



**Subject Heading:**

**De-delegation of funding for central services 2024-25**

**Report Author:**

**Nick Carter – Principal Finance Officer (Schools)**

**Eligibility to vote:**

**LA maintained school representatives**

### SUMMARY

This item considers the de-delegation of funding, to maintain the provision of a range of services provided centrally and for statutory and regulatory duties.

### RECOMMENDATIONS

1. For LA maintained primary school representatives to agree the de-delegation of funding for the following services:
  - (i) Insurance
  - (ii) Free school meals eligibility checking
  - (iii) Maternity leave insurance
  - (iv) Trade Union Facility Time
  - (v) EAL service
  - (vi) Behaviour support service
  
2. For LA maintained primary and special school representatives to agree the de-delegation of funding for the following:
  - (i) Statutory and regulatory duties
  - (ii) Core school improvement activities

## REPORT DETAIL

The de-delegation of funding for central services was an agenda item at the meeting of the Schools funding Forum held on 21<sup>st</sup> September 2023 with Trade Union facility time added at the meeting on 19<sup>th</sup> October 2023. Forum members expressed the wish to discuss all the areas proposed for de-delegation with schools in their clusters. Forum members are invited to provide feedback from those meetings so that a decision can be reached on which services are approved for de-delegation.

### Services for which de-delegation is requested – applicable to LA maintained primary schools only

#### 1. Insurance

Insurance for maintained schools is arranged as part of the Borough's main insurance contract and funded through de-delegation. Funding requested through de-delegation from LA maintained primary schools is as follows:

2024-25	Primary
Formula factor	AWPU
Amount	£21.00
Total	£363,000

2023-24	£20.00
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It should be noted that the cost of participating in the Risk Protection Arrangement, managed by the Department for Education, has been set at £23.00 per pupil for 2024-25.

#### 2. Free school meals eligibility checking

This service checks the eligibility of pupils 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 requested through de-delegation from LA maintained primary schools is as follows:

2024-25	Primary
Formula factor	FSM eligible pupils
Amount	£9.50

Total	£30,352
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2024-25 rate	£9.50
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The LA is proposing that the sum per FSM pupil de-delegated remains unchanged. An increase in the total de-delegated, resulting from an increased number of FSM eligible pupils, should be sufficient to cover the cost of the pay award for staff delivering this service.

### 3. Maternity leave insurance

The LA administers an insurance scheme that meets the costs of teachers and support staff who are on maternity leave. The benefit of de-delegating the budget, rather than operating a traded service, 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. This service is not offered to academies.

The LA is proposing a 6% rise in the sum de-delegated to match the expected average increase in staff salaries. Staff salaries determine the level of maternity leave payments.

Funding requested through de-delegation from LA maintained primary schools is as follows:

2024-25	Primary
Formula factor	AWPU
Amount	£36.96
Total	£639,000

2023-24	£34.87
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### 4. Trade Union facility time

De-delegation benefits schools through the provision of support from locally based and accredited trade union officials.

The cost to schools in 2023-24 was £2.63 per pupil. If the price remained unchanged the figures for 2024-25 would be as follows.

2024-25	Primary
Formula factor	AWPU
Amount	£2.63
Total	£45,500

2023-24	£2.63
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Shown below are the figures if the sum per pupil was increased by 6.5% in line with the rise in teachers' pay. This would bring the per pupil amount to £2.80. The figures would be as follows.

2024-25	Primary
Formula factor	AWPU
Amount	£2.80
Total	£48,400

2023-24	£2.63
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## 5. EAL Service

De-delegation enables the LA to retain a central EAL Team to maintain the high levels of support and response to Havering's maintained primary schools.

Funding requested through de-delegation from LA maintained primary schools is as follows:

2024-25	Primary
Formula factor	EAL 3
Amount	£38.00
Total	£107,000

2023-24	£38.00
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## 6. Behaviour support service

De-delegated funding is used to fund the work of school support family practitioners, meaning that this will be provided to schools without an additional charge.

Funding requested through de-delegation from LA maintained primary schools is as follows:

Formula factor	AWPU	FSM Ever 6	IDACI E	IDACI D	IDACI C	IDACI B	IDACI A	Low attainment	
Amount	£5.00	£2.00	£14.08	£22.08	£12.05	£7.71	£10.07	£5.00	
Total	£86,420	£6,640	£31,111	£27,757	£6,859	£4,598	£1,240	£25,603	£190,228

2023-24 rates	£5.00	£2.00	£14.08	£22.08	£12.05	£7.71	£10.07	£5.00	
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## Education functions for which de-delegation is requested – applicable to LA maintained primary and special schools only

### 1. Statutory and regulatory duties

The Schools Funding Forum has previously received reports on the withdrawal of the Education Services Grant (ESG) which was allocated to local authorities by the Government for the provision of statutory services in relation to schools. Academies also received ESG. That has also ceased.

The reports advised that from an original allocation of £2.3m, £589k had been transferred to the DSG leaving no funding source to meet the remaining costs. After reducing its operational costs by £590k this left a shortfall of £1.2m.

In reducing the funding to local authorities, the DFE introduced a provision within the School Funding Regulations for local authorities to agree a contribution from LA maintained schools towards the cost of statutory services and specific tasks that are carried out for them but not for academies. This principle reflects the charge that most Multi Academy Trusts place on their partner academies for central services. The contribution from LA maintained schools budgets' was introduced for the 2018-19 financial year and was set at £19.89 per pupil for primary schools and £44.00 per place for special schools. The primary school rate was reduced to £17.90 for 2019-20. For the last two years the rate has been increased in line with the rise in NFF factor values and currently stands at £18.88.

For 2024-25 the LA is proposing that the rate for LA maintained primary schools is increased by 2.3% bringing it to £19.31 per primary school pupil. A rise of 2.3% is also proposed for each special school place, bringing it to £45.00.

The cost of providing the services supported by this funding is comprised largely of staff salaries that are expected to rise by around 7% this year.

The new rate would produce a total contribution of £341,000.

2024-25	Primary	Special
Formula factor	AWPU	Place
Amount	£19.31	£45.00
Total	£334,000	£7,000

2023-24	£18.88	£44.00
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## 2. Core school improvement activities

In January 2022 the DfE announced that the School Improvement, Monitoring and Brokerage Grant paid to local authorities would be reduced by 50% for financial year 2022-23 and then removed completely from 2023-24.

At the same time, local authorities were given the power to fund all improvement activity, including core activity, via de-delegation with the agreement of schools forums or the Secretary of State.

For 2024-25, the LA is seeking de-delegation at an unchanged rate of £5.11 per pupil. This generates 50% of the total DfE grant withdrawn. The service provided from de-delegated funds would remain unchanged from the current year as laid out in Item 9 Appendix D of the School Forum agenda for 21<sup>st</sup> September 2023.

2024-25	Primary	Special
Formula factor	AWPU	Place
Amount	£5.11	£15.33
Total	£88,300	£2,400

2023-24	£5.11	£15.33
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