

Report subject	<b>Maintained school services – de-delegation and central retention</b>
Meeting date	15 January 2024
Status	Public Report
Executive summary	<p>This report provides proposals for:</p> <ul style="list-style-type: none"> <li>• The central retention of services where the LA retains a statutory duty to undertake activity to support maintained schools only (both mainstream and specialist);</li> <li>• De-delegation of services applicable only to mainstream schools. These are services where schools retain the statutory duties, but better efficiency could be achieved through central delivery by the LA.</li> </ul>
Recommendations	<p>It is <b>RECOMMENDED</b> that the Maintained Schools members of the Schools Forum only:</p> <p><b>(A) Agree collectively the retention rates per pupil and budgets for LA duties supporting maintained schools as set out in paragraphs 8-10.</b></p> <p><b>(B) Agree separately for primary and secondary, the de-delegation of funding for school improvement duties as set out in paragraphs 11-12</b></p>
Reason for recommendations	Maintained School Forum members must be consulted on proposals for the central retention and de-delegated budget shares and agree these.
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Corporate Director	Cathi Hadley, Director Children's Services
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Wards	Council-wide
Classification	For Recommendation

## Background

1. The deployment of the DSG is regulated by the DfE through the School Finance Regulations, which are updated annually.
2. The local School's Forum must be consulted on how the grant is used and has a range of decision-making powers.
3. The council is responsible for setting the formula for mainstream schools for Reception to Year 11 after taking account of the recommendations of the Schools Forum which in turn should be based on the views of schools.
4. Maintained schools' representatives on the Schools Forum are asked to agree that some services should be funded from the budget shares of maintained primary and secondary schools. The services and the proposed total amount to be funded are in respect of the following:
  - **Central Retention:** Proposals for the central retention of services where the LA retains a statutory duty to undertake activity to support maintained schools only. These include a range of services such Financial and Audit Services, Asset Management and monitoring national curriculum assessments.
  - **De-delegation:** Proposals for de-delegation of services applicable only to mainstream schools. These are services where schools retain the statutory duties, but better efficiency could be achieved through central delivery by the LA.
5. There are currently 13 mainstream maintained schools, and these will need to be accounted with this status for a full year on the APT containing the budget shares sent to the DfE in January. In addition, there are 3 specialist maintained providers (including the PRU).
6. **Consultation with Maintained Schools Only:** The detail of these budgets was set out in the consultation paper ( **Appendix 1** to this report) with the consequences if funding was not agreed. The consultation was ongoing at the time of writing this report and details of all consultation responses will be reported to the Forum in an oral update.
7. **Central retention from maintained school budget shares for LA statutory duties:** It is understood that it will be important for headteachers to reassure themselves that the services provided offer value for money. Reflecting comments to the consultation received last year, BCP has appended to the consultation paper, detail of the services provided for each of the service headings paid for from schools budget shares. In all cases, the amount of retention supports the delivery of statutory functions and duties of the Council and is the only funding source for these duties. The actual costs and hours of service provided under each service heading is difficult to determine. This reflects that in the case of some service areas i.e. Financial Services, there are no longer dedicated staff teams working only with maintained schools and there are no records of time spent on this activity only.
8. The guidance sets out that Local authorities should set a single rate per 5 to 16-year-old pupil for all mainstream maintained schools, both primary and secondary (and this

is deducted from basic entitlement funding). It is important to note that the rate does not include early years or post-16 pupils who are funded through different formulae. Local authorities may choose to establish differential rates for special schools and PRUs if the cost of fulfilling the duty is substantially different for these schools. The rate is expressed per place rather than per pupil for special schools and PRUs. The proposed per pupil (mainstream) and per place (specialist) rates for central retentions for 2024-25 are set out in the table below (Table 1). This represents a 5% increase for 2024/25 to reflect additional inflationary costs incurred by BCP.

Table 1: Proposed Maintained School Central Retention Rates April 2024 - March 2025

	2022/23	2023/24	Proposed 2024/25
Mainstream School rate per pupil	23.17	23.15	24.31
Specialist Provider rate per place	98.46	98.37	103.29

9. The guidance sets out that Local authorities should provide sufficient evidence to their Schools Forum to enable them to make an informed decision on the amount of funding to be held centrally. In line with the DfE's guidance, table 2 sets out the planned total spending for the 12 months period from April 2024. Spending is shown under maintained school service headings which align to statutory and regulatory duties of the Local Authority. **Appendix 1** provides details of maintained school duties with a comparison of those for all schools funded from the central school services block. Detail of the actual services provided locally by BCP are set out in **Appendix 2** along with the risks/consequences of the amount not being held centrally.

Table 2: LA Budget for Maintained School Statutory Duties April 2024 to March 2025

Statutory and Regulatory Duties	Central Budget Retained £000's
Education Services	60.5
Finance and Audit	73.5
Human Resources	15.5
Asset Management	52.5
Monitoring National Curriculum Assessments	21
<b>Total Statutory &amp; Regulatory</b>	<b>223</b>

10. The guidance requires LA to provide details of the impact on individual school budgets, and their overall financial position. The amounts for each maintained school for the 12-month period (should they remain maintained throughout) based on 2023-24 pupils and projected 2024-25 place numbers are set out in the table below (estimated figures have been used for Special School Places).

Table 3: Maintained School Central Retentions April 2024 to March 2025

<b>Maintained Mainstream</b>	<b>NOR</b>	<b>Central Retention</b>
Christchurch Infant School	308	£7,487
Somerford Primary School	189	£4,595
Mudeford Community Infants' School	178	£4,327
Mudeford Junior School	257	£6,248
Burton Church of England Primary School	296	£7,196
St Katharine's Church of England Primary School	437	£10,623
Corpus Christi Catholic Primary School	419	£10,186
The Priory Church of England Primary School	201	£4,886
St Joseph's Catholic Primary School,	215	£5,227
Highcliffe St Mark Primary School	641	£15,583
St Walburga's Catholic Primary School	416	£10,113
St Edward's RC/C England School, Poole	916	£22,268
Poole High School	1566	£38,069
<b>Maintained Specialist Places</b>	<b>Places</b>	
Winchelsea Special	220	£22,742
Christchurch Learning Centre	48	£4,958
Linwood Special	422	£43,588
<b>Proposed Contribution BCP</b>		<b>£218,096</b>

### De-delegation of School Duties

11. De-delegation of services is currently applicable only to mainstream schools. These are services where schools retain the statutory duties, but better efficiency could be achieved through central delivery by the LA. The arrangements for maintained special and AP providers are currently the same as those for academies through traded services, Schools Forum makes the decision on behalf of all maintained schools by primary and secondary phases separately.
12. DfE guidance sets out that de-delegated services are for maintained mainstream schools only and that funding for de-delegated services must be allocated through the formula but can be passed back, or de-delegated for maintained mainstream primary and secondary schools with Schools Forum approval. Where de-delegation is agreed for maintained primary and secondary schools, local authorities typically offer the service on a buyback basis i.e. traded services to those schools/academies in their area which are not covered by the de-delegation and for their consideration individually. BCP currently offer a service level agreement for checking free school meal eligibility.

13. **De-delegation does not apply to special schools, nursery schools, or PRUs.** In the case of special schools and PRUs, the funding to buy such services will be included in any top-up payments. For this reason, special schools and PRUs will need to agree the charge on an individual basis.
14. **Academy Conversion.** In line with DfE guidance, arrangements for maintained schools on conversion to academy status are contained in **Appendix 3**. New decisions will be required for any service to be de-delegated in 2024/2025. There are no specific proposals for new traded services.

### 15. Core School Improvement Duties

The DfE previously funded the core school improvement duties through specific grant with the amount received by each council proportionate to the number of maintained schools in their area. BCP previously received the minimum allocation of £50,000 with this grant now ended. Following the government decision to end the grant, an amount is now required to be funded via de-delegation from maintained schools' budget share. This enables the LA to fund core improvement activities. These include monitoring the performance of maintained schools, brokering school improvement provision and exercising the council's statutory intervention powers. The core improvement activities are set out in Part 4 of the Education and Inspections Act 2006 (the 2006 Act) and in the Schools Causing Concern guidance. Part 4 of the 2006 Act provides councils with statutory powers to warn and intervene in schools causing concern, through issuing a warning notice setting out actions the governing body are to take. Further details are contained in **Appendix 4**.

16. The school improvement team also discharge the shared statutory responsibility for SACRE and the Agreed RE Syllabus under the 1948 Act. All support for the improvement of RE across all BCP maintained schools is free to access and will be delivered to all maintained schools with EIF supporting subject assessment and tools in January 2024.

17. As for 2023/24, it is proposed that de-delegation is done on a per pupil basis in the same way as the central retention to replace the amount of the previous grant attributable to mainstream schools. Specialist providers would need to buy into a traded service individually to replace the balance of the lost grant. Meeting the costs of providing the de-delegated services would equate to the following rates per pupil for mainstream schools:

**Table 4: Proposed Maintained School De-delegation Rates April 2024 - March 2025**

	2023/24	Proposed 2024/25
Mainstream School rate per pupil	4.66	4.89

### Indicative De-delegation Amounts 2024-2025

**Table 5: Indicative Maintained School De-Delegation Amounts April 2024 – March 2025**

Maintained Mainstream	NOR	De-delegation
Christchurch Infant School	308	£1,506
Somerford Primary School	189	£924

Mudford Community Infants' School	178	£870
Mudford Junior School	257	£1,257
Burton Church of England Primary School	296	£1,447
St Katharine's Church of England Primary School	437	£2,137
Corpus Christi Catholic Primary School	419	£2,049
The Priory Church of England Primary School	201	£983
St Joseph's Catholic Primary School,	215	£1,051
Highcliffe St Mark Primary School	641	£3,135
St Walburga's Catholic Primary School	416	£2,034
St Edward's RC/C England School, Poole	916	£4,479
Poole High School	1566	£7,658
<b>Total</b>		<b>£28,795</b>

18. In respect of special maintained schools and PRUs, **De-delegation does not apply and therefore** special schools and PRUs will need to agree the charge on an individual basis. Based on a per pupil place rate (same multiplier as the central retention) these amounts are shown in the table below as referred to as SLA amounts. Special Schools, PRUs will be contacted individually to agree this.

**Table 6: SLA Amounts Core School Improvement April 2024 - March 2025**

	<b>NOR</b>	<b>SLA Amounts</b>
Winchelsea Special	220	£4,578
Christchurch Learning Centre	48	£988
Linwood Special	422	£8,781
<b>Total</b>		<b>£14,347</b>

### **Traded Services**

19. As in the current year, a number of services may be offered to maintained schools only, as provision centrally complements our statutory duties. This includes, for example, being within the council's group banking arrangements. It is also expected that all maintained schools will continue in the central insurance arrangements, although this funding is delegated to schools, until the end of the current contract period at which point schools individually will need to consider whether to join instead the government scheme. Exceptionally, a school may not be able to join central schemes, it may depend on historic claims history, but in this event the council will support a separate procurement as the LA has a duty to ensure school arrangements are satisfactory. Insurance costs are charged to schools, largely according to pupil numbers.
20. Maintained schools also get traded services such as Evolve (trips and visits) which support our responsibility to a broad and balanced curriculum and Pobble (Writing publishing platform) for free as part of charged services for MATs. The latter support primary moderation and can also be used for KS3 assessment for learning.

## **Recommendations for maintained schools only**

21. **Central Retention:** The maintained schools' members of the schools forum (primary, secondary, special, and pupil referral units (PRUs)) should agree the amount the local authority will retain as set out in paragraphs 9 and 10. If the local authority and schools forum are unable to reach a consensus on the amount to be retained by the local authority, the matter can be referred to the Secretary of State.
22. **De-delegation:** Schools forum members for primary maintained schools and secondary maintained schools must decide separately for each phase whether the service should be provided centrally as set out in paragraphs 15 and 16. The decision will apply to all maintained mainstream schools in that phase. Members must decide on fixed contributions for these services so that funding can then be removed from the formula before school budgets are issued.

## **Summary of financial implications**

23. The budgets for the schools and central school services blocks are set within the available DSG funding.

## **Summary of legal implications**

24. There are no legal implications.

## **Summary of human resources implications**

25. There is a risk that in the event that amounts are not agreed, staffing levels would reduce resulting in diminished services for maintained schools. Implications for staffing levels from mainstream funding changes rests within individual schools.

## **Summary of sustainability impact**

26. None

## **Summary of public health implications**

27. None

## **Summary of equality implications**

28. The DfE undertook an equality impact assessment in determining how DSG funding is to be allocated and the structure of the mainstream funding formulae. The local budgets are aligned with the national scheme.

## **Summary of risk assessment**

29. School finance regulations allow local authorities to centrally retain funding from school budget shares. The proposal to charge for services from maintained school budgets is to enable the council to continue to undertake these functions/maintain a

central education function in relation to maintained schools. Importantly, the council is obliged to carry out a number of statutory duties and in the event that the proposed retention is not agreed, the Council would:

- Fail to discharge its duties and this would impact the effective operation of education support services in BCP;
- Find it difficult to set a balanced budget without making cuts to other vital services.

### **Background papers**

30. DSG LA guidance 2024-25.

### **List of Appendices**

Appendix 1 Consultation Paper – Central Retention and De-delegation Maintained Schools  
Appendix 2 Services Provided by BCP Council Central Budget Retention  
Appendix 2B Statutory H&S services for BCP maintained schools  
Appendix 3 Conversion to Academy Status Extract from DfE Guidance  
Appendix 4 The Schools Causing Concern Guidance  
Appendix 5 De-delegated Services Extract from DfE Guidance