

Committee:	Schools Forum
Meeting Date:	18 th January 2024
Title:	Schools Block Funding Submission: 2024-25
Author:	Michael Quinton, Senior Accountant - CYP
Decision making / consultative / information:	Information
Who can vote?	Not applicable

What is the Forum being asked to decide?

1. This is an information paper only and contains details of the submission of schools' block budget to the Education, Skills and Funding Agency (ESFA) and some further updates around funding for 2024-25.

Reason for recommendation

2. Previously the recommendation and agreed by Schools Forum at the last meeting, (30.11.23) is for Suffolk to continue to follow the National Funding Formula (NFF).

Alternative options

3. Suffolk could decide not to follow NFF and use different rates and factors, however Forum have already agreed to this would not be their preferred option.

Who will be affected by this decision?

4. This paper is for information only.

Main body of the Report

5. Updated October 23 census information and associated updates for the 2024-25 Dedicated Schools Grant (DSG) funding was received by the Local Authority on the 19th December 2023. 2024-25 allocations are shown in **table 1** below.

Table 1

December published 2023 allocations

Dedicated schools grant: 2024-25 allocations local authority summary			2024-25 schools block (£million)	2024-25 central school services block allocation (£million) + Growth & De- Delegation	2024-25 high needs block allocation (£million)	2024-25 early years block (£million)	2024-25 total DSG allocation (excluding rates) (£million)
	Unit of Funding	Number of Pupils					
Primary	£5,090	54,030.50	£274,988,770				
Secondary	£6,438	39,237.50	£252,617,303				
Premises Factor			£4,913,909				
Growth Factor			£3,697,927				
Schools Block allocations			£536,217,909				
Deductions for ESFA payments to billing authorities for NNDR			-£4,638,061				
DfE allocation			£531,579,848	£5,158,610	£113,940,439	£63,243,484	£713,922,381
0.5% Transfer to support HNB deficit			-£2,657,899				
Sub-total			£528,921,949				
Growth Fund			-£1,980,000	£1,980,000	£0	£0	£0
Less Lump sum for amalgamated schools			-£89,600				
Add back: Deductions for ESFA payments to billing authorities for NNDR			£4,638,061				
Total Funding for Schools Block Formula			£531,490,410				
Deduct Rates Rates							
High Needs Recoupment (November 23)					-£26,216,000	£0	-£26,216,000
Total to allocate (excluding rates)			£531,490,410	£7,138,610	£87,724,439	£63,243,484	£689,596,943
Estimated de-delegation			-£600,229	£600,229	£0	£0	£0
Total DSG Income			£530,890,181	£7,738,839	£87,724,439	£63,243,484	£689,596,943

Table 2

Block	23-24 Allocation	24-25 Allocation	Change £	Change %
Schools Including 23-24 MSAG	£524,188,720	£531,579,848	£7,391,128	1.4%
High Needs	£107,203,958	£113,940,439	£6,736,481	6.3%
Central	£5,480,429	£5,158,610	-£321,819	-5.9%

6. **Table 2** shows that overall, £531.6m is available DfE allocation for Suffolk. The % increase on 2023-24 for the total funding distributed to schools is 1.4%. Please note this takes into account the transfer to support the DSG deficit recovery agreed by Schools Forum of 0.5% of the Schools Block. Pre-transfer the increase was 1.9%.

7. There are some differences from the draft proforma presented at the 30th November 2023 meeting, which are:

- Primary pupil numbers reduced by 799 (Oct 22 to Oct 23).
- Secondary pupil numbers increased by 371 (Oct 22 to Oct 23).
- This has resulted in a net £1.7m reduction in AWPU and the amount of funding for Suffolk. See **Table 3** below for detail).

Unit of Funding	Number of Pupils (Oct 22)	DRAFT 2024-25 schools block - per pupil (£million)	Number of Pupils (Oct 23)	2024-25 schools block - per pupil (£million)	Pupil number difference	Schools block - per pupil funding difference (£ million)
£4,821	54,829	£279,052,744	54,031	£274,988,770	-799	-£4,063,974
£6,119	38,867	£250,231,965	39,238	£252,617,303	371	£2,385,338
-	93,696	£529,284,709	93,268	£527,606,073	-428	-£1,678,635

- AWPU (as the balancing figure) also needed to be reduced to reflect increases from the draft APT in relation to other schools' block factors. Material difference include:
 - £0.4m Deprivation
 - £0.4m EAL
 - £0.1m Mobility
 - £1.2m Low prior attainment
8. Please be aware that the schools block budget submission isn't until the 22nd January. There are still aspects of the budget that are being modelled and worked on (rates, rents, minimum funding levels, minimum funding guarantee etc) which could result in some further changes to the AWPU as this is used for any balancing adjustments. All other factors remain and follow the NFF as the agreed approach.
9. All the schools' block factor updates were set out in the paper - Schools Block Funding Formula: 2023-24 presented on 30th November 2023 meeting and there have been no further changes or updates since, however to re-cap:
- The mainstream schools additional grant (MSAG) has been rolled into the NFF by adding an amount representing what schools receive through the grant into their baselines. This means funding increases year on year are calculated on the same basis.
 - adding the value of the lump sum, basic per pupil rates and free school meals Ever 6 (FSM6) parts of the grant onto the respective factors in the NFF
 - uplifting the minimum per pupil values by the mainstream school's additional grant's basic per-pupil values and an additional amount which represents the average amount of funding schools receive from the FSM6 and lump sum parts of the grants.
- Increasing NFF factor values (on top of the amounts added for the MSAG) by:
 - 1.4% to the following factors: basic entitlement, low prior attainment (LPA), FSM6, income deprivation affecting children index (IDACI), English as an additional language (EAL), mobility, sparsity, and the lump sum.
 - 1.4% to the minimum per pupil levels (MPPL)
 - 1.6% to the free school meals (FSM) factor value
 - A new formulaic approach to split sites, which has replaced local level approaches. Schools eligible must have site which has the same URN, is separated by a road or railway line and the separate building is maintained by the school and for the education of 5–16-year-olds.
10. **Annex A** shows the proposed final proforma that will be submitted to the ESFA on 22nd January 2024. As stated earlier in the report, this will be subject to alterations as this is still a working document. Political ratification is also required before budgets are submitted to schools during February 2024. Officers plan that Suffolk LA schools will receive their budget information for 2024-25 on the 16th February. Academies will be notified of their budgets as determined by the ESFA towards the end of February.

Growth fund

11. LAs are able to retain some of their school's block funding centrally to allocate to a growth and falling rolls fund. Schools Forum have previously agreed to a budget of £1.780m for growth and £0.200m for falling rolls and this will continue at the current levels in 24-25.

12. The growth fund is used to support:

- growth in pre-16 pupil numbers to meet basic need pressures.
- additional classes needed to meet the infant class size regulation.
- and meet the costs of new schools.

Falling Rolls fund

13. LAs are also able to retain funding centrally to support schools currently experiencing falling rolls. The purpose of this fund is to provide financial support to schools where there is a temporary fall in pupil numbers, but numbers are forecast to recover back to previous levels within 3 years. The funding is designed to support schools to avoid the need to take costly actions to reduce their capacity when demographic data shows capacity will recover in the near future.

14. The fund cannot be used to prop up unpopular or failing schools. Schools Forum agreed to Suffolk introducing a small falling rolls fund at the meeting of 30th June 2022.

Annex A (Draft – not finalised)

Pupil Led Factors

1) Basic Entitlement Age Weighted Pupil Unit (AWPU)	Reception uplift	No	Pupil Units		0.00			
	Description	Amount per pupil		Pupil Units		Sub Total	Total	Proportion of total pre MFG funding (%)
1) Basic Entitlement Age Weighted Pupil Unit (AWPU)	Primary (Years R-6)	£3,508.75		54,074.00		£189,732,364	£394,849,998	35.79%
	Key Stage 3 (Years 7-9)	£4,968.75		23,956.00		£119,031,471		22.45%
	Key Stage 4 (Years 10-11)	£5,628.75		15,294.00		£86,086,164		16.24%
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)
2) Deprivation	FSM	£490.00	£490.00	12,025.61	8,933.00	£10,269,721	£43,508,178	8.21%
	FSM6	£820.00	£1,200.00	12,208.90	9,441.00	£21,340,496		
	IDACI Band F	£235.00	£340.00	5,414.52	3,764.76	£2,552,431		
	IDACI Band E	£285.00	£450.00	4,434.31	3,117.97	£2,666,863		
	IDACI Band D	£445.00	£630.00	2,079.93	1,498.40	£1,869,561		
	IDACI Band C	£485.00	£690.00	2,978.11	2,200.19	£2,962,512		
	IDACI Band B	£515.00	£740.00	808.42	518.83	£800,266		
	IDACI Band A	£680.00	£945.00	776.49	548.48	£1,046,329		
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)
3) English as an Additional Language (EAL)	EAL 3 Primary	£590.00		4,002.14		£2,361,264	£4,288,299	0.65%
	EAL 3 Secondary		£1,585.00		697.33	£1,105,261		
4) Mobility	Pupils starting school outside of normal entry dates	£960.00	£1,380.00	715.03	98.07	£821,773		0.16%
	Description	Weighting	Amount per pupil (primary or secondary respectively)	Percentage of eligible pupils	Eligible proportion of primary and secondary NOR respectively	Sub Total	Total	Proportion of total pre MFG funding (%)
5) Low prior attainment	Primary low prior attainment		£1,170.00	31.67%	17,123.39	£20,034,369	£36,621,629	6.91%
	Secondary low prior attainment (year 7)	55.77%	£1,775.00	23.69%	9,344.94	£16,587,261		
	Secondary low prior attainment (year 8)	54.47%		24.30%				
	Secondary low prior attainment (year 9)	54.47%		24.25%				
	Secondary low prior attainment (year 10)	64.53%		23.36%				
	Secondary low prior attainment (year 11)	64.53%		23.43%				

Factor	Lump Sum per Primary School (£)	Lump Sum per Secondary School (£)	Lump Sum per Middle School (£)	Lump Sum per All-through School (£)	Total (£)	Proportion of total pre MFG funding (%)
6) Lump Sum	£134,400.00	£134,400.00			£39,916,800	7.53%
7) Sparsity factor	£57,100.00	£83,000.00	£83,000.00	£83,000.00	£3,670,634	0.69%
Primary distance threshold (miles)	2.00	Primary pupil number average year group threshold	21.40	Apply primary distance taper	Yes	NFF, tapered or fixed sparsity primary lump sum?
Secondary distance threshold (miles)	3.00	Secondary pupil number average year group threshold	120.00	Apply secondary distance taper	Yes	NFF, tapered or fixed sparsity secondary lump sum?
Middle schools distance threshold (miles)	2.00	Middle school pupil number average year group threshold	69.20	Apply middle school distance taper	Yes	NFF, tapered or fixed sparsity middle school lump sum?
All-through schools distance threshold (miles)	2.00	All-through pupil number average year group threshold	62.50	Apply all-through distance taper	Yes	NFF, tapered or fixed sparsity all through lump sum?
8) Fringe Payments			Fringe multiplier	1.0000	£0	0.00%
9) Split Sites	Basic eligibility funding	£53,700.00	Distance funding rate	£26,900.00	£161,200	0.03%
10) Rates					£4,616,250	0.87%
11) PFI funding					£0	0.00%

12) Exceptional circumstances (can only be used with prior agreement of ESFA)

Circumstance	Total (£)	Proportion of total pre MFG funding (%)
Additional lump sum for schools amalgamated during FY23-24	£0	0.00%
Additional sparsity lump sum for small schools	£0	0.00%
Rent	£114,232	0.02%
Exceptional Circumstance4	£0	0.00%
Exceptional Circumstance5	£0	0.00%
Exceptional Circumstance6	£0	0.00%
Exceptional Circumstance7	£0	0.00%

Total Funding for Schools Block Formula (excluding minimum per pupil funding level and MFG Funding Total)	£527,747,220	99.55%
13) Additional funding to meet minimum per pupil funding level	£2,389,579	0.45%
Total Funding for Schools Block Formula (excluding MFG Funding Total)	£530,136,798	100.00%

14) Minimum Funding Guarantee	0.41%	£1,353,611
Where a value less than 0% or greater than 0.5% has been entered please provide the disapplication reference number authorising the value		
Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)		No
Capping Factor (%)	Scaling Factor (%)	
Total deduction if capping and scaling factors are applied		£0
MFG Net Total Funding (MFG + deduction from capping and scaling)	£1,353,611	0.25%
Total Funding for Schools Block Formula	£531,490,410	