



Schools Funding Forum 22nd September 2016 ITEM 11

Subject Heading:

De-delegation of funding for central services

Report Author:

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Eligibility to vote:

LA maintained school representatives

SUMMARY

This item is to seek the approval of the Schools Funding Forum for the de-delegation of funding to maintain the provision of a range of central services permitted by the Schools Funding Regulations.

RECOMMENDATIONS

To consider the de-delegation of funding for the following services:

- (i) Contingency to support schools in financial difficulty
- (ii) Attendance & Behaviour
- (iii) EAL
- (iv) Free school meals eligibility
- (v) Insurance
- (vi) Maternity insurance
- (vii) Trade Union Facility Time

REPORT DETAIL

Funding for de-delegated services must be allocated through the formula but can be passed back, or 'de-delegated', for maintained mainstream primary and secondary schools with schools forum approval. De-delegation is not an option for special schools, nursery schools and PRUs.

Where de-delegation has been agreed for maintained primary and secondary schools the local authority will offer the service on a buy-back basis to those schools and academies in their area which are not covered by the de-delegation. In the case of special schools and PRUs, the funding to buy such services will be included in any top-up payments.

Any decisions made to de-delegate in 2016 to 2017 related to that year only, so new decisions will be required for any service to be de-delegated in 2017 to 2018.

Schools forum members for primary maintained schools and secondary maintained schools must decide separately for each phase whether the service should be provided centrally and the decision will apply to all maintained mainstream schools in that phase. Funding for these services will then be removed from the formula before school budgets are issued. There may be different decisions for each phase.

The services which may be de-delegated are:

- contingencies (including schools in financial difficulties and deficits of closing schools)
- behaviour support services
- support to underperforming ethnic groups and bilingual learners
- free school meals eligibility
- insurance
- museum and library services
- licences/subscriptions
- staff costs supply cover (for example, long-term sickness, maternity, trade union and public duties)

For each service de-delegated, local authorities will need to make a clear statement of how the funding is being taken out of the formula (for example, primary insurance £20 per pupil, secondary behaviour support services £30 per FSM pupil). There should be a clear statement of how contingencies and other resources will be allocated. Academies will continue to receive a share of funding for these services in their delegated budget.

De-delegation arrangements for 2017 to 2018 schools converting to academy status are as follows:

Conversion date

On or before 1 April 2017

1 May 2017 to 1 September 2017

1 October 2017 to 31 March 2018

De-delegation arrangements

No de-delegation

Local authority retains any de-delegated funding until 1 September 2017

Local authority retains any de-delegated funding until 31 March 2018

Where there has been agreement that a school is entitled to receive an allocation from a de-delegated contingency fund, that agreement should be honoured if the school converts to an academy at any point in the year. Where a school converts to an academy in the period 2 April to 1 September 2017, local authorities will have an opportunity to present an evidence based case to the EFA to request a recoupment adjustment for the period 2 September 2017 to 31 March 2018.

Any unspent de-delegated funding remaining at the year-end should be reported to schools forum. Funding may be carried forward to the following funding period as with any other centrally retained budget, and can be used specifically for de-delegated services if the authority wishes.

Services for which de-delegation is requested**1. Contingency for Schools in Financial Difficulty**

A small budget of approximately £280,000 has been held centrally for a number of years which has been used to support schools who are in financial difficulty, sometimes through past decision making, unforeseen expenditure that cannot be contained within the school's budget or more commonly because of a reduction in pupil numbers. Several schools have been supported through this fund through criteria agreed by the Schools Funding Forum.

Funding required through de-delegation

	Primary	Secondary	
Formula factor	AWPU	AWPU	
Amount	£13.54	£13.54	
Total	£242,325	£26,919	£269,244

2. Attendance & Behaviour

An explanation of the service offered through de-delegation will be tabled at the meeting. Because of low numbers of LA maintained secondary schools, in all previous years the decision has been not to de-delegate funding for secondary schools. Figures have not, therefore, been provided for secondary schools.

Funding required through de-delegation from maintained primary schools

Formula factor	AWPU	FSM	IDACI A	IDACI B	Low attainment	
Amount	£2.74	£23.63	£490	£47	£9.11	
Total	£49,038	£53,282	£1,964	£49,801	£44,768	£198,853

3. EAL Service

An explanation of the service offered through de-delegation is attached at Appendix A. Because of low numbers of LA maintained secondary schools, in all previous years the decision has been not to de-delegate funding for secondary schools. Figures have not, therefore, been provided for secondary schools.

Funding required through de-delegation from maintained primary schools

Formula factor	EAL 3
Amount	£108.99
Total	£204,230

4. Free School Meals Eligibility

This service checks the eligibility of children for free school meals and pupil premium grant by accessing a central government hub. Without this service schools would need to make their own arrangements to determine eligibility.

Funding required through de-delegation

	Primary	Secondary	
Formula factor	FSM	FSM	
Amount	£8.21	£8.21	
Total	£18,512	£1,947	£20,460

5. Insurance

Insurance for maintained schools is currently held centrally funded from de-delegation. The Borough's insurance contract expires on 31st December 2016 and consideration will need to be given if it is to include schools. Further information is to be sought from the Borough's insurers before a decision on whether to de-delegate is sought from schools.

6. Maternity Insurance

The LA administers an insurance scheme that meets the costs of teachers who are on maternity leave. The benefit of de-delegating the budget is that schools do not have to pay premiums or make claims.

If the funding is not de-delegated, schools would need to make individual choices to buy into the scheme which, if some schools decided not to, may make it unviable to run. It is not offered to academies.

Funding required through de-delegation

	Primary	Secondary	
Formula factor	AWPU	AWPU	
Amount	£15.54	£15.54	
Total	£278,199	£30,987	£309,186

7. Trade Union Facility Time

A working group of the Schools Funding Forum has previously considered issues raised in a DfE advice and guidance document and made comparisons of costs with other LAs. Decisions were made to reduce the amount of facility time and therefore the costs to schools and academies.

The pooled arrangements continue to benefit schools through the provision of support from locally based and accredited trade union officials.

The costs have reduced from an original £5.70 per pupil to £4.00 in 2015-16 and to £3.50 in 2016-17.

The total budget required has reduced from an original £200,000 to £125,000.

Funding required through de-delegation

	Primary	Secondary	
Formula factor	AWPU	AWPU	
Amount	£3.50	£3.50	
Total	£62,640	£6,979	£69,619