

## SCHOOLS FORUM 17<sup>th</sup> OCTOBER 2013

<b>Title of paper:</b>	De-delegation of funding for the Sportsafe gym maintenance service	
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<b>Summary</b>		
<p>Under the Government's school funding reform which is being implemented for 2014/15, there is increasing limitation on Dedicated School Grant (DSG) funding being retained for central services which includes the Sportsafe gym equipment maintenance service.</p> <p>Sportsafe UK Ltd are the Local Authority's (LA) approved supplier to inspect, repair and maintain sports &amp; fitness equipment for maintained schools, so their equipment conforms to health and safety regulations. The LA pays for all inspection fees and any costs involved in maintaining the equipment to conform to health and safety regulations, while the individual schools pay for replacement equipment.</p> <p>This report details Sportsafe service funding be delegated to schools in the first instance via the local funding formula but if maintained schools agree to "de-delegate" the funding the final delegated budgets exclude this amount and the funding is retained to provide the service centrally.</p> <p>This year we have issued notice to Sportsafe, the current contractor, to establish a new schedule of rates for the service. These new rates will be in place for December 2013.</p>		
<b>Recommendation(s):</b>		
<b>1</b>	It is recommended that Schools Forum representatives of maintained primary and secondary schools agree to de-delegate this budget for the year 2014/15 with a view to de-delegation continuing for future years.	

## **1. BACKGROUND**

### **1.1 De-delegating the funding.**

- 1.2 As the employer, it is the LA's responsibility to maintain the schools gym equipment to conform to health and safety regulations. The LA has adequate insurance in place to deal with liabilities due to faulty equipment.
- 1.3 The key benefit of de-delegation of funding is it provides a designated contact point between procurement and Sportsafe, to arrange maintenance checks and to rectify problems between school scheduling visits and Sportsafe commitments. It promotes efficiency of service, better accountability, improves query response times, prevents duplication of payments and ensures timeliness in invoice payments.
- 1.4 The LA liaise with the contractor on irregular items and challenge such costs, whilst questions are raised on the quotation schedules for replacement equipment items against the cost of repair to ensure value for money.
- 1.5 The maintenance of each individual schools gym equipment varies from year to year, so by de-delegation of the funding it is easier to financially manage the variable costs of the service. Historical funding levels have been enough to maintain schools gym equipment on an annual basis.
- 1.6 This year we have been in negotiation with Sportsafe to ensure that the prices they offer through ESPO (Eastern Shires Purchasing Organisation) are made available. ESPO is one of the UK's largest public sector professional buying organisations. As a result we have issued notice to Sportsafe and a new schedule of rates will be in place for December 2013.

### **1.7 Delegate the funding to schools**

- 1.8 To decentralise the service out to schools would take away any element of control that the LA have on gym equipment maintenance spend. A further implication for schools would be the extra workload required of their administration staff having to co-ordinate the service.
- 1.9 If the funding is delegated to schools, the headteacher and board of governors could also be liable, as well as the LA, for claims due to faulty equipment so would have to ensure adequate insurance in place.
- 1.10 The funding would have to be delegated by dividing the amount of funding available by the number of maintained schools. This may leave some schools with too much funding and some schools with too little, due to the variable amounts each school spends on the maintenance costs of equipment.
- 1.11 It is unlikely that individual schools would be able to achieve prices as competitive as the LA receives through ESPO.

### **1.12 Traded Services**

- 1.13 The LA have considered the possibility of making the service a traded service for maintained schools. For the fixed cost of the inspection fees this is a viable option.

1.14 However the maintenance costs consist of items at various prices, therefore it would be difficult to provide this as a traded service at a predetermined yearly cost. The LA would have to provide this as an ad-hoc sale which would require different pricings for different schools resulting in greater staff labour input to calculate these costs and will produce more invoices to schools.

1.15 Therefore this is unlikely to be a viable option for maintained schools.

## **2. REASONS FOR RECOMMENDATIONS (INCLUDING OUTCOMES OF CONSULTATION)**

2.1 It is proposed to run the service centrally to ensure that all of the advantages gained in this way are maintained. This proposal allows the authority to meet its health and safety requirements and ensures a value for money approach to gym equipment maintenance is secured.

## **3. OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS**

3.1 The options considered above were to de-delegate, to delegate, and to offer as a traded service.

## **4. OUTCOMES/DELIVERABLES**

4.1 The LA will ensure that Sportsafe UK Ltd conforms to ESPO prices

4.2 The most cost effective prices will be obtained for gym maintenance service supplier.

## **5. FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)**

5.1 Based on the latest available DfE indicator data and known academy conversions, the proposal would result in maintained primary schools de-delegating £0.024m and maintained secondary schools £0.002m. Therefore an estimated £0.024m would be available to cover the existing cost of the Sportsafe service and is calculated at £500 per school

5.2 The proposal would result in the delegation of an estimated £0.0175m to academy schools.

5.3 Primary and Secondary maintained school representatives are required to vote separately on behalf of schools in their phase

Should the de-delegation proposal be rejected the funding will be allocated directly to all schools for them to choose how to spend it, the service may become unviable and therefore no longer available for maintained schools or academies to purchase.

Dee Fretwell, Finance Analyst, Children & Families

## **6. RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)**

None to report

**7. OBSERVATIONS OF THE HEAD OF EDUCATION PARTNERSHIPS**

- 7.1 All maintained schools require the Sportsafe gym maintenance service to ensure they conform to health and safety regulations. The most efficient and economic way to deliver this service to schools is by de-delegating the DSG funding.

Alistair Conquer Head of Education Partnerships

**8. HR ISSUES**

- 8.1 HR have reviewed this report and there are no people or HR implications to note.

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**9. EQUALITY IMPACT ASSESSMENT**

- Not needed (report does not contain proposals or financial decisions)

**10. LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION**

None

**11. PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT**

None