

SCHOOLS MANAGEMENT FORUM

Report of: Dianne Nielsen

Subject: Primary Heads Questions

1.0 Purpose of this paper

- 1.1 The purpose of this report is to provide information to the questions submitted by Primary Heads. Refer to appendix A for the questions.

2.0 Dedicated Schools Grant (DSG)

- 2.1 The DSG is made up of four blocks, Schools Block, Central Schools Services Block (CSSB), High Needs and Early Years.
- 2.2 The schools block is funding for schools. The only other elements that are allowed to be funded from the schools block is the growth fund and any transfer of funds from the schools block to another block (High Needs, Early Years or CSSB). The growth fund and any transfer from the schools block has to be agreed by the Schools Forum.
- 2.3 The CSSB is funding for the central statutory duties of the council. Children's' Services provides this service to all schools, irrespective of whether maintained or academy.
- 2.4 The high needs block is allocated to the Local Authority to provide funding for the provision of high needs support. This fund is in addition to funding schools receive within their school budget shares for SEN.
- 2.5 The early years block is provided to the Local Authority to fund universal free entitlement for 3 & 4 year olds, qualifying 30 hours entitlement for 3 & 4 year olds and 15 hours funding for qualifying 2 year old entitlement, early years pupil premium (for qualifying children) and Disabled Access Funding (for qualifying children). In addition, the early years block provides the Local Authority with funding for centrally provided early years support and an early year's inclusion fund.

3.0 De-Delegation

- 3.1 De-delegation takes funds directly out of a schools budget share calculation to pay for services. De-delegation is only allowed for maintained schools only and must be agreed by relevant school forum members. In Middlesbrough it is for the school forum members for primary maintained schools only to decide whether de-delegation takes place to fund centrally provided services. Any decision taken at school forum will apply to all primary maintained schools. De-delegation does not apply to special schools, nursery schools, PRUs or academies.

3.2 De-delegation only applies for one year and is discussed with the forum on an annual basis.

3.3 The services which may be de-delegated are:-

- Additional school improvement services
- Contingencies
- Behaviour support services
- support to underperforming ethnic groups and bilingual learners
- free school meals eligibility
- insurance
- museum and library services
- staff costs supply cover (long-term sickness, maternity, trade union and public duties)
- licences and subscriptions, except which are paid for by the DfE (copyright licences).

3.4 Where a de-delegation service has been agreed at schools forum the local authority can offer the service on a buy-back basis to schools and academies which are not covered by the de-delegation. Where buy back is offered, it is for the individual schools to decide whether they wish to buy in to this service.

3.5 The table below shows the de-delegation amounts for the maintained schools in 2019-20.

De-delegation									
Total Cost / £ Per Pupil		£3.20	£2.92	£3.75	£1.02	£0.57	£0.15	£0.27 per pupil + £50 Lump Sum	
Licences & Subscriptions									
DfES No	School Name	FSM Eligibility - FSM Ever 6	Union Facility Time	CAPITA: Annual Maintenance	Liquid Logic (45%)	Technology Forge	CLEAPSS Membership and RPA Service	FFT Aspire Subscription	Total
2000	Abingdon	£579	£1,197	£1,538	£418	£234	£59	£161	£4,186
2139	Acklam Whin	£164	£1,256	£1,613	£439	£245	£62	£166	£3,945
2120	Beech Grove	£746	£1,200	£1,542	£419	£234	£60	£161	£4,362
2326	Berwick Hills	£595	£858	£1,103	£300	£168	£43	£129	£3,195
2141	Breckon Hill	£673	£1,562	£2,007	£546	£305	£78	£194	£5,364
2138	Newham Bridge	£371	£783	£1,005	£273	£153	£39	£122	£2,746
2124	Newport	£587	£899	£1,155	£314	£176	£45	£133	£3,309
2332	Park End	£987	£1,434	£1,842	£501	£280	£71	£183	£5,297
2333	Thorntree	£718	£905	£1,163	£316	£177	£45	£134	£3,458
2002	Whinney Banks	£569	£1,223	£1,572	£427	£239	£61	£163	£4,254
		£5,990	£11,318	£14,538	£3,954	£2,209	£562	£1,547	£40,117
		Total Cost of Licence		£79,333	£20,976	£12,056			

Charges are charged on a per pupil basis (NOR excl nursery) except FFT aspire which incorporates a lump sum.

- 3.6 FSM Eligibility FSM Ever 6 is for the free school meal checking service administered by Middlesbrough BC. Income from de-delegation pays for the FSM checking service.
- 3.7 Union facility time – funds 1 NASUWT rep in Hollis Academy for 3 days at a cost of £32,820 plus £2.5k in case a TU rep is replaced by an employed rep for one of the unions. NEU rep for 3 days per week. Under the Employment Acts schools are required to release staff for union duties, but there is no requirement for the LA to fund the backfill arrangements. Without this central budget, each school with a member of staff appointed to such a post would have to bear the costs of supply cover.
- 3.8 Please refer to appendix B for licences and subscriptions. Income received from schools pays for the licences and subscriptions. Liquid Logic element can be reviewed as part of the 2020-21 budget setting.
- 3.8 The services that are de-delegated/buy back are not part of the Central Schools Services Block.
- 3.9 It is for the school forum members to decide at budget setting whether they wish to de-delegate a service.

4.0 DSG Central School Services Block (CSSB) – IT Infrastructure

- 4.1 IT Infrastructure – Andy Evans has confirmed that the revised charges have been agreed with Head Teachers at the beginning of July. Invoices have been raised by ICT Services to academies and a journal has been processed for maintained schools.

5.0 DSG Central School Services Block (CSSB) / ESG

- 5.1 The former Education Services Grant (ESG) that the Local Authority previously received was a separate grant and not part of the DSG. In 2015-2016 the ESG was £1.5m and has reduced over time. When this happened the Council have used council funding to backfill the loss of grant. The ESG the Local Authority received was in two elements. One element was for the responsibilities the Local Authority has for all schools (i.e. irrespective of status) and the second element for responsibilities for maintained schools only. When the ESG grant was withdrawn, the element regarding the responsibilities for all schools was put in to the CSSB block of the DSG, the other element the Local Authority no longer receives. The funding that was transferred in to the CSSB allows the Local Authority to fund statutory responsibilities for all schools defined in the regulations and includes, Education Welfare, Asset Management and statutory/regulatory duties.

- 5.2 The CSSB is funding for the central statutory duties of the council. Children's Services provides this service to all schools, irrespective of whether maintained or academy. Due to the type of services provided, it isn't expected that these costs will necessarily reduce. Due to the authority providing a statutory function for all schools there is not a proportion split between maintained and academies. Costs are reviewed annually, the costs associated with the former ESG for 2019-20 are:

Description	£
Asset Management	45,200
Statutory/Regulatory Duties	290,154

- 5.3 Asset Management is for management of the local authority's capital programme including preparation and review of an asset management plan and negotiation of management of private finance transactions. General landlord duties for buildings owned by the local authority, including those leased to academies.
- 5.4 Statutory/regulatory duties allows for a proportion of the Director of Children's Service, Director of Education and education staff for director to be able to plan for education service as a whole, formulation and review of local authority schools funding formula and other statutory duties.

6.0 DSG Central Schools Services Block – Overheads

- 6.1 The 2019-20 CSSB overheads to support the CSSB was agreed at School Management Forum on 27 March 2019 for £161,800. The overheads charged are functions to support the elements listed in paragraph 5.2 as well as the other elements of CSSB. For example the Director of Education and Director of Children's Service require support in their role.
- 6.2 The proportion split will have been reviewed at the time of agreeing the budget and are reviewed annually. The breakdown of the total value is as follows:

Description	£
Finance Team	62,022
Internal Audit	14,849
External Audit	1,787
School Attendance	83,113
	161,771

Item 5

7.0 Recommendation

7.1 It is for the SMF to note the detail within this report.

Appendix A – Primary Heads Questions

2. Schools Block and Prevention Costs

Schools are increasingly dealing with higher levels of complex families and are providing significant amount of Early Help as expected as a universal service. Costs for this are met from the schools' budgets through staffing, pastoral intervention and training. We are not aware that Prevention contributes to the schools block?

However, schools do support prevention costs e.g.

- de-delegation of payment towards Liquid Logic - social care MIS
- reduction of 75K in the Prevention budget to the Abingdon Children's Centre leading to redundancies for family case workers – then schools block (specifically high needs) funding 4 family case workers

Is this fair and appropriate? Why do schools subsidise/absorb the costs of another department?

3. DSG Central Services Block (CSB)

There is a lack of detail and transparency in the costs attributed to the CSB. With the increasing number of academies who are financially responsible for many activities previously undertaken by the LA, there seems to have been little reduction/reflection of this in overhead costs. It is also the case that maintained schools are now procuring more services directly as a result of LA withdrawal of contracts. Primary Heads request information regarding these costs in order that they are not paying twice for some services and that the DSG is not being unfairly 'charged' for services schools are not using or benefiting from.

- IT Infrastructure = 102K

Following review by service head, schools received individual breakdowns of services used and costs. There still remains some discrepancies between what It believe schools need/use and what schools actually need/use. SMF 3.7.19 agreed that no money should be paid from CSB and schools should be invoiced directly for services used.

Has this been confirmed with service head? When will schools receive individual invoices?

- Statutory Service to all schools = 335K

These services were previously funded by ESG which was withdrawn. ESG was also withdrawn from individual academies. Therefore, by blanket contribution across all schools via CSB, it could be argued that academies are paying twice as they already must meet these costs out of individual GAG. Services itemised here are:

- Education Welfare
- Asset Management
- Contribution towards Exec Director and Management costs of the service

It is unclear whether these costs (and staffing) have reduced over time as more schools have academised and taken on these responsibilities individually. Whilst it is acknowledged that all schools access EWO for some statutory work e.g. in terms of processing FPNs, schools pay for their own attendance officers/PSAs. Similarly, the workload/demands in terms of schools for the asset management team must have reduced. The other contribution costs – and scope of work - are unknown. Headteachers would like far greater transparency regarding what this money is paying for.

When were these costs last reviewed and mapped against proportion of maintained v academies?

Should there be a reduced tariff contribution per academy towards the overall cost to the CSB?

What are the individual costs attached to each of these statutory services and what proportion of these relate to staff posts? Do any staff work for departments other than education?

What activities does the contribution towards the management cost of the service pay for?

Central Overheads Budget = 164K

The same rationale for questioning statutory service costs apply here. Services itemised in this budget and described as support to schools include:

- Internal and external audit
- Accountancy staff
- Creditors and debtors

When were these costs last reviewed and mapped against proportion of maintained v academies when academies pay a significant amount of money individually for these services?

Should there be a reduced tariff contribution per academy towards the overall cost to the CSB?

What are the individual costs attached to each of these services and what proportion of these relate to staff posts? Do any staff work for departments other than education?

What activities do each of these services undertake for maintained schools and also for academies?

Appendix B- Licences Summary

Licence/ Subscription	School Funded	Key Uses	Direct benefit to schools	Issues
CAPITA ONE (net of contribution from Early Years)	100%	<ul style="list-style-type: none"> • Makes statutory SEN and admissions processes possible. • Facilitates the delivery of support services to individual pupils and schools. • Aggregated data for strategic education planning. 	<ul style="list-style-type: none"> • Underpins co-ordinated admissions and in-year managed transfers. • Facilitates 1-to-1 support interventions with pupils. 	<ul style="list-style-type: none"> • Schools opting not to pay their share of the system cost will need to make alternative arrangements for the processing of their school admissions for 2016 and beyond.
Liquid Logic ICS (replacement of Northgate)	45%	<ul style="list-style-type: none"> • Delivery of statutory children's social care provision and related data returns, including virtual school head teacher's role. 	<ul style="list-style-type: none"> • Virtual head's role (above). 	<ul style="list-style-type: none"> • New system in 2015/16
Technology Forge	100%	<ul style="list-style-type: none"> • Supports asset management and planning functions related to school premises. • Supports information submissions to DfE. 	<ul style="list-style-type: none"> • Integrated tools for maintaining information related to sufficiency, suitability and condition of school premises. 	<ul style="list-style-type: none"> • Schools opting out of the system become responsible for maintaining and reporting on their own information.
CLEAPSS Membership and RPA Service	100%	<ul style="list-style-type: none"> • Health and Safety requirement for science in schools. 	<ul style="list-style-type: none"> • Regular updates about current legislation and needs in schools. 	<ul style="list-style-type: none"> • If schools opted out they would have to purchase a similar service from elsewhere.
Fisher Family Trust	100%	<ul style="list-style-type: none"> • Attainment and projected progress benchmarking data at school and local authority level. 	<ul style="list-style-type: none"> • Access to a national benchmarking model as part of target setting and tracking processes. 	<ul style="list-style-type: none"> • If schools purchase direct from FFT costs are higher