



Open Report on behalf of Heather Sandy, Executive Director - Children's Services

Report to:	Lincolnshire Schools' Forum
Date:	7 October 2021
Subject:	De-delegation of Maintained Primary School Budgets 2022/23 and 2023/24

Summary:

The purpose of the report is to seek approval from the maintained primary school representatives' of the Forum to the Local Authority's (LA) proposals for the de-delegation of certain budgets in 2022/23 and 2023/24.

Recommendation(s):

That the maintained primary school representatives on the Schools Forum are asked to:

1. Agree to the proposals for the use of de-delegation reserves.
2. Agree to the de-delegation of the budgets for the period 2022/23, and 2023/24 (in principle), as set out above.

Background

The Department for Education (DfE) previously introduced radical reforms to school funding arrangements in April 2013. Although LAs were required to delegate more budgets to schools as part of the reforms, they were permitted to seek de-delegation of some services for maintained schools. The government's decision to implement the national funding formula still allows the de-delegation arrangement for maintained schools to continue¹.

Key features of these arrangements include:

- Only maintained primary and secondary mainstream schools can have funds de-delegated from their budget share. Academies are therefore unaffected and, for that reason, they are not permitted to vote on de-delegation matters.
- The decision to de-delegate funds for maintained schools should be considered and voted upon separately by each sector.

¹ DfE: Schools Revenue Funding 2022 to 2023 – Operational Guide

- Where there are no maintained school representatives on the Schools Forum for a particular sector, no decision can be made and de-delegation is therefore not possible.
- Should there be conversion of any more schools to academies, it will reduce the total sum de-delegated for a service, if the per pupil deduction remains unchanged.
- Any underspendings that arise on budgets de-delegated from maintained schools should, as a point of principle (i.e. fairness), be earmarked for the benefit of the maintained schools in that sector only.

De-delegations for 2020/21

For 2020/21 maintained primary schools agreed to de-delegate funding for:

- Contingency, i.e. termination of employment costs for schools in financial difficulty, and; exceptional unforeseen costs; and
- Ethnic Minority and Traveller Education Team (EMTET).

No funds were de-delegated for maintained secondary schools.

The cumulative underspend reported at 31st March 2021 was £0.861m. This includes the additional one-off school advisor support fund of £0.260m² from Council funding to support with the Council's statutory duties for school improvement services to maintained schools. The Local Authority has been able to provide this function without drawing on this reserve. The remaining de-delegated balance is £0.601m. The de-delegation services underspent by £0.289m or 29% of the overall budget in 2020/21, of which a contributing factor was the pandemic. School structural changes were delayed, and there was a reduction in intervention bids and less focus on school improvement activity due to school closures, demands of remote learning and with schools dealing with Covid-19.

There are a number of variables to these budgets: maintained schools to academy status can reduce the budgets in-year depending on their conversion date; the number of schools in financial difficulties or forecasting to be within two years, and financial support in accordance with policy to support schools with staffing changes to secure a sustainable budget going forward; supporting school leaders or providing leadership for vulnerable schools, which require a responsive solution, and interventions to make rapid, identified improvements where school finances would otherwise prevent this from happening. Even allowing for these variables, the level of available reserves (£0.601m) is higher than planned.

De-delegations for 2021/22

The de-delegation budgets for 2021/22 were agreed by the maintained primary school representatives of the Schools Forum in October 2020. The final per pupil rates using the October 2020 census (27,886 primary maintained pupils) were set at:

² The Council has funded the additional school advisor support since its introduction in 2018/19, however going forward it is anticipated that this funding will start to be utilised.

Contingency	£29.23 per pupil
Ethnic Minority and Traveller Education Team (EMTET)	£ 6.70 per pupil

This financed the following:

Termination of employment costs	£0.221m
Interim headteachers	£0.258m
Primary Maintained Intervention Funding	£0.336m
Ethnic Minority and Traveller Education Team (EMTET)	£0.186m

Information regarding the current services is set out in Appendix 1.

Proposals for 2022/23 (reserve)

The primary maintained schools 'contingency termed' budgets are demand-led in nature and require a degree of prudence, therefore the LA propose to retain a £0.300m provision within the available cumulative underspend. This provision will ensure certainty in de-delegation amounts for primary maintained schools where unexpected costs arise due to the delivery of services, i.e. an increased demand from primary maintained schools.

Based on the assumption that the budgets would be fully spent in 2021/22 and a £0.300m provision is retained within the available cumulative underspend of £0.601m brought forward, the LA proposes to earmark the remaining reserve (£0.301m) of the cumulative underspend to support maintained primary schools in responding to the pandemic and addressing the learning needs of the children who have been most disadvantaged. This falls under the de-delegations criteria of additional school improvement services.

As the sector moves out of the pandemic and accountability measures return, along with the return of regular Ofsted inspections, the importance of being able to support schools in returning to school improvement activity is a priority.

Lincolnshire's children perform less well than the majority of their peers nationally. Overall, our schools are in the bottom 11% of schools nationally for attainment at Key Stage 2. Lincolnshire's schools perform less well than both our statistical neighbours and national averages in respect of Ofsted Outcomes. The most recent Education Endowment Foundation Guidance, Preparing for Literacy, Supporting Oral Language and Development, says that the attainment gap grows wider at each stage of education, it more than doubles to 9.5 months by the end of primary school, and then more than doubles again, to 19.3 months, by the end of secondary school. This shows the importance of intervening early. Evidence indicates that success in literacy relies on the secure development of language, and that these skills are amongst the best predictors of educational success.

Practitioners across the county are similarly identifying the need for support in the teaching of early reading, an aspect which is heavily interlinked with the development of early language and phonics. As identified in the most recent inspection handbook there is a 'sharp focus on ensuring that younger children and those at the early stages of reading gain language comprehension necessary to read, and the skills to communicate, giving them the foundations for future learning.'

The LA proposes to deliver a two year programme to increase pupils' fluency in reading by Year 2, develop pedagogical approaches of practitioners in relation to communication and language and early reading and provide a sustainable model to ensure the on-going development of these approaches in Lincolnshire including the development of reading and language frameworks and assessment approaches.

Whilst this programme is proposed to be funded through the de-delegation reserve for maintained primary schools, we would see this being of benefit to all primary schools across Lincolnshire and would encourage stand-alone primary academies and those within multi-academy trusts to purchase this programme from the selected provider.

Once the two-year programme is complete, time will be built in for light touch development days where experts will revisit the setting to assess progress, look at the internal monitoring and evaluate impact on the setting, suggesting next steps as well as refining practice.

Proposals for 2022/23 (base funding)

It is proposed that maintained primary schools de-delegation 'contingency termed' budgets remain in place and the baseline funding will be flexed to respond to changes in maintained primary schools and their pupil numbers.

The LA continues to review the deployment of this resource to its primary maintained schools, particularly those considered to be in financial difficulties and to ensure its delivers the most effective education support outcomes.

Education Locality Leads provide the support, monitoring and challenge to all schools, in line with our Strategy for School Improvement. They diagnose issues and signpost to our sector-led system of school improvement, whilst providing invaluable expertise and advice to leaders. However, they are a small team (5 FTE) and their capacity to work directly with schools is limited following the reduction in government funding, a number of years ago.

The LA has found that the most impact in schools is from additional expertise being deployed into vulnerable schools to work with leaders to add capacity and address immediate issues. In order to ensure that the most vulnerable primary maintained schools are supported effectively and in a timely fashion we have seen that the capability to deploy an additional school improvement professional into a school, for a limited period, is most effective. Our most vulnerable primary maintained schools are certainly those for which such an approach would be beneficial. This would be deployed to work with leaders and teachers to develop expertise within the school. This is a different approach to the national recovery programmes which are focused around support for pupils.

The LA proposes to appoint one additional school improvement professionals to work with school leaders to deliver school improvement expertise on the ground. This would be financed within the current maintained primary schools de-delegation 'contingency termed' budgets.

This additional capacity would mean that schools needing to make rapid progress could be supported in doing so rather than having to bid for additional expertise. Whilst we value schools being able to make bespoke bids, there are occasions where being able to provide a highly skilled professional immediately would support more improvement.

The LA would therefore propose to move to a hybrid model with some capacity provided by the central team for universal maintained primary schools, including those schools in financial difficulties to be able to bid for additional specialist activity over and above this. This would ensure that all schools requiring support to improve outcomes and be in a secure position for Ofsted inspection could receive support quickly.

The remaining service budget is EMTET, which is made up of staffing costs and therefore requires a fixed budget, albeit it should continue to be reviewed annually to reflect the number of maintained school pupils and the English as an Additional Language (EAL) pupils it supports. The EMTET per pupil rate will reflect the number of maintained schools and the budget requirement of £0.186m* – this ensures the current staffing establishment is fully funded.

The per pupil rates will be set at:

Contingency	£29.23 per pupil
Ethnic Minority and Traveller Education Team (EMTET)	£6.97 per pupil*

This would finance:

Termination of employment costs	£0.213m
Interim headteachers	£0.218m
Primary Maintained Intervention Funding	£0.263m
Intervention Locality Lead	£0.090m
Ethnic Minority and Traveller Education Team (EMTET)	£0.186m

These budget figures are indicative. They are based on the latest available census in May 2021 and 26,794 primary maintained pupils. The figures may change slightly due to the DfE's requirement for LAs to use the actual October 2021 census for the detailed calculations.

Proposals for 2023/24

It is proposed that the charges for 2023/24 will continue to be at the baseline amounts per pupil for the de-delegation budget.

The Schools Forum maintained primary schools are required to agree de-delegations on an annual basis, however the LA will continue to seek agreement in principle from the Forum for 2023/24 also.

Conclusion

The outcomes from the decisions made by maintained primary representatives on the Schools Forum will be reflected in maintained primary schools' future budgets from 2022/23.

The LA will continue to consider the delivery options of providing support to Lincolnshire's maintained primary schools, particularly those considered to be in financial difficulties. The Schools Forum will continue to keep the Schools Forum informed of any LA planned changes to the support provided to Lincolnshire's maintained primary schools.

Consultation

a) Risks and Impact Analysis

The DfE require annual decisions to take place for de-delegation services. The LA does however seek an agreement in principle for a further year to provide the service with operational and financial stability. A formal decision is still required for that year where an in principle agreement has been made.

Lincolnshire's de-delegation services are valued and support the most vulnerable primary maintained schools and raises standards. Schools can at any point require extra support; therefore these services provide a layer of protection to ensure no school is left behind.

In the event of a no decision by primary maintained Schools Forum representatives, the LA will consider its 2022/23 proposals. The LA would be required to provide a further paper in the next Schools Forum meeting (January 2022). The DfE can act as an adjudicator where maintained Schools Forum representatives do not agree to the LA proposal.

The LA is proposing to use available reserves to provide a service for all maintained primary schools to support them in responding to the pandemic, which is supplementing the Recovery Pupil premium. The remaining reserves enable unexpected costs to be managed that arise due to the delivery of services.

Appendices

These are listed below and attached at the back of the report	
Appendix A	Details of the current service provision funded through the de-delegation budgets.

Background Papers

The following background papers as defined in the Local Government Act 1972 were relied upon in the writing of this report.

Document title	Where the document can be viewed
De-delegation of maintained primary schools budgets 2021/22 and 2022/23 (item 8).	https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=166&MId=5610&Ver=4

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