

SCHOOLS FORUM

SUBJECT	Funding Formula Update 2024-25
DATE	16 th January 2024
REPORT OF	Liz Brummer, Strategic Finance Lead

1. RECOMMENDATIONS

It is recommended that Schools Forum:

- Agree the proposed approach and decisions taken by officers in conjunction with the Schools Forum working party in respect of the final schools funding formula proposed for 2024-25.

2. INTRODUCTION

On the 19th December 2023 the Department for Education (DfE) issued the final funding allocations for the 2024-25 financial year together with a revised APT updated for the October 2023 School census data.

The purpose of this report is to update Schools Forum members on the effect of the updated data, the re-modelling undertaken and the final proposed funding formula for 2024-25 prior to submission of the proforma to the DfE.

3. PUPIL NUMBERS

The updated School Census data shows a net decrease in pupil numbers as follows:

Sector	2023-24	2024-25	Change in Pupil Numbers
Primary	13,229	13,061	(168)
Secondary	9,156	9,142	(14)
Total	22,385	22,203	(182)

There have been some schools with significant changes, these are categorised below:

PRIMARY	
Pupil No. Changes Oct 22 – Oct 23	No. Schools Impacted
11-20	5
0-10	12
(1)-(10)	18
(11)-(20)	11
(21)-(30)	1

SECONDARY	
Pupil No. Changes Oct 22 – Oct 23	No. Schools Impacted
101-125	1
76-100	1
51-75	0
26-50	1
0-25	1
(1)-(25)	1
(26)-(50)	3
(51)-(75)	1
(76)-(100)	1

4. FINAL DSG ALLOCATIONS

The impact of the net pupil number decreases along with the other updated data and confirmation of the DSG growth funding factor of £0.58M gives a final 2024-25 Schools Block allocation of £131.31M

Initial modelling work and indicative school allocations were based upon a provisional allocation, excluding the DSG growth factor, of £132.37M

As can be seen from the above the overall funding has reduced due to pupil number changes but this does not impact per pupil value of funding.

All modelling assumptions now adopt in full the National Funding Formula (NFF) values in full in line with DFE guidelines, consideration is also made to the guideline Primary: Secondary Ratio parameter of 1:1.28.

By applying the NFF values to the latest APT pupil data a total of £131.98M will be allocated for schools, leaving a balance of £0.04M which is proposed to be allocated to the Growth Fund.

The Growth Fund is used to fund future pupil number increases in line with local policy and maintenance of this fund helps to mitigate the impact on existing schools. The level of funding required, and local policy criteria, must be considered on an annual basis as part of the funding formula to ensure that a reasonable level of funding is available to avoid pressures on the schools block.

5. FINAL FUNDING FORMULA 2024-25

If the proposals set out above are accepted the 2024-25 Schools Funding Formula will:

- Adopt the NFF values in full
- Allocate £0.04M to the Growth Fund to support schools where agreed criteria is met.
- Set the Primary:Secondary ratio at 1:1.30. (1:1.31 in 2023-24) which moves us closer to guideline ratios.
- Provide additional funding for 8 primary schools in order to meet the minimum funding levels (£0.42M). The cost for 2023-24 was £0.49M
- Maintains the maximum Minimum Funding Guarantee (MFG) at 0.50%. As a result, schools that gain will be allowed to keep these.

- Have an MFG cost of £0.3M protecting 7 primary schools and 3 secondary schools. The cost for 2023-24 was £0.4M.
- Put 71.88% of the funding through Basic pupil factors – Age Weighted Pupil Factors (AWPU). This was 72.36% in 2022-23.
- Put 93.28% of the funding through Pupil led factors – Age Weighted Pupil Factors (AWPU), deprivation, prior attainment etc. This was 93.29% in 2023-24.
- Allocates 100% of the schools block. See below:

	£M
2024-25 Final Allocation	132.02
Less: Growth Fund	0.04
Less: Rates Top Slice	0.72
Amount to allocate to Schools	131.26
Less: Amount proposed allocated to schools	131.26
Balance	0

As in previous years the rates will be dealt with in that the total rates liability for all schools in the Borough will be paid by the ESFA to the billing authority (NELC). This will be funded by an equivalent amount of funding being top sliced from the DSG. The top slice reflected in our allocation is £0.72M

The formula submission needs to be forwarded to the DfE by their deadline of 20th January 2024.