CSSB report

**Agreement of Central Schools Services Block 2024-25**

29/11/2023

**Executive Summary**

This report outlines the policy and allocation estimates for the 2024-2025 Central Schools Service Block (CSSB) of the Dedicated Schools Grant (DSG). Schools Forum are asked to agree the proposed budgets in principle, allowing budget setting to proceed.

**Details of recommendations and timescales for decisions:**

Schools Forum are asked to consider and agree the proposals

1. **Background**
	1. Schools Forum were informed on inflation regarding the Central School Services Block (CSSB) in the report presented in October 2023. The final pupil numbers available in December 2023 will determine the final block allocation, using the announced formula and per pupil rates.
	2. These proposals are to be considered, and we seek agreement in principle.

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|  Table 1 | NFF funding 2023-24 | Provisional NFF funding 2024-25 | variance (£) | variance (%) |
| Per-pupil rate for ongoing responsibilities | £53.24 | £53.39 | £0.15 | 0.28% |
| 2023-24 DSG schools' block pupil count | 37,900 | 37,900 | assume same  | assume same  |
| Total funding for ongoing responsibilities | £2,017,769 | £2,023,422 | £5,653 | 0.28% |
| Total funding for historic commitments | £1,139,508 | £911,606 | -£227,902 | -20.00% |
| **Total CSSB funding** | **£3,157,277** | **£2,935,028** | **-£222,249** | **-7.04%** |

* 1. The estimated CSSB allocation for financial year 2024-25 uses the October 2023 roll across all schools and academies. This will be updated once confirmed, and any resulting budget adjustment will be made against the recharges to social care budget as demonstrated below.
	2. Two elements comprise the CSSB, which can be combined to meet locally determined priorities.

“On-going responsibilities” is formula driven, based on pupil numbers and a per pupil rate that is inflated according to the CSSB/NFF.

“Historic commitments” funding is subject to an annual -20% reduction, encouraging local authorities to cease expenditure. The principle historic commitment is related to on-going redundancy costs for staff that left schools in 2013-14, which is not reducing at the same -20% rate as the income.

1. **Proposals**
	1. Despite the reduction in overall grant certain expenditure budgets require growth in 2024-25: the Admissions budget contribution has been increased by 2%; the estimated increase of the Copyright license fee has been calculated using the same percentage increase experienced between 2022-23 and 2023-24 (16%) or c £38k,
	2. The budgets that will be reduced are the contribution to the historic costs for prior year school pensions, (-20%); removing the contribution supporting of centrally managed out-reach; a reduction in the contribution to central teaching staff pay and pensions awards. This will be the last year because of the diminishing grant.
	3. To reconcile to the overall reduction in grant, both ongoing responsibilities and historic liability budgets have been targeted to achieve the required saving. The proposals are budgeting an additional £226k against historic commitments, as the expense of on-going responsibilities, to support the prior year pension costs. This is a -14% reduction, which in the long term will need to be reviewed, as it is not sustainable.

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| **Recommended Distribution of On-going responsibilities** | **2022-23 outturn** | **2023-24 budget** | 2024-25 proposed budget |
| School admissions | 573,964 | 749,000 |  763,980  |
| Servicing of Schools forums | 35,900 | 35,000 |  35,000  |
| Copyright licenses | 212,047 | 245,191 |  280,191  |
| Former ESG Duties  | 653,333 | 615,000 |  615,000  |
| Central Teachers pay and pensions | 197,000 | 197,000 |  103,020  |
| **Total Ongoing Duties** | **1,672,244** | **1,841,191** |  **1,797,191**  |

* 1. Historic Responsibilities allocated on the previous budget less 20%:

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| **Recommended Distribution of Historic Commitments** |  **2022-23 outturn**  |  **2023-24 budget**  | 2024-25 proposed budget |
| EPS contribution |  188,000  | funded from HNB  |
| Children in Public Care  |  398,099  |  370,000  |  370,000  |
| Clothing Grant  |  201,000  |  201,000  |  201,000  |
| In-Reach/Out-Reach Work  |  531,104  |  116,932  |  removed |
| Nrsy. on-going severance costs |  15,587  |  |  |
| Pri. on-going severance costs |  393,756  |  313,624  |  286,000  |
| Sec. on-going severance costs |  287,769  |  238,366  |  210,000  |
| Spcl. on-going severance costs |  51,691  |  76,165  |  70,837  |
| **Total** **Historic commitments** |  **2,067,007**  |  **1,316,087**  |  **1,137,837**  |
| **Total CSSB** |  **3,739,250**  |  **3,157,278**  |  **2,935,028**  |