



Department  
for Education

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# **Central school services block national funding formula: technical note**

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## Introduction

1. This technical note provides the detailed methodology for the central school services block (CSSB) national funding formula (NFF) that is used to generate the local authority (LA) funding allocations for financial year 2022 to 2023 (denoted “2022-23” for the remainder of this note, with other financial years denoted in similar shorthand).
2. The CSSB covers funding allocated to LAs to carry out central functions on behalf of pupils in maintained schools and academies in England. CSSB funding is split into two elements: funding for ongoing responsibilities and funding for historic commitments, where the LAs’ total CSSB NFF funding is the sum of these two values.
3. The Isles of Scilly and City of London have been excluded from these allocations, as these LAs will receive a central grant from the government which will include funding for central schools’ services.

## **Baselines for ongoing responsibilities and historic commitments**

4. In December 2020, the ESFA published each LA's 2021-22 DSG allocations, including those for both ongoing responsibilities and historic commitments in the CSSB. These allocations (updated in March 2021) form the 2021-22 LA baselines for the CSSB in 2022-23 and, along with the 2021-22 total schools' block (SB) allocations, are used to apply year-on-year protections to each LA's 2022-23 CSSB allocations.

## Funding for local authority ongoing responsibilities

5. This section explains how each LA's CSSB NFF allocation for ongoing responsibilities has been calculated. The provisional allocations for 2022-23 reflect any protections affecting LAs' funding for ongoing responsibilities, the calculation of which is explained in the final section of this note.
6. The CSSB NFF allocates funding to LAs for ongoing responsibilities using a pupil-led formula. The formula uses two factors: a basic per-pupil factor, through which LAs receive the majority of funding, and a deprivation per-pupil factor.
7. The pupil counts used to calculate CSSB allocations are LAs' schools block pupil counts, taken from the 2021-22 DSG allocations – that is, pupils in mainstream schools in year groups reception to year 11 inclusive, including pupils occupying places in special educational needs (SEN) units. Detailed guidance on these pupil numbers are given alongside the allocations.

### Basic factor funding

8. LAs will receive the majority of their CSSB NFF ongoing responsibilities funding through a basic per-pupil rate. This subsection explains how LAs' allocations, through this factor, have been calculated. This calculation uses, for each LA, a general labour market (GLM) area cost adjustment (ACA). More information about the ACAs, including the ACA figure for each LA, is provided in Annex A.
9. Each LA's GLM ACA weighted pupil count is calculated as:  
  
the LAs schools block pupil count  
  
multiplied by  
  
the LA's GLM ACA.
10. The total budget for ongoing responsibilities in 2022-23 is c.£284m. 90% of this (c.£256m) forms the budget to be allocated to LAs through the basic per-pupil factor (the remaining 10% (c.£28m) will be allocated through the deprivation factor, as explained in the next subsection).
11. The total budget for the basic per-pupil factor (c.£256m) is then divided by the national GLM ACA weighted pupil count to give the 'national basic per-pupil funding rate pre-ACA'.
12. Each LA's CSSB NFF funding rate for the basic per-pupil factor is this national rate multiplied by the LA's ACA, and their resulting allocation for the basic per-pupil factor is then calculated as:

the LA's funding rate for the basic per-pupil factor

multiplied by

the LA's schools block pupil count as given by the 2022-23 DSG allocations.

Note that for the provisional allocations accompanying this publication, the 2021-22 pupil count that has been used as the 2022-23 count will not be available until Autumn 2021.

## Deprivation factor funding

13. The remaining 10% of the national total budget for ongoing responsibilities (c.£28m) is allocated to LAs through the deprivation factor.
14. For 2022-23, data on pupils who have been eligible for free school meals at any time in the last six years (FSM6) is now taken from the October 2020 school census instead of from the January census, to bring the factor into line with arrangements for pupil premium.
15. This factor uses the proportion of FSM6 pupils in mainstream schools as indicated in the October 2020 census. For schools that opened between October 2020 and January 2021, we will take the number of pupils as indicated on LA's 2021-22 authority proforma tool (APT) returns. For each school in an LA, the primary and secondary FSM6 proportions are multiplied by the primary and secondary APT pupil counts, respectively, and the results summed across all schools in the LA to derive a total FSM6 pupil count. This LA level FSM6 count is divided by the total pupil count for the LA to produce an LA Level FSM6 proportion. This proportion is then applied to the 2021-22 schools block pupil count to produce the CSSB FSM6 pupil count.
16. In a similar approach to the basic factor, a GLM ACA weighted CSSB FSM6 count is calculated for each LA. We calculate:

the LA's CSSB FSM6 pupil count (as described above)

multiplied by

the LA's GLM ACA.
17. The total budget for the deprivation factor is then divided by the national GLM ACA weighted FSM6 pupil count: this gives the 'national deprivation funding rate pre-ACA'.
18. Each LA's CSSB NFF funding rate for the deprivation per-pupil factor is this

national rate multiplied by their ACA, and their resulting allocation for the deprivation per pupil factor is then calculated as:

the LA's funding rate for the deprivation per pupil factor

multiplied by

the LA's FSM6 pupil count

## Protection

19. LAs that are set to face reductions in per-pupil funding for ongoing responsibilities, compared to their 2021-22 baseline, will be protected against large losses year-on-year. This year-on-year protection is paid for by placing a maximum on the year-on-year gains an LA can receive in per-pupil funding. This protection operates on LA's overall ongoing responsibilities funding rate: total ongoing responsibilities funding divided by their 2021-22 DSG allocations pupil count.
20. The maximum per-pupil reduction in funding for ongoing responsibilities each LA will receive is -2.5%. Permitted gains in per-pupil funding are set at the highest level possible that ensures the total CSSB funding does not exceed the available budget. In 2022-23 LAs will be able to gain a maximum of 5.56%.

## Additional funding for centrally employed teachers pension costs

21. In the 2021-22 DSG allocations, additional pension funding for centrally employed teachers was rolled into the ongoing responsibilities element of the CSSB per pupil funding. For the 2022-23 CSSB this additional funding is now included in the baseline per pupil funding for ongoing responsibilities.

## Funding for historic commitments

22. In 2022-23, for LAs that receive it, their historic commitments funding will be reduced by 20% compared to their 2021-22 baseline.
23. As in 2021-22, historic commitments funding will be protected from dropping below the total value of ongoing prudential borrowing or termination of employment costs, based on evidence received by the department. This protection will be applied in the DSG, and so will not be shown in NFF allocations.



## Annex A – Area cost adjustments

24. As explained above, the CSSB NFF calculation applies ACAs to take account of the relative difference in costs in different areas of the country. The ACA used is the General Labour Market ACA for 2013-14 produced by the Ministry of Housing, Communities and Local Government and used for local government settlements. The ACA value for each LA is given in the table below.
25. For the five LAs with part of their area on the London fringe (Buckinghamshire, Essex, Hertfordshire, Kent and West Sussex), the GLM ACAs for the fringe and non-fringe parts of the authority have been weighted together based on the schools block pupil count in 2021-22 Schools Block Dataset (SBDS) to produce a single ACA for the LA.

Local Authority Code	Local Authority Name	Area Cost Adjustment
202	Camden	1.30337
203	Greenwich	1.30337
204	Hackney	1.30337
205	Hammersmith and Fulham	1.30337
206	Islington	1.30337
207	Kensington and Chelsea	1.30337
208	Lambeth	1.30337
209	Lewisham	1.30337
210	Southwark	1.30337
211	Tower Hamlets	1.30337
212	Wandsworth	1.30337
213	Westminster	1.30337
301	Barking and Dagenham	1.10813
302	Barnet	1.16706
303	Bexley	1.10813
304	Brent	1.16706
305	Bromley	1.10813
306	Croydon	1.10813
307	Ealing	1.16706
308	Enfield	1.10813
309	Haringey	1.10813
310	Harrow	1.16706
311	Havering	1.10813
312	Hillingdon	1.16706
313	Hounslow	1.16706
314	Kingston upon Thames	1.16706
315	Merton	1.16706
316	Newham	1.10813
317	Redbridge	1.10813
318	Richmond upon Thames	1.16706
319	Sutton	1.16706
320	Waltham Forest	1.10813

330	Birmingham	1.01220
331	Coventry	1.01220
332	Dudley	1.01220
333	Sandwell	1.01220
334	Solihull	1.01220
335	Walsall	1.01220
336	Wolverhampton	1.01220
340	Knowsley	1.00405
341	Liverpool	1.00405
342	St Helens	1.00405
343	Sefton	1.00405
344	Wirral	1.00405
350	Bolton	1.01972
351	Bury	1.01972
352	Manchester	1.01972
353	Oldham	1.01972
354	Rochdale	1.01972
355	Salford	1.01972
356	Stockport	1.01972
357	Tameside	1.01972
358	Trafford	1.01972
359	Wigan	1.01972
370	Barnsley	1.00000
371	Doncaster	1.00000
372	Rotherham	1.00000
373	Sheffield	1.00000
380	Bradford	1.00058
381	Calderdale	1.00058
382	Kirklees	1.00058
383	Leeds	1.00058
384	Wakefield	1.00058
390	Gateshead	1.00000
391	Newcastle upon Tyne	1.00000
392	North Tyneside	1.00000
393	South Tyneside	1.00000
394	Sunderland	1.00000
800	Bath and North East Somerset	1.05279
801	Bristol	1.05279
802	North Somerset	1.05279
803	South Gloucestershire	1.05279
805	Hartlepool	1.00000
806	Middlesbrough	1.00000
807	Redcar and Cleveland	1.00000
808	Stockton-on-Tees	1.00000
810	Kingston upon Hull, City of	1.00000
811	East Riding of Yorkshire	1.00000
812	North East Lincolnshire	1.00000
813	North Lincolnshire	1.00000
815	North Yorkshire	1.00000

816	York	1.00000
821	Luton	1.05662
822	Bedford	1.05662
823	Central Bedfordshire	1.05662
825	Buckinghamshire	1.10593
826	Milton Keynes	1.10358
830	Derbyshire	1.00000
831	Derby	1.00000
836	Poole	1.00000
837	Bournemouth	1.00000
838	Dorset	1.00000
839	Bournemouth, Christchurch and Poole	1.00000
840	Durham	1.00000
841	Darlington	1.00000
845	East Sussex	1.00611
846	Brighton and Hove	1.00611
850	Hampshire	1.05123
851	Portsmouth	1.05123
852	Southampton	1.05123
855	Leicestershire	1.00000
856	Leicester	1.00000
857	Rutland	1.00000
860	Staffordshire	1.00000
861	Stoke-on-Trent	1.00000
865	Wiltshire	1.02590
866	Swindon	1.02590
867	Bracknell Forest	1.14842
868	Windsor and Maidenhead	1.14842
869	West Berkshire	1.12548
870	Reading	1.12548
871	Slough	1.14842
872	Wokingham	1.12548
873	Cambridgeshire	1.04637
874	Peterborough	1.04637
876	Halton	1.01310
877	Warrington	1.01310
878	Devon	1.00000
879	Plymouth	1.00000
880	Torbay	1.00000
881	Essex	1.03533
882	Southend-on-Sea	1.01279
883	Thurrock	1.07832
884	Herefordshire	1.00000
885	Worcestershire	1.00000
886	Kent	1.01383
887	Medway	1.00255
888	Lancashire	1.00000
889	Blackburn with Darwen	1.00000
890	Blackpool	1.00000

891	Nottinghamshire	1.00999
892	Nottingham	1.00999
893	Shropshire	1.00000
894	Telford and Wrekin	1.00000
895	Cheshire East	1.01310
896	Cheshire West and Chester	1.01310
908	Cornwall	1.00000
909	Cumbria	1.00000
916	Gloucestershire	1.02275
919	Hertfordshire	1.10158
921	Isle of Wight	1.05123
925	Lincolnshire	1.00000
926	Norfolk	1.00000
929	Northumberland	1.00000
931	Oxfordshire	1.08016
933	Somerset	1.00000
935	Suffolk	1.00009
936	Surrey	1.14842
937	Warwickshire	1.02531
938	West Sussex	1.02407
940	North Northamptonshire	1.01186
941	West Northamptonshire	1.01186



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