

MUNICIPAL YEAR 2017/2018 REPORT NO. 19

MEETING TITLE AND DATE:

Schools Forum – 13 December 2017

REPORT OF:

Executive Director of Children's Services

Contact officer: Sangeeta Brown

E mail: sangeeta.brown@enfield.gov.uk

Item: 4d

Subject:

Central Schools Services Block & Further De-delegation of Services for 2018/19

1. EXECUTIVE SUMMARY

1.1. This report provides information and planned use of new Central Schools Services block (CSSB).

2. RECOMMENDATIONS

2.1 The Forum is asked to approve the continuation of the services listed in Table 2.

2.2 The maintained schools Forum members are asked to consider and approve the de-delegated services listed in Table 3.

3 BACKGROUND

3.1 In previous years, the Schools Forum has been provided with information on the central services funded from the DSG and, as required, the Forum has been to either confirm or provide a view on the proposed use.

As part of the second phase of implementing the national funding formula (NFF), the DfE have confirmed the arrangements for central services.

3.2 For 2018/19, the DfE have confirmed that they are creating a new Central Schools Services block (CSSB), which brings together funding previously provided through the Education Services Grant (ESG) and the Schools block of the DSG for:

- the retained duties element of the ESG
- for ongoing central statutory functions, such as admissions
- for historic commitments

There is no funding provided for the general regulatory duties previously provided through the ESG for maintained schools. Going forward, these services have to be provided as de-delegated services.

Appendix A provides a summary of the statutory and regulatory duties.

3.3 Similar to the Schools block, the DfE used the planned spend in 2017/18 for central services to carry out a baseline exercise and introduce a national funding formula for to inform the CSSB. Going forward, the statutory duties element will be based on a national funding formula and the historic commitments on previous spend. Table 1 details the outcomes from the baseline exercise and also the indicative funding to be provided for 2017/18.

Table 1: Funding for the CSSB

Areas of Funding	Baseline for 2018/19	Indicative Allocation for 2018/19	Variance	Method for allocating funding
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	£000s	£000s	£000s	
Statutory Duties	2,101.8	2049.0	-0.0528	NFF: based on pupil numbers and pupils from deprived backgrounds
Historical Commitments	912.6	912.6	0	Spend in 2017/18
Total	3,014.4	2,961.6	-0.0528	

4. PROVISION OF SERVICES FOR 2018/19

- 4.1 With the creation of the new block and use of the NFF, there is considerable uncertainty regarding these changes, the Authority is proposing that the services previously funded be continue to be funding within the reduced available resources. The services the Authority is planning to fund from the CSSB are detailed in Table 2.

Table 2: Planned Use of CSSB

Areas of Funding	Baseline for 2018/19	Indicative Budget for 2018/19	Variance	Further Information
	£000s	£000s	£000s	
Education Welfare	385	385	-	Following a review of the services supported by this funding, savings have been identified by reducing funding provided for he Appeals Services and support to the Schools Forum.
Admissions	624	624	-	
Appeals	259	229	-30	
Central Licenses	226	226	-	
Management and support	518	504	-14	
Place Planning	90	90	-	
Prudential Borrowing	337	328	-9	Reduction in annual cost
Joint Services for Disabled Children	25	25	-	Detailed in Appendix B
HEART	39	39	-	Detailed in Appendix B
Out of School Activities	41	41	-	Detailed in Appendix B
Parenting Support Service	386	386	-	Detailed in Appendix B
Adolescent Support Service	84	84	-	Detailed in Appendix B

The Forum is asked to confirm the agreement to these services being continued to be funded.

- 4.2 As stated above there is no funding for general duties for maintained schools previously funding from the ESG. Some of the items previously supported for de-delegation are detailed in the Budget report. Following the cessation of the ESG, it has been noted even with the Authority supporting the areas previously supported by the grant, there now some gaps in provision that cannot be supported. These include supporting schools in difficulties, meeting requirements of the general landlord duties and no provision for a school redundancy fund.

The schools in difficulties could be related to both financial and premises issues. Previously, the maintained schools members agreed to a fund to support schools in financial difficulties and this provided to be an invaluable resource for the schools in this position. It enabled one school to move out of deficit because of the improvements the funding supported and another to see an increase in pupil numbers. It is requested funding is delegated to set up a similar fund and approval arrangements (copy attached at appendix B). De-delegation of £2.95 per pupil would provide £150k.

Another area where it is proposed funding is de-delegated is support maintained schools to meet the requirements of the General Data Protection Regulations (GDPR) which come into effect on 25 May 2018. The GDPR is a mandatory requirement for all public sector bodies. The GDPR extends and seeks further safeguards, including a named Data Protection Officer (DPO), for the duties covered under the current Data Protection Act.

Officers have provided information to Headteachers and School Business Managers on the main requirements of the Act, but there is a concern that schools will not be in a position to fulfil the

requirements of the GDPR. Non-compliance of the requirements of the GDPR could lead to a fine of up to £17m. To ensure schools have arrangements in place, it is proposed to de-delegate £4.13 per pupil for 2018/19. This level of “per pupil” cost will enable a skilled DPO to be employed. As this is the first year of implementation, demand for skilled DPO familiar with the new requirements is very high. The funding would enable the Authority to employ skilled DPO to:

- Review compliance;
- Assistance with setup of requirements and revision of policy/privacy statements etc.
- Provide DPO advice and guidance to fulfil role required by Regulation
- Act as DPO liaison with school local data protection lead
- Acts DPO contact point for schools to the public and regulator
- Provide training and any information about changes supplied electronically as required.
- Assistance with data breach management (MUST be reported within 7 hours of discovery), which includes reporting to ICO within 72 hour timeline and informing persons who are affected by the breach.

The maintained schools Forum representatives are asked to consider and agree to de-delegating funding for services listed in Table 3:

Table 3: New Services for De-delegation

Areas of Funding	Sector	Total Budget	Amount per pupil
		£	£
Support for schools in difficulties	Prim & Sec	150,000	2.95
GDPR	Prim & Sec	210,000	4.13

Statutory and regulatory duties

Responsibilities held for all schools	Responsibilities held for maintained schools only
<p>Director of children's services and personal staff for director (Sch 2, 15a)</p> <p>Planning for the education service as a whole (Sch 2, 15b)</p> <p>Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 2, 22)</p> <p>Authorisation and monitoring of expenditure not met from schools' budget shares (Sch 2, 15c)</p> <p>Formulation and review of local authority schools funding formula (Sch 2, 15d)</p> <p>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)</p> <p>Consultation costs relating to non-staffing issues (Sch 2, 19)</p> <p>Plans involving collaboration with other LA services or public or voluntary bodies (Sch 2, 15f)</p> <p>Standing Advisory Committees for Religious Education (SACREs) (Sch 2, 17)</p> <p>Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 2, 21)</p>	<p>Functions of LA related to best value and provision of advice to governing bodies in procuring goods and services (Sch 2, 56)</p> <p>Budgeting and accounting functions relating to maintained schools (Sch 2, 73)</p> <p>Functions relating to the financing of maintained schools (Sch 2, 58)</p> <p>Authorisation and monitoring of expenditure in respect of schools which do not have delegated budgets, and related financial administration (Sch 2, 57)</p> <p>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)</p> <p>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)</p> <p>Functions made under Section 44 of the 2002 Act (Consistent Financial Reporting) (Sch 2, 60)</p> <p>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)</p> <p>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)</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 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)</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>

Education welfare

Responsibilities held for all schools	Responsibilities held for maintained schools only
<p>Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20)</p> <p>School attendance (Sch 2, 16)</p> <p>Responsibilities regarding the employment of children (Sch 2, 18)</p>	<p>Inspection of attendance registers (Sch 2, 78)</p>

Asset management

Responsibilities held for all schools	Responsibilities held for maintained schools only
<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>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>

Central support services

Responsibilities held for all schools	Responsibilities held for maintained schools only
<p>No functions</p>	<p>Clothing grants (Sch 2, 52)</p> <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>

Premature retirement and redundancy

Responsibilities held for all schools	Responsibilities held for maintained schools only
<p>No functions</p>	<p>Dismissal or premature retirement when costs cannot be charged to maintained schools (Sch 2, 77)</p>

Monitoring national curriculum assessment

Responsibilities held for all schools	Responsibilities held for maintained schools only
No functions	Monitoring of National Curriculum assessments (Sch 2, 74)

Therapies

Responsibilities held for all schools	Responsibilities held for maintained schools only
No functions	This is now covered in the high needs section of the regulations and does not require schools forum approval

Other ongoing duties

Responsibilities held for all schools	Responsibilities held for maintained schools only
<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 to 2019 regulations)¹</p>	No functions

Historic commitments

Responsibilities held for all schools	Responsibilities held for maintained schools only
<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 2, 2(c))</p>	No functions

Schools Forum – Schools in Financial Difficulties Panel

This paper outlines the process in respect of decisions by the Schools Forum Panel to support schools in financial difficulties.

1. Introduction

The school funding regulations enable maintained schools representatives of the Schools Forum to agree to de-delegate funding to support schools in financial difficulties due to a significant drop in pupil numbers.

The Schools Forum schools representatives agreed:

- to de-delegating funding to support schools in financial difficulties
- that the allocation be based on a business case submitted by the school seeking support
- that the business case be considered by a Panel of Schools Forum schools representatives
- that the decision of the Panel be reported back to the Schools Forum

It was also agreed that there should be an appeals process for schools where they did not agree with the decision of the Panel.

This paper outlines the arrangements for the initial decision Panel and then the Appeal Panel to hear the school's case.

2. The Panel

The Panel will comprise at least three representatives from the Schools Forum.

The Panel will consist of the following representatives either:

- one / two Headteacher from the primary / secondary sector
- one / two Governor from the primary / secondary sector
- Assistant Director, Education

No member of the Schools Forum who has any connection with any of the schools seeking financial support may sit on the Panel.

3. The Appeal Hearing

Following monitoring meetings with the Local Authority, schools seeking financial support will be invited to submit a business case for financial support.

The business case will provide information, where appropriate actual for previous years and forecast for future years:

- pupil numbers
- budgetary position
- staffing pressures
- requirements in the delivery of the curriculum
- requirements related to Ofsted judgments
- issues related to the building or other assets, e.g. ICT
- links with feeder schools to support transition
- what financial support is required
- how the financial support will be used
- what outcomes are anticipated from the support

If further information is required, the Panel may contact the school and request this.

The administrator to the Panel will send confirmation of the date, time and venue of the Panel hearing to the school. The administrator will also confirm arrangements for submission of written information to the Panel.

The Headteacher and one Governor from the school will attend the Panel hearing to put their case in person.

The administrator will be responsible for notifying the decision of the Panel.

4. The Role of the Panel

The Panel's role is to consider the Business Case submitted by the School seeking financial support.

The Panel will need to consider whether:

- the financial difficulties experienced by the school
- are due to a significant drop in roll
- the one-off support requested will help the school to resolve the immediate issues related to the financial difficulties.

5. The Panel's Decision

The Panel will consider the request for financial support submitted by the school and inform all parties of their decision and the reason for their decision as soon after the meeting as possible.

If the school disagrees with the Panel's decision, then the school may appeal.

6. The Appeal Panel

The Panel will comprise at least three representatives from the Schools Forum who were not involved in the original decision.

The Panel will consist of the following representatives:

- one Headteacher from the primary / secondary sector
- one Governors from the primary / secondary sector
- Assistant Director, Schools and Children's Services

7. The Role of the Appeal Panel

The Appeal Panel will consider each school's specific grounds for appeal. In doing so they will consider whether:

- the procedure followed by the Panel in deciding not to provide financial support was in line with the arrangements outlined in paragraph 4 above;
- the decision not to support the school will have an unavoidable and adverse impact on the quality of education provided to the pupils.

8. The Appeal Panel's Decision

The Panel will consider the grounds for appeal submitted by the school and inform all parties of their decision and the reason for their decision as soon after the appeal hearing as possible.

The Panel's decision is final.

Schools in Financial Difficulties

School Name																																				
Area of Consideration	Response																																			
Brief introduction																																				
Pupil Numbers: Data (actuals & projections) and any known reasons for the change.	<p><u>Data:</u></p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr style="background-color: #add8e6;"> <th>Year Group</th> <th>Actual Pupil Numbers 2013/2014</th> <th>Projected Pupil Numbers 2014/2015</th> <th>Projected Pupil Numbers 2015/2016</th> <th>Projected Pupil Numbers 2016/2017</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr style="font-weight: bold;"> <td>TOTAL</td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table> <p><u>Known reasons for drop in pupil numbers:</u></p>	Year Group	Actual Pupil Numbers 2013/2014	Projected Pupil Numbers 2014/2015	Projected Pupil Numbers 2015/2016	Projected Pupil Numbers 2016/2017																										TOTAL				
	Year Group	Actual Pupil Numbers 2013/2014	Projected Pupil Numbers 2014/2015	Projected Pupil Numbers 2015/2016	Projected Pupil Numbers 2016/2017																															
TOTAL																																				
<p>Please detail the impact of the reduction in pupil numbers and the changes that have had to be implemented to as a result.</p>																																				
Staffing pressures																																				
Requirements for the delivery of the curriculum																																				

School Name	
Area of Consideration	Response
Meeting Ofsted or other statutory / regulatory requirements	
Transition	Detail the work being done with feeder schools to increase number of pupils on roll
For what purpose is the financial support required?	
How much one-off funding is required?	
What are the expected outcomes from the financial support?	
Any other comments	

Completed by:

Approved by:
 Headteacher
 Chair of Governors