

SCHOOLS' FUNDING FORUM

SUBJECT:	De-delegation of DSG budgets in 2016-17
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SUMMARY OF REPORT:

To request Forum approval to de-delegate a number of specific budgets for 2016-17 financial year from maintained primary and secondary school budgets. This will enable these services to continue to be provided centrally by the Local Authority for the benefit of all pupils in maintained primary and secondary schools (and those in academies who participate in pooled funding arrangements).

FOR:	Decision
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1. Background

- 1.1 As part of the DfE Schools Funding Reforms, which commenced on 1 April 2013, a number of former centrally retained DSG budgets were delegated to schools for the first time. This new delegation of funding was directed by the DfE and applied to certain centrally retained budgets (as recorded against specific section 251 budget lines). Full details of the original delegation are contained in the Forum paper of 12 October 2012, which can be accessed via the link in Background Papers section at the end of this report.
- 1.2 At the same time as this directed delegation, Forums were given additional powers to de-delegate and return this funding to the Local Authority. This de-delegation power applies only to maintained schools and not to special schools, PRU's or academies. Voting on de-delegation is restricted to maintained school members only and is further restricted to each phase of education (i.e. maintained primary school reps vote on primary de-delegation).
- 1.3 For the previous three financial years, the Schools' Funding Forum has agreed to de-delegate a number of specific budgets. In line with DfE regulations, the Local Authority is required to seek annual approval to de-delegate each year. This paper is seeking Forum approval to continue de-delegating the same budgets in 2016-17.

2. De-delegation in 2016-17

- 2.1 The Local Authority is seeking permission from the Forum to continue to de-delegate the following budgets in respect of maintained Primary and Secondary schools only (please note that there is no change from last years request).

2.1.2 Schools in Financial Difficulty (DFFG)

This funding is used to support individual maintained schools experiencing financial difficulty. We would propose that the current process of submitting applications to the Delegated Formula Funding Group (DFFG) should continue prior to a recommendation to this Forum for its formal approval.

2.1.3 Schools in Financial Difficulty (Targeted Intervention)

This funding is used to support the many maintained schools in vulnerable positions by means of projected Ofsted ratings. Failure to de-delegate this funding will mean that the LA could not support any maintained school requiring help and this will impact significantly on our ability to move Kent schools from satisfactory to good and potentially jeopardize the progress we have made this year. All payments are approved by the Director of Education, Quality and Standards and are made to maintained schools only.

2.1.4 Free School Meal (FSM) eligibility

This funding is used to fund a small team of staff who undertake checks on the Governments Hub database (run by DWP/HMRC) to confirm individual pupil's eligibility for Free School Meals.

This service has invested time and resources into procuring an on-line system to enable parents to confirm eligibility instantly. This system has the benefit of being able to provide immediate eligibility confirmation to the parent and at the same time send secure/confidential notification to the school / academy. This is a significant efficiency on the current system which has been in place for a number of years. The Local Authority is seeking approval to de-delegate this funding for maintained schools. Academies are charged to access this service.

2.1.5 County wide SiMS Licence

KCC uses this funding to purchase a county wide SiMS licence from Capita, which is of benefit to all maintained schools in Kent. There are significant financial savings to maintained schools from this arrangement. This licence is owned by KCC and we pay Capita a single payment at the start of the financial year. As maintained schools convert to academy status during the year a credit is returned by Capita to KCC (only when the academy purchases a licence with Capita directly). The county wide contract is managed by EIS on behalf of the Council.

2.1.6 Supply Cover - Trade Union Duties

This funding is pooled with contributions from participating academies and used to fund the supply cover costs for releasing local trade union stewards to support members in schools and academies.

Schools and academies who employ trade union stewards are only able to reclaim supply cover costs when their steward supports an employee in a school or academy that has contributed to the pooled arrangement, i.e. all maintained schools and participating academies only.

In 2015-16, 40% of academies have joined the pooled budget arrangement, contributing the same £1.85 per pupil as maintained colleagues.

2.1.7 Supply Cover – School Personnel Services

This funding is firmly linked to the work covered by the Schools in Financial Difficulty (Targeted Intervention) funding mentioned above in paragraph 2.3. It is used to fund SPS time where personnel support is needed in difficult cases to negotiate compromise agreements or work with Governing Bodies where action is needed in respect of the senior leadership team in the school. This funding only covers SPS support to maintained schools.

3. De-delegation Rates per pupil

- 3.1 The 2016-17 de-delegation rates per pupil will remain the same as last year (as we have a flat cash settlement), and these are:

2016-17 De-delegation rates (£p per pupil)	Primary	Secondary	Special
Schools in Financial Difficulty (DFFG)	£1.06	£1.06	£0
Schools in Financial Difficulty (Targeted Intervention)	£17.75	£8.39	£16.95
Free School Meal (FSM) eligibility	£0.57	£0.57	£0.57
County wide SiMS Licence	£3.63	£3.63	£3.63
Supply Cover - Trade Union Duties	£1.85	£1.85	£1.85
Supply Cover – SPS	£0.80	£0.80	£0.80

4. Special Schools and PRUs

- 4.1 As stated above, de-delegation does not apply to Special Schools or Pupil Referral Units. Separate arrangements have been put in place since 2014-15 to enable special schools and PRUs to contribute to the LA pooled arrangements and thereby benefit from the arrangements on offer. The LA will be looking to continuing these arrangements in 2016-17.

5. Recommendation

5.1 The primary and secondary phases of maintained schools are asked to approve de-delegation in 2016-17, at the rates set out in the table at paragraph 3.1 above, for the following budgets:

- Schools in financial difficulty (DFFG)
- Schools in financial difficulty (Targeted Intervention)
- Free School Meal eligibility
- County wide SiMS licence
- Supply Cover – Trade Union duties
- Supply Cover – Schools Personnel Services

Background Papers



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