



North Northamptonshire Schools Forum: 18 January 2024

Agenda Item 5

2024-25 Dedicated Schools Grant Settlement

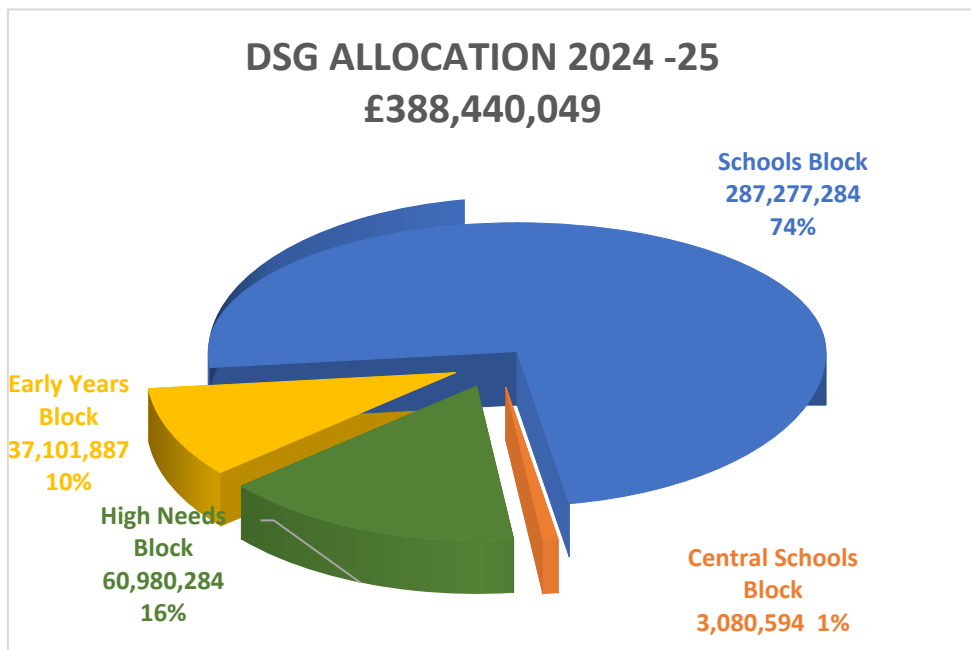
1 Background

1.1 This report sets out:

- Details of 2024-25 Dedicated Schools Grant Settlement

2 2024-25 Dedicated Schools Grant Settlement

2.1 The Department for Education (DfE) on 19th December 2023 published North Northamptonshire Council's DSG Settlement for 2024-25. Much of this was anticipated from announcements in July 2023 and the updated corrections in October 2023 following the technical error by the DfE. Final differences in the Dedicated Schools Grant announcements were attributed to using October 2023 pupil numbers. Details can be found on [Dedicated schools grant \(DSG\) 2024 to 2025 \(skillsfunding.service.gov.uk\)](https://skillsfunding.service.gov.uk)



2.2 Table A sets out the 2024-25 DSG settlement received against the 2024-25 Provisional National Funding Formula and the latest adjusted 2023-24 DSG Allocation.

Table A – 2024-25 Dedicated Schools Grant Settlement

Block	2023-24 DSG Allocation	%	Estimated 2024-25 DSG	%	Estimated 2024-25 DSG Change from 2023-24 DSG	%	2024-25 DSG Settlement	%	2024-25 DSG Settlement Change from 2023-24 DSG	% Change	2024-25 DSG Settlement Change from Estimated 2024-25 DSG	% Change
Schools Block (inc. Mainstream School Additional Grant)	£279,334,092	76.80%	£287,566,590	74.09%	£8,232,498	2.95%	£287,277,284	73.96%	£7,943,192	2.84%	£-289,306	-0.10%
Central School Services Block	£3,286,931	0.90%	£3,081,192	0.79%	£-205,739	-6.26%	£3,080,594	0.79%	£-206,337	-6.28%	£-598	-0.02%
High Needs Block	£57,919,150	15.93%	£60,564,715	15.61%	£2,645,565	4.57%	£60,980,284	15.70%	£3,061,134	5.29%	£415,569	0.69%
Indicative Early Years Block	£23,159,118	6.37%	£36,895,262	9.51%	£13,736,144	59.31%	£37,101,887	9.55%	£13,942,769	60.20%	£206,625	0.56%
Total DSG	£363,699,291	100.00%	£388,107,759	100.00%	£24,408,468	60.57%	£388,440,049	100.00%	£24,740,758	62.06%	£332,290	1.13%

2.3 The Mainstream Schools Additional Grant has been rolled into the 2024-25 School Budgets by the DfE.

3 2024-25 Schools Block DSG

3.1 Table B sets out 2024-25 Schools Block DSG compared against 2023-24 Schools Block DSG.

Table B – Schools Block DSG

Component	Final Schools Block composition 2023-24			Available Funding 2024-25			Difference		
	Pupil Nos	PUF / SUF*	Total 2023/24	Pupil Nos	PUF / SUF*	Total 2024/25	Pupil Nos	PUF / SUF*	Total Funding
			£m			£m			£m
Primary NFF	29,554	£4,735.55	139,954,444.70	29,540	£5,007.20	147,910,184.40	-14.50	£271.65	7,955,739.70
Secondary NFF	20,494	£6,190.29	126,860,708.12	20,888	£6,491.89	135,602,598.32	394.50	£301.60	8,741,890.21
Premises NFF			1,822,977.00			2,105,166.00			282,189.00
Primary & Secondary MSAG			9,050,422.00			-			- 9,050,422.00
Growth Fund including Falling Pupil Roll Fund			1,645,539.00			1,659,334.00			13,795.00
Total Schools Block DSG			279,334,090.82			287,277,282.72			7,943,191.90

3.2 The DfE have rolled the Primary and Secondary MSAG into the Schools Block in 2024-25, the 2023-24 DSG allocation is shown for comparison purposes.

3.3 **Table B** reflect a headline increase of £271.65 (5.74%) increase per primary pupil unit of funding and £301.60 (4.87%) increase per secondary pupil unit of funding, but most of this increase is through the Mainstream Schools Additional Grant from 2023-24 which has been rolled into the main formula. **Table C** illustrates the impact of the primary and secondary unit funding increase.

Table C – Impact of Unit Funding Rate Increase

Component	Nov 2023 Schools Block DSG 2023-24			Oct 2023 2024-25 Schools Block DSG Settlement			Difference from 2023-24 DSG			
	Pupil Nos	PUF / SUF*	Total 2023/24	Pupil Nos	PUF / SUF*	Total 2024/25	Pupil Nos	PUF / SUF*	Total Funding	% Change
Primary NFF	29,539.50	£4,735.55	£139,885,779.23	29,539.50	£5,007.20	£147,910,184.40	0.00	£271.65	£8,024,405.18	5.74%
Secondary NFF	20,888.00	£6,190.29	£129,302,777.52	20,888.00	£6,491.89	£135,602,598.32	0.00	£301.60	£6,299,820.80	4.87%
									Increase in funding due to rate increase	£14,324,225.98

3.4 Pupil numbers fell in primary by 14.5 pupils (-0.05%) and in secondary increased by 394.50 pupils (1.93%), a net increase of 380 pupils overall. **Table D** illustrates the impact of falling pupil roll in primary schools and growth pupil roll in secondary schools.

Table D – Impact of Falling Pupil Roll in Primary Schools and Growing Roll in Secondary Schools

Component	Nov 2023 Schools Block DSG 2023-24			Oct 2023 2024-25 Schools Block DSG Settlement			Difference from 2023-24 DSG			
	Pupil Nos	PUF / SUF*	Total 2023/24	Pupil Nos	PUF / SUF*	Total 2024/25	Pupil Nos	PUF / SUF*	Total Funding	% Change
Primary NFF	29,554.00	4,735.55	£139,954,444.70	29,539.50	£4,735.55	£139,885,779.23	-14.50	£0.00	-£68,665.48	-0.05%
Secondary NFF	20,493.50	6,190.29	£126,860,708.12	20,888.00	£6,190.29	£129,302,777.52	394.50	£0.00	£2,442,069.41	1.93%
									Increase in funding due to pupil no. increase	£2,373,403.93

3.5 For the first time in 2024-25 local authorities will be required to provide growth funding where a school or academy has agreed with the local authority to provide an extra class to meet basic need in the area (either as a bulge class or as an ongoing commitment). As a minimum local authorities will have to provide funding to a level which is compliant with the following formula: **Primary growth factor value (£1,550) × number of pupils × ACA.**

3.6 The DFE have for the first time funded falling pupil roll as part of Growth Fund. North Northamptonshire’s Schools Forum can decide whether to operate a Falling Pupil Roll Fund. Local authorities that choose to operate a Falling Pupil Roll Fund will only be able to provide funding where **school capacity data 2022 (SCAP) shows that school places will be required in the subsequent three to five years (mandatory requirement).**

3.7 Schools Forum can decide to transfer up to 0.5% of Schools Block DSG to High Needs Block DSG without Secretary of State approval. Any transfers more than 0.5% from Schools Block DSG will need the approval of the Secretary of State.

3.8 Growth Fund can be set aside from Schools Block DSG to address growth in schools.

- 3.5 Falling Pupil Fund can also be set aside falling rolls using Schools Block DSG.
- 3.6 Schools Block DSG is used to finance Individual School Budgets.
- 3.7 Detailed schools operational guidance can be found at:
<https://www.gov.uk/government/publications/pre-16-schools-funding-local-authority-guidance-for-2024-to-2025/schools-operational-guide-2024-to-2025>

4 2024-25 Central School Services Block DSG

- 4.1 The central services school block provides funding to local authorities to carry out central functions on behalf of maintained schools and academies.
- 4.2 The block comprises of two elements: ongoing responsibilities and historic commitments.
- 4.3 Table C sets out DFE’s confirmed CSSB DSG Allocation for 2024-25.

Table C – Central School Services Block DSG

Central Schools Block	2023-24 DSG Allocation	2024-25 DSG Settlement	Change	% Change
CSSB unit of Funding	£36.91	£38.25	£1.34	3.63%
CSSB Pupil Count	50047.5	50427.5	380	0.76%
Funding for Ongoing Responsibilities	£1,847,253	£1,928,852	£81,599	4.42%
Funding for Historic Commitments	£1,439,677	£1,151,742	-£287,935	-20.00%
Total Central Schools Block	£3,286,930	£3,080,594	-£206,336	

- 4.4 Details of the proposed 2024-25 Central School Services Block Budget are set out in Agenda Item 7.

5 2023-24 High Needs Block DSG

5.1 Table F sets out 2024-25 High Needs Block DSG compared against 2023-24 High Needs Block DSG.

Table F – High Needs Block DSG

High Needs Block	2023-24 Allocation as at Nov 23	2024-25 Allocation	Change	% Change
Total High Needs elements in the funding floor and gains calculation	£50,530,962	£55,556,821	£5,025,859	9.95%
Basic entitlement factor (ACA) unit of funding	£4,684	£4,684	£0.00	0.00%
Number of pupils in special schools and academies	1313	1403	90	6.85%
Import/export adjustment (based on January 2023 school census and February R06 2022 to 2023 individualised learner record)	-£1,650,000	-£1,650,000	£0	0.00%
Additional for Special Free Schools	£546,986	£480,995	-£65,991	-12.06%
Hospital education, alternative provision teachers pay/pension and supplementary funding factor	£20,900	£20,900	£0	0.00%
High needs NFF for historical spend, proxy factors, and funding floor allocation	£50,530,962	£0	-£50,530,962	-100.00%
Total additional high needs funding	£2,320,052	£0	-£2,320,052	-100.00%
Total High Needs Block before deductions	£57,919,150	£60,980,284	£3,061,134	5.29%

5.2 Maintained special schools and PRUs, special and AP academies (including free schools) and maintained and academy hospital schools will continue to receive a separate allocation equivalent to the additional funding allocations in 2023-24. These allocations gave maintained special schools and special academies 3.4% of their total place and top-up funding income and gave PRUs and AP academies and free schools 3.4% of their total income.

5.3 Any differential adjustments to the top-up funding bands or re-organisation of the top-up funding by local authorities will be subject to the special schools' MFG in the normal way. The special schools' MFG to be operated by local authorities for 2024-25 must be at least 0% and the local authority should consider setting the minimum increase within a range of 0% to 0.5%. This is equivalent to the MFG for mainstream schools. The local authority can set a higher percentage increase but must have a disapplication request approved to use a lower percentage. The additional 3.4% funding allocations referred to above must be excluded from the MFG calculations.

5.4 As per 2023- 24 local authorities will continue to receive in 2024-2025 a separate Teachers Pay Additional Grant (TPAG) which they will have received for the period September 2023 to March 2024. The TPAG for 2024-25 will be calculated by using twelve-sevenths of the 2023-24 per-place TPAG funding rates and will be passed on to eligible special and AP schools, to help with the costs of the 2023 teachers' pay increase. Local authorities will also receive a specific amount of funding to be passed on to their hospital schools. Further information on the TPAG for 2024 to 2025 can be found at [Teachers' pay additional grant 2024 to 2025 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/teachers-pay-additional-grant-2024-to-2025).

5.5 There will be an additional grant for 2024-25 to reflect the additional costs of the increase of 5 percentage points, to 28.6%, to the employer contribution rates to the teachers' pensions scheme from April 2024. We will take a similar approach to the 2024-25 TPAG to distribute the funding – but with the difference that local authorities will be allocated funding for pupils with EHC plans whom the authority has placed in independent schools. This methodology allocates funding at a flat rate such that all special and AP schools will benefit, but with the opportunity for local authorities to take account of schools' actual teachers' pensions costs, subject to local consultation. Further details will be announced by the DFE in due course.

5.5 Detailed proposals for the 2024-25 High Needs Block expenditure are set out in the 2024-25 High Needs Block Budget Agenda Item 8.

6 2024-25 Early Years Block DSG

6.1 Table G sets out the DFE's Indicative Early Years Block Allocation for 2023-24 and 2024-25 based on January 2023 census for North Northamptonshire Council. The final Early Years Block allocation is only confirmed by the DFE in July after the end of the Financial Year based on the two previous January census. Further details will be presented in agenda Item 9 2024-25 Early Years Block Budgets.

Table G – Indicative Early Years Block DSG

Early Years Block	2023-24 DSG Allocation Jan 2023 Census	Indicative 2024-25 Allocation Jan 2023 Census	Change
Indicative funding allocation for under 2 year old entitlement (£s)	£0.00	£4,349,410.00	£4,349,410.00
Indicative funding allocation for 2 year old disadvantaged entitlement (£s)	£1,889,479.00	£2,576,264.00	£686,785.00
Indicative funding allocation for 2 year old entitlement for working parents (£s)	£0.00	£6,307,667.00	£6,307,667.00
Indicative funding allocation for universal entitlement for 3 and 4 year olds (£s)	£13,415,305.00	£14,884,730.00	£1,469,425.00
Indicative funding allocation for additional 15 hours entitlement for eligible working parents of 3 and 4 year olds (£s)	£6,494,816.00	£7,206,216.00	£711,400.00
Indicative funding allocation for 3 & 4 year old early years pupil premium (£s)	£192,840.00	£211,502.00	£18,662.00
Indicative funding allocation for 2 year old early years pupil premium (£s)	£0.00	£117,052.00	£117,052.00
Indicative funding allocation for under 2 year old early years pupil premium (£s)	£0.00	£5,853.00	£5,853.00
Funding allocation for 3 & 4 year old disability access fund (£s)	£125,856.00	£156,520.00	£30,664.00
Funding allocation for 2 year old disability access fund (£s)	£0.00	£50,050.00	£50,050.00
Funding allocation for under 2 year old disability access fund (£s)	£0.00	£15,470.00	£15,470.00
Indicative supplementary funding allocation for maintained nursery schools (£s)	£1,040,822.00	£1,221,153.00	£180,331.00
Total early years block (£s)	£23,159,118.00	£37,101,887.00	£13,942,769.00

7 Pupil Premium

7.1 Funding rates for the pupil premium in the financial year 2024-25 will increase by 1.9%. Rates for 2024-25 will be:

- Primary FSM6 pupils: £1,480
- Secondary FSM6 pupils: £1,050
- Looked-after children: £2,570.

- Children who have ceased to be looked after: £2,570.
- Service children: £340

7.2 Pupil premium allocations and conditions of grant for 2024-25 will be published by the DFE in spring 2024.

8 Other Grants

8.1 Information about other grants for 2024-25 will be issued during 2024.

9 Recommendations for Schools Forum

9.1 Schools Forum is asked to note the 2024-25 DSG Settlement figures for North Northamptonshire Council.

10 Next steps

10.1 The LA will set the 2024-25 DSG Budgets based on the 19th of December 2023 DSG settlement.

11 Financial implications

11.1 Schools need to be aware of all the latest funding allocated by the DFE so that they can make timely decisions with Schools Forum and their Governing Body.

12 Legal implications

12.1 Schools funding is governed by The School and Early Years Finance (England) Regulations 2023. It is important to ensure decisions are made within the regulations set.

13 Risks

13.1 There is the risk that Schools Forum may make financial decisions and recommendations that contravenes statutory regulations if Schools Forum is not kept up to date with all the developments and mandatory requirements surrounding DSG funding.

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