

Agenda Item



Report Status

For information / note
For consultation & views
For decision

Report to Haringey Schools Forum – 14th January 2020

Report Title: Dedicated Schools Grant (DSG) - Central School Services Block (CSSB) Update

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Purpose:

To provide a review of the DSG Central School Services Block (CSSB) usage and the indicative 2021-22 allocation.

Provide detail in Appendix Bi and Bii of how CSSB lines of expenditure contribute to the LA's wider duties to Schools and how this is enhanced by other funding.

Re-iterate the LA's position on addressing the reduction in CSSB funding.

Recommendations:

1. Schools Forum to note the central retention and revised allocations of the 2020/21 Central School Services Block DSG (section 4)
2. Schools Forum to note the indicative allocation of CSSB for 2021/22 (section 5)

1. Introduction

- 1.1. The Central School Services Block (CSSB) within the DSG will continue to provide funding for local authorities to carry out central functions on behalf of compulsory school age pupils in state-funded and maintained schools and academies in England. Appendix A shows the
- 1.2. The block will continue to cover the two distinct elements of:
 - 1.2.1. ongoing responsibilities, and
 - 1.2.2. historic commitments. (Haringey has no historic commitments).
- 1.3. CSSB funds local authorities for the statutory duties that they hold for both maintained schools and academies. It brings together:
 - a) Funding for ongoing responsibilities, such as admissions, previously top-sliced by each local authority from its Schools Block allocation
 - b) Funding previously allocated through the retained duties element of the education services grant (ESG), and
 - c) Residual funding for historic commitments, previously top-sliced by the local authority from the Schools Block.
- 1.4. Further detail on CSSB block for 2021-22 can be found can be found on the following weblink:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/901858/2021-22_NFF_CSSB_technical_note.pdf
- 1.5. This paper sets out the revision of the 2020-21 allocation presented to January 2020 Schools Forum and sets out Haringey's funding allocation and presents the planned expenditure for 2021-22.

2. Haringey CSSB History.

- 2.1. The CSSB funding allocations from the DSG is one source of funding utilised by the Local Authority (LA) to support schools. The LA supplements this with General Fund support in administering duties that fall under Statutory and Regulatory duties covered by the CSSB. The budgeted amounts for 2020-21 is a DSG - CSSB budget of £2.945M; with the LA's Schools and Learning Service Budget from the General Fund £3.289M. This excludes other services that support Schools.
- 2.2. The education service grant received by the local authorities ceased in 2018-19 and retained duties funding was transferred to the dedicated schools grant and now forms part of the CSSB but the general duties funding ceased. The CSSB

has reduced from £3.064m in 2018-19 to £2.946m in the current year and will reduce further to £2.872m in 2021-22.

- 2.3. It should be noted that Haringey Council does not charge schools for discharging parts of this responsibility. Some LAs charge schools a per pupil rate for elements of the list of responsibilities local authorities hold for maintained schools. Please see Appendix C for comparative details obtained.

3. Central Schools Services Block – updates

- 3.1. Haringey’s provisional CSSB allocations for the financial year 2021-22 is £2.872m. The allocation funded at the rate of £84.93 per pupil for 33,818 pupils recorded in October 2019 census. The actual funding rate will be dependent on the October 2020 census figures.
- 3.2. Table A below demonstrates the year on year reduction for Haringey CSSB based on the indicative pupil numbers:

Table A: Reduction of CSSB from 2020-21 to 2021-22

	Ongoing Responsibilities			Historic Commitments	Total CSSB
	Pupil nos.	Per pupil £	£	£	£
2021-22	33,818	84.93	2,872,162.74	0.00	2,872,162.74
2020-21	33,818	87.11	2,945,885.98	0.00	2,945,885.98
Difference	0	-2.18	-73,723.24	0.00	-73,723.24

The reduction in per pupil funding is consistent with the DfE commitment that no LA's per-pupil funding for 2021-22 will fall more than 2.5% compared to its 2020-21 per-pupil funding. Haringey’s has had an exact reduction of 2.5% on it’s per pupil limits. It should be noted that the Per Pupil funding is the highest in the country for Ongoing Responsibilities. Therefore, this is likely to reduce in future years.

4 Central School Services Block 2020-21 funding revisions

- 4.1 The strategy and plans for service delivery for 2020-21 have not changed from the previous report to Schools Forum in January 2020. However, due to an increase in copyright charges, the available funding to the council has been effectively reduced by £32,000 and this has been noted as a reduced contribution towards Looked After Children.
- 4.2 The copyright licence costs tend to increase each year but LAs are not notified of the increase until later in the year. This is a fixed DfE recharge to cover copyright licences for all state-funded primary and secondary schools in England – covering schools for almost all their copyright requirements. This recharge increased by £32,000 from £173,000 to £205,000. This is a 18.5% increase but the total grant

available to the Council did not change. Information on Licences can be found on the link <https://www.gov.uk/guidance/copyright-licences-information-for-schools>

- 4.3 Table B below presents a comparison of funding allocations for planned expenditure for the financial year 2019-20 and 2020-21 for the contributions from the CSSB for the whole service delivery of the Statutory and Regulatory functions.

Table B: Revised CSSB allocations for 2020-21

Central school services block	2019-20	2020-21 *	Revised 2020-21	Inhouse / Commissioned Split	
				LA	HEP
ESG - Other Statutory and Regulatory Duties (Includes £25K SACRE)	353,035	377,851	377,851	352,851	25,000
ESG - Statutory Education Welfare Service	172,000	172,000	172,000	172,000	
School Standards	378,000	273,035	273,035		273,035
Looked After Children Placements	800,000	800,000	768,000	768,000	
Early Help	350,000	350,000	350,000	350,000	
Servicing of Schools Forum	10,000	10,000	10,000		10,000
Admissions	300,000	300,000	300,000	300,000	
Governor Support	130,000	130,000	130,000		130,000
Music & Performing Arts	168,000	168,000	168,000	168,000	
Support Costs	192,000	192,000	192,000	192,000	
Copyright Licences	173,000	173,000	205,000	205,000	
Total budget allocation for Schools Block	3,026,035	2,945,886	2,945,886	2,507,851	438,035

* as reported at January 2020 Schools Forum

- 4.4 The LA contributes substantial funding and resources in supporting Schools in the borough. Haringey's General Fund net expenditure service budget for Children's Services: School's and Learning for 2020-21 is £3.289M, with a forecast spend of £3.583M at Period 8. The services under this budget directly supports education in the borough. Any overspend is retained by the LA and no pressure is passed to Schools.
- 4.5 The actual council budget for Support Service Charges is £36M. Although schools do not have access to all the support services a proportion of this cost is chargeable to the DSG. The CSSB portion has been factored into the Support Cost charge of £192k.
- 4.6 The CSSB Spend Matrix, provides a more thorough examination of the LA's CSSB obligations it provides a table with a matrix breakdown of what each line of spend is for, the performance measures related to each and a summation of possible approaches to reduce future spend.
- 4.7 Key Observations include:
- 4.7.1 Elements included from the rolled up Education Services Grant
 - 4.7.2 All items are in line with the LA's statutory and regulated duties. The services that LAs can fund from the CSSB are set out in the extract from the Operational Guidance at Appendix A below

4.7.3 In addition, as detailed in the CSSB Spend Matrix the LA also utilises general fund resource to support strategies and services such as Music and Performing Arts at £155.5K and Admissions at £352.3K; Asbestos management plans.

5 Central School Services Block 2021-22 proposed allocations

5.1 As outlined in section 3 the indicative reduction in the CSSB grant for 2021-22 is £73,723. This has been notionally allocated against the line for Looked After Children Placements. The CSSB is a contribution towards the cost of this service and so will be a cost pressure for Haringey's General Fund.

5.2 Table C below presents a comparison of funding allocations for planned expenditure for the financial year 2020-21 and the proposed allocations for 2021-22.

Table C: Proposed allocations of CSSB for 2021-22

Central school services block	Revised 2020-21	Proposed 2021-22	Inhouse / Commissioned Split	
			LA	HEP
ESG - Other Statutory and Regulatory Duties (Includes £25K SACRE)	377,851	377,851	352,851	25,000
ESG - Statutory Education Welfare Service	172,000	172,000	172,000	
School Standards	273,035	273,035		273,035
Looked After Children Placements	768,000	694,277	694,277	
Early Help	350,000	350,000	350,000	
Servicing of Schools Forum	10,000	10,000		10,000
Admissions	300,000	300,000	300,000	
Governor Support	130,000	130,000		130,000
Music & Performing Arts	168,000	168,000	168,000	
Support Costs	192,000	192,000	192,000	
Copyright Licences	205,000	205,000	205,000	
Total budget allocation for Schools Block	2,945,886	2,872,163	2,434,128	438,035

6 Conclusion

6.1 The funding for CSSB will reduce by £73k for 2021-22 and may well be further reduced in future years.

6.2 The proposed allocations and reduced DSG funding will result in a further cost pressure on the Haringey General Fund.

6.3 Further investigation and analysis would be beneficial to understand the outputs of the different services funded and the cost drivers for the services to see if any changes to the delivery methods may release savings as provided in

Appendix Bi Spend Matrix and Appendix D. The Schools and Learning Service will then need to decide a strategy to address the reducing allocation and maintaining standards.

- 6.4 Benchmarking CSSB funded activities with other authorities may reveal areas of best practice or where service levels are different.
- 6.5 Further consultation with schools will inform the type and level of support desired and any room for savings or growth for the funding of each of the areas funded by CSSB.

Appendix A

Responsibilities held for maintained schools only

From the Schools Revenue Funding Operational Guide, September 2019

Statutory and regulatory duties

- Functions of LA related to best value and provision of advice to governing bodies in procuring goods and services (Sch 2, 57)
- Budgeting and accounting functions relating to maintained schools (Sch 2, 74)
- Authorisation and monitoring of expenditure in respect of schools which do not have delegated budgets, and related financial administration (Sch 2, 58)
- Monitoring of compliance with requirements in relation to the scheme for financing schools and the provision of community facilities by governing bodies (Sch 2, 59)
- Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 for maintained schools (Sch 2, 60)
- Functions made under Section 44 of the 2002 Act (Consistent Financial Reporting) (Sch 2, 61)
- Investigations of employees or potential employees, with or without remuneration to work at or for schools under the direct management of the headteacher or governing body (Sch 2, 62)
- Functions related to local government pensions and administration of teachers' pensions in relation to staff working at maintained schools under the direct management of the headteacher or governing body (Sch 2, 63)
- Retrospective membership of pension schemes where it would not be appropriate to expect a school to meet the cost (Sch 2, 76)
- HR duties, including: advice to schools on the management of staff, pay alterations, conditions of service and composition or organisation of staff (Sch 2, 64); determination of conditions of service for non-teaching staff (Sch 2, 65); appointment or dismissal of employee functions (Sch 2, 66)
- Consultation costs relating to staffing (Sch 2, 67)
- Compliance with duties under Health and Safety at Work Act (Sch 2, 68)
- Provision of information to or at the request of the Crown relating to schools (Sch 2, 69)
- School companies (Sch 2, 70)
- Functions under the Equality Act 2010 (Sch 2, 71)
- Establish and maintaining computer systems, including data storage (Sch 2, 72)
- Appointment of governors and payment of governor expenses (Sch 2, 73)

Education welfare

- Inspection of attendance registers (Sch 2, 79)

Asset management

- General landlord duties for all maintained schools (Sch 2, 77a & b (section 542(2)) Education Act 1996; School Premises Regulations 2012) to ensure that school buildings have:
 - appropriate facilities for pupils and staff (including medical and accommodation)
 - the ability to sustain appropriate loads
 - reasonable weather resistance
 - safe escape routes
 - appropriate acoustic levels
 - lighting, heating and ventilation which meets the required standards
 - adequate water supplies and drainage
 - playing fields of the appropriate standards

- General health and safety duty as an employer for employees and others who may be affected (Health and Safety at Work etc. Act 1974)

- Management of the risk from asbestos in community school buildings (Control of Asbestos Regulations 2012)

Appendix C

Table of comparable London boroughs where per pupil charges are made to schools for specific CSSB funded services.

LMS Exchange - Education Services (previous ESG funded services) - Maintained Schools contribution (Dec-20)

This is a response from a number of LA's who were asked if they were charging schools through de-delegation for any services, they administer that were once funded via the ESG.

Region	LA Code	Local Authority	Primary	Secondary	Special	General Rate (if phase not stated)
Inner London	309	Haringey	<i>no charge</i>	<i>no charge</i>	<i>no charge</i>	<i>no charge</i>
Inner London	209	Lewisham	no charge	no charge	charge	no charge
Inner London	210	Southwark	£16.43	£16.43	n/a	n/a
Inner London	212	Wandsworth	£11.56	£11.56	£21.00	n/a
Inner London	213	Westminster	no charge	no charge	charge	no charge
Outer London	302	Barnet	£23.08	23.08	n/a	n/a
Outer London	303	Bexley	£30.00	£30.00	£148.00	n/a
Outer London	306	Croydon	no charge	no charge	charge	no charge
Outer London	308	Enfield	no charge	no charge	charge	no charge
Outer London	203	Greenwich	no charge	no charge	charge	no charge
Outer London	310	Harrow	no charge	no charge	charge	no charge
Outer London	311	Havering	£17.90	n/a	£44.75	n/a
Outer London	312	Hillingdon	n/a	n/a	n/a	£1.22
Outer London	313	Hounslow	n/a	n/a	n/a	£23.81
Outer London	314	Kingston upon Thames	no charge	no charge	charge	no charge
Outer London	315	Merton	31.61	31.61	31.61	n/a
Outer London	318	Richmond upon Thames	no charge	no charge	charge	no charge
Outer London	320	Waltham Forest	n/a	n/a	n/a	£21.50
South East	867	Bracknell Forest	n/a	n/a	n/a	£20.00
South East	871	Slough	no charge	no charge	charge	no charge
South East	936	Surrey	n/a	n/a	n/a	£35.96