



## Schools Funding Forum 30<sup>th</sup> November 2023

## ITEM 4

**Subject Heading:**

**Schools funding consultation 2024-25**

**Report Author:**

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Manager**

**Eligibility to vote:**

**All school and academy members**

### SUMMARY

This report provides details of the Consultation on Schools and High Needs Funding 2024-25, which closed on Thursday 23<sup>rd</sup> November 2023, and the responses received.

### RECOMMENDATIONS

That the Schools Funding Forum:

- (i) considers the responses to the Consultation on Schools and High Needs Funding 2024-25 submitted by schools and academies
- (ii) agrees that Option A, which includes a transfer of 0.5% from the School Block to the High Needs Block, be used in the calculation of funding for 2024-25.
- (iii) considers whether any action is required following the results of the consultation and prior to Local Authority receiving final funding allocations from the Department for Education later this month

## REPORT DETAIL

### Consultation on Schools and High Needs Funding 2024-25

At the meeting held on 19<sup>th</sup> October 2023 the Schools Funding Forum received a report on the revised indicative Dedicated Schools Grant (DSG) Schools Block funding for financial year 2024-25.

The Local Authority presented two options for the distribution of funding to schools and academies. In the first of these options, Option A, there would be a transfer of 0.5% of the Schools Block to the High Needs Block, to maintain the increase in high needs funding introduced for 2023-24. The Minimum Funding Guarantee would be set at 0.5%, the maximum permitted, and there would be a gains cap of 2.4%.

In the second option, Option B, there would be no pre-set transfer of funds from the Schools Block to the High Needs Block, the Minimum Funding Guarantee would be set at 0.5%, the maximum permitted, and there would be no gains cap. Funding unallocated through the formula, £301k using the indicative figures, would be transferred to the High Needs Block.

Both options used the DfE's National Funding Formula factors and rates and both options allowed for a transfer within the School Block of £500k to maintain funding rates for growth and falling rolls at the current levels.

The Schools Funding Forum agreed that the two options presented should form the basis of the consultation with schools and academies on funding for 2024-25.

The funding consultation was issued on 9<sup>th</sup> November 2023 with a closing date of 23<sup>rd</sup> November 2023. The consultation document is shown at Appendix A.

### Responses received

The result was as follows:

Option	No of schools / academies	%
<b>A</b> 0.5% transfer from Schools Block to High Needs Block	21	72.4%
<b>B</b> No pre-set transfer from Schools Block to High Needs Block	8	27.6%

Responses were received covering 29 schools and academies, one more than last year, and 38% of the total number.

The table above shows the number of schools and academies covered by the responses received. Where a response was received from a federation or multi

academy trust, a vote has been recorded for each school or academy within that federation or trust.

The table below shows the result by respondent. Where a response was received from of a federation or multi academy trust this has been recorded as one vote.

<b>Option</b>	<b>No of responses</b>	<b>%</b>
<b>A</b> 0.5% transfer from Schools Block to High Needs Block	16	84.2%
<b>B</b> No pre-set transfer from Schools Block to High Needs Block	3	15.8%

A more detailed analysis of the responses, together with any comments submitted, is shown at Appendix B.



**Havering**  
LONDON BOROUGH

# Consultation on Schools and High Needs Funding 2024-25

**Release : *Version 1 - 9th November 2023***

## Contents

Introduction .....	3
Process .....	3
Responding to the Consultation .....	3
Background to the funding options for 2024-25 .....	4
1 Dedicated Schools Grant (DSG) .....	5
2 Havering’s Schools Block funding 2024-25 .....	5
2.1 The National Funding Formula .....	6
2.2 Minimum per-pupil Funding Levels for primary and secondary schools (MPPL) .....	7
2.3 The Minimum Funding Guarantee (MFG) .....	7
2.4 Gains cap .....	7
2.5 Pupil Growth and Falling Rolls Funding .....	8
3 Havering’s High Needs Block funding 2024-25 .....	8
3.1 Dedicated Schools Grant (DSG) deficit .....	9
3.2 DSG Management Plan and Delivering Better Value (DBV) Programme .....	9
3.3 Transfer of Schools Block Funding to High Needs .....	10
3.3.1 High Needs funding rates for schools 2023-24 .....	11
3.4 High needs funding 2024-25 – Task and Finish Group .....	11
4 Funding Formula 2024-25 and Funding Options .....	12
5 Conclusion .....	14
Appendix A – NFF Rates 2024-25 .....	15
Appendix B - LBH Funding Formula 2024-25 Proposals – Option A and B .....	16

## **Introduction**

This consultation document proposes options for the allocation of funding to mainstream schools for the financial year 2024-25 through the local funding formula and in support of pupils with high needs.

Schools are asked to consider the funding options outlined and respond to the Local Authority (LA) for further consideration by the Schools Funding Forum.

At this stage, all figures used in the calculations are from the October 2022 Census, but with the National Funding Formula (NFF) rates that will apply in the 2024-25 funding formula. The final calculation will be based on the October 2023 Census data.

The DfE do not release the October 2023 Census data until late December 2023. Therefore, LAs consult using the previous year's dataset (October 2022 Census) to agree the principles for the forthcoming financial year.

## **Process**

A summary of responses to the consultation will be reported to the meeting of the Schools Funding Forum on 30<sup>th</sup> November 2023, and will form part of the final decisions taken by the Local Authority in January, before schools are issued with their funding for the 2024-25 financial year.

## **Responding to the Consultation**

The consultation paper and online link is sent to the Head Teachers of all schools and academies. Please bring this to the attention of Chairs of Governors, Chairs of Resources, Board Members and Trustees as appropriate.

You can contribute your views to the consultation in the online link below:

<https://consultation.havering.gov.uk/education/2a60cf91>

If you require clarification on any point please email:

Education Finance at: [education.finance@havering.gov.uk](mailto:education.finance@havering.gov.uk)

**Closing date of consultation:** 12.00pm Thursday 23rd November 2023

## **Schools Funding 2024-25**

### **Background to the funding options for 2024-25**

This year, as was the case for 2022-23 and 2023-24, we are consulting schools on a single issue, whether to transfer funding from the Schools Block to the High Needs Block of the Dedicated Schools Grant.

A transfer to the High Needs Block means reducing the funding distributed through the schools funding formula and using the funding made available to support pupils with SEN. Local Authorities, with the agreement of their Schools' Funding Forum, are permitted to transfer up to 0.5% of the Schools Block funding to High Needs funding. Based on indicative figures for 2024-25 this would equal £1.155m.

The two options for the allocation of 2024-25 funding are presented in this consultation:

- Option A - 0.5% transfer from Schools Block to High Needs
- Option B – no pre-set transfer from the Schools Block to High Needs. Any transfer would be restricted to unallocated funds available

Further details of these options, and of the impact on schools' formula funding are outlined in this document and on the attached appendices.

Supporting increased numbers of pupils with high needs, and the growing complexity of needs, is placing an undue burden on school budgets. There is a risk that financial considerations may begin to jeopardise inclusivity and that schools with a large number of pupils with high needs find it increasingly difficult to reach a balanced budget.

To help address this the funding consultation for 2023-24 included the option of transferring 0.5% (£1.109m) of the Schools Block to the High Needs Block so that this could be allocated to schools in support of pupils with high needs.

The Schools Funding Forum established a Task and Finish Group, comprised of head teachers and staff from the local authority, to examine High Needs funding for schools. This looked at how the £1.109m transfer from Schools Block, plus an additional £1.76m received following the Government spending review in autumn 2022, might be allocated.

At the conclusion of the funding consultation for 2023-24, 78% of respondents favoured the transfer of funds to High Needs. Details of the increases in High Needs funding that resulted from this are shown below in [Section 3.3.1](#).

Having used the 0.5% (£1.109m) transferred from the School Block to establish High Needs funding rates for 2023-24, it is necessary to transfer 0.5% again in 2024-25 to ensure that the rates can be maintained. The Task and Finish Group has been re-established to consider how high needs funding for schools in 2024-25 is distributed.

## 1 Dedicated Schools Grant (DSG)

The Government announced in the Autumn 2021 Spending Review that the total core school budget (including funding for mainstream schools and high needs) was to increase to £56.8 billion by 2024-25, a £7 billion cash increase compared with 2021-22. 2024-25 is the third and final year of the three year funding settlement

Since that original announcement, additional central government increases to the budget (via additional grants) of £1.5 billion in 2023-24 and a further £1.3 billion in 2024-25, has brought the total core schools budget to total over £59.6 billion in 2024-25.

For 2023-24 budgets, the Government introduced a mainstream schools additional grant (MSAG) to allocate extra funding announced in the autumn 2022 spending review. For 2024-25 MSAG is being rolled into the schools National Funding Formula (NFF) to ensure that this additional funding forms an on-going part of schools' core budgets. Appropriate adjustments have been made to the NFF factor values and baselines to reflect this.

## 2 Havering's Schools Block funding 2024-25

In July 2023 the Department for Education issued indicative allocations for 2024-25 to local authorities. At the same time the National Funding Formula (NFF) values for 2024-25 were published. In October 2023 the DfE announced that they had made an error in forecasting pupil numbers and issued reduced indicative allocations for 2024-25. At the same time the NFF values for 2024-25 were reduced. The figures used in this document and in formula modelling are the revised figures.

Local authority allocations are based on primary and secondary units of funding (PUFs and SUFs). The indicative allocations released by the DfE are calculated using October 2022 data and will be updated in December for October 2023 pupil numbers.

	Actual primary unit of funding (PUF) £	Actual secondary unit of funding (SUF) £	Primary pupil numbers	Secondary pupil numbers	Pupil Funding £	Mainstream Schools Additional Grant £	Rates (NNDR) £	Total Funding £
2024-25 (Oct 2022 census data)	5,171	6,981	23,584	15,314	228,849,983	0	2,106,175	230,956,158
2023-24	4,912	6,627	23,584	15,314	217,322,297	7,479,093	2,440,293	227,241,683
Change	259	354	0	0	11,527,686	-7,479,093	-334,118	3,714,475



The total Schools Block allocation also includes funding for pupil growth and falling rolls which will be notified to the LA by the DfE in December. It is expected to be lower than the amount received for 2023-24.

	Growth & falling rolls funding £	Total Schools Block and SSG funding £
2024-25 (estimate)	1,788,538	232,744,696
2023-24	2,035,324	229,277,008
Diff	-246,786	3,467,688

## 2.1 The National Funding Formula

Havering took the decision to adopt the National Funding Formula (NFF) factors and values in 2018-19 when they were introduced. The Schools Funding Forum has agreed that they should again be used in the calculation of schools' funding allocations for 2024-25.

The NFF funding rates have been increased to reflect the rolling in of the Mainstream Schools Additional Grant (MSAG) and as part of the Government's national increase in funding for schools. For core factors (the basic per pupil funding factor, additional needs factors and the school lump sum) the increase is 1.4%. The free school meals factor has increased by 1.6%

A slight decrease in the value of the Area Cost Adjustment (ACA) has been applied to funding for Havering, which means that factor values have increased by slightly less than the percentages quoted above. The ACA is an uplift to reflect geographical variation in labour market costs, similar to London weighting.

The change in the factor rates for 2023-24 and 2024-25 are shown in [Appendix A](#).

Having adopted NFF factors and values, decisions still need to be made each year on whether funding should be transferred from the Schools Block to the High Needs Block of the Dedicated Schools Grant (DSG) and whether to supplement the funding received from the DfE for the Growth and Falling Rolls Fund. Decisions also need to be made on the level of the minimum funding guarantee (MFG) and any gains cap to be applied.

Following a consultation held in summer 2021 the DfE began the move from a 'soft' NFF to a 'direct' NFF with transitional arrangements in place since financial year 2023-24. The resultant transitional arrangements remain unchanged for 2024-25, with LAs still required to use only NFF factors in local formulas and to move 10% closer to NFF factor values. These have no impact for Havering schools as NFF factors and values have already been adopted in full since 2018-19.

As the move to a 'direct' NFF continues in future years, it is likely that there will be changes that impact on Havering schools, for example, there is likely to be less local flexibility in determining the formulas used to allocate funding for Growth and Falling Rolls.

## **2.2 Minimum per-pupil Funding Levels for primary and secondary schools (MPPL)**

In allocating funding to schools, Local Authorities need to ensure that minimum per-pupil funding levels are met. For 2024-25 these are £4,610 for primary schools and £5,995 for secondary schools. This includes funding for the rolling in of the Mainstream Schools Additional Grant (MSAG) and a 1.4% increase.

In 2023-24 the MPPL levels were £4,405 for primary schools and £5,715 for secondary schools. One primary and no secondary schools received funding at the MPPL level. From provisional modelling, using October 2022 census data, again one primary and no secondary schools would be funded at MPPL levels in financial year 2024-25. This is subject to change once the final dataset for the October 2023 Census is received.

## **2.3 The Minimum Funding Guarantee (MFG)**

The Minimum Funding Guarantee (MFG) ensures that schools per pupil funding rises by a minimum percentage from the previous year. For 2024-25 local authorities can apply an MFG of between 0.0% and 0.5%. This means that where the per pupil funding for a school has risen by less than the MFG rate, the increase will be topped up to the level of the MFG.

As an example an MFG set at 0.5% would work as follows:

School's per pupil funding in 2023-24	£4,800
Formula funding for 2024-25	£4,600 (a fall from 2023-24)
School to be funded at 2023-24 + 0.5%	£4,824

For 2023-24 the MFG was set at 0.5%. In the 2024-25 funding consultation, both Option A and B propose an MFG of 0.5%, the maximum permitted, as the funding released by reducing the MFG to 0.0% would not have a significant impact if used elsewhere.

## **2.4 Gains cap**

Local Authorities are able to adopt a gains cap if there is insufficient funding left in the Schools Block to meet formula allocations, MFG requirements and any transfers to High Needs and the fund for growth and falling rolls.

As an example a gains cap set at 2.4% would work as follows:

School's per pupil funding in 2023-24	£4,800
Formula funding for 2024-25	£4,944 (a rise of 3.0%)
School to be funded at 2023-24 + 2.4%	£4,915

For 2023-24 a gains cap of 3.15% was applied to enable the transfer of 0.5% of the Schools Block to High Needs. In the 2024-25 funding consultation Option A proposes a gains cap of 2.4%, with a transfer to High Needs of 0.5%.

Option B has no pre-set transfer to High Needs and no gains cap. Only the funds remaining after school budgets have been calculated would be transferred to High Needs. This will be a significantly lower sum than in Option A. Using the indicative allocations issued, the funds available to transfer to High Needs would be equivalent to 0.13% of the Schools Block.

## **2.5 Pupil Growth and Falling Rolls Funding**

As outlined above, the phased move to a direct NFF is likely to impact on the funding received by schools for growth and Rolls in coming years.

As part of the updated funding arrangements for 2024-25, the Falling Rolls Fund will now be able to support schools where school capacity survey (SCAP) data shows that school places will be required in the subsequent three to five years. The restriction applied in previous years, that schools must be judged Good or Outstanding at their last Ofsted inspection to be eligible for funding, has been removed.

The local arrangements for supporting schools as part of the Growth fund remain affected for 2024-25.

The allocation for Growth funding is distributed based on the actual growth that LAs experience for each year, which is following the NFF principles of funding on a lagged funding basis (funding in a given year based on pupil numbers from the year before).

The calculation is based on the difference between the primary and secondary number on roll in each postcode locality (Middle Layer Super Output Area) between the most recent October pupil census, and the census in the previous October. For financial year 2024-25 allocation this will be the October 2023 and October 2022 Census respectively, with the per pupil rate for Havering (including ACA) for primary is £1,679.46 and for secondary is £2,513.77 for the seven months period that the growth spans during the financial year (September to March).

Havering's Growth and Falling Rolls funds support school expansions, bulge classes and those schools with falling rolls meeting the new revised requirements. The allocations for existing bulge classes, previous year expansions moving through year groups and for falling rolls, were set out for the Schools Funding Forum. A budget of approximately £2.2m is required to continue funding on the current basis, a similar amount to that required for the 2023-24 financial year.

The Schools Funding Forum agreed that pupil growth and falling rolls funding for schools needs to be protected at current levels whilst this is still permitted by NFF regulations. This will require the use of approximately £500k of the Schools Block funding. In the funding consultation for 2023-24 both Option A and Option B include this transfer.

## **3 Havering's High Needs Block funding 2024-25**

Indicative funding for 2024-25 is as shown in the table below with comparable data from 2023-24. The DfE formula for allocating High Needs Funding to local authorities uses twelve different factors and adjustments. The Pupil Population Projection factor for 2 - 18 year olds and the Historic Spend factor (based on 50% of 2017-18 actual LA High Needs spend) distribute the largest proportion of funding.

For comparative purposes, the pupil population factor is shown below.

	Aged 2 – 18 Pupil Population Projection	Provisional High needs NFF allocations £	Additional High Needs allocation announced December 2022 £	Total High Needs allocations (provisional) £
2024-25	57,838	42,953,843	-	42,953,843
2023-24	57,405	39,032,906	1,760,760	40,793,666
Difference	433	3,920,937	-1,760,760	2,160,177

Although funding for 2024-25 will increase by £2.16m (5.3%), costs are expected to rise by considerably more than this due to rising costs (including salary increases), an increase in the number of pupils with high needs and the complexity of need. The High Needs Block is expected to overspend by £7.5m in the current financial year. With a £8.5m deficit brought forward, this will bring the cumulative deficit to £16.0m.

### 3.1 Dedicated Schools Grant (DSG) deficit

In financial year 2022-23, an overspend of £8.6m in the High Needs Block was offset by £0.1m underspends in other areas of the DSG resulting in a deficit carried forward into financial year 2023-24 of £8.5m.

This is the fourth consecutive year that the DSG as a whole has ended the year with a deficit, DSG underspends in other areas being insufficient to cover the overspend in the High Needs Block.

Previous years' transfers from the Schools Block to the High Needs Block and uncommitted underspends in areas other than high needs have assisted in keeping the overspend lower than it would otherwise have been. The LA will continue to keep all areas of DSG spending under review to identify potential savings to meet the forecast overspend in the High Needs block.

At the end of September 2023, the projected in-year deficit in High Needs was estimated at £7.5m, a reduction of £0.5m on the original projection at the start of the year. This gives rise to an estimated cumulative deficit at the end of financial year 2024-25 of £16.0m.

### 3.2 DSG Management Plan and Delivering Better Value (DBV) Programme

Any LA that has an overall deficit on its DSG account at the end of the 2022-23 financial year, or whose DSG surplus has substantially reduced during the year, is required to complete the Dedicated School Grant Management Plan or to have an equivalent framework.

The DfE has introduced two programmes to support LAs that have DSG deficits. These are the Safety Valve Intervention programme and the Delivering Better Value in SEND (DBV) programme.

The Safety Valve Intervention programme targets support and financial resources to the LAs with the highest DSG deficits with the aim of producing a sustainable long-term position.

Following the inception of the Safety Valve programme, the DfE setup the DBV Programme in financial year 2022-23. The programme supports LAs with lower, but still significant deficits. The DfE prioritised the programme based on the size of the LAs DSG deficit, and Havering was in the second tranche of Local Authorities involved in the programme.

Havering worked with Newtons, consultants commissioned by the DfE to administer the programme. Under the DBV programme LAs are able to bid for up to £1m grant, covering two years, to support projects which aspire to deliver significant improvements to services for children and young people with SEND, alongside significant financial benefits over the next 5 years. Havering was successful in a bid for the full £1m available. This grant cannot be used to reduce the deficit in the DSG.

Havering has seen the second highest national increase in child numbers between 2011 and 2021. This has led to pressures across Children's Services including SEND. Increased numbers of Education Health Care Plans are being requested and awarded with more cases requiring a higher level of support. In line with other LAs Havering is also seeing a continued increase in cost of out of borough provision. In addition, the number of pupils migrating into the borough requiring additional support exceeds those leaving the borough.

Havering's focus historically has been to support as many children as possible in mainstream settings, whilst placing children with greater needs in local Additional Resources Provisions (ARPs), Special Units and Special Schools. However, demand for ARP, Special Unit and Special School places has outstripped demand in recent years. The problem has been exacerbated by delays in building works to create new places.

The mitigations identified during the DBV programme include seeking to build parental confidence in mainstream provision through better engagement, communication and co-production. Whilst Havering has high levels of children with an EHCP in mainstream schools, there are some schools with significantly fewer children with an EHCP than others.

Havering is seeking to develop greater capacity in our mainstream schools by developing an inclusion peer review process and harnessing the expertise in our most inclusive schools. The LA is also looking to further strengthen our existing training and support offer, engaging parents and practitioners in co-production. At the same time an increase in the number of Special Units is planned.

### **3.3 Transfer of Schools Block Funding to High Needs**

In 2023-24, following consultation with schools, Havering transferred £1.109m (0.5%) from the Schools Block to the High Needs Block. For 2024-25 LAs are again able to transfer up to 0.5% of the Schools Block to other DSG blocks. Funding Option A for 2024-25 proposes that 0.5% of the Schools Block is again transferred to the High Needs Block. Using the indicative figures this equates to £1.154m.

### **3.3.1 High Needs funding rates for schools 2023-24**

Following the transfer of £1.109m from the Schools Block to High Needs and the receipt of an additional £1.76m announced in the autumn 2022 spending review, the LA increased a number of the high needs funding rates for schools in 2023-24. The increased rates are expected to deliver £4m additional high needs funding for schools in the current financial year.

A High Needs Task and Finish group, made up of head teachers and LA staff, was established by the Schools Funding Forum in autumn 2022 to review funding rates and to recommend a package of changes utilising the 0.5% Schools Block transfer and the additional High Needs allocation. The Schools Funding Forum approved the changes recommended and these have been implemented. They are:

- (i) An increase in the hourly rate in support of EHCPs for children in Years R to 11 from £16.00 to £16.50.
- (ii) Funding for EHCPs to be paid to schools after the first 9.3 hours of support rather than after the first 9.6 hours.
- (iii) An increase in the pupil top-up funding for ARPs and Special Units of £1,134, from £10,726 to £11,860.
- (iv) An increase in the special school matrix funding levels of £1,134 on all bands.
- (v) An increase in the pupil top-up funding for AP of £1,134, from £10,726 to £11,860.
- (vi) An increase in the hourly rate in support of EHCP/Complex Needs in nursery years so that total funding for a nursery child (after base rate and inclusion funding) was £16.50 matching the EHCP funding rate for a Year R to 11 pupil.

### **3.4 High needs funding 2024-25 – Task and Finish Group**

Without the transfer of £1.109m from the Schools Block to High Needs it would not have been possible to increase high needs funding rates for 2023-24 to the levels shown above.

Having used the 0.5% (£1.109m) transferred from the School Block to establish High Needs Funding rates for 2023-24, it will be necessary to transfer 0.5% again in 2024-25 to ensure that the funding remains unchanged and sustainable.

As outlined above, the High Needs Task and Finish Group, set up last year, has been re-established. The Group will discuss options for the following areas:

- (i) Funding rates for EHCP supported hours.
- (ii) High needs inclusion supplement (headroom) formula review. This will be following the updated DfE guidance on the Notional SEN in the funding formula.
- (iii) Specialist Unit and Resource Provision (ARP) funding

(iv) AP Funding

(v) Special School Funding

The Task and Finish Group will be considering the arrangements and distribution of the funding for 2024-25 against a background of no additional funding being available. When the Group meets, the outcome of the consultation will be known. If Option A is preferred, and there is a transfer from the Schools Block to High Needs, then the above proposals can all be enacted. If Option B is preferred, and there is a smaller transfer, then there will be limitations on the proposals that can be pursued for 2024-25.

#### **4 Funding Formula 2024-25 and Funding Options**

The Schools Funding Forum feel that the issue of High Needs funding remains a priority and that schools should be consulted on transferring 0.5% from the Schools Block to the High Needs block again for 2024-25

Participants in this consultation are asked to express a preference for one of two options. Option A, in which 0.5% of the Schools Block is transferred to High Needs and Option B in which there is no pre-set transfer and only the balance remaining (0.13% of the Schools Block) is transferred.

Details of these two options are shown below. The impact on individual schools is shown anonymously in [Appendix B](#).

##### **Option A: 0.5% transfer from Schools Block to High Needs Block**

- High Needs funding rates for 2023-24 retained as the base rate for 2023-24. The High Needs Task and Finish Group will examine the priorities listed in [Section 3.4](#), and the funding rates for these, against the background of the maximum permitted transfer to the High Needs Block.
- Minimum Funding Guarantee set at 0.5% (maximum permitted)
- A gains cap of 2.4%
- £500,000 moved to the Pupil Growth and Falling Rolls Fund

Based on current indicative figures, if 0.5% of the School Block is transferred to the High Needs Block, it is necessary to set the gains cap at 2.4%. This allows for an MFG at 0.5% and for the allocation of the additional £500k required to maintain funding for Growth and Falling Rolls at the current level.

As the transfer of 0.5% was included in the calculation of High Needs funding rates for funding rates for 2023-24, the transfer is required again for 2024-25 to retain the base rates at the current level and for consideration of any increase to those rates.

The table below shows the figures.

	£
Total funding allocated with 0.5% MFG and 2.4% Cap	229,291,907
Total required for Pupil Growth/Falling Rolls	500,000
Transfer to High Needs (0.5%)	1,154,781
<b>Total funding required</b>	<b>230,946,688</b>
<b>Total funding available</b>	<b>230,956,158</b>
<b>Funding remaining</b>	<b>9,470</b>

The number of schools receiving formula funding, MPPL and MFG protection is shown in the table below, together with the cost of the MFG protection and savings from the cap.

No of schools on MPPL		No. of schools on MFG at 0.5%		No. of schools to receive between 0.5% and 2.4%		No of schools capped at 2.4%		Cost of MFG £000s	Saving from cap £000s
Prim.	Sec.	Prim.	Sec.	Prim.	Sec	Prim.	Sec.		
1	0	2	1	31	12	25	5	103	863

If there are additional funds available when the revised Schools Block allocation, based on October 2023 data, is received, this would be used to increase the level of the gains cap.

### **Option B: No pre-set transfer from Schools Block to High Needs Block**

Based on current indicative figures, if the minimum funding guarantee is set at 0.5%, £500k is transferred to maintain funding for growth and falling rolls at current levels and there is no gains cap, when formula budgets have been calculated there is £301k (0.13%) of the Schools Block left unallocated. This balance would then be transferred to High Needs.

- Minimum Funding Guarantee set at 0.5% (maximum permitted)
- No gains cap
- £500,000 moved to the Pupil Growth and Falling Rolls Fund
- The balance remaining after budgets have been calculated is transferred from the Schools Block to High Needs. Using the indicative funding allocations this is £301k or 0.13%.
- The base funding rates for High Needs support will be reviewed by the High Needs Task and Finish Group to see whether they are sustainable for 2024-25. The Group will be restricted in their ability to address the priority areas identified in [Section 3.4](#) as there will be £853,495 less available.



The table below shows the figures.

	£
Total funding allocated with 0.5% MFG and no Cap	230,154,332
Total required for Pupil Growth/Falling Rolls	500,000
<b>Total funding required</b>	<b>230,654,332</b>
<b>Total funding available</b>	<b>230,956,158</b>
<b>Funding remaining to be transferred to High Needs</b>	<b>301,286</b>

The number of schools receiving formula funding, MPPL and MFG protection is shown in the table below, together with the cost of the MFG protection and savings from the cap.

No of schools on MPPL		No. of schools on MFG at 0.5%		No. of schools not capped and to receive more than 0.5%		<i>No of schools capped (not applicable)</i>		Cost of MFG £000s	Saving from cap £000s
Prim.	Sec.	Prim.	Sec.	Prim.	Sec	<i>Prim.</i>	<i>Sec.</i>		
1	0	2	1	56	17	0	0	103	0

If there are additional funds available when the revised Schools Block allocation, based on October 2023 data, is received, this would be transferred to the High Needs Block, ensuring the total transferred does not exceed 0.5%.

## 5 Conclusion

We hope that this paper and the accompanying appendices explain the funding options that form the basis of this consultation, and the rationale behind these options.

As explained above, these allocations are indicative and final calculations will be made once the validated data from the October 2023 census has been received from the DfE. In addition, the final funding allocations for 2024-25 will change, increasing or decreasing for each school depending on changes in schools' pupil numbers and changes in the additional needs data.

## Appendix A – NFF Rates 2024-25

	Area Cost Adjustment		1.08352				
NFF Factor	Primary			Secondary			
	2024-25 £	2023-24 £	Increase 2023-24 to 2024-25 %	KS	2024-25 revised £	2023-24 £	Increase 2023-24 to 2024-25 %
Basic per pupil	3,859.50	3,684.29	4.76	KS3	5,441.44	5,194.26	4.76
				KS4	6,133.81	5,854.26	4.78
<i>excl MSAG</i>	3,730.56	3,684.29	1.26	KS3	5,259.41	5,194.26	1.25
				KS4	5,927.94	5,854.26	1.26
Free School Meals	530.92	521.05	1.89		530.92	521.05	1.89
FSM Ever 6	888.49	765.30	16.10		1,300.22	1,118.10	16.29
<i>excl MSAG</i>	775.80	765.30	1.37		1,135.52	1,118.10	1.56
IDACI A	736.79	727.31	1.30		1,023.93	1,009.54	1.43
IDACI B	558.01	553.62	0.79		801.80	792.44	1.18
IDACI C	525.51	521.05	0.86		747.63	738.16	1.28
IDACI D	482.17	477.63	0.95		682.62	673.03	1.43
IDACI E	308.80	303.95	1.60		487.58	483.06	0.94
IDACI F	254.63	249.67	1.99		368.40	363.65	1.31
Low Prior Attainment	1,267.72	1,253.79	1.11		1,923.25	1,899.68	1.24
EAL	639.28	629.61	1.54		1,717.38	1,698.85	1.09
Mobility	1,040.18	1,025.83	1.40		1,495.26	1,476.32	1.28
Lump sum	145,625.09	138,947.84	4.81		145,625.09	138,947.84	4.81
<i>excl MSAG</i>	140,738.41	138,947.84	1.29		140,738.41	138,947.84	1.29
Sparsity	61,868.99	61,115.34	1.23		89,932.16	88,904.91	1.16
Minimum per pupil funding level (MPPL)	4,610.00	4,405.00	4.65		5,995.00	5,715.00	4.90
<i>excl MSAG</i>	4,467.00	4,405.00	1.41		5,800.20	5,715.00	1.49
Minimum Funding Guarantee	0% - 0.5%	0.5%			0% - 0.5%	0.5%	
Gains cap	tba	3.15%			tba	3.15%	

### MSAG sums consolidated into NFF funding rates for 2024-25

	£		£
Basic per pupil - Primary	128.94	Adjustment to MPPL	
Basic per pupil - KS3	182.03	Primary	143.00
Basic per pupil - KS4	205.87	Secondary	194.80
Primary FSM6	112.69		
Secondary FSM6	164.70		
Lump sum	4,886.68		

### Consultation on Schools and High Needs Funding 2024-25 – Responses

#### Section A - Brief Summary

Option	Count	%
A	21	72.4
B	8	27.6
<b>Total</b>	<b>29</b>	<b>100.0</b>

No response was received from 48 schools

#### Section B - Full Summary - Phase / Status

Phase	Type	Status	Number of Schools	Responses	% of schools responding	Count		% of respondents	
						Option A	Option B	Option A	Option B
Primary	Infant	Maintained	6	2	33.3	0	2	0.0	100.0
Primary	Junior	Maintained	4	3	75.0	2	1	66.7	33.3
Primary	Primary	Maintained	31	12	38.7	12	0	100.0	0.0
Primary	Infant	Academy	4	2	50.0	1	1	50.0	50.0
Primary	Junior	Academy	6	2	33.3	1	1	50.0	50.0
Primary	Primary	Academy	8	3	37.5	1	2	33.3	66.7
Secondary	Secondary	Academy	18	5	27.8	4	1	80.0	20.0
<b>Total (schools)</b>			<b>77</b>	<b>29</b>	<b>37.7</b>	<b>21</b>	<b>8</b>	<b>72.4</b>	<b>27.6</b>

#### Section C - Full Summary - Trust / Federation / Individual

Phase	Category	Trust / Federation / Single	Count		% of respondents	
			Option A	Option B	Option A	Option B
Primary	Federation	Federation A	2	2	50.0	50.0
Primary	Federation	Federation B	2	0	100.0	0.0
Primary	Individual	Individual	10	0	100.0	0.0
Primary	MAT	MAT A	0	4	0.0	100.0
Primary	MAT	MAT B	1	0	100.0	0.0
Primary	MAT	MAT C	0	1	0.0	100.0
Primary	MAT	MAT E	2	0	100.0	0.0
<b>Primary Total</b>			<b>17</b>	<b>7</b>	<b>70.8</b>	<b>29.2</b>
Secondary	SAT	SAT	1	0	100.0	0.0
Secondary	MAT	MAT A	0	1	0.0	100.0
Secondary	MAT	MAT D	1	0	100.0	0.0
Secondary	MAT	MAT E	2	0	100.0	0.0
<b>Secondary Total</b>			<b>4</b>	<b>1</b>	<b>80.0</b>	<b>20.0</b>
<b>Grand Total</b>			<b>21</b>	<b>8</b>	<b>72.4</b>	<b>27.6</b>

#### Section D - Consultation responses from stakeholders

Comments
Schools choosing Option A - 4 comments
SEN Needs are the biggest challenge to schools at the moment. It is important that these funding streams continue to be protected and maintained. This Option, despite impacting my school by over £25k, is the most important option as it ensures fairness, equity and support for those schools carrying the greatest levels of need.
We discussed the options at length at our Cluster (Group B) meeting today. I have also discussed them with the Chair of Governors
Due to the alarming increase in pupils with high needs, an increase in funding will help with the huge unavoidable negative impact on our school budget.
I think the transfer option supports all schools with the ever growing need for SEND support. Will the team expand so that more support can be offered?
Schools choosing Option B - no comments