

**Report To:** **SCHOOLS FORUM**

**Date:** 18 July 2016

**Reporting Officer:** Bob Berry – Assistant Executive Director - Learning.  
Ian Duncan – Assistant Executive Director - Finance.

**Subject:** **FINANCING OF SCHOOL ADMISSION APPEALS**

**Report Summary:** This report outlines the details of the Department for Education (DfE) proposed changes for the funding for schools admission appeals following a consultation during November 2015.

**Recommendations:** That Schools Forum Members consider the following recommendations for approval :

1. That the Council applies to the Secretary of State (via the schools finance disapplication request form as stated in section 3.5) in advance of the 2017/2018 financial year to increase the centrally retained DSG sum stated in section 4.1. The funding increase will support the financing of school appeals for Voluntary Aided schools should those schools require the Council to continue the administration of their associated school appeals.
2. That as an interim arrangement for the 2016/2017 financial year, the cost of the school appeals administered on behalf of primary Voluntary Aided schools is financed from the centrally retained DSG contingency budget. This sum has been de-delegated by all non-academy primary schools in the current financial year.
3. That also as an interim arrangement for the 2016/2017 financial year, the cost of the school appeals administered on behalf of secondary Voluntary Aided schools is financed from the centrally retained DSG contingency budget if those schools have chosen to de-delegate the sum in the current financial year. However, relevant schools will continue to be charged directly with the associated cost if the contingency sum has not been de-delegated in 2016/2017.
4. That in the event that the funding disapplication request detailed in recommendation 1 is rejected by the Secretary of State, it is proposed that from the 2017/2018 financial year, the cost of the school appeals administered on behalf of primary and secondary Voluntary Aided schools is financed from the centrally retained DSG contingency budget where this sum has been de-delegated by the relevant school. However, relevant schools will continue to be charged directly with the associated cost if the contingency sum has not been de-delegated in the applicable financial year to which the school appeal relates
5. That Academy Schools continue to be invoiced via existing arrangements to recover the relevant cost where the Council is commissioned to administer their

associated school appeals.

6. That a further update is provided to the 2016 autumn term Schools Forum meeting on the value of the funding disapplication request to the Secretary of State detailed in recommendation 1 and that further updates are provided at future Schools Forum meetings on the outcome of the request.

**Links to Community Strategy:** Effectively calculated and targeted resources will improve access to a high quality education experience for all our children.

**Policy Implications:** In line with current policy

**Financial Implications:** The report provides Schools Forum members with recommendations to support the continued financing of school appeals administered by the Council on behalf of Voluntary Aided schools.

**(Authorised by the section 151 officer)**

It is essential that the associated cost to the Council is continually reviewed to ensure all relevant expenditure is wholly recovered and that schools are notified in advance of any associated cost increase.

**Legal Implications:** The Authority needs to ensure that it complies with all current DfE guidance and this report is intended to address this.

**(Authorised by the Borough Solicitor)**

**Risk Management:** It is essential the Council recovers all related expenditure on services it is requested to provide. Failure to recover such expenditure will contribute to the non delivery of an annual balanced budget which the Council is statutorily required to deliver.

## **ACCESS TO INFORMATION**

## **NON-CONFIDENTIAL**

**This report does not contain information which warrants its consideration in the absence of the Press or members of the public.**

## **Background Papers**

The background papers relating to this report can be inspected by contacting Stephen Wilde – Head of Resource Management, Resource Management, Governance and Resources by :

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## **1. BACKGROUND**

- 1.1 In November 2015, the Department for Education (DfE) issued a consultation regarding the funding for schools admission appeals. The consultation outcome was published in December 2015. **(Appendices A and B)**
- 1.2 Paragraph 1.14 of the School Admission Appeals Code states that: “ *Local authorities must allocate reasonable funds to governing bodies of maintained schools which are admission authorities to meet the admission appeals costs.*”
- 1.3 Local authorities currently have a duty to support maintained schools, which are admission authorities (Voluntary Aided, Foundation and Trust schools). This is in addition to authorities’ responsibilities where they act as the admission authority for maintained Community and Voluntary Controlled schools.
- 1.4 The 2013-14 funding reforms removed the ability of local authorities to specifically allocate funding for own admission authority schools and ended the separate grant paid to academies for admissions. The reforms also restricted local authorities’ ability to increase the amount of budget retained centrally for admissions, to ensure that as much money as possible was allocated to schools.

## **2. SCHEME FOR FINANCING SCHOOLS**

- 2.1 Local authorities are required to publish schemes for financing schools setting out the financial relationship between them and the schools they maintain. The scheme for financing schools guidance lists the provisions which a local authority’s scheme must, should or may include. Section 6.2 of this guidance lists the main circumstances in which a local authority can charge school budgets for agreed services and concerns maintained schools only. This consultation related to proposals to extend the list to provide flexibility for funding admission appeals.

## **3. PROPOSED CHANGES**

- 3.1 For schools for which the local authority is the admission authority, and for which the authority must provide an appeals service, the additional flexibility to the scheme will allow local authorities to use their powers under the Financial Management Scheme to charge those schools. All other schools and academies would be responsible for their own admission appeals, with funding for this function included in their delegated budgets. There is no separate funding available to help cover the costs of providing this service. The local authority could offer a traded service, which schools and academies who are their own admissions authorities would be free to decide whether to use individually.
- 3.2 If a local authority wants to make use of the additional flexibility, a change to the local scheme will be needed. Local authorities would need to consult with all schools in their area and receive approval of the members of their schools forum representing maintained schools.
- 3.3 The existing option whereby a local authority, in agreement with schools forum, can retain funding centrally to cover admission appeals for all types of schools and academies remains, should a local authority and schools forum agree to this approach.
- 3.4 If local authorities are currently compliant with the admissions appeals code they do not have to change their approach to funding appeals. The change is to provide an alternative option and more flexibility for local authorities. Local authorities and schools forums must

discuss and agree which approach best suits their local circumstances, to ensure greater transparency over the funding of admission appeals.

- 3.5 Should local authorities, in agreement with their Schools Forum, wish to continue to retain funding centrally to cover admission appeals for all types of schools, they will be able to do so. If local authorities need to increase their centrally retained admissions funding to do this, they need the consent of the School Forum and Secretary of State to do so. To apply for this, local authorities should use the 'Schools finance disapplication request form'.

#### **4. CURRENT ARRANGEMENTS FOR THE FINANCING OF SCHOOL APPEALS**

- 4.1 The sum of £ 0.158 million is centrally retained from the Dedicated Schools Grant (DSG) on an annual basis to finance the cost of school admissions for maintained schools (including voluntary aided schools). Academy schools are charged separately for the cost of their associated school admissions as appropriate.
- 4.2 Maintained school appeals are also financed from the central retained sum referred to in section 4.1 with the exception of Voluntary Aided schools who are charged separately for the number of school appeals administered on behalf of the school. Academy schools are also charged separately on the same basis where they appoint the Council to administer their school appeals.

#### **5. RECOMMENDATIONS**

- 5.1 As stated on the report cover