

**Minutes of the eighteenth meeting of the Schools Forum held at Brent Town Hall at 6.00 p.m. on Monday 4<sup>th</sup> December 2006**

**Attendance**

**Members of the Forum**

**Governors**

Pat Anderson (PA)

Martin Beard (MB)

Mike Heiser (MH) (Chair)

Miss O. Ogundimu (OO)

Countess Mariaska Romanov

**Head Teachers**

Lesley Benson (LB)

Martin Earley (ME)

Kathy Heaps,

Sue Knowler (SK)

Sylvie Libson (SL)

Mike Maxwell (MM)

Maria Shea (MS)

**Others**

Tony Vaughan (Trade Union) (AV)

**Councillors**

Cllr Bob Wharton (BW)

Lead member for Children and Families

**Officers**

John Christie (JC)

Director - Children and Families

Roy Smith (RS)

Children and Families

Roger Annan (RA)

Children and Family Finance (minutes)

**3. Projected overspend on the 2006-2007 Central Expenditure Limit (CEL) and implications for 2007-08**

JC introduced this item. A significant overspend of the CEL was currently forecast in the current financial year. This was due to a variety of factors the main of which were the increasing number of pupils coming into the Borough – in particular the number of children needing specialist and substantial support, an increase in the number of pupils with special needs and the level of those needs, an increase in the level of those needs and a range of social care issues of which a significant number have high costs. This had not been anticipated and in 2005-06 there had been an underspend in this area. The anticipated overspend in 2006-07 was £1.1m and the full year cost in 2007-08 would be £1.4m. The CEL will increase in 2007-08 by about £1m leaving a total of £1.5m to be found in that year ( the £1.1m carried forward from 2006/2007 and the £0.4m net overspend forecast for 2007/2008).

The Council would be limited to a 2.7% increase in 2007-08 and there were significant overspends in other areas. These meant that the only way of funding this deficit would be to top slice the DSG, and hence reduce the ISB, to recover the deficit and, as a result, exceed the CEL. JC could not see an alternative and if the Schools Forum could not agree this suggestion he would have to ask the Council to appeal to the Secretary of State for Education (SoS) for a dispensation to allow the proposal. He commented that one of the consequences of the overspend was

that preventative measures that JC had hoped to be able to fund in 2007/2008 could not now be afforded.

There would a reduction of around £1.5m in the ISB available in 2007-08 if the Schools Forum agreed the proposals, the reduction would be of the order of !%, reducing the 2007-08 anticipated per pupil increase from 8% to 7%.

ME asked for more detail and asked if there were any ways in which the amounts could be reduced. JC said that the bulk of the additional costs were as a result of providing services direct to pupils and not of administration. It was demand led. He added that the Social Care overspend had been reduced from an original estimate of £4.8m to £3.3m and this would be met from the Council reserves. ME was concerned that the two year budget was being changed and this would set a precedent for future years. Could extra growth be found to avoid this?

RS said that whilst it was possible that extra pupils would produce £3m of growth for 2007/2008 it only produced an increase of £200k in the CEL. The LA would not know until the January PLASC count what the actual increase in numbers was and the DfES would not have the final figures until later in the year. JC reminded the meeting that the situation came as a result of children who were expensive to support coming into the Borough. SK suggested the problem was not unique to Brent – how did other LAs manage she asked. JC said he was not sure. MM was worried about setting a precedent and agreed this was unlikely to be just a Brent problem. He said that members and officers could not be blamed. He felt it would be better to agree to meet the needs rather than just acquiesce. JC said that if the Forum did not agree it was by no means certain that the SoS would overturn the decision resulting in uncertainty. RS said that the suggestion was only for 2007-08 and that it was not proposed for future years. He added the Forum could agree specifically for one year only if it wished.

MM was concerned that this reduction could be accompanied by other changes – for instance rises in the charges for traded services. Such changes would further reduce the effectiveness of two year budget that were intended to allow schools to plan appropriately over the longer term. JC said it was unlikely that there would be increases in traded services costs, other than inflation, with the possible exception of Human Resources which was currently underfunded. RS said that it would be possible for officers to bring a further report to the next meeting dealing with these issues as well as updating the Forum on outturns. The Chair felt a report would be helpful and could also give more detail on SEN funding. He felt that the constituencies represented on the Forum would find this information reassuring.

LB said that schools had made commitments made on the basis of the two year budget. She said that any dilution of the anticipated funding in the budget for 2007-08 would exacerbate the problems of chronic underfunding in the Borough. ME agreed that the funding needed to be found. He felt that it was important to emphasise the exceptional nature of the changes proposed for next year. He was concerned that the additional funding might be thought of as on going. RS said that the LA could live with proposals that encompassed these concerns and that the proposed report could deal with any situations that might arise for 2008-09

once the outcome of the comprehensive spending review by the Government were known. SL said there would be difficulties in explaining the reductions to colleagues.

The Chair asked what the changes would mean for the average school in 2007-08. JC said that the increase would reduce from 8.1% to 7.1% per pupil but the budgets for schools would benefit from the increase in overall numbers. KH said schools could not manage any more than this level. MM said he was sympathetic to the proposals but that they could not be sustained year on year. JC said it was important that a decision was made at the meeting allowing time for referral to the SoS if necessary.

ME moved the motion with the following additions:

- (d) that nothing in the motion should be interpreted as a precedent for future year;
- (e) that the CEL should not be further exceed in 2008-09; and,
- (f) a full report on out-Borough provision be made to the next meeting.

SK asked if it was within the Forum's remit to express views for the future. RS said officers would draft a note.

The Chair put the amended motion which was CARRIED without opposition.