



## Lancashire Schools Forum

CC Phillippa Williamson, Leader, Lancashire County Council and CC Jayne Rear, Cabinet Member for Education and Skills

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Date	11 January 2024

C. CC Jayne Rear, Lead Member for Education and Skills

Dear Phillippa and Jayne,

### **Schools Budget 2024/25**

As you will be aware, at a meeting on 11 January 2024, the Schools Forum was presented with information about the latest proposals for setting the Schools Budget from April 2024.

Following consideration of the proposals, the Forum agreed a number of recommendations for your consideration in finalising the Schools Budget for 2024/25. Where applicable these recommendations follow the outcomes of consultations with schools and early years providers.

### **The Forum:**

Supported the Schools Block proposals, as follows:

- The DfE's National Funding Formula (NFF) methodology should continue to be used as the Lancashire formula for 2024/25.
- The Minimum Funding Guarantee (MFG) be set at +0.5% for 2024/25, mirroring the National Funding Formula.
- Confirm the use of the Minimum Pupil Funding (MPF) rates contained in the NFF for any new Growth Fund allocations from April 2024
  - Primary £4,610 per pupil
  - Secondary £5,995 per pupil
- The use of the £1.154m from the Dedicated Schools Grant Reserves.
- National Funding Formula (NFF) methodology applied in full in 2024/25.

Supported the High Needs Block proposals, as follows:

- The increased HNB allocation being utilised to cover the forecast growth in High Needs expenditure from April 2024.
- The increase in HNB allocation to broadly match uplifts in the mainstream sector, including:
  - Increasing the Weighted Pupil Numbers (WPN) rate by 2% to £5,440;
  - Special School and PRU School Specific factors uplifted by 2% to match Schools Block MFG;



**Chair Daniel Ballard**

C/O The Clerk to the Schools Forum, • Financial Management (Development and Schools)  
PO Box 100, County Hall, Preston, PR1 0LD

Supported the Early Years Block proposals, as follows:

### *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 rates:

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 £29 to £910 per eligible child per year for 2022/23, 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.

Supported the Central School Services Block proposals, as follows:

- The proposals for the Central School Services Block in 2024/25, including uplifts for cost and demand led pressures.

The Schools Forum supported the Dedicated Schools Grant Reserve underwriting the uncertainties around the 2024/25 DSG Schools Budget within the Schools Block. These Schools Budget proposals forecast a balanced Dedicated Schools Grant funding position in 2024/25, subject to the planned use of £1.154m in Schools Budget reserves to mitigate pressures in the Schools Block budget.

**The Forum also approved a number of budget lines and arrangements using our decision making powers, these are set out at Annex 1.**

I hope that you will be able to accommodate our recommendations and decisions when you set the Schools Budget for 2024/25.

With best wishes.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Daniel Ballard'.

Daniel Ballard  
Chair, Lancashire Schools Forum

**SPECIFIC APPROVALS NEEDED FROM THE SCHOOLS FORUM**

The School and Early Years Finance (England) Regulations require certain proposals by the Local Authority relating to the Schools Budget to be approved by the Schools Forum.

An indication of the specific proposals that have previously been considered and approved by the Forum is included together with proposals now put forward that require approval.

Function	LA proposals 2024/25	Proposed Expenditure: 2024/25 £m
<b>Consultation on Formula Changes</b>		
<ul style="list-style-type: none"> <li>No local formula factor changes are proposed for 2024/25 in any funding block, beyond incorporating the DfE National Funding Formula (NFF) alterations into the local Schools Block formula</li> </ul>	The Forum have previously agreed to use the DfE's NFF as the Lancashire funding formula for the Schools Block budget, and NFF updates for 2024/25 introduced by the DfE are incorporated in the Schools Budget proposals for 2024/25, including revised split site funding.	
<b>De-delegation for mainstream schools</b>	LA proposals for: <ul style="list-style-type: none"> <li>Schools Requiring additional Support</li> <li>Museum service (primary only);</li> <li>Staff Costs Public duties/Suspensions;</li> <li>Primary Inclusion Hubs (primary only);</li> <li>Childrens Champions</li> </ul> Approved by the Schools Forum on 17 October 2023	2.764
<b>Contracts (where the LA is entering a contract to be funded from the schools budget)</b>	No Proposals at this time	

<b>Financial issues relating to:</b>		
<ul style="list-style-type: none"> <li>arrangements for pupils with special educational needs, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding</li> </ul>	Proposals contained in the High Needs Block Working Group recommendations report to the Forum and the Forum budget papers	136.418
<ul style="list-style-type: none"> <li>arrangements for use of pupil referral units and the education of children otherwise than at school, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding</li> </ul>	Proposals contained in the High Needs Block Working Group recommendations report to the Forum and the Forum budget papers	14.129
<ul style="list-style-type: none"> <li>arrangements for early years provision</li> </ul>	Proposals contained in the Early Years Block Working Group report to the Forum and the Forum budget papers	143.989
<ul style="list-style-type: none"> <li>administration arrangements for the allocation of central government grants</li> </ul>	No Proposals at this time beyond passporting DfE allocations to schools	
<b>Minimum funding guarantee (MFG)</b>	Consultation responses on MFG reported to Forum on 17 October 2023 and recommended that the level of MFG to be used in the Lancashire funding formula for 2024/25 be set at +0.5%. This is incorporated into the Forum budget papers	
<b>General Duties for maintained schools</b> Contribution to responsibilities that local authorities hold for maintained schools	No Proposals at this time	
<b>Central spend on and the criteria for allocating funding from:</b>		
<ul style="list-style-type: none"> <li>funding for significant pre-16 pupil growth, including new schools set up to</li> </ul>	Policy previously agreed by the Schools Forum. Proposal to increase the growth fund unit values in line	1.5000

meet basic need, whether maintained or academy	with increased NFF Minimum Pupil Funding levels each year  Final budget proposals are contained in the Schools Budget 2024/25 report	
<ul style="list-style-type: none"> <li>funding for good or outstanding schools with falling rolls where growth in pupil numbers is expected within three years</li> </ul>	No Proposals at this time	
<b>Central spend on:</b>		
<ul style="list-style-type: none"> <li>early years block provision</li> </ul>	Final budget proposals are contained in the Schools Budget 2024/25 report	2.65
<ul style="list-style-type: none"> <li>funding to enable all schools to meet the infant class size requirement</li> </ul>	No Proposals at this time	
<ul style="list-style-type: none"> <li>back-pay for equal pay claims</li> </ul>	No Proposals at this time	
<ul style="list-style-type: none"> <li>remission of boarding fees at maintained schools and academies</li> </ul>	No Proposals at this time	
<ul style="list-style-type: none"> <li>places in independent schools for non-SEN pupils</li> </ul>	No Proposals at this time	
<ul style="list-style-type: none"> <li>admissions</li> </ul>	Final budget proposals are contained in the Schools Budget 2024/25 report	1.400
<ul style="list-style-type: none"> <li>servicing of schools forum</li> </ul>	Final budget proposals are contained in the Schools Budget 2024/25 report	0.188
<ul style="list-style-type: none"> <li>Contribution to responsibilities that local authorities hold for all schools</li> </ul>	No Proposals at this time	
<ul style="list-style-type: none"> <li>contribution to responsibilities that local authorities hold for maintained schools</li> </ul>	No Proposals at this time	

<b>Central spend on:</b>		
<ul style="list-style-type: none"> <li>capital expenditure funded from revenue: projects must have been planned and decided on prior to April 2013 so no new projects can be charged</li> </ul>	No Proposals at this time	
<ul style="list-style-type: none"> <li>contribution to combined budgets: this is where the schools forum agreed prior to April 2013 a contribution from the schools budget to services which would otherwise be funded from other sources</li> </ul>	No Proposals at this time	
<ul style="list-style-type: none"> <li>existing termination of employment costs (costs for specific individuals must have been approved prior to April 2013 so no new redundancy costs can be charged)</li> </ul>	No Proposals at this time	
<ul style="list-style-type: none"> <li>prudential borrowing costs – the commitment must have been approved prior to April 2013</li> </ul>	No Proposals at this time	
<ul style="list-style-type: none"> <li>SEN transport where the schools forum agreed prior to April 2013 a contribution from the schools budget (this is now treated as part of the high needs block but still requires schools forum approval as a historic commitment)</li> </ul>	No Proposals at this time	
<b>Central spend on:</b>		
<ul style="list-style-type: none"> <li>high needs block provision</li> </ul>	2024/25 funding level presented as part of the Schools Budget setting proposals	41.312
<ul style="list-style-type: none"> <li>central licences negotiated by the Secretary of State</li> </ul>	2024/25 funding level presented as part of the Schools Budget setting proposals	1.203

<b>Funding of brought forward deficits</b>	No Proposals at this time	
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