

TO: SCHOOLS FORUM
DATE: 18 NOVEMBER 2021

**GOVERNMENT CONSULTATION:
REFORMING HOW LOCAL AUTHORITIES'
SCHOOL IMPROVEMENT FUNCTIONS ARE FUNDED**
Executive Director: People

1 PURPOSE OF REPORT

- 1.1 To provide an update to the Schools Forum on proposals from the government to reform how local authorities' (LAs) school improvement functions are funded, for implementation from April 2022.

2 RECOMMENDATIONS

- 2.1 **To provide a steer on the best approach for the council to take in framing a detailed proposal for consideration at the next Forum meeting.**

3 REASONS FOR RECOMMENDATIONS

- 3.1 To maintain the partnership approach between the council and the Forum on matters relating to school and education funding.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Plan changes without considering the views of the Schools Forum and risk damaging the successful partnership approach.

5 SUPPORTING INFORMATION

- 5.1 On 29 October, the Department for Education (DfE) issued the government consultation document *Reforming how local authorities' school improvement functions are funded*. This was communicated without advance notice to LAs on 3 November through the normal DfE weekly bulletin. Responses are required by 26 November.

- 5.2 The consultation proposes to remove the School Improvement Monitoring & Brokering Grant, which is currently allocated to local authorities to support school improvement activities and to permit LAs in future to fund all of their school improvement activity (including all core school improvement activities) via de-delegation from schools' budget shares.

As this is a de-delegation proposal, the consultation therefore relates only to maintained mainstream schools.

The consultation document can be viewed at [Reforming how local authority school improvement functions are funded - Department for Education - Citizen Space](#)

- 5.3 The consultation sets out that a change is being proposed the role of LAs in school improvement and that activity can be divided into 'core improvement activities' with LAs holding powers to warn and intervene in schools causing concern and 'additional

improvement services' which councils may opt to provide to maintained schools with their agreement.

- 5.4 In terms of 'core improvement activity' this is currently expected to be funded through the School Improvement Monitoring and Brokerage Grant. This is generally used to part fund costs in the School Improvement Team with the balance distributed as earmarked funding allocations to schools in, or in danger of entering an Ofsted category.
- 5.5 Funding is only allocated to schools where significant additional support is required that relevant schools do not have sufficient resources to fund. This follows a School Monitoring Board (SMB) proposal which is established by the council to support, challenge and monitor schools at risk of being judged as Requiring Improvement or inadequate at its next inspection or where a school enters an Ofsted category of concern (judged to have serious weaknesses or placed into Special Measures).
- 5.6 For 'additional improvement services' LAs can use the de-delegation route. The Forum will be aware that national funding arrangements require all LAs to delegate funding to mainstream schools for the same services and functions, with a general presumption of maximum delegation. However, where relevant school representatives on a Schools Forum agree that the whole budget for their phase e.g. primary or secondary should be returned to the Council for central management, this is allowed, but only in respect of a small number of defined services. This recognises that there are reasons of cost effectiveness, shared risk management and ease of organisation and management that a strategic approach can bring.
- 5.7 This approach is termed 'de-delegation' and applies only to maintained mainstream schools. Academy schools are responsible for providing these services directly. De-delegation is not relevant to High Needs Block funded services, such as special schools or pupil referral units as the DfE requires different arrangements to apply. 'Additional improvement services' are currently funded by the council.
- 5.8 There is a very tight timeline to implement this change in what is a crucial service as detailed below.

Date	Proposal
29 October 2021	Government consultation launched on proposals for reforming how councils' improvement functions are funded.
December 2021 / early January 2022	Government publishes its response to the consultation, confirming its intentions.
December 2021 / January 2022	Councils agree de-delegation for FY 2022-23 with their schools forums. Provisions made within the School Funding Regulations allowing councils to de-delegate to fund all improvement activity, including core improvement activities, from FY 2022-23 onward. Amendments made to relevant government guidance relating to council school improvement activity.
By April 2022	School Funding Regulations 2022-23 come into effect, allowing councils to de-delegate for all council school improvement functions.
April 2022	The Grant is reduced by 50% on a per school basis.

- 5.9 Subject to the outcome of this consultation, the DfE are proposing that the School Improvement & Brokerage Grant would end with effect from the start of 2023-24, with funding reduced to 50% of the current amount on a per school basis in 2022-23 to give councils and maintained schools time to adjust to these new arrangements. Grant funding for the council in 2022-23 is estimated at around £0.050m.
- 5.10 Ordinarily, the council would wish to undertake a consultation with schools setting out detailed proposals to report back to the Forum for a decision. This is particularly true where that service can have such a crucial impact on school performance. However, reflecting on this very tight timeline, with the deadline for reports for this meeting set at 9 November, this clearly limits time to develop a proposal for the BF School Improvement team and gather views from schools.
- 5.11 It is therefore considered more beneficial to seek a steer from the Forum at this meeting on the best approach to take for the future service delivery with a decision to be presented to the Forum at its next meeting on 9 December meeting. Today's meeting may also agree to the need to move back the December meeting to closer to the end of term, and on this occasion make a decision on behalf of schools without a formal consultation.
- 5.12 The options currently being considered, which may be further widened as work progresses are:
1. Maintain the status quo: Seek to fund core, statutory school improvement functions in 2022-23 through the 50% remaining School Improvement & brokerage Grant, estimated at circa £0.050m. No changes to other School Improvement Services. Note: this may require a small per pupil deduction through de-delegation to fully cover costs.
 2. Review all services currently provided by the School Improvement Service and seek to widen the de-delegation offer to include all or some of the current School Improvement SLA purchased separately by individual schools, the ad hoc training and consultancy support currently being purchased as well as incorporation of the existing Support to Schools in Financial Difficulty de-delegated service into a wider offer. These changes would remove the need for schools to individually purchase services.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 There are no specific legal implications arising from the recommendation in this report.

Director of Resources

- 6.2 The Director of Resources is satisfied that there are no significant financial implications arising from this report. Financial implications may arise as a result of any proposals presented to the Forum in December and these will be reflected in the relevant report.

Equalities Impact Assessment

- 6.3 The need for an EIA will be taken when the final budget proposals are confirmed.

Strategic Risk Management Issues

6.4 None identified.

Climate Change Impact

6.5 None identified.

7 CONSULTATION

Principal Groups Consulted

7.1 People Directorate Management Team.

Method of Consultation

7.2 Written report.

Representations Received

7.3 Included in body of this report.

Background Papers

DfE consultation document as referenced above in paragraph 5.2.

Contact for further information

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Doc. Ref

[https://bfcouncil.sharepoint.com/sites/fina/bpm/FIBPSCB-FIN9.6/Schools Forum/\(106\) 181121/Reforming how LA school improvement functions are funded.docx](https://bfcouncil.sharepoint.com/sites/fina/bpm/FIBPSCB-FIN9.6/Schools%20Forum/(106)181121/Reforming%20how%20LA%20school%20improvement%20functions%20are%20funded.docx)