



Report to the Schools Forum

Title:	Central Schools Services Block 2019-20
Meeting date:	11th December 2018
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1. Purpose of Agenda Item

- 1.1. The purpose of this report is to set out proposals for the central schools services block budgets for 2019-20

2. Background

- 2.1. The indicative allocation of Central Schools Services Block for 2019-20 is £7.397m. This will be updated for the impact of the October 2018 pupil census when the final funding settlement is announced.
- 2.2. The Central Schools Services Block (CSSB) comprises two parts:
 - Funding for ongoing functions, including funding previously allocated through the retained duties element of the Education Services Grant (ESG) where the local authority has a responsibility for all schools – based on a per pupil amount. The indicative amount for 2019-20 is £2.743m
 - Residual funding for historic commitments. The 2019-20 allocation is £4.654m.
- 2.3. Funding for ongoing functions is reducing by 2.5% in 2019-20 compared with the current year, as previously announced by the DfE.
- 2.4. Funding for historic commitments will be allocated at the same level as in 2018-19. The Operational Guidance for 2019-20 confirms the DfE expectation that expenditure from DSG will reduce over time as contracts and other commitments reach their end points. Expenditure on historic commitments will be monitored each year by the DfE.
- 2.5. From 2020 to 2021, The DfE expects to start to reduce the historic commitments element of the CSSB where local authorities' expenditure has not reduced.

- 2.6. Current regulations require authorities to spend no more on historic commitments than they did in the previous year and require such expenditure to have the approval of the schools forum.
- 2.7. The expected reduction of the CSSB in future years will result in cost pressures against central budgets.

3. Detailed Proposals

- 3.1. Initial budget proposals are set out in Appendix 1.
- 3.2. A number of efficiencies have been identified for the ongoing functions to enable budgets to be reduced in 2019-20 but there is still a shortfall of £0.317m to be addressed. In 2018-19 Schools Forum agreed that the shortfall against ongoing functions should be met through reserves. It is not expected that there will be sufficient reserves in 2019-20 to support this for a second year.
- 3.3. It is proposed that savings proposals need to be drawn up within the historic commitment element of the CSSB. This will enable pressures relating to ongoing functions to be met in 2019-20 on a one off basis and will meet the DfE requirement from 2020-21 to be reducing the historic commitment element of the allocation.
- 3.4. It is proposed that the historic commitment for capital contributions from revenue (CERA) of £1.708m be utilised in 2019-20 to support pressures in the High Needs Block as it is not required to support a specific capital project. It is expected that the DfE will reduce this amount in future years.

4. Recommendations

- 4.1. That Schools Forum approves the proposed budgets for the central schools services block and the notes pressures on these budgets for 2019-20 and future years as the funding reduces.**
- 4.2. That, in order to approve the proposed budget, Schools Forum support the proposal that further reductions should be sought from the historic commitment element of the central schools services block to support pressures relating to ongoing functions in 2019-20**
- 4.3. That Schools Forum support the proposal to utilise the historic commitment element for revenue contributions to capital (CERA) of £1.708m to support pressures in the High Needs Block in 2019-20.**