

## SCHOOLS FORUM- 16 OCTOBER 2014

<b>Title of paper:</b>	De-delegation of funding for the Sportsafe gym maintenance service
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### **Summary**

There is increasing limitation on Dedicated School Grant (DSG) funding being retained for central services, and Schools Forum has previously agreed to de-delegate funds for gym equipment maintenance through the Sportsafe gym equipment maintenance service.

Sportsafe UK Ltd are the Local Authority's (LA) approved supplier to inspect, repair and maintain sports and 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.

This report requests Sportsafe service funding to 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.

In December 2013 a new schedule of rates was established via a competitive process through the current contractor, Sportsafe.

### **Recommendation(s):**

<b>1</b>	For maintained mainstream primary and secondary schools to approve the de-delegation of funding for the Sportsafe gym maintenance service for 2015/16: (a) maintained mainstream primary schools - £0.020m; (b) maintained mainstream secondary schools - £0.001m.
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## **1. REASONS FOR RECOMMENDATIONS**

- 1.1 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.

## **2. BACKGROUND(INCLUDING OUTCOMES OF CONSULTATION)**

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

- 2.1 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.

- 2.2 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.
- 2.3 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.
- 2.4 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.
- 2.5 In December 2013 we entered into negotiation with Sportsafe to ensure that the prices they offer through Eastern Shires Purchasing Organisation (ESPO) were made available. ESPO is one of the UK's largest public sector professional buying organisations. As a result we issued notice to Sportsafe and a new schedule of rates was introduced.

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

- 2.6 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.
- 2.7 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.
- 2.8 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.
- 2.9 It is unlikely that individual schools would be able to achieve prices as competitive as the LA receives through ESPO.

#### **Traded Services**

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

### **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 Negotiations confirmed that Sportsafe UK Ltd conforms to ESPO prices.
- 4.2 The most cost effective prices have been determined for gym maintenance service supplier.

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

- 5.1 If maintained schools approve the de-delegation of funding for the maintenance of gym equipment in 2015/16 this would ensure that value for money is achieved through the most economic, efficient and effective means. How this will be achieved is outlined in paragraphs 2.3 to 2.5.
- 5.2 Based on the latest available Department for Education indicator data and known academy conversions, the proposal would result in maintained primary schools de-delegating £0.020m and maintained secondary schools £0.001m. Therefore an estimated £0.023m would be available to cover the existing cost of the Sportsafe service and is calculated at £500 per school.
- 5.3 The proposal would result in the delegation of an estimated £0.024m to academy schools.
- 5.4 Primary and Secondary maintained school representatives are required to vote separately on behalf of schools in their phase
- 5.5 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.

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

- 6.1 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.

#### **8. HR ISSUES**

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

#### **9. EQUALITY IMPACT ASSESSMENT**

- 9.1 Not needed

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

- 10.1 None

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

None