

**Schools Forum Briefing 28 September 2012****School funding reforms : Centrally- retained budgets : Update / reports from phase groups****1 De-delegation**

If a budget is de-delegated it will only apply, at maximum, to maintained primary, middle and secondary schools or a phase of maintained schools. Nursery schools, Special schools and Academies fall outside the de-delegation mechanism but this does not mean that they are necessarily excluded from participation in that central activity.

**2 Former Threshold & Performance Pay Grants**

This budget is identified within the Schools Funding Block and will be delegated on the basis of pupil numbers.

**3 Contingency Provisions**

There are two elements to this – the Contingency itself (which would be provision de-delegated for maintained schools only) and the Pupil Growth Fund (which would be created prior to the determination of budget shares and therefore apply to all schools including academies).

The Contingency has three components :-

- exceptional unforeseen costs where it would be unreasonable to expect governing bodies to meet the cost (£80k budget proposed);
- provision for schools in financial difficulties (£300k proposed);
- costs relating to new, reorganised or closing schools (£320k proposed).

A sum of £700k is proposed to be de-delegated for the maintained schools contingency.

The new Pupil Growth Fund is proposed at an initial £600,000.

These initial estimates will be kept under review to determine whether the budget amounts match actual need.

There will be clear criteria developed to govern allocations from the Schools in Financial Difficulties portion of the Contingency and the new Pupil Growth Fund. The Schools Forum will be consulted about those criteria in due course.

There was unanimous support for the de-delegation of the proposed Contingency funds and the retention of funding to establish the new Pupil Growth Fund as proposed.

**4 School Safeguarding Officer (under Support for Inclusion)**

The issue is whether to retain support for a second school-focussed safeguarding officer post from next year (£48,400 cost). The original post continues to be funded via the School Safeguarding Board.

Statutory safeguarding training will continue to be provided at a basic, multi-agency level. The more bespoke approach for schools enabled by the second post is under question here, although there is more than just training involved. Feedback from the constituent groups saw Kirklees High School Heads (KSH) and the Middle schools in favour of continued retention of the provision but Kirklees Primary Heads (KPH) and Kirklees Special School Heads (KSSH) both favouring movement of the activity to a traded basis.

It was agreed that further discussions involving the Safeguarding Manager should take place about the quality and delivery issues raised. A final decision about this budget will need to be made following these discussions.

## 5 Contributions to Combined Budgets

Provision (£46,500) for **looked-after children** not in school and children not in education, employment or training (NEETs), continued retention was unanimously agreed.

There was no support from KPH for continuation of the **Every Child Counts** and **Every Child a Reader** central provisions (£55k and £58k respectively).

[Note: a view on the £30k **one-to-one tuition** co-ordination central provision needs to be taken].

**Primary (£171.5k) and Secondary (£278.8k) Commissioning funds** administered by the Learning Service. The use of the funding to support individual schools during the past year focuses on promoting the self-improving schools approach and includes brokerage of LLE (Local Leaders of Education) and NLE (National Leaders of Education) as well as school to school support.

Concerns have been raised by primary heads about schools being directed how to spend support from the commissioning fund. Learning Service officers are looking at different approaches to using the funding in future and acknowledge the need for decisions about the use of support funding to be made in collaboration with head teachers. There is no presumption that the allocation will have to be spent back with Kirklees Learning Service.

KHSH supported the continued retention of the Commissioning Fund arrangements as did KPH provided there is movement to the “self-improving schools” approach.

## 6 Behaviour Support Services

Support for moving ICAN, Autism Outreach and Portex budgets under the High Needs block.

Support for central retention of the Inclusion Placements budget.

NO support for the continuation of the budget for Nurture Groups.

The allocation pattern for the Nurture Group funding dates back to an open bidding process for Behaviour Support Grant allocations. Eight primary schools are in receipt of a recurrent sum of £31,400 to pay for two term-time 27.5 hours per week support posts, one at Grade 7 and one at Grade 5. As this budget has specific salary costs associated with it, there should be a phased withdrawal of the support funding to give the schools affected time to consider alternative actions. It was suggested that the nurture group activity would be legitimate expenditure from the Pupil Premium.

## 7 Support to underperforming ethnic minority groups & bilingual learners

The proposal is to de-delegate a sum of £100,000 to provide a single point of referral service to schools for “international new arrivals”. The aim is to provide immediate support and advice when a child with little or no English arrives in school. A full proposal to be produced.

There was support for the proposal, particularly with the concept of a single contact point.

The establishment of some sort of central database was also seen to be key, so that schools can find out where there are other populations of children in the area from a particular background for the purposes of sharing information and resources.

## 8 School Meals / Milk

A relatively small DSG commitment of £26,000 for free school milk is currently provided to reception children. The authority receives an annual EU grant of £374k for free school milk provision, the £26k relates to associated costs not covered by the grant. It would not make sense to delegate the small DSG budget so a way needs to be found to continue to retain it centrally.

There was agreement to retain the budget centrally.

## 9 Free School Meals Eligibility Checks

The proposal is to de-delegate funding to permit FSM eligibility checks to be carried out centrally on behalf of maintained schools. Academies could also pay to receive the same service.

The function is to be transferred from Children & Young People to Customer & Exchequer Services who deal with a range of social benefits. It should be possible to release a proportion of the £101k budget back to general funding once C & E have determined the cost of the service.

There was full support for free school meals eligibility checks to be provided centrally.

## 10 Museum & Library Services – Kirklees Interfaith

There was general support for the view that Kirklees Interfaith should operate on a fully traded basis in the new system.

The risk involved with trading is that the service can only continue if there is a general, up-front commitment of support from the majority of schools. It was suggested that the issue is referred to the Learning Board for review. A paper providing further information about Interfaith, particularly the current pattern of school usage of the service will be prepared.

## 11 School Admissions

The budget for the School Admissions service falls within exception category 3 – retention as a statutory function of the local authority. Within the budget this year there is a temporary sum of £100,000 agreed by the Schools Forum in respect of the cost of addressing co-ordinated in-year admissions. The rules will change again for September 2013 which will mean that a proportion (still to be calculated) of the £100k can be released to general funding for financial year 2013-14. Further information in support of this judgement will be reported in due course.

KHSH reps supported this approach, KPH reps to refer the issue back to their constituency.

## 12 Staff costs, supply cover – Lifting & Handling Adviser

There was general support for this budget to be counted under the High Needs funding block as the work is predominantly with high needs SEN children.

## 13 Staff costs, supply cover – Head Teacher Wellbeing Service

The choice with this budget lies between de-delegation of the service for primary schools (as it was established using primary and special sector money) and movement to a full trading basis.

It was decided that the level of support amongst schools for the continuation of the service should be investigated to then inform the decision to be made.

## 14 Staff costs, supply cover – Maternity / Paternity Leave

There was support from all sides for the budget to be de-delegated for maintained schools on the basis that the risk entailed by such costs is better pooled.

## 15 Staff costs, supply cover – Public / Union Duties

The local authority proposal is that this budget should be de-delegated and that academies should also return their delegated element from this budget to enable continuation of the current arrangements.

KHSH reported a view that the budget should be cut back from its current £381k to £200k, whereas KPH were inclined towards delegation of the funding to schools although they wanted to understand the exact nature of the costs which would then fall on schools as a result.

Around £8,500 of the total budget relates to Public Duties, mainly covering costs associated with jury service but also other public duties, eg school staff serving as governors at another school, staff called to give evidence to courts, tribunals etc.

The remainder of the £381k relates to Trade Union duties. A number of unions representing staff in schools are allocated a notional budget based around membership numbers. For some unions this would be linked to the activity of either a full-time or part-time “convenor” or union secretary, for others the costs would surface in the form of salary claims. The budget, at its core, is to do with paying schools for the release of staff who are regularly engaged in union work – it compensates schools for their associated replacement costs.

A briefing paper is needed to set out how the current budget provision is used and to explain the benefits that the system brings for schools and the local authority. It also needs to spell out what the potential implications are of removing the current arrangement – an approach which uses regional officials instead would be likely to slow down the resolution of issues and may make the problems larger than they need be, increasing the likelihood of litigation and the attendant costs that would bring.

## **16 Termination of employment costs**

This currently central DSG budget pays for early retirement and severance costs of school staff in cases where a school has a demonstrable need to reduce its staffing to balance its finances. The Children & Young People budget also contains early retirement provision in respect of a small number of Leadership cases each year and some “emergency” case provision. By the end of the current financial year it is estimated that around 60% of the DSG budget total will be committed to ongoing pension costs.

The question is should the remaining 40% of the budget be retained as a ‘contribution to combined budgets’ under the exception 2 clause? Should alternative approaches now be considered? eg would voluntary severance be more cost effective than a VER scheme which produces an ongoing pension cost commitment for years to come?

Further consideration needs to be given as to how the budget is used at the moment and the potential options for the future.