

DSG 2024-25
Schools Forum
20 October 2023

DfE Budget error 2024-25

- DfE have under-counted pupils nationally such that without budget reductions there would be an overspend of £370m or 0.62% of £59.6bn
- DfE have reduced the national funding formula values with a compensating reduction in DSG of £40 per primary pupil and £61 per secondary pupil
- Reduction of approx. £1m in our DSG and a compensating reduction in funding passed to schools.
- Fully funding NFF gives surplus of £230k to fund the SEN Protection scheme and capping gains provides a further £420k

DfE – impact of error

Potential impact on local authorities due to republication of the schools NFF 2024-25:

- unplanned remodelling of schools' funding formula
- later than planned schools forums for sign off
- delays in submitting disapplication requests
- challenges in submitting APTs on time

- But no changes to timescales

School Budget proposals 2024-25

Ideal is

- sufficient funding to fully fund schools at the National Funding Formula
- be able to transfer 0.5% to the high needs block

Initial view is not enough money to do both

1. Fully funding NFF gives surplus of £250k to SEN; or
 2. Full transfer of 0.5% (£653k) requires 0.4% reduction to NFF for schools not on the MFG
- We are commissioning an impact assessment of the SEN protection scheme to better inform our January budget decisions. Informal feedback from headteachers stresses importance of SEN protection scheme

School Budget proposals 2024-25

SEN Protection scheme 2023-24

- Forecast to spend £775k-£800k whilst transfer from schools block is £616k.
- Spend grows annually as per number of EHCPs
- Inclusion in mainstream schools is fundamental to managing the high needs deficit.

Council's preferred option for 2024-25 is

- Schools Forum Jan 2024 to agree full transfer of 0.5% to high needs i.e. £653k
- Schools Forum March 2024 agree contribution from high needs budget min £100k
- Increase in cap to around 185 x NOR depending on HNB contribution

SEN Protection Scheme - Reminder

- Hugely supported by schools in previous years
- Funds the extra £6,000 threshold costs for SEN pupils for schools with greater than average (2.9%) of high needs pupils who receive top-ups
- 7 high and 42 primary schools receive funding
 - max primary is £64,300 for 20.8 pupils (6%)
 - max high is £74,000 for 27.7 pupils (5.3%)
- Current cap is £175xNOR and spend in 2023-24 will be £775k-£800k
- Spend is greater than the 0.5% Schools Forum is allowed to transfer
- Without the scheme the impact on the most inclusive schools will be financially significant

DfE error – our choices are

A: Re-write the schools consultation paper with all the revised data, budgets and costs with a real possibility of introducing further errors and delays; or

B: Simply explain that the DfE has reduced our DSG income by £1m and the NFF values by the same £1m i.e. a simple A4 sheet as a preface to the original paper

Option B supported by the BWG last week

- Either way the decision we face stays the same – to what extent do we cap schools gaining on the NFF to fully fund the SEN protection scheme
- Individual school allocations at the new lower level will accompany the consultation and schools can ask for an amended allocation with revised NOR
- In any case all allocations may change when we received final DSG in December