

**OTHER DE-DELEGATED BUDGETS 2018/19**

*Report of the Director of Children's Services*

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**1. Purpose**

- 1.1 To seek approval of the 2018/19 de-delegated budgets

**2. Recommendations**

- 2.1 Maintained school members are asked to agree the recommendations below, each phase voting separately:

i) That rates of de-delegation per pupil remain at 2017/18 levels for the following items:

- Determining Free School Meal Eligibility
- Trade Union Facilities Time

ii) That the 2017/18 contingency support for reorganising schools and schools facing financial difficulty be reduced from £2 per pupil to 80p per pupil in 2018/19.

Forum is asked to note:

iii) That the following budgets are rolled into education management functions and included in the proposed HfL core contract de-delegation of £25 per pupil and cease as stand-alone budgets:

- Hertfordshire Grid for Learning
- Contingency support for primary schools causing concern

iv) A separate agenda item (Item 6) considers the Education Management Services budget.

**3. Background**

- 3.1 In 2017/18 maintained schools agreed a number of de-delegations as set out in the table below:

Sector/Phase	Purpose	Amount Per Pupil	2017/18 De-delegated budget
Secondary and Primary	Hertfordshire Grid for Learning	£1	£104k
Secondary and Primary	Determining Free School Meal Eligibility	£5 per eligible pupil (i.e. pupils entitled to Free School Meal because they meet the criteria)	£47k
Secondary and Primary	Trade Union Facilities Time	£1.20	£124k
Secondary	Contingency support for reorganising schools and schools facing financial difficulties	£2.00	£29k
Primary	Contingency support for reorganising schools and schools facing financial difficulties	£2.00	£178k
Primary	Contingency support for primary schools causing concern	£3.65	£325k
<b>TOTAL</b>			<b>£807k</b>

- 3.2 It is necessary for Forum formally to agree the items to be de-delegated, on the basis of voting by members representing the relevant phases. It should be noted that the totality of all proposed 2018/19 de-delegated budgets was shared with schools as part of the education management services consultation given the proposed rolling up of existing budgets into the sum consulted on.
- 3.3 The net impact of demography is expected to broadly cancel out the impact of schools converting to Academy Status. Given this, the exception of the contingency support for reorganising schools and schools facing financial difficulty; the budgets are expected to stay at comparable levels. Recognising the continued financial pressures that schools face, the amount requested has been frozen or reduced.

#### **Contingency support for reorganising schools and schools facing financial difficulty**

- 3.4 Forum agreed to an anticipated contingency support budget overspend in 2017/18 and consequently this budget will overspend this financial year. Despite this overspend it is not considered sustainable to continue to ask schools to contribute £2 per pupil to this budget given that almost all schools are now experiencing considerable financial pressure. The requested increase in funding for core

education services in the context of the ESG reduction will have a considerable impact on school budgets and therefore it is proposed to relieve some pressure through reducing this budget. This budget will now be reserved only to support schools where contingent items place the school into an absolute deficit with funding awarded evenly on a % basis at the end of the financial year. Primary and secondary budgets will be ring-fenced to be distributed by phase given the budget for the primary phase is considerably larger than secondary.

- 3.11 Clearly the budget in both phases will not be sufficient to prevent schools in financial difficulty tipping into deficit as a result of contingent costs; but it can ease the extent of financial pressure that schools are facing. There are no other mechanisms available to the Local Authority to support schools in financial difficulty and therefore it is considered important that there is a mechanism to cover eventualities that could neither be foreseen nor avoided. In 2017/18, two schools have been supported to date, both where members of staff have been suspended on full-pay following a serious allegation. The reality in future is that some level of support will be offered, but with significant financial pressures incidents such as this may well tip schools into financial deficit and necessitate the use of loans. We are of course working with Schools HR to develop tools to support schools in this scenario.

Phase	2017/18 De-delegated amount per pupil	Proposed 2018/19 De-delegated amount per pupil
Primary	£2.00	£0.80p
Secondary	£2.00	£0.80p

### Free School Meals Eligibility

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

Phase	2017/18 De-delegated amount per pupil	Proposed 2018/19 De-delegated amount per pupil
Primary	£5	£5
Secondary	£5	£5

### Trade Union Facilities Time

- 3.6 The current arrangements for Trade Union Facilities Time are considered successful by all parties concerned. Recognising the financial pressures that schools are under, it is proposed that this budget remains unchanged. The reality of this arrangement is that if it were not in place, the individual costs per school would be far higher.

Phase	2017/18 De-delegated amount per pupil	Proposed 2018/19 De-delegated amount per pupil
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Primary	£1.20	£1.20
Secondary	£1.20	£1.20

### 3.7 Education Management Services

A separate item to this Forum meeting sets out proposed changes to the de-delegated budget to enable the continuation of the core HfL contract and a lead Education Officer for maintained schools. A separate vote will be taken on this item but details are presented here for completeness.

Sector/Phase	Purpose	2017/18 De-delegated amount per pupil	Proposed 2018/19 De-delegated amount per pupil
Secondary and Primary	Core Education Management Services Relating to ESG	£10	£25

## 4. Global Picture

- 4.1 These budgets are all considered a necessary component of the LA's ability to effectively maintain schools. The table below provides benchmarking data for de-delegation nationally and among neighbouring LA's. When the requested budgets above are combined with the proposed £26 per pupil in Item 6 the total level of de-delegation for 2018/19 will be £28 per pupil. It should be noted that the comparative data is from **2017/18** and therefore **does not take into account the full year effect of the withdrawal of ESG**. As is evident from the table, services in Hertfordshire are highly decentralised and levels of de-delegation remain relatively low.

<b>ENGLAND - Average (mean)</b>		<b>£34</b>
<b>ENGLAND - Average (median)</b>		<b>£31</b>
<b>ENGLAND - Maximum</b>		<b>£169</b>
<b>ENGLAND - Minimum</b>		<b>£0</b>
	Hertfordshire	<b>£15</b>
	Buckinghamshire	<b>£23</b>
	Cambridgeshire	<b>£50</b>
	Essex	<b>£51</b>
	Norfolk	<b>£38</b>
	Suffolk	<b>£28</b>

## **5. Recommendations**

- 5.1 Maintained school members are asked to agree the recommendations set out in section 2, above: