

Report to the Schools Forum 24 March 2017

Expenditure from the Dedicated Schools Grant previously funded by the Education Services Grant (ESG)

1 Context

- 1.1 At the last meeting of the Forum central top-slices (from all schools including academies) and de-delegation (from maintained schools only) were approved for 2017/18 for services previously funded by ESG. We agreed with the Forum that whereas the DfE imposed timescale was very tight for 2017/18 arrangements, leading to a limited amount of time for Forum members to consider the proposals, we would consult with the Forum during 2017 in order for the Forum to make informed decisions for 2018/19.

2 2018/19 Arrangements

- 2.1 The arrangements for ESG services for 2018/19 form part of the DfE's stage 2 consultation on the school funding system so are not yet confirmed. However the details of the consultation indicate that the likely arrangements will be as follows:

Duties for all schools including academies

- 2.2 The DfE is proposing to create a new 'central services' DSG block which will fund both these former ESG duties and also the statutory duties formerly funded by central top slices voted by the Forum. Areas that this will cover in T&W are as follows:
- School Admissions;
 - Servicing of schools forums
 - Education welfare (non traded element)
 - Asset management (the elements of duties that apply to all schools including academies)
 - Statutory & regulatory duties (the elements of duties that apply to all schools including academies for services such as HR, finance, etc).
- 2.3 Chapter 5 of the DfE consultation document, describing proposals for the central school services block, is included as an appendix to this paper.
- 2.4 This chapter includes the following: LAs will "*be responsible for consulting their schools forums on how to allocate their central schools services block funding*" and "*will have the flexibility to move money from the central schools services block into other blocks*". (paragraphs 5.41 and 5.42). Thus it appears that the Forum vote for 2017/18 central schools services for all schools including academies will not be repeated for 2018/19 and beyond.
- 2.5 The draft allocation of central school services block funding for T&W for 2018/19, excluding historic commitments, is £908,160. This includes transitional protection, without which it will ultimately reduce to £774,685. The DfE illustrative figures also include an amount for historic commitments amounting to £373,747, but we are assuming that most of this will be removed once the final figures are confirmed as the DfE had only accepted the £25,000 schools contribution to safeguarding training as a

valid historical commitment in last year's exercise. The DfE will be revisiting the historic commitments issue by asking for further information later this month.

Duties for maintained schools only

- 2.6 It appears that Forum votes in 2018/19 will therefore be confined to the de-delegated (maintained schools only) ESG duties. For 2017/18 the following amounts were voted by the Forum:

Asset management	£166,000
Human Resources	£61,000
Internal Audit	£51,000
Finance	£39,000
Health & safety	£16,000
School improvement	£9,000
Legal services	£8,000
Total	£350,000

- 2.7 It is proposed that for the meeting of the Forum in May, the following information is presented by the LA:

- Number of FTEs that the funds in each area cover, with some indication of the roles (managerial, service delivery etc) that this consists of;
- Description of the duties that are completed in each area;
- Implications if the duties were not carried out.

- 2.8 The Forum will then be asked to determine any further details required prior to the September Forum meeting, at which proposals for 2018/19 will be presented.

- 2.9 Forum is requested to comment on this approach and whether any further information, different approach etc would be helpful.

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March 2017