

School Improvement and other services contract with HfL for 2019/20

Report of the Director of Children's Services

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1. Purpose

- 1.1 To consult with Schools Forum on proposals for a new contract between Hertfordshire County Council and Herts for Learning for the provision of Herts for Learning Services and Support to Hertfordshire County Council. This contract will be a rolling contract to cover the period April 2019 to March 2026, subject to annual review.

2. Summary

- 2.1 Herts for Learning provides high quality school improvement services for Hertfordshire's maintained schools. Currently HfL is commissioned to deliver a number of the LA's statutory and non-statutory duties including both school improvement and other services, and covering both services to maintained schools only (covered by de-delegated funding) and services relating to all schools (funded by centrally-retained DSG).
- 2.2 In September 2018, Forum agreed proposals for a funding envelope for services to be provided under contract by HfL for 2018/19, and in principle to support a similar arrangement for 2019/20. Maintained schools were consulted on the component of funding to be provided through de-delegation, and supported a set of proposals based round an aggregate of £25 per pupil/place. The principle of a two year agreement was also supported.
- 2.3 This report recommends the extension of the current set of funding arrangements unchanged for 2019/20, to provide HfL with a budget which is standstill in cash terms. The recommendations below give effect to this. Since the current HCC contract with HfL expires in April, it is also proposed to enter into a new contract, with a 7 year duration, but renewable annually.

3. Recommendations

3.1 That Forum agrees:

- (i) **(all members voting);** to reconfirm the decision made at Schools Forum in September 2017 that the total cost and funding arrangements for the first year of the new contract covering the financial year 2019-20 is the same as for 2018-19

and in consequence that:

- (ii) **(all members voting);** the funding package set out in para 5.1 is agreed, and that:
 - (a) £836,000 of Central Services Block DSG is allocated to this purpose, as last year
 - (b) £250,000 of early Years DSG is retained centrally for this purpose, as last year
 - (c) £285,000 of HLN DSG is allocated for this purpose, as last year
- (iii) **(all maintained mainstream school members voting, by phase);** £20 per pupil is de-delegated by all maintained schools to support school improvement costs within the contract
- (iv) **(all maintained school, including special and ESC members voting);** £5 per pupil/place is de-delegated/retained to support other costs within the HfL contract; and that each Special School and ESC pupil (place) is weighted for the purposes of this recommendation as equivalent to 5 mainstream pupils

- 3.2 Forum is asked to note that for the period 2020/21 up to March 2026, the proposal is that Schools Forum be asked to agree the principle of agreeing to de-delegate the funding costs and arrangements every two years.

4. Background

- 4.1 The original HCC/HfL School Improvement contract commenced on the **1st September 2013** and continued for a period of three years until **31st August 2016** but could be extended at the agreement of both parties for up to three years.
- 4.2 The parties have extended and amended the contract and the current variation takes effect from 1st April 2018 and continues until 31st March 2019. This is the last time that the original contract can be extended.
- 4.3 In October 2017, Hertfordshire County Council undertook a consultation with maintained schools on proposals for the de-delegation of funding by

Maintained Schools for the years 2018/19 and 2019/20 for school improvement and other support provided by HfL to allow the Council to continue to fund Herts for Learning to undertake a range of functions in support of schools, separate to and beyond what is provided to those schools on a traded basis.

- 4.4 These activities are necessary for the Council and its Maintained Schools to continue to operate as successfully on behalf of local children as we have come to expect over many years. It is now clear that there is no general requirement on Maintained Schools to convert to Academy status in the medium term future.
- 4.5 The proposals for the de-delegation of funding were supported by a majority of maintained schools and formally agreed by the Schools Forum on 29th November 2017 specifically to support the extension of current arrangements with Herts for Learning up to 31st March 2019 and for the following financial year 2019/20.
- 4.6 The total cost of the new contract will be met by a combination of allocated DSG (Dedicated Schools Grant) budget and de-delegation as agreed by the Schools Forum on an annual basis.
- 4.7 For sustainability and longer term planning purposes the proposal is that Schools Forum be asked to agree de-delegated funding arrangements and costs on a two year basis in principle although the final decision will need to be agreed on an annual basis for the period 2020/21 up to March 2026.
- 4.7 This reflects the likelihood that the de-delegation total funding pot will reduce over the period of the new contract as a result of more schools becoming academies and so we will need to revisit the funding envelope and the content of the contract on a biennial basis.

5. The current financial arrangements for HfL Core Contract

- 5.1 The current financial model for the HCC/HfL school improvement contract is broken down as follows:

£000's	Value	Equivalent per pupil
Central Services Block DSG	836	n/a
Early Years DSG	250	n/a
High Level Needs DSG	285	n/a
De-delegated funding	2375	£25
TOTAL	3746	

and it is proposed that this will continue for the financial year 2019/20 as agreed in the November 2017 Schools Forum meeting.

- 5.2 For 2018/19, the pace of academy conversions was slower than anticipated and in consequence the de-delegated funding slightly exceeded £2,375,000. We will request Forum to carry-forward this surplus into 2019/20 in due course. For the coming year we have taken a less cautious view round academisation; but to the extent that de-delegated funding falls short of £2,375,000 we would make up the difference from the carry-forward from last year.
- 5.3 We are currently not expecting to repeat the request for de-delegated funding for the Senior Education manager, but will deal with this matter in November along with all other de-delegations.

6. Conclusion

- 6.1 The Forum is asked to agree the recommendations as set out in section 3 of this paper.