

<b>Report to:</b>	<b>SCHOOLS' FORUM</b>
<b>Date:</b>	26 November 2019
<b>Reporting Officer:</b>	Tom Wilkinson – Assistant Director Finance Tim Bowman – Assistant Director Education
<b>Subject:</b>	<b>DE-DELEGATION 2020-21</b>
<b>Report Summary:</b>	A report on the de-delegation services for 2020-21.
<b>Recommendations:</b>	Members of the Schools' Forum are requested to note the contents of the report.  Members of the Primary and Secondary sectors are required to vote separately on the de-delegation of funding for each of the following services: <ul style="list-style-type: none"> <li>• Trade Union Support</li> <li>• Schools Contingency</li> </ul>
<b>Corporate Plan:</b>	Education finances significantly support the Starting Well agenda to provide the very best start in life where children are ready to learn and encouraged to thrive and develop, and supports Aspiration and Hope through learning and moving with confidence from childhood to adulthood.
<b>Policy Implications:</b>	In line with financial and policy framework.
<b>Financial Implications:</b> (Authorised by the statutory Section 151 Officer & Chief Finance Officer)	The Dedicated Schools Grant is a ring fenced grant solely for the purposes of schools and pupil related expenditure.
<b>Legal Implications:</b> (Authorised by the Borough Solicitor)	The de-delegation of budget for Trade Union Services and for Contingency is a decision for the primary and secondary maintained school sector, taking into account the overriding statutory duty to use resources efficiently and effectively against priorities.
<b>Risk Management:</b>	The correct accounting treatment of the Dedicated Schools Grant is a condition of the grant and procedures exist in budget monitoring and the closure of accounts to ensure that this is achieved. These will be subject to regular review.
<b>Access to Information:</b>	<b>NON-CONFIDENTIAL</b>  <b>This report does not contain information which warrants its consideration in the absence of the Press or members of the public.</b>
<b>Background Information:</b>	The background papers relating to this report can be inspected by contacting Christine Mullins – Finance Business Partner, Financial Management, Governance, Resources and Pensions  Telephone: 0161 342 3216  e-mail: christine.mullins@tameside.gov.uk

## **1. INTRODUCTION**

- 1.1 De-delegation is the terminology employed by the DfE in relation to Schools Forum representatives of Council Maintained Schools voting on whether to support mandatory charging to all Council Maintained Schools for certain Council services. The Primary and Secondary sector vote separately in relation to each of the services, following discussion with their wider stakeholder colleagues.
- 1.2 Academies do not have the option of de-delegating but may wish to procure the service as a traded service. The charge would be on the same basis as de-delegation.
- 1.3 Decisions made to de-delegate are for one year only, so an annual vote is required. Schools Forum members for the primary maintained schools and secondary maintained schools must decide separately for each sector whether the specific service should be provided centrally and therefore funding de-delegated. The decision will apply to all maintained mainstream schools in that sector.

## **2. TRADE UNION SUPPORT**

- 2.1 In 2019-20 mainstream primary maintained schools and mainstream secondary maintained schools voted to de-delegate budget for the Trade Unions Service.
- 2.1 Trade Union Support provides schools with a centrally coordinated Trade Union service to support a school and its leader's statutory obligations as contained within the Employment Relations Act 1999, the Trade Union Labour Relations (Consolidation) Act 1992 and the Safety Representatives and Safety Committees Regulations 1997.
- 2.2 Trade Union representatives provide schools, school leaders and Governing Bodies with support and expertise in employment related matters, helping to resolve workplace issues before they become too serious for the school and providing a significant and positive contribution to school leaders with their management of change; any large scale reorganisation school leaders may wish to implement; and the implementation of policies and procedures, enabling governing bodies to adopt and implement these policies and procedures for school staff quickly and easily.
- 2.3 The de-delegation rate for Trade Union Support for 2020-21 is £6.47 per pupil and mainstream maintained schools are requested to vote on this.

## **3. CONTINGENCY**

- 3.1 In 2019-20 mainstream secondary maintained schools voted to de-delegate budget for Contingency.
- 3.2 The contingency budget has been established to support those schools facing a deficit budget position or to support the DSG against any future pressures where schools are closing or are forced to convert to academy leaving a deficit balance, as this would need to be funded from DSG. It should be noted that a deficit balance transfers to the Academy Trust where the transfer to Academy is a convertor route, ie the School chooses via an Academy order to convert to Academy. The balance remains a DSG issue where the schools are a forced conversion as part of a Sponsored Academy conversion route required by the Secretary of State.
- 3.3 Where a school is in deficit or facing deficit in the next financial year they will be subject to a review in line with the School Deficit process as outlined within the Tameside Scheme

Financing, the LA will work very closely with the school and its Governors to manage the deficit and ensure action is taken to address it.

- 3.4 It is also anticipated that schools struggling to manage deficits where financial issue are beyond the control or influence of the Headteacher where significant action has been taken to bring the plan back into balance and where further cuts are likely to impact on the attainment of the pupils in the school.
- 3.5 It's acknowledged that whilst schools are facing financial pressures, it's prudent to establish a contingency budget to protect future pressures against the DSG which will affect all schools. The aim is to create a contingency fund of approximately £159k (approximately 10% of projected deficit balances)
- 3.6 The School Funding Group (SFG) has considered areas to enable an allocation process to be established and discussed the following:
- Allocations from the fund should not be made until the fund reaches the suggested level.
  - Allocations should be sector specific unless all sectors agree to contribute to the fund.
  - Decision on approvals from the fund will be agreed by Assistant Director Education and the Assistant Director Finance.
  - There should be a school sector representative as part of the approval process but the representation should not be from the requesting school.
  - When a school is facing financial difficulty a request should be submitted outlining their case for consideration.
  - Allocations will only be made where sufficient funds are available.
- 3.7 The criteria for application need to be formalised and approved by Schools' Forum.
- 3.8 Support will be provided for schools in deficit and therefore in financial difficulty through the normal deficit recovery process, in line with the Local Authority (LA) approach to managing licenced deficits.
- 3.9 Alongside this, the LA will support any schools closing with deficit balances to minimise the impact and potential pressure on the DSG.
- 3.10 The de-delegation rate for Contingency for 2020-21 is £5.81 per pupil. The LA would like to gain agreement from both the Primary and Secondary sectors to de-delegate in 2020-21. Should both sectors choose to contribute, based on the October 2018 census data, this would result in the following contribution to Contingency:
- Mainstream Primary Maintained Schools - £73k
  - Mainstream Secondary Maintained Schools - £32k
- 3.11 These figures will be updated to reflect the October 2019 census data.

#### **4. CONCLUSION**

- 4.1 The rates and relevant information for the 2020-21 de-delegated services are provided to enable the mainstream maintained sector schools to vote on the de-delegation of these budgets.

#### **5. RECOMMENDATIONS**

- 5.1 As set out at the front of the report.