

Agenda Item
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Report Status

For information / note ☐
For consultation & views ☐
For decision ☒

Report to Haringey Schools Forum – Thursday 7th December 2017

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

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Purpose:

To agree planned expenditure through the DSG Central School Services Block

Recommendations:

1. Schools Forum is asked to agree the planned expenditure through the DSG Central School Services Block in 2018-19

1. Introduction

- 1.1. DSG is currently divided into three notional blocks: Schools, High Needs and Early Years. From 2018/19, the Department for Education (DfE) is introducing a fourth block: the Central School Services Block (CSSB). This will ensure local authorities can continue to carry out their important role in supporting the provision of excellent education for all children of compulsory school age.
- 1.2. CSSB will fund 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.
- 1.3. The policy document which sets out the background and principles of the new National Funding Formula for schools can be found at:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/648532/national_funding_formula_for_schools_and_high_needs-Policy_document.pdf
- 1.4. Further detail on schools funding arrangements for 2018-19, along with the Operational Guidance, can be found at:
<https://www.gov.uk/government/publications/schools-funding-arrangements-2017-to-2018>
- 1.5. This paper covers arrangements for CSSB in 2018-19. It sets out Haringey's funding allocation and presents the planned expenditure for decision. This follows on directly from the paper covering Schools Block and CSSB presented to Schools Forum in November 2017.

2. Central Schools Services Block – grant funding

- 2.1 Haringey's provisional CSSB allocations for 2018-19 is £3.07M. This is made up of an actual per-pupil rate of £91.63 for ongoing responsibilities, based on the CSSB national formula and an actual fixed cash amount for historic commitments, based on authorities' historic spend.
- 2.2 Published provisional allocations adopt the October 2016 pupil count to calculate the provisional total for ongoing responsibilities. In December 2017, final allocations will be calculated by multiplying the actual per pupil rate by the October 2017 pupil count.

- 2.3 Provisional CSSB has reduced by £80k compared with the 2017-18 centrally retained elements. This is the maximum possible loss capped at 2.5% from 2017-18. A further loss of 2.5% is expected in 2019-20 as CSSB funding falls over time to come into line with the central DfE formula.
- 2.4 Funding covers two distinct elements which will be handled separately within the formula:
- a) Ongoing responsibilities, and
 - b) Historic commitments.
- 2.5 Funding for ongoing responsibilities to local authorities uses a simple formula which distributes 90% of funding according to a per-pupil factor and 10% of funding according to a deprivation factor. Both elements will be adjusted for area costs.
- 2.6 Funding for historic commitments will be allocated based on evidence, with the expectation that these commitments will unwind over time, for example because a contract has reached its end point. The Education and Skills Funding Agency (ESFA) will monitor historic spend year-on-year and will challenge Section 251 returns where spend is not reducing as expected. We believe that this is the fairest and most appropriate way to provide funding for historic commitments, and the proposals received good support through the consultation. In keeping with current policy, no new commitments will be allowed.
- 2.7 Given the extremely wide range in current expenditure for ongoing responsibilities, it is important that the rate of change against the need to make progress towards the formula is balanced.
- 2.8 The transition to the formula for ongoing responsibilities will be gradual – with gains and losses capped each year so that the formula is affordable and the transition is manageable. A protection will be in place in 2018-19 and 2019-20 that limits reductions to 2.5% per-pupil a year. The level of gains will be set annually and will depend on the precise composition of CSSB in each year. In 2018-19, gains of up to 2.5% per pupil will be allowed.
- 2.9 Funding for historic commitments will be based on the actual cost of the commitment. Funding will reduce as commitments cease. There will therefore be no protection for historic commitments in CSSB.

3 Central School Services Block – planned expenditure

- 3.1 The Council must consult Schools Forum and seek approval for each line of expenditure through CSSB but can ultimately determine how the funding is allocated. According to the Operational Guide, the Council is only permitted to increase spending on two areas in CSSB: admissions and servicing the schools forum. However, the overall funding for CSSB is capped and such increases this would require moving money from other lines within the block.
- 3.2 The Operational Guide also sets out restrictions on how the Council can spend the allocation, whilst giving the Council flexibility to move money from CSSB into other DSG blocks if desired. Appendix 1 links each line of expenditure to the spending permitted in the Operational Guide.
- 3.3 In summary, the Council proposes to maintain existing funding levels for the following areas in 2018-19:
- a) Admissions - £299.8k
 - b) Governor support services – £130k
 - c) Servicing Schools Forum - £10k
 - d) LAC placements - £800k
 - e) Music and performing arts - £168k
 - f) Administrative costs and overheads relating to services funded by CSSB - £192k
 - g) Early Help - £350k
 - h) LA Copyright Licenses (Deducted by ESFA from DSG) - £159.8k
 - i) Other Statutory and Regulatory Duties - £378k
 - j) Statutory Education Welfare Service - £172k
- 3.4 The Council also proposes to reduce the funding for school standards by £80k from £484k to £404k to meet the overall reduction in CSSB from the previously centrally retained elements.
- 3.5 Further detail is set out in Appendix 1 for Schools Forum's approval.

3.6 Recommendation:

Schools Forum is asked to agree the planned expenditure through the Central School Services Block in 2018-19.

Appendix 1 – Central School Services Block funding

Admissions

Focus of the service provided	The benefit derived by our schools/families/children	The consequence of reduction or removal of funding	Link to CSSB guidance	Any other comment or consideration
<p>The Admissions Service discharges the local authority's statutory duties in respect of school admissions and sufficiency of school places, adhering to legislation and statutory guidance laid by central government. The Service works within the PAN London context to ensure that every child in the borough has access to a school place.</p>	<p>Local authorities are responsible for securing sufficient primary and secondary school places in their area. We are also required to make arrangements to enable the parent of a child to appeal against the decision to refuse a school place.</p> <p>We are required to provide advice and assistance to parents when deciding on a school place and allow parents to express a preference. This includes maintaining a website and publishing primary and secondary prospectuses about admission arrangements for each of the maintained schools and academies in the area.</p> <p>The Place Planning team calculate the LA's school roll projections and publishes them an annual report. This data is fundamental to informing where additional (or reduced) provision is required in the borough and officers within the Service are responsible for leading through all school organisation projects including school expansion, adjustment to published admission numbers, change of age range and school closures.</p>	<p>There is a high risk that the Service will not be able to fulfil its statutory duties in ensuring that every child has an offer of a school place.</p> <p>As this is a statutory duty an appeal can and will have to be made to the Secretary of State for Education if this budget is not agreed. Reception and secondary transfer applications must be processed via the PAN London system meaning that schools cannot carry out this function on a school by school basis.</p>	<p>The guidance states Admissions is covered by centrally held funding. However, we are seeking Schools forum approval for the same (not increased) budget as previous years (299.8K) so the Service can continue to successfully perform its statutory functions. We are the smallest admissions team in London but efficiency and judicious management enables us to operate as one of the top performers.</p>	<p>N/A</p>

Governor support services

Focus of the service provided	The benefit derived by our schools/families/children	The consequence of reduction or removal of funding	Link to CSSB guidance	Any other comment or consideration
<p>The Governance Services Team empowers all school governors by providing high quality support, training and guidance to enable them to confidently and effectively conduct their strategic roles.</p> <p>Additional support is provided to schools where governance is a concern.</p> <p>The provision of a growing professional clerking service supporting schools through a traded service both within and outside of Haringey.</p>	<p>Governance Services support to governing bodies helps them hold the head teacher to account for the educational performance of the school and its pupils, and the performance management of staff.</p> <p>Strong governance ensures that there are appropriate statutory and other policies and procedures in place that not only provide a safe and stimulating learning environment, but also to deliver the best possible outcomes for all our children and young people.</p>	<p>Either a cessation or a significant reduction in advice and support to all schools.</p> <p>There would need to be a significant increase in traded services charges for both governance training and the clerking service. This would run a high risk of our prices becoming less competitive in the market place and difficult to afford for our schools</p>	<p>Contribution to combined budgets. Schools Forum agreement prior to April 2013.</p>	<p>The Governance Services Team maintains and develops effective provision for all governors and leaders within the Haringey family, and provides access to good quality, value for money services in order to strengthen strategic leadership and accountability.</p>

LAC placements

Focus of the service provided	The benefit derived by our schools/families/children	The consequence of reduction or removal of funding	Link to CSSB guidance	Any other comment or consideration
<p>Education of Looked After Children with complex needs arising as a result of their social care needs</p> <p>The contribution from DSB to the cost of residential care placements for LAC was put in place seven years ago, to ensure that Looked After Children with the most complex behavioural needs had access to high quality education, care and intervention.</p> <p>The placements for those in residential are often two or three way funded across social care, Health and education. The education funding comes from either the high needs block if the child has an Education Health and Care plan, or the DSB if not.</p>	<p>With the support of the Virtual School Team we have hugely improved the education outcomes for LAC in recent years (evidence via attendance, SATs, GCSE, AS and admissions to Higher Education).</p> <p>Haringey has been one of the highest performing authorities in the country for attainment of 5 GCSEs grades A*-C, including Maths and English, for looked after children for the past three years.</p> <p>This is due in part to being able to provide highly specialist interventions and education from a variety of sources when needed</p> <p>Children's Services will always try to arrange for LAC in residential care to</p>	<p>Care and education for the most complex children can be highly challenging to identify, and there is a high risk their education would be disrupted leading to further barriers in their learning.</p> <p>As a result, children may be returned to mainstream schools before they are ready to be educated in mainstream, resulting in further exclusions.</p> <p>Currently we support children who are fostered in their education including making additional payments to cover education costs during short term and permanent exclusions from school.</p> <p>Without this money, this cost would need to be passed to the young</p>	<p>The Children Act 1989 guidance and regulations Volume 2: care planning, placement and case review; June 2015</p> <p>When placing a child, the responsible authority is under a duty to ensure, so far as reasonably practicable in all the circumstances, that the placement does not disrupt the child's education or training [section 22C(7) and (8)(b)]. This means that the responsible authority has an obligation to try to ensure that the child can continue to stay at the same school even if s/he can no longer live in the immediate neighbourhood.</p> <p>In any case (other than where a child is in Key</p>	<p>This budget has played a significant role in achieving excellent education outcomes for all our looked after children.</p> <p>Ensuring that there are sufficient funds to provide both specialist and interim education for young people changing placements, or moving into care, is key to preserving the young people engagement and access to education, and therefore increasing the likelihood of them returning to mainstream school.</p>

<p>Whilst the numbers of looked after children have now reduced, there are 442 looked after children as of November 2017.</p> <p>Of these children, 328 children do not have an educational health and care plan and are of school age.</p> <p>16 are in some form of specialist provision to meet their behavioural needs.</p> <p>The education contributions to this placement cost are between £50,000 and £34,000 per young person, totalling £550,000.</p> <p>The children who are between education placements when coming into care, or have education sourced by an independent fostering agency have short term education costs of approximately £250,000</p>	<p>attend mainstream or special schools or Pupil Referral Units in the area they are staying if appropriate.</p> <p>For some children, however, these are simply not viable options and we then purchase education from the residential provider. Our overarching objective, however, remains to work toward reintegration back to mainstream or community based school.</p> <p>Children are sometimes placed in emergency circumstances with Independent Fostering Agency (IFA) foster carers and are without a school place for a period of time.</p> <p>In these circumstances Children's Services will ask the IFA to provide education as part of the total care package. Some of the larger IFA have their own school provision, the others will arrange for a teacher to work one to one with the child. Children's</p>	<p>person's originating school to be covered in order to ensure their access to education.</p>	<p>Stage 4, see below) where the responsible authority propose making a change to the child's placement which would disrupt the arrangements for his/her education or training, they must ensure that the arrangements for his/her education and training meet the child's needs and are consistent with his/her PEP.</p>	
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	<p>Services are billed by the IFA for this education component and this budget is utilised for this purpose, rather than attempting to support the children in nearby mainstream schools before they are ready to be integrated.</p> <p>The purpose of the education offer is to integrate the young people back into mainstream education and to be able to live with a family in the long term.</p>			
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Music and performing arts

Focus of the service provided	The benefit derived by our schools/families/children	The consequence of reduction or removal of funding	Link to CSSB guidance	Any other comment or consideration
Subsidised instrumental musical lessons, instrument hire and ensemble membership for pupils entitled to free school meals	Equality of opportunity	As we are obliged to offer these subsidies and provide the service centrally on behalf of all schools, we would need to charge schools for the subsidies on a case by case basis or appropriate formula. i.e. we would need to charge the cost directly to schools, probably based on Pupil Premium data.	<p>p.53: “contribution to responsibilities that local authorities hold for all schools”</p> <p>and:</p> <p>p.54: “contribution to combined budgets where the schools forum agreed prior to April 2013 a contribution from the schools budget to services which would otherwise be funded from other sources”</p>	Haringey Music Service is core funded by Arts Council England [ACE] as lead partner in the Haringey Music Education Hub [HMEH]. ACE reported in September that HMEH is national lead in equality of opportunity.

Administrative costs and overheads relating to services funded by CSSB

Focus of the service you provide	The benefit derived by our schools/families/children	The consequence of reduction or removal of funding ¹	Link to CSSB guidance	Any other comment or consideration
<p>Business Case. Introduction:</p> <p>The full cost of every service is made up of direct front line costs and indirect back office costs in accordance with CIPFA's Service Reporting Code of Practice (SeRCOP). in order to show the true costs of a service, there is a requirement to apportion the indirect overhead costs.</p> <p>In this scenario the apportioned services are:</p> <ul style="list-style-type: none"> • Finance <p>Relating to centrally retained services. The provision of financial revenue and capital support and advice, the receipt of income, management of</p>	<p>The cost of services is considered as a fare apportionment of overheads that appertain to the centrally retained budgets, based on sound accounting principles.</p>	<p>The support service cost is an integral part of the full service cost.</p>	<p>Additional note on central services</p> <p>Services set out in the tables above will also include administrative costs and overheads relating to these services (regulation 1(4)) for: Page 51</p>	<p>There is a corporate drive to reduce overheads as a percentage of total spend, which will be reflected in the Medium Term Financial Strategy.</p>

¹ including impact of the removal of the funding on children or other people who have one or more of the protected characteristics under the Equality Act 2010 – I do understand that this will have to be estimated without an EqIA having been carried out

<p>recoupment processes, payments of accounts, insurance and audit arrangements and treasury management.</p> <ul style="list-style-type: none"> • Human Resources <p>Covering personnel and payroll support, advice on terms and conditions and advice on best practice as a good employer.</p> <ul style="list-style-type: none"> • ICT <p>This charge will cover all licensing arrangements, help desk, data management, systems developments, security, server management, hardware maintenance and internet links to service users.</p> <ul style="list-style-type: none"> • Communications <p>Maintenance of information flows to both internal and external stakeholders, managing public and media relationships, promotion of the corporate identity, lead in public consultations and the</p>				
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<p>management of the corporate reputation.</p> <ul style="list-style-type: none"> • Accommodation <p>This is all of the essential costs incurred in the provision of suitable accommodation for officers, including rentals, NNDR, utilities, site supervision and running costs.</p> <ul style="list-style-type: none"> • Procurement <p>The negotiation of contracts and placing of orders, ensuring the principles of best value of adhered to all times.</p> <ul style="list-style-type: none"> • Customer Services <p>Ensuring interaction with the public, ensuring they are directed to the most appropriate course of action.</p> <p>These costs are essential in supporting the infrastructure within which the service operates.</p> <p>In order to ensure</p>				
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<p>consistency across all schools, the current methodology upon which apportioned charges are based, uses Schools Consistent Financial Returns (CFR) as a benchmark, which indicates overheads at approximately 13% on a consistent basis.</p> <p>However, since this methodology was introduced, there has been a drive to reduce back office costs, through the use of self-service modelling and greater use of ICT solutions. It is therefore anticipated that reductions in spending on overheads in these areas will be delivered as part of the Council's Medium Term Financial Strategy.</p>				
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Early Help

Focus of the service provided	The benefit derived by our schools/families/children	The consequence of reduction or removal of funding	Link to CSSB guidance	Any other comment or consideration
<p>The Early Help service provides a collaborative model for early help with all partners involved via TAF approach. It provides holistic family support for families facing multiple and complex needs below the statutory threshold.</p> <p>Consistent, reliable and recognisable C4C 'brand' with an agreed operating model; A service that is rooted in systemic practice and will operate within a framework of signs of safety and the skills of motivational interviewing; Will therefore be more relational and about families feeling heard and respected even where there is challenge; Less about referring on Really embedding the whole family approach. Early help support enables families to overcome issues, achieve behavioural change and develop greater resilience moving forward. Early Help focusses;</p> <ul style="list-style-type: none"> • Children not attending school regularly • Prevention of children and young people committing 	<p>In 2016/17 the Early Help service has worked directly with offered support to 687 families, formed of 1375 Delivered transition support for 5 primary schools Since Sept 2016 - Attended: 132 vulnerable children meetings 212 case consultations with parents/staff 61 parenting drop-ins</p> <p>Delivered; 9 employability workshops, 15 parenting workshops and 4 threshold workshops in schools and settings</p> <p>Coordinated and delivered 2 full Team around the School programmes in response to issues of CSE/Gangs and serious youth violence. Provided TAS support in</p>	<p>This would cause an inevitable and significant negative impact on vulnerable families and subsequently schools (attendance and attainment) if funding is removed. The Ofsted document 'Whose Responsibility' emphasises the system and partnership responsibilities for delivering Early Help. Without continued DSG funding, our partnership support offer will be unable to continue and grow across the borough, leaving settings as the primary family support provider. Additional resource and interventions available to schools in support of reducing exclusions, improving parenting, absence reduction, employment and family support will be significantly reduced creating additional</p>	<p>Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20)</p> <p>School attendance (Sch 2, 16)</p> <p>The Haringey Early Help partnership offer is a key element of support in the Haringey continuum of need. The Early Help Service is a central plank of the boroughs safeguarding approach. Effective early intervention reduces demand against statutory services and over time will reduce LAC numbers. It cannot be separated from the statutory function of safeguarding undertaken by the council in support of</p>	

<p>offences</p> <ul style="list-style-type: none"> • Parenting capacity manifesting itself in significant behavioural issues • Other children who need help e.g. SEMH support • Troubled Families • Reduce re-referrals to higher level interventions by focusing our work on sustained change for families; • Prevent family breakdown resulting in care entry. Promotion of resilience in families rather than dependence; • Build capacity in universal providers to support children earlier. 	<p>relation to SYV to 5 schools and CONEL following critical incident.</p> <p>Directly delivered 3 x 12 week parenting courses</p>	<p>pressure and also risk associated with Ofsted assessments.</p>	<p>children and young people on the borough. As such this element of funding allocation is within the CSSB guidance.</p>	
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Statutory Education Welfare Services

Focus of the service provided	The benefit derived by our schools/families/children	The consequence of reduction or removal of funding	Link to CSSB guidance	Any other comment or consideration
<p>The Education Welfare Service (EWS) undertakes the Local Authority's statutory duty to ensure children registered at our schools attend on a regular basis (as per sections 437 – 447 of the 1996 Education act and subsequent amendments). The service offers additional and discretionary casework in order to improve attendance with both referred families and in a preventative capacity.</p>	<p>Regular attendance is a key aspect in ensuring that our children receive the best start in life.</p> <p>EWS has made a significant and valuable contribution to improving attendance, at both whole school and individual pupil level, and continues to do so. The Education Welfare Service also contributes significantly to ensuring that our pupils are safeguarded.</p> <p>Research has clearly demonstrated links between irregular school attendance and lower academic achievement.</p>	<p>Removal of funding would result in EWOs leaving the council; a loss of expertise and experience, and would necessarily reduce the amount and range of work undertaken by the remaining EWOs on behalf of schools.</p> <p>This would have an impact on individual pupil attendance, as EWS focus would have to be on fulfilling the LA's statutory duties rather than casework. More extensive support, currently traded to some schools, would have to cease and focus would have to be on more entrenched cases or in statutory functions only. School staff would have to undertake attendance work as detailed above.</p>	<p>Table 8b (page 47): Responsibilities held for all schools:</p> <p>Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20)</p> <p>School attendance (Sch 2, 16)</p> <p>Responsibilities regarding the employment of children (Sch 2, 18)</p> <p>Responsibilities held for maintained schools only: Inspection of attendance registers (Sch 2, 78)</p>	<p>Removal of funding of EWS would mean all attendance work and most of the missing children work would have to be undertaken by school staff.</p> <p>There may be issues in relation to continuing to providing the lead for "school safe" alerts.</p>

School standards

Focus of the service provided	The benefit derived by our schools/families/children	The consequence of reduction or removal of funding	Link to CSSB guidance	Any other comment or consideration
<p>School standards:</p> <ul style="list-style-type: none"> - NLC budgets - School to school support and contingency - Data analysis - Additional SIA support - Conference subsidy 	<p>School standards have improved to the point of 99% of schools rated Good or Outstanding by Ofsted. Support provided through this funding source has been central in supporting this positive trajectory. It has specifically supported school to school collaboration, which is at the heart of driving a school-led model of school improvement</p>	<p>Reduced funding for standards and school to school support for the remainder of the 2017-18 academic year</p>	<p>School improvement cannot be covered through CSSB. However, this is not defined and we propose to continue to support school to school working through this funding for the 2017-18 academic year</p>	<p>It is proposed the reduction to the CSSB overall of £80k will be taken from this budget line. The remaining funding will continue to support school to school working for the remainder of the 2017-18 academic year. De-delegated funding for school standards will also be reviewed and may be lost.</p> <p>From September 2018 Haringey Education Partnership will take over school improvement functions from the Council and this funding source will be reconsidered in full.</p>