**SCHOOLS FORUM – 9th December 2014**

**SCHOOLS FUNDING FORMULA – CENTRALLY RETAINED AND DE-DELEGATED EXPENDITURE DECISIONS – 2015-16**

1. **PURPOSE**

Members will re-call that at the Forum Meeting on the 17thSeptember 2014 that reference was made to a number of centrally retained expenditure and de-delegated expenditure decisions that would be required at the next meeting. The purpose of this paper is to provide information to enable those members eligible to vote to determine the way they would like to vote.

1. **BACKGROUND**

The introduction of the new Fairer Funding For Schools reforms for the 2013-14 financial year required funding in respect of certain services to be delegated to schools in the first instant. An option is permitted for this funding to be returned to Councils by the maintained schools (should the maintained reps vote to agree to this) for the services to be provided by the Council.

In addition there are certain items of expenditure that the Council can retain centrally however the Schools Forum as a whole must vote to approve this on a line by line basis. The expenditure on these must not exceed the 2012-13 budget amounts.

The decision on both centrally retained expenditure and any de-delegated expenditure is an annual decision and that is the purpose of this report. As with centrally retained expenditure in respect of those services where expenditure can be de-delegated back to the Council School Forum members who represent maintained schools are required to vote, again on a line by line basis whether they wish this de-delegation to take place. Whilst voting is by sector only one vote per line is now required as a result of there are now only maintained primary schools within the borough.

1. **WHAT WE NEED TO VOTE ON**

A full list of the those items of expenditure affected as detailed in the Operational Guidance is included in Appendix A for information.

The items that concern the Forum are as follows:

**Centrally retained expenditure**

|  |  |
| --- | --- |
| Admissions | £217,559 |
| Servicing of Schools Forum | £11,300 |
| SEN Transport | £300,000 |
| Termination of employment costs | £434,400 |

**Items of Expenditure that can be de-delegated**

It should be noted that these amounts are best estimates based on the information available for the October 2014 proforma submission. These require confirmation from the EFA and will be further reduced if there are further in year academy conversions

|  |  |
| --- | --- |
| Schools in financial difficulties contingency | £58,375 |
| Other contingency | £31,788 |
| Free school meals eligibility | £11,437 |
| Support for ethnic minority pupils | £22,100 |
| Behaviour support services | £65,869 |
| TU Facilities Time | £18,961 |

1. **THE VOTE**

**Centrally Retained Expenditure**

In respect of those items that the Council can retain centrally it proposes to do so. To do this it requires Schools Forum to approve such proposals on a line by line basis at the amount stated. Only Forum members who represent Maintained or the Academy sector are eligible to vote in respect of these items.

To assist with this process an explanation of what is involved in respect of each item of expenditure is detailed in Appendix B

Eligible Forum members are therefore asked to approve whether they support the central retention of funds for the following:

* Admissions - £217,559

And again whether they approve the central retention of funds for:

* Servicing of Schools Forum - £11,300

And again whether they approve the central retention of funds for:

* Termination of Employment Costs - £434,400 (to part fund pre 1998 pension payments)

Finally in respect of SEN Transport costs of £300,000 Schools Forum are asked:

* whether they approve that this amount of expenditure can be centrally retained, and

**Expenditure which must be initially delegated but which can be de-delegated**

In respect of those items that are initially delegated to schools but which can be de-delegated back to the Council then the Council proposes that such de-delegation takes place. Schools Forum is requested to vote on this proposal. In respect of these items of expenditure only those members who represent the maintained sector are permitted to vote, in our case it is the primary sector maintained representatives.

In respect of those schools that are Academies these delegations are built into the new funding formula payments received from the Education Funding Agency.

If members decide not to de-delegate then funding for these will be built into their new funding and they will need to pay for any such service direct from their own budgets. If they do decide to de-delegate then funding for these services will be retained and provided centrally.

In respect of the Schools in financial difficulties contingency then were the decision to de-delegate not made and a school(s) got into financial difficulties then to balance the DSG the Council would need to seek any shortfall off the remaining maintained schools.

Eligible Forum members in respect of the primary sector are therefore asked to vote whether they wish to de-delegate the following item of expenditure:

* Schools in financial difficulties contingency - £58,375

And again whether do the primary sector representatives wish to de-delegate the following item of expenditure:

* Other contingency - £31,788

And again whether do the primary sector representatives wish to de-delegate the following item of expenditure:

* Free school meals eligibility - £11,437

And again whether do the primary sector representatives wish to de-delegate the following item of expenditure:

* Support for ethnic minority pupils - £22,100

And again whether do the primary sector representatives wish to de-delegate the following item of expenditure:

* Behaviour support services - £65,869

And finally whether the primary sector representatives wish to de-delegate the following item of expenditure:

* TU facilities time- £18,961

David Kirven

Service Finance Manager – Partnering

26th November 2014

**Appendix A**

It is still permissible for services to be retained centrally with certain approval. Authorities will need to obtain School Forum approval to retain central funding for all of these services. The position is best demonstrated by reproducing an extract from the table from the EFA Schools Revenue Funding 2015 to 2016 Operational Guidance Version 1 (July 2014)

|  |  |
| --- | --- |
| Can be centrally retained before allocating formula with agreement of schools forum | Funding for significant pre-16 pupil growth, including new schools set up to meet basic need, whether maintained, academy.  Funding to enable all schools to meet the infant class size requirement.  Funding for good or outstanding schools with falling rolls where growth in pupil numbers is expected within 3 years.  Back-pay for equal pay claims.  Remission of boarding fees at maintained schools and academies.  Places in independent schools for non-SEN pupils. |
| Can be centrally retained before allocating formula but no increases in expenditure from 2014-15 (schools forum approval is required to confirm the amounts on each line) | Admissions.  Servicing of schools forum. |
| Can be centrally retained before allocating formula but no new commitments or increases in expenditure from 2014-15 (schools forum approval is required to confirm the amounts on each line) | Capital expenditure funded from revenue 9ie no new projects can be charged to the central schools budget).  Contribution to combined budgets.  Existing termination of employment costs (ie no new redundancy costs can be charged to the central schools budget).  Schools budget funded prudential borrowing costs.  Schools budget funded SEN transport costs. |

**Appendix B**

**Description of Services**

**Centrally retained expenditure**

**Admissions**

Funding to be retained to enable the local authority to fulfil its statutory duties in respect of school admissions for both maintained schools and academies in line with the School Admissions Code and associated legislation. This includes:

General duties:

* + Determination of its duties in light of local circumstance and in accordance with guidance issued by the Department for Education and the Secretary of State.
  + Promotion of Fair Access to educational opportunity for all children and young people.
  + Formulation, consultation, determination and publication of:
* its own admission arrangements and associated coordinated schemes for each year for all maintained schools and academies within the area;
* the authority’s school term dates for those schools for which it is the admission authority; and
  + Publication of the admission arrangements for all maintained schools and academies in the area.
  + Offer advice and guidance on legislative requirements and policies and procedures in respect of all aspects of school admissions to those schools for which it is the admission authority.
  + Provision of impartial and independent advice to parents/carers on school admissions and school admission appeals.
  + Maintaining and updating the local authority’s catchment areas maps and lists.
* Keeping the local authority’s website up to date with all admission policies, relevant information, links to school/academy sites, DfE etc.

Phased primary and secondary coordination for maintained schools and academies:

* Having an on-line application service available.
* Collect, administer, monitor and chase up all applications ensuring that all applicants receive their highest available preference.
* Allocate and formally notify all applicants of the outcome of their application.
* Co-ordinate beyond the National and local offer dates to ensure available places are reallocated effectively.
* Inform all unsuccessful applicants of their right of an independent appeal.

Phased primary and secondary coordination for maintained schools:

* Identify, confirm and rank all preferences which are LAC, SEN, sibling, catchment, distance, belief etc in line with the published arrangements.
* Provision of an independent appeals process.

In year coordination for maintained schools and academies:

* Provide a Common Application Form for parents/carers to apply for all schools/academies in the area.
* Provide all parents/carers of the availability of school places at any one time within the local area.
* Have a Fair Access Protocol and appropriate processes in place.

In year coordination for maintained schools:

* Allocate and formally notify all applicants of the outcome of their application.
* Inform all unsuccessful applicants of their right of an independent appeal.
* Provision of an independent appeals process.

**Servicing of Schools Forum**

Funding to be retained in respect of meeting schools forum expenditure costs. In the past this funding has been used to meet not only Schools Forum costs but working party costs and the costs of one off projects / pieces of work.

**Termination of Employment Costs**

Funding to be retained to contribute to the pension costs of a number of pre 1998 retirerees. The total spend on this area is £1.9M, the DSG contribution funds £0.4M.

**SEN Transport**

Funding to be retained to assist the local authority to fulfil its statutory duties in respect of special educational needs transport for both maintained schools and academies. This provision of transport is in line with the local authority’s published education transport policy which is compliant to the Special Educational Needs Code of Practice and associated legislation.

**Delegated expenditure**

**Schools in financial difficulties contingency**

Funding retained to provide a contingency In respect of any maintained schools who experience temporary financial difficulties. This contingency protects the financial position of the maintained schools and should prevent calls on their budgets. If the decision to de-delegate is not made and a school(s) got into financial difficulties then to balance the DSG the Council would need to seek any shortfall off the remaining maintained schools.

**Other contingency**

Funding retained to meet other unexpected costs an example being a rates revaluation. Rates are pass ported through at the start of the year prior to the bills being finalised any change in this is given to the school.

**Free school meals eligibility**

Funding covers the cost of Free School meals officer responsible for assessing eligibility for Free School Meals. Eligibility is based on receipt of certain qualifying benefits or having income less than a set amount. The officer works in conjunction with the Housing Benefits service, and information is collected once by the service in order to process both Free School Meals and Housing Benefits.

Following the introduction of universal free school meals for infant school children the service continues to collect information relating to children who would have received free meals, in order to calculate the pupil premium and ensure that the correct levels of funding are achieved.

If the decision to de-delegate is not made, schools will need to ensure that they have procedures in place for parents to apply for free school meals, collect evidence of income, assess entitlement, deal with changes in eligibility when the financial circumstances of the parent changes and reconcile the number of meals awarded.

Infant schools will need to ensure that they have procedures in place to identify children who would previously have qualified for free school meals as above.

**Support for ethnic minority pupils**

The EAL grant funds the delivery of a range services, including

* Advice and guidance to maintained schools, ensuring EAL pupils are supported and challenged to maximise their progress and achievement;
* working with maintained schools to monitor EAL progress and achievement in comparison with local and national performance and shaping interventions and support to improve outcomes;
* training and CPD on EAL pedagogy and practice – from Early Years to Key Stage 4;
* maintaining an overview of the referral, assessment and monitoring of EAL pupils, working with families where appropriate;
* encouraging schools to work together to identify and promote best practice;
* advising the School Improvement Team and the local authority as required on  issues relating to BME/ EAL children and families;
* promoting equality and diversity in line with government and LA policies, often through partnership and collaborative working with other council teams and external partner agencies.

**Behaviour support services**

The Behaviour Support Services provides a framework for the management of those children who present with significant emotional, social and behavioural difficulties. This includes the process of case management through the primary Behaviour and Attendance Collaborative (BAC) The Behaviour Support Services Manager chairs the weekly Primary BAC and the referrals become the responsibility of the Inclusion Officers who give support and guidance for the completion of referral papers; this work is supported by the Admin officer. The BAC considers each case and brokers alternative provision, ensuring access to appropriate placement. The range of options is from in-school support and advice through to placement, for the most complex cases, in one of the alternative provision places at The Resource Based Provision (capacity 12), he Key Stage 2 provision in the Secondary PRU (capacity 8) and personalised programmes in alternative small settings in Alternative Provision (capacity 10). Also included is support for the process of exclusion.

**TU facilities time**

Funding to be retained to enable access to Council employed trade union representatives from UNISON and UNITE and local branch representatives from NASUWT and NUT to resolve employee relations and organisational change matters at an earlier stage thus minimizing cost and delays.  Local trade union representatives will be available to attend meetings with individuals and groups of staff at your school if the monies are de-delegated.  If schools were not to de-delegate the monies, the only trade union representatives would be regional officers who are not often available at short notice or at certain times of the day/week due to other commitments across many authority boundaries.  Therefore, this could add to the delay of resolving staffing matters which may have resultant costs for the school such as extended sickness, precautionary suspension, investigations and hearings.