



## Schools Forum November 2023 - January 2024

*This is Issue 3 of the new 'Lancashire Schools Forum eNewsletter', a Post Forum Edition, which deals with matters considered at the Forum meeting on 11 January 2024.*

### School Budget for 2024/25

Initial information from the Government about the Schools Budget for 2024/25 has been included in previous editions of the newsletter. Final Dedicated Schools Grant (DSG) allocations for 2024/25 were published by the DfE on 19 December 2023 and pupil data was received on 19 December 2023.

Information on Lancashire's 2024/25 DSG allocations are provided below:

Forecast DSG Income	£m's
Schools Block	978.029
High Needs Block	202.146
Early Years Block	143.989
Central Schools Services Block	8.829
<b>Gross Total forecast DSG Income</b>	<b>1,332.993</b>
Total deduction for national schools non-domestic rates	- 1.275
Total deductions for direct high needs payments made by the ESFA	- 9.734
<b>Net Total forecast DSG Income</b>	<b>1,321.984</b>

At the Schools Forum meeting on 11 January 2024, school and early years representatives considered proposals for setting the 2024/25 Schools Budget. A meeting of the Lancashire County Council Cabinet was also held on 18 January 2024, where final decisions about the setting of the 2024/25 schools budget were taken. The key headlines from the 2024/25 budget setting process include:

#### Schools Block

As agreed from 2018/19, Lancashire will use the National Funding Formula (NFF) methodology to calculate Schools Block budgets in 2024/25.



Allocations for Lancashire schools and academies from April 2024 will include our share of the additional Dedicated Schools Grant (DSG). The main changes to NFF formula factors arising from this additional funding are set out below:

National Funding Formula factor values for 2024/25 have increased, as follows:

- 1.4% to basic entitlement, Free School Meals Ever 6, income deprivation affecting children index, lower prior attainment, English as an additional language and the lump sum;
- 0.5% to the funding floor, the minimum per pupil levels and free school meals,
- 0% on the premises factors, except for Private Finance Initiative which has increased by the Retail Price Index.

The announcements also included the relevant minimum pupil funding levels for primary and secondary schools, which incorporate the 2% uplift for 2024/25:

- For primary schools, the minimum pupil funding level will be £4,610 per pupil in 2024/25.
- For secondary schools, the minimum pupil funding level will be £5,995 per pupil from 2024/25.
- Key changes to the schools NFF in 2024 to 2025 are:
  - introducing a new formulaic approach to allocating split sites funding in the NFF in 2024 to 2025, replacing the previous locally determined split sites factor
  - rolling the 2023 to 2024 mainstream schools additional grant (MSAG) into the NFF by:
    - adding an amount representing what schools receive through the grant into their baselines
    - 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 schools 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

Following a consultation with schools and academies in Lancashire, areas where local discretion is available in 2024/25 were agreed by the Schools Forum and the LCC Cabinet as follows:

- The Minimum Funding Guarantee (MFG) was set at a +0.5%

### High Needs Block (HNB)

The extra funding made available for high needs funding from April 2024 has allowed the following increases in expenditure to be agreed:



- To cover the forecast cost and demand led pressures in High Needs expenditure from April 2024;
- To support increases in HNB expenditure to broadly match or exceed uplifts in the mainstream sector, including:
  - increasing the Weighted Pupil Numbers (WPN) rate across all school and FE settings by 2% to £5,440;
  - increasing 'School Specific' allocations in special schools and PRUs by 2%; to match the Minimum Funding Guarantee (MFG) applicable in mainstream.

### Early Years Block (EYB)

Government announcements for 2024/25 indicated that an extra £650m will be made available in 2024/25 for the Early Years Block nationally due to the extension of entitlements over the coming years. Lancashire's share of this funding, enable increases to be made across in early years funding areas, as explained below.

#### *3 and 4-year-old entitlements*

Due the increased funding Lancashire has received, the Lancashire base rate for 3 and 4-year-old entitlements is £5.41 per hour in 2024/25, an increase of £0.33 per hour from 2023/24.

The 2024/25 funding rate is therefore as follows:

2023/24 Base rate	£5.08 per hour
2024/25 DfE uplift	£0.27 per hour
2024/25 Additional funding from within the Early Years Block	£0.06 per hour
2024/25 Base rate	£5.41 per hour

#### *3- and 4-year-old Supplementary funding hourly rate for maintained nursery schools*

Lancashire will receive a £0.63 increase in the supplementary funding hourly rate for maintained nursery schools in 2024/25, which will be passed to the maintained nursery schools, providing a revised hourly supplement rate of £5.18 per hour.

#### *2-year-old entitlement*

Following the Early Years 2024 25 funding announcements, the Early Years Working Group recommended that Lancashire adopts one single funding rate for 2-year-old entitlements, plus a deprivation supplement based on a similar mechanism that currently exists within the 3- and 4-year-old formula. Lancashire is to receive an additional £0.24 per hour for the 2-year-old entitlement for 2024/25.

This would give a Lancashire base rate for 2-year-olds of £7.10 per hour from April 2024, plus a deprivation supplement where necessary.

#### *Under 2-year-old entitlement*

From September 2024, the base rate will be set at £9.51, plus a deprivation supplement based on a similar mechanism that currently exists within the 3- and 4-year-old formula.



### *Early Years Pupil Premium*

Lancashire will increase our early years pupil premium rate by 2p to 68p per hour, equivalent to up to £387 per eligible child per year, for 2024/25, in line with national announcements.

### *Disability Access Fund*

Lancashire will increase the disability access fund by £51 to £910 per eligible child per year for 2024/25, in line with national announcements.

### *Special Educational Needs Inclusion Fund*

Local authorities are now required to have a Special Educational Needs Inclusion Fund for all eligible 3 and 4-year-olds, 2-year-olds and under 2's (from September 2024) who are taking up the free entitlements, regardless of the number of hours taken. For 2024/25 the Lancashire fund will total £2.65m due to the increased demands and extended entitlements.

### **Central School Services Block (CSSB)**

This Block is to fund central functions that local authorities carry out on behalf of pupils in state-funded maintained schools and academies in England. The Central School Services Block (CSSB) is split into funding for historic commitments and funding for ongoing responsibilities.

### **Issuing Individual Schools Budgets (ISBs)**

Proposals for the Schools Block have now been submitted to the Education and Skills Funding Agency (ESFA) for compliance checking against the relevant Regulations before. The authority cannot issue school budgets until we have been notified that the checks are complete, and our proposals are compliant. It is anticipated that individual budgets should be issued in the week commencing 19 February 2024.

## **Minimum Funding Guarantee 2024/25**

The autumn term consultation also sought views on the level of Minimum Funding Guarantee (MFG) to be applied in Lancashire for 2024/25.

Consultation responses favoured the proposal to provide the maximum level of protection allowable by the DfE from April 2024 and supported the MFG being set at +0.5%.

The positive +0.5% MFG figure will be used in the finalising 2024/25 school budgets in Lancashire, which will be issued in February 2024. This means that primary and secondary schools will receive at least 0.5% more pupil-led funding per pupil compared to 2024/25.



## SFVS

There is a statutory requirement on all maintained schools to complete the Schools Financial Value Standard (SFVS) each year and to provide a copy of the completed return to the authority, by 31 March each year.

A formal core agenda item is included on the spring term governors meetings and governing bodies must formally discuss the SFVS annually with the head teacher and senior staff and ensure that the standard is completed in full. The approved SFVS spreadsheet should be uploaded on the 'Forms' section of the Schools Portal. This can be accessed via the schools portal home page under Forms > Finance > Schools Financial Value Standard.

Please also note that the DfE's Schools Financial Benchmarking data, including the Schools Financial Value Standard Self-assessment dashboard has now been updated to 2020/21 data for maintained schools.

The DfE's SFVS website is available [here](#) and contains links to the financial benchmarking.

Schools are asked to ensure that their SFVS completed SFVS template is approved by governors and submitted to the LA by the statutory deadline of 31 March 2024.

## Clawback at March 2024

Please remember that Schools Forum has agreed to reintroduce the clawback policy on excess school balances at 31 March 2024.

The current guideline balance is 12% of Consistent Financial Reporting (CFR) income for all phases of maintained school.

As per the updated clawback policy below, please note the deadline for any schools to submit an exemption from clawback for the 2023/24 financial year has now passed. No further clawback exemption requests can be accepted.

The Clawback Policy can be found on the [Schools Forum Website](#).

## School Teaching & Support Staff Supply Reimbursement Scheme

The School Teaching and Support Staff Supply Reimbursement Scheme arrangements for 2024/25 were agreed by the Forum on 11 January 2024. The Forum agreed that the premiums will increase by 6.5% in line with forecast wage increases for the year, with reimbursement rates being uplifted by 6.5% to match.

Individual 2024/25 scheme details and offers will be sent to all schools and academies in the County shortly – look out for your offer letter on the Schools Portal.



If you have any queries with your offer, please email  
[supplyinsuranceclaims@lancashire.gov.uk](mailto:supplyinsuranceclaims@lancashire.gov.uk)

The deadline for changing the level of cover, joining or leaving the scheme is 9<sup>th</sup>  
February 2024.

## Who's Who? - Forum Membership October 2023

A membership list can be found on the Forum [website](#)

### Forum Update

The draft minutes from the last Schools Forum meeting held on 11 January 2024 have now been added to the Schools Forum website.

### Questions?

Remember, if you have any questions about the Schools Forum, please contact Millie Dixon, Forum Officer, 01772 534844, or email [schoolsforum@lancashire.gov.uk](mailto:schoolsforum@lancashire.gov.uk)

