

School Budgets Allocation 2024/25

Key Messages

Forum members are asked to **approve the 2024/25 budget** for primary and secondary schools set at £453m – Appendix 1, and to **note**:

- I. That the Overall Individual Schools Budget (ISB) for academies and schools is set at £453.4m, to include rates, an increase of £13.4m.
- II. The Overall £ per pupil average for primary and secondary at £6,044 - an increase of £179 (3%) per pupil, over and above 2023/24 figures. (£6,605 – 4.5% to include Pupil Premium and Teachers' Pay Additional Grant (TPAG).
- III. The national core factors in the National Funding Formula (NFF) - to include basic entitlement, lump sum - increased by 1.4%.
- IV. The minimum per pupil funding levels: every primary school will receive at least £4,610 per pupil and every secondary school at least £5,995.
- V. That the Mainstream Schools Additional Grant (MSAG) from 2023-24 has been rolled into Dedicated Schools Grant (DSG), providing an increase in DSG for 2024/25 of £27m, of which £15m is the Additional Grant - a net increase of £12m in total.
- VI. That the new TPAG continues for 2024-25 but will be rolled into DSG from 2025-26.
- VII. That the DfE's Education and Skills Funding Agency (ESFA) continues the transition towards NFF ensuring all LAs move at least 10% closer to the NFF within the minimum and maximum thresholds now set.
- VIII. That school budgets have been produced on the basis of the agreed transition process towards the NFF and full implementation.
- IX. The formulaic approach introduced to allocate split site funding.
 - X. That local authorities must follow the new local formula requirements for Growth and Falling Rolls Funding.
- XI. That there has been a significant reduction in growth funding. Sheffield has received £1.57m in 2024-25 compared to £2.95m in 2023/24, a reduction of £1.38m - 46%.
- XII. That the agreed movement of £1.5m to the High Needs Block continues for 2024/25.
- XIII. That the expected Pupil Premium of £36m for all Sheffield pupils is to include special schools. The rates for 2024/25 have increased by an average of 1.6%.
- XIV. That the Covid Recovery Premium runs until the end of the 2023-24 academic year (August 2024).
- XV. That the reduction of £486k in the historic commitments element of Central School Services Block (CSSB) has been funded by the Council.
- XVI. The Continuation of de-delegated budgets (with the exception of School improvement where de-delegation ended on 31 August 2023).

1 Introduction/background

- 1.1. This paper summarises the overall settlement for Sheffield's Dedicated Schools Grant (DSG) and details the budgets for all of Sheffield's mainstream primary and secondary schools. This comprises of the Individual Schools Budget (ISB) which is the principal part of the Schools Block.
- 1.2. It also describes the central budgets retained by the Local Authority, which come under the de-delegated items, and which continue to be agreed by the Schools Forum, originally approved on 20 February 2013.
- 1.3. Sheffield's school population is increasing slowly. The peak is still within the secondary sector in 2024/25, but primary pupil numbers are lower. Please see Table 1 below for full details:

Table 1 – Pupil Numbers

Financial Year	Primary			Secondary			Total		ISB
	Maintained	Academies	Total	Maintained	Academies	Total	Maintained	Academies	Total
2023-24	20,068	24,419	44,487	1,141	29,104	30,245	21,209	53,523	74,732
% Split Attendance	45.6%	54.4%	100.0%	3.8%	96.18%	100.0%	28.8%	71.2%	100.0%
2024-25	19,274	25,066	44,340	1,145	29,524	30,669	20,419	54,590	75,009
% Split Attendance	43.5%	56.5%	100.0%	3.7%	96.27%	100.0%	27.2%	72.8%	100.0%
Variance	-794	647	-147	4	420	424	-790	1,067	277
% Change	-4.0%	2.6%	-0.3%	0.4%	1.4%	1.4%	-3.7%	2.0%	0.4%

- 1.4. The overall projected DSG settlement for 2024/25 is £622m compared to £570m in 2023/24.
- 1.5. The overall Dedicated Schools Grant (DSG) has increased by £52 million, and the reasons for this increment are detailed in the following bullet points:

Funding Blocks	2023/24 £m	2024/25 £m	Variance £m
Schools Block	429.91	456.45	26.54
Central School Services Block	5.30	4.91	-0.39
Early Years Block (provisional)*	35.98	56.76	20.78
High Needs Block (provisional)	99.04	104.22	5.18
Total	570.23	622.34	52.11

* Latest figures for 2023/24

- 1.6. The reasons for variances across various blocks compared to last year are:
 - 1.6.1. **Schools Block**
The Mainstream Schools Additional Grant from 2023-24 of £15m has been rolled into DSG, £9.5m received is due to the continuation of the 'soft' implementation of the NFF and £2m is due to an increase in pupil numbers (277 net pupils).

1.6.2. **Early Years Block**

Early Years funding for 2024/25 - DSG has increased significantly due to the introduction of the Extended Entitlements for 2-year-olds. Further details are available in Paper 5 and the appendices.

1.6.3. **High Needs Block**

As with Schools Block, the Additional Grant from 2023/24 and the soft implementation of the High Needs Funding Formula has brought additional funding into the Local Authority of £5.2m. However, the population element of the High Needs NFF allocation to each authority is capped at 5% against 2023/24 baselines. Full details of the High Needs Block can be found in Paper 4.

1.7. The principles and approach that continued to be used to calculate 2024/25 mainstream school budgets were discussed and agreed at the December 2023 Schools Forum meeting and will continue to move us significantly (proportionately) closer to the NFF:

1.7.1. Ensure ALL schools gain by optimising the use of Minimum Funding Guarantee (MFG), current national MFG is set at a maximum of +0.5%.

1.7.2. Continue to re-align factors in line with the ESFA to meet the 10% threshold minimum value, this changes the national level primary/secondary sector ratio to 1:1.36.

1.7.3. Keep Age Weighted Pupil Unit (AWPU) stable for primary and in line with NFF secondary.

1.7.4. Increase the Lump Sum in line with NFF to support smaller schools.

1.7.5. Re-align Social Deprivation with the NFF as closely as possible, with priority being given to funding elements relating to Free School Meals, directing funding to schools with high levels of social deprivation, to support the current financial climate, and again being subject to affordability.

1.8. We have updated the indicative budget models with October 2023 Census information and final Schools Block allocation.

1.9. In line with the Forum decision and consultation with schools in the city, there has been a redirection of £1.5m, from the Schools Block to the High Needs Block, to continue our investment in localities to support inclusion and increase access to local mainstream schools.

1.10. As pupil numbers are increasing in the secondary sector, this has resulted in an overall cash increase percentage split of 39% for primary and 61% for secondary schools. As we continue to move towards the NFF, using the minimum thresholds, the ratio stands at 1:1.36, and ensures that the majority of factors are in line with the NFF, ensuring stability in the system whilst preparing us for full implementation in future years.

	School Budgets £m	Growth £m
Schools Block – Income	456.45	
Less Growth	-1.57	1.57
Transfer to High Needs Block	-1.50	
	453.38	1.57

2 Funding Formula 2024/25

2.1. Key changes in 2024 to 2025, in addition to Sheffield starting to align Social Deprivation factors with the NFF:

2.1.1. **The Mainstream Schools Additional Grant** £15m has now been rolled into DSG.

2.1.2. **A formulaic approach to Split Site Funding** – The ESFA has now introduced a formulaic approach to split site funding, based on two factors:

- Basic eligibility - where a lump sum is paid for each eligible site.
- Distance funding - where sites must be more than 100m in distance by road, from the main site.

Schools not eligible for split site funding who received it previously will be protected by the MFG.

2.1.3. **Notional SEN Changes** – one change the ESFA introduced in 2024-25 was the ability to be able to introduce other formula elements towards the calculation of Notional SEN.

As LAs move towards the NFF, other factors will start to attract funding that may be appropriate to be incorporated in the Notional SEN such as schools receiving a significant level of MFG or the Minimum per pupil level (MPPFL). Other elements of the funding formula that may also be used were indicated as being the Lump Sum.

During the autumn term Sheffield worked with the Schools Forum Funding Working Group, and it was agreed at the December Schools Forum that we don't introduce such changes in 2024-25, to support schools with the cost pressures they already face. This could be reviewed for 2025-26.

2.1.4. **All LAs to move 10% closer to NFF** – the ESFA continues to move towards the NFF using minimum and maximum ranges for each factor value. Sheffield is in line with the NFF on most factors, except social deprivation factors, which we continue to align as is affordable.

2.1.5. **Primary AWPU** – Sheffield has increased Primary AWPU by £20 per pupil above the 2023/24 level, still within the threshold range set by the ESFA. This is to support small schools who do not have high levels of social deprivation,

where a significant level of investment is being made, again, due to the minimum threshold level set by the ESFA.

2.1.6. **Minimum Funding Guarantee (MFG)** – the national maximum level is set at +0.5%, the same level as in 2023-24.

- 2.2. The Department for Education (DfE) has issued revised guidance for the 2024/25 Revenue Funding Arrangements, and we have used this framework for resource allocation.
- 2.3. The final data was released in December 2023 and contained October 2023 Census data for the 2024/25 final budget. All financial modelling is carried out using the DfE’s “Authority Pro-forma Tool” which automatically calculates the pupil factors and MFG.
- 2.4. The new ‘Schools Revenue Funding 2024 to 2025 Operational Guidance’ from the ESFA applies to 2024/25 school budgets and confirms that:

Pupil-led Factors will be at least 80% of the delegated Schools Block funding allocated through an appropriate and locally determined combination of the pupil-led factors. These factors include AWPU, Deprivation, Prior Attainment, English as an Additional Language and Pupil Mobility. In 2024/25 Sheffield will delegate at least 91% through pupil-led factors.

- 2.5. **Basic Entitlement (compulsory factor)** will be as 2023/24 with minimum values of £2,000 for primary and £3,000 for secondary (KS3 and KS4). For 2024/25 Sheffield will be above these thresholds:

The AWPU rates for 2024/25 are as follows:

- | | |
|-----------------|---------------------------|
| • Primary | £3,582 (higher than NFF) |
| • Secondary KS3 | £5,022 (in line with NFF) |
| • Secondary KS4 | £5,661 (in line with NFF) |

- 2.6. **Deprivation (compulsory factors)**

IDACI - the DfE is still using the IDACI dataset from 2019. This dataset is due to be updated from 2025-26, as IDACI is updated every five years.

The 2024/25 Census dataset maps the IDACI 2019 ranks to group each lower super output area (LSOAs) - an area with typically about 1,500 residents - into one of seven bands of decreasing deprivation.

IDACI ranks are divided into seven bands - A to G, with A representing the most deprived areas and G the least deprived. Additional funding is targeted towards pupils in bands A-F, with more funding directed to pupils in the more deprived bands.

Free School Meals (Ever6) - in line with the Schools Forum agreement (December 2023), investment in social deprivation is being aligned with the NFF and increased by up to £10.05m to £58.2m, equating to 13% of the total Individual School Budget (ISB).

- 2.7. **Prior Attainment (compulsory factor)** – the primary indicator will include those who failed to achieve a good level of development. The DfE will continue to use the Early

Years Foundation Stage Profile as the Prior Attainment factor for the distribution of funding.

For 2024/25, pupils would qualify for the Prior Attainment factor, where they have not achieved a good level of development (expected level of development in all 12 prime areas of learning as well as maths and literacy).

Following the cancellation or incompleteness of both EYFSP and KS2 assessments in summer 2020 and summer 2021 due to coronavirus (COVID19), local authorities will not be able to use assessment data from these years in the low prior attainment factor in their local funding formulae.

Instead, local authorities will use 2019 attainment data as a proxy for the missing assessments in 2020 and 2022 attainment data as a proxy for the missing assessments in 2021. This is a change from 2023 to 2024 when 2019 attainment data was used as a proxy for the missing assessments in both 2020 and 2021.

In line with Schools Forum agreement (December 2023), investment in Prior Attainment has continued to be aligned with the NFF in £ per pupil terms. The amount allocated is now £29.5m (7%). The £ per pupil rates are now £1,170 Primary and £1,775 Secondary.

- 2.8. **English as an Additional Language (compulsory factor)** – funding distributed on the basis of the pupils’ first three years in the school system.
- 2.9. **Pupil Mobility (compulsory factor)** – allocates funding to schools with a high proportion of pupils who have an entry date in the last three years that is not typical. ‘Not typical’ means that the first census a pupil is recorded as attending the school is a January or May census, with exceptions.

The mobility methodology involves tracking individual pupils using their unique pupil ID through censuses from the past three years. If the first census when the pupil was in the school was a January or May Census, they are a mobile pupil. This excludes reception pupils who start in January. This methodology also excludes pupils who joined in the summer term after the May Census, or pupils who joined in autumn before the October Census.

Funding will continue to be targeted only at those schools experiencing pupil mobility above a 6% threshold. Funding is allocated based on the proportion above this threshold e.g. if a school has 8% mobility, then 2% of its pupils would attract funding.

- 2.10. **Lump Sum (compulsory factor)** - funding is to support schools which are unavoidably small and require this support because per pupil funding alone is insufficient. The DfE does not want lump sum funding to be used as additional funding for schools which have fewer pupils on roll.

The lump sums can vary for primary and secondary schools. The Lump Sum factor values must now be at least 10% closer to NFF values each year. Local authorities must add the rolled-in lump sum element of the MSAG to their local formula lump sums in 2024/25. The NFF value for 2024/25 has been calculated on this basis.

For 2024/25, Sheffield's Lump Sum is in line with the NFF at **£134,400** for both primary and secondary, as agreed at the Schools Forum (December 2023).

- 2.11. **Split Sites (compulsory factor)** - the new split sites methodology is compulsory for all local authorities that require the split site factor.

The factor is made up of two parts, both of which are compulsory:

- Basic eligibility funding - schools must be allocated a lump sum payment for each of their additional eligible sites distance funding.
- Additional funding - must be paid out on top of the basic eligibility lump sum for schools whose eligible sites are separated by more than 100 metres (by road distance) from the main site.

The basic eligibility criteria for split sites funding requires additional sites to:

- Be part of the main school, that is, to share the same unique reference number (URN) with the school's main site.
- Be separated from the school's main site by a public road or railway.
- Have a building on them which is maintained by the school, and which is primarily used for the education of 5 to 16-year-old pupils in mainstream education.
- This excludes playing fields, 'ancillary buildings' and buildings leased out full time by the school to another entity.

Funding for the distance element should be allocated through a tapered approach, beginning at 100 metres, with allocations increasing linearly up to 500 metres, from which point schools should receive the total maximum funding allowed, which is £80,600.

Sheffield funds at the NFF values: lump sum for basic eligibility which is £53,700 and the maximum distance funding of £26,900.

- 2.12. **Rates (optional factor)** – the ESFA will continue to pay business rates directly to billing authorities on behalf of all state funded schools in 2024/25. Rates will still appear as part of a school's budget share for 2024/25, as schools will still be the accountable body and have to account for rates within their year-end accounts. Schools will still receive a copy of their 2024-25 rates bill, but again, **DO NOT PAY THIS BILL**, it may be difficult to obtain a refund if the bill is paid in error.

Academies rates for previous years: in a change to advice provided by the ESFA in 2023/24, we are advised that Academies **SHOULD pay and claim back any previous years' bills adjustments** that are received in 2024-25. LAs will still be claiming and the DfE is paying current 2024-25 bills.

- 2.13. **Sparsity (compulsory factor)** - there are two primary schools that are eligible, and which attract funding of approximately £20k between them. It focuses on the distance pupils have to travel to the next nearest school, including the numbers of pupils on roll, enabling smaller schools in rural areas to receive additional funding.
- 2.14. **Minimum Funding Level (compulsory factor)** – this is a compulsory factor in a move towards introducing a direct NFF.

Minimum funding levels are calculated based on all pupil-led funding only. The calculation provides per-pupil funding of at least £4,610 for each primary school, and £5,995 for each secondary school with standard structures of seven and five year groups respectively.

For all-through schools and other new or growing schools with a non-standard year group structure, this will produce a specific minimum per pupil value that relates to the number of year groups in each phase.

There are still a number of primaries and only one secondary school that have qualified for this funding - 23 primary and one secondary school require the uplift from this factor. There is an increase in requirement for this funding of £239k in comparison to 2023/24.

- 2.15. **Minimum Funding Guarantee (MFG)** - the DfE has continued with the national threshold in 2024/25 which means local authorities can set a local MFG of between +0% but only up to +0.5%. This funding will be based on the previous year's per pupil amount, based on pupil-led funding only.

The MFG for 2024/25 in Sheffield is set at +0.5%, allowing schools to benefit from the maximum threshold. The cost of the MFG is £698k, a reduction of £86k from 2023/24. There are 34 primary schools and one secondary school which are protected by the MFG. The one secondary school is due to the loss of Split Site funding which is now being protected by the MFG.

- 2.16. **Private Finance Initiative (PFI) – optional factor**

This factor is to support schools that have unavoidable extra premises costs, because they are a PFI school, this element provides funding for the PFI 'affordability gap' which is delegated and paid back to the local authority.

3 Primary and Secondary

- 3.1. The Individual School Budget (ISB) - primary and secondary - is the principal component of the Schools Block.
- 3.2. For 2024/25 this will be £453m (to include rates) compared to £425m in 2023/24.
- 3.3. The tables below provide a statistical analysis of 2024/25 school budgets. Further information is available in Appendix 1.
- 3.4. **Budget Share Analysis**

Table 2 – Budget Share

	Primary			Secondary			Total £,000		ISB
	£'000			£'000					
	Maintained	Academies	Total	Maintained	Academies	Total	Maintained	Academies	TOTAL
2023-24	97,479	125,258	222,737	8,248	194,471	202,719	105,727	319,728	425,456
% Split	44.5%	55.5%	100.0%	4.13%	95.87%	100.0%	25.7%	74.3%	100.0%
2024-25	97,949	135,809	233,758	8,589	211,033	219,622	106,538	346,842	453,380
% Split	41.9%	58.1%	100.0%	3.91%	96.09%	100.0%	23.5%	76.5%	100.0%
Variance	470	10,552	11,021	340	16,562	16,903	810	27,114	27,924
% Change	0.5%	8.4%	4.9%	4.1%	8.5%	8.3%	0.8%	8.5%	6.6%

3.5. Formula Factors Analysis

Table 3 – Formula Factors

Funding Factor	2023-24	2024-25	Change	Proportion
	£'000	£'000	£,000	%
AWPU Pupil Funding	306,038	320,583	14,546	71%
Social Deprivation	48,155	58,206	10,051	13%
Mobility	777	850	73	0.2%
High Incidence SEN /Prior Attainment	28,076	29,543	1,466	7%
English as Additional Language	5,305	5,776	471	1%
Lump Sum	20,864	21,907	1,043	5%
Split Sites	731	376	-354	0%
Rates	3,091	3,586	495	1%
Sparsity	12	16	5	0%
PFI	9,172	9,147	-24	2.0%
Minimum Funding Level	2,453	2,692	239	0.6%
Gains Cap	0	0	0	0.0%
Minimum Funding Guarantee	784	698	-86	0%
Total	425,456	453,380	27,924	100.0%

3.6. Overall Cash Gainers / Losers in Formula 2024/25

Shown below are the number of overall cash gainers and losers per sector. If a school is losing cash, it is usually down to the school having fewer pupils compared to last year, and a school gaining cash is generally gaining pupils.

All schools losing cash in Sheffield are experiencing a loss in pupil numbers.

	Cash Increase		Cash Reduction	
	No. of Schools	Cash £,000	No. of Schools	Cash £,000
Primary	100	£ 170	33	-£ 95
Secondary	30	£ 771	0	£0k

4 School Budgets

- 4.1. The Minimum Funding Guarantee (MFG) has been applied in 2024/25. There was no gains cap applied this year. As there was local flexibility allowed this year, Sheffield has set the MFG at the maximum level of +0.5%. This means all schools would gain funding, not less than or equal to +0.5%, on a comparable £ per pupil basis in 2024/25.
- 4.2. It should be noted that the MFG only applies to like-for-like budgets. As we move towards the direct NFF we adjusted the MFG in line with the NFF from 2023/24. The formula factors (PFI, Rates and Lump Sum) are excluded when applying the MFG (see Appendix 1 – Indicative School Budgets) and explain why some schools may show increases of less than +0.5%.
- 4.3. The cost of the MFG in 2024/25 is £698k.

- 4.4. A total of 34 Primary schools will receive funding through the MFG, with the average amount being £4k, the highest MFG received is £83k, which is our smallest primary school. One secondary school requires an MFG of £132k, due to the loss of split site funding.
- 4.5. No gains cap has been set for 2024/25 therefore all schools, both primary and secondary are allowed to retain 100% of any gains through the funding formula.
- 4.6. Appendix 1 shows the indicative budget share for each school for 2024/25, £ per pupil and both the cash change and the per pupil % increase or decrease. Also shown is the budget share after the estimations for Pupil Premium. The Teachers pay Additional Grant estimate is provided for information.
- 4.7. Cost of PFI has not increased as much as the previous year, due to the impact of falling inflation. The cost of the base Unitary Charge has risen by £474k (1.2%) compared to £2.6m (6.9%) 23/24 levels. The official measure of inflation in the United Kingdom, the Consumer Prices Index (CPI), was 4% in December 2023 (a decrease on the previous forecast figure of 10.5%). [Consumer price inflation, UK - Office for National Statistics](#)

The annual unitary charge increase is linked to January/February RPIX figures, which are not published until February/March, after school budgets are set. The latest estimates provided in December, were 5.1% at January, and 5.6% in February.

- 4.8. **Schools with integrated resources** - the Element 3 pupil-led top-up funding will be received as part of the Schools Block budget share, as the pupils that occupied the integrated resource in the October 2023 Census are funded through the Schools Block element. Elements 1 and 2 of integrated resources funding, will be funded through the High Needs Block and this has been covered and agreed through the High Needs Integrated Resource Paper 4.

5 Pupil Premium

- 5.1. The Pupil Premium is calculated by the ESFA and notified to local authorities for maintained schools and paid directly to academies. It is based on the October 2023 Census.
- 5.2. Pupil Premium is not a personal budget for individual pupils, and schools do not have to spend Pupil Premium so that it solely benefits eligible pupils.
- 5.3. Pupil Premium can be used to support other pupils with identified needs, such as pupils who have or have had a social worker, or pupils who act as a carer. It can also be used for whole class interventions, for example high-quality teaching, which will also benefit non-disadvantaged pupils.
- 5.4. For 2024/25, the DfE continues to fund pupils with no recourse to public funds (NRPF) for Pupil Premium, and has made this a permanent feature. Pupil Premium funding will be allocated in respect of children of families with NRPF who are eligible for Free School Meals, and for whom successful claims have been submitted to the ESFA.
- 5.5. The rates for 2024/25 have increased by 1.6% on average, and are as follows:

Pupil Premium 2024-25				
	2023-24	2024-25	£ Inc.	% Inc.
Primary Ever 6	£1,455	£1,480	£25	1.7%
Secondary Ever 6	£1,035	£1,050	£15	1.4%
LAC/Post LAC	£2,530	£2,570	£40	1.6%
Service	£335	£340	£5	1.5%

In line with a previous Forum decision, up to 50% of Pupil Premium for Looked After Children (LAC) may be centrally held to commission city-wide services on behalf of LAC.

- 5.6. The Pupil Premium will remain payable for each pupil who has been eligible for free meals at any time in the last six years or is looked after/adopted from care after 2006, or who has been a service child in the last six years.
- 5.7. The table below summarises the expected level of Pupil Premium for 2024/25:

Primary £'000			Secondary £'000			Total £'000
Maintained	Academies	Total	Maintained	Academies	Total	Total
7,092	16,172	23,264	1,307	11,168	12,474	35,739

- 5.8 As per the December 2017 Schools Forum, an automatic award for Free School Meals process was put in place, and since adapted to incorporate the new census collection date. We should continue to expect further increases in pupil premium now the information is being captured through the census process.

6 Additional Grants

- 6.1. Teachers Pay Additional Grant (TPAG) - for the 2024 to 2025 financial year, the DfE will continue to pay TPAG as a separate grant, and it will cover the whole of that financial year. Allocations for 2024 to 2025 will therefore be calculated using twelve sevenths of the funding rates in 2023 to 2024, the methodology will also remain the same.
- 6.2. The funding rates for 2024/25 are shown below:

Teachers Pay Additional Grant	2024-25
The base funding rates for 2024 to 2025 financial year are:	£
Mainstream Schools	
a basic per-pupil rate of £62 for primary pupils, including pupils in reception	62.00
a basic per-pupil rate of £86 for key stage 3 pupils	86.00
a basic per-pupil rate of £98 for key stage 4 pupils	98.00
a lump sum of £2,306	2,306.00
a FSM6 per-pupil rate of £53 per eligible primary pupil	53.00
a FSM6 per-pupil rate of £77 per eligible secondary pupil	77.00
Special schools and AP schools	
The funding rate for 2024 to 2025 financial year is £446 per place.	446.00

- 6.3. The grant is payable to mainstream schools (for the 5 to 16-year-old age range), and for special and alternative provision (AP) schools in 2024 to 2025. Early Years TPAG has been rolled into the Early Years Block DSG allocation from 2024-25. Details for the post-16 TPAG for the academic year 2024 to 2025 will be announced in due course.
- 6.4. The DfE will publish school level allocations of the mainstream schools' portion of TPAG for the 2024 to 2025 financial year in May 2024.
- 6.5. Local authorities and academies will receive their payments for 2024 to 2025 in two tranches. Payments will be made in May 2024 for local authorities, and June 2024 for academies, to cover April 2024 to August 2024; and in October 2024 for local authorities, and November 2024 for academies, to cover September 2024 to March 2025.
- 6.6. The DfE will pay mainstream academies an additional allocation to cover April to August 2025 because their funding cycle follows the academic year – this will represent five-twelfths of academies' 2024 to 2025 allocations.
- 6.7. **Additional Support for Schools in Financial Difficulties** - this was a one-off grant of £517k received in 2023-24. It covered maintained schools to include special and the Pupil Referral Unit (PRU). It will be distributed in line with requests from the local deficit recovery support plans, to include several primaries and a special school.

7 Central Budgets

- 7.1. **Growth Funding Changes in 2024/25** - in the 2024-25 fiscal year, the DfE has implemented more stringent guidelines for the administration and distribution of growth funding by local authorities. Sheffield's Growth Funding allocation has seen a notable reduction from £2.9 million to £1.6 million, marking a 46% decrease.
- 7.2. Sheffield received no Falling Rolls funding for 2024-25, as we have a net increase in pupils, but will make an allocation of £250k available, from the combination of the Growth Fund and an amount from the previous year which remained unallocated.
- 7.3. The review of the Growth Funding Policy for Sheffield is an annual process, with approval scheduled for the June 2024 Schools Forum. It is crucial to highlight how the proposed DfE changes would impact Sheffield's schools.
- 7.4. The ESFA now specifies that the growth fund can only be utilised to:
- Support growth in pre-16 pupil numbers to address basic need.
 - Support additional classes required to meet the infant class size regulation.
 - Cover revenue costs for new schools.
 - Cover revenue costs, for schools, related to removing or repurposing surplus places.
- 7.5. Starting from 2024-25, local authorities must provide growth funding when a school or academy collaborates with the local authority to establish an extra class addressing basic need in the area (either as a bulge class or as an ongoing commitment).
- 7.6. The guidelines explicitly highlight that the growth fund must not be used to support:

- Schools in financial difficulty; support for maintained schools facing financial challenges should be sourced from a de-delegated contingency.
- General growth due to popularity; such cases, including academies admitting above pupil admission numbers (PAN) by choice, are managed through lagged funding.
- Schools that are admitting pupils within their existing PAN and simply 'filling up' back to capacity.

- 7.7. As a result, **funding will only be available for basic need**, and no additional funding will be allocated to schools that do not meet the ESFA specified criteria, such as Awkward Year Group Funding.
- 7.8. This represents a significant change for Sheffield's local Growth Policy. However, given the high demand on this fund and the necessity to comply with DfE explicit guidance, we must align the criteria with national policy/framework.
- 7.9. Please note, we have ensured that there is sufficient growth funding available to support those school expansions currently being negotiated by the Council's Education Sufficiency Team with specific schools for September 2024, and these proposed agreements will be honoured, subject to Schools Forum agreement.
- 7.10. **De-delegated Services**

The other centrally retained budgets are those continuing to be approved on behalf of maintained schools at the Schools Forum, originally agreed on 20 February 2013 and are as follows:

- a. Free School Meals eligibility.
- b. Licences/subscription.
- c. Staff costs - supply cover.
- d. Support of minority ethnic pupils or underachieving groups. – changes agreed see below (EMTAS).
- e. Schools in financial difficulties.
- f. Contingencies – for both exceptional or unforeseen costs and additional costs relating to new, reorganised or closing schools.

- 7.11. The total amount for all de-delegated services from primary and secondary schools is £1.95m with academies receiving 71% (£1.38m) of the de-delegated budgets.

Appendix 2 provides a further breakdown of these items.

8 Central School Services Block (CSSB)

- 8.1 As part of transition to the NFF, the ESFA established a Central School Services Block (CSSB) by combining historic commitments, ongoing responsibilities and DSG retained duties into CSSB.
- 8.2 In 2019/20 the ESFA introduced a change to the formula that calculates the CSSB so that the historic commitments element would reduce year-on-year as they would be expecting these to end over time.
- 8.3 In 2024/25 a reduction of **£486k** has been applied to the historic commitments.

8.4 The following paragraphs detail the responsibilities held by the LA for all schools, maintained and academies.

The CSSB is split into two areas:

1. Ongoing responsibilities (every local authority receives it).
2. Historic commitments (unique to Sheffield).

The following table shows Sheffield's allocation for 2023/24 and 2024/25.

	2023/24	2024/25	Change
	£000's	£000's	£000's
Ongoing responsibilities	2,868	2,968	100
Historic Commitments	2,429	1,943	-486
	5,297	4,911	-386

8.5 Ongoing Responsibilities

These are responsibilities held by the LA for all schools (maintained and academies). We receive a contribution of £39.61 per pupil towards delivery of our ongoing responsibilities for all schools in the city.

The following is a list of services and budgets included in ongoing responsibilities.

Ongoing Responsibilities	24/25
	£'000s
Statutory and Regulatory **	678
Education Welfare Duties	595
Asset Management	545
Schools Forum	276
School's Admissions	398
Copyright Licences	476
Total	2,968

Local Authority Statutory and Regulatory Duties - £678k

This includes: planning for the education services as a whole; revenue budget preparation, external audit relating to education and preparation of information on income expenditure relating to education; administration of grants, authorisation and monitoring of expenditure not met from schools' budget shares; formulation and review of local authority schools funding formula; internal audit and other tasks related to the authority's chief finance officers responsibilities under Section 151 of LGA; 1972 except duties specifically related to maintained schools; consultation costs relating to non-staffing issues; plans involving collaboration with other LA services or public/voluntary bodies; Standing Advisory Committees for Religious Education (SACREs); and provision of information to or at the request of the Crown other than relating specifically to maintained schools.

Local Authority Education Welfare Duties - £595k

This includes functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils; school attendance; and responsibilities regarding the employment of children.

Local Authority Asset Management Duty – £545k

This includes management of Sheffield Schools Capital Maintenance and Development Programme, and development including preparation and review of an asset management plan, and negotiation and management of private finance transactions and general landlord duties for all buildings owned by the LA, including those leased to academies.

Centrally Held Funding also includes servicing of the Schools Forum - £276k

Including administration and running costs, preparation of Forum reports, and preparation of school budgets, ongoing liaison with schools, ensuring the Forum operates within DfE regulations and guidance, and servicing of various Forum working groups.

School Admissions - £398k and Copyright Licences - £476k

The DfE pays for Copyright Licensing through a national contract. The cost for 2024/25 is expected to be £476k net of VAT and applies to both maintained schools and academies.

8.6 Historic Commitments

8.6.1 The ESFA reduced Sheffield's allocation of historic commitments by £486k in 2024/25 compared to 2023/24.

8.6.2 Considering the strategic importance and ongoing nature of these services, through the Council-wide business planning process, we have secured a funding contribution from the Council to offset the reduction in historic commitments by ESFA. All existing services funded from the historic allocation can continue to support the school system in 2023/24. The total value of these historic commitments stood at £5.9m in 2019/20 and it has been reducing every year. The Council is currently providing £4m, and £1.94m is contributed from the historic element of DSG towards these services.

Support for the Prevention and Early Intervention Strategy by funding the early help services (previously called Multi-agency Support Team (MAST)) - £1.9m which works across the localities in the city with schools.

8.7 Future Years Reduction to Historic Commitments

The Government had previously indicated that they expected the historic commitments within the Central School Services Block (CSSB) to continue to reduce and therefore the CSSB funding would be reduced in future years as per the following excerpt from the 'Schools Revenue Funding 2022 to 2023, December 2021':

As previously stated, the department has reduced the element of funding within CSSB that some local authorities receive for historic commitments made prior to 2013 to 2014. In 2022 to 2023, for those local authorities that receive it, historic commitments funding has been reduced by 20%

Considering the strategic importance and ongoing nature of these services, through the Council-wide business planning process, we have secured a funding contribution from the Council to offset the reduction in historic commitments by ESFA and we will continue to pursue the same approach and request that the Council fund any future reductions in historic elements of CSSB.

9 Recommendations

It is recommended that the Forum:

- I. **Approves** the 2024/25 budget for primary and secondary schools set at £453m as per Appendix 1.
- II. **Notes** the growth funding changes and total allocation of £1.567m to fund both growth and falling rolls. (£1.467m growth £100k falling rolls).
- III. **Notes** the distribution of the Additional Funding for Schools in Financial Difficulty.
- IV. **Notes** the transfer of £1.5m from the Schools Block to the High Needs Block.
- V. **Notes** the de-delegated budgets of £1.95m and for maintained schools to agree de-delegation of £0.591m of services as per Appendix 2.
- VI. **Notes and agrees** the contribution to the Central School Services Block budget.