

**DEDICATED SCHOOLS BUDGET – CENTRAL SCHOOLS SERVICES BLOCK UPDATE**  
**2018-19**

**Purpose of the Report**

1. To update schools forum on issues relating to the Central Schools Services Block (CSSB) budget for 2018-19 and the decisions that will need to be made as part of the budget setting process.

**Main Considerations**

2. As outlined in the funding settlement paper the DfE has allocated a CSSB of £2.515 million for Wiltshire. This has been calculated using the national funding formula for the CSSB which applies a unit rate of £30.96 to the pupil numbers from the October 2017 census. Funding for agreed historic commitments is then added to the amount of funding generated by the formula to give the overall total CSSB. Wiltshire has been allocated £0.574m for historic commitments based on those commitments agreed as eligible in 2017-18.
3. The CSSB brings together:
  - funding previously allocated through the retained duties element of the Education Services Grant (ESG)
  - funding for ongoing central functions, such as admissions, previously top-sliced from the schools block
  - residual funding for historic commitments, previously top-sliced from the schools block
4. Funding for growth and falling rolls will be allocated through the schools block in 2018 to 2019, based on historic spend in 2017 to 2018. Wiltshire has not operated a falling rolls fund in previous years and therefore will receive no funding for this purpose in 2018-19.
5. The duties held by the local authority in relation to all schools and therefore included within the CSSB are listed in Appendix 1 to this report. The appendix also shows the duties held by the LA in relation to maintained schools only.
6. The decisions that schools forum are required to make in relation to the central schools block are listed below. These are in relation to the duties that local authorities have towards all schools.

<b>Approval required</b>	<b>Services covered</b>
<b>Section A</b> Schools forum approval is <b>not</b> required (although they should be consulted)	<ul style="list-style-type: none"><li>• central licences negotiated by the Secretary of State</li></ul>

<p><b>Section B</b></p> <p>Schools forum approval is required on a <b>line-by-line</b> basis</p>	<ul style="list-style-type: none"> <li>• back pay for equal pay claims</li> <li>• remission of boarding fees at maintained schools and academies</li> <li>• places in independent schools for non-SEN pupils</li> <li>• admissions</li> <li>• servicing of schools forum</li> <li>• contribution to responsibilities that local authorities hold for all schools</li> <li>• contribution to responsibilities that local authorities hold for maintained schools (voted on by relevant maintained school members of the forum only)</li> <li>• de-delegated services from the schools block (voted on by the relevant maintained school members of the forum only) – NB decisions on de-delegated services have already been made at the December 2017 meeting</li> </ul>
<p><b>Section C</b></p> <p>Historic Commitments:</p> <p>Schools forum approval is required on a <b>line-by-line</b> basis. The budget cannot exceed the value agreed in the previous funding period and no new commitments can be entered into</p>	<ul style="list-style-type: none"> <li>• capital expenditure funded from revenue – projects must have been planned and decided on prior to April 2013 so no new projects can be charged</li> <li>• 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</li> <li>• 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)</li> <li>• prudential borrowing costs – the commitment must have been approved prior to April 2013</li> </ul>

7. Local authorities can fund services previously funded from the general funding rate of the ESG (for maintained schools only) from maintained school budget shares, with the agreement of maintained school members of the schools forum.
8. The relevant maintained schools members of the schools forum (primary, secondary, special and pupil referral units (PRUs), should agree the amount the local authority will retain.
  - a. If the local authority and schools forum are unable to reach a consensus on the amount to be retained by the local authority, the matter can be referred to the Secretary of State.
9. Local authorities should set a single rate per 5 to 16 year old pupil for all mainstream maintained schools, both primary and secondary; in the interests of simplicity, this should be deducted from basic entitlement funding.
10. There are no proposals to fund services for maintained schools only contained within this report.

**Section A – Central Licences**

11. The cost of licences for 2018-19 for Wiltshire has been set at £0.359m.

### **Section B – Centrally Provided Services**

12. Schools forum approval is required on a line by line basis for this group of services which are funded from central schools block. Appendix 2 to this report shows each line and the proposed budget.

13. The limitation on increases to centrally held spend has been removed from the budgets for admissions and servicing of schools forums. It is therefore proposed to apply salary inflation to the budget for the admissions team. This is affordable within the overall CSSB allocation.

### **Section C – Historic Commitments**

14. In 2017-18 the DfE supplementary guidance on the funding and reporting of historic commitments within central DSG. The guidance also detailed the evidence that Schools Forum required on each item in order to approve the spend:

- a. **Minutes from the schools forum prior to 1<sup>st</sup> April 2013** – schools forum should have agreed the commitment prior to 2013
- b. **Proof that the commitment extended at least as far as the 2018-19 financial year.** Evidence can include reports which indicated an end date in to 2018-19 or beyond, or where the commitment has no specific end date.
- c. **Where budgets relate to non-staffing costs, there must be a contractual commitment** (such as a PFI agreement or lease agreement) which extends in to the relevant financial year.
- d. **Schools forum papers and minutes that show that approval has been granted for the financial year.** The forum is expected to approve each spending line annually. It is important that schools forums have sufficient information to be able to make an informed decision

15. Having considered the guidance and the available evidence, the commitments agreed by schools forum for 2017-18 and therefore funded within the CSSB allocation for 2018-19 are as follows:

<b>Item</b>	<b>Amount</b>	<b>Meets Definition?</b>	<b>Required Evidence available?</b>
	<b>£m</b>		
<b>Funding for LAC Personal Education Plans</b> - Schools Forum decision December 2007 to support PEPs for Looked After Children from 2008/09 financial year as required under "Care Matters". Allocation based on original estimate of £500 per LAC and managed by Virtual Head Teacher. PPG Plus now also supports PEPs	0.233	Yes	Yes
<b>Child Protection in Schools Adviser</b> - Schools Forum decision January 2006 to support an additional member of staff within Children's Social Care to provide support and advice to schools enabling them to meet their responsibilities under Every Child Matters agenda following the cessation of Safeguarding Children's Grant	0.041	Yes	Yes
<b>Prudential Borrowing</b> Schools forum decision to support approx. £3m capital financing for 13 year period <i>Note 2018-19 is the final year for this commitment</i>	0.300	Yes	Yes
<b>Total</b>	<b>0.574</b>		

### **Proposals**

16. Schools Forum is asked to note the report and the required decisions in relation to the central schools block budget for 2018-19.

*Report Author: Liz Williams, Head of Finance*

*Tel: 01225 713675 10 January 2018*

*e-mail: [elizabeth.williams@wiltshire.gov.uk](mailto:elizabeth.williams@wiltshire.gov.uk)*

## Appendix 1 – Services covered by the Central Schools Services Block

### Statutory and regulatory duties

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none"> <li>• Director of children’s services and personal staff for director (Sch 2, 15a)</li> <li>• Planning for the education service as a whole (Sch 2, 15b)</li> <li>• Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 2, 22)</li> <li>• Authorisation and monitoring of expenditure not met from schools’ budget shares (Sch 2, 15c)</li> <li>• Formulation and review of local authority schools funding formula (Sch 2, 15d)</li> <li>• 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)</li> <li>• Consultation costs relating to non-staffing issues (Sch 2, 19)</li> <li>• Plans involving collaboration with other LA services or public or voluntary bodies (Sch 2, 15f)</li> <li>• Standing Advisory Committees for Religious Education (SACREs) (Sch 2, 17)</li> <li>• Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 2, 21)</li> </ul>	<ul style="list-style-type: none"> <li>• Functions of LA related to best value and provision of advice to governing bodies in procuring goods and services (Sch 2, 56)</li> <li>• Budgeting and accounting functions relating to maintained schools (Sch 2, 73)</li> <li>• Functions relating to the financing of maintained schools (Sch 2, 58)</li> <li>• Authorisation and monitoring of expenditure in respect of schools which do not have delegated budgets, and related financial administration (Sch 2, 57)</li> <li>• 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)</li> <li>• 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)</li> <li>• Functions made under Section 44 of the 2002 Act (Consistent Financial Reporting) (Sch 2, 60)</li> <li>• 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)</li> <li>• Functions related to local government pensions and 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)</li> <li>• Retrospective membership of pension schemes where it would not be appropriate to expect a school to meet the cost (Sch 2, 75)</li> </ul>

Responsibilities held for all schools	Responsibilities held for maintained schools only
	<ul style="list-style-type: none"> <li>• HR duties, including: advice to schools on the management of staff, pay alterations, conditions of service and composition or 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)</li> <li>• Consultation costs relating to staffing (Sch 2, 66)</li> <li>• Compliance with duties under Health and Safety at Work Act (Sch 2, 67)</li> <li>• Provision of information to or at the request of the Crown relating to schools (Sch 2, 68)</li> <li>• School companies (Sch 2, 69)</li> <li>• Functions under the Equality Act 2010 (Sch 2, 70)</li> <li>• Establish and maintaining computer systems, including data storage (Sch 2, 71)</li> <li>• Appointment of governors and payment of governor expenses (Sch 2, 72)</li> </ul>

### Education welfare

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none"> <li>• Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20)</li> <li>• School attendance (Sch 2, 16)</li> <li>• Responsibilities regarding the employment of children (Sch 2, 18)</li> </ul>	<ul style="list-style-type: none"> <li>• Inspection of attendance registers (Sch 2, 78)</li> </ul>

### Asset management

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none"> <li>• Management of the LA's capital programme including preparation and</li> </ul>	<ul style="list-style-type: none"> <li>• General landlord duties for all maintained schools (Sch 2, 76a &amp; b)</li> </ul>

Responsibilities held for all schools	Responsibilities held for maintained schools only
<p>review of an asset management plan, and negotiation and management of private finance transactions (Sch 2, 14a)</p> <ul style="list-style-type: none"> <li>• General landlord duties for all buildings owned by the local authority, including those leased to academies (Sch 2, 14b)</li> </ul>	<p>(section 542(2)) Education Act 1996; School Premises Regulations 2012) to ensure that school buildings have:</p> <ul style="list-style-type: none"> <li>• appropriate facilities for pupils and staff (including medical and accommodation)</li> <li>• the ability to sustain appropriate loads</li> <li>• reasonable weather resistance</li> <li>• safe escape routes</li> <li>• appropriate acoustic levels</li> <li>• lighting, heating and ventilation which meets the required standards</li> <li>• adequate water supplies and drainage</li> <li>• playing fields of the appropriate standards</li> <li>• General health and safety duty as an employer for employees and others who may be affected (Health and Safety at Work etc. Act 1974)</li> <li>• Management of the risk from asbestos in community school buildings (Control of Asbestos Regulations 2012)</li> </ul>

### Central support services

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none"><li>No functions</li></ul>	<ul style="list-style-type: none"><li>Clothing grants (Sch 2, 52)</li><li>Provision of tuition in music, or on other music-related activities (Sch 2, 53)</li><li>Visual, creative and performing arts (Sch 2, 54)</li><li>Outdoor education centres (but not centres mainly for the provision of organised games, swimming or athletics) (Sch 2, 55)</li></ul>

### Premature retirement and redundancy

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none"><li>No functions</li></ul>	<ul style="list-style-type: none"><li>Dismissal or premature retirement when costs cannot be charged to maintained schools (Sch 2, 77)</li></ul>

### Monitoring national curriculum assessment

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none"><li>No functions</li></ul>	<ul style="list-style-type: none"><li>Monitoring of National Curriculum assessments (Sch 2, 74)</li></ul>

### Therapies

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none"><li>No functions</li></ul>	<ul style="list-style-type: none"><li>This is now covered in the high needs section of the regulations and does not require schools forum approval</li></ul>



## Other ongoing duties

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none"> <li>• Licences negotiated centrally by the Secretary of State for all publicly funded schools (Sch 2, 8); this does not require schools forum approval</li> <li>• Admissions (Sch 2, 9)</li> <li>• Places in independent schools for non-SEN pupils (Sch 2, 10)</li> <li>• Remission of boarding fees at maintained schools and academies (Sch 2, 11)</li> <li>• Servicing of schools forums (Sch 2, 12)</li> <li>• Back-pay for equal pay claims (Sch 2, 13)</li> <li>• 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 to 2019 regulations)<sup>1</sup></li> </ul>	<ul style="list-style-type: none"> <li>• No functions</li> </ul>

## Historic commitments

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none"> <li>• Capital expenditure funded from revenue (Sch 2, 1)</li> <li>• Prudential borrowing costs (Sch 2, 2(a))</li> <li>• Termination of employment costs (Sch 2, 2(b))</li> <li>• Contribution to combined budgets (Sch 2, 2(c))</li> </ul>	<ul style="list-style-type: none"> <li>• No functions</li> </ul>

<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 2018-19.