

## Wiltshire Council

### Schools Funding Working Group & SEN Working Group

14 January 2025

### Schools Forum

23 January 2025

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## **DEDICATED SCHOOLS BUDGET – CENTRAL SCHOOLS SERVICES BLOCK UPDATE 2025-26**

### **Purpose of the Report**

1. To update Schools Forum on issues relating to the Central Schools Services Block (CSSB) budget for 2025-26 financial year and the decisions that will need to be made as part of the budget setting process.
2. Schools Forum will have historically approved the budget proposal in principle at the December meeting however, the 2024 general election prevented July guidance from being issued.

### **Main Considerations**

3. The CSSB covers funding allocated to local authorities to carry out central functions on behalf of pupils in maintained schools and academies. CSSB funding is split into two elements: funding for on-going responsibilities and funding for historic commitments.
4. As outlined in the funding settlement paper the DfE has allocated a CSSB allocation of £2.900million for Wiltshire. This has been calculated using the national funding formula for the CSSB which applies a unit value of £42.90 to the pupil numbers from the October 2023 census. This will be updated with the October 2024 census data when this becomes available. Funding for agreed historic commitments for 2025-26 is then added to the amount of funding generated by the formula to give the overall total CSSB.

### **Funding Changes**

5. In 2025-26 funding is also being rolled into the CSSB which was provided separately in 2024-25 in respect of
  - a. Increased copyright licence costs for 2024/25 and 2025/26 and
  - b. Centrally employed teachers, through the Teachers' Pension Employer Contribution Grant (TPECG) and the Core Schools Budget Grant (CSBG).
6. In rolling these grants into the baseline, where the CSBG was part year in 2024-25, the DfE has increased it to reflect annualised costs and added them to the amount per pupil baseline above.

	<b>2024-25 baseline funding for copyright licences</b>	<b>2024-25 additional; funding for copyright licences</b>	<b>25/26 additional funding for copyright licences</b>
Central Licences	£514,920	£19,563	£36,559

<b>Teachers' Pension Employer Contribution Grant (TPECG)</b>	<b>Core Schools Budget Grant (CSBG).</b>
£68,616	£132,491

### **Reductions – Historic Commitments**

7. Schools Forum will remember that the DfE have been reducing historic commitments. Wiltshire has been allocated £0.150m for historic commitments based on those commitments agreed as eligible in 2024-25 reduced by 20% being £0.038m.

### **Protections and Permitted gains - On going responsibilities**

8. Local authorities are protected from reductions for on-going responsibilities (excluding the additional funding for copyright licences). The maximum per pupil reduction is 2.5%. Permitted gains in per pupil funding are set at 2.98%. Wiltshire's baseline gain is 2.72%.

### **Function of the CSSB**

9. The CSSB allocates funding to the LA to carry out central functions on behalf of pupils of maintained schools and academies. Funding includes:
- funding previously allocated through the retained duties element of the Education Services Grant (ESG)
  - funding for ongoing central functions, such as admissions, previously top-sliced from the schools block
  - residual funding for historic commitments, previously top-sliced from the schools block
10. The duties included within the CSSB are listed in Appendix 1 to this report.
11. Funding changes in paragraphs 5 and 6 are now rolled into the ongoing responsibilities element of the CSSB. This funding has been added as a per-pupil amount to the relevant local authority's per-pupil rate. Therefore, funding is allocated to a central copyright licence budget and to central services in respect of increases in teacher pay and pension.
12. The decisions that schools forum is required to make in relation to the central schools block are listed in Appendix 2. These are summarised in the proposals.
13. Appendix 3 details the budgeted amounts for all areas but in particular on-going responsibilities and historical commitments which require voting on a line-by-line basis.
14. For 2025/26, due to the 20% reduction in historic commitments, the transfer to support the high needs block is no longer affordable. Additionally, CERA and education services to children looked after are impacted as below.

## Central Schools Services Block - movements analysis

	24-25 Budget Estimate*	25/26 Inflation	25-26 Cost & Grants added in	25-26 Historic reduction	25-26 Budget Estimate	
<b>A Central Licences</b>	530,600	-	40,400	-	571,000	Copyright licences
Central Provision (Former ESG)	1,387,400	45,600	-	-	1,433,000	Statutory regulatory duties
Teachers Pension & Core Grant	138,300	-	201,100	-	339,400	Funds teaching teams in HNB & EY Block
Admissions	390,100	11,700	-	-	401,800	
Servicing of Schools Forums	3,700	100	-	-	3,800	
<b>B On going Responsibilities</b>	<b>1,919,500</b>	<b>57,400</b>	<b>201,100</b>	<b>-</b>	<b>2,178,000</b>	
Education Services to CLA	103,000	-	-	(8,700)	94,300	
Child Protection in Schools & Early Years	56,200	-	-	-	56,200	
Prudential Borrowing	28,900	-	-	(28,900)	-	
<b>C Historic Commitments</b>	<b>188,100</b>	<b>-</b>	<b>-</b>	<b>- 37,600</b>	<b>150,500</b>	20% year on year DfE reduction
<b>Central School Services Block</b>	<b>2,638,200</b>	<b>57,400</b>	<b>241,500</b>	<b>- 37,600</b>	<b>2,899,500</b>	
Transfer HNB	25,200	-	-	-	-	
DfE Allocation	2,663,539	-	-	-	2,899,512	

\*includes mid year increase in central licences

## Proposals

1. Schools Forum is asked to note the changes in the 2025-26 budget proposal for 2025/26 on the table above and the consider the required decisions in relation to the central schools block budget for the sections outlined above and in appendix 3.
  - i. Section A – central copyright licences - consult only
  - ii. Section B – ongoing responsibilities - approve on a line-by-line basis
  - iii. Section C – historic commitments - approve on a line-by-line basis

Documents relied upon for this report

[National funding formula tables for schools and high needs: 2025 to 2026 - GOV.UK](#)

[Schools operational guide: 2025 to 2026 - GOV.UK](#)

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# **Appendix 1: Extract from the DfE Guidance: Central services that may be funded with agreement of schools forum**

The split of services between responsibilities that local authorities hold for all schools, and those that relate to maintained schools only are shown below.

Responsibilities held by local authorities for all schools are funded from the central school services block, with the agreement of schools forums or the Secretary of State.

Responsibilities held by local authorities for maintained schools only are funded from maintained schools budgets only, with agreement of the maintained schools members of schools forums.

The department has included references to the relevant schedules in the annually updated school finance regulations. These provisions will be replicated in the regulations we make for the 2024 to 2025 funding year.

## **50.1 Responsibilities held for all schools**

### **Statutory and regulatory duties**

- Director of children's services and personal staff for director (Schedule 2, paragraph 15a)
- planning for the education service as a whole (Schedule 2, paragraph 15b)
- authorisation and monitoring of expenditure not met from schools' budget shares (Schedule 2, paragraph 15c)
- formulation and review of local authority schools funding formula (Schedule 2, paragraph 15d)
- internal audit and other tasks related to the local authority's chief finance officer's responsibilities under Section 151 of the Local Government Act 1972 except duties specifically related to maintained schools (Schedule 2, paragraph 15e)
- consultation costs relating to non-staffing issues (Schedule 2, paragraph 19)
- plans involving collaboration with other local authority services or public or voluntary bodies (Schedule 2, paragraph 15f)
- standing Advisory Committees for Religious Education (SACREs) (Schedule 2, paragraph 17)
- provision of information to or at the request of the Crown other than relating specifically to maintained schools (Schedule 2, paragraph 21)
- revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Schedule 2, paragraph 22)

### **Education welfare**

- functions in relation to school attendance (Schedule 2, paragraph 16)
- responsibilities regarding restrictions on the employment of children (Schedule 2, paragraph 18)
- functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Schedule 2, 20)

## **Asset management**

- management of the local authority's capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Schedule 2, paragraph 14a)
- landlord responsibilities, including those in relation to land leased to academies for schools (Schedule 2, paragraph 14b)

## **Other ongoing duties**

- licences negotiated centrally by the Secretary of State for all publicly funded schools (Schedule 2, paragraph 8); this does not require schools forum approval
- operation of the system of admissions and appeals (Schedule 2, paragraph 9)
- fees or expenses payable in connection with the attendance of non-SEN pupils at schools not maintained by any local authority (Schedule 2, paragraph 10)
- remission of boarding fees at maintained schools and academies (Schedule 2, paragraph 11)
- servicing of schools forums (Schedule 2, paragraph 12)
- back-pay for equal pay claims (Schedule 2, paragraph 13)
- writing to parents of year 9 pupils about schools with an atypical age of admission, such as UTCs and studio schools, within a reasonable travelling distance (Schedule 2, paragraph 23)

## **Historic commitments**

- capital expenditure funded from revenue (Schedule 2, paragraph 1)
- prudential borrowing costs (Schedule 2, paragraph 2(a))
- termination of employment costs (Schedule 2, paragraph 2(b))
- contribution to combined budgets (Schedule 2, paragraph 2(c))
- special educational needs transport costs (Schedule 2, paragraph 2(d))

## **50.2 Responsibilities held for maintained schools only**

### **School improvement**

- expenditure related to core school improvement activities of local authorities with respect to maintained schools (Schedule 2, paragraph 53)

### **Statutory and regulatory duties**

- functions of local authority related to best value and provision of advice to governing bodies in procuring goods and services (Schedule 2, paragraph 58)
- authorisation and monitoring of expenditure in respect of schools which do not have delegated budgets, and related financial administration (Schedule 2, paragraph 59)
- monitoring of compliance with requirements in relation to the scheme for financing schools and the provision of community facilities by governing bodies (Schedule 2, paragraph 60)
- internal audit and other tasks related to the local authority's chief finance officer's responsibilities under Section 151 of the Local Government Act 1972 for maintained schools (Schedule 2, paragraph 61)

- functions under regulations made under section 44 of the Education Act 2002 (Consistent Financial Reporting) in so far as the functions related to maintained schools (Schedule 2, paragraph 62)
- investigations of employees or potential employees, with or without remuneration to work at or for schools under the direct management of the headteacher or governing body (Schedule 2, paragraph 63)
- functions related to local government pensions and administration of teachers' pensions in relation to staff working at maintained schools under the direct management of the headteacher or governing body (Schedule 2, paragraph 64)
- HR duties, including advice to schools on the management of staff, pay alterations, conditions of service and composition or organisation of staff (Schedule 2, paragraph 65)
- determination of conditions of service for non-teaching staff (Schedule 2, paragraph 66)
- appointment or dismissal of employee functions (Schedule 2, paragraph 67)
- consultation costs relating to staffing (Schedule 2, paragraph 68)
- compliance with duties under Health and Safety at Work etc Act 1974 (Schedule 2, paragraph 69)
- provision of information to or at the request of the Crown relating to maintained schools (Schedule 2, paragraph 70)
- school companies (Schedule 2, paragraph 71)
- functions under the Equality Act 2010 (Schedule 2, paragraph 72)
- establish and maintaining computer systems, including data storage (Schedule 2, paragraph 73)
- appointment of governors and payment of governor expenses (Schedule 2, paragraph 74)
- budgeting and accounting functions relating to maintained schools (Schedule 2, paragraph 75)
- retrospective membership of pension schemes where it would not be appropriate to expect a school to meet the cost (Schedule 2, paragraph 77)

### **Education welfare**

- inspection of attendance registers (Schedule 2, paragraph 80)

### **Asset management**

- general landlord duties for all maintained schools (Schedule 2, paragraphs 78a & b (section 542(2)) Education Act 1996; School Premises (England) Regulations 2012) to ensure that school buildings have:
  - appropriate facilities for pupils and staff (including medical and accommodation)
  - the ability to sustain appropriate loads
  - reasonable weather resistance
  - safe escape routes
  - appropriate acoustic levels
  - lighting, heating, and ventilation which meets the required standards
  - adequate water supplies and drainage
  - playing fields of the appropriate standards
  - general health and safety duty as an employer for employees and others who may be affected (Health and Safety at Work etc. Act 1974)

- management of the risk from asbestos in community school buildings
- Control of Asbestos Regulations 2012

### **Central support services**

- clothing grants (Schedule 2, paragraph 54)
- provision of tuition in music, or on other music-related activities (Schedule 2, paragraph 55)
- visual, creative, and performing arts other than music (Schedule 2, paragraph 56)
- outdoor education centres (but not centres mainly for the provision of organised games, swimming, or athletics) (Schedule 2, paragraph 57)

### **Premature retirement and redundancy**

- dismissal or premature retirement when costs cannot be charged to maintained schools (Schedule 2, paragraph 79)

### **Monitoring national curriculum assessment**

- monitoring of National Curriculum assessments (Schedule 2, paragraph 76)

### **Additional note on central services**

Services set out above will also include administrative costs and overheads relating to these services (regulation 1(4)) for:

- expenditure related to functions imposed by or under chapter 4 of part 2 of the School Standards and Framework Act 1998 (financing of maintained schools), the administration of grants to the local authority (including preparation of applications) and, where it is the local authority's duty to do so, ensuring payments are made in respect of taxation, national insurance, and superannuation contributions
- expenditure on recruitment, training, continuing professional development, performance management and personnel management of staff who are funded by expenditure not met from schools' budget shares and who are paid for services
- expenditure in relation to the investigation and resolution of complaints
- expenditure on legal services

## **Appendix 2: Extract from DfE guidance: schools forum approvals for centrally held CSSB funding**

A number of the services that are covered by funding that is held centrally are subject to a limitation of no new commitments or increases in expenditure from 2023 to 2024.

This limit does not apply to admissions or the servicing of schools forums.

Schools forum approval is required each year to confirm the amounts on each line.

When using centrally held funding, local authorities must treat maintained schools and academies on an equivalent basis.

The following sections set out the level of approval required for each centrally retained service.

Where schools forum approval is not provided, the local authority can apply to the Secretary of State to decide.

### **51.1 Schools forum approval is not required (although they should be consulted)**

- central licences negotiated by the Secretary of State

### **51.2 Schools forum approval is required on a line-by-line basis**

- admissions
- servicing of schools forum
- contribution to responsibilities that local authorities hold for all schools
- contribution to responsibilities that local authorities hold for maintained schools (voted on by relevant maintained school members of the forum only)

### **51.4 Schools forum approval is required on a line-by-line basis – the budget cannot exceed the value agreed in the previous funding period, and no new commitments can be entered into**

- capital expenditure funded from revenue:
  - projects must have been planned and decided on prior to April 2013; no new projects can be charged
  - details of the remaining costs should be presented
- contribution to combined budgets:
  - where the schools forum agreed prior to April 2013 a contribution from the schools budget to services which would otherwise be funded from other sources
- existing termination of employment costs
  - costs for specific individuals must have been approved prior to April 2013; no new redundancy costs can be charged
- prudential borrowing costs:
  - the commitment must have been approved prior to April 2013
  - details of the remaining costs should be presented