

Schools Forum

3 December 2020

Central Schools Services Funding Overview

This report is for information

1. Introduction

- 1.1. This report informs schools forum of how Education and Skills Funding Agency (ESFA) allocates Central Schools Services Block (CSSB) funding to Local Authorities.
- 1.2. The allocation of annual budgets and subsequent financial monitoring of spend against budget will be covered in future reports.
- 1.3. The CSSB covers funding allocated to Local Authorities to carry out central functions on behalf of pupils in maintained schools and academies CSSB funding is split into two elements:
 - funding for ongoing responsibilities;
 - funding for historic commitments.

2. Funding for ongoing responsibilities

- 2.1. The CSSB allocates funding to LAs for ongoing responsibilities using a pupil formula. The formula uses 2 factors:
 - a basic per-pupil factor, through which LAs receive the majority of funding;
 - a deprivation per-pupil factor.
- 2.2. The total provisional national budget for ongoing responsibilities in 2021-22 is c.£257m. 90% of this (c.£231m) forms the budget to be allocated to LAs through the basic factor (the remaining 10% (c.£26m) will be allocated through the deprivation factor.
- 2.3. The provisional 2021-22 ongoing responsibilities allocation for Warwickshire is £2.713 million, although the ESFA do not split this between the 2 factors.

Basic Factor Funding

- 2.4. This funding factor uses, for each LA, a general labour market (GLM) area cost adjustment (ACA). The ACA for Warwickshire in 2021-22 is 1.025307.
- 2.5. Each LA's GLM ACA weighted pupil count is calculated as: the LA's schools block pupil count multiplied by the LA's GLM ACA.

Deprivation Factor Funding

- 2.6. This factor uses the proportion of free school meal ever 6 (FSM6) pupils in mainstream schools as indicated on LAs' authority proforma tool (APT) returns. For each school in an LA, the primary and secondary FSM6 proportions are multiplied by the primary and secondary schools block pupil counts, respectively, and the results summed across all schools in the LA to derive a total FSM6 pupil count. This LA level FSM6 count is divided by the total pupil count for the LA to produce an LA Level FSM6 proportion. This proportion is then applied to the schools block pupil count to produce the CSSB FSM6 count.
- 2.7. In a similar approach to the basic factor, a GLM ACA weighted CSSB FSM6 count is calculated as: the LA's CSSB FSM6 pupil count multiplied by the LA's GLM ACA.

Protection

- 2.8. LAs that are set to face reductions in per-pupil funding for ongoing responsibilities, compared to their 2020-21 baseline, will be protected against large losses year-on-year.
- 2.9. The maximum per-pupil reduction in funding for ongoing responsibilities each LA will receive is -2.5%. Also, any maximum per-pupil gain in funding each LA will receive is +6.45%.

3. Funding for historic factors

- 3.1. In 2021-22 unprotected historic commitments funding will be reduced by 20% compared to their 2020-21 baseline. It is then expected that this will continue into future years until there is no allocation of unprotected commitments.

- 3.2. The small protection against the NFF school's block allocation, implemented in 2020-21, has been removed.
- 3.3. Historic commitments for ongoing prudential borrowing or termination of employment costs funding will be protected from dropping below the total value of the costs as these are time driven historic commitments.
- 3.4. The provisional 2021-22 historic factors allocation for Warwickshire is £1.023 million, giving a total provisional CSSB allocation of 3.736 million in 2021-22.
- 3.5. By comparison the 2020-21 CSSB allocation for Warwickshire was £4.015 million, a drop by £0.279 million in 2021-22.

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