

**Leeds City Council
Consultation on the De-Delegation of Funding for
Services for the 2020/21 Financial Year**

MAINTAINED MAINSTREAM SCHOOLS ONLY

1.0 Introduction

Funding provided by the Education and Skills Funding Agency (ESFA) must be delegated to schools each year by the local authority. Schools Forum can however agree that the local authority retains some of this funding to provide services for maintained mainstream schools. This is known as 'de-delegation' of funding.

Before seeking approval from Schools Forum, the local authority must consult with all maintained mainstream schools to obtain their views on whether funding should continue to be de-delegated for these services in 2020/21. Primary and secondary maintained mainstream schools are therefore requested to complete the attached consultation response form by the end of **7th January 2020** in order to inform the vote to be taken by Schools Forum at their meeting on 16th January 2020. Please return the form and direct any queries by email to education.finance@leeds.gov.uk

This consultation is for maintained mainstream schools only as the ESFA regulations do not allow other settings, such as academies or SILCs, to de-delegate their funding in this way.

The figures quoted below are draft and are based on October 2018 pupil data, adjusted for expected academy conversions. The actual figures de-delegated for 2020/21 will be updated for any changes in the budget requirements and the actual October 2019 pupil data once this information is available.

For 2018/19 there was an overall underspend on de-delegation and **during December the council will be distributing a total of £462,000 back to all schools** that contributed to de-delegation in that year. If future underspends occur on the proposals below the council will again look to distribute funding back to schools.

All of the services listed below have been de-delegated since 2013/14 when de-delegation was first introduced, with the exception that it is proposed for the Schools Contingency Fund to include an additional amount in 2020/21 for a Schools Urgent Improvement Fund. **The total amount of funding proposed to be de-delegated in 2020/21 is £4.605m.** Taking into account the proposed new Schools Urgent Improvement Fund, this is an increase of £185k (4.2%) compared to 2019/20 proposals which totalled £4.42m.

It is estimated that schools would pay between 1.1% and 2.1% of their formula funding for the de-delegated services detailed below, based on the funding figures recently consulted on. Differences in the percentage contributions between schools reflect the fact that primary schools are able to delegate an additional two services compared to secondary schools, in addition to there being variances in schools' individual funding levels, due to both pupil and premises related factors.

1.1 School Contingency Fund

Purpose of the budget

The School Contingency Fund is retained centrally for maintained schools but only for a limited range of circumstances:

- a. Exceptional unforeseen costs which it would be unreasonable to expect governing bodies to meet;
- b. Schools in financial difficulties;
- c. Additional costs relating to new, reorganised or closing schools; and
- d. Establishing a schools urgent improvement fund that schools can apply to if they require additional support from local authority services for urgent school improvement priorities.

The budget can be considered as one to pool risk, providing a safety net for schools.

An amount of £50,000 would be ringfenced for the schools urgent improvement fund and applications to this fund would be prioritised taking into account the level of need and the ability of the school to meet the costs through their existing budget, with consideration given in particular to the following scenarios:

- Schools in difficulty that require additional support, for example where a new Headteacher takes up post and identifies urgent issues that require additional support in resolving.
- Support to schools with resolving more complex whistleblowing allegations, investigations or grievances.
- Proactive support for schools that have previously received an Outstanding or Good judgement from Ofsted but are now considered vulnerable.
- Costs incurred beyond those usually expected in supporting the Headteacher recruitment process due to school improvement issues.

Method of de-delegation

It is proposed that the funding would be de-delegated as an amount per pupil of **£17.00**. This is the first increase since 2016/17 when the rate was set at £14.90.

Based on forecast pupil data this would provide central de-delegated funding of **£1,049,000**, with £50,000 of this being ringfenced for the schools urgent improvement fund. This is an increase of £95,000 (14%) compared to 2019/20 when the budget was £954,000. The increase reflects the addition of the schools urgent improvement fund plus a projected increase in demand on the budget. If there was an underspend on de-delegation in 2020/21 then funding would be returned to schools, in line with the approach taken previously.

Consequence if the budget is not de-delegated

If the funding remains delegated to schools, there will be no central contingency fund available to schools. Schools would have to take all action necessary to balance their own budgets and there would be no central budget available for schools finding themselves in financial difficulty, requiring urgent support for school improvement or for funding capitalised pension costs where staff have been made redundant due to financial difficulties. The budget is not suitable for operation under a Service Level Agreement or traded offer.

Recommendation

It is recommended that the budget for the School Contingency Fund should continue to be de-delegated and a central contingency fund retained for primary and secondary maintained schools.

1.2 Maternity and other cover

Purpose of the budget

The budget reimburses schools for the cost of staff that are on maternity leave, working as a justice of the peace, magistrate or on reserve services duties.

Method of de-delegation

It is proposed that this funding would be de-delegated based on an amount per pupil and an amount per pupil in receipt of FSM in the last six years, to reflect the additional staff numbers at schools with higher measures of deprivation, as follows:

2020/21 proposals for consultation

Phase	Per Pupil (Yr R to 11)	Per FSM (ever 6)
Primary	£27.58	£16.44
Secondary	£29.35	£17.59

Based on forecast pupil data this would provide central de-delegated funding of **£2,025,000**. This is a £186,000 (6.9%) increase in funding compared to 2019/20 and a 10.8% increase per pupil compared to the 2019/20 rates. The increase is due to a combination of increased demand as well as increased costs in relation to the pay award and pension contribution increases, which schools will receive funding towards from the ESFA. The increase in the cost of de-delegation to schools is therefore partly offset by the additional funding schools will receive. 2019/20 rates are shown below for comparison.

2019/20 figures for comparison

Phase	Per Pupil (Yr R to 11)	Per FSM (ever 6)
Primary	£24.89	£14.84
Secondary	£26.49	£15.87

Consequence if the budget is not de-delegated

If the funding remains delegated, schools must meet all costs of maternity and other cover from their delegated budgets. There would cease to be any central support for schools that incur cover costs for staff away from school for the above reasons.

Recommendation

It is recommended that the Maternity and other cover budget should continue to be de-delegated and that funding should be retained centrally to meet costs in maintained primary and secondary schools.

1.3 Suspended staff cover

Purpose of the budget

This budget provides support for schools where employees are suspended, after the first three months. Whilst this is very rare, it can be costly for a school to continue to pay a member of staff that is suspended pending investigations being completed and also paying for cover.

Method of de-delegation

It is proposed that this funding would be de-delegated based on an amount per pupil of **£0.49**. This is a simplification of the previous mechanism which also took into consideration the number of pupils who have received free school meals in the past six years.

Based on forecast pupil data and expected academy conversions this would provide central de-delegated funding of **£30,000**. This is a reduction of £10,000 (25%) compared to 2019/20 and reflects a reduction in demand. The rates for 2019/20 are shown below for information:

2019/20 figures for comparison

Phase	Per Pupil (Yr R to 11)	Per FSM (ever 6)
Primary	£0.52	£0.36
Secondary	£0.52	£0.36

Consequence if the budget is not de-delegated

If the service remains delegated there will be no central support for schools where staff have been suspended, and schools will have to meet the continuing cost of the staff concerned and any cover costs from their delegated budgets.

Recommendation

It is recommended that the Suspended staff cover budget should continue to be de-delegated.

1.4 Trade Union Facilities

Purpose of the budget

The Trade Union Facilities budget covers the cost of providing convenor salaries, physical facilities and other associated costs. The allocation of union convenor time is based on a ratio of convenors to members of 1:1000. Where convenors work within a school, this budget provides the school with funds to cover the cost of release to undertake city-wide Trade Union duties.

A new TU facilities agreement was negotiated with effect from April 2013. It continues to provide schools with access to collective bargaining frameworks as well as access to local convenor support for members in respect of complex casework.

This agreement requires that all unions work towards realigning their convenor levels to ensure that convenor allocation across both schools and Leeds City Council reflects the membership in both areas and that school convenor time is maintained at the agreed levels of support. Historically, in addition to those convenors employed in schools, LCC departmental based convenors have also provided convenor support to schools. The new agreement also incorporates a mechanism which provides for in year reductions in funding as a result of academy conversions.

Leeds City Council believes that this agreement provides an effective partnership approach to city-wide Trade Union Facilities.

Method of de-delegation

It is proposed that this funding would be de-delegated in 2020/21 based on an amount per pupil of **£5.99**. Based on forecast pupil data this would provide central de-delegated funding of **£370,000**.

This is an increase in the total budget of £11,000 (3.1%) compared to the 2019/20 proposals, when the total de-delegated funding was £359,000. The amount per pupil has increased by 6.8% compared to 2019/20 proposals (£5.61 per pupil) to reflect additional costs due to the pay award and increase in pension contributions, for which schools have received additional grants. In addition the 2020/21 proposals are still lower than 2017/18 when the total amount requested was £470,000.

Consequence if the budget is not de-delegated

The future access to local trade union representatives to support staff at all levels of seniority within schools is at stake if the current budget is delegated. By retaining this budget centrally, schools benefit from collective bargaining; professional representation in policy-making; representation of employees in grievance, performance, absence and disciplinary processes; support in employment tribunals; reduced litigation risk by working with employers; advice on TUPE; support with school governance structures and support with Ofsted outcomes.

Recommendation

It is recommended that the budget for Trade Union Facilities should continue to be de-delegated.

1.5 School Library Service (primary only)

Purpose of the budget

The School Library Service (SLS) provides a range of resources to underpin the curriculum, inspire creativity and raise attainment for primary-aged pupils.

Part of Leeds' public library service, SLS is a vibrant and pro-active specialist provider of the most up to date books for primary schools, providing schools with newly published children's factual topic books to support classroom teaching; fiction books to support reading for pleasure; and professional support to schools through an annual advisory visit, helping to develop school libraries through support for design, stock acquisition and editing.

In addition SLS organises a range of reading for pleasure and cultural events for all pupils, engaging both reluctant and high achieving readers through both the Leeds Book Awards, and offering schools the opportunity to take part in Meet the Author events, embedding a reading for pleasure culture across schools.

Method of de-delegation

It is proposed that the funding would be de-delegated for primary schools as an amount per pupil of **£5.69**. Based on forecast pupil data this would provide central de-delegated funding of **£280,000**.

This is an increase of £3,000 in total funding compared 2019/20 (£277,000). The amount per pupil has increased by 6% compared to the previous per pupil amount (£5.37). This budget has increased due to the pay award as well as an increase in costs for transport needed to provide the service. The increase also reflects that de-delegated contributions have been set at a lower level than actual cost in some previous years in order to reduce the impact of increases on schools.

Consequence if the budget is not de-delegated

If delegated, primary schools would have to meet School Library Service costs from their delegated budget provided that the service was able to continue by operating on a traded basis.

Recommendation

It is recommended that the School Library Service budget should continue to be de-delegated for primary schools.

1.6 Free school meals (FSM) eligibility

Purpose of the budget

The budget supports the administration cost of carrying out free school meal eligibility assessments and is provided by the council's Welfare & Benefits Service. The service is

provided to all Leeds schools and charges are made separately to academies for the service where they choose to use it.

Method of de-delegation

It is proposed that the funding for FSM eligibility checks would be de-delegated as **£1.59 per pupil plus £3.70 per pupil in receipt of FSM in the past six years**. This mechanism reflects the additional volume of work for schools with higher measures of deprivation.

Based on forecast pupil data this would provide central de-delegated funding of **£165,000**. This is a decrease of £3,000 compared to 2019/20, when the total funding was £168,000. The individual rates have increased by 2% due to the pay award. For 2019/20 the rates were £1.56 per pupil and £3.63 per pupil in receipt of FSM in the past six years.

Consequence if the budget is not de-delegated

If the budget is delegated to schools then each school would need to make arrangements to administer its own free school meals service. The Leeds Welfare & Benefits Service would continue to provide a traded service that assesses entitlement to FSM and assuming all schools continue to buy into the service would charge the above rates plus any additional costs created by the administration of charging individual schools. If all schools do not buy into the service then the rates charged above may need to increase.

Schools buying into the service would continue to receive electronic weekly listings of new qualifiers and those pupils who no longer qualify; termly listings of all pupils on the roll who qualify; direct telephone and email enquiry service; assistance to identify potential qualifiers and notifications to parents.

Recommendation

It is recommended that the budget for FSM eligibility checks should continue to be de-delegated.

1.7 SIMS licences (primary only)

Purpose of the budget

This budget supports the cost of the Capita SIMS licence for administrative software purchased on behalf of primary schools.

Method of de-delegation

It is proposed that the SIMS licences budget be de-delegated as an amount per pupil of **£4.52** for primary schools only. Based on forecast pupil data this would provide central de-delegated funding of **£223,000** for 2020/21. This is a reduction of £4,000 compared to the total 2019/20 figure of £227,000, and a 3.1% increase compared to the 2019/20 proposed rate of £4.39 per pupil.

The proposals take into account the estimated costs of SIMS licences based on previous years' increases. The actual costs will not be confirmed by the provider until after a decision is required on de-delegation by Schools Forum.

Consequence if the budget is not de-delegated

If delegated, schools would meet licence costs from their delegated budgets. Schools would still be able to access the rates available through the council's contract with Capita however the amount charged to schools may increase due to the additional administration costs associated with the council charging individual schools.

Recommendation

It is recommended that the SIMS licences budget continues to be de-delegated for primary schools.

1.8 Behaviour support services

Purpose of the budget

This budget is for the Inclusion Support Team which provides support to schools for pupils with social, emotional and mental health difficulties. Work is undertaken to develop the capacity within schools to promote positive behaviour and successful inclusion for individuals or groups of pupils. The team undertake consultations with relevant adults (including parents), observations in the school setting, personalised intervention work, support for the development of individual behaviour plans and behaviour funding requests (in primary schools).

Method of de-delegation

It is proposed that this funding would be de-delegated at **£0.92 per pupil plus £2.85 per pupil in receipt of FSM in the past six years**. This reflects the additional need at schools with higher measures of deprivation.

Based on forecast pupil data this would provide central de-delegated funding of **£108,000** for 2020/21, the same amount as in 2019/20 which is required partly due to costs associated with the pay award. The amounts per pupil have increased by 3.5% compared to 2019/20 when the rates were £0.89 per pupil and £2.75 per pupil in receipt of FSM in the past six years.

Consequence if the budget is not de-delegated

If funding is delegated to schools then there would be no centrally retained budget for behaviour support unless the service operates under a traded basis. The difficulty in operating under a traded basis would be the fact that the budget would be delegated to all schools but as the service provided is targeted, the charging levels and income collection would be difficult to calculate and predict. The ability to operate the service under an SLA could not therefore be guaranteed.

Recommendation

It is recommended that the Behaviour Support budget should continue to be de-delegated.

1.9 Support to underperforming minority ethnic groups and bilingual learners

Purpose of the budget

This budget makes provision for staff who build capacity within schools to improve the educational outcomes for new arrivals (NA), black and minority ethnic (BME) pupils as well as those for whom English is an additional language (EAL), in order to narrow the attainment gap. They provide leadership support and challenge; specialist advice and guidance on teaching and learning strategies and EAL assessment; curriculum materials for NA, BME and EAL pupils; consultancy support to individual schools or localities and bespoke training programmes in order to meet specific identified NA, BME and EAL needs.

Method of de-delegation

It is proposed that the budget for support to underperforming ethnic minority groups and bilingual learners should be de-delegated as an amount per pupil with EAL and an amount per pupil eligible for FSM as this takes into account the distribution of costs.

2020/21 proposals for consultation

Phase	Per EAL 3 Pupil	Per FSM (ever 6)
Primary	£1.35	£31.98
Secondary	£1.44	£181.22

Based on forecast pupil data this would provide central de-delegated funding of **£300,000** for 2020/21. This is a reduction of £93,000 (24%) compared to 2019/20 where the de-delegated funding proposal was £393,000. This reduction in de-delegated contributions has been possible due to an alternative funding source being identified for part of the service. Individual rates have reduced by 18% compared to 2019/20 amounts which are shown below for information.

2019/20 figures for comparison

Phase	Per EAL 3 Pupil	Per FSM (ever 6)
Primary	£1.65	£39.00
Secondary	£1.75	£221.00

Consequence if the budget is not de-delegated

If delegated, then there would be no centrally retained budget to support narrowing the attainment gap for NA, BME and EAL pupils. The difficulty in trying to trade the service would be the fact that the budget would be delegated to all schools but as the service provided is targeted, the charging levels and income collection would be difficult to predict. The ability to operate the service under an SLA could not therefore be guaranteed.

Recommendation

It is recommended that the budget for support to underperforming ethnic minority groups and bilingual learners should continue to be de-delegated.

1.10 Consultation responses

Primary and secondary maintained mainstream schools are requested to consider the de-delegation of each of the above services for the 2020/21 financial year and to complete the attached consultation response form by **7th January 2020**. Appendix 1 shows the illustrative school by school allocations for the above services. The views of schools will be reported to the Schools Forum on 16th January 2020 to inform their decision on de-delegation for 2020/21.