

Schools Funding Forum 27th November 2025

ITEM 6

Subject Heading:

**Central Schools Services Block (CSSB)
2026-27 Update**

Report Author:

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Eligibility to vote:

Information only

SUMMARY

This report summarises the Policy Note update of the DSG Central Schools Services Block (CSSB) funding for financial year 2026-27.

RECOMMENDATIONS

That the Schools Funding Forum:

- (i) notes the updated methodology and allocation of CSSB for 2026-27

REPORT DETAIL

1. Background

As part of the introduction of a Schools and High Needs National Funding Formula in 2018-19 the DfE established a fourth funding block, the CSSB, which brought together funding for central services previously funded through the Schools Block and the Education Services Grant.

Following the November 2025 policy update, the DfE has confirmed changes to the CSSB for financial year 2026-27. The incorporation of two grants, NICs and SBSG, paid separately in 2025-26 for centrally employed staff are now rolled into the CSSB baseline.

Similar to the schools share of the grant in the baseline for 2026-27, the SBSG has been annualised. The overall additional grant is then redistributed nationally through the CSSB NFF, with formula protection criteria put in place.

2. CSSB allocation 2025-26

Before the 2026-27 release was published, an early estimate was produced based on a predicted 3.0% uplift to the per-pupil rate for ongoing responsibilities.

The projected allocation that was tabled in the October 2025 meeting for the CSSB, with comparable data from 2025-26 is as follows.

	Ongoing responsibilities			Historical commitments	Total CSSB
	Pupil nos.	Per pupil £	£	£	£
2026-27 projected	39,883.0	47.43	1,891,651	60,292	1,951,943
2025-26 final	39,883.0	46.05	1,836,613	75,365	1,911,978
Difference	0	1.38	55,038	-15,073	39,965

This pre-release estimate is now superseded by the Policy update's confirmed CSSB NFF methodology.

3. Policy Update – indicative allocations

The updated DfE indicative allocations includes the rolling-in of the NICs and SBSG grants by redistribution through the basic per-pupil and deprivation factors. There is transitional protection for the 2026-27 CSSB NFF with LAs protected for losses up to 2.5% in comparison to the previous year baseline, and capped to 2.13% gain against the previous year baseline.

	Ongoing responsibilities			Historical commitments	Total CSSB
	Pupil nos.	Per pupil £	£	£	£
2026-27 projected	39,883.0	55.31	2,205,987	60,292	2,266,279
2025-26 final	39,883.0	46.05	1,836,613	75,365	1,911,978
Difference	0	9.26	369,374	-15,073	354,301

Because Havering's adjusted 2025-26 baseline was higher than the NFF calculation (after NICs/SBSG roll-in), Havering becomes a loss-protection authority. This means:

- Havering does not receive the full annualised amount of the rolled-in grants (£425,939)
- Funding instead rises only up to the maximum permitted gain/loss limit applied nationally

The table below breaks down the calculation step by step.

	Rate	Explanation	Amount
2025-26 adjusted baseline per-pupil	£56.72971	Includes NICs and SBSG rolled into baseline	£2,262,551
2026-27 NFF basic rate (post-ACA)	£47.98840	Basic per-pupil funding before protection (Oct-24 = 39883 pupils)	
2026-27 NFF deprivation rate (post-ACA)	£19.90393	FSM6-related factor (Oct-24 FSM Ever6 = 20.83% = 8308 pupils)	
Combined unprotected NFF rate	£52.13457	£47.99 + £19.90	£2,079,283
Year-on-year change (unprotected)	-8.10%	Fall relative to 2025–26 baseline	
Maximum permitted loss	-2.50%	CSSB formula protection	
Protection applied	£3.18	Required uplift to limit the loss to -2.5%	£126,704
Final protected per-pupil rate	£55.31147	Havering's published 2026-27 rate	£2,205,987
Final year on year change	-2.50%	Transitional maximum loss	-£56,564

4. Services to be funded

The services that LAs can fund from the CSSB are set out in the extract from the Operational Guidance. The updated table for services to be funded from the CSSB are as follows:

Ongoing responsibilities	Final 2025-26 £	Projected 2026-27* £	Projected change £	Projected change %
Copyright licences	280,000	288,400	8,400	3.0
Admissions	597,932	615,870	17,938	3.0
Schools Forum	49,087	50,560	1,473	3.0
LA responsibilities to all schools	909,594	936,821	27,227	3.0
Staffing Costs funded from Legacy Grants (NICs and SBSG)	-	314,336	314,336	n/a
Total	1,836,613	2,205,987	369,374	20.1

Historical commitments	Final 2025-26 £	Projected 2026-27* £	Projected change £	Projected change %
Schools Partnerships/Schools Causing Concern	75,365	60,292	-15,073	-20.0
Total	1,911,978	2,266,279	354,301	18.5

Ongoing responsibility element

The copyright licence costs tend to increase each year but LAs are not notified of the increase until later in the year. An estimated sum of £288,400 has been included. Areas relating to salary costs have been increased by 3.0%. The actual increase in cost is likely to be aligned or more than what has been projected.

Historic Commitments element

Continuing the financial year arrangements for this element of the grant, the LA is proposing that for 2026-27 that this continues to be used for items that are accessible to a large number of schools. This includes the coaching bursary, Havering Academy of Leadership and support commissioned on behalf of all schools.

Schools Funding Forum approved the use of the CSSB at the October 2025 meeting.