
Schools Forum 24 October 2013

Report of the Director of Children's Services

School Funding Reforms - De- Delegations 2014/15

Purpose of Report

1. To provide consultation feedback to Schools Forum in respect of those services eligible for de-delegation in the 2014/15 financial year.

Budget Working Group Discussed

2. Yes – 16 October 2013.

Schools Forum Role and Responsibilities

3. 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 8 paragraph 9A** - 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 8 paragraph 9B** - 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

4. To note the consultation feedback in respect of the 2014/15 proposed de-delegations and that a further report will be presented to the December meeting for Forum members to make their final decisions in respect of the 2014/15 financial year.

Attachments to Report

5. Appendix A – De-delegations - Consultation responses received to date and the information contained within the consultation.

Karen Cocker,
Children's Services Finance Manager,
11 October 2013

Schools Forum 24 October 2013

Report of the Director of Children's Services

School Funding Reforms De- Delegations 2014/15

Purpose of Report

1. To provide consultation feedback to Schools Forum in respect of those services eligible for de-delegation in the 2014/15 financial year.

Background

2. De-delegation refers to a process whereby a school is entitled to funding via their delegated budget, but collectively, maintained mainstream 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 implemented on 1 April 2013 outlined which centrally maintained service budgets must be delegated to schools from 2013/14.
4. However, recognising that authorities had centrally retained these services for the greater good of all schools, the DfE allow for 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, via Schools Forum, to agree that a service should be provided centrally on the grounds of economies of scale or pooled risk.
5. 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.
6. For Academy schools, de-delegation of mandatory delegated budgets is not permitted under the 2012 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.
7. Where Schools Forum agree to de-delegate any budget this will be for one financial year. 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.
8. For 2013/14 Dudley Schools Forum approved the following services totalling £1.282m.

Table 1 – De-delegated Services for the 2013/14 Financial Year

De-delegation for mainstream maintained schools for:	Value for 2013/14
Contingencies - closed schools and rental payments	£245,963
Staff costs - supply cover – Union Facilities time	£226,457
Staff costs - supply cover – NQT (Newly Qualified Teachers)	£305,927
Support for minority ethnic pupils/underachieving groups. Family Support Workers	£256,485
LACES (Looked After Children Education Services)	£28,095
School Library Service	£219,483
Total De-delegations	£1,282,410

2014/15 De- Delegation Proposals

9. The consultation on School Funding Reforms: Funding Arrangements and Changes for 2014-15, which included at Question 5: “Do you have any comments regarding the de-delegation of funding for the services listed in Table 4 of the consultation?” closed on 11 October 2013. Therefore at the time of issuing this report the final consultation responses had not been received.
10. However, Appendix A outlines the responses received to date in respect of the consultation question relating to the services outlined in Table 1 above.
11. It is proposed that a further report be issued to Schools Forum at the December meeting to provide:
 - An update on the 2013/14 financial year outturn position for the services de-delegated;
 - A full set of consultation responses;
 - For the 2014/15 financial year:
 - i. Information from the service provider, to include a equality impact assessment of non de-delegation;
 - ii. Updated value of the service budget available, to reflect recent schools converting to Academy status;
 - iii. Recommendations from Budget Working Group in respect of 2014/15 de-delegations.
12. Schools Forum members will be asked to make their decisions and vote at the December meeting in respect of the 2014/15 financial year.

Finance

13. The funding of schools is prescribed by the Department for Education by the School and Early Years Finance (England) Regulations 2012.

14. Schools Forums are regulated by the Schools Forums (England) Regulations 2012.

15. From 1 April 2006, the Schools Budget has been funded by a direct grant: Dedicated School Grant (DSG).

Law

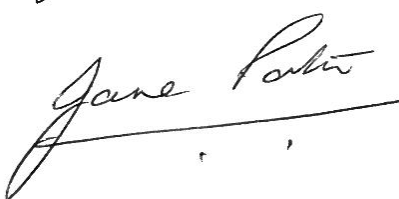
16. Councils' LMS Schemes are made under Section 48 of the School Standards and Framework Act 1998. The Education Acts 1996 and 2002 also have provisions relating to school funding.

Equality Impact

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

Recommendation

18. Schools Forum to note the consultation responses received to date in respect of the 2014/15 de-delegation of services, as detailed in Appendix A, and to receive a final report at the December meeting at which time Forum members will be asked to make their decisions on de-delegated services for 2014/15.

A handwritten signature in black ink, reading 'Jane Porter', with a horizontal line drawn underneath it.

Jane Porter
Director of Children's Services

Contact Officer: Karen Cocker, Children's Services Finance Manager
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Dudley Consultation on School Funding Reforms: Funding Arrangements and Changes for 2014-15

Appendix Ai

QUESTION 5 Do you have any comments regarding the de-delegation of funding for the services listed in Table 4? (paragraphs 76-85 refer)

Yes	No	Comments/Responses	Consultation response from:
	1		Amblecote Primary
1		The amount de-delegated in respect of Union facilities time is excessive and in the current environment very unattractive. Reductions should be investigated and alternative funding methods investigated.	Chair of Goves - Colley Lane
	1		Bishop Milner School- Academy
1		I am happy for the de-delegation of funding for services listed to occur.	Bromley-Pensnett
	1		Windsor High School- Academy
	1	Agree with current situation	Cotwall End
	1		Mount Pleasant
1		<p>I disagree with all de-delegation with the exception of the contingency fund.</p> <p>The union facilities time should be found by the unions. At present employers are paying both for their costs and the union costs. It is not unreasonable to expect the unions to pay for the facility time.</p> <p>The NQT supply time should be delegated to schools to make the arrangements for supporting NQT programme. They can then choose the level and type of cover required</p> <p>The other costs should be available as traded services with the money in the delegated budget</p>	Redhill School - Academy
	1	It seems disproportionate that the NASUWT receive £83,368 and the NAHT only receive £14,315. Should it not be the case that unions fund themselves from their own budgets? Members subscriptions?	Our Lady & St Kenelm
1			St Mary's CE
	1		Earls High School – Academy

ADDITIONAL COMMENTS

Designation	Comments
Rufford Primary School	<p>In relation to question 5 - I feel very strongly that it is vital for union facilities time to be maintained. The various union representatives provide crucial support for their members. Were the funds not to be de-delegated for this purpose, we would lose a support that is increasingly important in times of forced academisation, parental complaints, allegations etc. I would even go so far as to say that the amount de-delegated and allocated for NAHT representation would benefit from being increased. I understand that the amounts are calculated on the number of members that each union has and it is clear that NAHT membership will be lower than general teaching unions. However, school leaders are likely to need proportionally more assistance, which currently is not always available. With the implementation of the new Pay Policy and other changes in policy, there is likely to be an increase in the need for Headteachers and other school leaders to be supported by their NAHT representative.</p>

De- Delegations – Information within the 2013 Consultations

1. As part of the 2013/14 school funding reforms the DfE prescribed which services were to be delegated to schools from 2013/14. There are no planned changes for 2014/15.
2. However, recognising that authorities had centrally retained these services for the greater good of all schools, the DfE allowed any of these delegated services to be 'de-delegated' where maintained mainstream schools agree that a service should be provided centrally on the grounds of economies of scale or pooled risk.
3. De-delegation is only available to maintained mainstream schools. Academy schools will have their funding delegated automatically and can buy back the services of the local authority independently outside of the de-delegation arrangements for maintained schools.
4. The services detailed in Table 4 and their funding was delegated to schools in 2013/14. All services, except support for Minority Ethnic pupils, were allocated on a primary/secondary weighted per pupil funded basis. Ethnic Minority funding was based on EAL pupil data provided by the DfE.
5. It is the responsibility of Schools Forum, in a phase of primary or secondary school members, to collectively agree if any of these services are to be provided centrally and the funding 'de-delegated'. Thus mainstream maintained schools agreement is to return their funding to the local authority on an annual basis.
6. The final delegated budget available to each school will then exclude these amounts and the services would be administered centrally through the Director of Children's Services.
7. Schools Forum agreement to the 2013/14 de-delegations totalling £1.2m was for a single year only. Therefore it is a requirement of the DfE that Schools Forum consider these de-delegated services again for 2014/15.
8. This consultation invites responses to indicate whether each service budget detailed in Table 4 should be de-delegated in 2014/15. Alternatively the funding will remain with school within their delegated budget for allocation as required.
9. **Question 5: Do you have any comments regarding the de-delegation of funding for the services listed in Table 4?**
Recommendations from Headteachers Consultative Forum- Budget Working Group
10. Recommended that the items proposed for de-delegation as detailed in Table 4 be accepted for 2014/15 with the exception of the Library service, where the secondary sector are not in favour.

Consultation (Table 4) Delegated and De-delegated Services for 2013/14

De-delegation for mainstream maintained schools for:	Value for 2013/14	UOR Prim	UOR Sec	Comments	Financial Details
Contingencies	£245,963	£5.71	£8.14	This "expenditure on the schools specific contingency" is central expenditure deducted for the purpose of ensuring that monies are available to enable increases in a school's budget share after it has been allocated where it subsequently becomes apparent that a governing body has incurred expenditure which it would be unreasonable to expect them to meet from the school's budget share	£145,709 closed schools contingency £41,004 Assigned rents £59,250 contingency general
Staff costs - supply cover – Union Facilities time	£226,457	£5.26	£7.50	Expenditure in making payments to, or in providing a temporary replacement - taking part in trade union activities	NASUWT £83,368 NUT £53,708 ASCL £14,889 ATL £24,734 NAHT £14,315 GMB £19,867 Teacher Union Representative £15,576
Staff costs - supply cover – NQT (Newly Qualified Teachers)	£305,927	£7.11	£10.13	Expenditure in making payments to, or in providing a temporary replacement	£16,900 Primary Pool contribution £26,000 for Reg. Staff College training £263,027 Payment to schools with NQTs
Support for minority ethnic pupils/underachieving groups. Family Support Workers	£256,485	£134.85	£134.85	Expenditure for the purposes of improving the performance of under-performing pupils from ethnic minority groups; and meeting the specific needs of bilingual pupils Funding allocated on EAL numbers.	6.91 FTE: 1 HOS 4.91 Family Support Officers 1 Admin
LACES (Looked After Children Education Services)	£28,095	£0.65	£0.93	Cost of providing or purchasing specialist behaviour support services, both advisory and teaching	1 member of staff supporting schools
School Library Service	£219,483	£5.10	£7.26	Expenditure on services to schools provided by museums and galleries.	Library service to Primary schools 5.88 fte
Total De-delegations	£1,282,410				