

Report of the Director of Children and Families

Report to the Leeds Schools Forum

Date: 16 January 2024

Subject: De-delegation of funding for maintained schools – 2024-25

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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 2024/25. 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 2024/25 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 2024/25 consultation proposed de-delegated funding of £5.66m. This is an increase of £135k compared to 2023/24 proposals which totalled £5.53m. In order to ease the pressure on school budgets, as in 2023/24 it is again proposed that the claw back from excess school surplus balance will be used to contribute to the de delegated funding and reduce school budget contributions. This principles ensures that any surplus balances clawed back are effectively redistributed to all maintained schools. In 2024/25 at least £500k of the anticipated clawed-back funding from schools with excess surplus balances will be used to fund an element of the contingency budget. This will have the impact of the per pupil rate for that de-delegated budget from £4.05 in 23/24 to £4.16 in 24/25.
- 1.4 A summary is provided below of the proposals that were consulted on for each de-delegated budget for 2024/25 compared to 2023/24 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 41 schools; 36 primary schools, 4 secondary schools and 1 through school. This is a decrease against the response rate for 2023/24 of 60 (53 primary schools and 7 secondary schools). 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 2024/25, 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 1.13% and 1.87% 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 £4.16.

1.7.4 Based on forecast pupil data this would provide central de-delegated funding of £249,306, with £50,000 of this being ringfenced for the Urgent School Improvement Fund. It is estimated that £500k will be added to the contingency budget from the claw-back of excess surplus balances, ensuring the overall budget remains at **£749,306** in 2024/25, the same level as in 2023/24.

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 41 responses received, 37 (90%) were in favour of continuing to de-delegate this funding. One comment received stated, "Do not feel that a contingency fund should exist for schools that cannot manage their budget effectively. Especially since LCC are clawing money back off schools to put in this pot when they that have submitted surplus statements and have had no regard paid to them".

Recommendation

1.7.7 It is recommended that funding for this service continues to be de-delegated in 2024/25.

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, parental or adoption leave, working as a justice of the peace, magistrate or on reserve services

duties.

Proposed budget

- 1.8.2 The total budget proposed for 2024/25 is £2,704,000, which is a £104k (4.0%) increase compared to 2023/24. The increase in the total de-delegated funding is due to the additional costs of 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 41 responses received, all (100%) were in favour of continuing to de-delegate this funding. There were no specific comments about this budget submitted in the consultation.

Recommendation

- 1.8.5 It is recommended that funding for this service continues to be de-delegated in 2024/25.

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. 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 2024/25 is £100k, which is a £25k decrease from 2023/24 and is based on recent trends. This equates to a rate of £1.67 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 41 responses received, 36 (88%) were in favour of continuing to de-delegate this funding. One comment received stated, *“As ever, I feel that schools that use redundancy as a way of managing performance or choosing teams they would prefer should be highlighted by monitoring and perhaps a limit placed on the support they receive for redundancy not caused by a deficit budget.”*

Recommendation

- 1.9.5 It is recommended that funding for this service continues to be de-delegated in 2024/25.

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 2023/24 is £370,000. This budget is the same as the 2023/24 proposals. The amount per pupil has increased to £6.17 from £6.14 in 2023/24.

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 41 responses received, 39 (95%) were in favour of continuing to de-delegate this funding. There were no specific comments about this budget submitted in the consultation.

Recommendation

- 1.10.5 It is recommended that funding for this service continues to be de-delegated in 2024/25.

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 £7.17. Based on forecast pupil data this would provide central de-delegated funding of £333,000.
- 1.11.3 This is an increase of £12,950 in total funding compared to 2023/24 (£320,050). The amount per pupil has increased from £6.80 in 2023/24.

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 the service was able to continue by operating on a traded basis.

Consultation responses

- 1.11.5 Of the 36 primary responses received, 34 (94%) 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 2024/25.

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 £1.80 per pupil plus £4.18 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 £171,600. The individual rates per pupil have increased; for 2023/24 the rates were £1.67 per pupil and £3.89 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 41 responses received, 39 (95%) were in favour of continuing to de-delegate this funding. One comment received stated, "I think there needs to be a bit more clarity on the free school meals one. As schools seem to be having to do far more work on this than we did".

Recommendation

- 1.12.6 It is recommended that funding for this service continues to be de-delegated in 2024/25.

1.13 **Behaviour support services**

Purpose of the budget

- 1.13.1 This budget is for the Inclusion Support Team which provides support to schools for pupils with social, emotional, and mental health needs. Work is undertaken to develop capacity within schools supporting key staff to identify and meet needs as part of a graduated approach for children and young people with SEND. The team provide advice to settings and, where appropriate, may provide assessments, recommendations, and training to build capacity and support needs.
- 1.13.2 The Inclusion Support Team is part of the SEND Inclusion Service based within Learning Inclusion. Aligned with the Educational Psychology to ensure consistent high quality SEMH practice, the Inclusion Support Team work with children and young people with complexities of SEMH need identified by school and settings, and often include other aspects of vulnerability such as extended non attendance, at risk of exclusion, care experienced.

Proposed budget

- 1.13.3 It is proposed that this funding would be de-delegated at £1.05 per pupil plus £3.24 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 £112,300 for 2024/25, which is an increase of £4,300 from 2023/24.

Consequences if de-delegation does not continue

- 1.13.4 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

- 1.13.5 Of the 41 responses received, 36 (88%) were in favour of continuing to de-delegate this funding. There were no specific comments about this budget submitted in the consultation.

Recommendation

- 1.13.6 It is recommended that funding for this service continues to be de-delegated in 2024/25.

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.
- 1.14.2 In addition to what is outlined in the consultation document, there is work with supplementary schools, the provision of specific grants, maths and other consultancy work, specific projects such as the annual debating competition and the AROOJ writing project. This team also undertakes work with children new to the UK and developing cultural cohesion awareness/activity.

Proposed budget

The total budget proposed for 2023/24 is £290,000, which is the same as 2023/24. It is proposed that funding will be de-delegated at a rate of £1.39 per FSM pupil and £32.92 per English as an Additional Language (EAL) pupil for primary schools and £1.48 per FSM pupil and £186.57 per EAL pupil for secondary schools.

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 41 responses received, 36 (88%) were in favour of continuing to de-delegate this funding. Two comments received stated, “I didn't know that support for underperforming groups was paid for centrally and didn't know this service existed - therefore what is their impact?” and “I'm unclear what the money for EAL goes to. We invest heavily in this in our school and not sure how we use this service. If other schools need this, then happy for it to be de-delegated”.

Recommendation

- 1.14.5 Children and Families recognise these as key priority areas for the city and is committed to reviewing these services and associated budgets in the new year. The directorate will be looking for input into this review from those schools who pay the higher proportions into this budget and plan to set up a working group to facilitate this. There is an awareness that more needs to be shared with schools about the work of this team and how schools access support. Taking this into consideration it is recommended that funding for this service continues to be de-delegated in 2024/25 to allow this work to take place.

1.15 **School Improvement**

Purpose of the budget

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

In 2022/23 the DfE reduced the amount of grant available to the Local Authority and Schools Forum agreed to fund the £435k gap through de-delegation in order to maintain the service for schools. Following consultation, the DfE has confirmed that the grant was to be fully removed in 2023/24.

With the full removal of the grant in 2023/24 Schools Forum approved the de-delegation of £799k which represented the equivalent full grant that the Local Authority would no longer receive towards the provision of school improvement services.

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

- Funded a core School Improvement Adviser support offer to all maintained schools
- Funded a core Early Years Improvement offer to all maintained schools

- Funded a school improvement adviser offer to Governing Bodies during Headteacher recruitment
- Provided additional time from School Improvement Advisers to support schools during an OfSTED inspection
- Provided support to schools through the Headteacher Support Service
- Enabled officers to undertake risk analysis of schools, providing support and intervention as appropriate
- Provided an enhanced school improvement adviser offer to schools judged as requiring improvement at no cost to the school
- Provided a school improvement adviser to support the Governing Body of a vulnerable school as part of an additional joint improvement committee
- Provided 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
- Provided 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
- Provided 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.
- Provided officer time to co-ordinate the relationship between the LA and maintained schools e.g. Headteacher Forums, briefings, communications etc.
- Provided financial support to schools and/or broker support to schools that require additional improvement from external sources
- Provided line management of teams undertaking statutory services, such as assessment and moderation

In addition, there has also been an ongoing reduction in the Central School Services Block funding due to the ESFA's belief that certain services should no longer be funded by that block. Two services are affected by this, the Head Teacher Support Service and Support Staff Training. In order to continue providing these services it is proposed that £54k is de-delegated for Head Teacher Support and £19k for Support Staff Training.

Proposed budget

1.15.2 The total budget proposed for 2024/25 is £831k.

It is proposed that the funding would be de-delegated as an amount per pupil of £13.86 per pupil; this is an increase of £0.61 per pupil from 2023/24.

Consequence if the budget is not de-delegated

- 1.15.3 Without de-delegation there will be a very significant reduction, and potential removal, of the Learning Improvement services as described above that are currently available to all maintained schools.

Schools and Governing Bodies 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 41 responses received, 34 (85%) were in favour of de-delegating this funding.

Recommendation

- 1.15.1 It is recommended that funding for this service continues to be de-delegated in 2024/25.

1.16 Other General Consultation Comments

- 1.16.1 The other general comments received in the consultation are as follows:

“Health and Safety services should be part of these funds and we should have an optional SLA.”

“I continue to support the retention of centralised services for all schools and a strong local authority offer, even in times of extremely tight school budgets.”

“I value having a Local Authority!”

“Budgets are incredibly tight”.

“Thank you for all you do”.

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 2024/25. 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 School	Total	Percentage
School contingency fund	33	4	37	90%
Maternity and other cover	36	5	41	100%
Suspended staff cover	33	3	36	88%
Trades union facilities	35	4	39	95%
School library services (primary only)	34	-	34	94% (of Primary schools)
Free school meals eligibility	35	4	39	95%
Behaviour support services	33	3	36	88%
Support to underperforming ethnic minority groups and bilingual learners	34	2	36	88%
School Improvement	31	3	34	85%