

## Agenda Item 11



## Report Status

For information/note   
For consultation & views   
For decision

## Report to Haringey Schools Forum – Thursday 12<sup>th</sup> July 2018

**Report Title: Administrative arrangements for the allocation of central government grants paid to schools via the authority.**

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### Purpose:

**Purpose: To comply with the Schools Forum (England) Finance Regulations in informing members of the arrangements for administering grants paid to schools.**

### Recommendation:

**That members note the report.**

## **1. Introduction.**

### 1.1. The Schools Forum (England) Finance Regulations require that:

The authority must consult the schools forum annually in respect of the authority's functions relating to the schools budget, in connection with the following—

- (a) Arrangements for the education of pupils with special educational needs;
- (b) Arrangements for the use of pupil referral units and the education of children otherwise than at school;
- (c) Arrangements for early year's provision;
- (d) Administrative arrangements for the allocation of central government grants paid to schools via the authority.

The authority may consult the forum on such other matters concerning the funding of schools as they see fit.

### 1.2. This report sets out the administrative arrangements for (d), the allocation of central government grants paid to schools via the local authority.

## **2. School Grants.**

### 2.1. La receive grants from ESFA and these grants are administered by schools Finance Team. The major grants are set out below.

#### **Dedicated Schools Grant (DSG).**

### 2.2. Forum members will be familiar with the arrangements for the allocation of the DSG. The DSG split is into four blocks, for High Needs, Central Services School Block, Early Years and Schools. It is a requirement of School and Early Years Finance Regulations 2018 that the schools forum agrees the proposals for the use of Early Years and School block DSG centrally retained Budgets. LAs may allocate up to 0.5% of funding designated as Schools Block to other items with the consent of the schools forum even though the LA is entitled to retain funding for High Needs. However, the practice in Haringey is to consult with the forum on all proposed retentions, which in most cases follows earlier consultation

with working parties.

- 2.3. Regulations 8(5) and 11(6) enable local authorities to retain funding centrally within the schools budget in relation to those education functions previously funded by Education Services Grant, subject to the agreement of their schools forums.
- 2.4. The CSSB covers funding allocated to local authorities to carry out central functions on behalf of pupils in both maintained schools and academies in line with the agreement at school forum. CSSB funding will cover two distinct elements, which are handled separately within the formula: ongoing responsibilities and historic commitments. Haringey's CSSB allocation for 2018-19 is £3,090,130.12.
- 2.5. The Forum receives reports on the proposed use of the DSG between December and February. Following decisions on centrally retained budgets, de-delegation and the Growth Fund the remaining budgets are delegated through the funding formulae in use:

2.5.1. **The Schools Funding Formula, agreed in consultation with the forum, working parties and schools.**

The individual school allocations are now calculated using a pro-forma provided by the Education Funding Agency (EFA). Once the EFA have validated and approved the pro-forma, the amount to be 'recouped' from the DSG and paid directly to academies is calculated. The balance is paid to the LA in 25 instalments and passed on to maintained schools through 12 equal monthly cash advances. Payments to maintained schools are made net of de-delegated sums.

2.5.2. **The Early Years Single Funding Formula, agreed in consultation with the Early Years Working Party, the forum and early years providers.**

LA is responsible for paying the free entitlement to all providers, including academies, free schools, private, voluntary and independent (PVI) settings. Schools, including academies and free schools receive payment through the monthly cash advance via the Early Years Team on an agreed periodic pattern. PVI funding is adjusted throughout the year to reflect actual numbers in the setting. For maintained provision the allocations are indicative but are not changed during the year; any adjustments are made in the following financial year.

2.5.3. **Additional 15 hours entitlement for 2 years old.**

The 15 hour entitlement for disadvantaged two year old funding and 15 hours additional funding for eligible 3-4 years is also paid

through the DSG and payments administered by the Early Years Team.

**2.5.4. Alternative provisions for High Needs**

The special school and alternative provision providers are funded at £10k per agreed place. The EFA will 'recoup' funding for academies and the remainder paid through a monthly cash advance

2.6. Payments will also be made to schools from centrally retained budgets, including special educational needs funding, growth fund payments etc. and are generally made through a monthly cash advance.

2.7. Any DSG unspent at the end of the year must be carried forward for the purposes of the Schools Budget. The previous year's financial out-turn is reported to the July Forum meeting.

2.8. The Chief Finance Officer (CFO) must certify that the DSG is being used as required by the School and Early Years Finance Regulations and must produce a note to the LA's accounts showing DSG received and allocated.

## **Pupil Premium.**

**2.9. For pupils in KS1 to KS4, including reception classes.**

This is calculated by the EFA using data they hold. It includes funding for those deemed to be from a deprived background, identified as having been eligible for free school meals at any time in the last six years, children of service families, and children adopted from care. The money for maintained schools is passed to the LA and paid in its entirety to schools through monthly cash advance. The actual allocation is not confirmed until June, after the start of each financial year.

2.10. The LA also receives funding for current Looked After Children (LAC). The Head of the Virtual School is responsible for managing this funding. In Haringey, a small sum is retained for the overall benefit of LAC with the bulk of the funding passed to the school in which the pupil is placed. If that is a Haringey school, it is paid through a monthly advance.

2.11. The CFO must certify that the Pupil Premium and following grants have been allocated as required by the grant conditions attached to them.

## **Education Funding Agency (EFA) Post 16 Students.**

**2.12. The funding is calculated by the EFA using its formula and contracts**

**with the LA on the payments to be received in respect of maintained schools.**

2.13. The LA has to certify at the year-end that all payments have been passed to the appropriate school. This is done through a monthly cash advance. Payments from the EFA will also be received in respect of bursaries that are also pass ported on to schools.

### **Universal Infants Free School Meals.**

2.14. This grant is allocated for academic year and for 2017-18, the first tranche is based on estimates and covered the period September 2017 to March 2018. This was passed on to maintained schools in its entirety through a cash advance. The second tranche will be received in May and will pay the summer term allocation plus adjustments for autumn and spring terms to reflect actual take-up of meals.

### **Devolved Formula Capital**

2.15. This is calculated using a lump sum plus an amount per pupil. The grant received by the LA for maintained, non-voluntary aided schools and passed on in its entirety through the cash advance in equal instalments.

### **Summer Schools.**

2.16. The DfE makes a provisional allocation for each local authority's summer schools funding. A schedule of schools taking part in the programme in each local authority is issued by the DfE based on an amount per eligible pupil per week identified by each participating secondary school that will run a summer school. The DfE make an allocation of 50% of projected funding in June and this is paid to maintained schools as a lump sum through cash advances as soon as possible thereafter.

2.17. Summer schools funding allocations are adjusted in October when schools submit confirmation that the summer schools took place and the number of eligible pupils who confirmed they would attend.

### **Year 7 Catch-Up.**

2.18. **The grant is paid for Year 7 pupils not achieving specified levels in numeracy and literacy.**

2.19. It is paid as a lump sum per pupil and normally comes to LAs for maintained schools in February and is paid as a lump sum through cash

advances as soon as possible thereafter.

### **PE and Sports.**

2.20. This funding has been used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils. It is paid in two tranches, in October and April and is passed on to schools as lump sums through the nearest possible cash advance.

### **School Direct (NCTL).**

2.21. Paid to lead schools participating in the programme. LAs receive the funding for maintained schools and passed on through cash advances.

### **Miscellaneous Grants.**

The main grants are set out above. In addition, some smaller or more limited grants may become available during the course of the year that will be administered in accordance with their accompanying Conditions of Grant