

Schools Forum – 5 December 2023

Title of paper:	School Improvement, monitoring and brokerage grant – request for approval for de-delegation 2024/25
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<p>The Department for Education confirmed in January 2022 that the grant payment to local authorities that funds the provision of school improvement services to local authority maintained schools would reduce by 50% in 2022/23 and be removed entirely in 2023/24. In Nottingham this grant forms part of the overall grant payment agreed with the Nottingham Schools Trust, who are commissioned by Nottingham City Council to deliver school improvement services to the remaining local authority maintained schools. To mitigate the adverse impact on the provision of school improvement services to maintained schools, the Department for Education has indicated it approves local authorities seeking de-delegation approval, via Schools Forum decision, for the equivalent funding from maintained schools budget share. This report sets out the background, rationale for seeking the approval and financial contribution required by maintained primary schools to fund the grant removal in the financial year 2024/25.</p>	
Recommendation(s):	
1	For maintained mainstream primary schools to approve the de-delegation of funding to mitigate the reduction in the School Improvement, monitoring and brokerage grant received by Nottingham City Council at a rate of £10.69 per pupil. This will ensure that Nottingham Schools Trust can maintain the agreed level of school improvement support established through its current grant agreement.
2	Maintained mainstream primary schools to note that the total funding requested to be de-delegated by maintained mainstream primary schools is £0.116m.

1. Reasons for recommendations

- 1.1 The Nottingham Schools Trust (NST) has established a strong school improvement offer based upon a combination of peer led school to school improvement, a full range of curriculum subject network groups, comprehensive CPD opportunities for all levels of staff, leadership development programmes and induction support for new leaders, and the allocation to all member schools of a highly skilled and experienced School Improvement Advisor. The outcomes for Nottingham maintained primary schools in terms of Key Stage performance metrics and Ofsted grade judgements since the establishment of the NST has fully demonstrated the positive impact of this model. Maintaining the financial security that underpins this model is of benefit to all maintained primary

schools. The removal of a significant element of the grant funding available to the NST to deliver this model would severely weaken the offer available to member schools, particularly in terms of the ability to deploy high quality school improvement advisors

2. Background (including outcomes of consultation)

- 2.1 In October 2021 the Department for Education (DfE) announced a consultation on the proposal to remove the Local Authority School Improvement, Brokerage and Monitoring Grant (LAMB) over a two year timetable. Nottingham City Council and the Nottingham Schools Trust both formally responded to the consultation. In total 565 responses were received.
- 2.2 Since 2017, the LAMB has been allocated to local authorities to support them in fulfilling their statutory school improvement functions under Part 4 of the Education and Inspections Act 2006 and their additional school improvement expectations as set out in the Schools Causing Concern (SCC) guidance. In summary, these activities require councils to monitor performance of maintained schools, broker school improvement provision, and intervene as appropriate. The grant is currently ring fenced and must be spent solely on the school improvement activities for which it is provided.
- 2.3 The Department for Education note that formal use of SCC powers held by Local Authorities in relation to under performing schools is uncommon. The rationale therefore in proposing to remove the grant is that given the low level of recorded instances of formal interventions the grant is being utilised for other school improvement activity that could be either offered on a traded basis or de-delegated to Local Authorities via Schools Forum decision making.
- 2.4 In their published response to the proposals (Annex1) the Department for Education note that: “we recognise the majority of respondents, in particular those from the maintained sector (councils and local authority-maintained schools), raised concerns”
- 2.5 Despite the recognition by the DfE of the majority of respondents raising significant concerns about the impact of the proposal, the grant reduction in 2022/23 was implemented. With the full removal of this grant effective from 2023/24.
- 2.6 What many respondents (including Nottingham City Council and Nottingham Schools Trust) made clear was that the successful application of the grant enables the provision of early interventions, support and challenge that enable schools to avoid failing in such a manner that formal use of SCC powers become required. In the case of Nottingham City maintained schools this has been demonstrated as there has been no requirement to invoke any SCC warnings or measures for maintained primary schools since the inception of the LAMB, and its delivery through the Nottingham Schools Trust.
- 2.7 The grant agreement in place between Nottingham City Council and Nottingham Schools Trust incorporates the transfer of the LAMB grant to

Nottingham Schools Trust to ensure that school improvement activity, monitoring of individual school performance and brokerage of support required is delivered to maintain and improve the performance of all LA maintained schools.

- 2.8 The removal of the grant in 2024/25 would have a significant detrimental impact on the ability of the Nottingham Schools Trust to deploy the school improvement advisory offer it currently provides to maintained schools. As a ring fenced grant it has provided security for maintained schools of access to this professional support.

3. **Other options considered in making recommendations**

The only other option would be to not make the request but this outcome would result in the inability of the NST to provide the level of school improvement support to maintained primary schools that they have received to date

4. **Outcomes/deliverables**

- 4.1 The main outcome of the de-delegation proposal is to ensure the financial viability of the current arrangements in place to deliver high quality, timely school improvement support, challenge and advice to ensure Nottingham City maintained primary schools continue to offer high quality teaching and learning opportunities for their pupils.

5. **Consideration of Risk**

- 5.1 The key risk should the de-delegation recommendation not being approved lies with the inability of the City Council to adequately monitor and intervene in a timely fashion any schools where performance may lead to poor outcomes, including adverse Ofsted judgements. This in turn may lead to schools becoming subject to formal intervention by the Secretary of State for Education, including direction to covert to academy status against the will of local governing bodies.

6. **Finance colleague comments (including implications and value for money/VAT)**

- 6.1 As per the DfE “Reforming how local authorities’ school improvement functions are funded – Government consultation response – January 2022” the DfE have stated:

“As such, we will (1) reduce the grant by 50% for the FY 2022-23 and **bring it to an end in FY 2023-24** and (2) include provision in Part 7 of Schedule 2 to the School and Early Years Finance (England) Regulations for FY 2022-23 which would allow councils to de-delegate for all improvement expenditure, including all core improvement activities.”

- 6.2 In the financial year 2021/22 the School improvement, monitoring and brokerage grant allocation for Nottingham City Council was £0.116m. As a

result of the change outlined in 6.1 the Local Authority lost £0.116m in grant funding through the School improvement, monitoring and brokerage grant from the financial year 2023/24. A report was brought to Schools Forum on 17 January 2022 requesting that maintained primary schools de-delegate funding for the financial year 2023/24 to meet the loss of income from the grant which was approved.

- 6.3 In line with the guidance issued by the DfE in the consultation response document, this report is seeking approval from maintained primary schools to de-delegate funding in the financial year 2024/25 at a rate of £10.69 per pupil to recoup the loss of income. This proposal would generate income of £0.116m and would ensure that the same level of funding is available for the Local Authority to pass onto the NST to enable them to undertake the responsibilities outlined in 2.7.
- 6.4 The rate per pupil has been calculated based on the number of pupils in maintained primary schools on the October 2022 school census (10,893) divided into the total income lost in 2024/25 (£0.116m). See **Appendix A** for the impact of this proposal on each maintained primary school.
- 6.5 The average cost of de-delegating funding to cover the loss of grant income in the financial year 2024/25 would be £0.004m per maintained primary school, based on 28 maintained primary schools.
- 6.6 On 6 December 2022 maintained primary schools agreed to de-delegate £10.43 per pupil in the financial year 2023/24 to cover the loss of the School improvement, monitoring and brokerage grant. Approval to de-delegate must be sought on an annual basis, this is why this separate report is being brought to Schools Forum to seek approval from maintained primary schools for the total loss of the grant income in 2024/25 totalling £0.116m.
- 6.7 If approved, the charge attributable to each maintained primary school will be deducted from each schools 2024/25 Post Minimum Funding Guarantee (MFG) budget.

Julia Holmes, Senior Commercial Business Partner
13 November 2023

7. Legal colleague comments

7.1 The proposals in this report seek to approve the use of the Maintained Schools' Budget Share for Primary schools to support the improvement of standards in maintained schools by way of de-delegation. These arrangements replicate those used last year.

7.2 The report details how the current funding provided by the DfE to the Council, which covered such expenditure, has been removed in full for 2023/24 and likely for the foreseeable future.

7.3 As part of the consultation process the DfE indicated that it expected and

supported schools seeking approval from its Schools Forums to de-delegate funding to ensure sufficient funding is allocated for school improvements. In addition, the Government has in fact reflected this change in the new Early Years Regulations (The School and Early Years Finance (England) Regulations 2022/27 and Local Authorities are specifically permitted to deduct expenditure from its Maintained School budget for this purpose if approved by the Schools Forum.

7.4 If the recommendation is approved, there will be no impact on the grant agreement in place with the NST up until the end of financial year 2024/25.

7.5 Additional approval is required annually from the Schools forum in accordance with the regulations should funding be required in future years.

Beth Brown, Head of Legal, 21 November 2023

8. HR Comments

8.1 If the delegation request is not approved, the sustainability of the current NST model, including the secondment of the joint CEOs is challenged, which could have redundancy implications for the Council.

Carol McCrone, HR Consultant – 16 November 2023

9. Crime and Disorder Implications (If Applicable)

9.1 N/A

10. Social value considerations (If Applicable)

10.1 N/A

11. Equality Impact Assessment (EIA)

11.1 Has the equality impact of the proposals in this report been assessed?

No

An EIA is not required because:
(Please explain why an EIA is not necessary)

Not a change of policy or direct citizen impact

Yes

Attached as Appendix x, and due regard will be given to any implications identified in it.

12. Data Protection Impact Assessment (DPIA)

12.1 Has the data protection impact of the proposals in this report been assessed?

No
A DPIA is not required because:
(Please explain why a DPIA is not necessary)
There is no requirement for data to be shared with a third party

Yes
Attached as Appendix x, and due regard will be given to any implications
identified in it.

13. Carbon Impact Assessment (CIA)

13.1 Has the Carbon impact of the proposals in this report been assessed?

No
A DPIA is not required because:
(Please explain why a DPIA is not necessary)
No carbon impact as a result of the proposal

Yes
Attached as Appendix x, and due regard will be given to any implications
identified in it.

14. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)

14.1

15. Published documents referred to in this report