



## Schools Funding Forum 20<sup>th</sup> September 2018 ITEM 8

**Subject Heading:**

**Centrally retained DSG**

**Report Author:**

**David Allen – Strategic Finance  
Manager**

**Eligibility to vote:**

**All members**

### SUMMARY

This item is to seek the approval of the Schools Funding Forum for the central retention of funding from the DSG to continue the support and services as agreed in previous financial years.

### RECOMMENDATIONS

To agree the central retention of the budgets in 2019-2020 as detailed below.

### REPORT DETAIL

The revised funding arrangements for 2018-19 introduced a fourth funding block for central services (the central schools services block). This block is to fund local authorities for statutory duties they hold for both maintained schools and academies.

The central schools services block (CSSB) brings together:

- Funding previously allocated through the retained duties of element of the Education Services Grant (ESG)
- Funding for ongoing central functions such as admissions, previously top-sliced from the schools block

- Residual funding from historical commitments, previously top-sliced from the schools block.

The operational guidelines on 2019-20 revenue funding set out the areas and activities for which DSG funding may be retained centrally.

Those budget areas are listed below together with the funding requested for 2019-20 against the funding agreed by the Schools Funding Forum for 2018-19.

Services	Budget 2018-19	Budget 2019-20
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**Schools forum approval is not required (although they should be consulted)**

• High needs block provision	£19.1m	£
• Central licences negotiated by the Secretary of State	£171,443	£174,475 (estimate)

**Schools forum approval is required on a line-by-line basis.**

• Funding to enable all schools to meet the infant class size requirement	£50,000	£50,000
• Back-pay for equal pay claims		
• Remission of boarding fees at maintained schools and academies	£0	£0
• Places in independent schools for non-SEN pupils	£0	£0
• Admissions	£496,290	£496,290
• Servicing of Schools Forum	£43,250	£43,250
• Contribution to responsibilities that local authorities hold for all schools (see below)	£567,329	£566,789
• Contribution to responsibilities that local authorities hold for maintained schools (voted on by relevant maintained school members of the forum only)	See separate agenda item	See separate agenda item
• De-delegated services from the schools block (voted on by the relevant maintained school members of the forum only)		

**Schools forum approval is required**

• Central early years block provision after 95% pass through rate	£730,000	tbc
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• Movement out of the Schools Block	£0	£0
• Any deficit from the previous funding period that reduces the amount of the schools budget	£0	£0
• Any brought forward deficit on de-delegated services which is to be met from the overall schools budget	£0	£0

**Schools forum approval is required on a line-by-line basis. The budget cannot exceed the value agreed in the previous funding period and no new commitments can be entered into.**

• Capital expenditure funded from revenue decide prior to April 2013 (no new projects can be charged to the central schools budget)	£87,490	£87,490
• Contribution to combined budgets	£200,000	£200,000
• Existing termination of employment costs (i.e. no new redundancy costs can be charged to the central schools budget)	£0	£0
• Prudential borrowing costs	£0	£0

**Schools forum approval is required on a line-by-line basis, including approval of the criteria for allocating funds to schools.**

• Funding for significant pre-16 pupil growth, including new schools set up to meet basic need, whether maintained or academy	£2,700,000	tbc
• Funding for good or outstanding schools with falling rolls where growth in pupil numbers is expected within three years	£400,000	tbc

Schools Funding Forum approval is therefore sought to retain the funding centrally for the areas above including the funding for central services that was previously allocated directly through the Education Services Grant

### Responsibilities held for all schools

#### Statutory and regulatory duties

Director of children's services and personal staff for director (Sch 2, 15a)  
 Planning for the education service as a whole (Sch 2, 15b)  
 Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 2, 22)  
 Authorisation and monitoring of expenditure not met from schools' budget

shares (Sch 2, 15c)  
Formulation and review of local authority schools funding formula (Sch 2, 15d)  
Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Sch 2, 15e)  
Consultation costs relating to non-staffing issues (Sch 2, 19)  
Plans involving collaboration with other LA services or public or voluntary bodies (Sch 2, 15f)  
Standing Advisory Committees for Religious Education (SACREs) (Sch 2, 17)  
Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 2, 21)

### Education welfare

Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20)  
School attendance (Sch 2, 16)  
Responsibilities regarding the employment of children (Sch 2, 18)

### Asset management

Management of the LA's capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Sch 2, 14a)  
General landlord duties for all buildings owned by the local authority, including those leased to academies (Sch 2, 14b)

### Other ongoing duties

Licences negotiated centrally by the Secretary of State for all publicly funded schools (Sch 2, 8); this does not require schools forum approval  
Admissions (Sch 2, 9)  
Places in independent schools for non-SEN pupils (Sch 2, 10)  
Remission of boarding fees at maintained schools and academies (Sch 2, 11)  
Servicing of schools forums (Sch 2, 12)  
Back-pay for equal pay claims (Sch 2, 13)  
Writing to parents of year 9 pupils about schools with an atypical age of admission, such as UTCs and studio schools, within a reasonable travelling distance <sup>1</sup> (Sch 2, 23)

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<sup>1</sup>Funding for this duty was previously delivered to local authorities via a s.31 grant. Additional funding will be added to the CSSB baseline for this from 2018 to 19.

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