

# Appendix 5

## Schools Budget 2024/25

February 2024



# Schools Budget 2024/25

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# Schools Budget 2024/25

## 1 Introduction

1.1 This annex sets out:

- a) The construction of Dedicated Schools Grant (DSG) totalling **£374.2m** for 2024/25;
- b) Material changes that have arisen since 2023/24 and
- c) The basis of its distribution to both educational settings and the Local Authority (LA) totalling **£376.2m**.

1.2 The distribution of funds is in accordance with Schools and Early Years Finance Regulations (England) 2023 within statutory timelines and any updates of new legislation.

1.3 The formulation of the budget is also aligned with government guidance and the necessary approvals required from Schools Forum (SF), these are documented in **section 7**.

1.4 Any links with the LA's budget are captured within the 2024/25 Medium Term Financial Plan.

## 2 Construction of the 2024/25 budget

### 2.1 Overview

Funding for Schools budgets comprises:

- a) Dedicated Schools Grant (DSG) - this is the main funding stream allocated to schools by the LA;
- b) Pupil Premium Grant – this is distributed by the Council to maintained schools only. The allocation is set out by the Education and Skills Funding Agency (ESFA) with academies receiving this funding direct.

In accordance with regulations approvals are required from SF for specific items. A summary of those approvals obtained is set out in **Table 1** below:

<b>TABLE 1: SCHOOLS FORUM APPROVALS OBTAINED</b>		
	<b>Status</b>	<b>Date</b>
<b>De-delegated budgets</b>		
Trade union representative cover	Approved	5 Dec 2023
Schools health and safety tests and inspections	Approved	5 Dec 2023
<b>Block Transfer proposals</b>		
High Needs to CSSB block transfer	Approved	5 Dec 2023
High Needs to Schools block transfer	Approved	5 Dec 2023
<b>Central budgets</b>		
Schools	Approved	5 Dec 2023
SEN Transport	Approved	5 Dec 2023
Early Years	Approved	5 Dec 2023
Copyright licensing Agreement/Music Publishing Association licences	Education Skills Funding Agency – Top-sliced from the DSG	
Pupil Growth Contingency Fund (PGCF)	Approved	5 Dec 2023

DSG allocation is updated throughout the year as pupil numbers are confirmed. During this process any unallocated balance it is put to the Statutory School Reserve (SSR). Any spend from this reserve is in accordance with the Schools and Early Years Finance Regulations (England) 2023.

Elements of the DSG contribute to LA services, any reduction in those values are captured within the LA's budget setting process.

## 2.2 Funding received

In conjunction with the National Funding Formula (NFF) the DSG funding is allocated over four blocks and the **indicative total is £374.2m**, this is an **increase of £29.4m** (8.5%) from 2023/24.

**Table 2a** sets out how the £374.2m is allocated and provides a comparison against 2023/24.

<b>Table 2a: Summary of Dedicated Schools Grant (DSG) funding allocations</b>			
		<b>2023/24 £m</b>	<b>2024/25 £m</b>
1	Schools Block – section 2.3	260.2	277.9
2	Central School Services Block – section 2.4	4.0	3.6
3	Early Years Block – section 2.5	22.3	31.5
4	High Needs Block – section 2.6	58.3	61.2
<b>Total DSG</b>		<b>344.8</b>	<b>374.2</b>
<b>Growth</b>		<b>29.4 (8.5%)</b>	

Table 2b summarises the DSG income received by DSG block and the total planned spend.

The standard approach followed by the LA in setting the Schools Budget is to set budgets by block which mirror the DSG income received. However, for 2024/25 the LA is responding to pressures both within the Central Schools Services blocks (CSSB) with a block transfer from the High Needs block (HNB) where there is a short term surplus. DSG reserves are also being drawn upon to support the Schools Block budget. Further information to support this summary is provided in the subsequent sections of this report.

<b>TABLE 2b: SUMMARY OF 2024/25 DSG BUDGET BY BLOCK</b>						
	<b>DSG Block</b>	<b>DSG Income £m</b>	<b>Block transfer £m</b>	<b>DSG reserves £m</b>	<b>ESFA reimb. £m</b>	<b>2024/25 Budget £m</b>
1	Schools	277.9		1.6	0.3	<b>279.8</b>
2	Central Schools	3.7	0.5			<b>4.2</b>
3	Early Years	31.5				<b>31.5</b>
4	High Needs	61.2	-0.5			<b>60.7</b>
	<b>TOTAL</b>	<b>374.3</b>	<b>0.0</b>	<b>1.6</b>	<b>0.3</b>	<b>376.2</b>

**Appendix A** provides further budget detail for each of the blocks.

The material movements that make up the growth of £29.4m are set out in **Table 3** below and are split between the Early Years (EY), Schools and High Needs (HN) blocks. Elements of the increase are due to changes in the budget allocation throughout 2023/24 (shown separately).

<b>Table 3: Budget Increase Analysis</b>	
<b>2024/25</b>	<b>£m</b>
Schools – Increased pupil numbers and the impact of the changes to the NFF in 2024/25 (43,244 in 2023/24 to 43,915 in 2024/25)	16.9
Premises funding	0.5
National non-domestic rates	0.2
Pupil growth contingency fund	0.1
Historic commitments allocation	<b>(0.5)</b>
Ongoing commitments allocation – effect of increase in rate and increase in pupil numbers	0.1

EY – Impact of the EYNFF 1.8% drop in numbers but fully off-set by 29p/hour increase on 3 & 4 YO funding	0.5
EY – Impact of the EYNFF 29p/hour increase & 3.9% intake on 3 & 4 YO funding	0.4
EY - Indicative funding allocation for 2 year old working parent entitlement - New funding	4.1
EY - Indicative funding allocation for under 2s entitlement - New funding	2.8
EY – Impact of the EYNFF 13% drop in numbers but fully off-set by £2.70p/hour increase on 3 & 4 YO funding	1.0
EY – Increase in Disability Access Fund 3 - 4 year olds	0.0
EY – Indicative Disability Access Fund 2 year olds	0.1
EY – Indicative Disability Access Fund under 2 year olds	0.0
EY – Increase in Early Years Pupil Premium 3 - 4 year olds	0.1
EY – Indicative Early Years Pupil Premium 2 year olds	0.3
EY – Indicative Early Years Pupil Premium Under 2 year olds	0.0
EY – Increase in supplementary funding allocation for maintained nursery school	0.1
HN – NFF 5% per head funding increase per head of population	2.8
HN – Basic entitlement factor for special school pupils	0.0
HN – Import/Export adjustment change	(0.1)
HN – 2.7% Hospital education funding uplift	0.1
<b>TOTAL ALLOCATION INCREASE</b>	<b>29.4</b>

### 2.3 Schools Block

Funding of **£277.9m** includes £7.2m for in year pupil growth and premises costs.

The allocation method for this block is based on a Pupil-led and School-led funding basis and is based on the October 2023 census pupil data.

The rates for each education sector are as follows:

- £5,447.53 per primary pupil and
- £7,232.42 per secondary pupil.

## 2.4 Central School Services Block (CSSB)

The CSSB is made up of two categories, historic and ongoing commitments with funding totalling **£3.7m** for 2024/25.

### a) Historic commitments

The 2024/25 allocation is £1.9m and funds a mixture of historic schools' decisions and contributions to LA services that align to educational attainment. The NFF reduces funding to this block by 20% on an annual basis until it funds only employment termination and prudential borrowing costs. Over the last five financial years this funding has reduced by £135.7m nationally.

In 2020/21 Nottingham's reduction was **£1.1m**, a further reduction of **£0.9m** in 2021/22, a reduction of **£0.7m** in 2022/23, a reduction of **£0.6m** in 2023/24 and a further reduction of **£0.5m** in 2024/25. **The total funding reduction to date is £3.7m.** This and the forecast impact of future reductions has been captured in the LA's 2024/25+ MTFP.

**Table 4** shows the categorisation of historic commitment budgets.

<b>Table 4: Historic Commitment Budgets</b>	
<b>Commitment</b>	<b>2024/25 Allocation £m</b>
Prudential borrowing	<b>0.1</b>
Termination of employment costs	<b>1.6</b>
Contribution to combined budgets	<b>0.2</b>
<b>Total</b>	<b>1.9</b>

### b) On-going commitments

LA's are funded based on the National Funding Formula (NFF) distributed 90% on a per-pupil factor and 10% on a deprivation factor. The 2024/25 allocation of £1.8m funds ongoing central costs relating to schools' settings and are shown in Table 5.

For 2024/25 the funding allocation for Nottingham City is **£40.88** per pupil, which represents an increase of £1.26 (3.2%) over the 2023/24 level of £39.62. The increase of £1.26 per pupil includes £0.67 for increased copyright licences costs faced by LA's in 2023/24. The Department for Education (DfE) undertakes annual reviews of these rates and any changes will reflect amendments to legal obligations.

Retained duties include £0.5m in 2024/25 as it did in 2023/24 this is to fully fund the Education Welfare Service which was approved by Schools Forum, a high needs block transfer of £0.5m to the CSSB.

**Table 5** shows the categorisation of on-going commitment budgets.

<b>Table 5: On Going Commitment Budgets</b>	
<b>Commitment</b>	<b>2024/25 Allocation £m</b>
Admissions service	<b>0.6</b>
Copyright licences	<b>0.3</b>
Schools Forum servicing (£39k)	<b>0.0</b>
Retained duties – LA's legal obligations	<b>1.3</b>
TPG and TPECG for centrally employed teachers	<b>0.1</b>
<b>Total</b>	<b>2.3</b>

## 2.5 Early Years (EY) Block

The provisional EY block allocation, as announced on 19 December 2023, is **£31.5m**. The EY block allocation is based on the EY National Funding Formula (EYNFF) which was introduced in April 2017.

This is a provisional allocation (based on January 2023 pupil numbers) includes funding for:

- a. 3 & 4 year old universal entitlement (**£14.5m**)
- b. 3 & 4 year old extended entitlement (**£4.6m**)
- c. 2 year old funding disadvantaged entitlement (**£4.3m**)
- d. 2 year old funding working parent entitlement (**£4.1m**)
- e. Under 2s funding from Sep 2024 (**£2.8m**) based on 38 weeks
- f. EY Pupil Premium (EYPP) (**£0.7m**)
- g. EY disability access fund (**£0.2m**)
- h. Maintained Nursery Supplementary (MNS) funding (**£0.2m**).

**Provisional allocations** are based on January 2023 pupil numbers.

Final allocations will be based on 5/12ths x January 2024 pupil numbers and 7/12ths x January 2025 pupil numbers.

The LA is being funded for 3 & 4 year olds in 2024/25 at **£5.72 per hour** and **£8.36 per hour** for 2 year olds and **£11.43** per hour for under 2s from Sep 2024.

The national funding rate for EY pupil premium has been increased by another 2 pence per eligible child per hour taking the rate to 68 pence.

The national funding rate for disability access fund has been increased by £29 per eligible child per year taking the rate to £910 this includes the £53 autumn increase from the EY Supplementary grant.

## 2.6 High Needs (HN) Block

The provisional HN block allocation is based on the HN National Funding Formula (HN NFF) introduced in April 2018. 2024/25 allocations were as announced on 19 December 2023.

In the provisional 2024/25 DSG settlement, Nottingham City has received a **5% increase** per head of 2-18 population. This was the maximum allowable gain, with LA's receiving increases of between 3% and 5% per head of population.

For 2024/25 Nottingham will receive **£61.2** which represents a **£2.9m (5.0%) increase** over the latest published 2023/24 allocation of £58.3m.

The HN allocation for 2024/25 will be finalised in June 2024 taking into account the Spring 2024 pupil numbers.

## 3 Allocation of the 2024/25 budget

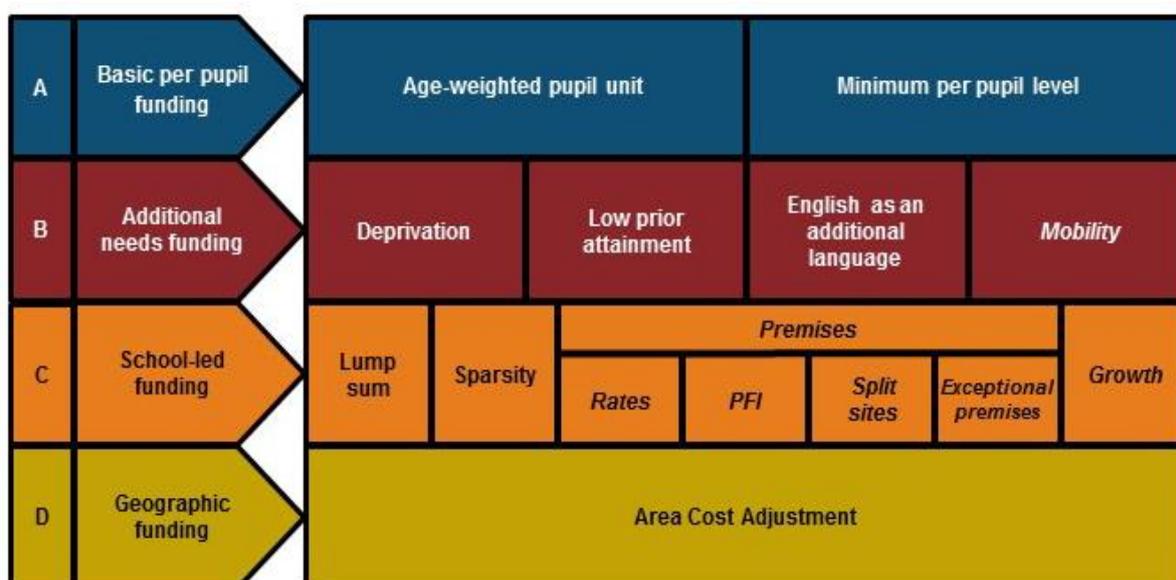
This section details how the funding is allocated out to educational settings and central expenditure services for each block. **Appendix A** provides a summary of this section.

### 3.1 Distribution of Schools Block Funding

The schools block is £279.8m and is funded by:

- DSG £277.9m
- Reimbursement of costs from academies of £0.3m
- Reserve drawdown of £1.6m which is unspent pupil growth contingency funding and funding that could not be allocated to schools through the schools national funding formula in previous financial years

The distribution of the £279.8m to each education setting is based on the following factors aligned to the NFF.



Key points are:

- The maximum minimum funding guarantee (MFG) is in place at +0.5% ensuring every school has a budget increase in 2024/25. As a result of leaving in the £85 per pupils in the 2023/24 MFG per pupil baseline in 2024/25 65 of the 94 schools budgets have this adjustment.
- The level of MFG protection has risen to £3.1m in 2024/25 (from £2.3m in 2023/24) This is mainly due to leaving in the additional £85 per pupils in the 2023/24 MFG per pupil baseline in 2024/25.
- The maximum amount of funding has been distributed to schools
- The 2023/24 mainstream schools additional grant has been rolled into the NFF.
- In addition to the amounts that have been added for the mainstream schools additional grant the NFF factor values have been increased by:
  - 1.6% to free school meals
  - 1.4% to the basic entitlement, free school meals at any time in the last 6 years (FSM6), income deprivation affecting children index (IDACI), low prior attainment (LPA), FSM, English as an additional language (EAL), mobility, and the lump sum.
  - 0% on premises factors except for Private Finance Initiative (PFI) which has increased by 10.4% for the year to April 2023.
- Funding for schools on a split site has been allocated based on the new mandatory national split site criteria introduced in the financial year 2024/25.
- The Education and Skills funding Agency (ESFA) will continue to pay business rates directly to billing authorities on behalf of all state funded schools in 2024 to 2025.
- Minimum per pupil funding levels (MPPL's) have been increased by 1.4% in the FY 2024/25 and increased to take account of the mainstream schools additional grant funding which has been rolled into the NFF in 2024/25.

When setting schools and academies budgets for the financial year 2024/25 the LA left in schools 2023/24 baseline funding per pupil the additional £85 per pupil allocated in the financial year 2023/24 in a bid to try and alleviate the budgetary pressures on schools. This enabled an additional £1.7m to be allocated to schools in 2024/25. This approach was taken as the Education & Skills Funding Agency advised that if the LA were to submit a disapplication request for the second year running to increase the Age Weighted Pupil Units it would be rejected.

### **3.2 Distribution of Central School Services Block (CSSB)**

The CSSB funding of **£3.7m** for 2024/25 has been allocated in full as shown in section 2.4.

### **3.3 Distribution of Early Years (EY) Block Funding**

All increases in funding are being fully distributed to schools and providers of early years services.

**Table 6** below shows the indicative distribution of this funding.

TABLE 6: EY Indicative Budget							
ELEMENT	3 & 4 YO	Disadvantaged 2 YO	2 YO Working Parent	Under 2 YO	DLA	EYPP	Total
Base rate/hour	£5.16	£8.31	£7.63	£10.76		£0.68	
Base rate total	£17.3m	£4.3m	£3.7m	£2.7m			
Supplements							
-Deprivation/hour	£1.00				£910		
-Flexibility/hour	£0.10				£0.2m		
DLA/annum							
Supplements total	£0.8m						
MNS lump sum	£0.2m						
SEN inclusion fund	£0.0m	£0.0m	£0.2m				
Contingency	£0.3m	£0.0m					
<b>TOTAL PROVIDERS</b>	<b>£18.6m</b>	<b>£4.3m</b>	<b>£3.9m</b>	<b>£2.7m</b>	<b>£0.2m</b>	<b>£0.7m</b>	<b>£30.4m</b>
<b>Central Expenditure</b>	<b>£0.7m</b>	<b>£0.0m</b>	<b>£0.2m</b>	<b>£0.1m</b>			<b>£1.0m</b>
<b>TOTAL</b>	<b>£19.3m</b>	<b>£4.3m</b>	<b>£4.1m</b>	<b>£2.8m</b>	<b>£0.2m</b>	<b>£0.7m</b>	<b>£31.5m</b>

### Central Expenditure

Central Expenditure has been revised and re-allocated as stated in **Table 8A**, but total allocation remains £1.025m as reported to School Forum and LA is still within 95% pass rate required by ESFA.

### 3 & 4-Year-Old Funding

The LA has proposed a funding-base rate of **£5.16/hour** as against £5.01 reported. Settings will receive £1.00/hour deprivation funding where the child attracts Early Years Pupil Premium (EYPP) funding. The deprivation supplement for 3- & 4-year-olds is the only mandatory supplement the LA will pay. In 2023/24, the LA also funded a £0.10/hour flexibility supplement. This is not mandatory, and the proposed local consultation suggests the removal of this supplement to simplify the formula and allow for this additional funding to be added to the hourly base rate formula. This funding formula is the same for children accessing both the universal and the extended entitlements in this age group.

### 2-Year-old Funding

The new 2-year-old working parent entitlement comes into force in April 2024 and the previous report proposed to use the same rate for both the 2-year-old disadvantaged entitlement and the 2-year-old working parent entitlement. The LA is not allowed to fund 2-year-old working parent entitlements at a higher level than the 2-year-old disadvantaged entitlements, which could have been the case if both were funded at the same rate, but a working parent also attracted EYPP funding. Therefore, the

proposal has been amended to establish a separate 2-year-old formulae for the two entitlements, with a higher base rate for the 2-year-old disadvantaged entitlement, at a sufficient level to be higher than the equivalent of the base rate for a 2-year-old working parent entitlement that also attracts EYPP. The higher base rate for the 2-year-old disadvantaged has been established through a higher pass-through rate and is necessary in recognising the additional costs associated with supporting children from disadvantaged backgrounds. Whilst not paid as supplement, LAs are expected to ensure funding for deprivation is reflected in the relevant formulae and this higher base rate support this.

LA will fund Settings at **£8.31/hour** as against £7.46 reported, for the 2-year-old disadvantaged entitlement and the newly funded 2-year-old entitlement for working parents entitlement will be funded at **£7.36/hour**. These will be hourly base rates with no additional supplements.

### 9 months and up to 2-year-old entitlement

The base rate for the under 2-year-old starting from September 2024 will be **£10.76/hour** as against £9.72 stated in the report. Again, this will be a simple, single funding formula of an hourly base rate with no additional supplements. This is the highest hourly base rate to reflect the higher staffing ratio and costs associated for caring with children under the age of 2.

These base rates can be summarised as:

In summary, the proposed local funding formulae would be:	
Under 2-Year-Olds	£10.76/hour + No Supplements
2-Year-Olds (Working Parents)	£7.36/hour + No Supplements
2-Year-Olds (Disadvantaged Entitlement)	£8.31/hour + No Supplements
3- & 4-Year-Olds	£5.16/hour + £1.00/hour Deprivation Supplement for eligible EYPP children
In addition, eligible children, across all the entitlements, may receive additional funding for EYPP, SENIF and DAF.	

### SEN Inclusion Fund

The initial SF report has a total allocation of £293k with £283k and £10k allocated to 3&4 and 2YO respectively. A revised allocation of **£190,000** has been calculated. This allocation has been retained across the early years entitlements, as per table 8A, and will secure an overall SENIF allocation for all eligible children across the early years entitlements.

### 3.4 Distribution of High Needs (HN) Block Funding

**Table 9** provides a provisional breakdown of the 2024/25 HN budget, with latest comparative budget figures for 2023/24.

<b>Table 9: Provisional HN Budget Breakdown</b>			
<b>Budget</b>	<b>2023/24 £m</b>	<b>2024/25 £m</b>	<b>Change £m</b>
Mainstream High Level Needs (HLN) including Additional Inclusion Allowance	11.294	11.552	0.258
Special Education Needs (SEN) resource unit top-up funding	0.865	1.059	0.194
SEN resource unit places (via recoupment)	0.246	0.270	0.024
Special School top-up & maintained places	13.132	13.808	0.676
Special academy places (via recoupment)	3.578	3.760	0.182
Net cross border top-ups	0.357	0.375	0.018
Post-16 HLN funding	1.968	2.066	0.098
Further Education places (via recoupment)	0.920	0.960	0.040
Independent/Non Maintained Special School (INMSS)	1.632	1.714	0.082
Hospital & Home Education (HHE) including NEST & HHE contingency	2.587	2.771	0.184
Behaviour PRUs/Devolved Alternative Provisions (AP)	7.373	9.201	1.828
PRU academy places (via recoupment)	1.520	1.600	0.080
AP free schools (via recoupment)	0.039	0.039	0.000
Fair access - allocations for schools	0.300	0.315	0.015
Outreach services delivered from Westbury/Oakfield	0.271	0.264	-0.007
Contribution to residential placements	1.554	1.632	0.078
High Needs settings TPG/TPECG	0.091	0.095	0.004
AP Free schools additional grant	0.113	0.117	0.004
<b>Total Provision</b>	<b>47.841</b>	<b>51.598</b>	<b>3.757</b>
SEN team	0.375	0.394	0.019
SEN specialist equipment	0.066	0.054	-0.012
SEN transport contribution	1.000	1.000	0.000
Disability access	0.200	0.200	0.000
Inclusive education services – Sensory, Learning Support & Autism teams	2.020	2.106	0.086
Intensive Support Team (IST)	0.470	0.581	0.111
Other LA staff supporting inclusion including fair access & teenage parents	0.588	0.580	-0.008
Sensory Occupational Therapy services	0.080	0.084	0.004
<b>Total Central Services</b>	<b>4.800</b>	<b>4.997</b>	<b>0.197</b>
<b>High Needs In-year Contingency</b>	<b>1.350</b>	<b>1.446</b>	<b>0.096</b>
<b>Grand Total</b>	<b>53.991</b>	<b>58.042</b>	<b>4.051</b>

The figures in **Table 9** are provisional and there will be amendments resulting from the detailed calculation of indicative budgets for settings prior to the end of February and the finalisation of 2024/25 service budgets.

The provisional budget figures are underpinned by the following assumptions and principles:

- Incorporates planned high needs place changes for the 2024/25 academic year as submitted to the ESFA in November 2023 and associated top-up funding for special schools and special resource units.
- A base level 0.5% increase in PRU funding levels in line with the level of increase applied to mainstream schools through the MFG.
- A 5% assumed increase in the daily cost of external AP commissioned via the PRU. Top-up funding provided to cover the actual cost of external AP will be adjusted to reflect the extra funding being provided through the separate additional high needs funding allocation.
- Projections of excluded pupils requiring provision funded by the high needs budget underpinned by assumption that permanent exclusions of City Secondary pupils in the academic years 22/23 and 23/24 remain at the same level as 21/22 and participation of all schools in the inclusion model. The assumption on exclusion of City pupils from City primary and County schools has been doubled (from 16 to 32) as permanent exclusions in Autumn term 2022 already total those made in the whole of academic year 2021/22. It also indicates an increase in exclusions in current year and providers requested and increase to make it worth their while, we had increase the exclusion rates by 25% from £11,000 to £13,750 to incentivise them, and this will cost the LA additional £0.610m
- There are plans to increase the total places for pupils at risk of exclusion funded through the 2024/25 devolved funding Inclusion model in line with the overall increase in Secondary aged pupils between October 2022 and October 2023, we will be looking at data from Office of National Statistics (ONS) to determine the national average and compare with NCC.
- A 19% increase to special resource unit (SRU) funding levels due to additional place funding from the 2024/25 place change request
- There is an increase in special school funding levels plus further specific top-up increases where the special school funding review highlighted changes in the pupil cohorts with impacts on staffing requirements.
- Ring-fencing the 5% uplift received for Hospital Education funding for the Hospital & Home Education (HHE) Learning Centre budget/HHE contingency and £0.174m in contingency to cover additional HHE places
- A 5% increase in the post-16 budget to meet rising demand. This budget is demand led and numbers of young people aged 16-25 with EHC plans has risen by over a third in the last 4 years, largely in the extended age range from 19-25.
- A £0.607m increase in the mainstream HLN budget for 2024/25. This is an estimated requirement intended to cover;
  - An uplift to HLN bandings to reflect staffing cost increases from April 2024.

- The rollout of the revised HLN/Targeted funding system above notional SEN for Secondary aged pupils, however further work needs to be done.
  - The demand pressure arising from increasing numbers of pupils qualifying for HLN funding.
  - Implications of a post-implementation review on the HLN roll out in the early years and primary stages.
- In line with 2023/24 introduction of a high needs in-year contingency budget, there is (£1.446m) allocated in year to support a number of potential development areas which are under consideration, but which are not yet in a position to be confirmed or costed:
    - Up to support HHE additional new places 10
    - Current Alternative Provision (AP) commissioning review

The assumption is for 2024/25 the high needs contingency budget has been set at a level that should adequately cover all known plans. As there is a potential £3m underspend in current year and increase of £2.926m HN funding in 2024/25 we estimated a £2.7m balance from HN budget allocation and will show this element as going straight to reserves for use in future years.

Should there be any unforeseen HN budget requirements for 2024/25 that cannot be met from the high needs contingency budget, then appropriate approvals will be sought in-year to fund these from the DSG reserve.

## 4 Pupil Premium

Pupil Premium (PP) is allocated to the LA to distribute directly to educational settings.

- 4.1 The PP allocated to schools is made up of 3 of elements, funding for free school meal pupils (Ever6), service children and post looked after children. Each element has a different pupil rate as set out in **Table 7** below. The annual value changes dependent on child numbers.

<b>TABLE 7: Pupil Premium Comparison</b>				
	<b>FSM EVER6</b>		<b>Service Child</b>	<b>Post Looked after Child *</b>
	<b>Primary</b>	<b>Secondary</b>		
	<b>£</b>	<b>£</b>		
2023/24	1,480	1,050	340	2,570
2023/24	1,455	1,035	335	2,530

\*Looked after Children and eligible pupils who have been adopted from care or leaving care under a special guardianship or a child arrangements order (previously known as a residence order).

## 5 Reserves

SSR can only be allocated in accordance with the Schools and Early Years Finance Regulations (England) 2023.

5.1 The statutory schools reserve (ring fenced for schools) has an **unearmarked balance of £16.4m** after all formally approved commitments. This is set out in **Table 8** however at this point it is based on a forecast full spend.

<b>TABLE 8: Reserve summary</b>	
	<b>Actual £m</b>
<b>Opening balance as at 1 April 2023</b>	<b>21.7</b>
Less: Approved commitments	(5.3)
<b>Uncommitted Balance as at a 31 March 2024</b>	<b>16.4</b>

The £1.6m DSG reserves that support the 2024/25 schools budget will be drawn from the amounts previously committed. The reserve balance will increase by £2.7m due to unallocated high needs funding in 2024/25 being put straight to the reserve.

5.2 The uncommitted element of the SSR is 4.4% of the DSG budget; this was 2.9% as at 31 March 2023. There is no statutory requirement for the levels of this reserve however its adequacy should align to any in year risks.

HN's and exclusions form the main historic risk but funding increases in this block and the inclusion strategy respectively have materially mitigated the risk.

Throughout 2024/25 this risk will be regularly reviewed to ensure that the uncommitted balance remains adequate considering appropriate risks.

## 6 Published documents supporting this report

The development of the Schools budget is predicated on specific guidance and statutory requirements, the list below shows all documents required to ensure a robust, compliant and accurate budget.

- 1.1 DfE – The Schools and Early Years Finance (England) Regulations 2023
- 1.2 DfE Policy document - The national funding formulae for schools and high needs 2024-25
- 1.3 SF – Proposed approach to DSG Budget Setting 2024/25 by block – 5 December 2023
- 1.4 SF – Central Expenditure Budget 2024/25 – Historic Commitments – 5 December 2023

- 1.5 SF – Central Expenditure Budget 2024/25 – Ongoing Commitments – 5 December 2023
- 1.6 SF - De-delegation of funding for trade union time off for senior representatives for 2024/25 – 5 December 2023
- 1.7 SF – De-delegation request for maintained schools for school improvement and brokerage grant 2024/25 – 5 December 2023
- 1.8 SF - Early Years Central Expenditure 2024/25 – 5 December 2023
- 1.9 SF – Proposed pupil growth allocation for 2024/25 – 5 December 2023
- 1.10 SF – De-delegation of 2024/25 Health and Safety Building Inspection Funding – 5 December 2023

Elements	Schools Block £m	Central Schools Services Block £m	Early Years Block £m	High Needs Block £m	Total DSG £m
Educational settings	278.568	-	30.513	52.401	361.482
Pupil Growth	0.909	-	-	-	0.909
Central Expenditure	-	4.162	1.025	4.997	10.194
De-delegated	0.277	-	-	-	0.277
High Needs Contingency	-	-	-	0.633	0.633
<b>BLOCK TOTAL</b>	<b>279.754</b>	<b>4.162</b>	<b>31.538</b>	<b>58.031</b>	<b>373.485</b>
2024/25 DSG Settlement	-277.855	-3.654	-31.538	-61.208	-374.255
DSG Reserve Funding	-1.597	-	-	2.669	1.062
Reimbursement from ESFA 2024/25	-0.302	-	-	-	-0.302
<b>TOTAL FUNDING</b>	<b>-279.754</b>	<b>-3.654</b>	<b>-31.538</b>	<b>-58.539</b>	<b>-373.485</b>
<b>VARIANCE</b>	<b>0.000</b>	<b>0.508</b>	<b>0.000</b>	<b>-0.508</b>	<b>0.000</b>