

**Schools Forum 16 October 2012**

**Report of the Director of Children's Services**

**School Funding Reforms - De- Delegations 2013/14**

**Purpose of Report**

1. To provide consultation feedback to Schools Forum in order that decisions regarding de-delegations can be made in preparation for the 2013/14 financial year.

**Budget Working Group Discussed**

2. Yes – 16 October.

**Schools Forum Role and Responsibilities**

3. From 1<sup>st</sup> April 2006, the Schools Budget has been funded by a direct Department for Education (DfE) grant: the Dedicated School Grant (DSG).
4. In accordance with the Schools Forums (England) Regulations 2012, Schools Forum must authorise the deduction of budgets from Maintained Schools Budget shares in respect of certain central expenditure. (Under regulation 8(5)).

Where this central expenditure is to be 'de-delegated' to the local authority then the Schools Forums (England) Regulations 2012 state that:

- a. **Regulation 11A** - Only the schools members of the schools forum who are representatives of primary schools (other than nursery schools) may vote to decide whether or not to authorise the matters referred to as de-delegation where they relate to primary schools (other than nursery schools); and
- b. **Regulation 11B** - Only the schools members of the schools forum who are representatives of secondary schools may vote to decide on whether or not to authorise the matters referred to as de-delegation where they relate to secondary schools.

**Action for Schools Forum**

5. To discuss and approve the de-delegations for 2013/14; a summary of the de-delegation consultation outcomes will be provided in order that Schools Forum has the relevant background information to inform their decision making.

**Attachments to Report**

6. Appendix 1 - Table 1 from the De-delegations consultation.
7. Appendix 2 - De-delegation recommendations for maintained schools.
8. Appendix 3 - Consultation Outcomes at 30 September 2012 (with closing date 5 October 2012).

Karen Cocker, Children's Services Finance Manager, 2 October 2012

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1. To provide consultation feedback to Schools Forum in order that decisions regarding de-delegations can be made in preparation for the 2013/14 financial year.

**Background**

2. De-delegation refers to a process whereby a school is entitled to funding via their delegated budget, but collectively, maintained schools' through a phase chose to return the funding to the Directorate of Children's Services where the management and co-ordination of that service will continue to be provided centrally on behalf of those schools.
3. The DfE's School Funding Reforms for implementation on 1 April 2013, outline which centrally maintained service budgets must be delegated to schools from 2013/14. For Dudley the funding earmarked for mandatory delegation in 2013/14 totals £1.8m and relates to all maintained mainstream schools and Academy schools in Dudley.
4. However, recognising that authorities had centrally retained these services for the greater good of all schools, the DfE will allow any of the newly delegated services to be 'de-delegated' but only by maintained mainstream schools. This action requires the maintained mainstream schools within a phase to agree that a service should be provided centrally on the grounds of economies of scale or pooled risk.
5. The services detailed in Appendix 1 and their funding must be delegated to schools in the first instance.
6. The process of de-delegation will mean that the final delegated budget available to each school would exclude these budgets and the funding would be centrally retained and managed though the Director of Children's Services. An agreed reporting process to schools will be necessary during the course of the 2013/14 financial year.
7. The Schools Forum Regulations 2012 (amendment) determine that any budgets de-delegated must be approved by Schools Forum in the relevant phase (primary or secondary) to decide whether that service should be retained centrally.
8. For Academy schools, de-delegation of mandatory delegated budgets from April 2013 will not be permitted under the draft 2013 School and Early Years Finance

(England) Regulations. Therefore Academy schools cannot be invited to de-delegate their element of the delegated funds but they will be entitled to buy back the service, if traded through the local authority.

9. Where Schools Forum agrees to de-delegate any budget this will be for one financial year (2013/14) in the first instance. Any surplus funds or overspending at the end of the financial year will be carried forward into the next financial year and schools' budgets adjusted accordingly. Further operational advice and guidance will be issued to schools to outline the final management arrangements before the commencement of 2013/14.
10. Forum should note that all financial data shown in Appendix 1 and 2 has been modelled on the basis of 2012/13 budgets and pupil numbers. As the allocations are subject to change in line with 2013/14 pupil census then the data in Table 1 will alter accordingly. However, the change is expected to have minimal impact on the allocations detailed in Appendix 1 and 2.

### **De- Delegation Recommendations**

11. The De-delegations consultation closes on 5 October 2012 therefore at the time of issuing this report the final consultation responses had not been received. Therefore the consultation responses at Appendix 3 are based on the responses received to date and a further and final update of Appendix 3 will be provided at the Forum meeting on 16 October.

### **Finance**

12. The funding of schools is prescribed by the Department for Education (DfE) through the School Finance (England) Regulations 2012 to be replaced in 2013 by the School and Early Years Finance (England) Regulations 2013.
13. Schools Forums are regulated by the Schools Forums (England) Regulations 2012.
14. From 1<sup>st</sup> April 2006, the Schools Budget has been funded by a direct grant: Dedicated School Grant (DSG).

### **Law**

15. Councils' LMS Schemes are made under Section 48 of the School Standards and Framework Act 1998. The Education Acts 1996 and 2002 also have provisions relating to school funding.

### **Equality Impact**

16. The Council's Equal Opportunities Policy is taken into account when considering the allocation of resources.

## **Recommendation**

17. Based on the information outlined within the report and a further update of Appendix 3 to be provided at the meeting in respect of the complete de-delegations consultation outcomes, Schools Forum **Schools Members** who are representatives of:

- a. primary schools, are asked to vote on the recommendations outlined in Appendix 3 in respect of de-delegated budgets for maintained primary schools for 2013/14 financial year; and
- b. secondary schools, are asked to vote on the recommendations outlined in Appendix 3 in respect of de-delegated budgets for maintained secondary schools for 2013/14 financial year.

A handwritten signature in black ink, appearing to read 'J. Porter', with a horizontal line drawn underneath it.

Jane Porter  
**Director of Children's Services**

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## Appendix 1

**Table 1 – Dudley Delegated and De-delegated Services for 2013/14**

Reference Appendix A	Service/Budget	Recommendation in respect of Maintained Schools Element from HTCF- Budget Working Group	Mainstream Schools Budget 2012/13
1	Contingency - Closed schools	Delegate £251,716 then de-delegate part of budget £169,506	£297,000
2	Contingency -Assigned rents	De- delegate	47,640
3	Contingencies	De- delegate	68,696
4	Behavioural Support Services – LACES	De-delegate	32,658
5	Behavioural Support Services – KS3 support	Delegate – and offer traded service	57,910
6	EMAS service – Family Support	De- delegate	256,665
7	EMAS service – Classroom Support	Delegate - and offer traded service	157,000
8	EMAS service – Community Languages programme	Consult on options	60,000
9	Library Service for primary pupils	Consult on options	255,634
10	Union facilities time in schools	De-delegation	266,115
11	Newly Qualified Teachers funding	De-delegation	355,773
	Total		£1,855,091

## Appendix 2

**Table 1 – Dudley De-delegated Services Recommendations for Schools Forum Approval for 2013/14**

Reference Appendix A	Service/Budget	Recommendation in respect of Maintained Schools Element from Director of Children's Services	Mainstream Schools Budget 2012/13	Value of <u>delegation</u> for maintained mainstream schools		Value of <u>de-delegation</u> for maintained mainstream schools		Value of delegation for Academy schools
				Primary	Secondary	Primary	Secondary	
1	Contingency - Closed schools	Delegate £251,716 then de-delegate part of budget £169,506	£297,000	£46,625	£35,585	£96,134	£73,372	£45,284
2	Contingency -Assigned rents	De- delegate	47,640	0	0	£22,899	£17,477	£7,264
3	Contingencies	De- delegate	68,696	0	0	£33,020	£25,202	£10,474
4	Behavioural Support Services – LACES	De-delegate	32,658	0	0	£15,698	£11,981	£4,979
5	Behavioural Support Services – KS3 support	Delegate – and offer traded service	57,910	£27,836	£21,244			£8,830
6	EMAS service – Family Support	De- delegate	256,665			£233,813	£17,448	£5,404
7	EMAS service – Classroom Support	Delegate - and offer traded service	157,000	£143,022	£10,673			£3,305
8	EMAS service – Community Languages programme	Consult on options	60,000	£54,658	£4,079			£1,263
9	Library Service for primary pupils	Consult on options	255,634			£122,876	£93,781	£38,977
10	Union facilities time in schools	De-delegation	266,115			£127,914	£97,626	£40,575
11	Newly Qualified Teachers funding	De-delegation	355,773			£171,010	£130,517	£54,246
	Total		£1,855,091	£272,141	£71,581	£823,364	£467,404	£220,601

**Appendix 3 – Dudley Delegated and De-delegated Services for 2013/14- Consultation Responses at 30<sup>th</sup> September 2012**

Service/Budget	Recommendation in respect of Maintained Schools Element from HTCF- Budget Working Group	Responses in support of Rec.		Responses against the Rec.		Responses – No Opinion		Value of <u>delegation</u> for maintained mainstream schools		Value of <u>de-delegation</u> for maintained mainstream schools	
		Prim.	Sec.	Prim.	Sec.	Prim.	Sec.	Prim.	Sec.	Prim.	Sec.
1) Contingency - Closed schools	Delegate £251,716 then de-delegate part of budget £169,506	10	1			1		£46,625	£35,585	£96,134	£73,372
2) Contingency - Assigned rents	De- delegate	11					1	0	0	£22,899	£17,477
3) Contingencies	De- delegate	11	1					0	0	£33,020	£25,202
4) Behavioural Support Services – LACES	De-delegate	11	1					0	0	£15,698	£11,981
5) Behavioural Support Services – KS3 support	Delegate – and offer traded service	4		1		5		£27,836	£21,244		
6) EMAS service – Family Support	De- delegate	11	1							£233,813	£17,448
7) EMAS service – Classroom Support	Delegate - and offer traded service	10	1			1		£143,022	£10,673		
8) EMAS service – Community Languages programme	Consult on options :– Delegate & trade; or De-delegate	7		1		2		£54,658	£4,079		
9) Library Service for primary pupils	Consult on options: Delegate & trade; or De-delegate	9				1				£122,876	£93,781
10) Union facilities time in schools	De-delegation	11	1							£127,914	£97,626
11) Newly Qualified Teachers funding	De-delegation	11	1							£171,010	£130,517
Total								£272,141	£71,581	£823,364	£467,404

## **Additional Comments- De-delegations Consultation**

### **Question 1 - Contingency - Closed schools**

- **Yes** - With the proviso that closed school sites are disposed of ASAP as this cost could be seen to be unnecessary waste.
- **Yes** - Closed school sites must be disposed of ASAP - until they are, this represents a waste of money.
- **Yes** - but hopefully there is a clear plan and timeline for disposal e.g. Cradley High School has been closed for 4 years - surely too long to arrange disposal.
- **Yes** - The sites should be disposed of as a matter of urgency and the revenue returned to the Education budget.

### **Question 2 - Contingency -Assigned rents**

### **Question 3 - Contingencies**

- **Yes** - Underspend to go back into schools budget.
- **Yes** - With the caveat that any underspend be given back to schools.

### **Question 4 - Behavioural Support Services – LACES**

### **Question 5 - Behavioural Support Services – KS3 support**

- **Not applicable** (Primary)
- **No** - Doubt our employee is sufficient resource to provide a service of any quality.
- Delegate to secondary schools.

### **Question 6 - EMAS service – Family Support**

### **Question 7 - EMAS service – Classroom Support**

- **No opinion** - In the absence of further information I would hope that offering this as a traded service does not pose any immediate risk to the ongoing provision of this service and the employment associated with it.
- **Yes** - however, the team need to be able to signpost more efficiently to support for minority languages such as Thai.

### **Question 8 - EMAS service – Community Languages programme**

- **Yes** - Delegation - offer as part of traded service for EMAS.
- **Yes** - This should be delegated and added to the traded service for EMAS for the schools that need it.
- To be delegated, traded service could be offered.
- De-delegate

### **Question 9 - Library Service for primary pupils**

- **Yes** - De-delegation is my preferred option.
- **Yes** - De-delegate to continue this service.
- **Yes** - Should be de-delegated and allowed to continue.
- **Yes** - This service offers excellent value for money and definitely needs to be retained.
- De-delegate to provide a service to primary schools

### **Question 10 - Union facilities time in schools**

- **Yes** - Please note my earlier disclosure – as an employee of ATL with responsibility for ATL members in Dudley I may be in a position where I am taking part in the review of trade union facilities time. However, aside from de-delegation of trade union facility time funding being the policy of my employer it is also my own personal opinion and my response above can be taken as such.
- **Yes** - Review into Union Costs paid by schools is necessary.
- **Yes** - A review into union costs should be carried out as soon as possible.

### **Question 11 - Newly Qualified Teachers funding**



- **Yes** - I believe that failure to do this would create potential for an inconsistent approach to supporting Newly Qualified Teachers.
- **Yes** - This allows NQT support to be targeted.
- **Yes** - The NQT Budget should be held by the LA and given out to schools and academies that actually have NQTs. Schools and academies that do not have NQTs do not need this funding.

#### Additional Comments

- I believe that any further erosion of the Local Authority's influence and engagement with local schools at a time of significant and ongoing change in the education landscape poses great risks. Any perceived additional financial benefits schools might view from delegating these budgets should be balanced with the risk of being able to continue to provide these services on school by school basis on a consistent and ongoing basis.