

Report of the Director of Children and Families

Report to the Leeds Schools Forum

Date: 18 January 2022

Subject: De-delegation of funding for maintained schools – 2022-23

Report author: Liz Jackson

Contact telephone number: 0113 3788766

Summary of main issues

1. Schools Block funding within the Dedicated Schools Grant (DSG) is delegated to schools each year by the local authority. Schools Forum can however agree that the local authority retains some of this funding for maintained primary and secondary schools, in order to provide certain central services for schools. This is known as 'de-delegation' of funding.
2. This report informs Schools Forum members of the outcome of the recent consultation with all maintained primary and secondary schools on the de-delegation of funding in 2022/23. The majority of schools submitting a response wished to continue to de-delegate the funding for all services.
3. The local authority's recommendation is that de-delegation continues in 2022/23 for these services. Maintained primary and secondary members of Schools Forum are responsible for deciding whether this should be the case and will be asked to vote for each service.

1 Main issues

- 1.1 The Education and Skills Funding Agency requires that the local authority consults all maintained primary and secondary schools on whether to delegate funding to schools for the services detailed below or whether to opt to de-delegate this so that the funding is retained centrally. A copy of the consultation paper is attached at Appendix 1.
- 1.2 The consultation was for maintained primary and secondary schools only as the regulations set by the Education and Skills Funding Agency (ESFA) do not allow other settings, such as academies or SILCs, to de-delegate their funding in this way.
- 1.3 In total the 2022/23 consultation proposed de-delegated funding of £4.98m. This is an increase of £412k compared to 2021/22 proposals which totalled £4.57m.
- 1.4 A summary is provided below of the proposals that were consulted on for each de-delegated budget for 2022/23 compared to 2021/22 along with the results of the consultation for each budget. Further information on each area that was consulted on is available in the attached consultation document (Appendix 1).
- 1.5 Responses were received from 63 schools; 54 primary schools, 8 secondary schools and 1 through school. This is an increase against the response rate for 2021/22 (35 primary schools, 1 secondary school and 1 through school). The majority of schools submitting a response wished to de-delegate the funding for all services. In line with the voting by schools it is recommended that funding for all the services listed below be retained centrally in 2022/23, in order for these services to be provided. A summary of the results and recommendations are provided below. A summary table of the consultation results is provided in section 2 of this report.
- 1.6 It is estimated that schools would pay between 1.18% and 1.97% of their formula funding for the de-delegated services detailed below, based on the funding figures consulted on in November. Differences in the percentage contributions between schools reflect the fact that primary schools are able to delegate an additional service compared to secondary schools, in addition to there being variances in schools' individual funding levels, due to both pupil and premises related factors.
- 1.7 **Contingency and support for schools in financial difficulty**

Purpose of the budget

- 1.7.1 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 (including some costs relating to Managed Staff Reductions);
 - b. Schools in financial difficulties;
 - c. Additional costs relating to new, reorganised or closing schools; and
 - d. A schools urgent improvement fund that schools can apply to if they require additional support from local authority services for urgent school improvement priorities.

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

Proposed budget

1.7.3 It is proposed that the funding would be de-delegated as an amount per pupil of £11.84.

1.7.4 Based on forecast pupil data this would provide central de-delegated funding of £749,000, with £50,000 of this being ringfenced for the Urgent School Improvement Fund. This has reduced in comparison to 2021/22 (£17 pp) to reflect trends in recent years.

Consequences if de-delegation does not continue

1.7.5 If de-delegation does not continue 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 (SLA) or traded offer.

Consultation responses

1.7.6 Of the 63 responses received, 58 (92%) were in favour of continuing to de-delegate this funding.

Recommendation

1.7.7 It is recommended that funding for this service continues to be de-delegated in 2022/23.

1.8 Maternity and other cover

Purpose of the budget

1.8.1 This 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.

Proposed budget

1.8.2 The total budget proposed for 2022/23 is £2,476k, which is a £431k (21%) increase compared to 2021/22 and a 18% increase per pupil. The increase in the total de-delegated funding is due to a significant increase in maternity leave payments.

Consequences if de-delegation does not continue

1.8.3 If de-delegation does not continue 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.

Consultation responses

- 1.8.4 Of the 63 responses received, 62 (98%) were in favour of continuing to de-delegate this funding.

Recommendation

- 1.8.5 It is recommended that funding for this service continues to be de-delegated in 2022/23.

1.9 Suspended staff cover

Purpose of the budget

- 1.9.1 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.

Proposed budget

- 1.9.2 The total budget proposed for 2022/23 is £100k, which is a £70k increase from 2021/22 and is based on recent trends. This equates to a rate of £1.58 per pupil.

Consequences if de-delegation does not continue

- 1.9.3 If the de-delegation does not continue 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.

Consultation responses

- 1.9.4 Of the 63 responses received, 59 (94%) were in favour of continuing to de-delegate this funding.

Recommendation

- 1.9.5 It is recommended that funding for this service continues to be de-delegated in 2022/23.

1.10 Trade Union facilities

Purpose of the budget

- 1.10.1 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.

Proposed budget

- 1.10.2 The total budget proposed for 2022/23 is £370,000. This budget is the same as the 2021/22 proposals. The amount per pupil remains at £5.85, which is a reduction in the per pupil rate compared to 2021/22 (£5.99).

Consequences if de-delegation does not continue

- 1.10.3 If de-delegation does not continue then the future access to local trade union representatives to support staff at all levels of seniority within schools is at stake. 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.

Consultation responses

- 1.10.4 Of the 63 responses received, 62 (98%) were in favour of continuing to de-delegate this funding.

Recommendation

- 1.10.5 It is recommended that funding for this service continues to be de-delegated in 2022/23.

1.11 School library service (primary schools only)

Purpose of the budget

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

Proposed budget

- 1.11.2 It is proposed that the funding would be de-delegated for primary schools as an amount per pupil of £5.79. Based on forecast pupil data this would provide central de-delegated funding of £291,100.
- 1.11.3 This is an increase of £6,100 in total funding compared 2021/22 (£285,000). The amount per pupil has increased by 0.87% compared to the previous per pupil amount (£5.74).

Consequences if de-delegation does not continue

- 1.11.4 If de-delegation does not continue 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.

Consultation responses

- 1.11.5 Of the 54 primary and 1 through school responses received, 50 (91%) were in favour of continuing to de-delegate this funding.

Recommendation

- 1.11.6 It is recommended that funding for this service continues to be de-delegated for primary schools in 2022/23.

1.12 Free school meals eligibility

Purpose of the budget

- 1.12.1 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.

Proposed budget

- 1.12.2 It is proposed that the funding for FSM eligibility checks would be de-delegated as £1.61 per pupil plus £3.74 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.
- 1.12.3 Based on forecast pupil data this would provide central de-delegated funding of £165,000. This is the same level of funding as 2021/22. The individual rate per pupil has not increased, however the rate per FSM pupil has reduced by 0.5%. For 2021/22 the rates were £1.61 per pupil and £3.76 per pupil in receipt of FSM in the past six years.

Consequences if de-delegation does not continue

- 1.12.4 If de-delegation does not continue 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.

Consultation responses

- 1.12.5 Of the 63 responses received, 62 (98%) were in favour of continuing to de-delegate this funding.

Recommendation

1.12.6 It is recommended that funding for this service continues to be de-delegated in 2022/23.

1.13 Behaviour support services

Purpose of the budget

1.13.1 This budget comes under the remit of SENIT and 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).

Proposed budget

1.13.2 It is proposed that this funding would be de-delegated at £0.93 per pupil plus £2.89 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 2022/23, the same amount as in 2021/22. The amounts per pupil have also been kept at the same level as 2021/22.

Consequences if de-delegation does not continue

1.13.3 If de-delegation does not continue 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.

Consultation responses

1.13.4 Of the 63 responses received, 57 (91%) were in favour of continuing to de-delegate this funding.

Recommendation

1.13.5 It is recommended that funding for this service continues to be de-delegated in 2022/23.

1.14 **Support to underperforming ethnic minority groups and bilingual learners**

Purpose of the budget

- 1.14.1 This budget makes provision for staff who build capacity within schools to improve the educational outcomes for new arrivals (NA), black and minority ethnic (BAME) 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, BAME and EAL pupils; consultancy support to individual schools or localities and bespoke training programmes in order to meet specific identified NA, BAME and EAL needs.

Proposed budget

- 1.14.2 The total budget proposed for 2022/23 is £290,000, which is the same as 2021/22. Individual rates have increased by 6.7% compared to 2021/22 amounts; further detail on the rates is available in appendix 1.

Consequences if de-delegation does not continue

- 1.14.3 If de-delegation does not continue there would be no centrally retained budget to support narrowing the attainment gap for NA, BAME 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.

Consultation responses

- 1.14.4 Of the 63 responses received, 54 (86%) were in favour of continuing to de-delegate this funding.

Recommendation

- 1.14.5 It is recommended that funding for this service continues to be de-delegated in 2022/23.

1.15 **School Improvement**

Purpose of the budget

- 1.15.1 The Local Authority currently receives a School Improvement and Brokerage Grant (SIBG) to enable it to undertake its statutory support, monitoring and intervention duties to maintained schools, as well as to broker additional support to schools requiring additional support. The grant supports the work of the advisory service and Learning Improvement officers to undertake these roles.

The DfE has recently consulted on plans to reduce the School Improvement and Brokerage Grant in 2022/23 and remove it fully in 2023/24.

The DfE also consulted on whether this funding should be eligible for de-delegation by schools' forum if removed as a direct DfE grant.

The results from the consultation have now been published and the DfE has confirmed that there will be a reduction in the grant in 2022/23 and full removal in 2023/24. They have also confirmed that provision will be included in the School and Early Years Finance Regulations 2022 (England) to instead allow local authorities to deduct funding for local authorities' core school improvement activities from maintained school budgets, via de-delegation.

Therefore, the SIBG will be reduced by £435k in 2022/23 and the full grant of £726k will be removed from 2023/24.

The Local Authority is consulting with Schools Forum to de-delegate £435k as an interim measure for this grant for 2022/23. This will enable maintained schools to retain the Learning Improvement Service within the Local Authority for the coming financial year whilst further consultations take place about the long-term future of the service from 2023/24.

The SIBG is grant funded directly from DfE and used centrally for maintained schools. It:

- a. Funds a core School Improvement Adviser support offer to all maintained schools
- b. Funds a core Early Years Improvement offer to all maintained schools
- c. Funds a school improvement adviser offer to Governing Bodies during Headteacher recruitment
- d. Provides additional time from School Improvement Advisers to support schools during an OfSTED inspection
- e. Provides support to schools through the Headteacher Support Service
- f. Enables officers to undertake risk analysis of schools, providing support and intervention as appropriate
- g. Provides an enhanced school improvement adviser offer to schools judged as requiring improvement at no cost to the school
- h. Provides a school improvement adviser to support the Governing Body of a vulnerable school as part of an additional joint improvement committee
- i. Provides an additional offer of school improvement adviser and/or Learning Improvement officer (e.g. Head of Service) where schools have significant issues to manage i.e. Inadequate Ofsted judgements, financial difficulties, safeguarding issues, complaint/grievance issues etc
- j. Provides additional senior improvement adviser support to manage and co-ordinate the work of the school improvement team and provide additional support in more challenging situations
- k. Provides Learning Improvement Officer support (e.g. via Head of Service) to co-ordinate the work of other services and external bodies working with maintained schools e.g. Safeguarding, HR, complaints, Governance support, Learning teams, CPD teams, finance, data teams, audit, DfE, RSC, OfSTED, Trade Unions etc.

- l. Provides officer time to co-ordinate the relationship between the LA and maintained schools e.g. Headteacher Forums, briefings, communications etc.
- m. Provides financial support to schools and/or broker support to schools that require additional improvement from external sources
- n. Provides line management of teams undertaking statutory services, such as assessment and moderation

Proposed budget

1.15.2 The total budget proposed for 2022/23 is £435k to recognise the reduction in the grant as described above.

It is proposed that the funding would be de-delegated as an amount per pupil of £6.87.

As this would be an interim measure for 2022/23, the Local Authority would consult with Schools' Forum about plans for 2023/24 when further information is available.

Consequence if the budget is not de-delegated

1.15.3 If the SIBG is reduced in 2022/23 without de-delegation, there will be a significant reduction in the Learning Improvement services available to all maintained schools outlined above.

Schools would need to take the action necessary to source and fund external support required for school improvement activity, including Headteacher recruitment, Headteacher support and managing complex improvement situations in school.

Consultation responses

1.15.4 Of the 63 responses received, 57 (91%) were in favour of de-delegating this funding.

2 Recommendations

- 2.1 Schools Forum members representing maintained primary and secondary schools only are requested to vote (by phase) on the de-delegation of funding for each of the services above in 2022/23. It is recommended that all nine services be de-delegated.
- 2.2 The services to be voted on are shown in the table below, along with the number and percentage of schools that voted in support of de-delegation continuing.

Service area	Schools in support of de-delegation continuing				
	Primary	Secondary	Through	Total	Percentage
School contingency fund	50	7	1	58	92%
Maternity and other cover	53	8	1	62	98%
Suspended staff cover	51	7	1	59	94%
Trades union facilities	53	8	1	62	98%
School library services (primary only)	49	-	1	50	91%
Free school meals eligibility	53	8	1	62	98%
Behaviour support services	49	7	1	57	91%
Support to underperforming ethnic minority groups and bilingual learners	46	7	1	54	86%
School Improvement	50	6	1	57	91%