

FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

CABINET

24 JANUARY 2022

Joint Report of the Executive Director for Children’s Services and Executive Director of Corporate Services and Transformation

Central School Services Block and Pupil Growth Fund allocations 2022-23 (Education)

1. Divisions Affected

1.1 County-wide.

2. Key Decision

2.1 Yes, this is a key decision that will determine the funding of services and schools for all divisions and communities within Derbyshire.

3. Purpose

3.1 Cabinet is asked to note the decisions of the Schools Forum regarding the allocation of Central School Services Block (CSSB) and Pupil Growth Funds (PGF) for 2022-23.

4. Information and Analysis

4.1 Central School Services Block (CSSB)

Details of local authorities’ CSSB allocations for 2022-23 were published on 16th December 2021, the grant for Derbyshire is published in Table 1 below.

Table 1 – CSSB Grant 2022-23

	2022-23	2021-22
CSSB Rate per pupil	£37.49	£38.45
October 2021 & 2020 census counts	98,743	98,603.5
Total ongoing responsibilities	£3,701,875	£3,791,305
Historic commitments	£889,344	£1,111,680
Total Central School Services Block	£4,591,219	£4,902,985

The ongoing commitments funds the Authority for a range of education functions that it retains for both schools and academies, including: Admissions, Schools Forum, defined copyright licences and a range of services previously funded by the former Education Services Grant (Retained Duties).

In Derbyshire's case the historic commitments element reflects a long-standing contribution from the Dedicated Schools Grant (DSG) towards our Early Help offer. This element of the CSSB grant for 2022-23 has been reduced by 20%, from £1.112m to £0.889m as the DfE gradually phase out non-formula allocations. This reduction was expected and broadly in line with previous assumptions.

Decisions on the CSSB are a matter for the Schools Forum and the budgets in Table 2 below were approved at the Forum's meeting on 1st December 2021.

Table 2 – Proposed Central Schools Block spend

	2022-23
<u>Item</u>	£m
<u>Ongoing responsibilities</u>	
Admissions Service	0.535
Schools Forum	0.041
Former ESG Retained duties	1.751
Pensions for centrally funded teachers	0.130
Copyright Licences*	0.664
Ongoing responsibilities sub total	3.121
<u>Historic commitments</u>	
Contribution to combined budgets	0.889
Historic commitments sub total	0.889
Total	4.010
Total Central Services Schools Block	4.591
Balance – (towards DSG deficit)	0.581

* This item does not require Forum approval, the DfE negotiate the licences on behalf of all LAs and recharge the costs.

The balance of the CSSB remains uncommitted and will therefore contribute to reducing the accumulated DSG deficit which is estimated to reach ~£5.500m by 31st March 2022.

4.2 Pupil Growth Fund (PGF)

PGF allocations are a subset of local authorities' Schools Block resources. The fund is permitted to be used, if needed, to support formula budgets for all schools and academies. The fund also provides additional resources to schools and academies with in-year increases in pupils, including new free schools, as

well as contributing to the extra costs of meeting national Key Stage 1 class size requirements.

The PGF allocation was also announced on 16th December 2022, the details are provided in Table 3 below.

Table 3 – Pupil Growth Fund allocation 2022-23

	Pupil Increase	2022-23 Rate	Pupil growth funding
Primary	340.5	£1,485	£505,643
Secondary	878.5	£2,200	£1,932,700
Sub total			£2,438,343
New Institutions – Clover Leys			£70,800
Total allocation			£2,509,143

LAs' allocations are calculated using a formula which measures the increases in pupil numbers at Middle Super Output Area (MSOA) level: net reductions at MSOA level are ignored. The allocations for 2022-23 compare increases between October 2021 and 2020 pupil census data with each additional primary pupil attracting £1,485 and each secondary pupil £2,220. In addition, LAs receive £70,800 for each new institution registered for the first time on the October 2021 census. Derbyshire has one such qualifying academy, Clover Leys, the £70,800 reflects the part year lump sum (7/12ths of £121,300) which was payable from September 2021.

The allocation of the PGF was considered by the Schools Forum at its meeting on 12th January 2022 and the following budgets were approved:

Table 4 – Approved Pupil Growth allocations 2022-23

	2022-23
Budget	£m
In year pupil growth – Free Schools	0.221
Support for formula budgets	1.000
Contribution to Free School reserve	0.500
In year pupil growth – Other schools	0.250
Key Stage 1 class sizes	0.400
Residual contingency	0.138
Total	2.509

The first two items in the table provided a total of £1.221m towards funding mainstream schools' 2022-23 formula budgets and were included in the report to Cabinet on 24th January 2022.

The contribution to the Free School reserve will help meet the costs of pre and post-opening support for the five new and three planned free schools.

The in-year pupil growth is available to provide support for schools and academies arising from significant in-year increases in pupil rolls. This support is needed as a result of the lagged nature of the funding system. Increases in

pupil numbers in September 2022 would not result in additional institutional funding until April 2023 (LA maintained schools) or September 2023 (academies). However, DfE Guidance “Schools revenue funding 2022 to 2023 Operational guide” only allows support to be provided where in-year increases in numbers arise as a direct consequence of a basic need issue i.e. where the Authority requires the school or academy to admit a significant number of children. The guidance specifically prohibits supporting general growth due to popularity.

Locally, the eligibility criteria approved by the Forum ensure that funding is targeted only at those schools that need the resource, institutions with significant balances are expected to meet any short term costs themselves.

The final item in Table 4 relates to Key Stage 1 and the budget helps support infant and primary schools to meet national infant (Key Stage 1) class size requirements. The allocation for 2022-23 is lower than previous years and reflects the Forum’s decision to prioritise formula budgets and allocate £1.221m for that purpose (see above) and concerns that many schools and academies that triggered eligibility in 2020-21 had significant school balances.

Cabinet is asked to note the decisions of the Schools Forum.

5. Consultation

Not applicable.

6. Alternative Options Considered

Not applicable

7. Implications

Appendix 1 sets out the relevant implications considered in the preparation of the report.

8. Background Papers

8.1 DfE document: - Schools revenue funding 2022 to 2023 Operational guide December 2021 Publication

8.2 Schools Funding settlement announcement 16th December 2021

9. Appendices

9.1 Appendix 1 - Implications.

10. Recommendation(s)

That Cabinet notes the CSSB and Pupil Growth Fund settlements and the budget decisions approved by the Schools Forum.

11. Reasons for Recommendation(s)

11.1 To ensure the Authority is aware of the decisions of the Schools Forum.

12. Is it necessary to waive the call in period?

12.1 No.

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Implications

Financial

- 1.1 The decisions of the Schools Forum are within the grant totals for 2022-23. The uncommitted CSSB resources will help contribute towards addressing the Authority's accumulated DSG deficit.

Legal

- 2.1 The proposed allocations are in line with DfE Guidance as set out in [Schools operational guide: 2022 to 2023 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/101422/schools-operational-guide-2022-to-2023.pdf)

Human Resources

- 3.1 None

Information Technology

- 4.1 None

Equalities Impact

- 5.1 None

Corporate objectives and priorities for change

- 6.1 The proposals will support the Council's objective to work creatively together to inspire and empower children, young people and their families and communities to be the best they can be: safe, healthy, happy, learning and working.

Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)

- 7.1 None