

De-delegation – Maintained Schools Sub Committee 20th October 2017

Appendix 1 SCHOOL SPECIFIC CONTINGENCY FUND TERMS OF REFERENCE

Approved by Schools Forum: 21st March 2017
Effective 1st April 2017

Background

The Schools Budget consists of the delegated budgets allocated to individual schools and a budget for other provision for pupils which local authorities fund centrally. The allocation to each school is made according to formulae, either set nationally or agreed on a local basis.

In Buckinghamshire, a contingency fund has been established, in accordance with current regulations¹, to assist maintained schools where, for a range of potential reasons they are experiencing financial difficulty to a degree likely to impact adversely on the education of pupils. This fund is known as the Schools Specific Contingency Fund (SSCF). The SSCF is a de-delegated service. Funding for de-delegated services must be allocated through the formula but can be passed back, or 'de-delegated', for maintained mainstream primary and secondary schools with Schools Forum approval. De-delegation is not an option for Special schools, Nursery schools and PRUs. Primary and Secondary maintained school members of the Schools Forum can vote to approve a local authority proposal to pool funding from maintained school budgets.

Any unspent balance at the year-end should be reported to Schools Forum. Funding may be carried forward to the following year and can be used specifically for de-delegated service if the authority wishes. If a local authority carries forward an overspend, then the Schools Forum must specifically agree for it to be funded from the following year's budget.

The SSCF is central expenditure deducted for the purpose of ensuring that monies are available to enable increases in a school's budget share after it has been allocated where it subsequently becomes apparent that a governing body have incurred expenditure which it would be unreasonable to expect them to meet from the school's budget share which may include expenditure in relation to -

- (i) schools in financial difficulty,
- (ii) the writing-off of deficits of schools which are discontinued, excluding any additional costs and overheads,
- (iii) new, amalgamating or closing schools, or
- (iv) other expenditure where such circumstances were unforeseen when initially determining the school's budget share

Regulations¹ give the Schools Forum members for Primary maintained schools and Secondary maintained schools the power to agree the level of the Schools Specific Contingency.

De-delegation – Maintained Schools Sub Committee 20th October 2017

Appendix 1 SCHOOL SPECIFIC CONTINGENCY FUND TERMS OF REFERENCE

The Schools Specific Contingency Group (SSCG)

The Schools Specific Contingency Group has delegated authority from the Managing Director of Children's Social Care and Learning and the Schools Forum to make allocations of funding to schools from the Schools Specific Contingency Fund.

Membership of the group shall include:

Finance Director or representative

School Improvement Manager relevant to the schools making applications

Head of SEN or representative

Schools Financial Management Adviser

and

At least two Members of the Schools Forum (preferably one Headteacher and one governor)

The group has the authority to determine appropriate criteria for the allocation of contingency funding to schools; such criteria may need to change from time to time to reflect available funding and the number and nature of applications from schools.

The SSCG will meet once a year, in March, when all cases submitted by schools will be considered. Meetings will be chaired by a Schools Forum member.

In order to avoid any conflict of interest that might exist for a member of the Group in the consideration of a specific application with which he/she may have a connection as a Governor, IEB member, Headteacher or Business Manager, then such a conflict will be eliminated by such a member withdrawing from the discussions and decision making surrounding the case.

Principles and criteria

Schools are expected to take all reasonable issues into account when setting their financial plans and to ensure that they have capacity within their plans to deal with unforeseen eventualities. The Schools Specific Contingency Fund is necessarily very limited and is therefore allocated only in exceptional circumstances.

In considering applications for support except those relating to errors in budget shares, in all cases the school is required to demonstrate that "financial difficulty"* would result. The SSCG will require evidence of the size and nature of the expenditure together with an explanation of steps taken to mitigate the impact on the school's budget. The group will take account of such steps and in cases where the expenditure could have been avoided or substantially reduced (e.g. through the purchase of appropriate insurance) applications will be discounted accordingly.

* Financial difficulties shall be recognised when either

a) The latest forecast of the year end results show a deficit or

b) As a result of the additional costs (being the subject of the Contingency application), the in-year deficit of the school exceeds 2% of the school's Budget share

De-delegation – Maintained Schools Sub Committee 20th October 2017

Appendix 1 SCHOOL SPECIFIC CONTINGENCY FUND TERMS OF REFERENCE

Applications will be considered for the issues arising in the academic years covered by the current financial year. However, funding is only available on a financial year basis and therefore schools should ensure that applications are made within the correct financial year. **Consideration of applications will be limited by the level of the budget set aside for the SSCF.**

Where allocations are agreed, the following criteria will generally be applied;

- (i) For errors in school budget shares arising from incorrect data or incorrect application of the funding formula – the full amount of the error for the current financial year.
- (ii) Support for significant unforeseen costs – no more than 50% of the cost accepted by the SSCG

The following are examples of applications falling under point (ii).above – unforeseen costs – which the SSCG may consider:-

- a) Long term absence of teachers through sickness/maternity leave etc. where it has proved necessary to engage agency staff (N.B. the SSCG will require valid reasons if no insurance has been arranged)
 - b) Net redundancy costs² for staff declared redundant in the first 9 months of the financial year. Redundancies arising in the last 3 months of the financial year will only be considered in exceptional circumstances.
 - c) Child Protection issues resulting in staff suspensions and/or legal costs.
- (iii) Support for additional pupil numbers
In cases where schools experience or need to plan for, a known (not forecasted) significant rise in pupil numbers since the date of the previous funding census (October) until the start of the financial year when those pupils begin to be funded through the funding model, they may apply for additional funding to cover costs incurred in providing education to those pupils. Each case will be considered on an individual spend or need to spend basis.

Schools need to demonstrate:

- a) That necessary additional staffing costs have been incurred or need to be incurred,
- b) That financial difficulty will arise without additional funding i.e. that insufficient free reserve and balances are available to cover those costs. "Free reserves refer to such reserves held by a school which are not specifically held for some future defined expenditure."
- c) Marginal non-staffing costs will be expected to be met by the schools themselves, but significant non-staffing costs will be considered provided that there is clear evidence to prove the cost would not have been incurred if the pupil numbers had not risen.

Contingency panel will grant the actual amount that the school can justify it has incurred due to the increase in pupils up to a maximum of 7/12 AWPU

De-delegation – Maintained Schools Sub Committee 20th October 2017

Appendix 1 SCHOOL SPECIFIC CONTINGENCY FUND TERMS OF REFERENCE

iv) Traveller Children

For Traveller children who do not receive pupil premium an amount equal to Pupil Premium shall be paid for the period at which the child is registered at that school. Claims should be made in arrears.

Applications which fall outside the scope of the Contingency Fund which will not be accepted and for clarity include those:-

- (i) for funding appertaining to prior financial years
- (ii) for capital expenditure
- (iii) from academies
- (iv) for circumstances which fall under the criteria of the growth fund, i.e. pupil growth beyond PAN to meet basic need

Application Process

Schools that believe their budget share is incorrect should contact the Finance Service Desk to verify the calculations. Any errors established will be corrected as a matter of course and will be reported to the SSCG.

Applications for funding for other reasons should be made on the standard form available on the SchoolsWeb.

https://schoolsweb.buckscc.gov.uk/schools/leadership_and_management/finance/guidance.asp

Additional information or evidence may be included in covering letters etc. to support the school's application.

The application must be supported by an up-to-date forecast of the school's projected year end income & expenditure and resulting surplus/deficit (such forecasts to be provided by utilising the standard financial reporting process), Updated for 4 weeks before the panel meeting. The date of the meeting will be announced on the SchoolsWeb.

Notification of Decisions

The BCC Finance team will notify Schools of the decision on their contingency applications within 15 working days of the SSCG meeting.

Appeals

Schools wishing to appeal against the decision made on their application should put the details of their appeal in writing enclosing all additional and supporting information within 5 working days of the decision and submit using the Schools Contingency Fund Request Form on the Service Desk Portal. Any appeals will be heard and considered by the SSCG at a special meeting.

(Amended by Schools Forum 26th September 2017)

De-delegation – Maintained Schools Sub Committee 20th October 2017

Appendix 1 SCHOOL SPECIFIC CONTINGENCY FUND TERMS OF REFERENCE

Note ¹: THE SCHOOL AND EARLY YEARS FINANCE (ENGLAND) REGULATIONS 2017

Note ²: Net redundancy costs to be calculated as the costs of the redundancy less the amount 'saved' in salaries, including on-costs, for the balance of the financial year. (Schools should be aware however that the SSCF would only cover up to 50% of the net redundancy costs)

De-delegation – Maintained Schools Sub Committee 20th October 2017

Appendix 2 Facilities funding for teacher unions

Report for Action

Title: Facilities funding for teacher unions 2018/19

Date: September 2017

Author: Bev Black

Role of the Schools forum

To decide a level of funding from DSG for financial year 18/19 to support the Council's facilities agreement with the five recognised teacher unions in Bucks - ASCL, ATL, NASUWT, NUT, NAHT (note: with effect from 1.9.17 the NUT and ATL formally amalgamate to become the National Education Union).

Background information

Facilities funding is provided to support release of union officials from their "day jobs" to provide support to their members. The funding supports release to undertake work in maintained schools only; completely separate arrangements apply to union work in academies.

Union officers undertake a variety of roles in collective bargaining and in working with management, communicating with union members, liaising with their regional trade union offices and in handling individual disciplinary and grievance matters on behalf of County employees.

There are positive benefits for employers, employees and for union members in encouraging the efficient performance of local union officers' work, for example in aiding the resolution of problems and conflicts at work.

The Conditions of service for school teachers in England and Wales (the Burgundy book) sets out principles that local authorities need to apply in managing industrial relations with their recognised unions. This includes advice that ... "Each local education authority is advised to agree jointly with each of its recognised teacher organisations the detailed arrangements for the granting of facilities in accordance with the provisions of this agreement."

Outcomes sought

Schools Forum is asked to agree to continue to provide funding from the DSG grant to allow the existing arrangements to continue. Recommended budget allocation is set out below.

Options

The budget for 17/18 was agreed as £31k with an agreed brought forward if required of up to £21k to provide a total fund of £52k.

Funding covers a fixed element to allow release for agreed meetings with officers and relevant committees. The casework element is unpredictable and is based on Employment relations cases arising during the year where union representation is required. Claims are paid termly to re-imburse schools.

De-delegation – Maintained Schools Sub Committee 20th October 2017

Appendix 2 Facilities funding for teacher unions

Financial implications

Current budget (17/18) = £31K, plus an agreed brought forward £21k from 2016/17 budget to make total **£52k**

Current projected expenditure for 2017/18 = **£28,800**

Based on this year's situation approximately **£23k** of the allocated £52k is likely to remain unclaimed, mainly because a significant proportion of the eligible union officials are currently either retired members or work on a supply basis and thus are not entitled to claim. If officials are replaced by School employees levels of claims will increase. (Note: officials are nominated or elected by the relevant unions so the authority has no control over this).

Proposal

The current budget is based on rates of 70p per pupil.

If allocations are based on the assumed basis of 40,000 pupils across maintained schools in Bucks, this would provide a budget for 2018/19 of £28,000.

The budget above together with current brought forward surplus (16/17) plus potential surplus from this year (17/18) would provide the following:

Budget (based on 40,000 pupils @70p per pupil	£28000
Current brought forward surplus from 16/17 to 17/18	£21,000
Potential underspend 17/18 (£31,000-£28,800)	£2000 (approx)
Total funds available for 18/19	£51,000

Recommendation

– to agree a budget of £28K for financial year 18/19 with provision for a further ring fenced surplus of £23K contingency if required.

- The recommendation above will cover projected expenditure for 18/19.
- The contingency provision will provide a safety net in case elected local officials cease to be retired members and are replaced by employed staff.
- Agreeing the total allocated budget at this stage of the year will allow plenty of time for unions to agree allocations between them taking into account the amalgamation of the NUT and ATL.

De-delegation – Maintained Schools Sub Committee 20th October 2017

Appendix 3 Specialist Finance support for schools with deficit budget risks

SFMA

- The Schools Finance Management Advisory (SFMA) team within the Buckinghamshire Learning Trust (BLT) are commissioned by the Council to provide specialist finance support for schools with deficit budget risks and help them set recovery plans.
- SFMA are also commissioned to monitor progress against agreed plans and raise concerns with the Council, who may intervene by issuing Notice of Concerns or in extreme cases remove delegation for schools or impose an Interim Executive Board.
- SFMA also support training for heads, governors and school finance staff.
- SFMA also investigate potentially excess surpluses where these have been identified by the Council.
- The SFMA comprises two staff.

BCC Finance team

BCC Finance resource directly managed by the Finance Director for Education support the analysis of financial risk. This includes:

- Reviewing maintained budgets, both set at start of the year and throughout the year
- Review of the Schools Financial Values Standards submissions.
- Support to internal audit investigations.

The team also directly supports special schools and PRUs in financial difficulty, leaving BLT to focus on mainstream (mostly primary) schools. The Finance Director for Education leads on high risk schools such as Mandeville.

The support is a part of a number of people.

Efficiencies for 2018/19

Since September 2017 the funding for BLT's SFMA team fell under de-delegation (instead of Council Grant). This has significantly helped strengthen the commissioning arrangement with a "dotted line" to the Finance Director for Education. Future arrangements may strengthen this further.

The more effective working between the teams has also allowed the services needed to be delivered despite one of the BLT staff reducing their hours.

In 2017/18 (part year) the amount of de-delegation funding received (for the 7 months part year) has therefore not been fully utilised resulting in a £17k underspend to offset 2018/19 de-delegation requests.

Developments in 2018/19

The scheme for financing schools will be strengthened and maintained schools will be required to submit draft budgets to the Council by the end of February 2018.

With the move towards the national funding formula, estimated funding for schools will also be clearer and a funding planning tool is being developed for schools to better predict funding through the dedicated schools grant.

Schools will also migrate to a single point for SFVS submissions.

De-delegation – Maintained Schools Sub Committee 20th October 2017

Appendix 3 Specialist Finance support for schools with deficit budget risks

The combined resource of BCCC Finance team staff and BLT SFMA staff will therefore have earlier and better quality information to help identify risk and subsequently target the support needed.

Apart from helping schools more strategically plan their resources, another benefit of providing more effective support and challenge is the risk of a school having a deficit which needs to be “written off” upon forced conversion reduces. This allows the de-delegation request for that contingency to be reduced.

De-delegation – Maintained Schools Sub Committee 20th October 2017

Appendix 4 – BCC Educational Visits Service previously covered by ESG.

Dedelegation request

The £44k is based on the full cost of the service team supporting maintained schools.

Budget 2018-19	Rates per pupil / place	Notes
£44,000	£1.00 (primary and secondary) or £4 per place in specials and PRUs.	<p>Comprises the Outdoor Education Adviser and one administrative support. (Costs: salaries of the two staff, Evolve licence fee and overheads such as phone / laptop / hot desk space.)</p> <p>Duties: The Health and Safety at Work Act (1974) places general duties of care on employers to conduct their undertakings without risk to the health and safety of others (staff and students) (The duty of care owed by the employer for school curriculum activity is non-delegable.) Employers must ensure that employees are provided with appropriate Guidance, Training and Access to competent expert advice.</p> <p>Legal: In a worst case scenario, Rachael Shimmin as the CEO could be prosecuted under criminal law for not fulfilling the duties of the employer. (Directors found guilty of not fulfilling their legal obligations resulting in the death of young people have been jailed).</p> <p>Background: In 1986 four boys from Stoke Poges middle school in Buckinghamshire died during a school visit to Lands' End as consequence of poor planning. Nationally this resulted in the appointment of LEA Outdoor Education Advisers to ensure that LAs (as the employer of LA schools) fulfilled their H&S duties (see below). Buckinghamshire has had an Outdoor Education Adviser since that time.</p> <p>The current position: The Outdoor Education Adviser represents the LA in fulfilling its legal duties to LA schools. LA schools do not pay for support, guidance or advice. Academies are charged which helps to offset the cost to the LA for its work with LA schools. All Buckinghamshire LA schools and academies (less seven) use the service. Schools are expected to have access to competent expert advice about Educational Visits.</p> <p>Processes in place: LA schools and academies use an IT system called Evolve for the registration of their visits. This provides an approval chain to ensure as far as possible good planning. The Outdoor Education Adviser approves residential, overseas and adventurous activity for LA schools and all but one academy asks that their visits are similarly authorised. Each school has an Educational Visits Coordinator (EVC) that has been trained by the Outdoor Education Adviser and they are the link with the Outdoor Education Adviser and advice. The Outdoor Education Adviser also provides INSET, training for governors, for NQTs and for admin staff who support teachers with their Educational Visits arrangements. The information held on the LA Evolve site is available to help support in an emergency.</p>

De-delegation – Maintained Schools Sub Committee 20th October 2017

Budget 2018-19	Rates per pupil / place	Notes
		<p>Evolve direct from company with <u>advice from the preferred Evolve provider:</u> Primary £1098 / Secondary £1898</p> <p><u>Considerations for future provision if the service was deleted:</u></p> <p>Evolve: The LA would no longer hold an LA licence for the Evolve IT system and so schools would either <u>return to a paper system or buy direct from the Evolve IT company.</u></p> <p>Advice and support: The Evolve IT company does <u>not</u> provide Advice for Educational Visits but it does have a preferred provider who will give advice. The scrutiny of Educational Visits by the County Outdoor Education Adviser would cease as would approval of LA school residential, overseas and adventurous activity along with the checking process provided to academies. The LA would no longer know what Educational Visits were taking place in the County and would not be able to identify poorly planned visits. The list of Educational Visits out during holidays would stop and it would not be possible to directly access information about the visit in an emergency. There would be no one to provide and update the County Guidance for Educational Visits. The LA would not fulfil its duties of care as an employer.</p>