Schools Forum Report

Schools Block De-Delegation proposals 2024-25 (Version 2)

(deferred from December)

17/01/2024

**Executive Summary**

This report sets out a the de delegated services for the financial year 2023-24, and asks Schools Forum to agree maintaining the services for the 2024-25 funding year.

**Details of recommendations and timescales for decisions:**

Schools Forum are asked to consider and agree the proposals for 2024-25 mainstream de-delegation, and new special school equivalent charging.

1. **Background**
   1. At budget setting time each year, Schools Forum will be asked to approve the de-delegation of funding for centrally provided support based on a per pupil formula, considered to be a fair way of accounting for the size of the school and its budget.
   2. This report was presented in December, but the meeting was in-quorate and not able to make a decision. The local authority has progressed with a working assumption, due to the statutory deadline for submitting the Authority Pro-forma Tool (APT) to the DfE and issuing budgets.
   3. Headteachers have been consulted on these proposals, in meeting held on 10 January 2024. The outcome of this consultation will be reported verbally.
   4. The National Funding Formula (NFF) settlement increase of 1.9% on 2023-24 (0.5% minimum baseline plus a 1.4%) has been applied to the proposed de-delegation budget rate. The 1.9% excludes the additional transfer of the Maintained Schools Additional Grant (MSAG) also added to the 2023-24 Schools’ Budget baseline.
2. **Proposals for 2024-25**
   1. The final de delegation budget is determined on the October 2023 pupil numbers for maintained schools only. These have confirmed an overall reduction in roll of 3% on receipt of the APT, with table 1 showing the variance per phase.

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| --- | --- | --- | --- | --- |
| Table 1  De-delegation roll | 2023-24 | 2024-25 | Variance | Percentage variance |
| Maintained primary | 18,677 | 17,879 | -798 | -4% |
| Maintained secondary | 9,364 | 9,267 | -97 | -1% |
|  | 28,041 | 27,146 | -895 | -3% |

* 1. The 2023-24 de-delegation rates are listed in table 2 as well as the actual budgets. The proposed per-pupil proposed for 2024-25, and the corresponding budgets, taking into account the 2024-25 roll. For all budget headings the NFF 1.9% increase has been applied, with the exception of school improvement (see 2.4.5 below).
  2. Overall this is a -9.18% reduction in de-delegation (with 2023-24 equivalent pupil numbers it would have been a -6.22% reduction). Reducing the total value from £2 million to £1.8 million, including the Education Services budget.

Table 2

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| --- | --- | --- | --- | --- |
| De-delegation budgets | 23-24 per pupil rate | 23-24 de-delegation | 24-25 per pupil rate  (@ 1.9%) | 24-25 proposed de-delegation |
| Contingencies | £15.89 | £ 445,571 | £16.19 | £ 439,546 |
| Free school meals eligibility | £4.10 | £ 114,968 | £4.18 | £ 113,413 |
| Staff costs supply cover | £5.23 | £ 146,654 | £5.33 | £ 144,671 |
| Behaviour support services **(Primary Pupils\*)** | £4.40 | £ 82,179 | £4.48 | £ 80,162 |
| Behaviour support services **(Secondary Pupils\*\*)** | £7.57 | £ 70,885 | £7.71 | £ 71,484 |
| School improvement services | £11.77 | £ 330,043 | £6.20 | £ 168,305 |
| **total De Delegation** | £41.39 **(Pri\*)**  £44.56 **(Sec\*\*)** | **£ 1,190,301** | £36.38 **(Pri\*)**  £39.61 **(Sec\*\*)** | **£ 1,017,581** |
| **Education Services** | £28.89 | £ 810,104 | £29.44 | £ 799,149 |
|  |  | **£ 2,000,405** |  | **£ 1,816,730** |

* 1. The de-delegated services are for maintained primary and secondary schools only, services offered to schools under de-delegation arrangements are:
     1. **School specific contingency** (including schools in financial difficulties and deficits of closing schools) provides for unforeseen expenses in schools during the year. Without a central fund, individual schools facing an unforeseen significant cost may find themselves unable to operate within their delegated budgets. Individual schools may not by themselves be able to build up sufficient contingency to cover this.
     2. **Behaviour support services** are offered to schools dealing with challenging behaviour; mental health and parental conflict; and increase in complexity due to lack of specialist advice. The team also providing training and support for attendance issues. The funding is both statutory, via bought-in service level agreement (SLA), and the de-delegated budget supporting the provision. The de-delegation rates charged reflects the different levels of intervention required in primary and secondary school phases.
     3. **Free school meals eligibility** – the education service has a service level agreement (SLA) with the Housing Benefit service, who manage the eligibility assessment/checking of pupils for free school meals and notifies individual schools on a regular basis of their pupils’ eligibility. Providing this service centrally means that efficiencies can be gained. Administration at individual school level would be burdensome as entitlement checking would have to be done manually. The service also conducts campaigns on behalf of schools, resulting in increased take up.

The de delegation total will meet the cost of the SLA

* + 1. **Staff costs supply cover (for trade union and public duties)** is manged as part of the Trades Union Facilities Agreement (TUFA), which ensures that representatives are available to enable schools to participate in collective bargaining and consultation processes. By accompanying staff to formal meetings enables schools to progress formal actions under HR Procedures.

Holding the budget centrally enables schools to share the costs of supply cover to support the TU facilities time agreement and ensures that individual schools who employ TU reps are not disadvantaged.

* + 1. **School improvement** services are provided for schools following the phasing out of the Schools Moderation and Brokering grant. This allows the local authority to monitor and support performance of maintained schools, broker school improvement provision and provide intervention to raise standards and is fully passported to Tower Hamlets Education Partnership (THEP).

Following discussions with THEP. It has been agreed to cap the de- delegation of this budget to £6.20 per pupil, which will cover two school visits per year. In addition to the this, the local authority will contribute a further £153k, which includes £53k for statutory functions. The fee structure of the SLA has also been revised. These last two elements apply to all schools and academies.

* + 1. **Education functions** are provided for schools following the ending of the Education Services Grant (2017/18), they include former general duties contained in the grant and statutory responsibilities for maintained schools only. Despite not being categorised as de-delegation, they are recouped from schools to allow the duties to be performed. The rates represent a contribution only to costs and do not fully represent the full cost to the LA of providing statutory services.

These are services that Academies would be required to fund from their equivalent grant allocation. Services include finance monitoring and support, external and internal audit, legal and HR support.

1. Extending de-delegation to **special schools and alternative provision**.
   1. Schools block “de-delegation” does not apply to special schools or PRUs funded from the High Needs block, but the DfE have an expectation that similar services should be offered to special schools on a chargeable basis. Not having done this in the past has led to confusion in the central support offer, therefore we are proposing to extend the same services to special schools excluding behaviour support - which is accounted for in the place /top-up funding of the High Needs base.
      1. From 2024-25 the charge for special schools would use the mainstream rate multiplied by the number of places (weighted x 3) rather than pupil numbers. The weighting is less than the overall funding differential between mainstream & special phases, but more in the region of DfE grant funding differential. The charge will be fixed for the year.

Table 3

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| --- | --- | --- | --- |
| Proposed Special school equivalent  de-delegation charges for 2024-25 | proposed place values (as above) | 23-24  place No’s x 3 | Proposed charge 24-25 |
| Contingencies | £16.19 | } | £47,847 |
| Free school meals eligibility | £4.18 | } 985 | £12,346 |
| Staff costs supply cover | £5.33 | } Places | £15,748 |
| School improvement services | £6.20 | } X 3 | £18,321 |
| **total De Delegation** | **£31.90** | **2,955** | **£94,262** |

* + 1. Using the notional de-delegation rate for mainstream schools in this paper, and the 2023-24 weighted place numbers the proposed charge per school would represent less than 1% of the place allocation, as shown in table 4.

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| Table 4  Special school notional charging totals | Places  (2023-24) | Places (weighted x 3) | Proposed per school charge |
| Beatrice Tate | 125 | 375 | £11,962 |
| Bowden House (res & day) | 62 | 186 | £5,933 |
| Pheonix | 470 | 1410 | £44,978 |
| Stephen Hawkings | 104 | 312 | £9,953 |
| LEAP | 224 | 672 | £21,436 |
| Total places | 985 | 2,955 |  |
| **totals £** | **£9,850,000** |  | **£94,262** |