

Schools Forum – 3 October 2017

School Quality Assurance and Intervention – options for devolving the funding for school improvement

Recommendations

1. That the Schools Forum notes the content of this report.
2. That all members of Schools Forum make a decision as to which of the options should be taken to devolve the schools contribution for school improvement services for the 2018/19 financial year and thereafter.

Report of the Deputy Chief Executive and Director for Families and Communities:

PART A

Why is it coming here – what decision is required?

3. To inform Schools Forum of the historic funding elements for school improvement
4. To provide Schools Forum with options for devolving the funding for school improvement for the 2018/19 financial year and thereafter.

Option 1: All members of Schools Forum agree to devolve the funding for school improvement from Central Expenditure at a reduced level (expected to be @£450k) so that the contribution from Central Expenditure and the school improvement grant (SIG) the local authority receives from the DfE (expected to be @£350k, based on the number of maintained schools as at September 2018) is equivalent to £818k.

The local authority continues to commission Entrust to provide the school improvement to maintained schools based on a school category of concern.

Once a decision to reduce the Central Expenditure element of school funding has been made, this cannot be increased in subsequent years.

Option 2: All members of Schools Forum agree to devolve the funding to all schools. Maintained Schools Forum members agree to de-delegate @£400k for school improvement services. This is based on @£7.56 per pupil using October 2016 census figures.

This funding and the local authority SIG @£350k will provide a total value of @£750k to be used to commission Entrust to provide school improvement support to maintained schools based on a school category of concern.

Through de-delegation, the maintained schools' members vote by phase on any areas proposed for de-delegation. Therefore a different decision for maintained primary schools and secondary schools is possible with this option. The outcome of the vote is binding for all maintained schools within the phase

Once a decision to remove the school improvement element from the Central Expenditure has been made, this cannot be reversed in subsequent years.

Option 3: All members of Schools Forum agree to devolve the funding to all schools. Maintained Schools Forum members do not agree to de-delegate funding for school improvement services.

Maintained schools will be required to commission school improvement support to address their own school improvement priorities or concerns identified. The local authority will seek to use the SIG to commission Entrust to monitor the effectiveness of maintained schools.

Reasons for recommendations

5. At the meeting of the Schools Forum in October 2016, a request was made to provide options for devolving the funding for School Improvement.
6. To advise Schools Forum on the options for devolving the funding for School Improvement.

PART B

Background

7. Staffordshire County Council retains the duty (under the School Standards and Framework Act, 1998) to ensure that all pupils in our area have the opportunity to attend schools that are good or better. The county council has powers to intervene where we have concerns about standards in maintained schools (and liaise with the regional schools commissioner (RSC) where we have concerns about an academy school).
8. The powers of intervention are set out in Section 60 of the Education and Inspections Act 2006 and referred to in the document 'Schools causing concern – Statutory guidance for local authorities', published by the Department for Education, which can be found at:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/640916/SCC_guidance.pdf
9. The Staffordshire school categorisation process reported at the meeting of the Schools Forum 4 October 2016 sets out how, working together with all mainstream schools, we aim to identify, support and challenge schools about which we have concerns. This is included in appendix A and appendix B.
10. The support and challenge for category 2 (some concern) and category 3 (high concern) includes school reviews and access to bespoke support provided by Entrust. Local authority commissioning managers undertake quality assurance activity to evaluate the impact on outcomes for learners and where necessary escalate or deescalate levels of concern and associated intervention.
11. Staffordshire's schools continue to improve, this is reflected in the positive direction of travel in terms of the percentage of schools judged as good or outstanding. At the end of August 2017 89% of schools were judged to be good or outstanding, this is an

increase of 3 percentage points since August 2016 and 10 percentage points since August 2014.

12. There have also been a number of significant changes to the educational system in recent years. These include the expansion of the academies and free schools programme; the creation of university technical colleges and studio schools; the development of school to school support, including Teaching Schools, National, Local and Specialist Leaders of Education and National Leaders of Governance.
13. These changes are developing an increasingly autonomous and diverse school system and a changed role for the Local Authority. This reflects the county council's education policy. To respond to the changes and to reflect school autonomy, the local authority created the joint venture company (JVCo) Entrust with Capita to provide a range of services to schools including school improvement.
14. The county council has entered into a service delivery agreement with Entrust as the provider of school improvement activity commissioned by the local authority.
15. The removal of the Education Services Grant (ESG) has reduced the funding available to the county council to directly commission improvement support for schools. To reflect this reduction in funding and any impact on the levy to schools through the retained and general duties, the county council reduced the central costs of the school improvement team by £405k from 2017/2018.
16. The county council has also reviewed the support services it commissions from Entrust and has re-negotiated the amount of and cost for these services in line with changing demand and to ensure the contract provides value for money. In 2017/ 2018 the reduction for school intervention and support is from £1.192m to £0.865m an overall reduction of £327k.
17. Therefore the overall reduction to the funding for school improvement services in 2017/ 2018 was £0.732m. This was previously funded from the Education Services Grant. This has not been levied to schools through the retained and general duties in 2017/2018.
18. From 2017/ 2018 there are three funding streams the county council is using to provide school improvement services. The first funding stream is provided through the retained duties, this funds the county council to undertake the strategic school quality assurance and planning for the education service as a whole. The second funding stream is the central expenditure budget which funds the school intervention and support commissioned by the county council and delivered through Entrust. The third funding stream is the new School Improvement Grant (SIG) provided to each local authority by the DfE to continue to monitor and broker school improvement provision for maintained schools.
19. Schools Forum has historically approved a central expenditure of £818,280 to fund school improvement activity now delivered by Entrust. This is equivalent to approximately £7.56 per pupil. This is equivalent to @£1,500 for a one form entry primary school at full capacity and @£5,600 for a 5 form entry secondary school at full capacity. The county council has been requested to provide options for devolving this funding for school improvement. These options are included in Part A above.

20. Option 1: Should all members of the Schools Forum agree this option, there should be no direct impact on the current levels of support and intervention schools currently receive. The local authority will continue to use the funding to commission from Entrust the support and challenge for the different categories of maintained schools, including school reviews and access to bespoke support. The local authority's Commissioning Managers will continue to undertake quality assurance activity to evaluate the impact on outcomes for learners and where necessary escalate or deescalate levels of concern and associated intervention.
21. Option 2 will result in a reduced value of funding from @£818k to @£750k. Maintained Schools Forum members would need to approve the value of the de-delegated amount. Through de-delegation, the maintained schools' members vote by phase. Therefore primary schools and secondary schools are able to take different decisions. However the outcome of a vote is binding for all maintained schools within the phase.
22. With option 2 the specific reduction of the level of support would need to be negotiated with Entrust to reflect the reduced value. The local authority will continue to use this funding to commission from Entrust the support and challenge for the different category of maintained schools as in option 1 but at a reduced level.
23. If the decision of the Schools Forum is option 3, then the funding will be devolved to schools via the current agreed formulae. Schools would then be required to commission their own support to address areas for improvement or aspects of concern. The local authority would have no funding to commission school improvement support on behalf of schools.
24. With option 3 the county council would seek to commission Entrust to undertake monitoring visits to evaluate the effectiveness of maintained schools. The outcome of the visits would be used, where necessary, to escalate or deescalate levels of concern and associated interventions available to the county council. This would be funded using the SIG available to the local authority.
25. Once a decision to reduce or remove the funding from within the Central Expenditure is taken, the funding regulations stipulate that this cannot be increased in subsequent years.

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List of background papers:

Appendix A – School quality assurance and intervention – school categorisation
Report of the Deputy Chief Executive and Director for Families and Communities, Schools Forum 4th October 2016

Appendix B - School categorisation process 2017/2018