



To:
All Headteachers and Chairs of Governing Bodies

Our Ref: WSF/SIFD/April 08

2nd April 2008

Dear Colleague,

SCHOOLS DEFICIT RECOVERY SCHEME

I am writing on behalf of the members of the Worcestershire Schools Forum (WSF) to confirm the final decisions on the proposal to introduce a scheme to support schools in financial difficulty.

This area has been subject to detailed consultation during the last year, with details issued providing information on the proposals and the opportunity to comment on the issues. Thank you to all those who took the time to respond and for the extremely valuable comments made on the proposals.

The outcomes of the consultation are available on the WSF website under the section WSF Sub Groups Consultations: -

<http://www.worcestershire.gov.uk/home/wccindex/wcc-edu-index/wcc-edu-wsf/wcc-edu-wsf-sub-groups.htm>

This along with the detailed comments received from schools have been further considered by the WSF in July 2007 and by the WSF Sub Group in September 2007.

These meetings have resulted in some amendments to the draft proposals, which were considered by the WSF at its meeting on 27th September 2007. At the meeting the WSF unanimously resolved to introduce a scheme, incorporating these changes from 2008/09 to be called the **'Schools Deficit Recovery Scheme'**. The final agreed scheme is attached.

In agreeing the scheme the WSF and the WSF Sub Group do continue to recognise the potential contentious nature of this issue. However, the WSF have been fully advised of the current robust arrangements made by the LA in the support of schools in financial difficulty. They are sure that the detailed controls, criteria and provisions contained within the scheme will provide the necessary

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safeguards in managing this complex and challenging agenda on behalf of all schools.

The scheme will formally come into effect from the financial year 2008/09. The reason for the delay in notifying these decisions to schools is that the WSF further resolved that the scheme would only proceed on the basis that there would be available headroom from the **centrally retained part** of the Dedicated Schools Grant (DSG) in 2008/09 to fund any potential support.

Now that the initial DSG for 2008/09 has been confirmed and budgets agreed for 2008/09, it has been confirmed that central headroom availability has resulted in provision being made in support of the scheme. This will be clearly identified in Table 1 Line 1.1.1 of the 2008/09 Section 52 Budget Statement.

If you have any further queries on these issues then please do not hesitate to contact me.

Yours sincerely

Andy McHale
Service Development Manager Resources and
Clerk to the Worcestershire Schools Forum

On behalf of all Members of the Worcestershire Schools Forum

c.c. Members of the WSF
