

Date: 12 October 2017	Item 8	Type of report: Information, Consultation and Decision
Report title:	2018-19 DSG and Schools Budgets	
Author name and contact details:	Russell Dyer russell.dyer@southwark.gov.uk Sue Emmons Sue.emmons@southwark.gov.uk	
Officer to present the report:	Russell Dyer / Sue Emmons	

Executive Summary

The government has announced the 2018-19 National Funding Formula allocations for the Schools Block, Central Block and High Needs Block and this report summarises the associated government's operational funding guidance and considers that in relation to the current formula and any potential changes that will be required.

In addition, the report outlines the key timetable and decisions in the run up to setting the 2018-19 budgets for schools including identifying the need for transfers of funds from the Schools Block to the High Needs Block.

Schools Forum Actions

- Note the contents of the report
- Give views on a proposed change to split site funding criteria in the current funding formula and whether the Minimum Funding Guarantee (MFG) should be applied
- Approve a balance transfer from the Schools Block to the High Needs Block of 0.5% and give views on a further transfer above that level, noting that a disapplication request to the Secretary of State would be needed should this be agreed.
- Give initial views on the proposals for centrally retained expenditure which will be brought back to the December meeting for approval (all schools)
- Give initial views on the de-delegated services which will be brought to the December meeting for approval (maintained schools)
- Give initial views on the proposals for holding back funding for former Educating Service Grant (ESG) general duties which will be brought to the December meeting (maintained schools, PRUs and Special Schools)
- Give initial views on the services being retained centrally on the early years block given the reduction in the central retention limit in 2018-19.

1. Background

- 1.1 The government, following consultation, has set out its changes relating to the introduction of the National Funding Formula in April 2018. This report sets out the timetable and key decisions that

the Schools Forum will need to make in the run up to the setting of the 2018-19 budget for schools. It also sets out the potential changes to the formula flowing from transferring funds between the various blocks of funds in the Dedicated Schools Grant (DSG).

- 1.2 There are requirements regarding central retentions and de-delegations as well as the former Education Services Grant (ESG) general duties services that need to be considered and applied by local authorities.

2. DSG 2018-19

- 2.1 The baseline allocations following the March exercise were reported to Schools Forum in July 2017. The Schools Forum noted at the July meeting that there were issues of affordability overall for DSG which has affected the baseline position – this is considered later in the report. The NFF block allocations have been updated in September for the recently announced NFF 2018-19 allocations as shown below.

DSG	2018-19 Baseline	Sept Allocation	Change
	£m	£m	£m
Schools Block	235.42	£237.02	1.60
Central Block	1.63	1.63	0
High Needs Block	42.81	42.93	0.12

- 2.2 The detailed allocations for each block including for individual blocks and supporting technical papers are set out on the link below. The 'NFF summary table' sets out the combined effect of all the formulae at local authority level. The 'Impact of the schools NFF' table sets out notional school-level allocations for 2018 to 2019, and illustrative school-level allocations for 2019 to 2020. Local authorities will continue to set a local formula to distribute funding to schools in their area. This means schools' actual funding will be different to the amounts shown in these tables and this information needs to be treated with caution.
- 2.3 The link also contains detailed information on how the central schools block and high needs block were calculated.

<https://www.gov.uk/government/publications/national-funding-formula-tables-for-schools-and-high-needs>

3. 2018-19 Operational Guidance

- 3.1 There have been a number of key changes to the funding system highlighted by the published guidance in August 2017. These are highlighted below:

- (i) central school services block (CSSB) has been created. The DSG therefore now comprises four blocks: schools, high needs, early years and the new central school services block.
- (ii) Each of the four blocks of the DSG will be determined by a separate national funding formula.
- (iii) Baselines have been adjusted to take account of local authorities' most recent spending patterns.
- (iv) Within the schools block, the Government will provide for at least a 0.5% per pupil increase for each school in 2018 to 2019 through the national funding formula.
- (v) The formula will provide local authorities with per pupil funding of at least £4,800 for all secondary schools that have pupils in years 10 and 11 by 2019-20.
- (vi) Within the high needs block, the Government will provide for at least a 0.5% overall increase in 2018 to 2019 through the high needs national funding formula.
- (vii) The minimum funding guarantee (MFG) for schools will continue, but local authorities will have the flexibility to set a local MFG between 0% and minus 1.5% per pupil. The Authority does not propose to change the existing rate of minus 1.5% on affordability grounds.
- (viii) The schools block will be ring-fenced from 2018 to 2019, but local authorities will be able to transfer up to 0.5% of their schools block funding out with the agreement of their schools forum. Any transfer over this level will require Secretary of State approval. This is considered later in the report.

3.2 There are also a number of other smaller changes to the calculation of the schools and high needs blocks in 2018-19.

4. Funding Formula Changes

- 4.1 Any changes to the funding formula are a decision of the Local Authority but the Schools Forum, maintained schools and academies should be consulted. The Authority is provided with a "Authority Proforma Tool, (APT) to allow any modelling of proposed changes to take place prior to any consultation and decision.
- 4.2 The current funding formula unit values are attached as Appendix A.
- 4.3 The following potential changes to the formula have been considered by the Local Authority and are set out below:

- LA's can now use FSM and Ever 6 FSM within their deprivation factors when previously these have been exclusive. At present we only use Ever 6 FSM and IDACI in the formula. In our view the current formula factors Ever 6 FSM and IDACI are sufficient and the introduction of FSM is likely to cause turbulence in the formula which could be costly in terms of MFG and would limit any gains. Therefore no change is proposed.
- The Authority already complies with minimum AWPU funding requirements at both primary and secondary level and therefore no change is proposed.
- There will be some mandatory changes to weighting levels for prior attainment
- The Authority already use the EAL 3 indicator with separate rates for phases and would not see the benefit of reducing the period.
- Lump Sum – this is currently set as £150k. The Authority does not propose to change this level, however as Schools Forum will be aware where affordability of the formula is a consideration, a reduction in the rate is an affordable means of creating headroom given that this factor is outside the minimum funding guarantee. However the Authority do note that this was not a preferred option of Schools Forum when setting the 2017-18 formula but we reserve the right to use this option as a last resort.
- Split Sites Funding. We believe that there is scope to tighten the criteria for this. We would note that any existing recipients of this funding would be protected from losses by the MFG, unless a specific exemption was applied for. The current criteria and recipients and potential scope for the new criteria is shown at Appendix D and E to this report. The Authority will issue a short consultation with schools following this meeting of the Schools Forum and will report back in December on any changes.
- The current secondary AWPU already meets the proposed minimum funding rates for years 10 and 11 required by 2019-20 so no increase in rate is proposed.

5. Schools Block to High Needs Block Transfer

- 5.1 It is a requirement that Schools Forum agree any block transfer out of the schools block into the high needs block of 0.5% in 2018-19. Approval by the Secretary of State is required for any transfers above that level or where the Schools Forum does not agree with the proposal.
- 5.2 Whilst there were historic transfers between the schools block and the high needs block over at least 2 years, to a value of £3.8m, prior to 2017-18, there were issues with the 2018-19 baseline exercise which led to a transfer of £2.3m from high needs to schools block to balance the overall position on DSG. These issues flowed from the growing requirement to fund free schools on an estimates basis which is placing a significant drain on DSG headroom (this representation was strongly made in our response to the NFF consultation in March, namely the need for advanced funding for growing free schools) and issues associated with recovering overfunding from the APT. As noted at the July meeting, we stated that at least £2.3m would need to be transferred back from schools block to the high needs block given current spending patterns which has now been borne out by the latest DSG budget monitoring report.

- 5.3 In considering this issue we have been mindful of the importance of balancing the stability of schools funding, with the need to identify a coherent strategy for savings/ cost avoidance measures on the high needs block and also the need meet the ongoing pressures and repay any carried forward deficit.
- 5.4 We have modelled a variety of transfer scenarios and impacts on schools funding at Appendix B using the options of lump sum changes and reductions to unit values to fund the transfer. Our preference would be to use the unit value method given the protection afforded under MFG and given the Schools Forum's previous views on this matter. Clearly a number of assumptions have been made in the modelling work and ESFA have advised us of the funding position of a new primary free school which will be a further cost of £250k in 18-19 which we receive no grant for but have to fund out of DSG headroom. In addition the modelling is based on October 2016's census rather than this October's census. Also the impact upon schools is largely focussed upon non expanding schools to avoid distortions.
- 5.5 The Schools Forum is asked for its views on a proposed level of transfer, noting that it can only approve up to a 0.5% transfer. Clearly any disapplication request above that level would be more likely to succeed with the Secretary of State if the Schools Forum and schools were in agreement upon the level and underlying reasons.
- 5.6 As there is some time before a disapplication request needs to be made, further modelling work and options to be considered and can be undertaken, if the Schools Forum feels this is necessary and this can be done via email before the deadline of 30th November 2017 given that the next the Schools Forum meeting is after the deadline.
- 5.7 As alluded to previously, the pressures on the high needs block largely flow from demographic issues, increased levels of demand and lack of adequate 16-25 funding when the age range was extended a number of years ago. The Authority has made strong representations to the DFE as part of the High Needs NFF consultation and there are also representations being made by London Council's and other London wide bodies which strongly resonate with these points. It is noted that the Government has still not consulted on 16-25 SEN funding despite promising to do this some time ago. The number of authorities going into DSG deficits due to high needs block pressures across the country also continues to increase which suggests that a more fundamental review and additional funding is required.
- 5.8 The Authority recognises that alongside these representations there must be an internal plan to address the pressures within the high needs block, as part of a multi year recovery plan. As noted in the DSG budget monitoring report these early proposals when taken together with a broader SEN strategy are starting to take shape and further updates will be given in future Schools Forum meetings to give the necessary assurance that action is being taken.

6. Timetable for finalisation of 2018-19 budget

6.1 The timetable below has been drawn up by the EFSA with regard to the finalisation of DSG budgets. We have highlighted any pertinent parts for the attention of Schools Forum.

Date	DfE/ESFA	Local authorities
August 2017	Operational guidance published setting out arrangements for 5-16 mainstream schools implementation for 2018 to 2019. Local authority level baselines published.	
August 2017	Example APT issued to local authorities	
September 2017	Allocations issued for schools, central school services and high needs blocks	
Autumn 2017	High needs funding guide for 2018 to 2019 issued to local authorities	
5 October 2017	School census day	
October / November 2017	DfE and local authorities check and validate school census	
30 November 2017	School census database closed	Deadline for submitting requests for: <ul style="list-style-type: none"> • MFG exclusions – possibly for split sites • exceptional premises factors- N/A • sparsity factors – N/A • lump sum variations for amalgamating schools – N/A • pupil number reductions – N/A • movement of funding out of the schools block above the limit of 0.5% and/or which the schools forum has not approved
Mid-December 2017	APT issued to local authorities, containing October 2017 census-based pupil data and factors	

Date	DfE/ESFA	Local authorities
	Publication of DSG schools block and high needs block allocations for 2018 to 2019 (prior to academy recoupment) Publication of provisional early years block allocations	
Mid-January 2018		Schools forum consultation / political approval required for final 2018 to 2019 funding formula
19 January 2018		Deadline for submission of final 2018 to 2019 APT to ESFA
28 February 2018		Deadline for confirmation of schools budget shares to mainstream maintained schools

7. Schools Central Block

- 7.1 This block now incorporates Admissions, former ESG retained duties, Schools Forum, and fees to non SEN independent schools. The approval mechanism for these is considered further below. We do not anticipate any significant changes to the services or the amounts approved from previous years – see table below. Appendix C left hand column explains the duties that the £600k ESG retained duties fulfils. We will be seeking approval for these amounts at the December meeting.

Area	Amount £000
Agreed at December 2016 Meeting	
Growth Fund	600
Falling Rolls Fund	100
Places in independent schools for non-SEN pupils	294
Admissions	673
Servicing of Schools Forum	15
Agreed at January 2017 Meeting	
ESG Retained Duties	600
Total Centrally Retained	2,282

8. Services for Maintained Schools (including PRUs and Special Schools)

- 8.1 This relates to the former ESG general duties for maintained schools only. The amount to be taken will need to be agreed with the relevant maintained members of Schools Forum including primary,

secondary, special and PRU. A single rate should be set for deduction from basic entitlement funding and this can be at differential rates and be expressed per place for Special and PRUs. Similar rules apply regarding de-delegations and MFG.

8.2 The regulations state that LA’s need to provide sufficient evidence to their Schools Forum to enable them to make an informed decision on the amount of funding to be held centrally. Notably:

- planned total spending for 2018-19 on each of the headings
- spending shown to at least the level of detail provided in the 2018-19 section 251 budget statement
- comparable figures for previous years’ spending, split where relevant between those relating to all schools and those for maintained schools only
- consequences for the funding and delivery of each of the services provided if the request was not approved
- the impact on individual school budgets and their overall financial position
- the impact on the local authority if the amount was not held centrally
- detail of the results of the equalities impact assessment carried out to assess the impact of the central retention of the funding on children or other people who have one or more of the protected characteristics under the Equality Act 2010

8.3 Appendix C right hand column explains what duties the funding retained fulfils.

8.4 In 2017-18 the following was agreed:

Agreed at January 2017 Meeting			
ESG General Duties Sept 17 to March 18	£353,000	£16.33 per pupil	Primary and Secondary

8.5 The Council intends to continue to seek this funding from maintained schools for this area. To assist maintained schools in making this decision the information required at paragraph 8.2 will be provided at the December meeting.

9. School Improvement Services

9.1 The guidance makes it clear that the service should be funded out of the school improvement specific grant and the targeted strategic improvement grant. Many local authorities have also developed a traded service offer or fund the service by de-delegation (this is considered later in the report).

10 Schools Forum approval for centrally held funding

10.1 The regulations clarify the guidance on all the areas to be approved by Schools Forum as follows:

Approval required	Services covered (and funding block)
Schools forum approval is not required (although they should be consulted)	<ul style="list-style-type: none"> • high needs block provision – this will be considered further as part of the review at the December meeting following the meeting of the working group • central licences negotiated by the Secretary of State – N/A
Schools forum approval is required on a line-by-line basis	<ul style="list-style-type: none"> • funding to enable all schools to meet the infant class size requirement – N/A • back-pay for equal pay claims –N/A • remission of boarding fees at maintained schools and academies – N/A • places in independent schools for non-SEN pupils • admissions – to be considered at the December meeting • servicing of schools forum – to be considered at the December meeting • contribution to responsibilities that local authorities hold for all schools – to be considered at the December meeting • contribution to responsibilities that local authorities hold for maintained schools (voted on by relevant maintained school members of the forum only) – to be considered at the December meeting • de-delegated services from the schools block (voted on by the relevant maintained school members of the forum only) – to be considered at the December – also considered further in the final section of the report
Schools forum approval is required	<ul style="list-style-type: none"> • central early years block provision – to be considered at the December meeting, early views on information required at the meeting from early years members will be helpful. • any movement of funding out of the schools block – this will need to be approved at the October meeting or by 30 November by email at the very latest. This was considered earlier in this report. • any deficit from the previous funding period that reduces the amount of the schools budget – this will flow from the DSG budget monitoring report and be decided at the January/ December meeting based upon the latest forecast and strategy. • any brought forward deficit on de-delegated services which is to be met by the overall schools budget – to be decided at the December meeting – only likely to apply to Maternity Scheme, Summerhouse and Licenses and Subscriptions.
Schools forum approval is required on a line-by-line	<ul style="list-style-type: none"> • capital expenditure funded from revenue – projects must have been planned and decided on prior to April 2013 so no new projects can be charged. Details of the remaining costs should be presented – N/A

Approval required	Services covered (and funding block)
<p>basis. The budget cannot exceed the value agreed in the previous funding period and no new commitments can be entered into. Read establishing local authority DSG baselines for more information</p>	<ul style="list-style-type: none"> • contribution to combined budgets – this is where the schools forum agreed prior to April 2013 a contribution from the schools budget to services which would otherwise be funded from other sources – N/A • existing termination of employment costs (costs for specific individuals must have been approved prior to April 2013 so no new redundancy costs can be charged) – N/A • prudential borrowing costs – the commitment must have been approved prior to April 2013. Details of the remaining costs should be presented – N/A
<p>Schools forum approval is required on a line-by-line basis, including approval of the criteria for allocating funds to schools</p>	<ul style="list-style-type: none"> • funding for significant pre-16 pupil growth, including new schools set up to meet basic need, whether maintained or academy – December meeting will consider • funding for good or outstanding schools with falling rolls where growth in pupil numbers is expected within three years – December meeting will consider

11. De-delegated Services (Maintained Schools only)

A. The services which may be de-delegated are:

- additional school improvement services
- contingencies (including schools in financial difficulties and deficits of closing schools)
- behaviour support services
- support to underperforming ethnic groups and bilingual learners
- free school meals eligibility
- insurance
- museum and library services
- licences/subscriptions (other than those paid for by DfE).
- staff costs supply cover (for example, long-term sickness, maternity, trade union and public duties)

11.1 The de-delegations in 2017-18 are shown for information in the table below:

Area	Total Amount £000	Basis (per pupil/ FSM etc)	Phase
Agreed at December 2016 Meeting			
Contingencies (£515k Schools in Financial Difficulty (Audit £39k and Intervention Funds, £233k)	787	£39.48 per pupil	Primary and Secondary
Behaviour Support Services	531	£64.56 FSM £95.00 FSM	Primary Secondary
Behaviour Support Services – Summerhouse	1,132	£125.34 FSM	Primary
Free School Meal Eligibility	171	£18.94 FSM	Primary
Licenses and Subscriptions	23	£1.15 per pupil	Primary and Secondary
Maternity Cover	669	£32.63 per pupil	Primary and Secondary
Trade Union cover	78	£3.90 per pupil	Primary and Secondary
School Improvement	670	£33.82 per pupil	Primary Only
Total	3,761		

- 11.2 The licenses and subscriptions level needs to be increased from £23k to £124k as noted in the budget monitoring report. Additional amounts may also be required for schemes currently showing a budget pressure, including Summerhouse, subject to Schools Forum's views on that report.
- 11.3 As noted in the DSG budget monitoring report, the maternity cover scheme is being reviewed by a working party with a potential to move to buyback and or cease entirely and move to private sector purchase. If it is to continue in its current format a significant increase would likely to be required given current spending patterns.
- 11.4 The funding of the school improvement service is currently being considered by the local authority and will be the subject of further communication at the meeting.
- 11.5 All the other de-delegations as noted in the table previously plan to be continued unless referred to previously.
- 11.6 Schools Forum is asked for its views on the information that will be required to make these decisions at the next meeting.

Appendix A

12. 2017-18 Formula Factors & Funding Rates

1) Basic Entitlement Age Weighted Pupil Unit (AWPU)	Description	Amount per pupil	
	Primary (Years R-6)	£4,142.61	
	Key Stage 3 (Years 7-9)	£5,929.19	
	Key Stage 4 (Years 10-11)	£5,929.19	
2) Deprivation	FSM 6	£1,122.11	£1,368.38
	IDACI Band F	£112.74	£93.18
	IDACI Band E	£117.57	£127.45
	IDACI Band D	£224.64	£443.93
	IDACI Band C	£360.63	£718.21
	IDACI Band B	£414.25	£826.66
	IDACI Band A	£408.91	£1,036.24
3) Looked After Children (LAC)	LAC X March 16	£0.00	
4) English as an Additional Language (EAL)	EAL 3 Primary	£263.57	
	EAL 3 Secondary		£1,432.08
5) Mobility	Pupils starting school outside of normal entry dates	£0.00	£0.00
6) Prior attainment	N/A	61.33%	£663.54
	Low Attainment % old FSP 78		
	Secondary low attainment (year 7)	48.02%	
	Secondary low attainment (years 8 to 11)		£1,529.91

Lump Sum is £150k.

Appendix B

13. Balance transfer modelling and impacts

		18-19 NFF SB to HNB transfer					
		0.50%	0.75%	1.00%	1.25%	1.50%	
		£m	£m	£m	£m	£m	
	Schools Block	237.02	235.83	235.24	234.65	234.06	233.46
	High Needs Block	42.93	44.12	44.71	45.30	45.89	46.49
	Total	279.95	279.95	279.95	279.95	279.95	279.95
Option1 (no MFG)	Lump Sum Reduction - £	0	£5,000	12,000	19,000	29,000	51,000
Impact	Primary Schools - %		-0.23%	-0.59%	-0.91%	-1.22%	-1.36%
17-18 v 18-19	Secondary Schools -%		-0.04%	-0.16%	-0.28%	-0.45%	-0.82%
Option2 (with MFG)	AWPU -% reduction	0	0.2	0.6	1	1.4	1.8
Impact	Primary Schools - %		-0.11%	-0.36%	-0.61%	-0.85%	-1.08%
17-18 v 18-19	Secondary Schools -%		-0.10%	-0.38%	-0.67%	-0.95%	-1.23%
Option3 (with MFG)	Deprivation - % reduction	0	1.5	3.2	5.2	7.5	11
Impact	Primary Schools - %		-0.13%	-0.31%	-0.51%	-0.74%	-0.99%
17-18 v 18-19	Secondary Schools -%		-0.18%	-0.43%	-0.73%	-1.07%	-1.28%

		18-19 NFF SB to HNB transfer					
		0.50%	0.75%	1.00%	1.25%	1.50%	
		£m	£m	£m	£m	£m	
	Schools Block	237.02	235.83	235.24	234.65	234.06	233.46
	ISB Requirement	236.37	235.18	234.59	234.00	233.41	232.81
	High Needs Block	42.93	44.12	44.71	45.30	45.89	46.49

	£m
HNB 17-18	43.36
Reported pressure	3.5
Spend	46.86

Appendix C**Former Education Services Grant (ESG) ongoing duties**

Central Services	
Responsibilities local authorities hold for all schools (funded by the central school services block with the agreement of schools forums)	Responsibilities local authorities hold for maintained schools (funded from maintained school budgets only with agreement of the maintained school members of the schools forum)
<u>Statutory and regulatory duties</u>	<u>Statutory and regulatory duties</u>
Director of children's services and personal staff for director (Sch 2, 15a)	Functions of LA related to best value and provision of advice to governing bodies in procuring goods and services (Sch 2, 56)
Planning for the education service as a whole (Sch 2, 15b)	Budgeting and accounting functions relating to maintained schools (Sch 2, 73)
Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 2, 22)	Functions relating to the financing of maintained schools (Sch 2, 58)
Authorisation and monitoring of expenditure not met from schools' budget shares (Sch 2, 15c)	Authorisation and monitoring of expenditure in respect of schools which do not have delegated budgets, and related financial administration (Sch 2, 57)
Formulation and review of local authority schools funding formula (Sch 2, 15d)	Monitoring of compliance with requirements in relation to the scheme for financing schools and the provision of community facilities by governing bodies (Sch 2, 58)
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)	Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 for maintained schools (Sch 2, 59)
Consultation costs relating to non-staffing issues (Sch 2, 19)	Functions made under Section 44 of the 2002 Act (Consistent Financial Reporting) (Sch 2, 60)
Plans involving collaboration with other LA services or public/voluntary bodies (Sch 2, 15f)	Investigations of employees or potential employees, with or without remuneration to work at or for schools under the direct management of the headteacher or governing body (Sch 2, 61)
Standing Advisory Committees for Religious Education (SACREs) (Sch 2, 17)	Functions related to local government pensions and

Central Services	
Responsibilities local authorities hold for all schools (funded by the central school services block with the agreement of schools forums)	Responsibilities local authorities hold for maintained schools (funded from maintained school budgets only with agreement of the maintained school members of the schools forum)
Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 2, 21)	<p>administration of teachers' pensions in relation to staff working at maintained schools under the direct management of the headteacher or governing body (Sch 2, 62)</p> <p>Retrospective membership of pension schemes where it would not be appropriate to expect a school to meet the cost (Sch 2, 75)</p> <p>HR duties, including: advice to schools on the management of staff, pay alterations, conditions of service and composition/organisation of staff (Sch 2, 63); determination of conditions of service for non-teaching staff (Sch 2, 64); appointment or dismissal of employee functions (Sch 2, 65)</p> <p>Consultation costs relating to staffing (Sch 2, 66)</p> <p>Compliance with duties under Health and Safety at Work Act (Sch 2, 67)</p> <p>Provision of information to or at the request of the Crown relating to schools (Sch 2, 68)</p> <p>School companies (Sch 2, 69)</p> <p>Functions under the Equality Act 2010 (Sch 2, 70)</p> <p>Establish and maintaining computer systems, including data storage (Sch 2, 71)</p> <p>Appointment of governors and payment of governor expenses (Sch 2, 72)</p>
<u>Education welfare</u> Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20)	<u>Education welfare</u> Inspection of attendance registers (Sch 2, 78)

Central Services	
Responsibilities local authorities hold for all schools (funded by the central school services block with the agreement of schools forums)	Responsibilities local authorities hold for maintained schools (funded from maintained school budgets only with agreement of the maintained school members of the schools forum)
School attendance (Sch 2, 16) Responsibilities regarding the employment of children (Sch 2, 18)	
<p><u>Asset management</u></p> <p>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)</p> <p>General landlord duties for all buildings owned by the local authority, including those leased to academies (Sch 2, 14b)</p>	<p><u>Asset management</u></p> <p>General landlord duties for all maintained schools (Sch 2, 76a & b (section 542(2)) Education Act 1996; School Premises Regulations 2012) to ensure that school buildings have:</p> <ul style="list-style-type: none"> • appropriate facilities for pupils and staff (including medical and accommodation) • the ability to sustain appropriate loads • reasonable weather resistance • safe escape routes • appropriate acoustic levels • lighting, heating and ventilation which meets the required standards • adequate water supplies and drainage • playing fields of the appropriate standards <p>General health and safety duty as an employer for employees and others who may be affected (Health and Safety at Work etc Act 1974)</p> <p>Management of the risk from asbestos in community school buildings (Control of Asbestos Regulations 2012)</p>
<p><u>Central support services</u></p> <p>No functions</p>	<p><u>Central support services</u></p> <p>Clothing grants (Sch 2, 52)</p>

Central Services	
Responsibilities local authorities hold for all schools (funded by the central school services block with the agreement of schools forums)	Responsibilities local authorities hold for maintained schools (funded from maintained school budgets only with agreement of the maintained school members of the schools forum)
	<p>Provision of tuition in music, or on other music-related activities (Sch 2, 53)</p> <p>Visual, creative and performing arts (Sch 2, 54)</p> <p>Outdoor education centres (but not centres mainly for the provision of organised games, swimming or athletics) (Sch 2, 55)</p>
<u>Premature retirement and redundancy</u>	<u>Premature retirement and redundancy</u>
No functions	Dismissal or premature retirement when costs cannot be charged to maintained schools (Sch 2, 77)
<u>Monitoring national curriculum assessment</u>	<u>Monitoring national curriculum assessment</u>
No functions	Monitoring of National Curriculum assessments (Sch 2, 74)
<u>Therapies</u>	<u>Therapies</u>
No functions	This is now covered in the high needs section of the regulations and does not require schools forum approval

Central Services	
Responsibilities local authorities hold for all schools (funded by the central school services block with the agreement of schools forums)	Responsibilities local authorities hold for maintained schools (funded from maintained school budgets only with agreement of the maintained school members of the schools forum)
<p><u>Other ongoing duties</u></p> <p>Licences negotiated centrally by the Secretary of State for all publicly funded schools (Sch 2, 8) – this does not require schools forum approval</p> <p>Admissions (Sch 2, 9)</p> <p>Places in independent schools for non-SEN pupils (Sch 2, 10)</p> <p>Remission of boarding fees at maintained schools and academies (Sch 2, 11)</p> <p>Servicing of schools forums (Sch 2, 12)</p> <p>Back-pay for equal pay claims (Sch 2, 13)</p> <p>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 (new addition to CSSB, to be included in 2018-19 regulations).¹</p>	
<p><u>Historic commitments</u></p> <p>Capital expenditure funded from revenue (Sch 2, 1)</p> <p>Prudential borrowing costs (Sch 2, 2(a))</p> <p>Termination of employment costs (Sch 2, 2(b))</p> <p>Contribution to combined budgets (Sch</p>	

¹Funding 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 2018-19.

Central Services	
Responsibilities local authorities hold for all schools (funded by the central school services block with the agreement of schools forums)	Responsibilities local authorities hold for maintained schools (funded from maintained school budgets only with agreement of the maintained school members of the schools forum)
2, 2(c))	
<p><u>Additional note</u></p> <p>Services set out in the table above will also include administrative costs and overheads relating to these services (regulation 1(4)) for:</p> <ul style="list-style-type: none"> • expenditure related to functions imposed by or under Chapter 4 of Part 2 of the 1998 Act (financing of maintained schools), the administration of grants to the authority (including preparation of applications) and, where it's the authority's duty to do so, ensuring payments are made in respect of taxation, national insurance and superannuation contributions • expenditure on recruitment, training, continuing professional development, performance management and personnel management of staff who are funded by expenditure not met from schools' budget shares and who are paid for services • expenditure in relation to the investigation and resolution of complaints • expenditure on legal services 	

Appendix D**Current Split Site Funding and Criteria**

School Name	Split Sites	
John Ruskin Primary	23,234	nursery class is off site
Phoenix Primary	42,847	school is split by a public road carrying through traffic
Bessemer Grange Primary	23,234	school is split by a public road carrying through traffic
Dulwich CE Infants	42,847	school is split by a public road carrying through traffic
English Martyrs Primary	42,847	school is split by a public road carrying through traffic
St James' Bermondsey	42,847	school is split by a public road carrying through traffic
	<u>217,856</u>	

Supplementary information

The Belham Primary School, a free school opened in September 2015. However, their split site funding is temporary whilst their permanent premises are being upgraded. They should be in their new one-site premises before 31 March 2018 therefore will not qualify for further split site funding after then. I believe the funding they have been paid by the ESFA (which they will recoup from us through the 2018-19 APT) is up to 31 December as they are due to be in the new site from January 2018.

Appendix E**New Criteria and Split Site Funding****Split sites guidance on potential criteria**

1. A local authority formula can include a factor to provide additional funding to schools that operate on and own more than one site. Criteria for providing extra funding should be clear and transparent, incorporating clear and objective trigger points and a clear formula for allocating additional funding. All schools and academies that meet the criteria will be eligible for split site funding. Schools sharing facilities, federated schools and schools with remote sixth forms or remote early years provision are not eligible for split site funding.
2. Examples of clear trigger points are:
 - the sites are at least x metres / kilometres / miles apart as the crow flies and the sites are separated by a public highway
 - the provision on the additional site does not qualify for an individual school budget share through the DSG
 - the school has remote playing fields, separated from the school by at least x kilometres / miles and there is no safe walking route for the pupils
 - x% of staff are required to teach on both sites on a daily basis in order to support the principle of a whole school policy and to maintain the integrity of the delivery of the national curriculum
 - at least x% of pupils are taught on each site on a daily basis
3. Examples of a clear formula for funding schools with split sites are:
 - a lump sum payment of £x
 - £x per pupil
 - £x per square metre of the additional site
4. Values for primary and secondary schools may be different. There may be one rate of payment for the first additional site and a separate rate for each additional site. Payment rates may be stepped, for example as the distance between sites increases.