



**Walsall Council**

**Walsall Children's Services**

**Report to:** Schools Forum

**Date:** 15th October 2013

**Subject:** Maintained Schools De-Delegation 2014/15

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**Purpose of the report:** The decision on Maintained Schools De-Delegation is a Schools Forum decision. The contents of this report have been developed with headteachers

**Recommendations:** See final section of report

## **1. Introduction**

- 1.1 As part of the funding changes introduced for the 2013/14 financial year, the Education Funding Agency (EFA) introduced the concept of de-delegation. The process of de-delegation only applies to maintained schools and not to academies. Within maintained schools it only applies to primary and secondary and not to special or nursery.
- 1.2 Walsall Council is required to provide the EFA with details of the schools funding formula it is planning to use for the 2014/15 financial year by 31 October 2013. To complete this exercise maintained schools need to have made a de-delegation decision in time for that date. Clearly the decision to de-delegate can be discussed anywhere, the legally binding vote takes place within Schools Forum.
- 1.3 The EFA definition of de-delegation is reported in depth later in this report. In simple terms there are various services that prior to 1 April 2013 the local authority could hold money centrally for if it wished to deliver the service. Now the value of those funds are highlighted as a funding factor. These funds are passed to schools to commission their own services. However, if schools in a phase (e.g. primary) and the local authority both want the local authority to deliver that service then a decision can be made to pass those funds back (de-delegate) to the local authority.
- 1.4 This report is not designed to give lots of detail to make a decision. That information has already been passed to those making a decision. The purpose of this report is to ensure that Schools Forum has an appropriate formalised vote. An example of this is that Primary Forum were keen to discuss this on 3 October and received information in advance. After a brief discussion a vote was taken and primary representatives on Schools Forum can use that to inform their vote as they wish. It must be clear that it is only the Schools Forum vote that is binding.

## **2. Forum Members who are Eligible to Vote**

- 2.1 Only the following members of Schools Forum are eligible to vote on this issue for secondary schools:

Mr Clarke  
Mr Hodgkinson

- 2.2 Only the following members of Schools Forum are eligible to vote on this issue for primary schools:

Mrs Draper  
Mr Vlahakis

Mrs Sheehy  
Ms Coles  
Mr Thornton  
Ms Sharratt  
Mr Gee  
Ms Yates  
Mrs Woodcock

## 2.3 Operational Guidance from DfE states:

46. The following services were delegated in 2013-14 but were able to be de-delegated from the primary and/or secondary maintained schools subject to a Schools Forum decision by the representatives of each sector. **De-delegation is not an option for academies, special schools, nurseries or PRUs.**

Where de-delegation has been agreed for maintained primary and secondary schools, our presumption is that the local authority will offer the service on a buy-back basis to those schools and academies in their area which are not covered by the de-delegation. In the case of special schools and PRUs, the funding for such services, including free meals, will be included in the top-up.

47. This de-delegation provision is available in 2014-15 and authorities should review their arrangements with schools. This is because any decisions on de-delegation were for 2013-14 only, so decisions for each service will be required for 2014-15:

- Contingencies (including schools in financial difficulties and deficits of closing schools);
- Behaviour support services;
- Support to underperforming ethnic groups and bilingual learners;
- Free school meals eligibility;
- Insurance;
- Museum and library services;
- Licences/subscriptions;
- Staff costs supply cover (e.g. long-term sickness, maternity, trade union and public duties).

48. For each of these, it would be for the Schools Forum members in the relevant phase (primary or secondary) to decide whether that service should be provided centrally. The decision would apply to all maintained mainstream schools in that phase and would mean that the funding for these services was removed from the formula before school budgets were issued. There could be different decisions made for each phase. **Authorities will, therefore, need to discuss with Forum members representing maintained primary and secondary schools whether there are any services in paragraph 47 which the schools wish to be retained centrally. Authorities will also need to decide what de-delegated services to offer academies, nursery schools, special schools and PRUs** so that they can decide whether or not to buy back into these services offered by the local authority.

49. **For each service de-delegated, authorities will need to make a clear statement of how the funding is being taken out of the formula** (for example – primary insurance £20 per pupil, secondary behaviour support services £30 per FSM pupil). There should be a clear statement of how contingencies and other resources will be allocated. Academies will continue to receive a share of funding for these services in their delegated budget.

50. Where de-delegation is agreed, middle schools will be treated according to their deemed phase. If, for example, the primary sector agreed to de-delegate a service but the secondary sector did not, middle deemed primary schools in the authority would have their formula allocation reduced for all of their pupils at the agreed primary school rate. Middle deemed secondary schools would not be subject to de-delegation.

51. Where a school converts on or after 2<sup>nd</sup> April, up to and including 1<sup>st</sup> September, the authority can retain any de-delegated funding until 1<sup>st</sup> September. Where a school converts to academy status on or after 2<sup>nd</sup> September, up to and including 31<sup>st</sup> March, the authority can retain any de-delegated funding for the remainder of the financial year. This will help services to plan their future operations. After that, the academy will receive the full formula allocation and this will be recouped.

52. Where there has been agreement that a school is entitled to receive an allocation from a de-delegated contingency fund, that agreement should be honoured if the school converts to an academy at any point in the year. Where a school converts to an academy in the period 2<sup>nd</sup> April to 1<sup>st</sup> September, authorities will have an opportunity to present an evidence based case to the Recoupment Team to request a recoupment adjustment for the period 2<sup>nd</sup> September to 31<sup>st</sup> March. Where an academy converts in the period 2<sup>nd</sup> Sept to 31<sup>st</sup> March the authority will continue to receive the de-delegation in respect of the academy.

53. Any unspent de-delegated funding remaining at the year-end should be reported to Schools Forum. Funding may be carried forward to the following funding period as with any other centrally retained budget, but its use would be subject to the regulations operating in the new financial year.

### **3. Contingency**

3.1 For 2013/14 a contingency was retained. Across the phases this contingency was £250,691. This contingency was kept primarily to exceptional unforeseen costs which it would be unreasonable to expect governing bodies to meet, schools in financial difficulties; additional costs relating to new, re-organised or closing schools and significant pupil growth.

3.2 A key principle of contingency is it is only spent by Schools Forum.

3.3 It is proposed to spend £2,200 of this budget this year. No further expenditure has been recorded. The £2,200 has to be ratified by Schools Forum.

3.4 It is currently difficult to set a level of contingency. With no current spend it is setting a budget for potential issues.

3.5 It is proposed therefore to ask Schools Forum to provisionally de-delegate contingency at £10 per pupil for both sectors. The £10 per pupil will be changed prior to the final submission to EFA in January 2014 if required by schools Forum. £10 per pupil is based very broadly on the 2013/14 allocation. A more in-depth piece of work needs to take place to analyse the need for contingency. It is suggested to do this with a small working group of maintained schools before the December meeting.

#### **4. Recommendations**

4.1 Maintained Secondary School members of Schools Forum **approve or do not approve** de-delegation of Free School Meal Eligibility Service. Estimated at (£19.66 per free school meal eligible pupil)

4.2 Maintained Secondary School members of Schools Forum **approve or do not approve** de-delegation of Licenses/Subscriptions. (£3.23 per pupil)

4.3 Maintained Secondary School members of Schools Forum **approve or do not approve** de-delegation of Staff Costs – Union and Public Duties. (£6.38 per pupil)

4.4 Maintained Secondary School members of Schools Forum **approve or do not approve** de-delegation of Behaviour Support Services. (£15.17 per pupil)

4.5 Maintained secondary schools either note or ask for alterations to services not de-delegated previously. Previously insurance and maternity services were not de-delegated and it is assumed that maintained secondary schools wish to continue with this decision

4.6 Maintained secondary schools note that library and museum services were included as part of secondary AWPU prior to recent funding changes and therefore were in effect already delegated.

4.7 Maintained primary schools approve de-delegation of Free School Meal Eligibility Service at approximately £16.38 per free school meal eligible pupil

4.8 Maintained primary schools approve de-delegation of Insurance services at approximately £17.98 per pupil

4.9 Maintained primary schools approve de-delegation of Licenses/Subscriptions at approximately £3.23 per pupil

4.10 Maintained primary schools approve de-delegation of Maternity Supply cover at approximately £6.37 per pupil

- 4.11 Maintained primary schools approve de-delegation of Staff Costs – Union and Public Duties at approximately £6.38 per pupil
- 4.12 Maintained primary schools approve de-delegation of Behaviour Support Services at approximately £12.64 per pupil
- 4.13 Maintained primary schools approve de-delegation of Library Services at approximately £14.75 per pupil
- 4.14 Maintained primary schools approve de-delegation of contingency at a provisional value of £10 per pupil pending further work on what an appropriate level of contingency would be.
- 4.15 Maintained secondary schools approve de-delegation of contingency at a provisional value of £10 per pupil pending further work on what an appropriate level of contingency would be.