

## SCHOOLS FORUM AGENDA ITEM

For Action



For Information



**Brief Description of Item** (including the purpose / reason for presenting this for consideration by the Forum)

**This report asks the Schools Forum to review the position of Central Schools Services Block, Schools Block and Early Years Block central funds and de-delegated items for the 2022/23 financial year.**

**Members representing Maintained Primary Schools are asked to decide on de-delegation in 2022/23 for the purposes of purchasing subscriptions to Fischer Family Trust.**

**Date (s) of any Previous Discussion at the Forum**

A final report on centrally managed funds to be held across the Schools, Central Schools Services and Early Years Blocks in the 2021/22 financial year was presented to the Forum on 13 January 2021.

The Schools Forum, in a separate report to this meeting, is asked to agree the publication of the primary and secondary consultation document, which asks for feedback on the continuation in 2022/23 of Schools Block de-delegated funds. This consultation also asks for feedback on the Growth Fund and on the Falling Rolls Fund. Feedback from the consultation will be considered by the Forum at the next meeting in December.

In making recommendations, back in 2017/18, secondary phase representatives agreed the cessation of de-delegation for the Maternity / Paternity 'insurance' scheme, Fischer Family Trust, Exceptional Circumstances and School Staff Public Duties and Suspensions from the secondary phase. Members are reminded that the de-delegated fund for Minority Ethnic School Support ceased on 1 May 2016 and the DSG's Contribution to School Improvement (our 'historic commitment') ceased at 1 September 2017. De-delegation from the primary phase for behaviour support ceased at 1 September 2018.

**Background / Context**

Forum Members are reminded that the Central Schools Services Block was established within the DSG framework at April 2018. Some centrally managed funds, previously held within the Schools Block, have now been transferred into this Block. As such, these funds should no longer be seen as 'top-slices' from primary and secondary formula funding. They are allocations via a national DSG formula to support the statutory functions authorities hold for all schools and academies. Forum Members are also reminded that the restriction on funds for Schools Forum costs and Pupil Admissions, which limited the value of these funds to that held in the previous year, has been removed. The table below summarises the centrally managed funds that were agreed from the 2021/22 DSG allocation (excluding monies allocated from brought forward balances and funds held initially and then delegated during the year within the Early Years Block e.g. EYPP and EYIF).

Fund	Schools Block	Central Schools Services Block	Early Years Block	Total
Copyright Licences	n/a	£349,186	£31,337	<b>£380,523</b>
Growth Fund (net of recoupment)	£1,359,294	n/a	n/a	<b>£1,359,294</b>
Falling Rolls Fund (Primary)	£0	n/a	n/a	<b>£0</b>
Schools Forum costs	n/a	£10,000	n/a	<b>£10,000</b>
Pupil Admissions	n/a	£737,000	n/a	<b>£737,000</b>
Statutory Duties (former ESG)	n/a	£1,494,842	n/a	<b>£1,494,842</b>
Education Access Officers	n/a	£423,000	n/a	<b>£423,000</b>
Teacher Pensions Grant (central)	n/a	£406,000	n/a	<b>£406,000</b>
DD - FSM Eligibility Assessments	£46,222	n/a	n/a	<b>£46,222</b>
DD - Fischer Family Trust	£28,450	n/a	n/a	<b>£28,450</b>
DD - School Maternity / Paternity	£429,526	n/a	£70,474	<b>£500,000</b>
DD - Trade Union Facilities Time	£138,552	n/a	£17,458	<b>£156,010</b>
DD - Trade Union Health and Safety	£21,172	n/a	£2,668	<b>£23,840</b>
DD - Public Duties & Suspensions	£22,851	n/a	£3,749	<b>£26,600</b>
DD - Re-Org: Safeguarded salaries	£21,043	n/a	n/a	<b>£21,043</b>
DD - Re-Org: Deficit Budgets	£0	n/a	n/a	<b>£0</b>
DD - Exceptional Costs & SIFD	£64,000	n/a	n/a	<b>£64,000</b>
<b>Totals</b>	<b>£2,131,110</b>	<b>£3,420,028</b>	<b>£125,686</b>	<b>£5,676,824</b>

### **Background / Context (continued)**

The table below summarises the per pupil contributions from the Early Years Block and from maintained schools within the Schools Block to the funds marked as 'de-delegated' ('DD') in the previous table.

<b>2021/22 De-delegated Funds</b>	<b>Early Years £app</b>	<b>Primary £app</b>	<b>Secondary £app</b>
Fischer Family Trust	n/a	£1.16	n/a
School Maternity / Paternity	£17.50	£17.50	n/a
Trade Union Facilities Time	£4.33	£4.33	£4.33
Trade Union Health and Safety	£0.66	£0.66	£0.66
Public Duties & Suspensions	£0.93	£0.93	n/a
Re-Org: Safeguarded salaries	n/a	£0.82	£0.14
Re-Org: Deficit Budgets (paused)	n/a	£0.00	n/a
Exceptional Costs & Schools In Financial Difficulty	n/a	£2.61	n/a
<b>Total £app maintained schools</b>	<b>£23.42</b>	<b>£28.00</b>	<b>£5.13</b>
<b>FSM Eligibility Assessments (Per FSM Ever 6)</b>	<b>n/a</b>	<b>£5.80</b>	<b>£5.14</b>

Appendix 1 provides a summary of the comparison of our funds versus those held by other local authorities in the 2021/22 financial year.

### **Details of the Item for Consideration**

The information contained in this report is presented to initiate the School Forum's annual review of centrally managed and de-delegated funds held within the Central Schools Services, Schools and Early Years Blocks. Forum will be required to make its recommendations and take its decisions on 2022/23 financial year funds on 12 January 2022. An update to this report will be presented to the Forum in December. **In particular, at this stage, Forum Members are asked to consider whether / what further information is needed. Owing to timescales set by Fischer Family Trust, it is necessary to ask Members representing Maintained Primary Schools to decide at this meeting on de-delegation in the 2022/23 financial year for the purposes of purchasing subscriptions to Fischer Family Trust.**

#### General Parameters and Expectations 2022/23 Financial Year Funds

It is anticipated that:

- Forum will not wish to revisit decisions that have been made in previous years to cease specific centrally held and de-delegated funds.
- Forum will wish to continue de-delegation from maintained schools as is currently agreed.
- Forum will continue to agree to the apportionment, across the blocks on the basis of pupil numbers, of the DfE-set copyright licences cost.
- Forum will agree to continue the 'pass back' of funds already allocated to the Authority within the Central Schools Services Block as a result of decisions taken in previous years.
- Forum will agree to uplift, for pay award / inflation, Central Schools Services Block (CSSB) funds and centrally managed funds within the High Needs Block (HNB) and Early Years Block (EYB). Some of these funds will be uplifted in line with the EHCP Banded Model, where this is appropriate. The uplifts in CSSB funds will be afforded by the CSSB settlement (and not by transferring any funds from other DSG blocks).
- Forum will continue the policy of managing any overall over-spending in CSSB budgets initially by writing this off from the value of CSSB surplus balance previously transferred into the Schools Block.
- Forum will support continuing to charge a proportion of the cost of centrally managed high needs services, relating to early years aged children, to the High Needs Block. However, a proportion of the cost of these services that was transferred to the High Needs Block in 2021/22 on a one-off exceptional basis, but that is more appropriately charged to the Early Years Block, is returned to the Early Years Block in 2022/23.
- The Schools Block Growth Fund for 2022/23 will be set at a value sufficient to cover anticipated costs. It is anticipated that no new budget will be taken for the cost of new growth in the primary phase, with ring-fenced Schools Block brought forward surplus balance being available.
- The primary phase Falling Rolls Fund will continue within the Schools Block but will be financed from the ring-fenced brought forward balance rather than by taking new budget from the 2022/23 DSG allocation.
- The remaining costs of safeguarded salaries, incurred by the re-organisation of maintained schools, will continue to be funded via de-delegation on an actual reducing costs basis.
- As Forum has recently reviewed the Authority's Trade Unions Facilities Time arrangements, these arrangements will continue in 2022/23.
- Forum will continue to support the retention of a de-delegated fund to meet any cost of deficit balances held by maintained primary schools that convert to academy status under sponsored arrangements.

### Details of the Item for Consideration (continued)

- The Forum will not wish to newly de-delegate from the Schools Block for the purposes of subscribing all maintained primary and secondary schools en-mass to the DfE's Risk Protection Arrangement.
- The surplus balance of de-delegated funds carried forward will continue to be ring-fenced and will be deployed in support of managing the annual costs of these funds as well as in reducing the value of the on-going (new-year) contributions that are required from maintained schools. A total balance of £1.314m across the Schools and Early Years Blocks was brought forward from 2020/21. The total balance forecasted to be held at the end of 2021/22 will be presented to the Forum in December.

#### Central Schools Services Block 2022/23

The Authority's Central Schools Services Block (CSSB) DSG allocation is increasing by 4.97% per pupil in 2022/23. Our historic commitments lump sum is reduced from £281,400 to £225,150. The net total of our CSSB allocation for 2022/23 is currently estimated to be £3.516m, subject to October 2021 pupil numbers.

The table below shows the values of the commitments that are present within the CSSB, as a result of decisions taken previously by the Forum, and that are carried forward in 2022/23. The values of the funds shown below for 2022/23 include increases proposed for pay award / inflation, which will be funded from the CSSB settlement. The cost of copyright licences is estimated and will be confirmed by the DfE in December.

<b>Commitment Heading</b>	<b>2021/22</b>	<b>2022/23</b>	<b>Difference</b>
Copyright Licences	£349,186	£359,662	+ £10,476
Schools Forum costs	£10,000	£10,000	£0
Pupil Admissions	£737,000	£781,220	+ £44,220
Statutory & Regulatory Duties (former ESG)	£1,494,842	£1,584,533	+ £89,691
Education Welfare (Education Access Officers)	£423,000	£448,380	+ £25,380
Former Teacher Pensions Grant retained within CSSB	£164,100	£164,100	£0
Former Teacher Pensions Grant transferred to the HNB	£241,900	£0	- £241,900
<b>Total Central Schools Services Block 2022/23</b>	<b>£3,420,028</b>	<b>£3,347,895</b>	<b>- £72,133</b>

The Authority anticipates that the Forum will agree to continue the 'pass back' of funds already allocated to the Authority within the Central Schools Services Block. In the '2022/23 outline' report, presented to the Schools Forum at the last meeting in September (Document NI), the Authority stated that we would like to have further conversations with the Forum regarding the sufficiency of the CSSB budget for the Pupil Admissions service, with a view to increasing this budget from 2022/23 on an on-going basis in response to service demand pressure. We would like to further discuss with the Forum the option available for the retention of the full value of the monies that were added to the CSSB in 2021/22, for the former Teacher Pensions Grant for centrally employed teacher, in order to create budget headroom that can then be allocated in support of the Pupil Admissions service. On current estimates, this option would create in the region of £0.168m headroom that could be available. This £0.168m is the difference between the £3.516m CSSB settlement and the £3.348m cost of carrying forward and uplifting commitments, excluding the £0.421m transfer of pensions monies.

#### Maintained Schools De-Delegated Funds - Introduction

De-delegation is a mechanism through which contributions, for centrally managed funds and services, can be collected from all maintained schools within a specific phase. The cessation of de-delegation would not itself prevent the existence of centrally managed services. Where buy in by academies remains strong, and would be strong from maintained schools, services could continue on a traded services model.

Members are reminded that the Schools Forum has previously established the principle that the values of contributions per pupil to some de-delegated funds will not be increased in value on the previous year simply to compensate for the loss in budget resulting from the conversion of maintained schools to academy status i.e. all things being the same, as schools convert to academies, the cash values of de-delegated funds will reduce, with any gap in funding as a result of this reduction being recovered through the trading of services. This principle affects the following funds that are currently de-delegated from primary & secondary phases: Trade Union Facilities Time, Trade Union Health and Safety Rep Time and FSM Eligibility Assessments.

We have previously highlighted to the Schools Forum that the rate of conversion in Bradford of maintained schools to academy status may be such that consideration may need to be given, at an appropriate time, to whether de-delegation remains effective and efficient. The Authority would generally expect, and recommend, the Forum to continue de-delegation in 2022/23 where there is still critical mass (a sufficient number of maintained schools) and / or where the framework is already in place for academies to buy into centrally managed arrangements, such as for FSM eligibility assessments and for trade union facilities time. For the 2022/23 financial year, de-delegation cannot be applied to a school that has converted to academy before 2 April 2022. In addition, de-delegation must cease, from 1 September 2022, for any school that converts between 2 April and 1 September 2022. So, there is both a year on year impact as well as an in year impact on the values that can be taken to continue to support the cost of de-delegated funds.

### Details of the Item for Consideration (continued)

#### De-Delegation: Fischer Family Trust Subscription (FFT)

De-delegation for the purposes of subscribing all maintained primary schools to the FFT software has been established in recent years in recognition of the value of this software and of the significant savings that collective purchasing delivers. Although the secondary phase has ceased de-delegation, all secondary schools and academies, as well as all primary-phase academies, are invited to buy into the Authority-led FFT arrangements, and many do (81% of the primary-phase and 61% of the secondary-phase in 2020, in total). By purchasing collectively through the Local Authority, we estimate that maintained primary schools will continue to save significantly (more than 50% in 2021/22) on the cost of purchasing directly individually with FFT.

**Owing to timescales set by Fischer Family Trust, it is necessary to ask Members representing Maintained Primary Schools to decide at this meeting on de-delegation in 2022/23 for the purposes of purchasing subscriptions to Fischer Family Trust on behalf of all maintained primary schools.**

Maintained primary schools were charged £1.16 per pupil via de-delegation in 2021/22. Should de-delegation continue, the charge for 2022/23 is estimated at the same price. An initial contribution would be taken from primary maintained schools at this price, but the final charge would be determined by (and may reduce because of) the total numbers of schools and academies that subscribe. Any differences in the proportion of the total cost to be met by maintained primary schools, which would be expected to be relatively small, would be covered by the ring-fenced surplus balance held for de-delegated funds within the Schools Block.

#### De-Delegation: FSM Eligibility Assessment

The Local Authority recommends that de-delegation is continued from both the primary and secondary phases for Free School Meals (FSM) Eligibility Assessment, at the 2021/22 per FSM values, with contributions continuing to be taken using FSM Ever 6 data.

#### De-Delegation: Trade Unions Facilities Time

As the Forum reviewed in some detail in 2018 the Authority's Trade Unions Facilities Time arrangements, the Authority recommends that de-delegation continues from all phases in 2022/23. The per pupil cost of these arrangements in 2021/22 was reduced by 5%, from £5.26 in total (for both facilities and health and safety time) to £5.00. The Authority expects to continue charging in 2022/23 at the reduced rate of £5.00 per pupil.

#### De-Delegation: Maternity / Paternity 'Insurance' Scheme & Suspensions / Public Duties

The Local Authority recommends that the de-delegated fund for maternity / paternity insurance is continued for maintained nursery schools and for the primary-phase in 2022/23, with contributions set at a value to meet anticipated costs. Further work is taking place, but it is currently estimated that the price of the scheme will be in the region of £21.15 per pupil (compared against £17.50 in 2021/22). This price is after the release of £0.15m of carry forward balance and will provide a total estimated budget of £0.725m.

The Authority also recommends that de-delegation continues in 2022/23 from maintained nursery and maintained primary schools for the suspensions / public duties fund, at the current per pupil value of £0.93.

Members representing maintained primary schools will be aware of the warnings that have been given previously about the viability of current arrangements for supporting maternity / paternity costs. We have warned, as happened in the secondary sector, that we may be moving towards the position where arrangements are no longer financially efficient or viable. This is due to the growth in costs at the same time as a reducing number of maintained primary schools. It is recommended that the maternity / paternity scheme remains in place in 2022/23, because we still have 'critical mass' and also because we have a ring-fenced brought forward balance available to support the scheme's overall costs. However, the continuation of the scheme after 2022/23 will need to be reviewed.

#### De-Delegation: Exceptional Circumstances, SIFD and Academy conversion deficit budgets)

De-delegation continued in 2021/22 to provide a fund to support maintained primary schools that may face exceptional circumstances. This fund is allocated according to criteria that are agreed with the Schools Forum. The Authority recommends that de-delegation for this purpose continues for the primary phase in 2022/23. This will be necessary, in particular, where the Authority / Schools Forum wishes to use the existing criteria to support maintained primary schools that are resolving exceptional budget issues related to under-subscription.

Primary maintained members established in 2017/18 a de-delegated fund to be available specifically to meet the cost of any deficit balances held by maintained primary schools that convert to academy status under sponsored arrangements. The first (and only) allocations against this fund were presented to the Forum in May 2019. The Authority recommended for 2020/21 and for 2021/22 that the de-delegation of additional funds for this purpose be paused. This continues to be the Authority's recommendation for 2022/23. The ring-fenced de-delegated fund carry forward balance would be used, if necessary, to meet any deficit costs.

**Implications for the Dedicated Schools Grant (DSG)** (if any)

Recommendations will have direct implications for the distribution of the Central Schools Services Block, Schools Block and Early Years Block in 2022/23.

**Recommendations**

- (1) **The Forum is asked to review the position of Central Schools Services Block, Schools Block and Early Years Block central funds and de-delegated items, to indicate what further consideration should be given / review work should take place, in advance of making final recommendations for 2022/23 at the January 2022 meeting.**
- (2) **Members representing Maintained Primary Schools are asked to decide on de-delegation in 2022/23 for the purposes of purchasing subscriptions to Fischer Family Trust.**

**List of Supporting Appendices / Papers** (where applicable)

Appendix 1 – Benchmarking of Funds

**Contact Officer** (name, telephone number and email address)

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