

North Northamptonshire Schools Forum: 2nd November 2023

Agenda Item 10

National Funding Formula Central School Services Block 2024-25

1. Purpose of Report

- 1.1 This report is to present to Schools Forum the Local Authority's proposals for central expenditure on education functions for 2024-25.
- 1.2 There is an overall estimated reduction of £221K in the Central Schools Services Block (CSSB). This is due to the 20% reduction in the historical element of the CSSB.

2. Central School Services Block (CSSB)

- 2.1 CSSB covers funding allocated to LAs to carry out central education functions on behalf of pupils in maintained schools and academies in England.
- 2.2 The CSSB is split into two elements:
 - a) funding for ongoing responsibilities is a formula based calculation (nationally distributed via a per pupil rate currently multiplied by October 2022 pupil census data but will be revised to October 2023 numbers in the December 2023 announcement).
 - b) funding for historic commitments allocated at levels carried forward from previous years. The DfE have been reducing the historic commitments funding since 2020-21 by 20% per annum. This reduction has been applied to the provisional 2024-25 CSSB funding.
- 2.3 NNC have received a provisional allocation of £3,066,026 in 2024-25 compared to £3,286,931 in 2023-24 which is a reduction of £221k. The following Table is an extract from the National Funding Formula (NFF) which summarises the CSSB provisional calculation for 2024-25.

Central school services block: local authority (LA) summary

On this page you can see the estimated impact on an LA's funding. To view an LA's data, please select the relevant LA from the blue box in row 10.

- Below, you will see the LA's 2023-24 CSSB funding baseline and the change in funding under the NFF.

- At the top of the page are the baseline and 2024-25 allocation for historic commitments.

- LA's historic commitments funding will be reduced by 20%.

- At the bottom of the page, you will see the provisional change to the LA's funding for ongoing responsibilities in 2024-25 as a result of the national funding formula.

- Funding for ongoing responsibilities will be allocated on a per-pupil basis. No LA's per-pupil funding for 2024-25 will fall more than 2.5% compared to its 2023-24 per-pupil funding.

Cell colour guide	Calculation	Explanation
Please select your local authority from the drop down menu:	North Northamptonshire	

Table 1: 2024-25 funding for historic commitments

2023-24 baseline for historic commitments	£1,439,677	This shows the 2023-24 LA allocation for historic commitments.
NFF funding for historic commitments	£1,151,742	This shows what the LA will receive for historic commitments in 2024-25 (prior to any protection applied in the DSG).

Table 2: Provisional 2023-24 funding for ongoing responsibilities, under the NFF

2023-24 baseline for ongoing responsibilities	£1,847,253	This shows the LA's allocation for ongoing responsibilities in the 2023-24 DSG allocations.
2024-25 total funding for ongoing responsibilities	£1,914,284	This shows what the LA will provisionally receive for ongoing responsibilities in 2024-25.
Percentage change in per pupil funding in 2024-25	3.63%	This shows the percentage change the LA will receive per pupil in 2024-25 compared with the 2023-24 baseline for ongoing responsibilities.

2.4 Table 1 shows the change in CSSB funding between 2024-25 and 2023-24

Table 1 – CSSB Funding

Central School Services Block Funding	2023-24	2024-25	Change
Final CSSB unit of funding	£36.91	£38.25	£1.34
2021 to 2022 CSSB pupil count	50,047.50	50,047.50	0.00
Funding for On-going Duties	£1,847,254.00	£1,914,284.00	£67,030.00
Funding for Historic Commitments	£1,439,677.00	£1,151,742.00	£(287,935)
Total Central School Services Block Funding	£3,286,931.00	£3,066,026.00	£(220,905)

Note: +ve increase in income -ve reduction in income

2.5 The change between unprotected NFF per-pupil funding and per-pupil baseline for ongoing responsibilities for North Northamptonshire Council is 3.63%. As a result, North Northamptonshire received a 3.63% increase for ongoing responsibilities – which amounts to £67k.

2.6 The CSSB NFF allocates funding to LAs for ongoing responsibilities using a pupil-led formula. The formula uses three factors:

- a basic per-pupil factor, through which LAs receive most of the funding.
- a deprivation per-pupil factor; and
- for the 2024-25 CSSB NFF, a copyright licences per pupil factor to fund the additional costs of copyright licences that LAs faced in 2023-24.

- 2.7 The increase of 3.63% in total ongoing responsibilities funding that each LA attracts includes the total additional cost for their copyright licences from 2023-24. The DFE made an adjustment to Christian Copyright Licensing International (CCLI) costs that were charged for the 2022-23 financial year due to an administrative error that meant LAs were charged incorrectly for this licence.
- 2.8 Table 2 summarised NNC's current use of the CSSB funding in 2023-24, together with proposals for its use in 2024-25 and show the changes between 2023-24 and 2024-25.

Table 2 – NNC Proposed CSSB Expenditure for 2024-25

Central School Services Block	2023-24	2024-25	Change
Historical Commitments	£	£	£
Contribution to Combined Services (see Table 3)	639,677	244,742	(394,935)
Contribution to DSG High Needs Deficit	0	0	0
Pre-2013 Premature Retirement / Redundancy Costs	800,000	907,000	107,000
Total Historical Commitments	1,439,677	1,151,742	(287,935)
Ongoing Responsibilities	£	£	£
Admissions	499,208	507,517	8,309
Schools Forum	11,300	11,300	0
National Copyright Licences	321,279	380,000	58,721
Statutory and Regulatory Duties	1,010,000	1,010,000	0
Teacher's Pay and Pension Grant	5,467	5,467	0
Total Ongoing Responsibilities	1,847,254	1,914,284	67,030
Total CSSB	3,286,931	3,066,026	(220,905)

Note: +ve increase in expenditure -ve reduction in expenditure

- 2.9 Table 3 provides a breakdown of NNC's proposals for the use of the CSSB on Combined Services in 2024-25 and changes from 2023-24.

Table 3 - NNC Proposed Combined Services Expenditure Budget

CSSB DSG Contribution to Combined Service	2023-24	2024-25	Change
	£	£	£
School Standards & Effectiveness	466,150	71,215	(394,935)
Moderation	15,000	15,000	0
Northamptonshire Safeguarding Children Board	33,247	33,247	0
Educational Entitlement	125,280	125,280	0
Total	639,677	244,742	(394,935)

Note: +ve increase in expenditure -ve reduction in expenditure

3. Financial implications

- 3.1 The 20% year on year reduction funding on historical commitments leaves a funding gap of £0.29m against the historical commitment's expenditure requirement in 2024-25.
- 3.2 This funding gap will need to be met by reducing the funding for Contribution to Combined Services by £0.395m. It is proposed that a further de-delegation for Education Functions is requested from maintained Primary, Secondary and Special Schools to meet this shortfall in funding for School Effectiveness going forward.
- 3.3 From 2022-2023, schools forums have been able to agree to de-delegate funding for local authorities' core school improvement activities in relation to maintained schools. In addition, since 2017-18, schools forums have been able to agree to de-delegate further funding for additional school improvement provision for maintained schools. From 2023-24, the school improvement monitoring and brokering grant is no longer being paid to local authorities.
- 3.4 The ongoing 20% reductions on Historic Commitments Funding on CSSB will continue year on year i.e., a further reduction of £230K in 2025-26 and £184K in 2026-27.
- 3.5 It is also proposed that the funding for ongoing responsibilities is used as set out in Table 2.

4. Legal implications

- 4.1 There are no legal implications arising from the proposals.

5. Risks

- 5.1 The main risks arising should Schools Forum not agree with the recommendations are to find alternative sources of funding to support the existing commitments. Should this not be possible DSG CSSB Contribution to Combined Functions may have to cease. The criteria of what DSG CSSB can be spent on is set out in [The School and Early Years Finance \(England\) Regulations 2023](#)

6. Recommendations for Schools Forum

It is recommended that the Schools Forum:

- 6.1 Note the ongoing reduction of 20% to historical commitments of the CSSB year on year.
- 6.2 Consider further de-delegation for Education Functions from maintained Primary, Secondary and Special School Budgets to meet this shortfall in CSSB funding.
- 6.3 Agree the use of Historical Commitment budget as set out in Table 2.
- 6.4 Agree the use of the available ongoing responsibilities budgets as set out in Table 2.
- 6.5 Agree the use of Contribution to Combined Services budget as set out in Table 3.

7. Next Steps

- 7.1 Schools Forum members will be asked to agree to the final proposals for central expenditure following the DFE's December 2023 Finance Settlement in January

2024.

Report Author:

Officer name: Sariya Bi

Officer title: Senior Finance Business Partner – Children Services

Email address: sariya.bi@northnorthants.gov.uk