

Item 6: DELEGATED DECISIONS OF CABINET AND COUNCIL COMMITTEES

Draft Minutes:

JCC Teachers - 9 February 2016
JCC Corporate – 9 February 2016
Overview and Scrutiny – 11 February 2016

**Minutes of: JOINT CONSULTATIVE COMMITTEE
WITH TEACHERS**

Date of Meeting: 9 February 2016

Present: Representing Bury Council

Councillors: P Heneghan (Chair), M Hankey,
K Hussain, M James, J Lewis, E O'Brien, and C Preston

Representing the Teachers' Side

A Brooks (ATL)
M Greaves (NUT)
G P Hirst (NAHT)
K Hopwood (NASUWT)
J Lund (ATL)
J Proctor (NASUWT)
D Quayle (NASUWT)
N Shears (NUT)

Apologies: Apologies for absence were received from Officers
I Chambers (Assistant Director of Learning) and Judith
Simms (Head of Personnel, Children's Services)

JCC.01 DECLARATIONS OF INTEREST

There were no declarations of interest made at the meeting.

JCC.03 BUDGET PROPOSALS 2016/2017

Steve Kenyon, (Interim Executive Director of resources and Regulation), gave a presentation detailing the key financial issues facing the Authority and subsequent efficiency savings to be made for Bury Council's 2016/17 budget.

The following facts were presented:-

- For 2016/17, it is estimated that £11.6 million will have to be cut from budgets due to core funding being reduced by 10.75% and it is estimated that funding will be cut by over 30% in the next 4 years. This is on top of £54 million lost since 2010.
- This means the Council will need to prioritise services covering its legal obligations and priorities set out in the 'Vision, Purpose and Values' document, where priorities are to look after the vulnerable; promote a strong local economy and be a good place to live and invest.
- Bury still receives a poor settlement compared to similar Authorities and there will be cuts to a number of grants including Education Services and the Benefits Administration Grant.
- The Council face new burdens in relation to Employers National Insurance and the living wage and in addition to reduced funding; the Council faces pressures on user demand and expectations.

- There is considerable uncertainty following the localisation of Business Rates, where currently income is shared with the Government, ultimately this will move to 100% and the cessation of Central Government support, to Local Authorities.
- There are increased pressures, with reduced funding, in Social Care for Children and Adults, and the Environment, including Waste, as well as other services.
- The impact will be service changes, with a possible reduced range of services or closures in future years and alternative ways of delivering services and greater use of Partnership working.
- There may be increased waiting times and a reduced quality of service and limits to what the Council can afford to do and a greater use of technology, e.g. the new transactional website.
- A total of almost £54 million cuts have been made since 2011 – 2015 and the current net budget is £128.6 million, of which approximately £100 million is controllable.

The meeting was informed of the following key measures to address the cuts:-

- Alternative Service Delivery Models - £1.990 m
- Grant Optimisation - £1.450 m
- Grants to Voluntary Sector – 0.150 m
- Income Generation - £1.600 m
- Better use of Buildings/Assets - £0.150 m
- Procurement Savings - £1.788 m
- Service redesign - £2.471 m
- Staff Restructuring - £1.780 m
- Use of New Technology – 0.200 m

In terms of the next steps, it was reported that a review of the recent consultation feedback and analysis was underway which will be fed into the budget setting process for 2016/17. The Council will debate and formally approve the 2016/17 budget on 24 February 2016.

Questions and comments were invited and the following issues were raised:

- Councillor Lewis asked how much was collected in Business Rates and it was explained the Council yield 50 million, shared with the Government, of which 25 million was retained but with full retention it could be 50 million, depending on how much of the grant was withdrawn.
- Karen Hopwood asked if money was raised through car parking and it was stated yes but there was a lot of competition and the regulations state that any money accrued through car parking must be re-invested back into Highways. Although the car parking on the Rock was private, money was generated through the Business Rates.

- Karen Hopwood asked about the land that had been previously purchased for the new High School in Radcliffe and if that could now be sold as an asset. If sold for housing, there could be revenues for rent. The interim Executive Director explained that all areas were being considered in relation to better use of buildings/assets including the land in Radcliffe.

An additional report by Peter Lowe, Head of Financial Services, Children, Young People and Culture, was circulated prior to the meeting highlighting the Schools' Issues, providing detailed information on the following key areas:-

- Dedicated Schools Grant (DSG)
- School Funding Formula Values
- Pupil Premium
- Universal Free School Meals for Infants
- School Funding Issues
- Education Services Grant (ESG)

At the end of 2015, the Department for education (DfE) announced that the 2016/17 amount per pupil would be at the same level as 2015/2016 which is creating substantial problems within schools as there are significant cost increases that schools will have to fund from the same amount per pupil.

Additional funding recognising the total increase in pupil numbers has been included in 2016/2017 DSG, amounting to just over 2 million, with the pupil numbers in Schools and Academies based on the October 2015 census. Bury's per pupil funding remains at £3,123.19 per pupil.

The Schools Forum at their meeting on 13 January 2015 agreed the funding formula factors for 2015/2016 and the Forum agreed to spread the repayment of the £3 million deficit over 2 financial years. Consequently the 2015/16 funding formula factors are also applicable for 2016/17.

During 2015/16 there has been a significant increase in spending above the budget as a consequence of the demand pressures of additional high needs pupils attending Independent Special Schools. Primary, Secondary and Special school head teachers were consulted on lowering the 'Low prior Attainment' factor to contribute towards the overspending and following the consultation, almost every Primary school and a majority of Secondary schools accepted the proposals and the Schools Forum at their meeting on 19 January 2016 considered the outcomes of the consultation and ratified the results.

The Pupil Premium Grant (PPG) is additional funding provided by Government and is extra to the Dedicated Schools Grant apart from the Early Years PPG.

The DfE announced that from September 2014 they will provide funding to enable schools to offer a free lunch to every Primary school child in

reception, Y1 and Y2. The additional revenue funding is based on schools achieving a take-up of 87% and the funding that has to be distributed to schools will be based on £2.30 per meal.

The DfE's announcement at the end of 2015 shows no increase in per pupil funding for 2016/2017, meaning it will be the same level as that in 2015/16, which means the significant increases in costs will have to be funded from existing budgets, with major increases in costs including:

- Pay awards for teachers and non-teachers
- Living wage
- Staff increments
- National Insurance changes
- FYE Pension increases
- Running costs

Additional pupils over the numbers in 2015/16, mean an extra £2 million. This will be used in providing education for these increased numbers.

Data from IDACI (Income Deprivation Affecting Children Index), last updated in 2010 when the economy was at a very low point with the latest review that took place this year based on a much improved economy and for many schools several pupils are now in lower bandings.

The ESG is provided to LA's and Academies who receive this funding to compensate them for the increased costs of the additional responsibilities they inherit from Local Authorities when they achieve academy status. This is being reduced from £87 per pupil in 2015/16 to £77 in 2016/17 which is a £1/4 million funding reduction to the Council.

The Services classified within the ESG that Bury spends money on are:

- Education Welfare Service/School Attendance
- School Improvement
- Asset Management
- Statutory & Regulatory duties

As more schools convert to academy status, the ESG Bury currently receives is transferred to the academies and the DfE will shortly be consulting on what functions Local Authorities will be required to do in time for implementation for April 2017, the same time as the National Funding Formula for schools will begin.

Questions and comments were invited from Members of the Committee and the following issues were raised:

- In response to a question from Karen Hopwood relating to the School's Forum and the consultation with Primary and Secondary head teachers, Peter Lowe explained that Secondary head teachers believe that KS3 funding is significantly below the National Average, however, Bury is 104th out of 150 LA's for amount per pupil and there is no further funding to give to Secondary schools towards KS3.

- Karen Hopwood enquired if there were any schools carrying surplus budget and Peter explained that the financial year will run for another 6 weeks and there would be a better idea of any surplus then.
- An update was provided to the Committee in respect of the financial position at Manchester Mesitva High School.
- Michelle Greaves and Natasha Sheers (NUT) asked in relation to the effect on schools if they become an academy and Peter explained that academies are funded in the same way, with funding based on the academic year, not the financial year. However, funding would be at different levels if it was an academy chain based in different authorities, e.g. Manchester would receive more than an academy in Bury.

Bury currently were the only Authority not to have a Secondary academy. However, the Chancellor in his Autumn statement said that all Secondary schools would become academies by 2020, although there is no time frame attached to this and if schools went down this route, the LA would still be involved in delivering services. Councillor Heneghan stated that the education landscape was changing and this information was direct from Central Government.

- In relation to whether Bury could set up its own academy trust, Peter explained that there would still need to be approval. The Diocese have issued fresh guidance, recognising academies and with legislation changing, however there would still be budget pressures to face.
- Ann Brooks asked after the future meeting dates For JCC Teachers and it was explained that currently the timetable of meetings was in draft form but it was hoped to be reported at the next meeting on 3 March 2016.

Karen Hopwood asked that Peter Lowe be thanked for all his hard work in preparing and providing the information.

It was agreed:

That Steve Kenyon and Peter Lowe be thanked for their presentations.

Councillor P Heneghan
Chair

Note: The meeting started at 6pm and finished at 7.25 pm