

<b>Date:</b> 9 <sup>th</sup> July 2015	<b>Item</b> 8	<b>Type of report:</b> Consultation
<b>Report title:</b>	<b>Funding of Maintained Schools Maternity Costs</b>	
<b>Author name and contact details:</b>	Melissa Williamson Melissa.williamson@southwark.gov.uk	
<b>Officer to present the report:</b>	Melissa Williamson	

### Executive Summary

This report provides the Schools Forum with an update on the arrangements for the funding of certain school staff on maternity leave and options for changes in 2016-17.

### Schools Forum Actions

The Schools Forum is asked to comment on the proposed review of the current maternity scheme.

#### 1.0 Background

1.1 Schools are responsible for meeting all staffing costs, including the costs associated with staff on maternity leave, from their individual school budgets.

1.2 Southwark, as do some other local authorities, currently operates a scheme to support schools to manage the costs associated with staff on maternity leave. Under the current scheme, funding is de-delegated from schools budgets and held centrally. Schools can claim funds where a qualifying member of staff takes maternity or adoption leave. In local authorities where funding is not centrally held for maternity funding, maintained schools make their own arrangements for covering maternity costs either via insurance schemes or balances.

1.3 The current scheme has been in place for some time and applies to the following categories of staff that are classroom based:

- Deputy Head teacher (with classroom responsibilities);
- Teachers;
- Special schools' support assistants;
- Learning support assistants (for specific pupils with statements only);
- Nursery nurses.

Schools need to meet the maternity costs of any other support staff from their budget or the balances held by the school.

1.4 At the January 2015 meeting, the Schools Forum requested that the local authority consider extending the scheme to include the reimbursement for Headteachers on maternity leave.

#### 2.0 2015-16 funding arrangements

2.1 The Department for Education prescribe nationally those services where funding is allowed to be retained centrally from within the schools funding block. Funding for maternity arrangements is one of those where "de-delegation" is agreed by the Schools Forum members in the relevant phase (maintained primary and secondary phases). The decision is required to be formally agreed

on an annual basis and applies to all maintained schools in that phase. In this process funding is allocated to all schools as part of the Southwark school funding formula. Maintained schools then return this funding to the LA to operate the maternity scheme.

- 2.2 The Schools Forum agreed to de-delegate funding for the maternity scheme in 2015-16, for both maintained primary and secondary schools. This was based on a per-pupil rate of £30.95.
- 2.3 The de-delegation process does not apply to academies, who receive this funding as part of their budget. Access to this service is not currently offered to academies who currently make their own arrangements in regards to managing the costs associated with staff on maternity leave.
- 2.4 A breakdown of the funding held centrally in 2015-16 is:

School phase	2015-16 budget
Maintained primary (de-delegated)	£620,176
Maintained secondary (de-delegated)	£56,669
Maintained nursery*	£45,321
Maintained special*	£81,576
<b>Total*</b>	<b>£803,742</b>

\*Funding retained centrally based on historical levels.

### 3.0 Historical spend

- 3.1 Details of the amounts paid to individual schools are reported annually to the Schools Forum. A summary of the actual expenditure for the past three years is outlined below:

	2014-15	2013-14	2012-13
Total	£797,165	£775,047	£721,494

### 4.0 Options available

- 4.1 The current scheme, and the funding contributed by schools, is based only on teaching staff that are classroom based. The scheme is self-funding, which means that any change to the scope of qualifying staff for the scheme would need to be met by schools contributing additional funding to the scheme.
- 4.2 In response to the request to revisit the current scheme, the local authority have reviewed the options available and are considering the following options:
- Option A – maintain the existing scheme, with funding continued to be de-delegated based on the 2015-16 values;
  - Option B – extend the existing scheme, based on increased funding contributed by all schools;
  - Option C – the funding that is currently retained is delegated to all maintained schools that then become are responsible for managing costs through either self-insuring (putting funding aside in a contingency and carrying it over to future years) or purchasing commercial insurance.
- 4.3 When considering the proposed options, the principles of maximising the funding passed on to schools to allow greater choice on how to spend their budgets (option C) versus retaining funding centrally to provide better value for money and pooling risk (options A/B) should be considered.

## 5.0 Modelling

5.1 It is difficult to model the likely financial impact of extending the current scheme to incorporate head teachers. The LA has modelled a total increase of £200,000 to cover both the impact of the expansion of the scheme and increases (about 5% including higher take up) due to rising employer staffing costs. The actual position at the end of 2016-17 would be reported to the Schools Forum with any unspent funding remaining at the end of the year carried forward to the following funding period and can be used specifically for this purpose.

5.2 The estimated de-delegated amount per-pupil and initial modelling is outlined in the tables below:

### Estimated de-delegated amount per pupil (primary and secondary schools)

Options	Primary school	Secondary school
Current scheme	£30.95	£30.95
£200,000 increase in funding	£38.51	£38.51

### Modelling of potential impact on schools

Options	Primary school (210 pupils)*	Secondary school (600 pupils)*	Nursery/ special schools**
Current scheme	£6,500	£18,570	£7,977
£200,000 increase in funding	£7,460	£21,312	£11,278

*\*Actual cost will be based on the number of pupils on roll of the October school census*

*\*\*Estimate based on applying same percentage increase in funding divided across total number of schools*

## 6.0 Action for the Schools Forum

6.1 The Schools Forum is asked to comment on the three options outlined in section 4.0. A further report will be presented to the October 2015 Schools Forum meeting for formal agreement of all 2016-17 de-delegated budgets.