

SCHOOLS FORUM - 16 OCTOBER 2014

Title of paper:	De-delegation of 2015/16 Building Maintenance funding for maintained mainstream primary and secondary schools
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Summary	
The purpose of this report is to seek approval from Schools Forum to de-delegate the funding for schools building maintenance for maintained primary and secondary schools in 2015/16.	
Recommendation(s):	
1	For maintained mainstream primary and secondary schools to approve the de-delegation of funding for Building Maintenance in 2015/16: (a) maintained mainstream primary schools - £0.171m; (b) maintained mainstream secondary schools - £0.018m.
2	To note the total cost of Building Maintenance de-delegation is £0.499m as detailed in paragraph 5.2.

1. REASONS FOR RECOMMENDATIONS

- 1.1 Approval of the de-delegation of Building Maintenance is required for maintained mainstream school sites to enable the Local Authority (LA) to deliver their statutory obligation regarding the Health and Safety of these sites. This principle was agreed as part of the 2013/14 and 2014/15 budget processes with any in year under spends being transferred to a 'sinking fund' to manage the 'peaks' and 'troughs' associated with maintenance of sites. The 2014/15 position will form part of the 2014/15 outturn report.
- 1.2 Approvals for de-delegations are annual regardless of the statutory nature.
- 1.3 Schools Forum members of maintained mainstream primary and secondary schools for each phase must decide separately whether this service should be provided for centrally and the decision will apply to all maintained mainstream schools in that phase. Funding for this service will then be removed from the formula before the school budgets are issued.

2. BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 The LA has a statutory duty regarding the Health and Safety of maintained mainstream school sites. On 20 December 2012 Schools Forum agreed to the compulsory buyback of building maintenance for maintained mainstream schools in 2013/14 and on 13 January 2013 in 2014/15, this is also specified in the Schools and Early Years Financial Regulations. Funding de-delegated for this service is to cover the peaks and troughs in expenditure and any unspent balance at the end of the financial year is transferred to a Building Maintenance Reserve. Any in year

overspend would be drawn down from the Schools Building Maintenance Reserve. As at the 31 March 2014 the balance on the Schools Building Maintenance Reserve was £0.272m.

3. OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 No other options have been considered as it is a requirement for this funding to be de-delegated to enable the LA to meet its statutory responsibility.

4. OUTCOMES/DELIVERABLES

- 4.1 To de-delegate this funding will enable the LA to fulfil its statutory duties in relation to Health and Safety on maintained mainstream school sites.

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

- 5.1 Based on the latest Department for Education indicator data and known academy conversions the proposal would result in maintained mainstream primary schools de-delegating £0.171m and maintained mainstream secondary schools de-delegating £0.018m.
- 5.2 The total Dedicated Schools Grant requirement for this proposal is estimated at £0.499m, of which £0.189m, if approved, would be de-delegated by maintained mainstream schools and £0.211m would be delegated to academies. This calculation is based on a rate of £13.92 per pupil.
- 5.3 Maintained mainstream Primary and Secondary school representatives are required to vote separately on behalf of schools in their phase.

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

- 6.1 The schools forum's powers here derive from the School and Early Years Finance (England) Regulations 2013 ("SEYFR"), made by the Secretary of State in exercise of powers under the School Standards and Framework Act 1998 and the Education Act 2002. The SEYFR came into force on 1 January 2014.
- 6.2 Chapter 2 of the SEYFR is entitled "Further Deductions and Variations to Limits Authorised by School Forums or the Secretary of State" and it contains regulation 12 of the SEYFR. Under regulation 12 of the SEYFR, on the application of a local authority the schools forum may authorise the redetermination of schools' budget shares by removal of any of the expenditure referred to in Part 5 of Schedule 2 (Items That May Be Removed From Maintained Schools' Budget Shares) [of the SEYFR] from schools' budget shares where it is instead to be treated by the authority as if it were part of central expenditure, under regulation 11(4) (SEYFR, regulation 12(1)(d)). Part 5 of Schedule 2 of the SEYFR contains paragraph 33, which states:

Expenditure on insurance in respect of liability arising in connection with schools and schools premises.

- 6.3 Part 5 of Schedule 2 of the SEYFR contains paragraph 37, which states:

Expenditure on the schools' specific contingency.

Therefore, provided the proposals fall within the above legislation, Nottingham City Schools Forum has the power to approve the recommendations in this report. This power should be exercised lawfully. Provided the amounts sought through use of this power have been correctly and lawfully calculated, the exercise of this power will be lawful.

- 6.4 Presumably, it is a requirement of the funding agreements of the Academies that are a party to Nottingham City Schools Forum that they abide by the decisions of the schools forum.
- 6.5 Since this report does propose policy changes and financial decisions, it is advisable that an Equality Impact Assessment is conducted on the proposals.

7. HR ISSUES

- 7.1 There are no people implications arising from this report.

8. EQUALITY IMPACT ASSESSMENT

Has the equality impact been assessed?

Not needed

No

Yes – Equality Impact Assessment attached

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

- 9.1 None

10. PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

Schools Forum report/update:

- Approach to setting the schools budget 2013/14 update 20 December 2012
- Schools Budget 2014-15 13 January 2013

APPENDIX A – EQUALITY IMPACT ASSESSMENT

Name and brief description of proposal / policy / service being assessed

The purpose of this report is to ask Schools Forum representatives of maintained primary and maintained secondary schools to approve the de-delegation of the Building Maintenance funding in 2015/16.

Information used to analyse the effects on equality

	Could particularly benefit (X)	May adversely impact (X)	How different groups could be affected: Summary of impacts	Details of actions to reduce negative or increase positive impact (or why action not possible)
People from different ethnic groups	X	X	<p>The Local Authority (LA) has a statutory duty regarding Health and Safety of maintained school sites. To ensure that the LA is able to carry out its statutory duty it has to on an annual basis request Schools Forum to approve the de-delegation of this funding.</p> <p>As the costs incurred by each school annually in relation to health and safety vary, this funding will be used to cover “peaks” and “troughs “ associated with the maintenance of maintained school sites. Any unspent balances at the end of the financial year will added back into the a sinking fund which has been set up to manage the peaks and troughs of expenditure. Likewise if there is an overspend the funding will be drawn down from the sinking fund.</p> <p>By implementing this proposal it will stop the likelihood of schools incurring budget pressures caused by having to fund health and safety maintenance costs in relation to their sites. If</p>	<p>The LA are recommending this proposal to reduce the likelihood of a negative impact on the pupils of maintained primary and secondary schools.</p>
Men, women (including maternity/pregnancy impact), transgender people	<input type="checkbox"/>	<input type="checkbox"/>		
Disabled people or carers	<input type="checkbox"/>	<input type="checkbox"/>		
People from different faith groups	<input type="checkbox"/>	<input type="checkbox"/>		
Lesbian, gay or bisexual people	<input type="checkbox"/>	<input type="checkbox"/>		
Older or younger people	<input type="checkbox"/>	<input type="checkbox"/>		
Other (e.g. marriage/civil partnership, looked after children, cohesion/good relations, vulnerable children/adults)	<input type="checkbox"/>	<input type="checkbox"/>		

		<p>schools had to fund this and the costs were higher than they had budgeted it may require them to move resources from the education of their pupils to cover health and safety maintenance costs of the site.</p> <p>By retaining this funding centrally it will enable a consistent approach as to how money is spent pupils by resources not being taken away from the education of pupils in some schools and not in others.</p> <p>There are no staffing issues generated by this decision.</p>	
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Outcome(s) of equality impact assessment:

No major change needed Adjust the policy/proposal Adverse impact but continue Stop and remove the policy/proposal

Arrangements for future monitoring of equality impact of this proposal / policy / service:

If this proposal is approved then no equality impact monitoring will need to be undertaken. However, if the proposal is not approved and the budget is delegated to maintained schools then the schools would be responsible and the LA would have no influence over the equality impact.

Approved by: Julia Holmes, Finance Analyst
6 October 2014

Date sent to equality team for publishing: 6 October 2014