

TO: SCHOOLS FORUM  
DATE 17 JULY 2014

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**DEPARTMENT FOR EDUCATION (DFE) CONSULTATION:  
SAVINGS TO THE EDUCATION SERVICES GRANT FOR 2015-16  
(Director of Children, Young People and Learning)**

**1 PURPOSE OF REPORT**

- 1.1 This report updates the Schools Forum on the Department for Education (DfE) consultation *Savings to the Education Services Grant (ESG) for 2015-16* which seeks to gather views on how £200m of savings can be achieved notionally against the services intended to be funded from the ESG in 2015-16 and the potential impact.
- 1.2 It also presents the consultation response from the Council and the actions that are likely to be required for the Council's 2015-16 budget, provided the outcomes from the consultation are consistent with the original proposals.

**2 RECOMMENDATIONS**

**That the Schools Forum NOTES:**

- 2.1 **The proposals from the DfE consultation;**
- 2.2 **The anticipated approach to be taken by the Council to achieve the required savings (paragraph 5.36);**
- 2.3 **The Council's response to the consultation at Appendix 4.**

**3 REASONS FOR RECOMMENDATIONS**

- 3.1 To ensure that the Forum is aware of the consultation and the potential implications for schools and the Schools Budget.

**4 ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 None.

**5 SUPPORTING INFORMATION**

**Introduction**

- 5.1 This report provides a briefing to the Schools Forum on an expected funding reduction to LAs from the DfE and sets out some options on how BFC can respond to the likelihood

of reduced resources. It presents some difficult issues for consideration on sensitive and high profile services.

### **Background to ESG**

- 5.2 On 27 March 2014, the DfE published a consultation titled *Savings to the Education Services Grant (ESG) for 2015-16*. This is in response to the June 2013 Spending Round announcement that £200m (approximately 20%) of savings were required from the ESG in 2015-16. A 20% reduction in the £2.122m ESG paid to BFC in 2013-14 equates to £0.424m. The Council's 2015-16 Medium Term Budget plan includes a funding cut of £0.4m.
- 5.3 The ESG is a per pupil grant paid to LAs – at £113 for 2014-15 (£116 in 2013-14) - and academies – at £140 – based on the number of pupils in maintained schools / academies and is intended to fund the cost of services that local authorities must provide without charge to maintained schools, but that academies secure and pay for independently. The intention is to move to a position where LAs and academies receive the same level of per pupil funding, but a date for this has yet to be set. The services intended to be covered, which are outside the Schools Budget, and therefore Council responsibilities, are:
- Therapies and other health related services
  - Central support services, such as clothing grants, outdoor education, music services
  - School Improvement
  - Education Welfare
  - Statutory / Regulatory duties such as HR, Finance, Health and Safety, Legal and procurement.
  - Premature retirement cost (new provisions only)
  - Monitoring National Curriculum assessment
- 5.4 In addition to the £113 per pupil allocation, LAs only also receive £15 for all pupils in their area – maintained and academy schools – to fulfil statutory duties that do not transfer to academies. The services covered are set out below and it can be seen that some fall into both elements of the grant, meaning for example, some aspects of Education Welfare must be provided to academies without charge, whereas others are only available without charge to maintained schools.
- Education Welfare
  - Education related asset management
  - Statutory / Regulatory duties such as whole service planning, including children's services.

The consultation and associated documents can be viewed at:

<https://www.education.gov.uk/consultations/index.cfm?action=consultationDetails&consultationId=1958&external=no&menu=1>

## The consultation

5.5 This is an important consultation as it will help to shape expectations and future funding levels for relevant education services. Put simply, the consultation asks the following questions on the services intended to be funded from ESG:

- Does there need to be clarification on the LA role?
- What level of savings do you think you could make on the service?
- If your spend is above the median for this service, can you explain why?
- What would prevent your LA from spending at the level of the 25% lowest spending LAs?

5.6 The following paragraphs of the report set out views expressed by the DfE with some comments added relating to the BF position. Clearly, there will be views other than those expressed by the DfE.

### *Overview*

5.7 With the focus of the consultation needing to look at how savings can be managed on the intended services, the DfE has analysed the budget returns that all LAs are required to make each year under Section 251 of the Apprenticeships, Skills, Children and Learning Act 2009. It is acknowledged that there are differences in how LAs record expenditure and interpret budget lines which can result in an artificial variation in results.

Appendix 1 shows the guidance provided by the DfE to LAs to assist the completion of ESG relevant lines on the S251 statement. A financial benchmarking report from these returns is presented to the Forum for information each year.

5.8 There are also different views between LAs about which services should be provided, how they are provided and for which services schools can be charged. Crucially, DfE recognise that by charging schools for more services it simply transfers costs from LAs to schools, but this is accepted as it “gives schools both greater choice (over which services they chose to buy) and greater purchasing power (because they can buy services from a competitive market).”

5.9 Building on field work undertaken at 18 LAs – including BFC - before the publication of this consultation, and the analysis from recent S251 returns, the thrust of the consultation is to question why some LAs appear to be providing high quality services for much lower costs than others, how much savings can be made and the impact of making those savings. The 2013-14 S251 returns also show that average planned per pupil spend on ESG services is £125 compared to the £116 funding allocation and that some authorities are increasing their expenditure whilst others are achieving reductions.

### *Delivery model options*

5.10 Using their experiences from the field work visits to LAs, DfE have provided case studies to illustrate different delivery models that can provide more cost effective services, yet maintain quality:

- **Collaboration.** Both between LAs for economies of scale and between schools. Kent County Council is cited as reducing school improvement

spending by 36% through greater collaborations between schools whilst performance at KS2 and KS4 have increased by 21% and 11% respectively. Wigan has reduced school improvement spending by 78% whilst performance at KS2 and KS4 have increased by 16% and 14% respectively. It seems that most of the savings have been achieved by making schools pay for more services.

There has been little success for BFC in developing collaborative services of this type with other LAs. The main exceptions to this being; the Berkshire Joint Arrangements, but very few significant new collaborations have been developed since 1998; and regional procurement agreements. Experience indicates this is not likely to be an immediate or significant savings option for the Council.

- **Charging for services.** The real question here is which services can be legitimately charged for and what parts of them? Some LAs report zero or negative amounts on certain ESG budget lines which is believed to be due to their charging policies, which could include a small element for profit. Croydon and Darlington are held up as LAs that have made savings through this approach.
- **Efficiency savings through restructuring.** Including having flatter management structures and consolidation of back-office functions. The examples quoted in the consultation – Croydon, Darlington and Wigan – seem to be a variation on charging as it mainly talks about encouraging schools to take on increased responsibility for their own education services i.e. pay for them rather than the LA.

The Council has, and continues to review structures with the objective of reducing costs and therefore this option is unlikely to produce any significant savings.

DfE indicate that they “expect many LAs to adopt some of the strategies [as set out directly above] to achieve savings to ESG services”.

#### *Clarification of services funded by ESG*

- 5.11 The DfE S251 analysis has identified wide ranging levels of planned spend by LA and the DfE concludes from this that there is a requirement to provide greater clarification of expectations around what LAs should be doing. Spending only to the level of DfE expectation and looking at the delivery models set out above are seen by the DfE as key to reducing expenditure.
- 5.12 Note the S251 analysis uses the median average spend for benchmarking purposes which lists values in sequential order and selects the centre most value. This means the extreme values – either very low or very high – do not in general overly influence the outcome. Each £1 per pupil spend in 2013-14 by BFC amounts to around £16,000 total expenditure.

Appendix 2 provides some detail behind the charges included on the BFC S251 statement. It also shows that CYPL controlled budgets amount to 80% of spending and Corporate Services 20% and the extent of overhead recharges to the cash budgets managed by relevant services, both Departmental within CYPL and from Corporate Services. Summary comments are included in the text below.

### School Improvement

- 5.13 At £229m, and 22%, School Improvement is the second highest spend area in ESG services nationally. Average planned per pupil spend in all England on school improvement for 2013-14 was £31 (BFC £41), with the lowest spending quartile average at £19. Within the average, there is significant variation in spend by LAs – from £0 to £239. If BFC spent at the lowest quartile rate, then savings of £0.352m would be achieved. Appendix 2 shows more information on the range of budgets and adjustments involved in calculating the BF cost of School Improvement for the S251 return.
- 5.14 In terms of LA responsibilities, there remains a duty to exercise education functions with a view to promoting high standards. However, this needs to be done in the context of increasing emphasis on school-to-school support. The Schools Causing Concern statutory guidance has been updated to make this clear. It sets out the importance of early intervention and of swift and robust action to tackle failure, including the issue of Warning Notices and the use of Interim Executive Boards. The DfE considers that LAs “statutory functions do not require a highly resource intensive school improvement service”. There is however a remaining contradiction in the expectation that LA’s engage in school improvement and are open to inspection on their work through Ofsted.
- 5.15 The data collected under S251 does not support the view that high levels of spend in school improvement leads to improvements in school performance. Figures 4 and 5 in Annex B of the DfE consultation document support this statement. However, this analysis excludes high cost intensive programmes such as London Challenge which have improved outcomes for many inner city schools.
- 5.16 The DfE believe that significant savings can be achieved on LA funded school improvement services.

### Statutory and regulatory duties

- 5.17 At £296m, and 29%, Statutory and Regulatory duties represent the highest area of expenditure within the ESG. Average planned per pupil spend in all England on statutory and regulatory duties for 2013-14 was £47 (BFC £84), with the lowest spending quartile average at £28. Generally speaking, expenditure in each LA has remained similar between 2012-13 and 2013-14. If BFC spent at the lowest quartile rate, then savings of £0.896m would be achieved.
- 5.18 Relevant duties are defined in School Funding Regulations – see Appendix 1 for an overview - which include whole service planning, Finance functions, including audit and procurement, HR functions, data storage and links between the LA and schools and legal services. They are somewhat clouded as some fall within the services that transfer to academies, whilst others remain for the LA to continue to provide for all schools, and are therefore within the £15 per pupil element of ESG. The S251 statements do not separately capture LA spend on this category between these two elements which makes it difficult for the DfE to establish real levels of planned spend, although a survey was conducted with LAs to gather information in 2011 of which 16 LAs (out of 151) responded, and the DfE used the 5 lowest spending levels to set the £15 funding rate.

## Unrestricted

- 5.19 DfE conclude that there is a wide variation in how statutory duties are being interpreted and fulfilled and that clearer definitions should be provided. The implication of which suggests a dilution of responsibilities and / or transference to schools.

### Education Welfare Services

- 5.20 At £83m, Education Welfare Services (EWS) represent 8% of expenditure within the ESG. Average planned per pupil spend in all England on EWS for 2013-14 was £14 (BFC £15), with the lowest spending quartile average at £9. Within the average, there is significant variation in spend by LAs – from £0 to £85. If BFC spent at the lowest quartile rate, then savings of £0.096m would be achieved.
- 5.21 EWS promote regular school attendance and investigate poor attendance. They prepare cases and work with courts on prosecutions, monitor employment of those under 16, and track pupils missing from education. Part of the EWS service is covered by the £15 element of ESG and relates to maintained and academy schools. The DfE believes there is duplication and scope for savings.
- 5.22 In a similar theme to the work on School Improvement, analysis of S251 budget data compared to actual reductions in absence rates does not support evidence that high spending results in low absence rates. Figure 8 of Annex B on the DfE consultation illustrates this point.

### Central Support Services

- 5.23 At £63m, Central Support Services – clothing grants, outdoor education, music services etc. - represents 6% of expenditure within the ESG. Average planned per pupil spend in all England on central support services for 2013-14 was £6 (BFC £0), with the lowest spending quartile average at £1. At nil spend, there is no scope to make savings on this area in BFC.

### Asset Management

- 5.24 At £63m, Asset Management represents 6% of expenditure within the ESG. Average planned per pupil spend in all England on Asset management for 2013-14 was £7 (BFC £17), with the lowest spending quartile average at £3. Within the average, there is significant variation in spend by LAs – from -£1 to £129. If BFC spent at the lowest quartile rate, then savings of £0.224m would be achieved.
- 5.25 This is intended to support the effective and efficient management of school buildings and resources and with much of this delegated, there “is scope for LAs to cease to fund this separately”. In a similar theme to EWS service, as part of Asset Management is covered by the £15 element of ESG and relates to maintained and academy schools, the DfE believes there is duplication and scope for savings.
- 5.26 For BFC, £0.082m relates to CYPL spend and £0.187m from Corporate Services. This is the only element of ESG funded services where CYPL spend is below that of Corporate Services. The option to charge more spend to capital grants may need to be considered, but will need to comply with the accounting code of practice and will have a consequential reduction in funds available to spend on actual capital projects of which the long term success of such a strategy will be dependent on continuation of grants.

## Unrestricted

### PRC/Dismissal costs (new provisions)

- 5.27 At £31m, PRC/Dismissal costs represent 3% of expenditure within the ESG. More than half of LAs did not spend any money, which means the median average is nil although highest cost was £86. BFC spent £2, although this moved to nil in 2014-15 in response to changes in School funding Regulations and therefore, no scope exists to make savings on this area.

### Therapies and health related services

- 5.28 At £12m, this represent 1% of expenditure within the ESG. More than half of LAs did not spend any money, which means the median average is nil although highest cost was £100. BFC spent nil so there is no scope to make savings on this area.

### Monitoring national curriculum assessment

- 5.29 At £6m, this is the lowest spending element at less than 1% of expenditure within the ESG. More than half of LAs did not spend any money, which means the median average is nil although highest cost was £25. BFC spent £1 which represents the assessed cost of the service which would otherwise be included within school improvement and this is where the relevant spend is likely to be recorded by LAs reporting nil spend on this duty.

### **BF position**

- 5.30 The following table sets out BF spend levels against relevant lines for the 3 financial years 2012-13 to 2014-15. For 2013-14, which is used in the DfE consultation, as well as showing per pupil spend in BFC, average per pupil spend against statistical neighbours, the 20 LAs closest to BFC in terms pupil numbers and termed "small" LAs in the table, the lowest spending quartile and all of England are also included.

### Budget data from S251 statements

Service	2012-13 Budget  £k	2013-14						2014-15 Budget  £k
		Budget  £k	Per pupil spend (median)					
			BFC  £	Statistical neighbour  £	"Small" LAs  £	Lowest Spend quartile  £	All England  £	
Therapies and health related	0	0	0	0	0	0	0	0
Central support services	0	0	0	4	4	1	6	0
Education Welfare and safeguarding	245	239	15	12	15	9	14	209
School improvement and related activity	658	658	41	41	33	19	31	580
Education asset management	250	271	17	4	14	3	7	257
Statutory/regulatory duties	1,392	1,356	84	45	66	28	47	1,378
PRC/dismissal (new costs)	24	26	2	5	0	0	0	0
Monitoring NC assessment	15	15	1	0	1	0	0	15
<b>Total</b>	<b>2,584</b>	<b>2,565</b>	-	-	-	-	-	<b>2,439</b>

## Unrestricted

- 5.31 Analysis from the table and Appendix 3 which illustrates spend by “small” LAs shows:
- 2013-14 budget in BFC for ESG related services at £2.565m is £0.443m (20%) above the £2.122m grant receipt.
  - Within the £2.565m spend, £2.040m (80%) relates to CYPL budgets with £0.525m (20%) from Corporate Services recharges.
  - Within the CYPL spend, £0.149m relates to Departmental overheads allocated from general support services.
  - Within the Corporate Services spend, £0.355m relates to services directly provided on Valuers (£85k), Surveyors (£94k), Audit (£50k), Procurement (£49k), Legal Services (£44k) and Customer Contact (£32k), and £0.170m is the calculated share of general shared costs e.g. accommodation, IT, Agresso.
  - Planned spend on relevant budgets has decreased between 2012-13 and 2013-14 by £0.019m (0.7%).
  - Each £ per pupil spend in 2013-14 by BFC amounts to around £16,000 total spend.
  - Expenditure reductions of £0.126m (4.9%) were achieved in 2014-15 as part of CYPL savings. Savings achieved by Corporate Services would also have had an impact on recharge amounts.
  - The national and statistical neighbour benchmark levels indicate that relatively high levels of expenditure are being incurred on School Improvement, Education Asset Management and Statutory / Regulatory duties and these are the areas to concentrate efforts.
  - The “small” LAs benchmarking levels demonstrate the additional costs faced by such LAs where the only expenditure levels below the all England average relates to central support services.
- 5.32 As set out above, care needs to be taken in viewing the figures as different LAs will treat the same expenditure differently. For example, Chief Officer Learning and Achievement and Personal Assistant are recorded against Statutory / Regulatory duties in BFC, other LAs may have such costs, or a share of them, within School Improvement. There will also be differences in the apportionment of recharges and Departmental overheads which must be included to ensure services are shown on a full cost basis. There is also the likelihood that some LAs charge asset management costs against DfE capital grants. This needs to be in accordance with the accounting code of practice, which only allows spend to be charged to capital if a new or enhanced asset results, so any abortive costs from projects that do not proceed are disallowed and must be funded from the Council’s general revenue money. Such a change would clearly results in less funding available for construction works, and would be a risk.
- 5.33 Other factors to take into account for BFC are the relative small size of the authority, with limited ability to achieve the economies of scale available to larger LAs and the relative high costs in the area, which is recognised in the overall Local Government Financial Settlement through the Area Cost Adjustment. Therefore, the ESG flat per pupil allocation funding methodology does not properly reflect the cost base of small LAs. The analysis of the 20 LAs closest to BFC by size shows across ESG services the median per pupil spend is £133 compared to £105 for all England, with BFC at £160. This is shown in Appendix 3.



## **Conclusion**

- 5.34 Based on the significance of the expected funding cut, it was important that a response was made to this consultation in an attempt to protect the interest of BF schools and the Council.
- 5.35 Whilst some service specific comments are made in the response, there are 2 general, but significant comments that have also been added:
- Relative small size of BFC. The financial data in the table at paragraph 5.30 clearly demonstrates that small LAs tend to spend more on service provision than the England average. This is most likely to be as a result of limited opportunities to benefit from significant economies of scale.
  - The grant distribution method.
    - The current universal per pupil funding methodology discriminates against small LAs. A minimum fixed lump sum per LA should be included
    - The current universal per pupil funding methodology discriminates against high cost LAs. An Area Cost Adjustment should be included.

The BFC response is shown at Appendix 4.

## **Next steps**

- 5.36 The benchmarking data, whilst it contains flaws and limitations indicates that the areas where BFC should concentrate efforts to effect savings are:
- School improvement;
  - Asset management;
  - Statutory / regulatory duties.

It seems that the best approach to take to make savings would be through:

- Reducing the scope of services currently being provided without charge to schools;
  - Charge schools for a wider range of services;
  - A combination of both;
  - Charging more costs to capital (subject to accounting code of practice).
- 5.37 DfE will publish a response to the consultation in summer 2014 but this is likely to be after the Council has finalised budget proposals for 2015-16 so it is likely that decisions on these matters will need to be made in advance of final decisions from the DfE.

## **6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

### **Borough Solicitor**

- 6.1 The relevant legal provisions are contained within the body of the report.

Borough Treasurer

- 6.2 The financial implications are set out in the supporting information. With the expectation of a £0.4m cut in funding from April 2015, it is important that appropriate savings options are identified.

Impact Assessment

- 6.3 Not applicable.

Strategic Risk Management Issues

- 6.4 Reductions in planned spend on relevant services may result in inadequate support to schools which may result in higher levels of expenditure over the medium to longer term.

If requiring schools to pay for services currently provided without charge is adopted, this will require a high level of buy back if it is to be successful, otherwise compensating expenditure reductions will still need to be achieved.

**7 CONSULTATION**

- 7.1 Service managers and Management Teams in both CYPL and CS.

Background Papers

None:

Contact for further information

David Watkins, Chief Officer; SREI

(01344 354061)

[David.watkins@bracknell-forest.gov.uk](mailto:David.watkins@bracknell-forest.gov.uk)

Paul Clark, Head of Departmental Finance, CYPL

(01344 354054)

[paul.clark@bracknell-forest.gov.uk](mailto:paul.clark@bracknell-forest.gov.uk)

INSTRUCTIONS AND GUIDANCE FOR FINANCIAL REPORTING ON THE

**SECTION 251  
FINANCIAL DATA COLLECTION  
COVERING FUNDING PERIOD  
2013-14**

**PLEASE READ THIS GUIDANCE CAREFULLY  
AS IT CONTAINS ESSENTIAL INFORMATION  
TO HELP YOU COMPLETE YOUR  
WORKBOOK**

Department for  
**Education**

## Unrestricted

**2.0.1 Therapies and other health related services** Costs associated with the provision or purchase of speech, physiotherapy and occupational therapies should be recorded here. Include any expenditure on the provision of special medical support for individual pupils which is not met by a Primary Care Trust, National Health Service Trust or Local Health Board.

**2.0.2 Central support services** Includes expenditure on:

- pupil support: provision and administration of clothing grants and board and lodging grants, where such expenditure is not supported by grant.
- music services: expenditure on the provision of music tuition or other activities which provide opportunities for pupils to enhance their experience of music.
- Visual and performing arts (other than music): expenditure which enables pupils to enhance their experience of the visual, creative and performing arts other than music.
- Outdoor education including environmental and field studies (not sports): expenditure on outdoor education centres – field study and environmental studies etc. – but not including centres wholly or mainly for the provision of organised games, swimming or athletics.

**2.0.3 Education welfare service** Education Welfare Service and other expenditure arising from the LA's school attendance functions. Where Education Welfare Officers are directly involved in issues related to [The Children Act 1989](#), the relevant expenditure should be charged to line 3.3.2.

Expenditure in connection with powers and duties performed under Part 2 of the Children and Young Persons Act 1933 (Enforcement of, and power to make bylaws in relation to, restrictions on the employment of children).

**2.0.4 School Improvement** Expenditure incurred by a local authority in respect of action to support the improvement of standards in the authority's schools, in particular expenditure incurred in connection with functions under the following sections of the [2006 Act](#):

- (a) section 60 (performance standards and safety warning notice),
- (b) section 60A (teachers' pay and conditions warning notice),
- (c) section 63 (power of local authority to require governing bodies of schools eligible for intervention to enter into arrangements),
- (d) section 64 (power of local authority to appoint additional governors),
- (e) section 65 (power of local authority to provide for governing bodies to consist of interim executive members) and Schedule 6; and
- (f) section 66 (power of local authority to suspend right to delegated budget).

**2.0.5 Asset management - education** Include expenditure in relation to the management of the authority's capital programme, preparation and review of an asset management plan, negotiation and management of private finance transactions and contracts (including Academies which have converted since the contracts were signed), landlord premises functions

for relevant academy leases, health and safety and other landlord premises functions for community schools.

**2.0.6 Statutory/ Regulatory Duties** Expenditure on **education** functions related to:

- the Director of Children's Services and the personal staff of the director:
- planning for the education service as a whole;
- functions of the authority under [Part 1 of the Local Government Act 1999](#) (Best Value) and also the provision of advice to assist governing bodies in procuring goods and services with a view to securing continuous improvement in the way the functions of those governing bodies are exercised, having regard to a combination of economy, efficiency and effectiveness;
- revenue budget preparation; the preparation of information on income and expenditure relating to education, for incorporation into the authority's annual statement of accounts; and the external audit of grant claims and returns relating to education;
- administration of grants to the authority (including preparation of applications), functions imposed by or under [Chapter 4 of Part 2 of the 1998 Act](#) and, where it is the authority's duty to do so, ensuring payments are made in respect of taxation, national insurance and superannuation contributions;
- authorisation and monitoring of:
  - (i) expenditure which is not met from schools' budget shares;
  - and
  - (ii) expenditure in respect of schools which do not have delegated budgets,and all financial administration relating thereto;
- the formulation and review of the methods of allocation of resources to schools and other bodies;
- the authority's monitoring of compliance with the requirements of their financial scheme prepared under section 48 of the 1998 Act, and any other requirements in relation to the provision of community facilities by governing bodies under section 27 of the 2002 Act;
- internal audit and other tasks necessary for the discharge of the authority's chief finance officer's responsibilities under section 151 of the Local Government Act 1972;
- the authority's functions under regulations made under [section 44 of the 2002 Act](#);
- recruitment, training, continuing professional development, performance management and personnel management of staff who are funded by expenditure not met from

## Unrestricted

schools' budget shares and who are paid for services carried out in relation to those of the authority's functions and services which are referred to in other paragraphs of Schedule 1 to the School and Early Years Finance (England) Regulations 2012. This relates to staff centrally funded and whose work falls within the scope of the LA Budget;

- investigations which the authority carry out of employees or potential employees of the authority or of governing bodies of schools, or of persons otherwise engaged or to be engaged with or without remuneration to work at or for schools;
- functions of the authority in relation to local government superannuation which it is not reasonably practicable for another person to carry out and functions of the authority in relation to the administration of teachers' pensions;
- retrospective membership of pension schemes and retrospective elections made in respect of pensions where it would not be appropriate to expect the governing body of a school to meet the cost from the school's budget share;
- advice, in accordance with the authority's statutory functions, to governing bodies in relation to staff paid, or to be paid, to work at a school, and advice in relation to the management of all such staff collectively at any individual school ("the school workforce"), including in particular advice with reference to alterations in remuneration, conditions of service and the collective composition and organisation of such school workforce;
- determination of conditions of service for non-teaching staff and advice to schools on the grading of such staff;
- the authority's functions regarding the appointment or dismissal of employees;
- consultation and functions preparatory to consultation with or by governing bodies, pupils and persons employed at schools or their representatives, or with other interested bodies;
- compliance with the authority's duties under the [Health and Safety at Work etc. Act 1974](#) and the relevant statutory provisions as defined in section 53(1) of that Act in so far as compliance cannot reasonably be achieved through tasks delegated to the governing bodies of schools; but including expenditure incurred by the authority in monitoring the performance of such tasks by governing bodies and where necessary the giving of advice to them;
- the investigation and resolution of complaints;
- legal services relating to the statutory functions of the authority;
- the preparation and review of plans involving collaboration with other local authority services or with public or voluntary bodies;
- provision of information to or at the request of the Crown and the provision of other information which the authority are under a duty to make available;
- Expenditure incurred in connection with the authority's functions pursuant to regulations

## Unrestricted

made under [section 12 of the 2002 Act](#) (supervising authorities of companies formed by governing bodies);

- Expenditure incurred in connection with the authority's functions under the discrimination provisions of the Equality Act 2010 in so far as compliance cannot reasonably be achieved through tasks delegated to the governing bodies of schools; but including expenditure incurred by the authority in monitoring the performance of such tasks by governing bodies and where necessary the giving of advice to them;
- Expenditure on establishing, and maintaining electronic computer systems, including data storage, in so far as they link, or facilitate the linkage of, the authority to schools which they maintain, such schools to each other or such schools to other persons or institutions.
- Expenditure in connection with the authority's functions in relation to the standing advisory council on religious education constituted by the authority under [section 390 of the 1996 Act](#) or in the reconsideration and preparation of an agreed syllabus of religious education in accordance with [schedule 31 to the 1996 Act](#);
- Expenditure in respect of a teacher's emoluments under [section 19\(9\) of the Teaching and Higher Education Act 1998](#) except such expenditure which falls to be met from a school's budget share;
- Expenditure on the appointment of governors, the making of instruments of government, the payment of expenses to which governors are entitled and which are not payable from a school's budget share and the provision of information to governors.
- Expenditure on making pension payments other than in respect of schools.

**2.0.7 Premature retirement costs / Redundancy costs (new provisions)** any budget for payments to be made by the local education authority in respect of the dismissal, or for the purpose of securing the resignation, of any member of the staff of the school, after 1<sup>st</sup> April 2013 under [section 37, Education Act 2002](#).

This line is meant to be for new costs in the financial year, in this case 2013-14. For old costs please record in line 2.2.3 (Pension costs – includes existing early retirement costs)

**2.0.8 Monitoring national curriculum assessment** Expenditure on monitoring National Curriculum assessment arrangements required by orders made under [section 87 of the 2002 Act](#).

Unrestricted

Appendix 2

2013-14 planned spend by BFC on ESG related services

Cost Centre Description	Original Budget	Corporate Services recharges - direct	Corporate Services recharges - reallocated (1)	Reallocate CYPL overheads (2)	Reallocate CSC and Youth costs (3)	Allocation to other lines on S251 (4)	Revised Budget 2013-14	CYPL	CS
	£	£	£	£	£	£	£		
<b><u>Education Welfare Service</u></b>									
Children & Families	108,620	0	6,850	9,197	0	0	124,667	117,817	6,850
Education Welfare Service	160,060	0	9,470	12,727	0	0	182,257	172,787	9,470
EWS - transfer to LA functions on child protection	0	0	0	0	0	-68,000	-68,000	-68,000	0
<b>Total Education Welfare Service</b>	<b>268,680</b>	<b>0</b>	<b>16,320</b>	<b>21,924</b>	<b>0</b>	<b>-68,000</b>	<b>238,924</b>	<b>222,604</b>	<b>16,320</b>
<b><u>School Improvement</u></b>									
Education Centre	26,600	0	1,590	2,119	0	0	30,309	28,719	1,590
L & A Staff vacancy Factor LA	0	0	0	0	0	0	0	0	0
L & A - core funding	583,770	0	41,240	55,420	0	0	680,430	639,190	41,240
L & A - transfer to NC assessment line	0	0	0	0	0	-15,000	-15,000	-15,000	0
L & A Staff Training & Development	3,880	0	230	302	0	0	4,412	4,182	230
L & A Commissioned Services	-46,510	0	-2,740	-3,701	0	0	-52,951	-50,211	-2,740
School Improvement MIB	9,780	0	580	776	0	0	11,136	10,556	580
<b>Total School Improvement</b>	<b>577,520</b>	<b>0</b>	<b>40,900</b>	<b>54,916</b>	<b>0</b>	<b>-15,000</b>	<b>658,336</b>	<b>617,436</b>	<b>40,900</b>
<b><u>Education Asset Management</u></b>									
Planning Property and Contracts (PPC)	82,100	0	9,430	12,070	-12,120	0	91,480	82,050	9,430
Valuers	0	85,040	0	0	0	0	85,040	0	85,040
Surveyors	0	94,130	0	0	0	0	94,130	0	94,130
<b>Total Education Asset Management</b>	<b>82,100</b>	<b>179,170</b>	<b>9,430</b>	<b>12,070</b>	<b>-12,120</b>	<b>0</b>	<b>270,650</b>	<b>82,050</b>	<b>188,600</b>



## Unrestricted

Cost Centre Description	Original Budget	Corporate Services recharges - direct	Corporate Services recharges - reallocated (1)	Reallocate CYPL overheads (2)	Reallocate CSC and Youth costs (3)	Allocation to other lines on S251 (4)	Revised Budget 2013-14	CYPL	CS
	£	£	£	£	£	£	£		
<b><u>Statutory and Regulatory duties</u></b>									
Customer Contact	0	31,810	0	0	0	0	31,810	0	31,810
Audit	0	50,200	0	0	0	0	50,200	0	50,200
Procurement	0	49,090	0	0	0	0	49,090	0	49,090
Legal Services	0	44,940	0	0	0	0	44,940	0	44,940
Information Technology - Section	83,550	0	4,950	6,632	-12,190	0	82,942	77,992	4,950
ICT Contracts & Equipment - LEA	83,300	0	5,930	7,117	0	0	96,347	90,417	5,930
Commissioning & Policy	64,470	0	3,810	5,119	-21,880	0	51,519	47,709	3,810
Management Team	620,580	0	36,460	49,302	-278,130	0	428,212	391,752	36,460
Governor Services	49,100	0	2,920	3,907	0	0	55,927	53,007	2,920
S.A.C.R.E.	1,530	0	100	132	0	0	1,762	1,662	100
Finance	309,800	0	19,720	25,227	-35,000	0	319,747	300,027	19,720
Office Costs	54,170	0	0	-54,170	0	0	0	0	0
Human resources	143,650	0	9,060	11,576	-51,880	0	112,406	103,346	9,060
Head of Performance and Governance	65,330	0	4,460	5,500	-43,750	0	31,540	27,080	4,460
<b>Total Statutory and Regulatory duties</b>	<b>1,475,480</b>	<b>176,040</b>	<b>87,410</b>	<b>60,342</b>	<b>-442,830</b>	<b>0</b>	<b>1,356,442</b>	<b>1,092,992</b>	<b>263,450</b>
<b>Total PRC/Dismissal Cost</b>	<b>9,885</b>	<b>0</b>	<b>15,640</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,525</b>	<b>9,885</b>	<b>15,640</b>
<b>National Curriculum monitoring</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>0</b>
<b>Grand Total</b>	<b>2,413,665</b>	<b>355,210</b>	<b>169,700</b>	<b>149,252</b>	<b>-454,950</b>	<b>-68,000</b>	<b>2,564,877</b>	<b>2,039,967</b>	<b>524,910</b>
								2,564,877	

### Notes to Appendix 3

- (1) Covers accommodation, health and safety, Personnel, IT, Agresso, Payroll and office services. Totals £805k for Education related services. Allocated prop rata to gross budget
- (2) Covers CYPL Departmental costs for training, recruitment and office services. Totals £178k for Education related services. Allocated pro rata to gross budget.
- (3) Some cost centres support education and other services. Non-education costs removed.
- (4) Adjustment for costs that need to be included in other lines of the S251 statement

## Unrestricted

### Budget summary by Department:

	<b>CYPL</b>	<b>CS</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Education Welfare Service	222,604	16,320	238,924
School Improvement	617,436	40,900	658,336
Asset management	82,050	188,600	270,650
Statutory / regulatory duties	1,092,992	263,450	1,356,442
PRC (new provisions)	9,885	15,640	25,525
Monitoring national curriculum assessment	15,000	0	15,000
<b>Total</b>	<b>2,039,967</b>	<b>524,910</b>	<b>2,564,877</b>

## 2013-14 planned spend by small Unitary Authorities on ESG related services

	Therapies and other health related services	Central support services	Education welfare service	School improvement	Asset management - education	Statutory/Regulatory duties - education	Premature retirement cost/Redundancy costs (new provisions)	Monitoring national curriculum assessment	Total
<b>ENGLAND - Average (mean)</b>	<b>2</b>	<b>10</b>	<b>13</b>	<b>35</b>	<b>13</b>	<b>49</b>	<b>8</b>	<b>1</b>	<b>131</b>
<b>ENGLAND - Average (median)</b>	<b>0</b>	<b>6</b>	<b>14</b>	<b>31</b>	<b>7</b>	<b>47</b>	<b>0</b>	<b>0</b>	<b>105</b>
<b>ENGLAND - Minimum</b>	<b>0</b>	<b>-10</b>	<b>0</b>	<b>-2</b>	<b>-1</b>	<b>-6</b>	<b>0</b>	<b>0</b>	<b>-19</b>
<b>ENGLAND - Maximum</b>	<b>100</b>	<b>155</b>	<b>85</b>	<b>239</b>	<b>129</b>	<b>324</b>	<b>86</b>	<b>25</b>	<b>1,143</b>

SMALL LAs:

<b>Average (mean)</b>	<b>2</b>	<b>4</b>	<b>22</b>	<b>34</b>	<b>17</b>	<b>86</b>	<b>2</b>	<b>1</b>	<b>168</b>
<b>Average (median)</b>	<b>0</b>	<b>4</b>	<b>15</b>	<b>33</b>	<b>14</b>	<b>66</b>	<b>0</b>	<b>1</b>	<b>133</b>
<b>Minimum</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-2</b>	<b>0</b>	<b>27</b>	<b>0</b>	<b>0</b>	<b>25</b>
<b>Maximum</b>	<b>9</b>	<b>12</b>	<b>85</b>	<b>68</b>	<b>55</b>	<b>183</b>	<b>21</b>	<b>5</b>	<b>438</b>

867	Bracknell Forest	0	0	15	41	17	84	2	1	160
836	Poole	0	5	13	20	28	61	0	1	128
890	Blackpool	0	4	37	51	14	66	0	2	174
800	Bath & North East Somerset	0	12	12	40	6	48	0	0	118
868	Windsor and Maidenhead	4	0	6	33	4	45	0	0	92
876	Halton	4	4	85	53	0	107	4	0	257
884	Herefordshire	0	0	0	20	55	63	21	1	160
921	Isle of Wight	0	9	17	27	23	27	0	2	105
813	North Lincolnshire	0	6	29	68	30	183	0	5	321
805	Hartlepool	0	3	7	25	11	118	0	0	164
871	Slough	9	0	19	-2	2	143	0	1	172

Unrestricted



**Appendix 4**

**Consultation Response Form**

**Consultation closing date: 19 June 2014  
Your comments must reach us by that date**

**SAVINGS TO THE EDUCATION SERVICES GRANT FOR 2015-16**

**If you would prefer to respond online to this consultation please use the following link: [www.education.gov.uk/consultations](http://www.education.gov.uk/consultations)**

Information provided in response to this consultation, including personal information, may be subject to publication or disclosure in accordance with the access to information regimes, primarily the Freedom of Information Act 2000 and the Data Protection Act 1998.

If you want all, or any part, of your response to be treated as confidential, please explain why you consider it to be confidential.

If a request for disclosure of the information you have provided is received, your explanation about why you consider it to be confidential will be taken into account, but no assurance can be given that confidentiality can be maintained. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Department will process your personal data (name and address and any other identifying material) in accordance with the Data Protection Act 1998, and in the majority of circumstances, this will mean that your personal data will not be disclosed to third parties.

<b>Please tick if you want us to keep your response confidential.</b>	<input type="checkbox"/>
Reason for confidentiality:	

Name: Paul Clark	
Please tick if you are responding on behalf of your organisation.	<input checked="" type="checkbox"/>
Name of Organisation (if applicable): Bracknell Forest Council	
Address: Time Square, Market Street, Bracknell, RG12 1JD	

If your enquiry is related to the DfE e-consultation website or the consultation process in general, you can contact the Ministerial and Public Communications

Division by e-mail: [consultation.unit@education.gsi.gov.uk](mailto:consultation.unit@education.gsi.gov.uk) or by telephone: 0370 000 2288 or via the Department's '[Contact Us](#)' page.

Please mark the box the best describes you as a respondent.

<input type="checkbox"/>	Maintained schools	<input type="checkbox"/>	Academies	<input checked="" type="checkbox"/>	Local authorities
<input type="checkbox"/>	Governors	<input type="checkbox"/>	Bursars	<input type="checkbox"/>	Parents
<input type="checkbox"/>	School forums	<input type="checkbox"/>	Trade union organisations	<input type="checkbox"/>	Other

Please Specify:  
Bracknell Forest Council

In responding to the questions in this consultation, we ask you to pay particular attention to any potential impacts on the protected characteristics set out in the Equality Act 2010 (sex, race, disability, age, religion or belief, sexual orientation, pregnancy and maternity, and gender reassignment).

### School Improvement

- 1 a) How could the clarification of the role of local authorities in school improvement in Section 4.2 help local authorities to make savings?

Comments:

The role of the LA in terms of school improvement in Bracknell Forest is articulated in our policy for Challenge, Support and Intervention which was developed with schools and as such requires no further clarification. Intervention is funded by the LA whilst schools purchase support and additional challenge and through a Service Level Agreement or on a 'Pay as You Go' scheme. This approach has proved to be popular with schools as they welcome the rigour of this approach, the brokering of support from a range of service providers and the in-depth local knowledge of the LA team, including others service areas including school finance, HR, children's social care, safeguarding and SEN.

There is an implicit assumption that schools have the capacity to support other schools where a school is struggling. As even our best schools struggle to recruit staff in key subject areas it is difficult to comprehend how reliance on such an approach can be guaranteed to secure long term, sustained improvement. Whilst schools play an important part in sharing effective practice and supporting teachers' professional development in our experience they have been reluctant to release key staff to work for substantial amounts of time in schools requiring improvement.

An element missing from section 4.2 relates to LA involvement in the performance management of headteachers and senior staff in order to ensure governors secure effective performance. The great majority of schools purchase this as a bought in

service from the LA and would continue to do so but the LA may not be in a position to provide it if the service is reduced to the minimalist model postulated in the consultation document.

1 b) Is further clarification or guidance from the Department on the role of the local authority in school improvement needed in order to have a clear set of expectations?

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Not Sure
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Comments:

It is very clear from the Ofsted reports on the inspection of LA school improvement services that there is a quite reasonable expectation that the LA has excellent knowledge of all schools, establishes a clear vision for education, supports schools to improve through commissioning support, including through Teaching Schools, and uses its powers of intervention quickly and appropriately. This is at odds with the general tenor of the consultation document which questions the role of LA's in school improvement.

Relying on schools to support other schools is a high risk strategy as there may not be the capacity for even the most successful schools to release staff to work in weaker schools, nor the willingness to do so. The recent issues with the inability of some academy sponsors to secure improvement in their schools, where they have considerably greater control than LA's on some areas of a school's work, is worthy of closer examination.

1 c) In addition to the examples set out in Section 3.2 of the consultation document, how else could local authorities provide school improvement more efficiently?

Comments:

This Authority has collaborated with other LA's, charges for services, has made efficiency savings through restructuring, commissions services from external providers and training organisations, works closely with the our local teaching school, has a good working relationship with our one Academy school, has been proactive in working with all schools to consider alternative forms of governance, deployed SLEs and experienced heads to support other schools, is actively involved in the new arrangements for initial teacher training through two schools direct schemes, has no headteacher vacancies and very few governor vacancies, has good systems for the regular audit of school finances and procedures and strong systems for safeguarding children, dealing with staff capability and conduct and intervening when necessary.

If by efficiently what is meant is at a lower cost per pupil then this could only be achieved through staff reductions and this would put at great risk all of the above.

Unrestricted

- 1 d) What level of saving is it possible for your local authority to make on school improvement? If cost pressures on school improvement have changed recently, please describe below.

Comments:

It would be difficult to effect further savings without losing detailed knowledge of school performance and issues affecting pupil progress, and in particular that of vulnerable groups of children and young people.

As salaries for senior staff and headteachers in schools have risen considerably it has proved difficult to recruit school improvement professionals with the necessary expertise to rigorously challenge schools where improvement is required.

This LA has successfully implemented intervention in schools through the establishment of Standards Monitoring Boards. For schools in Ofsted categories the LA has established Management Intervention Boards and, where necessary, IEBs. All such strategies cost money. Where a school is unable to fund the required improvements from their own budgets then additional resources are required and approval sought from the Schools Forum. However, much of the preparatory work and on-going monitoring is funded from the school improvement budget and, were this to be reduced further, these successful interventions, commented upon favourably by Ofsted, will not be sustainable.

- 1 e) If your local authority's expenditure is above the median (£31 per pupil) for this service, can you help us understand why this is?

Comments:

We question the consistency of financial returns on which these figures are based as the expenditure per pupil appears to vary so greatly across the country. The school improvement budget for Bracknell Forest funds a range of functions including the leadership of the virtual school, the monitoring of home educated pupils and other functions that may be included elsewhere in the returns made by other LA's.

In addition, the grant distribution method does not properly reflect the cost base that different authorities and academies face and should be amended because:

- The current universal per pupil funding methodology discriminates against small LAs and individual academies. S251 data demonstrates that the smallest LAs in terms of pupil numbers have higher per pupil spending levels. A minimum fixed lump sum per LA / academy should be included with a per pupil amount top up
- The current universal per pupil funding methodology discriminates against high cost LAs. An Area Cost Adjustment should be included.

- 1 f) What would prevent your local authority from reducing costs to match the lowest spending 25% of local authorities (up to £19 per pupil)?

Comments:

In order to maintain the current service level of monitoring the performance and quality of leadership and management (including governance) in all schools, irrespective of their



Ofsted inspection grade, it is necessary to have sufficient high quality and experienced staff.

## Statutory and regulatory duties

2 a) Which statutory and regulatory duties require greater clarification or guidance?

Comments:

### Legal

- There is a lack of clarity as to which Legal Services costs should be met by schools and those which should be met by the Local Authority, (and if so which Local Authority budget heading the costs should be charged to). In particular it is not clear as to how legal costs for the following services should be accounted for:-
  - o Special Education Needs advice and appeals
  - o advice on Exclusions and Admissions (including appeals)
  - o Employment Tribunal proceedings and advice
  - o non-school attendance prosecutions
  - o school complaints
- Greater clarity required on apportionment to ensure consistency across LEA's (e.g. legal, procurement, audit etc).

### Governor support

LA statutory duties towards Governing Bodies. The Local Authority believes that there is a significant range of activities being provided in this respect and greater clarity would enable decisions to be made with regard to alternative delivery models.

### General

The LA statutory role is enshrined in legislation - many pages of legislation therefore tinkering with one area has implications for other areas of spend

2 b) In addition to the methods set out in the case studies in Section 3.2, how else could local authorities fulfil statutory and regulatory duties more efficiently?

Comments:

- Shared procurements both across the Council and with other LAs. (Already carried out.)
- Shared audit service to reduce cost and improve resilience. (Already in place.)
- Council's could look at ways to charge schools for this work or do less of it or at a lower standard
- In respect of IT data links with schools, Capita software is dominant in the market place and LAs have little or no influence over software and maintenance charges.

Can DfE bring pressure to reduce charges made to LAs in a similar way that copyright licensing etc have been successfully reduced?

- 2 c) What level of saving is it possible for local authorities to make on statutory and regulatory duties? If cost pressures on statutory and regulatory duties have changed recently, please describe below.

Comments:

- Continuous savings are already sought in these areas and further savings will potentially destabilise services e.g. savings on IT systems to transfer data between schools and the LA would be at the expense of data integrity, there would be less frequent system upgrades and there would be limited managed User Acceptance Testing from Business users
- Cost pressures on customer contact from admissions due to pressure on school places.
- Increased volume of SEN cases and advice requiring Legal Services.
- No savings as the services have already been streamlined and reduced through other Government initiatives and reductions since 2010. The recent Children and Families Act places more responsibility on LA but has to date not provided any new burdens funding. Any changes to the current funding mechanisms will place the SEN reforms in jeopardy which are implemented from September 2014

- 2 d) Do you think that the Department needs to change its expectations of local authorities with regard to statutory and regulatory duties in order for savings to be realised? If so, how?

<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	Not Sure
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Comments:

Yes – if savings need to be made.

The Local Authority prides itself on the close working relationship with its schools, including their Governing Bodies. Service users rightly have high expectations of the level and quality of service they provide as this impacts on overall school performance and the amount of headteacher time tied up outside core education delivery. If the level of funding is to be reduced, the Department needs to recognise that this kind of delivery is unlikely to be sustainable and that what will result will be a bare minimum level of service which would impact on schools and governing bodies.

- 2 e) If your authority's expenditure is above the median (£48 per pupil) for this service, can you help us understand why this is?

Comments:

- Small LEA with a fixed set of responsibilities leads to low economies of scale.
- South East area is a high cost area.
- The Section 251 statement is a blunt instrument with flaws. Education spend is

considered every year and reviewed and reshaped to meet needs across schools. The recent budget years have created at best a stand still budget for schools whilst there have been increasing numbers of pupils to provide for from reduced LA resources.

2 f) What would prevent your local authority from reducing costs to match the lowest spending 25% of local authorities (-£6<sup>1</sup> to £28)?

Comments:

There are cost increases on centrally retained Schools Budget items, such as Admissions Services where due to the pressure on school places, more and more queries are having to be dealt with, including appeals. School Finance Regulations cap spend on this and other services to the amount agreed in the previous year meaning cost increases are falling on the LA. This restriction should be removed so that where agreed by the local Schools Forum, costs could be increased in response to demand.

We believe that the Council is well run and efficient but the small size and high cost area impact on unit costs. Making further cost reductions would put at risk the checks and balances in place that support schools in statutory duties and the proper management of their affairs through the delivery of appropriate levels of support.

### **Education welfare services**

3 a) Why do you think there is such significant variation in spending on education welfare?

Comments:

Every service is different and every area has its own set of demographics. Some areas provide solely a statutory service whilst others see the benefits of investing in early intervention and prevention.

It is also worth noting that some areas have not converted so heavily to academies and this will affect the commissioning.

In some areas schools are used to having and wish to continue to have their services delivered by the local authority. It is also important to recognise that services are designed around the service users and schools are more inclined to engage with services that are designed to meet the welfare needs of their pupils so that they can concentrate on the academic and curriculum elements.

Those areas with particularly high absence rates may wish to invest more, as the more you invest in education welfare services the less you may have to invest in alternative provision or alternative programmes to re-engage those who have fallen into a pattern of non attendance or those who have been excluded from school.

<sup>1</sup> We do not know at this stage why this local authority has recorded a negative planned expenditure on this service and we will explore this during the consultation period.

3 b) How do you think local authorities could provide this service more efficiently?

Comments:

Authorities could ask for schools to contribute more funding to the running of education welfare services. It would also be more efficient if local authorities targeted attendance through earlier intervention however this requires a realistic level of staffing. This would require schools and EWS to look at attendance patterns of families and historical information to target those most at risk of poor attendance

3 c) What level of saving could your local authority make to education welfare? If cost pressures on education welfare have changed recently, please describe below.

Comments:

NIL – The local authority has cut back on this service in the last decade, reducing staffing by 2/5; a significant reduction in a small service. More recently the authority has made further savings to this service and is currently operating a buyback service through a service level agreement with our schools. An income target has been set by the local authority and the SLA has to hit that target in order to maintain the staff already in the education welfare service

3 d) Is further clarification or guidance from the Department needed about our expectations in respect of education welfare services? If so, why?

Yes

No

Not Sure

Comments:

We are very clear about what we need and should be doing to tackle attendance, Inclusion v Exclusion and supporting young people and their families to get the best possible outcomes from their education.

3 e) If your authority's expenditure is above the median (£14 per pupil) for this service, can you help us understand why this is?

Comments:

The local authority has in the past had a significantly high number of permanent exclusions and this has resulted in services being developed to help schools prevent those exclusions. The impact of these additional services has resulted in a reduction in exclusions but it is early days and any significant cut to those services will at this stage risk the early intervention and prevention work that these services are currently undertaking.

The EWS is supporting and working directly with families to address and turn around

poor attendance, using the legal process as a last resort.

3 f) What would prevent your local authority from reducing costs to match the lowest spending 25% of local authorities (£0 to £9)?

Comments:

The impact on the service would be detrimental to the support given to Bracknell Forest Schools. The Local Authority has worked hard in partnership with schools to improve attendance and reduce permanent exclusions. By reducing the budgets to run these services we are endangering the positive work that has been built up to improve and maintain good attendance as well as the work around inclusion.

There would also be an impact on other services, eg Children's Social Care, as any reduction to the attendance and inclusion services would reduce the ability to work in a multi agency approach with families.

3 g) Do you agree that the duties required for this service are fulfilled by local authorities, and therefore should be covered by the local authority retained duties funding (set out in Section 6)? If not, which aspects do academies hold responsibility for and should therefore be paid for by the standard ESG rate?

Agree

Disagree

Not sure

Comments:

We agree that the local authority should fulfil its duties to ensure that all children and young people access and regularly attend full time education. It is the responsibility of schools to monitor and put in strategies to a point, then the LA need to intervene to provide advice and work with families to prevent any deterioration in attendance.

Academies and maintained schools should be working at an earlier stage to identify patterns and address concerns whilst engaging with other agencies. The service currently supports all local schools to fulfil this obligation, this should continue.

However, to move these functions to LA retained duties will require an appropriate increase in the £5 per pupil funding rate which was set on the basis of survey results from 16 LAs and then using only the 5 lowest results, so it is unclear whether the current rate can be justified.

### Central support services

- 4 a) Are there any reasons why local authority expenditure on central support services could not be significantly reduced, if not stopped altogether? Please give details below.

Comments:  
BFC is a nil spend LA on this category. If we spent at the lowest 25% rate, costs would increase by £16,000.

- 4 b) If you do not think this could be stopped altogether, how much of a saving could local authorities make to these services? If cost pressures on central support services have changed recently, please describe below.

Comments:

- 4 c) Is further clarification or guidance from the Department needed in order to have a clear set of expectations? If so, why?

<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	Not Sure
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Comments:

- 4 d) If your authority's expenditure is above the median (£6 per pupil) for this service, can you help us understand why this is?

Comments:

- 4 e) What would prevent your local authority from reducing costs to match the lowest spending 25% of local authorities (-£10 to £1)?

Comments:

## Asset management

5 a) Which services are your local authority funding under the 'Asset Management' heading?

Comments:

### Children's Services Department functions:

- Creation of an Asset Management Plan
- Contribute to creating the School Places Plan
- Planning for school places
- School Capacity Strategy
- Net Capacity Assessments of schools
- Suitability Surveys of schools
- Access Audits of schools
- Instructing on Landlord & Tenant issues
- Schools Property Manual
- Schools Environmental Management Report
- Training for schools
- Advice & guidance to schools on asset management
- Advice & guidance on schools devolved construction projects
- Education Capital Programme management, planning and commissioning of work and financial control
- Planned Works Programme management, planning and commissioning of work and financial control
- Buildings health and safety requirements

### Valuers

- Planning for additional school places requires land acquisitions and disposals. Ways of massing sites can be complicated and time consuming, particularly when linked to new housing developments.
- The time and cost of valuers appraising, negotiating and acquiring sites can be speculative and cannot be capitalised.

### Surveyors

- Compliance and assessing building condition reflects the duties LA are required to carryout.
- The LA retains its statutory responsibilities for compliance even if the schools may not always be aware of current regulations and responsibilities, therefore, the LA has to both monitor compliance and ensure they can provide technical support when required.

5 b) Could your local authority join up asset management relating to education with asset management across all local authority services, if this is not already happening?

Yes  No  Not Sure

Comments:  
Asset Management is already carried out in conjunction with all Council assets.

5 c) Are there reasons why local authority expenditure on asset management, under the standard ESG rate, could not be significantly reduced if not stopped altogether? If cost pressures on asset management have changed recently, please describe below.

Comments:  
We do not believe this could be stopped altogether without serious safety and buildings condition consequences and no capacity to plan for and deliver the additional school places required. Whether and to what extent it could be reduced depends on what is required to be delivered by LAs under asset management and school place planning. Essential support for schools would need to be ensured/continued and many schools, particularly smaller primary schools do not have the staffing resources to manage all of their asset management functions. If asset management is clearly defined and standardised across all LAs then a better picture of the resource implications and benchmarked costs for these could be established. At present our view is that because each LA is doing asset management differently, benchmarking costs has only limited meaning

5 d) If you do not think this could be stopped altogether, how much could local authorities save by delivering this service in a different way?

Comments:  
It is impossible at this stage to estimate any potential cost savings of any/all of the potential measures

5 e) Is further clarification or guidance from the Department needed in order to have a clear set of expectations? If so, why?

Yes  No  Not Sure

Comments:  
We agree that expenditure should be aligned to meet the essential elements of asset management. These were at one time set out clearly by DfE but the current guidance on what constitutes essential work under asset management is not so clear. DfE should be clear about their expectation on LAs to deliver asset management for the education estate and then resources should be reviewed/re-aligned to these priorities. DfE is looking to standardise information about school places, building condition etc so a standard approach by all LAs would provide better management information and



potentially reduce central government costs e.g. over the condition surveys undertaken in addition to LA condition surveys required to justify allocation of Schools Capital Maintenance grant. It makes no sense to duplicate these surveys when a standard methodology could be prescribed and adopted by all LAs as was the case in 2000/01.

In addition, it is important to clarify exactly what the DfE expects LAs to do to deliver their place planning duties and statutory landlord functions.

5 f) If your authority's expenditure is above the median (£7 per pupil) for this service, can you help us understand why this is?

Comments:

- Significant pupil growth.
- Deteriorating building stock – compliance issues due to age of building.
- South East costs, building inflation.
- No economies of scale, small LA.
- Less competition amongst contractors as economy improves.

5 g) What would prevent your local authority from reducing costs to match the lowest spending 25% of local authorities (-£1<sup>2</sup> to £3)?

Comments:

- Significant pupil growth.
- Deteriorating building stock – compliance issues due to age of building.
- South East costs, building inflation.
- No economies of scale, small LA.
- Less competition amongst contractors as economy improves.

### **Premature retirement costs/ redundancy costs (new provisions)**

6 a) Are there any reasons why schools could not take financial responsibility for redundancies? Please give details below.

Yes

No

Not Sure

Comments:

BFC is a nil spend LA on this category from 2014-15, although guidance from DfE could be improved to make clear that schools should fund all these costs.

<sup>2</sup> We do not know at this stage why this local authority has recorded a negative planned expenditure on this service and we will explore this during the consultation period.

- 6 b) If you are a local authority that is funding early retirement, why are you not requiring schools to do so?

Comments:

- 6 c) If your authority's expenditure is above the median (£0 per pupil) for this service, can you help us understand why you are spending that amount and what prevents you from reducing your expenditure to £0?

Comments:

### Therapies and other health-related services

- 7 a) Given the high needs budget that local authorities have, and the improved joint working between health and education authorities which should result from the provisions within the Children and Families Bill, are there any reasons why funding for therapies and other health-related services should continue from ESG? If cost pressures on therapies and other health-related services have changed recently, please describe below.

Comments:  
BFC is a nil spend LA on this category.

- 7 b) Is there a need for further clarification or guidance from the Department about what local authorities are expected to provide in terms of therapies and other health-related services. If so, why?

<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	Not Sure
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Comments:  
S251 guidance for line 2.0.1 clearly places an expectation that LAs fund costs not covered by the Health Sector. This needs to change if these costs can confidently be funded from the DSG.

- 7 c) If your authority's expenditure is above the median (£0 per pupil) for this service, can you help us understand why you are spending that amount and what prevents you from reducing your expenditure to £0?

Comments:

### Monitoring National Curriculum assessment

- 8 a) What level of savings could local authorities make to this service?

Comments:  
None

Although we could reduce the amount of monitoring the LA undertakes this would have a detrimental effect on our knowledge of schools and in ensuring that assessments are accurate and robust.

The LA could reduce the number of the team, many of who are from schools, and consequently the number of schools visited. This would save on the, quite small, Costs of teacher release. However, this would reduce capacity and make this statutory process reliant on a few staff who may move to other LA's or retire.

8 b) If cost pressures on monitoring national curriculum have changed recently, please describe below.

Comments:

The requirements of the STA in terms of LA audit of national curriculum assessments and the procedures for administering the tests have increased. This has meant that the LA has needed to increase the team of staff from schools, recently retired headteachers and LA officers to undertake the work

8 c) Is further clarification or guidance from the Department needed in order to have a clear set of expectations? If so, why?

Yes  No  Not Sure

Comments:

8 d) Given that some local authorities are charging for this service and not incurring any net expenditure, is this something your local authority could do? If not, please help us understand why.

Yes  No  Not Sure

Comments:

We believe that this is a coding error by those authorities who have indicated no net expenditure.

In order to maintain public credibility in the outcomes of national curriculum assessments and tests it is vital that there is rigorous scrutiny and inspection of procedures and processes. This is an aspect of the English educational system that is recognised as a cornerstone of secure accountability. It was not always the case but examples of deliberate cheating and falsification of pupils' test scores are now very rare indeed. There have been no such incidents in this LA due in part to the robust nature of our programme of unannounced visits to schools

### How the savings will affect academies

- 9 a) What level of saving could your academy make by adopting some of the strategies we have set out in Section 5 of the consultation document?

Comments:

- 9 b) Can you provide any additional examples of methods that academies can use to increase value for money from the ESG funding?

Comments:

- 9 c) What would be the consequences of a less generous protection in 2015/16 for academies against losses in ESG than the protection offered in 2014/15?

Comments:

- 9 d) What would be the consequences of reducing the academies rate of ESG to the local authority rate in 2015/16?

Comments:

### The local authority retained duties funding

- 10 a) What further savings could your local authority make from:

- i) education welfare services;
- ii) asset management; and
- iii) statutory and regulatory duties

As covered by the local authorities retained duties funding?

If cost pressures on the local authority retained duties have changed recently, please describe below.

Comments:

No savings possible.

- 10 b) Is further clarification or guidance about these duties from the Department needed in order to have a clear set of expectations? If so, why?

<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Sure
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Comments:

The original cost calculation of duties for these functions was completed on an unsatisfactory basis with little evidence to support the £15 per pupil ESG funding rate – the 5 lowest spending LAs from 16 responses. This needs to be reviewed.

Thank you for taking the time to let us have your views. We do not intend to acknowledge individual responses unless you place an 'X' in the box below.

<b>Please acknowledge this reply.</b>	√
E-mail address for acknowledgement: <a href="mailto:paul.clark@bracknell-forest.gov.uk">paul.clark@bracknell-forest.gov.uk</a>	

Here at the Department for Education we carry out our research on many different topics and consultations. As your views are valuable to us, please confirm below if you would be willing to be contacted again from time to time either for research or to send through consultation documents?

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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All DfE public consultations are required to meet the Cabinet Office [Principles on Consultation](#)

The key Consultation Principles are:

- departments will follow a range of timescales rather than defaulting to a 12-week period, particularly where extensive engagement has occurred before
- departments will need to give more thought to how they engage with and use real discussion with affected parties and experts as well as the expertise of civil service learning to make well informed decisions
- departments should explain what responses they have received and how these have been used in formulating policy
- consultation should be 'digital by default', but other forms should be used where these are needed to reach the groups affected by a policy
- the principles of the Compact between government and the voluntary and community sector will continue to be respected.

If you have any comments on how DfE consultations are conducted, please contact Aileen Shaw, DfE Consultation Coordinator, tel: 0370 000 2288 / email: [aileen.shaw@education.gsi.gov.uk](mailto:aileen.shaw@education.gsi.gov.uk)

**Thank you for taking time to respond to this consultation.**

Completed responses should be sent to the address shown below by 19 June 2014

Unrestricted

Send by post to: Emily Barbour, Funding Policy Unit, Sanctuary Buildings, Great Smith Street, London, SW1P 3BT

Send by e-mail to: [esg.CONULTATION.education.gsi.gov.uk](mailto:esg.CONULTATION.education.gsi.gov.uk)