

**Name of meeting: Cabinet**

**Date: 17<sup>th</sup> January 2017**

**Title of report: Schools Forum: Report seeking approval for Kirklees School Funding Formula for the financial year 2017/18**

<b>Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?</b>	Yes
<b>Is it in the <a href="#">Council's Forward Plan</a>?</b>	Yes
<b>Is it eligible for "call in" by <a href="#">Scrutiny</a>?</b>	Yes
<b>Date signed off by <u>Director</u> &amp; name</b>	Sarah Callaghan (Jo-Anne Sanders) 6 <sup>th</sup> January 2017
<b>Is it signed off by the Director of Resources?</b>	Debbie Hogg (Carole Hardern) 6 <sup>th</sup> January 2017
<b>Is it signed off by the Assistant Director – Legal, Governance &amp; Monitoring?</b>	Julie Muscroft (John Chapman) 6 <sup>th</sup> January 2017
<b>Cabinet member <a href="#">portfolio</a></b>	Cllr Masood Ahmed, Community Cohesion and Schools

**Electoral [wards](#) affected: All Wards**  
**Ward councillors consulted: None**

**Public or private: Public**

## **1. Purpose of report**

- To report on the continued implementation of the Kirklees schools funding formula during 2016/17 in line with Department for Education (DfE) guidance (2013)
- To report on the implications of changes to Education Services Grant for the Council and schools from 2017/18.
- To report on introduction of the proposed National Funding Formula, impacting on schools' formula funding from 2018/19.
- To recommend to Kirklees Cabinet the outline of the Kirklees school funding formula for 2017/18 in terms of:
  - a. Specific funding factors to be used and the estimated relative weightings and values of the funding factors
  - b. Exceptions applications to the Education Funding Agency (EFA)
  - c. Centrally retained Dedicated Schools Grant provision
  - d. De-delegation arrangements

- To request that the Cabinet approve the outline details of the Kirklees school funding formula for 2017/18 for submission to the Education Funding Agency (EFA) required by the set deadline of 20<sup>th</sup> January 2017.

## **2. Key points**

- The Kirklees Schools Forum, as the main consultative group on revenue funding matters for the local authority and schools, helped to develop the current Kirklees funding formula which was introduced from 2013/14 for maintained schools and academies. This model continues to be the basis for funding allocations through to 2017/18.
- The last major change in the allocation methodology for the Dedicated Schools Grant funding to maintained schools and academies took place in advance of the financial year 2013-14. Dedicated Schools Grant (DSG) is the funding that is provided to the Council as the budget for statutory school age education (4-16 year olds). The funding provides additional education funding for children and young adults with special educational needs from birth to 25 years. In addition it also provides for free early years and childcare provision for 3 and 4 years olds, and disadvantaged 2 year olds.
- Major changes to the Education Services Grant have been announced for 2017/18. These include the cessation of the general services grant (for maintained schools) and placing of the retained services grant (for all schools) within the Dedicated Schools Grant. The Council budget will see an overall reduction of around £2.1m during 2017/18 – yet still retain significant statutory responsibilities.
- National consultations on funding are currently ongoing, and include:
  - The introduction of a National Schools Funding Formula currently delayed one year and planned to start to take effect from April 2018.
  - A National Early Years Funding Formula to be introduced from April 2017.
  - Consultation on funding for High Needs and the possible introduction of a national Funding Formula: as yet without a specified start date.

## **3. Schools' revenue funding issues for 2017/18, discussed with Forum and the school community, include:**

- a. Current arrangements and impact on funding blocks for schools, high needs, early years in 2017/18
- b. Ongoing evolution of the low prior attainment factor
- c. Pupil –led factors and other non-pupil allocations
- d. Transitional lump sums for recently amalgamated schools
- e. Exceptions applications to vary pupil numbers for schools growing year groups
- f. Minimum funding guarantee
- g. Centrally-retained dedicated schools grants provision
- h. De-delegation arrangements

#### **4. Submissions to the Education Funding Agency (EFA):**

- a. Permission to make minor variations to the operation of schools block funding was submitted to the EFA by the deadline of **30<sup>th</sup> November 2016**. Exceptions requests are proposed relating to the operation of the minimum funding guarantee in 3 primary schools and one all-through school.
- b. The structure for the Kirklees 2017/18 funding formula and the values within the formula are required to be submitted to the EFA by **20<sup>th</sup> January 2017**, based on a dataset provided by the EFA from the October 2016 pupil census.

#### **5. School funding implementation in 2017/18**

- a. Schools funding is split into the three blocks: schools; high needs (special educational needs); and early years. Schools' funding was delegated within a framework of 12 permitted funding factors, calculated using standard data sources supplied by the EFA.
- b. It is proposed that, for 2018/19, the EFA will issue a 'shadow funding formula' that will enable Schools Forum to model the potential impact of the national funding formula alongside the locally agreed model. Under this 'soft funding formula' approach, local determination of the funding arrangements will continue through to the end of 2018/19, enabling a one year transition period during which schools' funding will be modelled on the national funding formula weightings, before the implementation of the full national funding formula approach in April 2019.

#### **6. DFE ongoing reviews and consultations responded to by the LA and Kirklees schools:**

- a. **National funding formula** In March 2016, the government launched the first stage of a consultation on the introduction of a national schools funding formula. This first stage focused on the principles that underpin the funding formula and the factors to be included. These factors largely match those currently used. The outcome of the first stage consultation was intended to inform the second stage which was to enable modelling of the impact of the factors on local school funding.
- b. The second stage of the National Funding Formula consultation was launched on the 14<sup>th</sup> December 2016. The consultation seeks views on the detailed proposals for the design of the new national funding formulae for schools, and for the central schools services block for local authorities. This consultation period ends on 22<sup>nd</sup> March 2017. The Council will have the opportunity to respond to this, and Schools Forum will be engaging with all stakeholders through representatives and Headteacher groups, during spring term 2017.

- c. **High Needs Funding:** In March 2016, a two-stage consultation intended to improve the way that high needs funding is distributed, and to consider other ways of supporting the administration of funding for pupils and students with special education needs (SEN) and disabilities, and for those who are in alternative provision. The first stage focused on the formula design; and the use of objective measures to determine the allocation to local authorities.
- d. On 14<sup>th</sup> December 2016. The Department for Education published 'Schools and high needs national funding formulae: Executive Summary'. The report indicates that Kirklees funding for high needs will increase by around 18%, equating to approximately £5m per annum, by April 2019. Interim arrangements for funding for 2017/18, through to April 2019, have yet to be announced.
- e. **Early Years Funding: 3-4 year olds:** In August 2016, consultation on the introduction of a new early years national funding formula for 3 and 4 year olds began, with a view to introducing changes from April 2017.
- f. All 3 and 4 year olds will continue to be eligible for 15 hours per week of free early education. This is a universal entitlement for all children. The new entitlement is an extension of the current entitlement and provides an additional 15 hours of free childcare for children that are eligible. The additional 15 hours will be available to families where both parents are working (or the sole parent is working in a lone parent family), and each parent earns, on average, a weekly minimum equivalent to 16 hours at national minimum wage or national living wage and less than £100,000 per year.
- g. In December 2016, the Department for Education published 'Early Years National Funding Formula: Operational Guide'. The guide is intended to help local authorities to plan the local implementation of changes to the early years funding system in the 2017/18 financial year. The report confirms that the funding rate for the additional 15 hr entitlement will be at the same rate as that for the existing 15 hr entitlement. Kirklees allocation for the additional 15 hr entitlement for September 2017 – March 2018 will be £3.14m.
- h. The formula to be used for funding local authorities consists of a universal base rate plus factors for: additional needs; measures of free school meals; disability living allowance; and English as an additional language. The formula also includes an area cost adjustment multiplier to reflect variations in local costs. This uses the General Labour Market measure to indicate staff costs and Nursery Rates Cost Adjustment (NRCA) to indicate cost of premises.

- i. The DFE has set a minimum funding rate of £4.30 per hour to local authorities, which they feel should allow local authorities the scope to pay providers an average funding rate of at least £4 per hour. In 2017/18, Kirklees will receive the minimum funding rate of £4.30, which compares with the current funding rate of £4.47 per hour i.e. a funding reduction of 4%
- j. A funding floor ensures that no local authority can face a reduction in its hourly funding rate of greater than 10% against its 2016-17 baseline. Transitional protections ensure that in any year, no local authority sees an annual reduction in their hourly funding rate of more than 5%.
- k. There will also be supplementary funding for maintained nursery schools for the duration of this Parliament, with the intention that authorities are able to maintain current nursery school funding levels.
- l. All local authorities should be funded by the early years national funding formula by 2019-20.
- m. **Early Years Funding: 2 year olds:** Funding for the most disadvantaged two-year olds is already allocated on a formulaic basis. The Government has however committed to uplift the average two-year old hourly funding rate from £5.09 to £5.39. Kirklees hourly funding rate for 2017/18 is £5.20.
- n. **Early years: Provision for disabled children and children with SEN:** The published operational guidance covers future provision for this group of children. It includes details on a separate Disability Access Fund for children claiming DLA and receiving free early education. There will also be a requirement for local authorities to establish an inclusion fund for 3-4 year olds with SEN taking up the free entitlement (free early education and 30 hours free childcare). For 2 year olds, an SEN Inclusion fund is optional, not compulsory.
- o. **Funding and local authority responsibilities:** The national funding arrangements, intended to be fully introduced from 2019, will modify the way current funding blocks operate.
  - i. **Schools block:** From 2019 the Council will no longer be responsible for working with Schools Forum to determine the detail of the formula funding approach. Instead, each school will be allocated funding based on the national formula. The mechanism, and responsibility, for the distribution of funding remains to be determined.
  - ii. **High Needs block:** In the future, it is indicated that the Council will retain responsibility for use of this funding block.

Currently, and potentially for one year only, the Council and Schools Forum have the ability to vire between this and other blocks. This funding will be distributed to support specialist provision in maintained schools and academies, including special schools.

- iii. **Early Years block:** From April 2017, it is indicated that, the Council will retain responsibility for use of this funding block. Funding from this block will be distributed to all early years providers, including academies, maintained schools, and private and voluntary sector providers.
- iv. **Central Schools' Services block:** A new funding block will be created to fund council education statutory responsibilities where these exist for both maintained schools and academies, related to the retained duties element of Education Services Grant.

## **7. Emerging changes in respect to Education Services Grant (ESG):**

Education Services Grant is provided to cover Council statutory duties in relation to education. In 2016/17, the value of this grant to Kirklees was around £4.62m. ESG has two elements: the retained duties rate of £15 per pupil educated in local maintained schools and academies; and the general duties rate of £77 per pupil educated in schools the Council maintains.

- a. From 2017, the retained duties element will transfer to DSG: Central Schools' Services Block. The value of this within Kirklees is currently £986k, based on 2015/16 pupil numbers. Number of pupils have increased slightly, so it is likely that, based on the census in October 2016, the funding value will be proportionately higher.
- b. Given the current information, the LA proposal to Schools Forum in January 2017, will be for the full retention of the £986k (or final equivalent value) to ensure LA statutory duties are fulfilled during 2017/18.
- c. The implications of the 'Education Excellence Everywhere' white paper (March 2016) had included significant changes that would impact on the role of the Local Authority and the funding received to carry out these duties. Since the withdrawal of the paper, and the associated Education Bill, there has been no additional information to clarify how these duties can continue to be carried out by councils. However, changes have already been made to the funding of the general duties ESG, effectively, substantially removing a significant amount of this funding from Councils from April 2017. The value of this to Kirklees is currently approximately £3.34m with transitional protection in 2017/18.

- d. On 1<sup>st</sup> December 2016, the Department for Education published 'Schools revenue funding 2017/18: Operational Guide'. Within this is
- i. Transitional ESG general duties funding based on a reduced amount (from £77 per pupil to £50 per pupil) for the part of the year (April 2017 – August 2017). This equates to £1.3m. Therefore, over the full financial year, there is an overall loss of £2.3m to the Council for services for education. This is partly offset by the new School Improvement Grant of £400k over a full year. It would be possible to propose to Schools Forum that some of this loss of funding could be recovered from schools' budgets.
  - ii. The report announced the provision of two key funds to support ongoing school improvement within the system.
  - iii. The first key fund is the 'School Improvement Monitoring and Brokering Grant'. This grant supports local authorities to continue to monitor and broker school improvement support for weaker maintained schools. The Grant will be introduced in September 2017. The value of this Grant to Kirklees is expected to be around £400k in a full year (September 2017 – 18).
  - iv. The second key fund is the 'Strategic School Improvement Fund' which will be accessible, potentially through a bidding process, aimed at ensuring resources are targeted at the schools most in need of support to drive up standards, use their resources more effectively and deliver more good school places. It is likely this funding will be held nationally, and details relating to which organisations are allowed to bid, and how, are still to be confirmed.

## **8. DSG funding 2017/18**

### **a. Overall summary relating to DSG revenue funding:**

- i. **DSG Schools Block:** The 2017/18 per pupil unit of funding for the DSG Schools Block will be at the same cash value as in 2016/17. EFA requires at least 80% of funding to be allocated via pupil-led factors. In Kirklees in 2016/17 this was the case for 90.2% of schools block funding allocation.
- ii. The confirmed Schools Block allocation for Kirklees in 2017/18 has increased by £3.5m, due to increased pupil numbers, from £280.5m to £284m.
- iii. The confirmed allocation also includes a further approx. £1m transfer into the DSG Schools Block of the previously ESG retained duties funding allocation to the Council.

- iv. **Schools Block Funding Factors** remain unchanged with limited effect on funding mechanisms. The funding factors for Primary low attainment, based on the new assessment framework, now apply to pupils in Years 1-4; for pupils in Years 5 and 6 calculations are based on data from the old profile model.
- v. The premises rental factor still has an artificial limit imposed by the EFA in that it cannot be used in more than 5% of schools in the local authority. This may have an impact on use of rented mobile classrooms.
- vi. **Minimum funding guarantee:** The DfE has confirmed the 5-16 years minimum funding guarantee introduced in 2014-15 will continue into 2017/18, meaning that schools block funding per pupil received by a school cannot drop by more than 1.5% between 2017/18 and 2016/17. As for last year, scaling back of gains in funding per pupil, to meet the cost of the Minimum Funding Guarantee, will apply. This will affect both maintained schools and academies. For a brand new school the 'capping' and 'scaling' process, related to Minimum Funding Guarantee, does not apply.
- vii. **DSG High Needs Block:** Following a rise in the number of 0 – 25 year olds with SEN and in learning, the funding allocated to Kirklees for 2017/18 High Needs Block has increased proportionately from £33.4m to £34.4m.
- viii. **DSG Early Years Block:** will vary as it depends on the number of children taking up the free entitlement offer each term when adjustments are made by the EFA. The implications of the newly introduced Early Years National Funding Formula will take effect from April 2017. The initial allocation for 2017/18 to Kirklees is £27m, and this includes a £3.14m increase in response to the new extension to 30 hr provision for eligible families.
- ix. A national consultation on Early Years funding is currently underway with all providers, focused on the implications of the new formula. The consultation period runs through to the end of February 2017.



## **9. Exceptions applications to the Education Funding Agency:**

### **a. Lump sum transitional protection for amalgamated schools:**

Schools Forum has agreed exceptions applications to the EFA to seek permission to vary the operation of the minimum funding guarantee in the case of 4 schools. The variations will prevent anomalous outcomes in the standard calculation method. The schools affected are:

- i. **Denby Dale First and Nursery School:** The First School has recently taken on new nursery provision, accommodated in a rented modular building. Additional funding, to cover the cost of the rented building, has been provided. The standard calculation would interpret this as additional funding growth and instigate the minimum funding guarantee claw back. The exception application will ensure this funding is fully granted to cover the cost of the building
- ii. **Reinwood Infant and Nursery School:** There has been a temporary, 3 year, increase in pupil numbers within the Infant and Nursery School. In 2016/17, the pupils began to transfer to the Junior School. In the 2017/18 allocation, the Infant and Nursery School will no longer need to received additional funding for the rented building. The standard calculation would interpret this as a significant reduction in funding and allocate protection in line with the minimum funding guarantee. The exception application will ensure that the school is not unnecessarily protected for the planned reduction in funding and cost.
- iii. **Reinwood Community Junior School:** The Junior School has just increased pupils on roll as they move from the infant school to junior stage. The additional pupils are accommodated in the same rented modular building that had been used by the Infant and Nursery School. Additional funding, to cover the cost of the rented building, will be provided to the Junior School for the first time, in 2017/18. The standard calculation would interpret this as additional funding growth and instigate the minimum funding guarantee claw back. The exception application will ensure this funding is fully granted to cover the cost of the building.
- iv. **Royds Hall Community School:** The school is currently growing the Luck Lane primary phase of the all-through school. In 2016/17, pupils joined the school in year 2 for the first time. In 2017/18 additional funding will need to be factored in for pupils in year 3 from September. The standard calculation defines the all through school as a secondary provision and attempts to fund pupils at the higher secondary school rate. This exceptions application will ensure additional

pupils in September are funded at the appropriate primary age rate.

- v. The exceptions submissions to the Education Funding Agency were approved on 15<sup>th</sup> December 2016.

#### **10. Centrally-retained Dedicated Schools Grant Provision (see Annex A)**

- a. Schools Forum has previously agreed to the central retention of specific budget provisions before the schools block formula is applied across schools, including academies. The Local Authority is required to agree annually with Schools' Forum the amounts allocated to each budget line. The centrally retained budgets and proposals for 2017/18 will be agreed with Schools Forum, at their meeting on 13<sup>th</sup> January 2017, in relation to:
  - i. Pupil growth fund
  - ii. Falling rolls fund
  - iii. Servicing of Schools Forum
  - iv. School admissions, organisation and planning\*
  - v. Historic DSG pension commitments
  - vi. School safeguarding officer\*
  - vii. Primary and Secondary sector commissioning fund\*
  - viii. Provision for central LAC / NEET
  - ix. National Copyright Licences
- b. \*Schools Forum receives additional, regular monitoring reports in prioritised areas.
- c. From 2017/18, within the Schools Funding Operational Guide (EFA, November 2016), clarifies that arrangements relating to provision for the School Safeguarding Officer and Primary and Secondary sector Commissioning funds can no longer operate from within centrally retained DSG. Alternative arrangements for 2017.18 onwards will be considered within Schools Forum at the meeting on 13<sup>th</sup> January 2017.

#### **11. De-delegation arrangements (see Annex A)**

- a. Annual decisions on de-delegation are taken by local authority maintained primary and secondary schools. The de-delegated budgets are:
  - i. Schools contingency
  - ii. Free school meals eligibility checks
  - iii. Maternity / paternity leave costs
  - iv. Trade union duties\*
  - v. Public duties
  - vi. International new arrivals\*
- b. \*Schools Forum receives additional, regular monitoring reports in prioritised areas.
- c. Ongoing discussions continue with regard to arrangements relating to de-delegation for funding for union duties.

- d. Forum is currently consulting on de-delegated budgets for 2017/18. This will include the potential for newly de-delegating school improvement services to maintained schools.
- e. Given the tightness of deadlines prior to the EFA submission, whilst consultation with secondary heads (KSHS) started 23<sup>rd</sup> November 2016, with primary schools this is only possible in the first week of spring term 2017.

## 12. Recommendations for 2017/18 DSG funding formula from Kirklees Schools Forum

- a. To recognise the EFA-approved exceptions applications to the relating to minimum funding guarantee adjustments above.
- b. To note the consultative process undertaken in collaboration with head teachers through the Kirklees Schools Forum to agree the details of the Kirklees funding formula
- c. To support decisions, in principle, relating to centrally-retained and de-delegated budgets for 2017/18 and acknowledge the systematic monitoring of the expenditure and impact by Schools Forum
- d. To approve, in principle, the final details of the Kirklees school funding formula for 2017/18 for submission to the Education Funding Agency by 20<sup>th</sup> January 2017.

## 13. Implications for the Council

### Council priorities

- a) **Health and wellbeing:** The work of Schools Forum continues to support the Health and Wellbeing Strategy as schools work collaboratively to effectively manage resources available to Kirklees, particularly in early intervention and prevention; reducing inequalities and overcoming barriers to learning for children in their communities. Schools Forum will need to consider a future approach to continue to fund a Safeguarding Training Officer post focused on the provision of training and support for all Kirklees maintained schools and academies.
- b) **Early intervention:** For 2017/18 only, Schools Forum oversees school funding factors, and their subsequent impact on schools' budget, relating to groups likely to benefit from early intervention. These include those who have been eligible for free school meals; live within defined 'Income Deprivation Affecting Children Index' (IDACI) areas; are looked after; have low prior attainment; and who have English as an additional language. As part of the consultation process with maintained schools, Schools Forum will determine whether to continue to fund support for schools through the international new arrivals service.
- c) **Economic resilience:** The work of Schools Forum supports the local Economic Strategy in ensuring resources within schools, and use of funding to provide additional services from external providers, is focused on enhancing future employment prospects, skills and incomes. Through

balanced representation of schools leaders from across types and the age range of learning provision, local decision making is connected to the needs and priorities of all learners in the Kirklees community. The development of sustainable school improvement within Kirklees is an ongoing priority supported by the work of Schools Forum. The provision of high quality services, particularly in the agreed use of centrally-retained funding, is monitored by Forum to ensure impact and value for money.

- d) **Council Funding:** National funding, via the Education Services Grant (ESG), for Council statutory duties relating to education has changed. The Local Authority continues to be responsible for 2 types of ESG duties (retained duties and general duties) – but the funding for these has either been placed within school Direct Schools Grant (DSG) or removed completely. Meetings with Headteacher groups, and Schools Forum, are planned up to the deadline for returns to the Education Funding Agency on 20<sup>th</sup> January 2017 in order to present funding changes and to discuss securing funds for statutory duties. Annex 2 provides an overview of the meeting schedule.
- a. **ESG and Retained duties** – for all schools (maintained and academies). This funding (£986k) will, from 2017/18, be held within the DSG funding. This funding will be retained by the Council in 2017/18 for LA statutory duties.
  - b. **ESG and General duties** – for maintained schools only. There is no longer any funding (was £3.6m) provided to the Council for these duties. Transitional funding, of £1.3m, to 31<sup>st</sup> August 2017 will be provided. Overall the Council will lose approximately £2.1m formally ESG funding during 2017/18, after the offsetting effect of the School Improvement Monitoring and Brokering Grant.
  - c. **School improvement Monitoring and Brokering grant:** Kirklees is expected to receive approximately £400k to monitor schools and broker support for weaker schools during 2017/18.

#### 14. Consultees and their opinions

1. The Learning Board receives half termly reports on the work of School Forum through the Forum Chair.
2. Schools Forum will consult with school groups through Kirklees High School Headteachers, Primary Headteacher groups and School briefings. Non-school members from the early year's private and voluntary sectors, trades unions, and the Post 16 sector ensure consultation and feedback from their representative groups. Current discussions focus on the decisions required by the EFA for 2017/18 as well as the implications of changes to the ESG and negotiation on use of DSG and maintained school budgets to continue to fund statutory duties. Consultation on early year's funding (closing date February 2017), school national funding formula: stage 2 (closing date 22<sup>nd</sup>

March 2017) and high needs national funding formula: stage 2 (closing date 22<sup>nd</sup> March 2017) are also planned for spring term.

3. Updates for the Portfolio Holder for Community Cohesion and Schools are provided regularly.

## **15. Next steps**

1. Schools Forum will receive feedback from schools and non-school members at the next meeting on 13<sup>th</sup> January 2017 prior to the deadline for submission to the EFA on 20<sup>th</sup> January 2017.
2. Based on the EFA Funding timeline, it is expected that the local authority will inform maintained schools of their 2017/18 budgets by 28<sup>th</sup> February 2017. The EFA will inform academies of their budgets for this period by the 31<sup>st</sup> March 2017.

## **16. Officer recommendations and reasons**

1. Note the changes required by, and impact of, DFE funding rules relating to Kirklees Schools funding formula and funding levels
2. Note the consultative process undertaken in collaboration with Headteachers, through Schools Forum, to oversee the ongoing impact of the agreed Kirklees funding formula.
3. Note the exceptions applications to the EFA
4. Approve continued use of the current Kirklees school funding formula for 2017/18 for submission to the Education Funding Agency.

## **17. Cabinet portfolio holder recommendations**

- To note the changes to the Council budget with the cessation of ESG – funded general duties grant and the implications for the Council and schools budgets from 2017/18.
- To note the ongoing consultation with schools and other providers to ensure local response to national consultation relating to future funding.
- To support the officer recommendations above, and to thank Schools Forum members for their work.

## **18. Contact officer and relevant papers:**

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**ANNEX A:****DEDICATED SCHOOLS GRANT SCHOOLS FUNDING BLOCK: CENTRAL  
BUDGET RETENTION 2016-17 [for Maintained schools and Academies]**

Budget provision	£	EFA guidance
Pupil Growth Fund	600,000	Discretionary amount
Falling Rolls Fund	100,000	Discretionary amount
Servicing of Schools Forum	31,000	Budget cannot exceed previous year
School Admissions / Organisation & Planning	833,500	Budget cannot exceed previous year
Historic DSG pension commitments	170,400	No increase / no new commitments
School Safeguarding Officer	48,400	No increase allowed
Primary sector commissioning fund	171,500	No increase allowed
Secondary sector commissioning fund	278,800	No increase allowed
Provision for central LAC / NEET etc	45,100	No increase allowed
National Copyright Licence	293,400	Forum approval not required
<b>TOTAL</b>	<b>2,572,100</b>	

The total Schools Block of Funding within Kirklees' DSG allocation for funding year 2016-17 was £279,528,100. The centrally-retained budget total comprises 0.92% of this overall sum.

**DE-DELEGATION 2016-17 [Maintained Mainstream Schools only]**

Budget	Primary per pupil	Secondary per pupil	Notes
School Contingency	-£13.29	-£16.65	Compared to 2015-16 values of -£12.97 and -£16.25 respectively
Free school meals eligibility checks	-£1.03	-£1.29	
Maternity / paternity	-£16.25	-£20.37	
Trade union duties	-£5.72	£0.00	
Public duties	-£0.16	-£0.20	
International new arrivals	-£1.58	-£1.98	
<b>TOTALS</b>	<b>-£38.03</b>	<b>-£40.50</b>	Compared to 2015-16 values of -£37.71 and -£40.09 respectively

## ANNEX B: Meeting Schedule

### National Funding Formula 2017/18

#### Consultation meetings with Schools Forum, Headteacher groups and Early Years Providers

##### Schedule

Consultation focus	Meetings	Meeting date	EFA response date
<b>Schools block</b>	HT briefing	6 <sup>th</sup> January 2017	20 <sup>th</sup> January 2017
<b>Central schools services block</b>	KPH	12 <sup>th</sup> January 2017	
<b>Early Years Block</b>	<b>Schools Forum</b>	13 <sup>th</sup> January 2017	
<b>Implications of National Funding Formula for the Council and schools from 2017/18</b>	Schools Funding paper to Cabinet	17 <sup>th</sup> January 2017	
<b>Early years block</b> Early Years Single Formula: consultation feedback	Provider engagement events	w/b 23 <sup>rd</sup> January 2017	28 <sup>th</sup> February 2017
	<b>Schools Forum</b>	10 <sup>th</sup> February 2017	



## ANNEX C: EDUCATION SERVICES GRANT: RETAINED AND GENERAL DUTIES SUMMARY

**Retained duties:** Funding previously allocated through the ESG retained duties rate will be transferred into the schools block. Local authorities will be able to fund central services previously funded within the retained duties rate (for all schools) with the agreement of Schools Forum.

**General duties:** funding previously allocated through the ESG general duties rate (maintained schools only) will cease at the end of this financial year. Local authorities will be able to fund these services from maintained school budget shares with the agreement of maintained school members of the Schools Forum.

The following tables show the split of services for all schools (left hand column) and those for maintained schools only (right hand column)

RETAINED DUTIES	GENERAL DUTIES
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)
<b><u>Statutory and Regulatory duties</u></b>	<b><u>Statutory and Regulatory duties</u></b>
Director of children's services and personal staff for director (Sch 1, 20a)	Functions of LA related to best value and provision of advice to governing bodies in procuring goods and services (Sch 1, 20c)
Planning for the education service as a whole (Sch 1, 20b)	Budgeting and accounting functions relating to maintained schools (Sch 1, 20d)
Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 1, 20d)	Functions relating to the financing of maintained schools (Sch 1, 20e)
Administration of grants (Sch 1, 20e)	Authorisation and monitoring of expenditure in respect of schools which do not have delegated budgets, and related financial administration (Sch 1, 20fii)
Authorisation and monitoring of expenditure not met from schools' budget shares (Sch 1, 20fi)	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)
Formulation and review of local authority schools funding formula (Sch 1, 20g)	
Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA	Internal audit and other tasks related to the authority's chief finance officer's responsibilities

## ANNEX C: EDUCATION SERVICES GRANT: RETAINED AND GENERAL DUTIES SUMMARY

### RETAINED DUTIES

### GENERAL DUTIES

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)
1972 except duties specifically related to maintained schools (Sch 1, 20i)	under Section 151 of LGA 1972 for maintained schools (Sch 1, 20i)
Consultation costs relating to non-staffing issues (Sch 1, 20r)	Functions made under Section 44 of the 2002 Act (Consistent Financial Reporting) (Sch 1, 20j)
Plans involving collaboration with other LA services or public/voluntary bodies (Sch 1, 20v)	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)
Standing Advisory Committees for Religious Education (SACREs) (Sch 1, 24)	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)
Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 1, 20w)	Retrospective membership of pension schemes where it would not be appropriate to expect a school to meet the cost (Sch 1, 20n)
	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)
	Consultation costs relating to staffing (Sch 1, 20r)
	Compliance with duties under Health and Safety at Work Act (Sch 1, 20s)
	Investigation and resolution of complaints relating to maintained schools (Sch 1, 20t)
	Provision of information to or at the request of the Crown relating to schools (Sch 1, 20w)
	School companies (Sch 1, 20x)

## ANNEX C: EDUCATION SERVICES GRANT: RETAINED AND GENERAL DUTIES SUMMARY

### RETAINED DUTIES

### GENERAL DUTIES

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>

## ANNEX C: EDUCATION SERVICES GRANT: RETAINED AND GENERAL DUTIES SUMMARY

### RETAINED DUTIES

### GENERAL DUTIES

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

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>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:</p> <ul style="list-style-type: none"> <li>• Ensuring payments are made in respect of taxation, national insurance and superannuation contributions (sch 1, 20e).</li> <li>• Recruitment, training, continuing professional development, performance management and personnel management of staff (Sch 1, 20k)</li> <li>• Investigations of employees or potential employees, with or without remuneration (Sch 1, 20l)</li> <li>• Investigation and resolution of complaints (Sch 1, 20t)</li> <li>• Legal services related to education functions (Sch 1, 20u)</li> </ul>	

**Table 6 Former ESG duties may be funded from centrally retained schools block funding with agreement of schools forum**

*Schools revenue funding 2017 to 2018: Operational Guide (updated November 2016)*

## ANNEX D: KEY REFERENCE DOCUMENTATION AND WEBLINKS

The following key reference documents are available on the GOV.UK website. Other, related documentation is also available on these weblinks.

1. [2017 to 2018 schools funding: historic commitments supplementary guidance for local authorities](#) (EFA Dec 2016)
2. [Schools revenue funding 2017 to 2018: operational guide](#) (EFA Dec 2016)
3. [Dedicated schools grant \(DSG\) 2016 to 2017 baselines and 2017 to 2018 funding: technical note](#) (EFA Dec 2016)
4. [Schools national funding formula: government consultation response - stage 1](#) (DFE Dec 2016)
5. [Schools National Funding Formula: Stage 2 consultation website](#)
6. [High Needs funding reform: Stage 2 consultation website](#)
7. [Schools and high needs national funding formulae: Executive summary](#) (DFE 2016)
8. [Schools national funding formula Government consultation - stage 2](#) (DFE Dec 2016 – closing date 22<sup>nd</sup> March 2017)
9. [High needs national funding formula and other reforms: Government response and new proposals for consultation – stage two](#) (DFE Dec 2016 – closing date 22<sup>nd</sup> March 2017)
10. [Early years funding: government consultation response](#) (DFE Dec 2016)
11. [EYNFF: operational guide](#) (EFA Dec 2016)
12. [Early years national funding formula \(EYNFF\): local authority allocations - 2017 to 2018 financial year](#) (EFA Dec 2016)
13. [High needs funding: operational guide 2017 to 2018](#) (EFA Nov 2016)