

## **School Budgets Allocation 2023/24**

### **Key Messages**

Forum members are asked to **approve the 2023/24 budget** for primary and secondary schools set at £426m – Appendix 1 and to **note**:

- I. That the Chancellor's Autumn Budget Statement announced a further £2.4b over and above the last Government's Spending Review in November 2021.
- II. The Supplementary Grant from 2022-23 has been rolled into Dedicated Schools Grant DSG, providing an increase in (DSG) for 2023/24 of £42.4m, of which £15m is the Supplementary Grant - a net increase of £27.4m in total.
- III. The Government has also introduced further funding in the form of the Mainstream Schools Additional Grant (MSAG), and a similar grant for the High Needs Block to deal with cost pressures. The MSAG is approximately £14.5m, the High Needs grant is approximately £4m.
- IV. In comparison to 2022/23, Sheffield has received an increase in Schools Block of £19m, £7m of this was due to an increase in overall pupil numbers.
- V. The national consultation outcomes from last year are to make sure all LAs move at least 10% closer to the NFF and they must use all NFF factors.
- VI. School budgets have been produced on the basis of the agreed transition process towards the NFF and full implementation is *expected* to be no later than 2027/28.
- VII. The Schools Forum delegated the decision to agree the principles referred to in Section 1.7 to the Funding Working Group additional meeting held in January.
- VIII. The agreed movement of £1.5m to the High Needs Block continues, to increase investment in localities, by redirecting funding to support inclusion, and increase access to local mainstream schools.
- IX. That Sheffield has received £2.95m growth funding for 2023/24 through the formula, all of which is available for basic need growth. The growth in the secondary sector is being reflected.
- X. That the Overall school budget for academies and schools is set at £425.5m, to include rates.
- XI. The Expected Pupil Premium of £34m for all Sheffield pupils to include special schools. The rates for 2023/24 have increased by 5%.
- XII. The Continuation of Covid Recovery Grant over 2022/23 and 2023/24 academic years.
- XIII. The Overall £ per pupil average for primary and secondary at £5,693 - an increase of £239 (4.4%) per pupil, over and above 2022/23 figures. (£6,528 – 9.7% to include PFI, pupil premium and MSAG).
- XIV. That the reduction of £607k in the historic commitments element of Central School Services Block (CSSB) has been funded by the Council.
- XV. The Continuation of de-delegated budgets (with the exception of School improvement where de-delegation ends in September 2023).

# 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 again starting to increase. The peak is still within the secondary sector in 2023/24, but we now see that primary pupil numbers are starting to increase slowly. Please see Table 1 below for full details:

**Table 1 – Pupil Numbers**

Financial Year	Primary			Secondary			Total			ISB
	Maintained	Academies	Total	Maintained	Academies	Total	Maintained	Academies	Total	
2022-23	20,128	23,980	44,108	1,135	28,566	29,701	21,263	52,546	73,809	
% Split Attendance	45.6%	54.4%	100.0%	3.8%	96.18%	100.0%	28.8%	71.2%	100.0%	
<b>2023-24</b>	<b>20,068</b>	<b>24,419</b>	<b>44,487</b>	<b>1,141</b>	<b>29,104</b>	<b>30,245</b>	<b>21,209</b>	<b>53,523</b>	<b>74,732</b>	
% Split Attendance	45.1%	54.9%	100.0%	3.8%	96.23%	100.0%	28.4%	71.6%	100.0%	
Variance	-60	439	379	6	538	544	-54	977	923	
% Change	-0.3%	1.8%	0.9%	0.5%	1.9%	1.8%	-0.3%	1.9%	1.3%	

- 1.4. The overall projected DSG settlement for 2023/24 is £571.5m compared to £529m in 2022/23.
- 1.5. Overall DSG has increased by £42.4m. The increase relates to the rolling in of the Supplementary Grant, the continuation of the 'soft' implementation of the NFF and the increase in school pupil numbers.

Funding Blocks	2022/23 £m	2023/24 £m	Variance £m
School Block	399.0	429.9	30.9
Central School Services Block	5.7	5.3	-0.4
Early Years Block (provisional) <sup>1</sup>	36.5	37.8	1.3
High Needs Block (provisional)	87.8	98.4	10.6
<b>Total</b>	<b>529.02</b>	<b>571.5</b>	<b>42.5</b>

- 1.6. The reasons for variances across various blocks compared to last year are:

<sup>1</sup> Early Years latest figure for 2022/23, incorporating Summer and Autumn headcounts, DSG still to be adjusted for Spring 23 Term.

#### 1.6.1. **Schools Block**

The Supplementary Grant from 2022-23 of £12m has been rolled into DSG, £12m received is due to the continuation of the 'soft' implementation of the NFF and £7m is due to an increase in pupil numbers (923 pupils).

#### 1.6.2. **Early Years Block**

Early Years funding for 2023/24 - DSG income is now based on a formulaic basis instead of a 'pence' increase as in previous years, to produce an hourly rate per pupil. Further details are available in Paper 4.

The initial indication of DSG in 23/24 for Sheffield has increased by £1.3m in comparison to 2022/23 due to the re-introduction of the EYNFF. However, birth rates are still lower and take up will start to follow this trend in future years.

#### 1.6.3. **High Needs Block**

As with Schools Block, the Supplementary Grant element from 2022/23 and the soft implementation of the High Needs Funding Formula has brought additional funding into the Local Authority of £10.6m. However, the population element of the High Needs NFF allocation to each authority is still capped at 11% against 2022/23 baselines.

- 1.7. The following principles and approach used to calculate 2023/24 mainstream school budgets were discussed and agreed at the January 2023 Schools Forum Funding Working Group (FWG) meeting and will continue to move us significantly (proportionately) closer to the NFF:
  - 1.7.1. Ensure ALL schools gain by optimising the use of Minimum Funding Guarantee (MFG), current national MFG is set at a maximum of +0.5%.
  - 1.7.2. Re-align factors in line with the ESFA 10% threshold minimum value, this changes the national level Primary/Secondary sector ratio to 1:1.34.
  - 1.7.3. Keep Age Weighted Pupil Unit (AWPU) Stable in Primary and in line with NFF for Secondary.
  - 1.7.4. Increase the Lump Sum in line with NFF to support smaller schools.
  - 1.7.5. Re-align Social Deprivation with the NFF as closely as possible, subject to affordability.
- 1.8. We have updated the indicative budget models with October 2022 Census information and final Schools Block allocation.
- 1.9. In line with the Forum decision and consultation with schools in the city, there has been a redirection of £1.5m, from the Schools Block to the High Needs Block, to continue our investment in localities by redirecting funding to support inclusion and increase access to local mainstream schools.
- 1.10. As pupil numbers are increasing in the secondary sector, this has resulted in an overall cash increase percentage split of 38% for primary and 62% for secondary schools. Whilst maintaining the NFF ratio of 1:1.34 and ensuring that the majority of factors are in line with the NFF, this ensures stability in the system whilst preparing us for full implementation in future years.

	<b>School Budgets £m</b>	<b>Growth £m</b>
Schools Block – Income	429.9	
Less Growth	-2.95	2.95
Transfer to High Needs Block	-1.50	
	<b>425.45</b>	<b>2.95</b>

## 2 Funding Formula 2023/24

2.1. Key changes in 2023 to 2024, in addition to Sheffield starting to align Social Deprivation factors with the NFF:

2.1.1. **All LAs to move 10% closer to NFF** – there are no major changes to the funding formula in 2023/24 compared to 2022/23 in Sheffield, apart from the fact that the Education & Skills Funding Agency (ESFA) has introduced minimum and maximum ranges for each factor value. Sheffield has used the minimum range as a minimum, we are in line with the NFF on most factors, except social deprivation factors, which we continue to align as is affordable.

2.1.2. **Primary AWPU** – Sheffield has increased Primary AWPU by £50 per pupil above the 2022/23 level, still within the threshold range set by the ESFA. This is to support small schools who do not have high levels of social deprivation, where a significant level of investment is being made, again, due to the minimum threshold level set by the ESFA.

2.1.3. **Minimum Funding Guarantee (MFG)** – the national maximum level is now set at +0.5% compared to a maximum of 2% in 2022/23.

2.2. The DfE has issued revised guidance for the 2023/24 Revenue Funding Arrangements and we have used this framework for resource allocation.

2.3. The final data was released in December 2022 and contained October 2022 Census data for the 2023/24 final budget. All financial modelling is carried out using the DfE's "Authority Pro-forma Tool" which automatically calculates the pupil factors and MFG.

2.4. The new 'Schools Revenue Funding 2023 to 2024 Operational Guidance' from the ESFA applied to 2023/24 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 AWPU, Deprivation, Prior Attainment, English as an Additional Language and Pupil Mobility. In 2023/24 Sheffield will delegate at least 91% through pupil-led factors.

2.5. **Basic Entitlement (Compulsory Factor)** will be as 2022/23 with minimum values of £2,000 for primary and £3,000 for secondary (KS3 and KS4). For 2023/24 Sheffield will be above these thresholds:

The AWPU rates for 2023/24 are as follows:

- Primary £3,463 (higher than NFF)
- Secondary KS3 £4,785 (in line with NFF)
- Secondary KS4 £5,393 (in line with NFF)

2.6. **Deprivation (Compulsory Factor)** – this is now one of three mandatory factors (along with the AWPU).

**IDACI** - The DfE are using the IDACI dataset from 2019.

The 2023/24 Census dataset maps the IDACI 2019 ranks to group each lower super output area (LSOAs, an area with typically about 1,500 residents) into one of seven bands of decreasing deprivation.

IDACI ranks are divided into seven bands A to G, with A representing the most deprived areas and G the least deprived. Additional funding is targeted towards pupils in bands A-F, with more funding directed to pupils in the more deprived bands.

**Free School Meals (Ever6)** -In line with FWG - Forum agreement (January 2023), investment in social deprivation is being aligned with the NFF and increased by up to £10.3m to £48.2m, equating to 11.2% 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 2023/24, 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).

As in 2022/23, in calculating low prior attainment proportions, data from the 2019 early years foundation stage profile (EYFSP) and key stage 2 (KS2) tests is used as a proxy for the 2021 assessments, which were cancelled due to the pandemic.

In line with FWG - Forum agreement (January 2023), investment in Prior Attainment has continued to be aligned with the NFF in £ per pupil terms. The amount allocated is now £26.1m (6.6%). The £ per pupil rates are now £1,155 Primary and £1,750 Secondary.

2.8. **English as an Additional Language (Optional Factor)** – funding distributed on the basis of the pupils' first three years in the school system.

2.9. **Pupil Mobility (Optional Factor)** – due to the cancellation of the summer 2020 census, mobility data in 2021 to 2022 Schools Block Data excluded pupils starting between January and May 2020 - the date starting at the school they are enrolled at on the October 2021 Census is now used to identify additional mobile pupils. Usually, 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. Funding is 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 2023/34, Sheffield's lump sum is in line with NFF at **£128,000** for both primary and secondary, as agreed at the FWG - Schools Forum (January 2023).

- 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.

This is one of the factors that the DfE is tightening up on following the consultation last year. They have proposed that from 2024 to 2025 split sites funding would be determined through a national split sites factor. The DfE is collecting data around the split site schools on the APT (the DfE template on which school budgets are submitted).

- 2.12. **Rates (Optional Factor)** – the ESFA will continue to pay business rates directly to billing authorities on behalf of all state funded schools in 2023/24. Rates will still appear as part of a school's budget share for 2023/24 as schools will still be the accountable body and have to account for rates within their year-end accounts. Schools will still receive a copy of their rates bill, but again, **DO NOT PAY THIS BILL**, it may be difficult to obtain a refund if the bill is paid in error.

- 2.13. **Sparsity (Optional Factor)** There are two primary schools that are eligible which attract funding in total of approximately £11k between them. It focuses on the distance pupils have to travel to the next nearest 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 direct NFF.

Minimum funding levels are calculated based on all pupil-led funding only. The calculation provides per-pupil funding of at least £4,405 for each primary school, and £5,715 for each secondary school with standard structures of seven and five year groups respectively.

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 only one secondary school that have qualified for this funding: 23 primary and one secondary school require the uplift from this factor. There is a reduction in requirement for this funding of £649k in comparison to 2022/23.

- 2.15. **Minimum Funding Guarantee (MFG)** - the DfE has reduced the national threshold in 2023/24 which means local authorities can set a local MFG of between +0% but only up

to +0.5%. This funding will be based on the previous year's per pupil amount, based on pupil-led funding only.

The MFG for 2023/24 in Sheffield is set at +0.5%, allowing schools to benefit from the maximum threshold. The cost of the MFG is £784k, an increase of £110k from 2022/23. There are 47 primary schools and 2 secondary schools which are protected by the MFG.

### 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 2023/24 this will be £426m (to include rates) compared to £396m in 2022/23.
- 3.3. The tables below provide a statistical analysis of 2023/24 school budgets. Further information is available in Appendix 1.
- 3.4. **Budget Share Analysis**

**Table 2 – Budget Share**

	Primary £,000			Secondary £,000			Total £,000		ISB
	Maintained	Academies	Total	Maintained	Academies	Total	Maintained	Academies	TOTAL
2022-23	94,087	117,461	211,548	7,610	176,718	184,329	101,697	294,179	395,876
% Split	44.5%	55.5%	100.0%	4.1%	95.87%	100.0%	25.7%	74.3%	100.0%
<b>2023-24</b>	<b>97,479</b>	<b>125,258</b>	<b>222,737</b>	<b>8,248</b>	<b>194,471</b>	<b>202,719</b>	<b>105,727</b>	<b>319,728</b>	<b>425,456</b>
% Split	43.8%	56.2%	100.0%	4.1%	95.93%	100.0%	24.9%	75.1%	100.0%
Variance	3,392	7,797	11,189	638	17,752	18,390	4,030	25,549	29,579
% Change	3.6%	6.6%	5.3%	8.4%	10.0%	10.0%	4.0%	8.7%	7.5%

### 3.5. Formula Factors Analysis

**Table 3 – Formula Factors**

Funding Factor	2022-23	2023-24	Change	Proportion
	£'000	£'000	£,000	%
AWPU Pupil Funding	291,939	<b>306,038</b>	14,099	72%
Social Deprivation	37,905	<b>48,155</b>	10,249	11%
Mobility	574	<b>777</b>	203	0.2%
High Incidence SEN /Prior Attainment	26,642	<b>28,076</b>	1,434	7%
English as Additional Language	4,502	<b>5,305</b>	803	1%
Lump Sum	19,772	<b>20,864</b>	1,092	5%
Split Sites	685	<b>731</b>	45	0%
Rates	3,225	<b>3,091</b>	-134	1%
Sparsity	21	<b>12</b>	-9	0%
PFI	6,836	<b>9,172</b>	2,336	2.2%
Minimum Funding Level	3,102	<b>2,453</b>	-649	0.6%
Gains Cap	0	<b>0</b>	0	0.0%
Minimum Funding Guarantee	674	<b>784</b>	110	0%
<b>Total</b>	<b>395,876</b>	<b>425,456</b>	<b>29,579</b>	<b>100.0%</b>

### 3.6. Overall Cash Gainers / Losers in Formula 2023/24

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 compared to last year, and a school gaining cash is generally gaining pupils.

Note: the large reduction of cash in a primary school relates to a school that had a temporary increase in PAN that has reverted back to its standard PAN from September 2022. All schools losing cash are experiencing a loss in pupil numbers.

	Cash Increase		Cash Reduction	
	No. of Schools	Cash £	No. of Schools	Cash £
Primary	99	£271k	34	£134k
Secondary	30	£967k	0	£0k

## 4 School Budgets

- 4.1. The Minimum Funding Guarantee (MFG) has been applied in 2023/24. There was no gains cap applied this year. As there was local flexibility allowed this year, Sheffield could have set the MFG at the maximum level of +0.5%. This means all schools would gain funding, not less than or equal to +0.5%, on a comparable £ per pupil basis in 2023/24.
- 4.2. It should be noted that the MFG only applies to like-for-like budgets. As we move towards the direct NFF we have adjusted the MFG in line with the NFF in 2023/24. The formula factors (PFI, Rates & Lump Sum) are excluded when applying the MFG (see Appendix 1 – Indicative School Budgets) and explain why some schools may show increases of less than +0.5%.
- 4.3. The cost of the MFG in 2023/24 is £784k.
- 4.4. A total of 47 Primary schools will receive funding through the MFG, with the average amount being £6k, the highest MFG received is £70k. Two secondary schools require an MFG of an average of £500 each.
- 4.5. No gains cap has been set for 2023/24 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 2023/24, £ per pupil and both the cash change and the per pupil % increase or decrease. Also shown is the budget share after the estimations for both Pupil Premium and new Mainstream Schools Additional Grant have been included, for information.
- 4.7. Cost of Private Finance Initiative (PFI) has increased substantially this year again due to the impact of inflation. The cost of the base Unitary Charge has risen by £2.6m (6.9%) compared to 22/23 levels. The official measure of inflation in the United Kingdom, the Consumer Prices Index (CPI), was 10.5% in December 2022 (an increase on the previous forecast figure of 5.1%). The annual unitary charge increase is linked to January/February RPIX figures, which aren't published until February/March, on individual phase costs of up to 13% have been applied to arrive at the 2023/24 overall unitary charge level.

- 4.8. **Schools with integrated resources** - the Element 3 pupil-led top up funding will be received as part of the Schools Block budget share, as the pupils that occupied the integrated resource in the October 2022 Census are funded through the Schools Block element. Elements 1 and 2 of integrated resources funding, will be funded through the High Needs Block and this has been covered and agreed through the High Needs Integrated Resource Paper 4.

## 5 Pupil Premium

- 5.1. The Pupil Premium is calculated by the ESFA and notified to local authorities for maintained schools and paid directly to academies, and is based on the October 2022 Census.
- 5.2. For 2023/24, the DfE continues to fund pupils with no recourse to public funds (NRPF) for pupil premium. Pupil Premium funding will be allocated in respect of children of families with NRPF who are eligible for free school meals, and for whom successful claims have been submitted to the ESFA.
- 5.3. The rates for 2023/24 have increased by 5% and are as follows:

Pupil Premium 2023-24					
	2022-23		2023-24		
	£		£	£ Inc.	% Inc.
Primary Ever 6	£	1,385	£	1,455	£ 70 5%
Secondary Ever 6	£	985	£	1,035	£ 50 5%
LAC/Post LAC	£	2,410	£	2,530	£ 120 5%
Service	£	320	£	335	£ 15 5%

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

- 5.4. 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.
- 5.5. The table below summarises the expected level of Pupil Premium for 2023/24:

Primary £'000			Secondary £'000			Total £'000
Maintained	Academies	Total	Maintained	Academies	Total	Total
8,066	14,427	22,493	1,242	10,516	11,758	34,251

- 5.4.1 As per the December 2017 Schools Forum, an automatic award for free school meals process was put in place, and since adapted to incorporate the new Census collection date. We should continue to expect further increases in pupil premium now the information is being captured through the Census process.

## 6 Additional Grants – Mainstream Schools Additional Grant (MSAG)

- 6.1. In 2023/24 an additional Mainstream Schools Additional Grant (MSAG) is being introduced to be paid from April 2023 for both Maintained schools and academies, covering mainstream pupils aged 5 to 16 in schools only.
- 6.2. The government has allocated £400m nationally for the High Needs Block, Sheffield has received approximately £4m.
- 6.3. The grant is payable to maintained schools and academies.
- 6.4. The total grant relating to mainstream schools is in the region of £14.5m, and an illustration of this grant can be found in the Indicative School Budgets – Appendix 1.
- 6.5. School level actual allocations will be published in May 2023 by the DfE.
- 6.6. The grant will be paid to Local Authorities in two tranches - in May and October.
- 6.7. The grant is to support the additional costs schools face such as inflation and energy increases.
- 6.8. The DfE has announced that this funding is for the financial year 2023-24 only and will be part of the schools core budget and will form part of the NFF allocations from 2024/25.
- 6.9. In recognition of the funding cycle for academies, which follows the academic year, academies will receive an additional allocation of the MSAG to cover April to August 2024.
- 6.10. The **methodology** to be used is the same as the previous Supplementary Grant:
  - A basic per-pupil rate (different rates for primary, key stage 3 and key stage 4).
  - A lump sum paid to all schools, regardless of pupil numbers.
  - A per-pupil rate for pupils who are recorded as having been eligible for free school meals at any point in the last six years (FSM6), with different rates for primary and secondary pupils.
- 6.11. The **rates** for 5 to 16 schools are as follows:
  - Base per-pupil rate of £119 for primary pupils.
  - Base per-pupil rate of £168 for key stage 3 pupils.
  - Base per-pupil rate of £190 for key stage 4 pupils.
  - Lump sum of £4,510.
  - FSM6 per-pupil rate of £104 per eligible primary pupil.
  - FSM6 per-pupil rate of £152 per eligible secondary pupil.

## 7 Central Budgets

### 7.1. Pupil Growth Fund

Funding for pupil growth is £2.95m for 2023/24, as there is only one school now classed as new and growing the full amount will be available to fund basic need 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.
  - g. School Improvement – April to August only
- 7.3. The total amount for all de-delegated services from primary and secondary schools is £2.2m with academies receiving 69% (£1.6m) of the de-delegated budgets.

Appendix 2 provides a further breakdown of these items.

## 8 Central School Services Block (CSSB)

- 8.1. As part of transition to the NFF, the 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 2023/24 a reduction of **£607k** has been applied to the historic commitments.
- 8.4. The following paragraphs detail the responsibilities held by the 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 2022/23 and 2023/24.

	<b>2022/23</b> <b>£000's</b>	<b>2023/24</b> <b>£000's</b>	<b>Change</b> <b>£000's</b>
Ongoing responsibilities	2,689	2,868	179
Historic Commitments	3,036	2,429	-607
	<b>5,725</b>	<b>5,297</b>	<b>-428</b>

### 8.5. Ongoing Responsibilities

These are responsibilities held by the LA for all schools (maintained and academies). We receive a contribution of £38.41 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 and increase in to cover inflationary pressures.

<b>Ongoing Responsibilities</b>	<b>2022/23 £000's</b>	<b>23/24</b>	<b>Variance</b>
Statutory and Regulatory **	601	661	60
Education Welfare Duties	555	580	25
Asset Management	508	531	23
Schools Forum	256	268	12
School's Admissions	371	387	16
Copyright Licences	398	441	43
<b>Total</b>	<b>2,689</b>	<b>2,868</b>	<b>179</b>

### **Local Authority Statutory and Regulatory Duties - £661k**

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.

In line with Schools Forum discussion the School Improvement Commission for Learn Sheffield is coming to an end in August 2023. Ongoing discussion is taking place and a proposal will be taken to Council's Education and Families Committee in March for a decision and a further update will be provided to the Schools Forum at its meeting in June 2023.

### **Local Authority Education Welfare Duties - £580k**

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 – £531k**

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 - £268k**

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.

### **School Admissions - £387k and Copyright Licences - £441k**

The DfE pays for Copyright Licensing through a national contract. The cost for 2023/24 is £441k net of VAT and applies to both maintained schools and academies.

## 8.6. Historic Commitments

- 8.6.1. The ESFA reduced Sheffield's allocation of historic commitments by £607k in 2023/24 compared to 2022/23.
- 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 from the Council 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 2023/24. The total value of these historic commitments stood at £5.9m in 2019/20 and it has been reducing every year. The Council is currently providing £3.5m, and £2.4m is contributed from historic element of DSG towards these services.

**Support for the Prevention and Early Intervention Strategy by funding the Multi-agency Support Team (MAST) - £2.4 m** - which works across the localities in the city with schools.

## 8.7. Future Years Reduction to Historic Commitments

The Government had previously indicated that they expected the historic commitments within the Central School Services Block (CSSB) to continue to reduce and therefore the CSSB funding would be reduced in future years as per the following excerpt from the 'Schools Revenue Funding 2022 to 2023, December 2021':

*As previously stated, the department has reduced the element of funding within CSSB that some local authorities receive for historic commitments made prior to 2013 to 2014. In 2022 to 2023, for those local authorities that receive it, historic commitments funding has been reduced by 20%*

Considering the strategic importance and ongoing nature of these services, through the Council-wide business planning process, we have secured a funding contribution from the Council to offset the reduction in historic commitments by ESFA and we will continue to pursue the same approach and request that the Council fund any future reductions in historic elements of CSSB.

## 9 Recommendations

It is recommended that the Forum:

- I. **Approves** the 2023/24 budget for primary and secondary schools set at £426m – Appendix 1.
- II. **Notes** the growth funding allocation of £2.95m.
- III. **Notes** the transfer of £1.5m from the Schools Block to the High Needs Block.
- IV. **Notes** the de-delegated budgets of £2.2m and for maintained schools to agree de-delegation of £0.697m of services – Appendix 2.
- V. **Notes and agrees** the contribution to the Central School Services Block budget.