

**NATIONAL FUNDING FORMULA & SCHOOLS BUDGET SETTING 2017-18: UPDATE**

**To:** Cambridgeshire Schools Forum  
**Date:** 14 December 2016  
**From:** Martin Wade - Strategic Finance Manager (Children’s & Schools)

**1.0 INTRODUCTION**

1.1 This report provides an update on the latest announcements on the National Funding Formula and the local schools budget setting issues for consideration for 2017-18, including:

- Funding Baselines for 2017-18
- Demography
- Local Formula and Distributions
- Educations Services Grant (ESG)
- Centrally Retained Funding
- De-Delegations
- Other Considerations
- Key Decisions and Timetable

**2.0 FUNDING BASELINES FOR 2017-18**

2.1 As previously reported to Schools Forum the Department for Education (DfE) have undertaken a baseline exercise to reflect the actual patterns of spend by each local authority across the three notional Dedicated Schools Grant (DSG) funding blocks. Further to this the DfE have made two further adjustments to the 2016-17 baselines:

- Transfer of £125m nationally from the post-16 budget to the High Needs Block – this equates to £0.95m for Cambridgeshire;
- Transfer of £117m nationally from the Education Services Grant (ESG) retained duties budget to the Schools Block – this equates to £1.24m for Cambridgeshire. Further implications of changes to the ESG are highlighted in section 5 below.

These adjustments result in final baseline figures (excluding 2 year old funding and Early Years Pupil Premium):

<b>Revised DSG Funding Blocks Baseline</b>	<b>£m</b>
Schools Block (Including Growth Fund and Central Spend)	£332.23
High needs block	£62.76
Early years block	£22.48
<b>Total (= 2016-17 DSG allocation)</b>	<b>£417.47</b>

2.2 The DfE have then applied current pupil numbers to the revised Schools Block baseline which results in a 2017/18 Schools Block per Pupil allocation of **£4,311.24**.

	2016-17	2017-18
Schools Block per Pupil	<b>£4,257.07</b>	<b>£4,311.24</b>

**Please note:** As highlighted at the October meeting it is important to note that the £54 per pupil increase is not new money, but is due to technical adjustments and/or a transfer of

function, and as such there is no inflationary increase which will result in schools having to absorb any associated increases in costs.

### 3.0 **DEMOGRAPHY**

3.1 Based on the draft October 2016 census data received on 5 December there has been a continued increase in Reception to Year 6 numbers since October 2015 of approximately 1,109 pupils (2.3%).

Equally, within the Secondary sector the overall change for Year 7 to Year 11 pupils is showing a slight increase of 130 pupils (0.5%).

Sector	October 2015	October 2016	Change	Change %
Primary	48,684	49,793	1,109	2.3%
Secondary	28,408	28,538	130	0.5%

**Please note:** The final actual Schools Block DSG to be received for 2017-18 will be based on October 2016 pupil numbers, and as such will not be notified to the Local Authority (LA) until mid-December 2016.

3.2 Based on current estimates, this continuing increase in pupils will result in additional Schools Block DSG of approximately £5.3m over and above the levels received in 2016/17. It must be noted however that this is not all “extra” funding, as the majority is required to meet the cost of educating the additional pupils already in schools. Equally the changes in pupil numbers at individual schools between the two census points can vary significantly and as such will impact on the funding allocations they will receive. However, based on the average per pupil funding rates of primary and secondary age pupils, and allowing for the required lumps sums to support the new schools opening in September 2017, there is approximately **£1.1m** of headroom. This will be used to support the growth in new schools through variations to pupil numbers and, subject to Schools Forum approval to contribute towards the required increase in the Growth Fund.

3.3 As presented to Schools Forum in October these continuing demographic increases are placing pressures on the Growth Fund used to support existing schools and new schools. In September 2017 there are two primary schools, one secondary school and one special school due to open, which will lead to additional expenditure on growth funding due to pre-opening costs and diseconomies funding required for the schools as they grow to capacity. This is in addition to the diseconomies funding already required for other recently opened schools and the growth funding for existing schools adding additional classes. Therefore, it is estimated that the growth fund will need to increase by **£0.5m** to **£2.5m** for 2017/18 to meet this additional demand.

3.4 ***Based on the Growth Fund Criteria approved at the October meeting and additional costs associated with the opening of new Schools, Forum are asked to approve the increase of the Growth Fund from £2m to £2.5m.***

3.5 The number of pupils in Special schools has also continued to increase from 951 in October 2015 to 978 in October 2016. As in previous years the overall trend is for numbers to continue to increase throughout the remainder of the academic year, and last year peaked at 993 pupils at the January 2016 census. As highlighted at the October Schools Forum meeting additional places are already being spot-purchased at several of the Special Schools and the new Special School at Littleport is opening in September 2017. These additional places and associated top-up funding will require permanent

funding in 2017/18. This pressure and others associated with the High Needs Block will be covered in the separate High Needs presentation (Item 6 on the agenda).

#### **4.0 LOCAL FORMULA AND PROPOSED DISTRIBUTION**

4.1 Local Authorities (LAs) will be required to calculate funding for all schools, including academies and free schools through the Authority Proforma Tool (APT) in accordance with the local formula and submit by the 20 January 2017 deadline. The Education Funding Agency (EFA) will then take into account any previous levels of protection prior to allocating academy budgets.

4.2 To attempt to minimise turbulence for individual schools it is proposed to make minimal local changes to the funding formula for 2017-18, however it will be necessary to use the revised datasets from the EFA which will include changes to the Income Deprivation Affecting Children Index (IDACI) and Secondary Prior Attainment methodology.

#### **4.3 IDACI**

The 2015 IDACI dataset used for 2016/17 budget setting showed a markedly different distribution to the previous dataset. Consequently, for 2017/18, the EFA have updated the IDACI bandings so that the proportion of pupils within each band is roughly similar to that in 2015/16. Initial modelling based on October 15 census data suggests that this will only have a small impact overall for Cambridgeshire schools resulting in protection from the Minimum Funding Guarantee (MFG). However, following feedback from a number of schools a request has been submitted to the EFA to allow further mitigation to be applied to the most adversely affected schools, and a response is expected in due course.

#### **4.4 Secondary Prior Attainment**

- For pupils assessed at Key Stage 2 (KS2) up to 2011, eligible pupils are those who did not reach level 4 in either the English or Maths elements.
- For pupils assessed from 2011, eligible pupils are those who did not reach level 4 in any of the reading test, teacher assessed writing, or Maths. This reflects the new KS2 English assessment methodology which was introduced in 2012, to include separately a reading test and teacher assessed writing.
- The 2016 KS2 assessments are the first which assess the new, more challenging national curriculum. At a national level, a higher number of the year 7 cohort in financial year 2017 to 2018 will be identified as having low prior attainment. The DfE intend to use a national weighting to ensure that this cohort does not have disproportionate influence within the overall total.
- The weighting will be confirmed in advance of finalising 2017 to 2018 allocations and included in the APT in December, having taken into account the latest data about year 7 pupils in the October census. As such we are unable to model the potential impact at this time. On receipt of the data we will not be able to change the weighting, but would be able to adjust the secondary low prior attainment unit value to mitigate any significant turbulence.

4.5 Once any identified pressures have been funded the local formula will be allocated as follows:

- a) Required demographic changes to be calculated based on:
  - i) Changes to overall numbers of schools.
  - ii) Changes in overall pupil numbers to be funded (including variations to pupil numbers for new schools)
  - iii) Changes in overall cost of factors for deprivation, prior-attainment, English as an Additional Language (EAL) and Looked After children (LAC) etc due to updated

datasets.

- b) Rates and Private Finance Initiative (PFI) to be adjusted to reflect latest estimates.
- c) No proposed changes to local funding factors other than:
  - i) Basic Entitlement to be adjusted based on total available funding (current ratios to be maintained)
  - ii) Review of Split Site factor.
- d) Retained funding to be calculated subject to EFA clarification of duties and guidance on allowable mechanisms.
- e) Minimum funding guarantee will be dependent on individual school circumstances.

**Appendix A** shows the available local formula factors alongside the proposed approach and unit values for 2017-18.

**Appendix B** shows the actual allocation of funding in 2016-17 across the available formula factors.

- 4.6 As a result of the overall available funding schools and providers will not receive any increase in £ per pupil funding over 2016/17 levels. Within the Primary and Secondary sector it is likely the Basic Entitlement per pupil will reduce due to the funding of pressures on High Needs Places and Growth. Schools and providers will therefore be required to absorb any inflationary increases in costs from within their overall funding allocation.
- 4.7 Final distribution totals will be presented to the Children and Young People Policy and Service Committee (CYP) Committee on 17 January 2017 and to Schools Forum on the 27 January 2017 following receipt of the updated datasets and DSG allocations from the EFA in December. (This is likely to include changes to the national copyright license arrangements, which will need to be reflected in final figures.)

## **5.0 EDUCATION SERVICES GRANT (ESG)**

- 5.1 Historically the ESG has been made up of two rates that funded two different groups of services:
  - The retained duties rate has gone to local authorities to fund services they provide to all schools, including academies;
  - The general duties rate has gone to both local authorities and academies to fund services authorities provide to maintained schools but which academies must provide themselves.

Currently the amount of ESG to be received by the LA in 2016/17 is in the region of £4.5m.

- 5.2 As highlighted, in 2.1 above, for 2017 to 2018, the general duties rate is ending and funding previously allocated through the ESG retained duties rate (£15) will be transferred into the schools block. This equates to a transfer of £117m nationally and to £1.24m for Cambridgeshire.
- 5.3 The EFA recognise that LA's will need to be able to retain some of this funding to continue to deliver these functions. And as such LA's will be able to fund central services

previously funded within the retained duties rate (for all schools), with the agreement of schools forum. They will be able to fund services previously funded within the general duties rate (for maintained schools only) from maintained school budget shares with the agreement of maintained school members of schools forum. A full list of functions/duties as per EFA guidance is available in **Appendix C**.

5.4 Further to this LA's will receive transitional ESG funding from April 2017 to August 2017 with the general funding rate being removed from September 2017. The final rate has yet to be determined, but the EFA expect the transitional protection to be in the region of an annual rate of £50 per pupil, which equates to £20 per pupil for the five months from April to August. The final rates will be announced in December alongside DSG allocations and confirmation of the ESG protection rates for academies. Based on estimated maintained pupil numbers this transitional funding will equate to approximately **£0.75m**.

5.5 As part of the LA's Business Planning process a reduction in ESG totalling **£1.8m** has been factored into the overall levels of funding available and has therefore been managed as part of the overall savings requirement for the LA. However, it has been assumed that the retained duties element (£15 per pupil) will be transferred from the DSG for all schools and £10 per pupil from maintained schools to support the removal of the general duties funding.

<b>Current ESG Allocation 2016-17</b>	<b>£4.512m</b>
Estimated Transitional Funding Allocation 2017-18 – Subject to confirmation of funding rate and revised pupil numbers	£0.750m
Estimated Retained Duties – Subject to Approval and revised pupil numbers	£1.243m
Estimated General Duties – Subject to Approval and revised pupil numbers	£0.375m
<b>Total Estimated Funding</b>	<b>£2.368m</b>
<b>ESG Cut Managed by LA</b>	<b>£1.784m</b>
<b>Estimated Funding Gap to be addressed</b>	<b>£0.360m</b>

5.6 School improvement is not included in the functions/ duties set out in **Appendix C**. From 2017 to 2018 local authorities will receive a separate grant covering their statutory intervention functions and services such as monitoring and commissioning of school improvement support. This will allow local authorities to play a transitional role, as the school-led system of school improvement continues to mature and capacity in the system increases. This grant will be £50 million per full year, allocated to local authorities on the basis of the number of maintained schools, an area cost adjustment and top-up to ensure each local authority receives a minimum allocation of £50,000. In addition, a £140m per year "Strategic School Improvement Fund" will be provided to support school improvement and help to build school-led capacity in parts of the country where it is needed. Further information on this fund, including how to access the support, will be available shortly. Finally, schools forums can agree to de-delegate further funding for additional school improvement provision, in 2017 to 2018.

5.7 **Members of Schools Forum are asked to approve the retention of £15 per pupil to reflect the transfer of the ESG retained duties funding and functions delivered by the LA for all schools.**

- 5.8 **Maintained Members of Schools Forum are asked to approve the retention of £10 per pupil to reflect the removal of ESG general duties funding and functions delivered by the LA for maintained schools.**

## 6.0 **CENTRALLY RETAINED FUNDING**

- 6.1 As a result of changes announced by DfE in 2012, the finance regulations restrict a number of central schools block lines to no higher than the budgets set in 2012, unless a disapplication is approved by the Secretary of State. Further to this as part of the creation of the Central Schools Block the LA was required to submit details of the continued spend into 2017/18 for approval.

- 6.2 Supplementary guidance in respect of historic commitments was published in mid-November and can be accessed at: <https://www.gov.uk/government/publications/schools-funding-arrangements-2017-to-2018>

Based on this guidance all of the current central spend is allowable other than the Tree Maintenance budget which will be delegated back to schools and alternative arrangements developed.

- 6.3 **Appendix D** shows the notional usage of the current historic commitments planned for continuation into 2017/18.

**Please note:** With approximately £20m of savings already identified within Children's Families and Adults in 2017/18 as part of the £99.2m of savings required across the Council between 2017 and 2022 any immediate reduction in DSG contribution would result in further savings to be found.

- 6.4 As part of the Business Planning process for 2018/19 options for backing out the remaining contribution to Children's Services will be considered to allow the recycling of this funding back into Schools delegated budgets.

- 6.5 The table on the following page lists those that apply to Cambridgeshire and the amounts allocated in 2016/17 and proposals for 2017/18 :

<b>Section 251 Budget Line</b>	<b>2016/17 Budget</b>	<b>2017/18 Budget</b>	<b>Description</b>
1.4.1 Contribution to combined budgets*	<b>£4.31m</b>	<b>£4.31m</b>	£3.53m – contribution to Children's Services £0.73m – Early Intervention Family Worker (previously Parental Support Advisors), £0.05m – Residual CPH Funds and EPM Contract
1.4.4 Termination of employment costs	<b>Nil</b>	<b>Nil</b>	
1.4.6 Capital expenditure from revenue (CERA)	<b>£1.54m</b>	<b>£1.46m</b>	£1.46m – Cambridgeshire Public Services Network (CPSN) Broadband Contract, £0.08m – Tree Maintenance
1.4.7 Prudential borrowing costs	<b>Nil</b>	<b>Nil</b>	
1.4.9 Equal pay - back pay	<b>Nil</b>	<b>Nil</b>	

1.4.12 Exceptions agreed by Secretary of State	£0.4m	£0.4m	National Copyright Licence arrangements
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\*Please note: Contribution to Combined Budgets was reduced by over £0.3m in 2016/17. (Previously £4.67m)

6.6 Further to the areas of central expenditure above there are also the following centrally retained budgets requiring approval:

Service/Function	2016/17 Amount	2017/18 Amount	Comments
Growth Fund	£2m	£2.5m	Can be increased with Forum approval.
Admissions	£0.405m	£0.405m	No increase in expenditure allowed – unless disapplication approved by SoS
Servicing of Schools Forum	£0.003m	£0.003m	No increase in expenditure allowed – unless disapplication approved by SoS

6.7 ***Members of Schools Forum are asked to approve the continued Central Expenditure as set out in 6.5 and 6.6 above.***

## 7.0 **DE-DELEGATIONS**

7.1 Cambridgeshire Primary Heads (CPH) and CPH Finance have been asked to consider the de-delegations methodology and proposed approach for 2017-18 which apply to maintained primary schools only and cover:

1. Contingency
2. Cambridgeshire Race Equality Advisory Service (CREDS)
3. Free School Meals Eligibility
4. Insurance (Material Damage, Theft, Public Liability)
5. Maternity Cover
6. School Leaders & Governors Online Information Service
7. Trade Union Facilities Time

7.2 The current basis, total de-delegation for 2016/17 and proposals for 2017/18 are set out below:

	2016/17 Basis	2016/17 Amount	2017/18 Basis	Est. 2017/18 Amt.
<b>Contingency</b>	£2.10 per pupil	£81,281	£2.10 per pupil	£72,374
<b>CREDS</b>	£12 per pupil and £142.50 per EAL	£725,985	£12 per pupil and £142.50 per EAL	£629,885
<b>Free School Meals</b>	£4.65 per FSM child	£16,746	£4.65 per FSM child	£14,052
<b>Insurance</b>	£18.20 per pupil	£704,437	£18.20 per pupil	£627,245
<b>Maternity</b>	£5.90 per pupil	£228,361	£5.00 per pupil	£172,320



<b>School Leaders &amp; Governors Online Information Service</b>	50p per pupil and £307 per school	£69,522	n/a	n/a
<b>Trade Union Facilities Time</b>	£1.10 per pupil	£42,576	£1.10 per pupil	£37,910
<b>TOTAL</b>		<b>£1,868,908</b>		<b>£1,553,786</b>

- 7.3 Final de-delegation amounts for 2017/18 will be updated on receipt of revised data from the DfE and presented at the January meeting of Schools Forum. Although the final amounts will change slightly to reflect final pupil numbers the principles for de-delegation will remain as set out below.
- 7.4 **Contingency** – No proposed change to de-delegation rate for 2017/18.
- 7.5 **CREDS** – Following a survey of schools through Cambridge Primary Heads, it is proposed that this de-delegation will continue for 2017/18 and will be calculated on the same basis as 2016/17.
- 7.6 **Free School Meals Eligibility** – No proposed change to de-delegation rate for 2017/18.
- 7.7 **Insurance** – Awaiting final details of cost for 2017/18. Final per pupil amount will be updated to reflect any changes in overall cost.
- 7.8 **Maternity** – Following a review of the balance on the maternity de-delegation, it is proposed to reduce the charging basis from £5.90 to £5.00 per pupil for 2017/18. The pay-out amounts would remain the same.
- 7.9 **School Leaders & Governors Online Information Service** – Due to the increasing number of academy conversions this de-delegation will cease in March 17. Should schools wish to still access this service they will be able to do so on an individual or collective basis although this will not be administered by the Local Authority.
- 7.10 **Trade Union Facilities Time** – This de-delegation provides approximately half of the funding used to provide payments for the 6 county secretaries either to schools where union secretaries are taking time off for duties, or payments directly to union secretaries where they are no longer working directly for schools (i.e. they are retired). The viability of this funding arrangement is dependent on the continued buy-in from a large proportion of academies. It is proposed to keep this de-delegation amount the same.
- 7.11 ***Maintained Primary representatives on Schools Forum are asked to agree to the continuation of the above de-delegations in respect of:***
- ***Contingency***
  - ***CREDS***
  - ***Free School Meals Eligibility***
  - ***Insurance***
  - ***Maternity***
  - ***Trade Union Facilities Time***



## 8.0 **OTHER CONSIDERATIONS**

### 8.1 **Apprenticeship Levy**

The apprenticeship levy will impact on all UK employers with a pay bill of over £3 million per year. This includes maintained schools, academies and multi-academy trusts. The levy payable is equivalent to 0.5% of their payroll, but each employer will receive an annual allowance of £15,000 to offset against the required amount.

8.2 This means that employers with pay bills of £3 million and under will not pay any levy because 0.5% of £3 million is equal to the £15,000 allowance and an employer with a £5 million payroll would have to pay £10,000, which is their £25,000 charge at 0.5% of their payroll, minus the £15,000 allowance.

8.3 Latest guidance we have received suggests that schools where School have their own Pay As You Earn (PAYE) scheme the levy will be calculated individually. For example, if an employee is employed by the council but paid by the school, then they will count towards the schools levy rather than the councils. Work is currently underway to fully understand the implications for maintained schools and as such will be communicated in due course.

## 9.0 **KEY DECISIONS AND TIMETABLE**

9.1 Schools Forum will be consulted on the main formula funding factors and movements between funding blocks, but the final decision sits with the Local Authority and will be subject to approval by the Children and Young People Policy and Service Committee (CYP).

9.2 The table below shows the key dates in the budget setting process:

<b>Date</b>	<b>Action</b>
Mid-December 2016	DfE to publish pupil data and factors and confirm Schools Block and High Needs Block allocations for 2017 to 2018 (prior to academy recoupment). Publication of provisional early years block allocations
14 December 2016	Schools Forum
17 January 2017	CYP Committee
20 January 2017	Local authorities submit final data for Schools Budget pro-forma.
27 January 2016	Schools Forum
January – February 2017	Local authorities confirm budgets for maintained schools (28 February).
31 March 2017	EFA confirm general annual grant to academies open by 9 January 2017
April 2017	First DSG payments to local authorities based on 2017 to 2018 allocations, net of academies recoupment (DSG allocations updated termly for in year academy conversions).
June 2017	Early Years Block updated for January 2017 Early Years pupils.
June 2018	Early years block updated for January 2018 early years pupil numbers (pro rata 7/12ths as this relates only to the period September 2017- March 2018).

9.3 **Members of Schools Forum are asked to note and comment on the contents of the above report.**

Background documents: none

## Appendix A

Number	Formula Factor	Cambridgeshire Approach for 2017/18	Primary Values 2017/18	Secondary Values 2017/18
1	Basic Entitlement	Equal Value for KS1 & KS2, Different Value for KS3 & KS4. Adjusted based on total available funding - final values dependent on all other factors	<i>TBC – 16/17 values - £2,721</i>	<i>TBC – 16/17 values - KS3 £3,838 KS4 £4,989</i>
2	Deprivation - Free School Meal (FSM)	To be used as part of the deprivation funding. Free meals as at the previous October census.	£600	£600
2	Deprivation - Income Deprivation Affecting Children Index (IDACI)	To be used as part of the deprivation funding. Bandings shown below.		
		IDACI Lower and Upper Limit	Unit Value	Unit Value
		Band 0 - 0.0-0.2	£0	£0
		Band 1 - 0.2-0.25	£220	£220
		Band 2 - 0.25-0.3	£500	£500
		Band 3 - 0.3-0.4	£500	£500
		Band 4 - 0.4-0.5	£750	£750
		Band 5 - 0.5-0.6	£750	£750
		Band 6 – 0.6-1	£750	£750
3	Prior Attainment - Primary Phase Low Attainment	New Profile for Y1 & Y2 and EYFSP score below 78 points mapped to October Census for pupils in Y3 to Y6.	£750	n/a

<b>Number</b>	<b>Formula Factor</b>	<b>Cambridgeshire Approach for 2017/18</b>	<b>Primary Values 2016/17</b>	<b>Secondary Values 2016/17</b>
3	Prior Attainment - Secondary Phase Low Attainment	To be applied to pupils scoring below level 4 in either English (reading or teacher assessed writing elements) or Maths at KS2	n/a	£420
4	Looked After Children (LAC)	To be applied to qualifying pupils recorded as LAC mapped to January 2016 Census	£750	£750
5	English as an Additional Language (EAL)	To be funded for the 1st, 2nd or 3rd year in the education system	£750	£750
6	Mobility	Not to be applied due to concerns over data quality	n/a	n/a
7	Sparsity	Not to be applied. Limitations on usage limit benefits to Cambridgeshire schools	n/a	n/a
8	Lump Sum	Lump Sum to be set at £150,000 for all Primary and Secondary Schools	£150,000	£150,000
9	Split Site Lump Sum	Local Criteria - Lump Sum – Increased	£90,000	£90,000
10	Rates	To fund schools based on latest estimates available. Any changes to be retrospectively amended a year in arrears	Variable	Variable
11	Private Finance Initiative (PFI)	To be funded based on actual cost to be revised annually - Revised amount to be calculated	n/a	Variable
12	London Fringe	Does not apply to Cambridgeshire Schools	n/a	n/a
13	Post-16	Not to be applied. Have not previously funded.	n/a	n/a
14	Exceptional Premises	To fund specific schools where additional exceptional premises costs previously met by the LA	Variable	Variable

## Appendix B

### 2016/17 Formula Distribution

Factor	Primary £	Primary %	Secondary £	Secondary %	Total £	Total %
Activity Funding	133,733,678	71.74%	122,010,105	89.76%	255,743,783	79.34%
School Lump Sum	31,075,000	16.67%	4,800,000	3.53%	35,875,000	11.13%
Split Site Lump Sum	50,000	0.03%	0	0.00%	50,000	0.02%
Amalgamated Schools Lump Sum	105,000	0.06%	0	0.00%	105,000	0.03%
Rates	3,021,573	1.62%	1,033,873	0.76%	4,055,446	1.26%
PFI	0	0.00%	215,120	0.16%	215,120	0.07%
Exceptional Premises	84,500	0.05%	0	0.00%	84,500	0.03%
Prior Attainment	6,606,998	3.54%	2,831,926	2.08%	9,438,924	2.93%
Deprivation (FSM)	2,853,232	1.53%	1,578,530	1.16%	4,431,762	1.37%
Deprivation (IDACI)	5,017,139	2.69%	2,455,639	1.81%	7,472,778	2.32%
LAC	103,203	0.06%	101,802	0.07%	205,005	0.06%
EAL	3,489,712	1.87%	501,936	0.37%	3,991,648	1.24%
MFG Adjustment	266,387	0.14%	401,481	0.30%	667,868	0.21%
	<b>186,406,422</b>	<b>100.00%</b>	<b>135,930,412</b>	<b>100.00%</b>	<b>322,336,835</b>	<b>100.00%</b>

**Appendix C – ESG Duties – November 2016**

ESG DUTIES	
Responsibilities local authorities hold for all schools (funding may be retained centrally from all schools with agreement of schools forum)	Responsibilities local authorities hold for maintained schools (funding may be retained centrally from <u>maintained schools only</u> with agreement of schools forum)
<p><b><u>Statutory and Regulatory duties</u></b></p> <p>Director of children’s services and personal staff for director (Sch 1, 20a)</p> <p>Planning for the education service as a whole (Sch 1, 20b)</p> <p>Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 1, 20d)</p> <p>Administration of grants (Sch 1, 20e)</p> <p>Authorisation and monitoring of expenditure not met from schools’ budget shares (Sch 1, 20fi)</p> <p>Formulation and review of local authority schools funding formula (Sch 1, 20g)</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 1, 20i)</p> <p>Consultation costs relating to non-staffing issues (Sch 1, 20r)</p>	<p><b><u>Statutory and Regulatory duties</u></b></p> <p>Functions of LA related to best value and provision of advice to governing bodies in procuring goods and services (Sch 1, 20c)</p> <p>Budgeting and accounting functions relating to maintained schools (Sch 1, 20d)</p> <p>Functions relating to the financing of maintained schools (Sch 1, 20e)</p> <p>Authorisation and monitoring of expenditure in respect of schools which do not have delegated budgets, and related financial administration (Sch 1, 20fii)</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 1, 20h)</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 1, 20i)</p> <p>Functions made under Section 44 of the 2002 Act (Consistent Financial Reporting) (Sch 1, 20j)</p>

ESG DUTIES	
Responsibilities local authorities hold for all schools (funding may be retained centrally from all schools with agreement of schools forum)	Responsibilities local authorities hold for maintained schools (funding may be retained centrally from <u>maintained schools only</u> with agreement of schools forum)
<p>Plans involving collaboration with other LA services or public/voluntary bodies (Sch 1, 20v)</p> <p>Standing Advisory Committees for Religious Education (SACREs) (Sch 1, 24)</p> <p>Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 1, 20w)</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 1, 20L)</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 1, 20m)</p> <p>Retrospective membership of pension schemes where it would not be appropriate to expect a school to meet the cost (Sch 1, 20n)</p> <p>HR duties, including: advice to schools on the management of staff, pay alterations, conditions of service and composition/organisation of staff (Sch 1, 20o); determination of conditions of service for non-teaching staff (Sch 1, 20p); appointment or dismissal of employee functions (Sch 1, 20q)</p> <p>Consultation costs relating to staffing (Sch 1, 20r)</p> <p>Compliance with duties under Health and Safety at Work Act (Sch 1, 20s)</p> <p>Investigation and resolution of complaints relating to maintained schools (Sch 1, 20t)</p> <p>Provision of information to or at the request of the Crown relating to schools (Sch 1, 20w)</p> <p>School companies (Sch 1, 20x)</p>

ESG DUTIES	
Responsibilities local authorities hold for all schools (funding may be retained centrally from all schools with agreement of schools forum)	Responsibilities local authorities hold for maintained schools (funding may be retained centrally from <u>maintained schools only</u> with agreement of schools forum)
	<p>Functions under the Equality Act 2010 (Sch 1, 20y)</p> <p>Establish and maintaining computer systems, including data storage (Sch 1, 22)</p> <p>Appointment of governors and payment of governor expenses (Sch 1, 26)</p>
<p><b><u>Education Welfare</u></b></p> <p>Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 1, 10c)</p> <p>School attendance (Sch 1, 11)</p> <p>Responsibilities regarding the employment of children (Sch 1, 29)</p>	<p><b><u>Education Welfare</u></b></p> <p>Inspection of attendance registers (Sch1, 11)</p>
<p><b><u>Asset management</u></b></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 1, 10a)</p> <p>General landlord duties for all buildings owned by the local authority, including those leased to academies</p>	<p><b><u>Asset management</u></b></p> <p>General landlord duties for all maintained schools (Sch 1, 10a (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> </ul>



ESG DUTIES	
Responsibilities local authorities hold for all schools (funding may be retained centrally from all schools with agreement of schools forum)	Responsibilities local authorities hold for maintained schools (funding may be retained centrally from <u>maintained schools only</u> with agreement of schools forum)
	<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><b><u>Central support services</u></b></p> <p>No functions</p>	<p><b><u>Central support services</u></b></p> <p>Clothing grants (Sch 1, 10e)</p> <p>Provision of tuition in music, or on other music-related activities (Sch 1, 15)</p> <p>Visual, creative and performing arts (Sch 1, 16)</p> <p>Outdoor education centres (but not centres mainly for the provision of organised games, swimming or athletics) (Sch 1, 17)</p>
<p><b><u>Premature retirement and redundancy</u></b></p> <p>No functions</p>	<p><b><u>Premature retirement and redundancy</u></b></p> <p>Dismissal or premature retirement when costs cannot be charged to maintained schools (Sch 1, 25)</p>
<p><b><u>Monitoring national curriculum assessment</u></b></p> <p>No functions</p>	<p><b><u>Monitoring national curriculum assessment</u></b></p> <p>Monitoring of National Curriculum assessments (Sch 1, 23)</p>
<p><b><u>Therapies</u></b></p> <p>No functions</p>	<p><b><u>Therapies</u></b></p> <p>This will be covered in the high needs section of the regulations</p>
<p><b><u>Additional note</u></b></p>	

## ESG DUTIES

Responsibilities local authorities hold for all schools (funding may be retained centrally from all schools with agreement of schools forum)

Responsibilities local authorities hold for maintained schools (funding may be retained centrally from maintained schools only with agreement of schools forum)

Services set out in the table above will also include overheads relating to these services (regulation 8(11) already refers to this for schedule 2 services) for:

- Ensuring payments are made in respect of taxation, national insurance and superannuation contributions (sch 1, 20e).
- Recruitment, training, continuing professional development, performance management and personnel management of staff (Sch 1, 20k)
- Investigations of employees or potential employees, with or without remuneration (Sch 1, 20l)
- Investigation and resolution of complaints (Sch 1, 20t)
- Legal services related to education functions (Sch 1, 20u)

## Appendix D - Historic DSG Commitments - Continuation in 2017-18

Service/Functions/Contracts	Amount £m	Description/Narrative
Early Intervention Family Workers	£0.733	<p>Support towards Early Intervention Family Workers:            Early Intervention Family Workers operate in close partnership with schools and deliver interventions to stop emerging needs escalating and requiring more intensive involvement. EIFWs deliver a mix of targeted casework and limited support including group work, delivering of parenting programmes and parent initiated support accessed at school drop-ins and surgeries. Support provided directly to schools Includes meetings with school staff without a family present, e.g. at pastoral meetings, supporting Family CAF completion and are readily accessible to both schools and parent identified issues. Resource has been allocated through formula by locality/school cluster in full consultation with Cambridgeshire Schools' Forum.</p>
Children's Centres	£1.176	<p>25% notional contribution towards Children's Centres &amp; 18% notional contribution towards other Locality functions:            Support for families to provide services that support local families, children and young people. Offering support and advice to parents/carers on issues such as children's challenging behaviour, establishing routines, raising self-esteem, increasing confidence and improving family relationships. Support and advice may be offered through individual targeted support including</p>
Localities Support - EC&F	£0.297	<p>- advice and support to families who need additional help with parenting</p>
Localities Support - SC&C	£0.295	<p>- providing young people with information and advice on education, employment, training and personal development opportunities</p>
Localities Support - Hunts	£0.198	<p>- work with students who have behavioural problems by supporting schools            - help to ensure children attend school regularly and punctually, supporting young people's inclusion in education            - specialist support for young people needing help in the transition to adulthood</p>
Schools Intervention Service - Safeguarding	£0.161	<p>Notional support to Safeguarding Service:            Protection and safeguarding of children and young people by training and supporting staff in schools, colleges and early years settings. Work to raise awareness of safeguarding issues and ensure that schools and settings are able to fulfil their responsibilities under current legislation and government guidance.</p>
Schools Partnership Service - SEN	£0.120	<p>Notional support to SPS SEN Service:            Service works with pupils and students, staff and schools to improve educational outcomes for those with SEND, to offer support from the Learning Directorate for schools in developing their strategic approach to identifying, supporting and making provision for pupils with SEN. In particular they work to ensure SENCOs have the most up to date information on National, regional and local initiatives.</p>

Service/Functions/Contracts	Amount £m	Description/Narrative
ESLAC	£0.482	<p>Notional support to ESLAC:  Service ensures that Looked After Children have the opportunity to fulfill their educational potential. The service supports and challenges professionals involved with Cambridgeshire Looked After Children in order to ensure they receive an education that best meets their needs and allows them to achieve their potential. Also leads on the Personal Education Planning process for all Cambridgeshire Looked After Children and ensures that the Pupil Premium Plus is used effectively to improve educational outcomes</p>
Youth Service	£0.250	<p>Notional support towards Youth Service:  Youth Support Services provide specialist and targeted services to young people in order to enable them to make an effective transition to adulthood, delivering duties in relation to NEET and attendance and work with schools and other partners to jointly plan provision. Supporting the activity in relation to NEET is the main focus for Central Youth Support Services in relation to raising the participation age (RPA). This includes co-ordination of the Post 16 On-Line Application process and the Cambridgeshire website for young people, Youthoria.</p>
Preparing for Adulthood Additional Needs Team	£0.355	<p>Notional support towards PAAN Team:  Service provides specialist information, advice and support around Education, Employment and Training (EET) can be provided to young people aged 14 to 25 from Cambridgeshire with additional needs, who attend or have attended specialist provision both within and outside the county. The team will also offer increased support to those young people from specialist provision who are either Not in Education, Employment or Training (NEET), or who are at risk of becoming NEET.</p>
Occupational Therapists	£0.245	<p>Work with schools to make education more accessible. Contract to provide Occupational Therapy via SLA - ongoing arrangements with Cambridgeshire Community Services NHS Trust to employ permanent.</p>
<b>Contribution to Combined Budgets Total:</b>	<b>£4.312</b>	

Service/Functions/Contracts	Amount £m	Description/Narrative
Broadband Contract	£1.459	CPSN is a communications network and partnership, bringing together schools, councils, emergency services and charitable bodies from across and beyond Cambridgeshire. It provides secure broadband and associated services to schools. The founding principle is one of lower costs via 'aggregation', recognising that multiple organisations purchase very similar services, and can achieve significant savings by doing so together. The CPSN partnership leverages a dedicated telecommunications framework contract and the combined buying power of the Cambridgeshire school collective, and the wider Cambridgeshire public sector, has delivered significant economies of scale, attracting aggressive pricing that could not be achieved separately. The current contract arrangements as approved by Schools Forum end in June 2018.
Tree Maintenance	£0.079	To be removed in 2017/18 and delegated to Schools
<b>Capital expenditure from revenue (CERA) Total:</b>	<b>£1.538</b>	