



Department  
for Education

# **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 2020 to 2021 (denoted “2020-21” 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 2018, the ESFA published each LA's 2019-20 DSG allocations, including those for both ongoing responsibilities and historic commitments in the CSSB. These allocations form the 2019-20 baseline for the CSSB in 2020-21 and, along with the 2019-20 total schools' block (SB) allocations, are used to apply year-on-year protections to each LA's 2020-21 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 2020-21 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 2 factors, a basic per-pupil factor, through which LAs receive the majority of funding, and a deprivation factor.
7. The pupil counts used to calculate CSSB allocations are LAs' schools block pupil counts, taken from the 2019-20 DSG allocations – that is, pupils in mainstream schools in year groups reception to 11 inclusive, including pupils occupying places in 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 school's block pupil count
  - multiplied by
  - the LA's GLM ACA.
10. The total budget for ongoing responsibilities in 2020-21 is £248m. 90% of this (£223m) forms the budget to be allocated to LAs through the basic per-pupil factor (the remaining 10% (£25m) will be allocated through the deprivation factor, as explained in the next subsection).
11. The total budget for the basic per-pupil factor (£223m) 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 2020-21 DSG allocations.

Note that for the provisional allocations accompanying this publication, the 2019-20 pupil count has been used as the 2020-21 count will not be available until later in 2019.

## Deprivation factor funding

13. The remaining 10% of the national total budget for ongoing responsibilities (£25m) is allocated to LAs through the deprivation factor.

14. This factor uses the proportion of free school meal ever 6 (FSM6) pupils in mainstream schools as indicated on LAs' 2019-20 authority proforma tool (APT) returns. For each school in an LA, the primary and secondary FSM6 proportions are multiplied by the primary and secondary schools block pupil counts respectively, from the 2019-20 Schools Block Data Set, 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 2019-20 DSG pupil count to produce the CSSB FSM6 count.

15. 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.

16. 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'.

17. 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

Note that for the provisional allocations accompanying this publication, the 2019-20 pupil counts have been used as the 2020-21 count will not be available until Autumn 2019.

## Protection

18. LAs that are set to face reductions in per-pupil funding for ongoing responsibilities, compared to their 2019-20 baseline, will be protected against large losses year-on-year. This year-on-year protection is paid for by placing a maximum on the amount that LAs can gain year-on-year under the formula. This protection operates on LA's overall ongoing responsibilities funding rate: total ongoing responsibilities funding divided by their 2019-20 DSG allocations pupil count.
19. 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 2020-21 LAs will be able to gain a maximum of 1.94%.

## Funding for historic commitments

20. In 2020-21, for LAs that receive it, their historic commitments funding will be reduced by 20% compared to their 2019-20 baseline, with a protection so that no LA loses more than the equivalent of 0.5% of its 2019-20 schools block allocation.

21. Therefore the reduction will be the lesser of two values, either

20% of the LA's 2019-20 historic commitments baseline

or

0.5% of the LA's 2019-20 schools' block allocation.



## Annex A – Area cost adjustments

22. 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 Department for 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.
23. 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 2019-20 School's Blocks Data Set (SBDS) to produce a single ACA for the LA.

LA code	LA name	GLM ACA
202	Camden	1.303368
203	Greenwich	1.303368
204	Hackney	1.303368
205	Hammersmith and Fulham	1.303368
206	Islington	1.303368
207	Kensington and Chelsea	1.303368
208	Lambeth	1.303368
209	Lewisham	1.303368
210	Southwark	1.303368
211	Tower Hamlets	1.303368
212	Wandsworth	1.303368
213	Westminster	1.303368
301	Barking and Dagenham	1.108130
302	Barnet	1.167058
303	Bexley	1.108130
304	Brent	1.167058
305	Bromley	1.108130
306	Croydon	1.108130
307	Ealing	1.167058
308	Enfield	1.108130
309	Haringey	1.108130
310	Harrow	1.167058
311	Havering	1.108130

312	Hillingdon	1.167058
313	Hounslow	1.167058
314	Kingston upon Thames	1.167058
315	Merton	1.167058
316	Newham	1.108130
317	Redbridge	1.108130
318	Richmond upon Thames	1.167058
319	Sutton	1.167058
320	Waltham Forest	1.108130
330	Birmingham	1.012202
331	Coventry	1.012202
332	Dudley	1.012202
333	Sandwell	1.012202
334	Solihull	1.012202
335	Walsall	1.012202
336	Wolverhampton	1.012202
340	Knowsley	1.004047
341	Liverpool	1.004047
342	St. Helens	1.004047
343	Sefton	1.004047
344	Wirral	1.004047
350	Bolton	1.019715
351	Bury	1.019715
352	Manchester	1.019715
353	Oldham	1.019715
354	Rochdale	1.019715
355	Salford	1.019715
356	Stockport	1.019715
357	Tameside	1.019715
358	Trafford	1.019715
359	Wigan	1.019715
370	Barnsley	1.000000
371	Doncaster	1.000000
372	Rotherham	1.000000

373	Sheffield	1.000000
380	Bradford	1.000584
381	Calderdale	1.000584
382	Kirklees	1.000584
383	Leeds	1.000584
384	Wakefield	1.000584
390	Gateshead	1.000000
391	Newcastle upon Tyne	1.000000
392	North Tyneside	1.000000
393	South Tyneside	1.000000
394	Sunderland	1.000000
800	Bath and North East Somerset	1.052789
801	Bristol, City of	1.052789
802	North Somerset	1.052789
803	South Gloucestershire	1.052789
805	Hartlepool	1.000000
806	Middlesbrough	1.000000
807	Redcar and Cleveland	1.000000
808	Stockton-on-Tees	1.000000
810	Kingston upon Hull, City of	1.000000
811	East Riding of Yorkshire	1.000000
812	North East Lincolnshire	1.000000
813	North Lincolnshire	1.000000
815	North Yorkshire	1.000000
816	York	1.000000
821	Luton	1.056620
822	Bedford	1.056620
823	Central Bedfordshire	1.056620
825	Buckinghamshire	1.105979
826	Milton Keynes	1.103584
830	Derbyshire	1.000000
831	Derby	1.000000
835	Dorset	1.000000
836	Poole	1.000000

837	Bournemouth	1.000000
840	County Durham	1.000000
841	Darlington	1.000000
845	East Sussex	1.006111
846	Brighton and Hove	1.006111
850	Hampshire	1.051229
851	Portsmouth	1.051229
852	Southampton	1.051229
855	Leicestershire	1.000000
856	Leicester	1.000000
857	Rutland	1.000000
860	Staffordshire	1.000000
861	Stoke-on-Trent	1.000000
865	Wiltshire	1.025902
866	Swindon	1.025902
867	Bracknell Forest	1.148417
868	Windsor and Maidenhead	1.148417
869	West Berkshire	1.125480
870	Reading	1.125480
871	Slough	1.148417
872	Wokingham	1.125480
873	Cambridgeshire	1.046368
874	Peterborough	1.046368
876	Halton	1.013103
877	Warrington	1.013103
878	Devon	1.000000
879	Plymouth	1.000000
880	Torbay	1.000000
881	Essex	1.035167
882	Southend-on-Sea	1.012789
883	Thurrock	1.078316
884	Herefordshire	1.000000
885	Worcestershire	1.000000
886	Kent	1.013587

887	Medway	1.002550
888	Lancashire	1.000000
889	Blackburn with Darwen	1.000000
890	Blackpool	1.000000
891	Nottinghamshire	1.009989
892	Nottingham	1.009989
893	Shropshire	1.000000
894	Telford and Wrekin	1.000000
895	Cheshire East	1.013103
896	Cheshire West and Chester	1.013103
908	Cornwall	1.000000
909	Cumbria	1.000000
916	Gloucestershire	1.022748
919	Hertfordshire	1.101443
921	Isle of Wight	1.051229
925	Lincolnshire	1.000000
926	Norfolk	1.000000
928	Northamptonshire	1.011864
929	Northumberland	1.000000
931	Oxfordshire	1.080158
933	Somerset	1.000000
935	Suffolk	1.000086
936	Surrey	1.148417
937	Warwickshire	1.025307
938	West Sussex	1.023874



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