

Paper 4 - for information and approval

School Budgets Allocation 2021/22

Key Messages

Forum members are asked to note:

- I. That the Government's Spending Review 2020 has provided an increase in Dedicated Schools Grant (DSG) for 2021/22 to enable local authorities to move further towards the National Funding Formula (NFF).
- II. All Teacher's Pay and Pension Grants have now been rolled into DSG.
- III. 2021/22 is now the fourth year of the planned transition towards the NFF – the overall approach is to maintain stability in the funding system whilst moving towards the NFF.
- IV. School budgets have been produced on the basis of the agreed transition process towards the NFF (including consultation with localities). There is currently no indication from Central Government of when the NFF should be fully implemented.
- V. The following principles have been used, as agreed at the December 2020 Forum, to finalise the 2021/22 budget allocation:
 - Increase AWPU so all schools benefit from the increase in funding.
 - Maintain 1:1.29 primary:secondary sector balances as per NFF.
 - Align Social Deprivation to the national %age proportion of 8.59%.
 - Maintain the 50:50 split between free school meals and IDACI.
 - Alignment with NFF values and proportions.
 - Maintain Lump Sum at £120k.
 - Reflect the new 2019 IDACI data set in line with Government expectation.
 - Demonstrate the newly rolled-in grants figure has been included in AWPU.
- VI. In comparison to 2020/21, Sheffield has received an increase in Schools Block of £31.1m. £15.7m of this is the rolled in Teachers' Pay and Pension Grants, £2.7m of this was due to an increase in pupil numbers overall.
- VII. The agreed movement of £1.5m to High Needs towards costs of remodelling provision for pupils at risk of exclusion and those permanently excluded.
- VIII. Sheffield has received £2.18m growth funding for 2021/22 through the formula and expects to receive a further £0.29m (5/12th for academies growth).
- IX. Overall school budgets for academies and schools is set at £382.4m.
- X. Expected Pupil Premium of £29m for all Sheffield pupils. The rates for 2021/22 have remained the same as 2020-21, however, the Census date for capturing eligibility has changed from the January Census to the October Census on a permanent basis.
- XI. Overall £ per pupil average for primary and secondary at £5,207 - an increase of £214 (4.3%) per pupil, over and above 2020-21 figures to include rolled in grants.

- XII. A reduction of £948k in historic commitments element of Central School Services Block (CSSB) has been replaced by the Council providing funding from its income to seamlessly continue the services funded through the CSSB.
- XIII. Continuation of de-delegated budgets.

1 Introduction/background

- 1.1. This paper summarises the settlement for Sheffield's Dedicated Schools Grant (DSG) and details the budgets for all of Sheffield's primary and secondary schools. This comprises of the Individual Schools Budget (ISB) which is the principal part of the Schools Block, plus the Individual Special School Budgets (ISSB) which relate to the High Needs Block.
- 1.2. It also describes the central budgets retained by the Local Authority, which come under the de-delegated items and which continue to be agreed by the Schools Forum, originally approved on 20 February 2013.
- 1.3. Sheffield's school population is showing signs of a slow-down, and the peak of pupil numbers is continuing within the secondary sector in 2021/22, however primary pupil numbers continue to fall. Our pupil numbers overall at mainstream schools have increased from 73,007 to 73,436 – an increase of 429 (0.6%) pupils. Primary numbers have fallen by 179 (-0.4%) and secondary increased by 608 (+2.1%).
- 1.4. The overall projected DSG settlement for 2021/22 is £504m compared to £464m in 2020/21. The increase of £40m in main relates to the rolled in Teachers' Pay and Pension Grants plus the continuation of the 'soft' implementation of the National Funding Formula (NFF) which benefitted Sheffield, plus the increase in school pupil numbers.

Funding Blocks	2020/21	2021/22	Variance
School Block	£354.68m	£385.76m	+£31.08m
Central School Services Block	£6.93m	£6.33m	-£0.60m
*Early Years Block (provisional)	£35.62m	£36.09m	+£0.47m
High Needs Block (provisional)	£66.56m	£75.49m	+£8.93m
Total	£463.79m	£503.67m	+£39.88m

*Early Years latest figure for 2020/21

- 1.5. Overall DSG has increased due to the rolling in of the Teachers' Pay and Pension Grants, plus the continuation of the soft implementation of the NFF. Shown below are the reasons for variance across various blocks compared to last year:

1.5.1. Schools Block

The Teachers' Pay and Pension Grants have now been rolled into DSG, which equates to £15.7m. Additional funding has been received due to the continuation of the 'soft' implementation of the NFF and increase in pupil numbers. Of the total increase in the Schools Block of £31.1m, an increase of £2.7m was due to increases in Sheffield pupil numbers.

1.5.2. Early Years Block

The Early Years funding (income from ESFA) is based on the actual pupil numbers and is adjusted up/down based on the actual take-up. Further details are available in Paper 6. The increase in funding in comparison to 2020/21 is due to additional funding awarded through the Spending Review 2020.

1.5.3. High Needs Block

As with Schools Block, the soft implementation of the High Needs Funding Formula has brought additional funding into the Local Authority of £8.8m, including the rolled in grants. However, the allocation to each authority has been capped at 12% against 2020/21 baselines. This means that Sheffield will not receive the full £81m that we would be allocated if the NFF was fully implemented – we are therefore £5.6m short of our full allocation.

- 1.6. The following principles and approach used to calculate 2021/22 school budgets were discussed and agreed at the December 2020 Forum meeting and through consultation with localities, and will continue to move us significantly (proportionately) closer to the NFF:
- 1.6.1. Increase AWPU so all schools benefit from the increase in funding.
 - 1.6.2. Maintain 1:1.29 primary:secondary sector balances as per NFF.
 - 1.6.3. Align Social Deprivation to the national %age proportion of 8.59%.
 - 1.6.4. Maintain the 50:50 split between free school meals and IDACI.
 - 1.6.5. Alignment with NFF values and proportions.
 - 1.6.6. Maintain Lump Sum at £120k.
 - 1.6.7. Reflect the new 2019 IDACI data set in line with Government expectation.
 - 1.6.8. Demonstrate the newly rolled-in grants figure has been included in AWPU.
- 1.7. We have updated the indicative budget models with October 2020 Census information and final Schools Block allocation.
- 1.8. In line with the Forum decision, there has been a redirection of £1.5m, from the Schools Block to the High Needs Block, to contribute towards the costs of remodelling provision for pupils at risk of exclusion and those permanently excluded.
- 1.9. As agreed by the Forum, the primary to secondary ratio is maintained at 1:1.29 and the Lump Sum at £120k. This results in an overall cash increase percentage split of 42% for primary and 58% for secondary schools and

ensures stability in the system whilst preparing us for full implementation in future years.

	School Budgets £m	Growth £m
Schools Block - Income	385.76	
Growth	-2.18	2.18
Growth funding used for new and growing schools	+0.3	-0.3
Transfer to High Needs Block	-1.50	
	382.38	1.88

2 Funding Formula 2021/22

2.1. Key changes in 2021 to 2022

- 2.1.1. Funding previously received through the Teachers' Pay Grant (TPG) and Teachers' Pension Employer Contribution Grants (TPECG), including the supplementary fund, to mainstream schools for pupils from reception to year 11 has been allocated through the schools funding formula by adding to schools' baselines for 2020-21; by increasing the basic per pupil funding AWPU; and by increasing the minimum per pupil funding levels (MPPLs). Further details can be found under the Additional Grants heading below.
- 2.1.2. The incorporation of the 2019 update to the Income Deprivation Affecting Children Index (IDACI), ensuring that the deprivation funding through the NFF continues to target schools most likely to need additional funding.

2.2. The Department for Education (DfE) has issued revised guidance for the 2021/22 Revenue Funding Arrangements and we have used this framework for resource allocation.

2.3. The final data was released in December 2020 and contained October 2020 Census data for the 2021/22 final budget. All financial modelling is carried out using the DfE's "Authority Pro-forma Tool" which automatically calculates the pupil factors and Minimum Funding Guarantee (MFG).

2.4. The new 'Schools Revenue Funding 2021 to 2022 Operational Guidance' from the ESFA applied to 2021/22 school budgets and confirms that:

Pupil-led Factors will be at least 80% of the delegated Schools Block funding allocated through an appropriate and locally determined combination of the pupil-led factors. These factors include Age Weighted Pupil Unit (AWPU), Deprivation, Prior Attainment, English as an Additional Language and Pupil Mobility. In 2021/22 Sheffield will delegate at least 92.3% through pupil-led factors.

- 2.5. **Basic Entitlement (Compulsory Factor)** will be as 2020/21 with minimum values of £2,000 for primary and £3,000 for secondary (KS3 and KS4). For 2021/22 Sheffield will be above these thresholds:

The AWPU for Primary has had the funding for both Teachers' Pay and Pension Grant incorporated by adding £180 per pupil for primary and £265 per pupil for secondary as a minimum increase from 2020/21.

The final AWPU has resulted in the following rates for 2021/22:

- Primary £3,413
- Secondary KS3 £4,404
- Secondary KS4 £5,012

- 2.6. **Deprivation (Compulsory Factor)** – this is one of now three mandatory factors (along with the AWPU). The DfE have now adopted the new IDACI dataset from 2019 and have changed the methodology in calculating bands.

The 2021 to 2022 NFF uses IDACI 2019 ranks to group each lower super output area (LSOAs, an area with typically about 1,500 residents) into one of six bands of decreasing deprivation.

In the past IDACI bands have been defined on the basis of scores. The 2021 to 2022 NFF uses ranks instead of scores to define bands. For example, band A comprises the most deprived 2.5% of LSOAs. The table below shows how the bands are defined in the 2021 to 2022 NFF:

IDACI data	Ranks	Band
Pupils in the most deprived 2.5% of LSOAs	1 to 821	A
Pupils in the next 5% most deprived LSOAs	822 to 2463	B
Pupils in the next 5% most deprived LSOAs	2464 to 4105	C
Pupils in the next 5% most deprived LSOAs	4106 to 5747	D
Pupils in the next 10% most deprived LSOAs	5748 to 9032	E
Pupils in the next 10% most deprived LSOAs	9033 to 12316	F

The impact of this change on the formula is that it has picked up more of the bottom end of pupils on the 'just managing' threshold in Band G previously now in Band F which do attract funding. The trend seems to be that other pupils have moved up slightly within the middle bands.

In line with Forum agreement (December 2020), investment in social deprivation has been aligned with NFF % proportion and increased by up to £2.3m to £30.5m, equating to 8.59% of the total Individual School Budget (ISB).

- 2.7. **Prior Attainment (Optional Factor)** – the primary indicator will include those who failed to achieve a good level of development. The DfE will continue to use the Early Years Foundation Stage Profile as the Prior Attainment factor for the distribution of funding.

For 2021/22, pupils would qualify for the Prior Attainment factor, where they have not achieved a good level of development (expected level of development in all 12 prime areas of learning as well as maths and literacy).

However, following the cancellation of assessments in summer 2020 due to COVID-19, the local authority was not able to use this data as part of setting a low prior attainment factor in our local funding formulae.

Instead, as instructed in the current guidance, we have used 2019 assessment data as a proxy for the 2020 reception and year 6 cohort, which will be reflected in the calculation of the formula. The same national weighting of 65% for pupils in year 8 has also been used for those who are year 7 in the academic year 2020 to 2021.

In line with Forum agreement (December 2020), investment in Prior Attainment has been aligned with NFF in £ per pupil terms. Amount allocated is now £25.9m (6.76%). The £ per pupil rates are now £1,095 Primary and £1,660 Secondary.

Under normal circumstances the secondary indicator would be based on the number of pupils not achieving Level 4 in either English or maths at Key Stage 2.

For pupils assessed from 2011, eligible pupils are those who did not reach Level 4 in any of the reading tests, teacher assessed writing or maths. This reflects the new KS2 English assessment methodology which was introduced in 2012, to include a reading test separately and teacher assessed writing.

The 2016 KS2 assessments were the first to assess the new, more challenging national curriculum. At a national level, a higher number of the years 7, 8, 9, 10 and now 11 cohorts will be identified as having low prior attainment. A national weighting is used to ensure that these cohorts do not have a disproportionate influence within the overall total.

- 2.8. **English as an Additional Language (Optional Factor)** - as in 2020/21 with funding distributed on the basis of the pupils' first three years in the school system.
- 2.9. **Pupil Mobility (Optional Factor)** - the DfE changed the methodology for this factor from 2020/21. Rather than relying on a single census, the new methodology involves tracking individual pupils, using their unique pupil ID, through censuses from the past three years. Funding will continue to be targeted only at those schools experiencing pupil mobility above a 6% threshold, as the 'net' is now cast wider. Funding is to be allocated based on the proportion above this threshold e.g. if a school has 8% mobility, then 2% of its pupils would attract funding.
- 2.10. **Lump Sum (Optional Factor)** - funding is to support schools which are unavoidably small and require this support because per pupil funding alone

is insufficient. The DfE does not want lump sum funding to be used as additional funding to schools which have fewer pupils on roll.

The lump sums can be different for primary and secondary schools. The maximum lump sum set by the DfE is £175k. For 2021/22, Sheffield's lump sum remains the same at **£120k** for both primary and secondary, as agreed at the Schools Forum (December 2020).

- 2.11. **Split Sites (Optional Factor)** - is to support schools which have unavoidable extra costs because the school buildings are on separate sites or they have a significant geographical feature. Allocations must be based on objective criteria, both for the definition of a split site and for how much is paid.
- 2.12. **Rates (Optional Factor)** - must be funded at the authority's estimate of the actual cost. Adjustment to previous year's rates are also funded in 2021/22.
- 2.13. **Sparsity (Optional Factor)** is not applicable in Sheffield. It focuses on the distance pupils have to travel to school including the numbers of pupils on roll, enabling smaller schools in rural areas to receive additional funding.
- 2.14. **Minimum Funding Level (Compulsory Factor)** – this is a compulsory factor in a move towards introducing a 'hard' NFF.

Due to rolling in of the Teachers' Pay and Pension Grants the value of the MFL has been increased: Primary has been uplifted by £180 and secondary has been uplifted by £265. This will ensure that any school on the MFL is guaranteed to receive the minimum funding level plus the rolled in grant figure.

Minimum funding levels are calculated based on all pupil led funding only. It became mandatory in 2020/21 to exclude the premises factors, which means that all premises factors are removed prior to calculating the Minimum Funding Level a school should receive.

The calculation provides per-pupil funding of at least £4,180 for each primary school, and £5,415 for each secondary school with standard structures of seven and five year groups respectively, including additional funding from the Teachers' Pay and Pension Employer Contribution Grants.

For all-through schools and other new or growing schools with a non-standard year group structure, this will produce a specific minimum per-pupil value that relates to the number of year groups in each phase.

There are still a number of primary and secondary schools that have qualified for this funding. 18 primary and 7 secondary schools require the uplift from this factor. The additional cost in comparison to 2020/21 is £0.2m.

- 2.15. **Minimum Funding Guarantee (MFG)** - the DfE has allowed a flexible threshold again which means local authorities can set a local MFG of between +0.5% and up to +2.00%. This funding will be based on the previous year's per pupil amount, based on pupil led funding only.

The MFG for 2021/22 in Sheffield is set at +2.00%, allowing schools to benefit from the increased threshold.

3 Primary and Secondary

- 3.1. The Individual School Budget (ISB) - primary and secondary - is the principal component of the Schools Block.
- 3.2. For 2021/22 this will be £382m compared to £351m in 2020/21.
- 3.3. The tables below provide a statistical analysis of 2021/22 school budget. Further information is available in Appendix 1.

3.4. Overall Analysis

- Overall pupil numbers have increased by 0.59% (429 pupils).
- Pupils attending academies rising from 67.4% in 2020/21 to 69.4% in 2021/22.
- Overall ISB Increased by £31.5m from 2020/21.
- Academies share of overall Individual School Budget (ISB) has risen from 70.7% in 2019/20 to 72.6% in 2021/22.
- Maintained school share of overall ISB changing from 29.3% to 27.4% in 2021/22.

3.5. Primary Sector Analysis

- Overall pupil numbers have decreased by -0.4% (-179 net decrease).
- Pupils attending academies rising from 49.1% to 51.8%.
- Overall ISB increase of £14.8m from 2020/21 levels.
- Academies share of overall ISB rising from 50.1% to 52.9% in 2021/22.
- Maintained school share of overall ISB budget changing from 49.9% to 47.1% in 2021/22.

3.6. Secondary Sector Analysis

- Overall pupil numbers have increased by +2.1% (608 net increase, two new schools that opened in September 2018 still growing).
- Pupils attending academies increased marginally to 96.2% in 2021/22.
- Overall ISB increase of £16.4m from 2020/21 levels.
- Academies share of overall ISB budget rising from 95.6% to 95.9%.
- Maintained school share of overall ISB budget changing from 4.4% to 4.1% in 2021/22.

3.7. Overall Gainers / Losers in Formula 2021/22

- Shown below are the number of overall cash gainers and losers per sector. If a school is losing cash it is usually down to the school having fewer pupils, and a school gaining cash is generally gaining pupils. Note: the large increase in cash in the secondary sector is a growing new secondary school.
- No. of primary schools gaining – 111. Max. gain is £197k.
- No. of primary schools losing cash – 24. Max. cash loss £117k.
- No. of secondary schools gaining – 28. Max. gain is £1.3m.
- No. of secondary schools losing cash – 1. Max. cash loss £28k.

4 School Budgets

- 4.1. The Minimum Funding Guarantee (MFG) has been applied in 2021/22. There was no gains cap applied this year. As there was local flexibility allowed this year, Sheffield could afford to set the MFG at +2.00%. This means all schools would gain funding, not less than or equal to +2.00%, on a comparable £ per pupil basis in 2021/22.
- 4.2. It should be noted that the MFG only applies to like-for-like budgets. The formula factors (Rates, Lump Sum) are excluded when applying the MFG, and explain why, (see Appendix 1 – Indicative School Budgets) some schools may show increases of less than +2.00%.
- 4.3. The cost of the MFG in 2021/22 is £543k.
- 4.4. A total of 16 Primary schools and 1 secondary school will receive funding through the MFG, with the average amount being £4k for primary, and the one secondary school being £28k.
- 4.5. No gains cap has been set for 2021/22 therefore all schools, both primary and secondary are allowed to retain 100% of any gains through the funding formula.
- 4.6. Appendix 1 shows the indicative budget share for each school for 2021/22, £ per pupil and both the cash change and the per pupil % increase or decrease. This is for the school budget both before and after the estimated Pupil Premium is included.
- 4.7. Also shown in Appendix 1 is the breakdown of the 2020-21 rolled in financial year allocation for Teachers' Pay Grant and Teachers Pension Contribution Employer Grant. This is to demonstrate the additional funding schools have received over and above the rolled in grants.
- 4.8. Cost of PFI has increased by £77k (0.2%) compared to 20/21. The official measure of inflation in the United Kingdom, the Consumer Prices Index (CPI), was 0.8% in December 2020 (a decrease in the previous forecast figure from 1.3%). The annual unitary charge increase is linked to January/February RPIX figures, which aren't published until February/March, a 1.55% increase has been applied to arrive at the 2021/22

unitary charge, although there is still much uncertainty around the impact of Brexit which may alter the forecast.

- 4.9. **Schools with integrated resources** -the pupil-led element is received as part of the Schools Block budget share, as the pupils that occupied the integrated resource in the October 2020 Census are funded through the Schools Block element. The additional elements of integrated resources funding will be funded through the High Needs Block and this will be covered in the High Needs Paper 5.
- 4.10. The AWPU figures have had the Teachers' Pay and Pension Grant funding rolled in at a value of £180 per primary pupil and £265 per secondary pupil.

Therefore, the overall AWPU for primary has increased by £356 from £3,057 to £3,413, to include the £180 grant figure. AWPU for KS3 increased from £3,893 to £4,404 (£511 increase) and for KS4 from £4,746 to £5,012 (Increase of £266).

5 Pupil Premium

- 5.1. The Pupil Premium is calculated by the Education and Skills Funding Agency (ESFA) and notified to local authorities for maintained schools and paid directly to academies.
- 5.2. The Census date for this collection has now been changed to the October Census rather than the January Census. The DfE have made this change to streamline this grant in line with DSG and to enable schools to receive an earlier notification of the allocation rather than waiting until June.
- 5.3. The allocation for Ever6 calculations would have been based on eligibility data captured from the January 20 Spring Census going back to Summer 2015 Term. The change to the date of collection of data will mean that the funding will now cover the October 20 Census going back to the Spring 2015 Term, to offset the one term change.
- 5.4. The rates for 2021/22 remain the same as in 2020/21 and are as follows:
- a. £1,345 per Primary FSM 'Ever 6' pupils
 - b. £955 for Secondary FSM 'Ever 6' pupils
 - c. £2,345 for looked-after children
 - d. £310 service children
 - e. £302 Early Years

In line with a previous Forum decision, up to 50% of Pupil Premium for Looked After Children (LAC) will be centrally held to commission city-wide services for LAC.

- 5.5. The Pupil Premium will remain payable for each pupil who has been eligible for free meals at any time in the last six years, or is looked after / adopted from care after 2006, or who has been a service child in the last six years.

- 5.6. The table below summarises the expected level of Pupil Premium for 2021/22 excluding special schools:

Primary			Secondary			Total
£'000			£'000			£'000
Maintained	Academies	Total	Maintained	Academies	Total	Total
7,497	11,173	18,670	353	9,395	9,748	28,418

- 5.4.1 As per the December 2017 Schools Forum Paper 7, on automatic award for free school meals, we should again expect further increases in pupil premium now the information is being captured through the Census process. Due to the change in Census collection date, a change in the automatic award process is yet to be verified.

6 Additional Grants – Teachers’ Pay and Pension Grants

- 6.1. In 2021/22 both the Teachers’ Pay and Pension Grants have been rolled into DSG:
- 6.1.1. Maintained schools have had this funding rolled in from **April 2021** and will receiving funding within their budget share to reflect this.
- 6.1.2. Academies will not receive the rolled in funding until **September 2021**, and will continue to receive the April to August allocation separately from the ESFA.
- 6.2. Funding previously received through the Teachers’ Pay Grant (TPG) and Teachers’ Pension Employer Contribution Grants (TPECG), including the supplementary fund, to mainstream schools for pupils from reception to year 11.
- 6.3. The grants have been rolled in, in three ways:
- 6.3.1. AWPU
- 6.3.2. Minimum per pupil funding levels (MPPL)
- 6.3.3. MFG Baseline figures
- 6.4. **AWPU** - Sheffield has increased the basic per-pupil funding rates by £180 for primary and £265 for KS3 and KS4.
- 6.5. **Minimum per pupil Funding Level** – the following rates were uplifted to ensure any school on the minimum funding level is guaranteed the uplift in addition to the minimum funding level:
- Primary MFL in 2020/21 was £4,000 uplifted to £4,180
 - Secondary KS3 MFL was £4,950 to £5,215
 - Secondary KS4 MFL was £5,450 to £5,715

- Equating to a secondary school's with all year groups present
£5,415

6.6. **MFG Baseline** - An addition is made to the baseline to represent the Teachers' Pay Grant (TPG) and Teachers' Pension Employer Contribution Grant (TPECG) paid in 2020/21, which is calculated on a per pupil basis. This baseline is then used to calculate any funding protection for the school through the MFG.

For example. If a school receives a comparable budget share of £1,000,000 plus £55,000 for TPG, TPECG and Supplementary Funding then the baseline for calculation of protection is based on the uplifted amount of £1,055,000 to ensure schools receive at least that amount as a minimum in £ per pupil terms.

6.6.1. The additional funding calculated on a per-pupil basis uses annualised primary and secondary per-pupil funding rates.

6.6.2. These were derived from rates calculated using 12/7 of the September 2019 – March 2020 rates. These annualised rates are applied to primary and secondary pupils, from reception to year 11, taken from the October 2019 school census.

TPG and TPECG funding rates	Primary TPG	Primary TPECG	Total
Rest of England	£47.02	£132.86	£179.88

	Secondary TPG	Secondary TPECG	Total
Rest of England	£69.21	£195.57	£264.78

6.7 Grant funding for early years and 16-19 pupils will be distributed through the early years and 16-19 funding arrangements. The DfE will provide details of how that will be done in due course.

7 Central Budgets

7.1. Pupil Growth Fund

Funding for pupil growth was £2.18m for 2021/22, but we have used £0.3m of this to fund the new and growing schools via the formula, leaving an amount of £1.88m for funding in 2021/22. Plus, we expect to receive a further £0.29m (5/12th for academies growth). Growth funding that the Local Authority receives is calculated using a national funding formula as in previous years.

7.2. De-delegated Services

The other centrally retained budgets are those continuing to be approved on

behalf of maintained schools at the Schools Forum, originally agreed on 20 February 2013 and are as follows:

- a. Free School Meals eligibility.
- b. Licences/subscription.
- c. Staff costs-supply cover.
- d. Support of minority ethnic pupils or underachieving groups. – changes agreed see below (EMTAS).
- e. Schools in financial difficulties.
- f. Contingencies – for both exceptional or unforeseen costs and additional costs relating to new, reorganised or closing schools.

7.3. The total amount for all de-delegated services from primary and secondary schools is £1.9m with academies receiving 67% (£1.3m) of the de-delegated budgets.

7.4. Appendix 2 provides a further breakdown of these items.

8 Central School Services Block (CSSB)

8.1. As part of transition to the NFF, ESFA established a Central School Services Block (CSSB) by combining historic commitments, ongoing responsibilities and ESG retained duties into CSSB.

8.2. In 2019/20 the ESFA introduced a change to the formula that calculates the CSSB so that the historic commitments element would reduce year-on-year as they would be expecting these to end over time.

8.3. In 2021/22 a reduction of £948k has been applied to the historic commitments.

8.4. The following paragraphs detail the responsibilities held by the Local Authority (LA) for all schools, maintained and academies.

The CSSB is split into two areas:

1. Ongoing responsibilities (every local authority receives it).
2. Historic commitments (unique to Sheffield).

The following table shows Sheffield's allocation for 2020/21 and 2021/22.

	2020/21 £000's	2021/22 £000's	Change £000's
Ongoing responsibilities	2,183	2,533	350
Historic Commitments	4,743	3,795	(948)
	8,052	6,927	(598)

8.5. Ongoing Responsibilities

These are responsibilities held by the LA for all schools (maintained and academies). We receive a contribution of £34.68 per pupil towards delivery of our ongoing responsibilities for all schools in the city.

The following is a list of services and budgets included in ongoing responsibilities.

Ongoing Responsibilities	2021/22 £000's
Statutory and Regulatory	341
Education Welfare Duties	455
Asset Management	450
Schools Forum	178
School's Admissions	323
Learn Sheffield	140
Centrally Employed Teachers	195
Copyright Licences	451
	2,533

Local Authority Statutory and Regulatory Duties - £341k

This includes: planning for the education services as a whole; revenue budget preparation, external audit relating to education and preparation of information on income expenditure relating to education; administration of grants, authorisation and monitoring of expenditure not met from schools' budget shares; formulation and review of local authority schools funding formula; internal audit and other tasks related to the authority's chief finance officers responsibilities under Section 151 of LGA; 1972 except duties specifically related to maintained schools; consultation costs relating to non-staffing issues; plans involving collaboration with other LA services or public/voluntary bodies; Standing Advisory Committees for Religious Education (SACREs); and provision of information to or at the request of the Crown other than relating specifically to maintained schools.

Local Authority Education Welfare Duties - £455k

This includes functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils; school attendance; and responsibilities regarding the employment of children.

Local authority asset management duty – £450k

This includes management of Sheffield Schools Capital Maintenance and Development Programme, and development including preparation and review of an asset management plan, and negotiation and management of private finance transactions and general landlord duties for all buildings owned by the LA, including those leased to academies.

Centrally held funding also includes servicing of the Schools Forum (£178k) including administration and running costs, preparation of Forum reports, and preparation of school budgets, ongoing liaison with schools, ensuring the Forum operates within DfE regulations and guidance, and

servicing of various Forum working groups. Resources provided for primary, secondary and governor sector-led functions.

School Admissions (£323k) and Copyright Licences (£451k). The DfE pays for Copyright Licensing through a national contract. The cost for 2021/22 is £451k and applies to both maintained schools and academies.

In 2021/22 funding to support **Learn Sheffield** continues to be through a mix of school subscription income, traded income and funding from their School Improvement commission from Sheffield City Council. The value of the commission for 2021/22 has not been agreed but will be through DSG allocation and School improvement and Monitoring Grant. A provision of **£140k has been made from** Dedicated Schools Grant.

An additional allocation of **£195k** has been made for centrally employed **Teachers' Pay and Pension**.

8.6. **Historic Commitments**

- 8.6.1. The ESFA reduced Sheffield's allocation of historic commitments by £948km in 2021/22 compared to 2020/21.
- 8.6.2. Considering the strategic importance and ongoing nature of these services, through the Council-wide business planning process, we have secured a funding contribution to offset the reduction in historic commitments by ESFA. All existing services funded from the historic allocation can continue to support the school system in 2021/22.
- 8.6.3. In 2021/22 these services will be funded through a combination of historic DSG commitments and a contribution from the Council.

8.6.4. The following is a list of the fully costed contributions to historic commitments and the source of funding in 2021/22:

	2019/20 Total Cost £000's	Covered by the council £000's	2021/22 CSSB £000's
MAST	3,700	2,134	3,795
Safeguarding	634		
Youth Justice	133		
School Partnerships			
Performance and Analysis	601		
Children's University	46		
School Organisation	383		
	1,030		
Combined Budgets			
Inclusion and Learning	7		
Business Support	143		
Participation	229		
Programme and Information Development	53		
	432		
	5,929	(2,134)	3,795

Support for the Prevention and Early Intervention Strategy by funding the Multi-agency Support Team (MAST) - £3.55m - which works across the localities in the city with schools. The funding represents approximately 25% of the cost of the service, reflecting the referrals which come from schools.

DSG support for the Safeguarding Children's Service - £242k - to provide support for schools on various safeguarding issues.

8.7. **Future Years Reduction to Historic Commitments**

The Government has indicated that they expect that the historic commitments within the Central School Services Block will continue to reduce and therefore the Central School Services Block funding will be reduced over future years as per the following excerpt from the 'The National Funding Formulae for Schools and High Needs 2020-21, October 2019':

As we have previously stated, from 2020-21 we will begin to reduce the element of funding with CSSB that some local authorities receive for historic commitments made prior to 2013-14. This is in line with our reforms to move to a fairer funding system, as we do not believe it is fair to maintain significant differences in funding indefinitely between local authorities which reflect historic decisions.

- 8.8. As the DSG settlement was only a one-year settlement, there are currently no details about any further reductions, but this has been raised as a risk within the Council and will be managed within the Council's business planning process, once further information is available about any actual reduction and pressures within the areas that this funds.

9 Recommendations

It is recommended that the Forum:

- I. Approves the 2021/22 budget for primary and secondary schools set at £382.4m – Appendix 1.
- II. Notes the growth funding allocation of £1.88m
- III. Notes the transfer of £1.5m from the Schools Block to the High Needs Block towards costs of remodelling provision for pupils at risk of exclusion and those permanently excluded.
- IV. Notes the de-delegated budgets of £1.9m and for maintained schools to agree de-delegation of £0.6m of services – Appendix 2.
- V. Notes and agrees the contribution to the Central School Services Block budget.