



# **Schools revenue funding 2017 to 2018**

**Operational guide (extract)**

**Updated November 2016**

## ESG DUTIES

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

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Responsibilities local authorities hold for maintained schools (funding may be retained centrally from maintained schools only with agreement of schools forum)

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

**Asset management**

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)

General landlord duties for all buildings owned by the local authority, including those leased to academies

**Asset management**

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:

- 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

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

**Additional note**

**ESG DUTIES**

Responsibilities local authorities hold for all schools (funding may be retained centrally from all schools with agreement of schools forum)

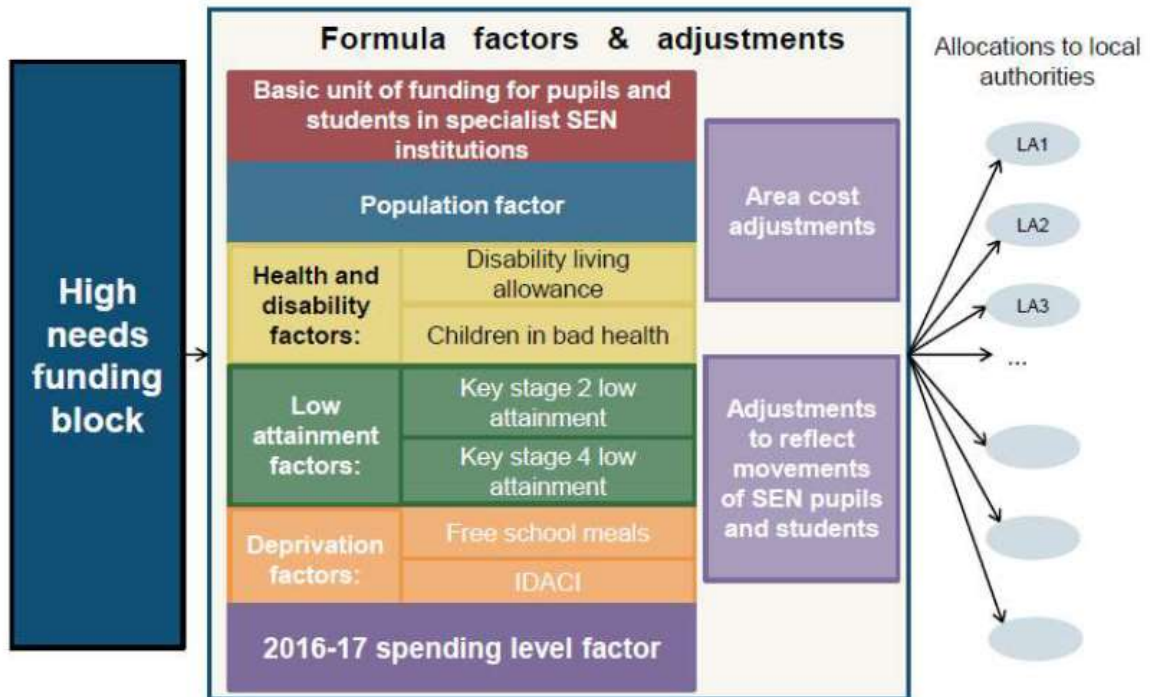
Responsibilities local authorities hold for maintained schools (funding may be retained centrally from maintained schools only with agreement of schools forum)

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:

- Ensuring payments are made in respect of taxation, national insurance and superannuation contributions (sch 1, 20e).
- Recruitment, training, continuing professional development, performance management and personnel management of staff (Sch 1, 20k)
- Investigations of employees or potential employees, with or without remuneration (Sch 1, 20l)
- Investigation and resolution of complaints (Sch 1, 20t)
- Legal services related to education functions (Sch 1, 20u)



# Proposed Design of High Needs



**Appendix C – Summary of Primary and Secondary School Funding Arrangements for 2017/18**

	<b>Schools Block / Schools Funding Formula</b>
1	<p>Authorities must ensure that at least 80% of delegated funding is distributed by pupil-led factors – the Council currently allocates 89% and is therefore compliant with this requirement.</p>
2	<p>Age Weighted Pupil Unit (AWPU) values must be at least £2,000 for primary and £3,000 for Key Stage 3 and Key Stage 4. The AWPU is the amount of funding that is attached to all pupils in allocating funding through the basic per pupil entitlement of the funding formula, which is one of the mandatory school formula factors.</p> <p>The Council is compliant with this requirement as its AWPU values already exceed those required.</p> <p><b>The funding for this factor in 2017-18 has been reduced by £1 million to fund the overcommitments in the high needs block.</b></p>
3	<p>The deprivation formula factors available are free school meals and/or the Income Deprivation Affecting Children Index (IDACI).</p> <p>Free meals can be measured either at the previous October census or “ever 6” - which reflects pupils entitled to free meals at any time in the last 6 years – but not both.</p> <p>Deprivation is a mandatory school formula factor.</p> <p>The Council uses the FSMEver6 factor in its formula.</p> <p><b>The funding for this factor has been reduced to fund the two new factors, EAL and prior attainment.</b></p> <p>The national funding formula deprivation element includes IDACI which is not currently used in the Northant’s formula.</p>
4	<p>The Early Years Foundation Stage Profile continues as the main indicator for prior attainment for primary aged pupils. For secondary aged pupils the definition is those pupils failing to achieve a level 4 or higher in English or Maths.</p> <p>The Council did not use this factor in its funding formula in 2016/17</p> <p><b>This factor has been introduced into the Northamptonshire schools funding formula on a staged basis from April 2017.</b></p>

<b>Schools Block / Schools Funding Formula</b>	
5	<p>The looked after children factor is based on a single one day or more measure for a child being in care.</p> <p>The Council does not use this factor in its funding formula and this is not included in the national funding formula proposals.</p>
6	<p>English as an Additional Language (EAL) pupils may attract funding for up to 3 years after they enter the statutory school system.</p> <p>The Council does not use this factor in its funding formula in 2016/17.</p> <p><b>This factor has been introduced into the Northamptonshire schools funding formula on a staged basis from April 2017.</b></p>
7	<p>The pupil mobility factor may only be applied when the number of mobile pupils exceeds 10%.</p> <p>The Council does <b>not</b> use this factor in its funding formula.</p> <p>However this factor is included in the national funding formula.</p>
8	<p>An optional sparsity factor is available which aims to support small schools in rural areas.</p> <p>The Council does not use this factor in either its funding formula in 2016/17 or 2017/18.</p> <p>As the factor was included in the national funding formula proposals the Council consulted with schools and Forum during 2016/17 regarding if this factor should be introduced into the Northants schools funding formula from April 2017. It was agreed that this would not be introduced in 2017/18 but that it would be considered for subsequent years once there was clarity from the Government on the formula to be applied to this factor and the values to be applied.</p>
9	<p>Local authorities may have different lump sums for primary and secondary schools up to a maximum of £175,000.</p> <p>The Council set the base lump sum in its formula for 2016/17 and 2017/18 at £125,000 for both primary and secondary schools.</p> <p>The national funding formula proposals are for a lower lump sum for all schools (£110k).</p>

	<b>Schools Block / Schools Funding Formula</b>
10	<p>The purpose of the split site factor is to support schools which have unavoidable extra costs because the school buildings are on separate sites.</p> <p>The Council uses a split site factor in its formula.</p>
11	<p>Although School rates factor is an optional formula factor it was used by all authorities in 2016/17.</p>
12	<p>The Private Finance Initiative (PFI) factor is to support schools which have unavoidable extra premises costs because they are a PFI school.</p> <p>The Council uses a PFI factor in its formula.</p>
13	<p>The exceptional premises factor must relate to premises costs. Applications can be made to the Secretary of State but should only be submitted where the value of the factor is more than 1% of a school's budget and applies to fewer than 5% of the schools in the authority's area.</p> <p>The Council did <b>not</b> use this factor in its funding formula in 2016/17 but following agreement from Forum and the Secretary of State will be funding the additional rates costs of £6k in Pitsford Primary School in 2017/18.</p>
14	<p>Where two schools amalgamate the new school will receive 85% of the two lump sums for the next financial year following the year in which they merge. This is a requirement of the DfE arrangements and is being implemented by the Council.</p>