Education functions and de-delegation proposals

Agenda Item 7 – Education Functions and De-delegation consultation proposals 2025-2026

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## Executive Summary

This report sets out the De-delegation and Education Functions rates for the financial year 2024-25 and asks the Heads Consultative Groups and Schools Forum to agree the rates for De-delegation the 2024-25 funding year and to consider and agree the options and rates for both De-delegation and Education Functions for the 2025-26 funding years.

## Details of recommendations and timescales for decisions:

The members of the Schools Forum are asked to consider the proposals for 2025-26 Education Functions rate and the 2025-2026 mainstream maintained De-delegation and special school equivalent charging based on the updated agreements at the Heads Consultative Groups meetings that have taken place.

1. **Background**

1.1 At budget setting time each year, Schools Forum will be asked to approve education functions and the de-delegation of funding for centrally provided support based on a per pupil formula, considered to be a fair way of accounting for the size of the school and its budget.

1.2 The final education functions and de-delegation budgets will be determined by using the October 2024 pupil numbers that have been confirmed in the Authority Pro Forma Tool (APT) that was issued on 18th December 2024, which will be used to calculate the schools’ budgets.

1.3 Schools block “de-delegation” does not apply to special schools or Pupil Referral Units (PRUs) funded from the High Needs block, but the Department for Education (DfE) have an expectation that similar services should be offered to special schools on a chargeable basis. Not having done this in the past has led to confusion in the central support offer, therefore the Council is proposing to extend the same services to special schools excluding behaviour support - which is accounted for in the place funding / top-up funding of the high needs base.

1.4 In 2025-2026 the charge for special schools would use the mainstream rate multiplied by the number of places (weighted x 3) rather than pupil numbers for Trade Union Facilities Time and Contingency Fund and the number of places for Free School Meals (FSM) Eligibility Assessment. The weighting is less than the overall funding differential between mainstream & special phases and more in the region of DfE grant funding differential.

1.5 At the previous Schools Forum meeting, it was agreed the following multipliers per pupil would be used for Special Schools for 2024-2025 and 2025-2026, with Behaviour Support Service charges being excluded:

* FSM Eligibility (x1)
* Additional School Improvement Services (x1)
* Contingency Fund (x1)
* Trade Union Facilities Time (x3)
1. **Proposal for 2025-26 - Free School Meals (FSM) Eligibility**

2.1 The Education Service has a service level agreement (SLA) with the Housing Benefit service, who manage the eligibility assessment/checking of pupils for free school meals and notifies individual schools on a regular basis of their pupils’ eligibility. Providing this service centrally means that efficiencies can be gained. Administration at individual school level would be burdensome as entitlement checking would have to be done manually. The service also conducts campaigns on behalf of schools, resulting in increased take up. The de delegation total will meet the cost of the SLA.

2.2

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| **De-delegated Item** | **2024-2025 Per Pupil Rate Maintained Primary Schools** | **2024-2025 Per Pupil Rate Maintained Secondary Schools** | **2024-2025****Per Pupil Rate Special Schools** | **2025-2026 Per Pupil Rate Maintained Primary Schools** | **2025-2026 Per Pupil Rate Maintained Special Schools** | **2025-2026 Per Pupil Rate Special Schools** |
| FSM Eligibility | £4.18 | £4.18 | £4.18 | £4.27 | £4.27 | £4.27 |

1. **Proposal for 2025-26 – Additional School Improvement Services**

3.1 School improvement services are provided for schools following the phasing out of the Schools Moderation and Brokering grant. This allows the local authority to monitor and support performance of maintained schools, broker school improvement provision and provide intervention to raise standards and is to be fully passported to an Education Partnership.

3.2 The local authority is proposing to uplift the 2024-2025 per pupil rate by the average NFF per pupil increase of 2.23% in 2025-2026. This would increase the provisional per pupil rate as shown in the table below:

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| --- | --- | --- | --- | --- | --- | --- |
| **De-delegated Item** | **2024-2025 Per Pupil Rate Maintained Primary Schools** | **2024-2025 Per Pupil Rate Maintained Secondary Schools** | **2024-2025****Per Pupil Rate Special Schools** | **2025-2026 Per Pupil Rate Maintained Primary Schools** | **2025-2026 Per Pupil Rate Maintained Special Schools** | **2025-2026 Per Pupil Rate Special Schools** |
| Additional School Improvement Services | £6.20 | £6.20 | £6.20 | £6.34 | £6.34 | £6.34 |

1. **Options for 2025-26 – Behaviour Support Services**

4.1 Behaviour support services are offered to schools dealing with challenging behaviour; mental health and parental conflict; and increase in complexity due to lack of specialist advice. The team also providing training and support for attendance issues. The funding is both statutory, via bought-in service level agreement (SLA), and the de-delegated budget supporting the provision. The de delegation total will meet the cost of the SLA.

4.2 There are two options that the local authority is asking Schools Forum to vote upon:

Option 1 - to uplift the 2024-2025 per pupil rate by the average NFF per pupil increase of 2.23% in 2025-2026. This would increase the provisional per pupil rate as shown in the table below:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **De-delegated Item** | **2024-2025 Per Pupil Rate Maintained Primary Schools** | **2024-2025 Per Pupil Rate Maintained Secondary Schools** | **2024-2025****Per Pupil Rate Special Schools** | **2025-2026 Per Pupil Rate Maintained Primary Schools** | **2025-2026 Per Pupil Rate Maintained Special Schools** | **2025-2026 Per Pupil Rate Special Schools** |
| Behaviour Support Services | £4.48 | £7.71 | £0.00 | £4.58 | £7.88 | £0.00 |

Option 2 - to uplift the 2024-2025 per pupil rate by the average NFF per pupil increase of 2.23% in 2025-2026 and to uplift the 2024-2025 per pupil rate by an additional exceptional increase of 19.03% to cover the increase in the salaries and on-costs of the two Inclusion Support Teachers. This would increase the per pupil rate as shown in the table below:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **De-delegated Item** | **2024-2025 Per Pupil Rate Maintained Primary Schools** | **2024-2025 Per Pupil Rate Maintained Secondary Schools** | **2024-2025****Per Pupil Rate Special Schools** | **2025-2026 Per Pupil Rate Maintained Primary Schools** | **2025-2026 Per Pupil Rate Maintained Special Schools** | **2025-2026 Per Pupil Rate Special Schools** |
| Behaviour Support Services | £4.48 | £7.71 | £0.00 | £5.43 | £9.35 | £0.00 |

The de-delegated services for Behaviour Support Services are applicable to maintained primary and secondary schools only as this service is not accessed by special schools.

1. **Options for 2025-26 – Trade Union Facilities Time**

5.1 Staff costs supply cover (for trade union and public duties) ensures that representatives are available to enable schools to participate in collective bargaining and consultation processes. By accompanying staff to formal meetings enables schools to progress formal actions under HR Procedures.

5.2 Funding for trade union facility time is delegated to maintained schools in the first instance. For maintained primary and secondary schools the local authority may propose that this funding be pooled centrally, known as de-delegation.

5.3 Due to the Local Authority cessation of the provision of HR support to schools in recent years and the gap in specialist knowledge that this has resulted in, external HR expertise is being sought by the local authority to facilitate the de-delegated agreement to assist with how to manage Trade Union Facilities Time in 2025-2026.

5.4 The local authority is proposing to uplift the 2024-2025 per pupil rate by the average NFF per pupil increase of 2.23% in 2025-2026. This would increase the provisional per pupil rate as shown in the table below:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **De-delegated Item** | **2024-2025 Per Pupil Rate Maintained Primary Schools** | **2024-2025 Per Pupil Rate Maintained Secondary Schools** | **2024-2025****Per Pupil Rate Special Schools** | **2025-2026 Per Pupil Rate Maintained Primary Schools** | **2025-2026 Per Pupil Rate Maintained Special Schools** | **2025-2026 Per Pupil Rate Special Schools** |
| Trade Union Facilities Time | £5.33 | £5.33 | £15.99 | £5.45 | £5.45 | £16.35 |

1. **Options for 2025-26 – Contingency Fund**

6.1 School specific contingency (including schools in financial difficulties and deficits of closing schools) provides for unforeseen expenses in schools during the year. Without a central fund, individual schools facing an unforeseen significant cost may find themselves unable to operate within their delegated budgets. Individual schools may not by themselves be able to build up sufficient contingency to cover this.

6.2 It was identified in this financial year that there was some post 16 review expenditure incorrectly coded to the Contingency Fund and this has now been coded elsewhere.

6.3 The Contingency Fund has underspend in 2022-2023 and 2023-2024 in excess of £300k and is projected to do so in 2024-2025. At year end in 2022-2023 and 2023-2024, the underspend has been offset against the DSG Deficit, which has helped the Local Authority and its settings to reduce the financial pressure it is facing under the DfE’s Delivering Better Value (DBV) Programme.

6.4 In order to help schools facing financial difficulties, the Schools Sustainability Group is expected to incur external consultancy costs of £60k in 2025-2026 which would be funded from the Contingency Fund should Schools Forum agree that deficit schools are not in a position to pay the deficit recovery charge which was intended to cover the external consultancy costs.

6.5 The Contingency Fund is also used to provide school loans, although this is paid out and clawed back, so is a net £nil cost.

6.6 Other expenditure expected in 2025-2026 is CLEAPSS membership of £28k per annum, Teachers Augmented Reality Competences (TARC) anti-racism curriculum support at £20k per annum, School HR Policies consultant at £13k per annum and Edufocus school visits system at £5k per annum.

6.7 The total expenditure for 2025-2026 would therefore be projected at £126k, inflated to £128k after CPI Inflation of 1.7%.

6.8 The Local Authority is providing three options to consider:

Option 1 - to uplift the 2024-2025 per pupil rate by the average NFF per pupil increase of 2.23% in 2025-2026and redistribute any underspend to the de-delegated schools on a pro-rata per pupil basis. This would increase the per pupil rate as shown in the table below:

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| --- | --- | --- | --- | --- | --- | --- |
| **De-delegated Item** | **2024-2025 Per Pupil Rate Maintained Primary Schools** | **2024-2025 Per Pupil Rate Maintained Secondary Schools** | **2024-2025****Per Pupil Rate Special Schools** | **2025-2026 Per Pupil Rate Maintained Primary Schools** | **2025-2026 Per Pupil Rate Maintained Special Schools** | **2025-2026 Per Pupil Rate Special Schools** |
| Contingency Fund | £16.19 | £16.19 | £16.19 | £16.55 | £16.55 | £16.55 |

 Option 2 - to uplift the 2024-2025 per pupil rate by the average NFF per pupil increase of 2.23% in 2025-2026and use any underspend to offset the DSG Deficit at year end. This would increase the per pupil rate as shown in the table below with the same rates as Option 1:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **De-delegated Item** | **2024-2025 Per Pupil Rate Maintained Primary Schools** | **2024-2025 Per Pupil Rate Maintained Secondary Schools** | **2024-2025****Per Pupil Rate Special Schools** | **2025-2026 Per Pupil Rate Maintained Primary Schools** | **2025-2026 Per Pupil Rate Maintained Special Schools** | **2025-2026 Per Pupil Rate Special Schools** |
| Contingency Fund | £16.19 | £16.19 | £16.19 | £16.55 | £16.55 | £16.55 |

 Option 3 – to reduce the per pupil rate to provide funding only for the £126k projected to be spent from the Contingency Fund.

 Based on the 2024-2025 pupil numbers of 17,879 for primary maintained schools, 9,274 for secondary maintained schools and 985 for special schools, this would reduce the per pupil rate to £4.20 for maintained primary and secondary schools and to £12.60 for special schools as shown in the following table:

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| --- | --- | --- | --- | --- | --- | --- |
| **De-delegated Item** | **2024-2025 Per Pupil Rate Maintained Primary Schools** | **2024-2025 Per Pupil Rate Maintained Secondary Schools** | **2024-2025****Per Pupil Rate Special Schools** | **2025-2026 Per Pupil Rate Maintained Primary Schools** | **2025-2026 Per Pupil Rate Maintained Special Schools** | **2025-2026 Per Pupil Rate Special Schools** |
| Contingency Fund | £16.19 | £16.19 | £16.19 | £4.20 | £4.20 | £4.20 |

6.9 Options 1 and 2 are expected to provide a substantial underspend as in the previous three years and present two different scenarios of how to deal with that overspend.

6.10 Option 3 reduces the rate per pupil substantially to cover the expenditure that is expected to be covered in 2025-2026 but doesn’t leave any funding for any further contingency funding, meaning that schools would need to cover their own unforeseen contingency costs from the increase in delegated funding.

6.11 The Local Authority’s preferred option would be option 2, with Schools Forum agreement that any underspend continues to be used to offset the DSG Deficit at the financial year end thus reducing the financial pressure on the Local Authority and its settings in future years.

6.12 Whichever option is chosen by Schools Forum, expenditure from the Contingency Fund will require approval by the Director of Education and Schools Forum will receive an updated report at each meeting showing all current and projected expenditure, thus demonstrating better transparency on how the fund is being used.

1. **Proposal for 2025-2026 – Education Functions**

7.1 The Education Functions rate for 2024-2025 for maintained schools is £29.44 per pupil. The proposal for 2025-2026 is to to uplift the 2024-2025 per pupil rate by the average NFF per pupil increase of 2.23% in 2025-2026to cover increasing costs of delivering education functions.

7.2 The Education Functions rate for 2025-2026 is therefore proposed at £30.10 per pupil.