CSSB report

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

**(deferred from last meeting)**

17/01/2024

**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 block is issued according to the CSSB National Formula Funding (NFF) regime. The final pupil numbers available in December 2023 are now published with the final block allocation confirmed.
	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% |
| DSG schools' block pupil count  | 37,900 | 37,364 | -536.00 | -1.41% |
| Total funding for ongoing responsibilities | £2,017,769 | £1,994,838 | -£22,932 | -1.14% |
| Total funding for historic commitments | £1,139,508 | £911,607 | -£227,901 | -20.00% |
| **Total CSSB funding** | **£3,157,277** | **£2,906,445** | **-£250,833** | **-7.94%** |

* 1. The CSSB allocation for financial year 2024-25 uses the October 2023 roll across all mainstream schools and academies, including High Needs places in units attached to those schools.
	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. With the reduction in pupil numbers from the base used last year the budget has also reduce (-1.14%)

“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 (-8%) 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 (14%) or c £35k. The DfE will confirm the final charge imminently.
	2. The budgets that will be removed to meet the reduced cash limit, contribute to supporting centrally managed services in High Needs, and to central teaching staff pay and pensions awards.
	3. Other budgets have largely remained static as contributions to statutory services affecting all schools continue. The historic costs for prior year school pensions has been increased to bring the budget more in line with the actual cost. This budget is of particular concern, because as part of the historic budget is not reducing according to the DfE planned timeline (-20% annually). If current CSSB regulations continue, the council will need to identify other resources to meet these historic costs, as meeting the pension liability is a statutory responsibility.
	4. 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 £301k against historic commitments (to protect historic pension costs), as the expense of on-going responsibilities. The historic budgets element represents 33% in excess of the allocation, 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** | % movement |
| School admissions | 573,964 | 749,000 | 763,980  | 2% |
| Servicing of Schools forums | 35,900 | 35,000 | 35,000  | - |
| Copyright licenses | 212,047 | 245,191 | 280,191  | 14% |
| Former ESG Duties  | 653,333 | 615,000 | 615,000  | - |
| Central Teachers pay and pensions | 197,000 | 197,000 |  | -100% |
| **Total Ongoing Duties** | **1,672,244** | **1,841,191** | **1,694,171**  | **-8%** |

* 1. Historic Responsibilities allocated on the previous budget less 20%, matching the outturn from 2022-23 if commitments have been shown to reduce:

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| **Recommended Distribution of Historic Commitments** | **2022-23 outturn** | **2023-24 budget** | **2024-25 proposed budget** | % movement |
| EPS contribution | 188,000  | funded from HNB  | 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  | 0 | -100% |
| Pri. on-going severance costs | 409,343  | 313,624  | 334,983 | 7% |
| Sec. on-going severance costs | 287,769  | 238,366  | 254,599 | 7% |
| Spcl. on-going severance costs | 51,691 | 76,165 | 51,691 | -32% |
| **Total** **Historic commitments** | **2,067,007**  | **1,316,087**  | **1,212,274** | **-8%** |
| **Total CSSB** | **3,739,250**  | **3,157,278**  | **2,906,445**  | **-8%** |