1.5 per cent to the minimum and maximum of the leadership pay ranges
- 2 percent uplift across all allowances

5 Options for Lewisham Schools

5.1 Historically, Lewisham, along with many of our neighbouring authorities has chosen to maintain the original spine point ranges and to uplift the points between the minimum and the maximum by the same percentage increase proposed in each pay award.

5.2 Our research suggests that there is a firm expectation by the teacher trade unions that this approach will continue in 2018. Our research also indicates that other surrounding authorities intend to maintain this practice.

5.3 Schools, if they so wish, could use the autonomy proposed by the DfE and create their own ranges. However, changes to pay policy would have to be consulted on with staff and trade unions. Furthermore, making such changes would take schools from the relative comfort of knowing that the salaries they offer are comparable with neighbouring schools to being uncertain about their ability to compete. It should also be noted that it would be a huge logistical problem for the council's payroll to maintain a large number of different pay scales for individual schools.

6. Teacher Pay Grant

6.1 The DfE acknowledges that the teacher pay award is higher than schools will have anticipated and as a consequence will be providing additional funds aimed at covering the amount of the award that is over and above the 1% that they feel schools will have already set aside. The grant will cover the 7 months from September 2018 to March 2019 plus the full 2019/20 financial year.

6.2 The amount of the grant that each school will receive, will not be based on data relating to the school's teaching costs.

6.3 For mainstream schools local authorities will be notified of the amounts they are required to pass on. The grant allocations will be based on the number of pupils aged between 2 and 19. As yet the DfE has not specified which pupil data set.

6.4 The allocations will provide the following amounts per pupils:-

	Per Pupil Rate 2018/19	Per Pupil Rate 2019/20
Primary Schools	£19.51	£33.65
Secondary Schools	£31.57	£54.20

6.5 Exemplar allocations can be found in the table below:-

	Allocation 2018/19	Allocation 2019/20
25 FTE Nursery Pupils	£488	£842
210 Primary Pupils	£ 4,097	£ 7,067
420 Primary Pupils	£ 8,194	£14,133
630 Primary Pupils	£12,291	£21,200
600 Secondary Pupils	£18,942	£32,520
900 Secondary Pupils	£28,413	£48,780
1,200 Secondary Pupils	£37,884	£65,040
250 Sixth Form Pupils	£ 8,893	£13,550
350 Sixth Form Pupils	£11,050	£18,970

6.6 For special schools and the PRU, the DfE will allocate funds to the LA on the basis of place numbers. The rates for these allocations are shown in the table below.

	Per Place Rate 2018/19	Per Place Rate 2019/20
Special Schools & PRU's	£78.10	£134.97

6.7 The information released by the DfE so far has some gaps and ambiguities. It is possible that local authorities would not be required to passport the allocations for Special Schools and PRU's. Schools Forum is asked to consider whether it would want the allocations to be passported when received, should this be possible, or whether it would prefer that the allocations be held back for further consideration at its next meeting.

7. Further Information

- 7.1 Should you require any additional information regarding the items contained in this report please contact:

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Agenda Item 11

Schools Forum			
REPORT TITLE	The Apprenticeship Levy and Public Sector Targets		
KEY DECISION	Yes	Item No.	11
WARD	N/A		
CLASS	Part 1	Date	4 October 2018

1. Purpose of the Report

- 1.1 The purpose of this report is to update the Schools Forum on the use of the Apprenticeship Levy funds and to report on the progress of schools to meet the public sector targets for apprenticeships.

2. Recommendation

- 2.1 The Schools Forum is recommended to:
- 2.1.1 Encourage schools to consider training requirements to make effective use of the apprenticeship levy.

3. Background

- 3.1 The Schools Forum is reminded that the government has committed to creating three million new apprenticeships in this Parliament (2015 to 2020), with two primary measures to achieve this ambition. The two measures are:
- The Apprenticeship Levy
 - The Enterprise Act 2016 which introduces apprenticeship targets for public sector organisations including schools.
- 3.1.1 *Apprenticeship Levy:* Employers with a UK pay bill of over £3m from both private and public sectors will be required to pay 0.5% of that into a levy. The levy payment will be ring-fenced in a digital account held by government and can be used to purchase apprenticeship training.
- 3.1.2 *The Enterprise Act 2016:* The Enterprise Act came into force on 4th May 2016. It introduced a range of changes to employment law including the introduction of apprenticeship targets for public sector organisations in England. The targets will be set by future regulation, but in principle will apply only to those bodies with 250 or more employees. The Act also introduced a statutory definition of ‘apprenticeship’ in England to help set minimum standards. In future, it will be an offence to label any training as an ‘apprenticeship’ unless it satisfies the statutory requirements and forms part of an individual’s employment.

4. What this means for Lewisham Schools

- 4.1 As at 31st August 2018, eligible Lewisham schools have contributed approximately £750k into the levy digital account. Some £41.5k is deposited into the digital account each month from schools.
- 4.2 It should be noted that the first credits made in April 2017 will not be available after March 2019 as they are set to expire after 24 months.
- 4.3 Meeting the public sector target of 2.3% of the workforce as set in 2017/18 means that schools collectively have to work towards creating 224 apprentices by March 2019. The target is headcount based and this has the potential to have an unfair impact on schools where large numbers of the workforce are part-time and do not work enough hours to be eligible to undertake an apprenticeship.
- 4.4 There are no plans to introduce any legal or financial penalties for not achieving the target. However, to ensure public bodies are having regard to the target and in order to increase transparency there will be a duty for public bodies to publish information on progress towards meeting the apprenticeship targets annually. It is anticipated that school progress will be published individually within the annual report. The first of which is due by 30th September 2018.
- 4.5 Given the slow start to the availability of suitable apprenticeships it has been difficult for schools to gain real traction with this and therefore the public sector target, remains a huge challenge for organisations to meet.

5. What is happening that schools can take advantage of?

- 5.1 Approval is currently being sought from the Executive Director of Resources & Regeneration for the Council to join two separate purchasing frameworks which will allow both the Council and schools to draw down training services in a simple and quality assured way.
- 5.2 The two organisations are Eastern Shires Purchasing Organisation (ESPO) and Yorkshire Purchasing Organisation (YPO). Becoming a member of both these frameworks will ensure that schools will be able to access high quality training and development at competitively tendered prices and time saving implications. This is because when service providers sign up ESPO and YPO will have already undertaken part of the procurement process and will have ensured that the service provider meets qualification requirements. The approval to join these two frameworks is imminent.
- 5.3 Arrangements are also underway to consider working with the Royal Borough of Greenwich. Greenwich Council has set up as a training provider and can offer a range of courses suitable to school staff. They are available to present their offer to a suitable headteacher/leadership working

group and to demonstrate the work they have done with Greenwich headteachers.

- 5.4 As at September 2018, schools have secured two teacher training apprenticeships for existing staff comprising one secondary and one primary. Training to become a School Business Manager is being pursued and a CIPFA financial qualification for an existing SBM is also being pursued. Training to upskill a Premises Officer in an engineering capacity is also being considered as the qualification and will allow him to carry out work that is currently outsourced to professionals.
- 5.5 Procurement procedures are currently being managed whilst we await the ESPO and YPO frameworks and schools are encouraged to contact Schools' HR to discuss any training needs they have in mind that could be purchased through the levy funds.
- 5.6 A reminder will go out on the mail shortly encouraging schools to think about what training could be undertaken that would develop staff, give benefit to the school without significant impact on budgets. Schools' HR will be available to receive enquiries.
- 5.7 Management of the digital account remains with the Schools' HR Team.

6. Further Information

- 6.1 Should you require any additional information regarding the items contained in this report please contact:

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Schools Forum		
REPORT TITLE	Catering Contract Review & Price Increases	
KEY DECISION	No	Item No. 12
WARD		
CONTRIBUTORS	Education Estate & Contracts Team	
CLASS		Date: 4th October 2018

1. Purpose of the Report

The purpose of this report is to feedback on the recently concluded Catering Contract Review.

2. Recommendation

That Forum note the outcome of the review.

3. Background

3.1 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.

3.2 The contract was awarded inclusive of payment of the London Living Wage on a phased implementation. There are 72 schools who have bought into the school meals centralised service with contract value of circa £50m, the exact figure will vary due to the number of meals supplied and inflationary pressures.

3.3 Due to uncertainties around the impact of the new contract pricing on schools it was agreed at Schools Forum that the charge in the first year of the new contract would continue on the basis of the old contract, in the understanding that this would lead to an over-collection of funds. This led to a surplus which is now being used to subsidise the remaining years of the contract.

4. London Living Wage

4.1 Since the commencement of the contract the minimum hourly rate (London Living Wage) for staff has risen to £10.20. Under the contract terms there is an obligation to increase LLW payment each year and

therefore the rise from £9.75 will lead to a 10p per meal increase in payment to Chartwells.

- 4.2 The surplus collected at year 1 of the contract is softening the impact of price increases and therefore the uplift will not lead to an increase in the current estimates for 18/19.

5. Food Price Increases

No increase to reflect food prices was agreed in the contract and this is negotiable annually. Food prices have risen significantly since the contract onset and this along with the recent review have led to an agreement to raise the food element of each meal by 3p.

6. Contract Review

Chartwells requested a contract review which commenced in January this year. As part of this process senior managers at Lewisham agreed a break from the performance deduction for 3 months in order to resource and implement improvements to the service including;

- 6.1 Staff restructure – There has been a restructure of mobile staff. Previously there were three area managers for primary schools and one for the secondary schools. There are now two for primary and each has an assistant and a quality assessor working in their areas. The quality assurance manager for secondary schools remains and is supported by two others. All are mobile and will be available to support unit managers.
- 6.2 Improved training is to be made available for Unit Managers and all have now completed a session. These sessions are designed to help unit managers deliver expectations and manage their teams.
- 6.3 Introduction of a new daily checklist – This is designed to ensure that all staff including cover staff and agency staff are clear on how the kitchen operates and complete all tasks required. This is complete but needs to be reviewed and adjusted following feedback
- 6.4 Craft training sessions are being provided for cooks to assure and improve the quality of food provided
- 6.5 Improvements to e learning and checks to ensure completion. This task is now being managed at the office in Catford and the records are being stored on line so that we can verify.
- 6.6 A review of the relief team. In an effort to reduce the reliance on agency cover, all new staff will start on the relief team. Recruitment will be continual and there will be an ongoing effort to get the numbers right in this team.

- 6.7 Better communication and engagement with school staff and pupils – senior members of Chartwells team at Lewisham will be available for bookings every Thursday morning to liaise with staff or students.

7. Conclusion

- 7.1 The review is now complete and a number of ongoing improvements will continue to be monitored. The impact of some new initiatives will be measured through monitoring visits and spot checks.
- 7.2 London Living Wage and food price increases will lead to a 13p per meal rise in price from September 2018.

8. Further Information

- 8.1 Should you require any additional information regarding the items contained in this report please contact:

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Agenda Item 13

Schools Forum			
REPORT TITLE	Schools Health & Safety – Annual Report 2017/18		
KEY DECISION	No	Item No.	13
WARD	N/A		
CLASS	Part 1	Date	4 October 2018

1. Purpose of the report

- 1.1. The purpose of this report is to present to members of the Schools Forum and Children & Young People (CYP) Health, Safety and Welfare Committee a summary of the Health & Safety (H&S) activities undertaken by the Authority so far 2017 – 2018 and plans for 2018/19.

2. Recommendations

- 2.1. The Schools Forum is recommended to:

- 2.1.1 Note the contents of this report.

3. Background

- 3.1. The Council undertakes to carry out the following activities annually:

- A programme of onsite Health and Safety audits of Community schools. This will be based on time since last audit, risk ratings, and the accident/incident profile. Each school will be audited once every 3 years.
- Management and review of Health and Safety Self-Assessments for all schools
- Inspections of all schools with radiation sources (under CLEAPPS guidelines)
- Health and Safety advise, training and support.
- Management of the online accident/incident reporting platform including review, advice and support to schools.
- An annual building related statutory compliance review of Community schools and other schools through a Service Level Agreement (SLA)

4. Onsite Health & Safety Audits

- 4.1 The council aims to conduct a full (onsite) audit at all community schools on a three year cycle. In 2017/18 only 7 audits took place. During the academic year of 2018/19, 20 schools are planned for an onsite audit. Of the 2 onsite audits

undertaken so far 1 school has been rated good and 1 school has been rated as poor – support has been offered to improve the deficiencies in the systems at the school rated as poor to improve the risk rating.

4.2 The purpose of the onsite audit exercise is to provide the auditor an overview of the health and safety management system at the school. This is achieved through reviewing all health and safety related documentation and conducting a walkabout inspecting the school premises. The onsite audit concludes with a report and an assurance opinion that is shared with the Authority, School Governors and the schools senior management. The Health and Safety assurance opinions used by the Council are noted in the table below:

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.

Noted below are lists of schools audited so far in 2018/19 and those scheduled for an audit:

Scheduled for Audit 2018/19

Schools
Rushey Green - completed
Chelwood Nursery - completed
Coopers Lane
Edmund Waller
Horniman
Brent Knoll
Kilmorrie
Toriridon
Eliot Bank
Foster Park
Baring
Beecroft Garden
Clyde Nursery
Segdehill
St Margaret's Lee
Marvels Lane

Stillness Junior/Infants
St Winifred's
Sydenham
Grinling Gibbons

4.3 Health and Safety audit reports typically provide commentary on an exception basis (i.e. recording only areas for improvement). The audit report sets out areas for improvement and recommendations are made. These recommendations are rated High, Medium, or Low and it is the responsibility of the School's management to ensure these are addressed within the prescribed timescales.

5 Annual Self- Assessments

5.1 Further to the programme of rolling onsite Health & Safety audits for community schools, the Authority requests that every school complete a self-assessment of their Health and Safety arrangements on an annual basis. For community schools this is a mandatory requirement whilst for VA, Foundation and Academies, this a voluntary exercise but one that is encouraged by the Council. The purpose of the annual Health and Safety self-assessment is to demonstrate a level of assurance but to also provide schools and governing bodies with a tool kit to review its Health and Safety arrangements and to maintain awareness.

5.2 The scope of each health and safety self-assessment audit reviews the key risk areas for effective management of H&S in a school environment. Within the self-assessment, specific risks areas 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 and Welfare** such as, for example, medical follow up on issues such as back problems and stress.

5.3 Based on feedback from a number of forums, the 2017/18 self-assessment audit which was issued in November, had clearer categories with more explanatory notes. The new questionnaire was posted online and automatically provided quantitative scoring based on a weighted system which produced marks relative to the hazard, for example:

- Does your school have an appointed Health and Safety Lead? - **10 marks**

- Has your Health & Safety Policy been reviewed and updated within the last 3 years?
- **4 marks**
- Is the corrective action taken to prevent the same type of incidents occurring again clearly detailed in the report form? – **1 mark**

5.4 Of the schools that returned their annual self-assessments, 86% rated themselves above the benchmark value of 80%, 9% scored between 70 & 80% with the remaining 5% scoring below 70%. Schools that scored below 70% will be offered extra support when the self-assessment is released later in the year.

5.5 **Self-Assessments Summary**

2015/16

- 49 Schools returned audits (5 rated good and 44 rated excellent)
- 11 Schools did not return the assessments

2016/17

- All community Schools returned audits (100%) (all rated excellent)
- 10 other schools (VA, Academies, Foundation) Schools did not return the assessments

2017/18

- All community Schools completed audits. The average score was 89%
- 16 other schools (VA, Academies, Foundation) Schools did not return the assessments

5.6 The format and content of the self-assessment audit is reviewed annually following feedback from the schools and any changes in H&S legislation, policy and to maintain continuous improvement.

5.7 Once the results from the annual self-assessment (2019) have been analysed the Authority will note any arising themes or trends and incorporate these into the annual plan which will be shared through school forums/meetings, training opportunities and advice through the schools mailing.

6. **Radiation Source Management Inspections**

6.1 In 2015/16 annual inspections under CLEAPSS guidelines (see www.cleapss.org.uk) for those schools managing radioactive sources was introduced.

The ten schools below were inspected in 2016/2017.

Addey and Stanhope,
 Bonus Pastor,
 Connisborough,
 Deptford Green,
 Forest Hill,
 Haberdasher Askes Knights Academy,
 Prendergast,
 Prendergast Ladywell,

- 6.2 The Schools Health and Safety Advisor will be inspecting all schools that hold sources of radiation in the coming term. One school has been inspected so far this term, they were given a rating of 'Good'.
- 6.3 All schools with ionising radiation are given support by the Schools Health and Safety Advisor through onsite checks/inspections. They are also required to ensure that they have a trained Radiation Protection Supervisor who is normally a senior member of the Science Department. This training is provided through the Consortium of Local Education Authorities for the Provision of Science Services (CLEAPPS) and it is a legal requirement under the Ionising Radiation Regulations.

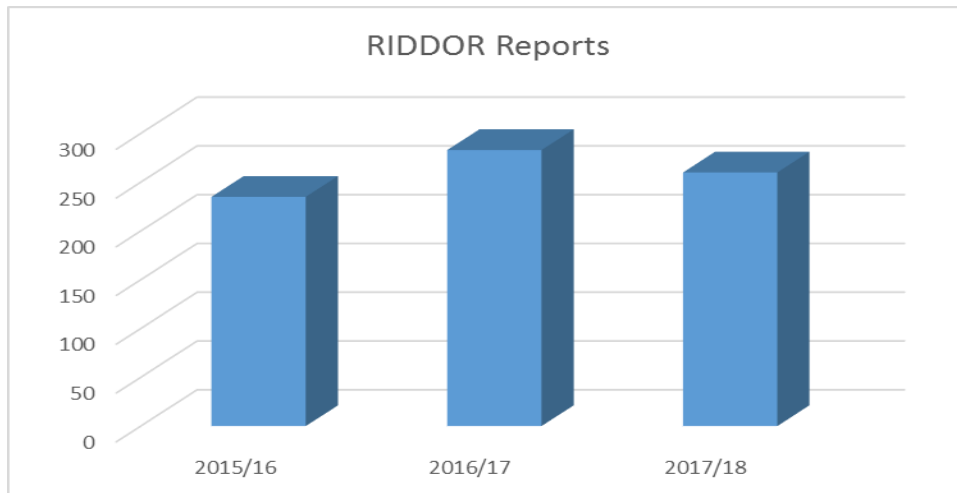
7. Health & Safety Training & Support

- 7.1 Health and safety training is arranged locally by each respective school or federation and based on their local requirements informed by a training needs analysis. E Learning is also being encouraged where appropriate. Additional training and information in health and safety is delivered through other forums e.g. COG meetings, Head teacher Leadership Forum and SAO meetings
- 7.2 The Council offers Health and Safety Lead Governors training termly and a full suite of other courses are being developed for delivery throughout the year from either the Schools Health and Safety Advisor or external sources, based on the competence requirements for the subject matter.
- 7.3 Premises manager training, COSHH awareness, permit to work and risk assessment have been identified as key areas needing further support from the council. Schools will be advised to either arrange this training locally or attend courses arranged and delivered by LBL.
- 7.4 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. Schools have been encouraged to source this training and where the Council runs them, they will be advertised appropriately. Further schools are encouraged to conduct courses as collaborative to increase training opportunities while reducing costs and providing networking opportunities.
- 7.5 Schools will continue to be supported to ensure they comply with their health and safety obligations. Information has been sent since the start of the winter term through school mailings on EVC coordinators training and reporting requirements for visits, asbestos management and advice on defective science equipment from the HSE.

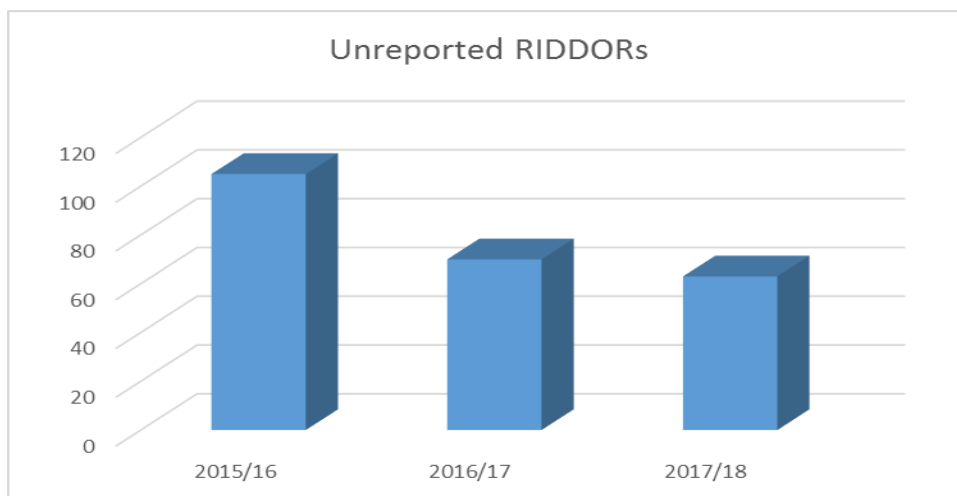
8 Incident Reporting

- 8.1 Accidents, incidents and dangerous occurrences continue to be reviewed regularly

8.2 The total number of Accidents in 2015/16 was 2312, there was a reduction of 16% in 2016/17 where the total was 1942. The downward trend was reversed for 2017/2018 with an increase of 178 (9%) to 2120 for reported accidents – this presented a drop of 10% on the previous year:



The downward trend in number of unreported RIDDORs continued in 2017/18 with a drop to 63 from 70 in 2016/17 and 105 in 2015/16:



The top 5 causes of accidents were;

- Contact with moving / flying/falling objects / person
- Slip / trip / fall / on same level
- Contact with something fixed or stationary
- Assault by a pupil / client on an employee
- Assault by a pupil / client on a pupil / client

8.3 Primary schools continue to report the most accidents and these are largely trips and falls and bumps from collisions.

- 8.4 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 have been individually approached with visits to the Head Teacher from the Schools Health and Safety Advisor – all schools visited have pledged to make improvements in recording accidents & incidents in 2018/19.

9. Statutory Maintenance

- 9.1 In 17/18 all LA maintained schools underwent a statutory compliance review undertaken by the Estates Management Service with all other schools offered the opportunity to purchase a review through a SLA.

- 9.2 The key findings of the review were as follows

What we do well;

- Only 1 school did not have an up to date asbestos risk assessment
- Nearly all schools fire alarms and fire extinguishers maintenance was up to date
- PAT testing was 100% compliant
- Fixed wiring testing was 98% compliant
- All schools have an up to date gas safety certificate
- Security and access control was good

Challenges;

- There were some poor quality legionella risk assessments with very little information, no risk rating and carried out by a company not registered with the required organisations
- No all relevant information is recorded on log sheets
- A number of schools did not have a 'permit to work' system
- 19 schools have not carried out a glazing risk assessment
- Not all schools are familiarising themselves with the action plans in their risk assessments and had not carried out the recommended action (legionella in particular).

- 9.3 As a result of the compliance review Estates management are to procure risk assessments on behalf of schools and will offer this service via an SLA. Schools who purchase the service via this SLA will have their risk assessment reviewed by the Estates management team.

10. Educational Visits

- 10.1 All overseas trips, trips including an overnight stay, and trips involving outdoor adventures e.g. trekking, sailing or kayaking, off-piste skiing, and glacier travel must be reported to the Council before the visit by emailing the final checklist to Edward Farrelly: Edward.farrelly@lewisham.gov.uk

- 10.2 Wide Horizons, who acted as the Authority's advisors for outdoor activities, ceased trading in July of 2018. As Wide Horizons Outdoor Education Trust were the appointed advisor to ensure the Authority complied with its legal responsibilities for all school trips, this has left a void that urgently needs to be addressed. Mike Penny who

held a senior position with Wide Horizons has approached the council and offered to honour the company's commitment to March 2019. He will provide a proposal to carry out the role of trainer for school EVC's and continue to control the 'There and Back' Policy. This will be evaluated along with other options relating to the provision of training for EVC's who may require it urgently. In the meantime schools can source training from the Outdoor Education Advisors Panel (OEAP). Updates will continue via the school mailing.

11. CYP Health and Safety Committee

11.1 The CYP Health and Safety Committee is a sub-committee of the Corporate Board and receives and analyses all health and safety information from schools quarterly and feeds into the Corporate Board. The SGM Strategic Service Planning and Business Change is currently chairing the CYP Health and Safety Committee and he sits on the Authority's Corporate Board to report on CYP Health and Safety issues. The committee meet quarterly preceding the Corporate Board. The Committee reviews all proactive and reactive interventions of health and safety in schools and makes recommendations to the Corporate Board. Recent changes to the Committee to improve its performance and representation include having representatives from schools sitting on this Committee. Trade Union representatives are encouraged to be present at every meeting.

12. Summary and Actions for 2018/19

Summary of the Action Plan for 2018/19			
Action	Date of Action	Evidence of Action/Completion	Any Further Action
Review and send out the new health and safety self-assessment	November 2018	Questionnaires being finalised	Follow up after closing date
Carry out onsite audits as per current onsite audit programme	ongoing	Audit emails, reports sent to schools	Develop action plan for any deficiencies
Provide health and safety awareness training for Lead Governors	November 2017, February 2018, June 2018	Training records available	Continue promoting the training
Provide Health & Safety training for premises officers and school business managers	Spring term 2019	Improved self-assessment returns.	
Recommend the type of training that schools require to improve their competence in health and safety management. Work closely with schools to ensure training and advice delivered is of acceptable quality	ongoing	Schools training records	Continuous monitoring

Supporting schools to develop their health and safety policies and ensure the main policy is signed	ongoing	A log of health and safety policies in file and main policy signed	Continuous review
Support schools to improve their consultation with staff through developing health and safety committees	ongoing	Functional Health and safety committees or other forum	Continuous review
Supporting schools in making sure they understand their responsibilities under the COSHH Regulations including having COSHH cupboards for storing chemicals	ongoing	COSHH risk assessments in place COSHH cupboards in place and chemicals stored safely COSHH Assessment exemplar template to be provided for schools with training for completing assessment	Continuous review
Supporting schools with PFI to understand their roles for health and safety i.e. that they ultimately have overall accountability for health and safety in the premises. Therefore encouraging close cooperation between PFI and school management	ongoing	Minutes of schools/PFI meetings	Attend PFI/Schools meetings where possible and give advice
Ensuring those schools with Radioactive materials are up to date with their annual checks	ongoing	Schools have completed annual checks	Continuous review
Continue to monitor There and Back Policy and ensure all our EVCs are trained. Also work to create options to cover demise of Wide Horizons	11 September 2017	Policy in place	Promote the Policy to schools through schools mailing etc. Continue to engage with Mike Penny Look at alternative suppliers
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.	ongoing	Improvement in reported data No late reporting RIDDORS reported on time Visit the Head Teacher of schools who are not reporting	Continuous review
Reviewing the monitoring of schools statutory compliance.	ongoing	Up to date Records of statutory maintenance in	Continuous review

		place	
Develop a suite of exemplar documents / policies and risk assessments to guide schools	Sep 18 - July 2019	These will be released throughout the year and will be available on the Services for Schools portal	
Produce a weekly H&S articles for school mailing to improve knowledge and awareness.	Ongoing from Sep 18	Several articles have already been released	

13. Further Information

13.1 Should you require any additional information regarding the items contained in this report please contact:

For further information on this report please contact:

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