

**11 November 2015**

**APPROVAL OF DE-DELEGATED BUDGETS 2016/17**

*Report of the Director of Children's Services*

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**1. Purpose**

- 1.1 To seek approval of the 2016-17 de-delegated budgets. Note that approvals are required by phase.
- 1.2 To note the discontinuation of the recruitment de-delegation given development of subscription service.

**2. Recommendations**

- 2.1 Forum is asked to agree that rates of de-delegation per pupil for the following items remain at 2015-16 levels for 2016-17:
  - Hertfordshire Grid for Learning
  - Determining Free School Meal Eligibility
  - Trade Union Facilities Time
  - Contingency: – support for reorganising schools and schools facing financial difficulties
  - Contingency :- primary schools causing concern

**3. Background**

- 3.1 In 2015-16 Forum agreed a number of de-delegations as set out in the table below:

Sector/Phase	Type of de-delegation	De- delegated budget per pupil	Total fund
Secondary and Primary	Hertfordshire Grid for Learning	£1.00	£104k
Secondary and Primary	Determining Free School Meals Eligibility	£5 per eligible pupil (i.e. pupils entitled to free school meals because they are in receipt of	£57k

		certain benefits)	
Secondary and Primary	Trade Union Facilities Time	£1.20	£124k
Secondary and Primary	Contingency - Support for reorganising schools and schools facing financial difficulty	£2.00	£207k
Primary	Contingency - Primary Schools Causing Concern	£3.65	£319k
Secondary and Primary	Recruitment	£0.65 primary £1.41 secondary	£80k
<b>TOTAL</b>			<b>£891k</b>

- 3.2 It is necessary for Forum formally to agree each year the items to be de-delegated, on the basis of voting by members representing the relevant phases.
- 3.3 It is expected that the net impact of demography and further academy conversions will not result in a significant change in the overall number of pupils in the maintained sector. Budgets derived from de-delegated funds are therefore expected to remain at a similar level as this financial year.
- 3.4 At the mid-point in 2015-16 financial year; there is no reason to adjust the levels of delegation for these items with the exception of recruitment which will cease as a de-delegated budget instead becoming a traded subscription service. It is proposed that all other de-delegated budgets are continues with the 2015-16 levels of de-delegation in 2016-17 with a total of £811k. It is however proposed that a thorough review of the contingency funds is carried out prior to agreement of the 2017-18 de-delegated budgets.

### Hertfordshire Grid for Learning

- 3.5 Both sectors contribute a contingency budget of £1 per pupil to the Hertfordshire Grid for Learning which pays for the hosting of the site and the creation and publication of all HGfL articles. Given that no substantive changes were proposed to HGfL for the two year period 2015/16 and 2016/17, it is proposed to keep the de-delegated budget at £1 per pupil.

Phase	2015/16 De-Delegated Budget	Estimated 2016/17 De-Delegated Budget
Primary	£1 per pupil	£1 per pupil
Secondary	£1 per pupil	£1 per pupil

## Free Schools Meals Eligibility

- 3.6 Despite the introduction of Universal Free School Meals for Key Stage 1, it is still necessary for schools to determine the eligibility of infants to claim Pupil Premium Grant and deprivation funding in the budget share. It is therefore proposed that the de-delegated budget remains at £5 per eligible pupil.

Phase	2015/16 De-Delegated Budget	Estimated 2016/17 De-Delegated Budget
Primary	£5 per eligible pupil	£5 per eligible pupil
Secondary	£5 per eligible pupil	£5 per eligible pupil

## Trade Union Facilities Time

- 3.7 The existing arrangement for Trade Union Facilities Time is considered successful by all parties concerned, a letter seeking support of the continuation of the current arrangement from Christine Blower on behalf of the ATL, NAHT, NASUWT and NUT Unions is attached to this report as Annex 1.
- 3.8 Given the success of the arrangement. Schools HR team have proposed to the Unions to continue the existing arrangement, but in recognising the budgetary pressures facing schools, to keep de-delegation at £1.20 and not to apply an inflationary uplift given school budget pressures. The Unions appear to be content with this proposal.

Phase	2015/16 De-Delegated Budget	Estimated 2016/17 De-Delegated Budget
Primary	£1.20 per pupil	£1.20 per pupil
Secondary	£1.20 per pupil	£1.20 per pupil

## Support for closing/amalgamating schools and general schools facing financial difficulty

- 3.9 A contingency budget of £2 per pupil has been agreed for the last two years. In previous years this level of funding has been sufficient to meet the needs of schools seeking support for contingent items that place them in financial difficulty. However, with increased budget pressures it is likely that more schools will seek to apply to the fund in future years. Given that the primary phase is not yet displaying comparable financial stresses to the secondary sector, it is proposed that de-delegation in the primary phase remains at current levels, any unspent funds are carried over and that a detailed review of the fund is undertaken prior to setting de-delegated budgets for 2017/18.
- 3.10 In the secondary phase it is important that the distinction is made between schools seeking support for a one-off contingent cost that places them in financial difficulty and schools that are facing broader financial stresses and seeking licenced deficits. As outlined at the September 2015 forum meeting, a package of support is being

developed for secondary schools with an overall negative financial balance which is separate to the contingency fund. Given the general poor health of the secondary phase, it is proposed to continue arrangements for the secondary phase to support schools that are unable to support contingent costs from their budgets and conduct a detailed review ahead of setting de-delegated budgets this time next year in preparation for the period when it is anticipated that all maintained secondary schools will be facing acute financial challenges.

- 3.11 Funds have supported a wide range of contingent items in 2015/16 to date including: a school placed in financial difficulty following a second diagnosis of cancer for a member of staff which was excluded on their insurance policy, two schools placed in financial difficulty following suspensions of staff and the appearance of a sink hole on school grounds.

Phase	2015/16 De-Delegated Budget	Estimated 2016/17 De-Delegated Budget
Primary	£2 per pupil	£2 per pupil
Secondary	£2 per pupil	£2 per pupil

### **Contingency for Primary Schools Causing Concern**

- 3.12 This budget is managed operationally by HfL, under the broad oversight of HCC. In 2014/15 there were 80 interventions allocated funding from the contingency budget ranging from £20,788 to support a school with acting leadership during the long term sickness absence of the substantive Headteacher to £230 to improve teaching and learning in the Early Years Foundation stage. The impact of interventions is measured, of the 46 schools that have been supported, progress at 45 is considered to be good or better with 15 of the 46 schools inspected by Ofsted last year and 14 improving their rating by one grade or more.
- 3.13 The large majority of the funding is used to pay for external support to schools causing concern – often from other schools – and not on services provided by HfL itself.
- 3.14 All bids to the contingency budget go through a two-stage approval; process involving both the HIP and the Head of Primary Achievement Team. Funding is not provided if it is judged that the school could have afforded it from its own resources. Nor is funding provided for matters which could be paid for by HCC through its school improvement contract with HfL.
- 3.15 Given that the acute financial stresses evident in the secondary sector are not yet evident in the primary sector, it is proposed to continue this fund as is to support primary schools causing concern in 2016/17 with a detailed review in November 2017 as part of a de-delegated contingencies review.

Phase	2015/16 De-Delegated Budget	Estimated 2016/17 De-Delegated Budget
Primary	£3.65 per pupil	£3.65 per pupil

#### 4. Discontinuation of De-Delegated Budgets

In 2015-16 forum agreed to de-delegate funding to support various HfL led recruitment initiatives. The funding has resulted in new and improved services which, from April 2015 will become a traded subscription service. There is no requirement therefore for schools to de-delegate budget in this area. The saving to schools is therefore £80,000 calculated as £0.65 per primary pupil and £1.41 per secondary pupil.

Phase	2015/16 De-Delegated Budget	Estimated 2016/17 De-Delegated Budget
Primary	£0.65 per pupil	£0- traded subscription service
Secondary	£1.41 per pupil	£0- traded subscription service

#### 5. The national picture

- 5.1 The DfE's benchmarking tables allow comparison in the levels of de-delegation between local authorities. Hertfordshire's de-delegation is comparatively low at £7 per capita.

		De-Delegated Items
<b>National Average (median)</b>		<b>£29</b>
<b>National Maximum</b>		<b>£59</b>
<b>National Minimum</b>		<b>£0</b>
	<b>East of England</b>	
	Bedford	<b>£37</b>
	Cambridgeshire	<b>£44</b>
	Central Bedfordshire	<b>£29</b>
	Essex	<b>£59</b>
	Hertfordshire	<b>£7</b>
	Luton	<b>£35</b>
	Norfolk	<b>£36</b>
	Suffolk	<b>£24</b>

- 5.2 The national median is £29 per capita and neighbouring Authorities in the East of England also generally de-delegate significantly more. National benchmarking data suggests that other Authorities de-

delegate significantly more for schools facing financial difficulty, Essex for example de-delegate £28 per pupil.

	Contingencies	Behaviour support services	Supporting UPEG and bilingual learners	Free school meals eligibility	Insurance	Museum and Library services	Licences/subscriptions	Staff costs supply cover	Staff costs – supply cover for facility time
Bedford	£13	£10	£7	£1	£0	£3	£0	£3	£0
Cambridgeshire	£2	£0	£20	£0	£14	£0	£2	£5	£1
Central Bedfordshire	£26	£0	£0	£0	£0	£0	£0	£0	£3
Essex	£28	£7	£2	£3	£0	£0	£18	£0	£2
Hertfordshire	£4	£0	£0	£0	£0	£0	£2	£0	£1
Luton	£7	£6	£3	£1	£0	£0	£3	£14	£2
Norfolk	£11	£0	£0	£0	£0	£0	£0	£24	£0
Suffolk	£12	£10	£2	£0	£0	£0	£0	£0	£1

## 6. Recommendations

5.1 Forum is asked to agree that rates of de-delegation per pupil for the following items remain at 2015-16 levels for 2016-17:

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