

Briefing note

Title: LA Maintained School Core Offer

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Intended audience:

Internal

Partner organisation

Public

Confidential

Purpose

To provide elected members with a high-level overview of the current situation, as well as more detailed background for information.

Background

1. There are 133 LA Maintained Schools in the county out of a total 269 state-funded schools (the rest of the schools are academies that either sit alone or in a multi-academy trust).
2. The Core Offer is a bundled package of services from the council to LA Maintained Schools. This is a new approach to charging services which is designed to improve the transparency and quality of the support the council provides to its schools.
3. The first offer went to schools in January. Following feedback from schools that they felt the first offer was unaffordable, a revised offer was produced at reduced cost. This was considered acceptable by school leaders and is now being implemented.

Key information

4. The Core Offer for LA Maintained Schools went live on 1 April 2023.
5. We anticipate that all schools will have gone through the process of selecting their business manager hours (where applicable) and checking out their Base package shortly after the Easter holiday.
6. We have committed to take steps to change our practices to ensure that how we work with schools is 'with' them not 'to' them. We are also making service improvements and putting in new forms of accountability.

Proposals, actions, next steps

7. The Core Offer raised concerns about school budgets. We were able to bring down the cost but it has become clear that the budgetary issue is part of a much larger national picture of



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income through the National Funding Formula that is significantly below cost due to the sharp inflationary rises in the pay award, utilities and contracts.

8. We have established four working parties made up of council staff and school leaders to analyse budgets. We are also liaising with other local authorities and national organisations to understand the wider picture.
9. In relation to our service improvements and changes to accountability, this term we are taking forward:
 - a. New service standards
 - b. Recruitment of strong headteachers and governors who have an interest in supporting other schools
 - c. New headteacher briefings – the first session will have a focus on compliance



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Detailed Background Briefing

History

1. In previous years support for LA Maintained Schools has been provided from five different sources:
 - a. Services bought from council teams under the trading name 'Support Services for Education' (SSE)
 - b. Services bought from third party traders, brokered through the council
 - c. Support funded specifically for LA Maintained schools by the government through the Dedicated Schools Grant (Local Authority Monitoring and Brokering Grant)
 - d. Support funded for all schools by the government through the Dedicated Schools Grant (Central Schools Services Block and Historic Commitments)
 - e. Services paid for by topslicing LA Maintained School budgets following consultation and a vote at Schools Forum (De-delegated and Education Functions)
2. In the 2023/24 budget, two of these sources of funding are cut: Local Authority Monitoring and Brokering Grant in its entirety (£513,000) and 20% from Historic Commitments (£650,000). In order to preserve services that support schools, it was essential to re-design the financial arrangements between the council and schools. It was also desirable to create more transparency about the financial basis for support to schools, as there was a lack of shared understanding about arrangements.
3. Starting in November 2021, the council undertook a series of briefings with schools and recruited a group of schools to participate in research to better understand the needs in schools and help devise arrangements. An external contractor, TPX Impact, provided specialist advice and capacity to deliver the research and make recommendations. A further survey was conducted with schools in September 2022 to test a long-list of possible activities to include within a bundled offer of support.

Statutory context

4. Local authorities are required to fulfil certain functions in relation to education, and in particular for maintained schools, as set out in [Statutory guidance on the roles and responsibilities of the Director of Children's Services and the Lead Member for Children's Services](#):
 - a. take rapid and decisive **action in relation to poorly performing schools**, including using their intervention powers with regard to maintained schools and considering alternative structural and operational solutions;
 - b. develop robust **school improvement strategies**, including choosing whether to offer such services in a competitive and open school improvement market, working beyond local authority boundaries;
 - c. promote high standards in education by supporting **effective school to school collaboration and providing local leadership** for tackling issues needing attention

which cut across more than one school, such as poor performance in a particular subject area across a cluster of schools;

- d. support maintained schools in delivering an appropriate **National Curriculum** and early years providers in meeting the requirements of the **Early Years Foundation Stage** (as outlined in the EYFS Statutory Framework);
 - e. establish a **schools forum** for their area, maintain a scheme for financing maintained schools and provide financial information; and
 - f. undertake specified responsibilities in relation to **staffing and governance** of maintained schools.
5. Because of the statutory requirements that local authorities hold, there are a wide range of responsibilities which can, with the agreement of Schools Forum, be topsliced from maintained school budgets. This is known as de-delegation. Services that can be de-delegated are set out in [Pre-16 schools funding: local authority guidance for 2023 to 2024 Section 50.2](#):
- School improvement
 - Statutory and regulatory duties
 - Education welfare
 - Asset management
 - Central support services
 - Premature retirement and redundancy
 - Monitoring national curriculum assessment
 - Administrative costs and overheads

Design considerations

6. At a national level, support of this kind is provided to academies by multi-academy trusts (MATs). A [2022 benchmarking report](#) found that the level of topslice has risen in recent years and the majority of MATs charge between 4-7%. Therefore, aiming to provide services at a level of funding that reflects this is desirable.
7. In developing a Core Offer, council officers took into account the following feedback from schools:
 - a. Many schools want to remain as LA maintained schools and to see that family of schools flourish.
 - b. The LA wants to support its LA family of schools to stay within the LA family and to be the very best that schools can be.
 - c. Schools should be able to get the support they need, when they need it, regardless of other factors.
 - d. It makes sense to work towards a charge for support that is comparable to a trust charge (eg 5%), at a future time when schools can afford it.
 - e. There are services the LA provides that schools rely on and highly value, and it would be detrimental to school quality if these were to be taken away.



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- f. There have been gaps and issues in the support schools have received in the past, and the LA needs to work with schools to achieve a more consistently good experience.
8. While services could properly be de-delegated and the cost simply be removed from school budgets with a vote at Schools Forum, with the significant increases in costs this would have lacked transparency and ownership. The benefit of the trading 'buy back' is that it engages every single school in the decision-making process and is fully transparent about costs and benefits.
9. The research with schools demonstrated that there were two very different patterns of need in schools. There were a group of services that were delivered to all or the vast majority of schools, and a second group of services that were used by a smaller number of schools but in some cases to a very high level. The latter were 'business manager' services in ICT, Property and Finance where some schools had in-house staff or established contracts and therefore bought very little support, and others did not have this resource and therefore had a high level of buy back. To reflect this, the Core Offer was split into two elements, a Base package which was designed to focus on statutory elements and compliance in all schools, and a Business Manager package with a variable level of support, designed for a smaller number of schools in need of this kind of external expertise.

Charging

10. The total cost of the Core Offer was based on the following calculation:

Income from LA maintained schools in 22/23	2,596,960
Income from De-delegated/Education Functions in 22/23	2,040,320
Already agreed by Schools Forum in November 2022:	
• Monitoring and Brokering Grant	513,000
• De-delegated/Education Functions inflationary uplift	213,800
10% Inflationary uplift on traded income	259,696
Headteacher Support Service	65,700
In-year academisation impact (37.5%)	75,000

11. The stated goal which has been backed by schools is to reach a level of charge of 5% of budget (excepting supplementary grants). This is not achievable for most schools in the short term and therefore a cap has been applied of 29% increase from the level of charge in 2022/23. This is a significant increase in cost, but reflects the removal of grant funding and the sharp increase in inflation in the current year.
12. Business Manager hours are sold in blocks of ten hours at a rate of £700. Schools can top up their hours during the year and carry them over if unused.
13. Some services were not deemed suitable for inclusion in the Core Offer and remain available to purchase alongside, in the same way as for academies and schools outside of Somerset.



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VA Schools

14. We are seeking legal advice on Voluntary Aided schools as this process has raised some concerns about the statutory position of these schools in relation to health and safety and accountability.
15. However, we have been briefed by the Diocese of Bath and Wells on the status of VA schools, and the implication of this is as follows:
 - a. The only financial difference is the organisation which receives the Capital grant for condition (Diocese not LA).
 - b. In accountability terms a VA school is the employer, not the LA.
 - c. In all other regards, VA schools are LA maintained schools.
16. To protect schools and the LA in the context of potential risk to pupils or staff, and in the absence of legal clarification and an agreed shared position between the Diocese, LA and schools, we should not distinguish VA schools in any way from any other school in funding, trading or provision of services and therefore the Core Offer does not distinguish VA schools from other schools. This does not entail the council accepting liability that property rests with the governing body of these schools.
17. VA schools are required to purchase condition reports from a third party provider through a contract negotiated by the Diocese. Therefore all VA schools have been offered 5 additional days Business Manager hours as compensation.