



# OXFORDSHIRE COUNTY COUNCIL

## Guide to Schools Funding and Finance 2024-25 and Onward

(version 1.0 – February 2024)

### NOTES:

This document is intended for maintained schools in Oxfordshire only.

This document will be updated as further information becomes available.  
Updates in highlighted **italics**

<b>1. <u>Contents</u></b>	
2	Introduction..... 3
3	Mainstream Schools Additional Grant (MSAG) & Supplementary funding..... 3
4	Early Years National Funding Formula (EYNFF) and LA Maintained Nursery Schools and Classes..... 3
4.2	3- and 4-year-olds ..... 3
4.3	3- and 4-year-olds Provider Rates and Calculations ..... 4
4.4	3- and 4-year-olds Deprivation Supplement ..... 4
4.5	3- and 4-year-olds Special Educational Needs (SEN) Inclusion Fund..... 4
4.6	2-year-olds expanded provision ..... 5
4.7	Early Years Pupil Premium (EYPP)..... 5
4.8	Eligibility Checking System and Early Years Pupil Premium (EYPP) ..... 5
4.9	Early Years Formula Funding Allocation Transfers Process (within IBC) ..... 6
4.10	Early Years Funding Update 2023-24 ..... 6
5	Post 16 allocations from the Education Funding Agency (ESFA) for schools with sixth forms..... 6
6	Universal Infant Free School Meals (UFSM) ..... 6
7	Pupil Premium Grant ..... 7
8	PE and sport premium ..... 8
9	Teachers' Pay Grant (TPG) and Teachers' Pension Employer Contribution Grant (TPECG)..... 8
10	High Needs Funding..... 8
10.1	High-needs top-up funding..... 8
10.2	Secondary school SEN funding ..... 9
10.3	Special Educational Needs (SEN) Units (Resource Bases)..... 9
10.4	Special Schools ..... 10
11	Redundancy Allocations ..... 10
12	Devolved Capital ..... 10
13	National Copyright Licenses ..... 11
14	Permanently Excluded Pupil funding – (Check current relevant Law) ..... 11
15	Pupils who are the responsibility of other local authorities ..... 12
16	What Schools Must Publish Online ..... 12
17	Budget Submission Timetable..... 12
18	School Budget and Inflationary Pressures..... 12
19	Budget Pressures identified by Schools ..... 15
20	Deficit budget planning ..... 16
21	School Improvement Grant..... 16
22	Union Facilities Charge ..... 16
23	Finance Documents..... 17
24	Change Log..... 17

## 1 Introduction

In addition to the information included in this guide the Local Authority have written to schools regarding Formula Funding for 2024-25 and Three-Year Budget Planning. Individual Schools' Budget information for 2024-25 has been published on the Local Authority's Intranet on the Schools Budgets and Financial Planning page.

## 2 Mainstream Schools Additional Grant (MSAG) & Supplementary funding

The MSAG and supplementary grant have been rolled into the schools national funding formula (NFF).

Further information can be found on the link below on the incorporation of Grant into NFF as from 2023-24:

- [National funding formula for schools and high needs 2024 to 2025 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

## 3 Early Years National Funding Formula (EYNFF) and LA Maintained Nursery Schools and Classes

3.1 In the Spring Budget, 2023 the government announced an increase in the 3-4 year-old Early Years funding rate and expansion of the 2 year old entitlement provision to now include working and disadvantaged parents. A additional new provision entitlement of children aged 9 months to three years has also been introduced.

This section sets out the provision for Oxfordshire for 2024-25:

- Further details of the Early Years Funding for 2024-25 is provided in the ESFA guide: [Early years entitlements: local authority funding guide 2024-25](#)
- **Details of the funding formulae can be found in the ESFA technical note: [Early Years national funding formulae](#)**

This section sets out the details of the provision for Oxfordshire.

### 3.2 3- and 4-year-olds

The Early Years National Funding Formula (EYNFF) has been in place since the 2017-18 financial year. This formula relates to both the 15-hour universal entitlement for all 3- and 4-year-olds and the additional 15 hours for 3- and 4-year-old children of eligible working parents (the 30 hours offer).

There are a number of requirements on how local authorities allocate the 3- and 4-year-olds funding to providers for the 2024-25 financial year, similar to the previous financial year. These include the following:

- A minimum amount of funding of 95% to be passed through to providers (Oxfordshire in consultation with providers have set the pass-through rate at 97%)
- A local universal base rate for all types of providers
- A mandatory Deprivation Supplement
- A quality supplement to distribute the funding LAs receive because of the mainstreaming of the teachers' pay and pensions grants
- Restrictions on the overall level of supplements
- A special educational needs (SEN) inclusion fund
- A contingency fund

There is also separate Maintained Nursery Schools Supplementary funding of £4.64 per hour for 2024-25. This relates to 3- and 4-year-olds Universal hours only. The incoming grant rate has been increased by £0.84 per hour, from £3.80. This includes 52p per hour for the TPPG - so a £0.32 per hour increase excluding TPPG.

### 3.3 3- and 4-year-olds Provider Rates and Calculations

The underlying universal provider base rates for 3- and 4-year-olds (excluding the deprivation supplement, SEN inclusion fund and contingency) are as set out below:

Setting	Underlying Provider Rate per hour 2022-23	Underlying Provider Rate per hour 2023-24	Underlying Provider Rate per hour 2024-25
Nursery School	£4.35	£4.58	£5.30
Attached Nursery School	£4.35	£4.58	£5.30
Nursery Class in maintained school	£4.35	£4.58	£5.30
Nursery Class in academy	£4.35	£4.58	£5.30
Private, Voluntary, and Independent providers	£4.35	£4.58	£5.30

Basis of calculation

Universal entitlement = Number of pupils x 38 weeks x 15 hours x rate per hour<sup>1</sup>

Assuming that a pupil attends for the maximum entitled time otherwise this calculation needs to be scaled back accordingly.

Extended 30 hours = Number of pupils x 38 weeks x 30 hours x rate per hour<sup>2</sup>

Assuming that pupils attend for the maximum entitled time otherwise this calculation needs to be scaled back accordingly.

### 3.4 3- and 4-year-olds Deprivation Supplement

The allocation methodology remains the same as that introduced in 2017-18 and will follow the funding for Early Years Pupil Premium (EYPP) eligible children. The deprivation funding will be paid alongside EYPP at a rate of 47p per hour, rather than an amount being allocated at the start of the financial year. Funding for the EYPP has increased to 68p per hour for 3- and 4-year-old children eligible children attending up to 15 hours per week. The combined rate for the EYPP and deprivation supplement will therefore be £1.15 per hour for each EYPP eligible child for 15 hours of attendance. (The 47p supplement also applies to additional hours, although EYPP can only be paid on the universal 15 hours).

### 3.5 3- and 4-year-olds Special Educational Needs (SEN) Inclusion Fund

LAs are required to have a SEN Inclusion Fund for all three and four-year olds with SEN who are taking up free entitlements. This is to target funding at children with lower level or

<sup>1</sup> Alternatively, a school can use a similar calculation for each pupil 38 weeks x number of hours (maximum 15 hours) x rate per hour, then total the individual pupil calculations.

<sup>2</sup> Alternatively, a school can use a similar calculation for each pupil 38 weeks x number of hours (maximum 15 hours) x rate per hour, then total the individual pupil calculations.

emerging SEN. The process includes identifying Category “K” children, excluding children with higher needs.

### 3.6 2-year-olds expanded provision: disadvantaged & working parents’ entitlement and introduction of the new 9-months to 2 years old working parents’ entitlement.

- *Funding rates per hour for 2-year-olds has been expanded into two provisions in 2024-25*
- *1-the 15 hours entitlement for disadvantaged & working parents of 2-year-old children (new entitlement from 1 April 2024).*
- *2-the 15 hours entitlement for eligible working parents of children from 9-months to 2 years old (new entitlement from 1 September 2024)*

Oxfordshire shall provide this provision to providers at the following basic rates per hour as set out in table below.

Setting	2yrs old Disadvantaged Rate per hour 2024-25	2yrs old Working Parent Rate per hour 2024-25	9-months to 2 years Rate per hour 2024-25
All settings	£7.83	£7.83	£10.73

### 3.7 Early Years Pupil Premium (EYPP)

The Government introduced an Early Years Pupil Premium (EYPP) for 3- and 4-year-olds from the start of the financial year 2015-16. The qualification for this is as per the School Pupil Premium, i.e., free school meals. This will be available for children in all Early Years settings, and as with the School Pupil Premium, emphasis will be placed on showing the impact of the use of this funding and it will be included in Ofsted Inspections.

The funding rate for the EYPP has increased to a maximum of £387.60p per child (from £353) accessing the full 570 hours. This funding will be allocated directly to providers as an addition to the hourly rate (Base Rate), at a rate of 68p per hour. EYPP is paid on the universal 15 hours only up to a maximum of 570 hours in the year (an eligible pupil attending for 30 hours per week will only receive EYPP for the universal 15 hours element).

For example, if eligible children are attending their full 15 hours of funded early education a week this would generate funding as follows:

Number of children	Amount each year
1 child	£387.60

### 3.8 Eligibility Checking System and Early Years Pupil Premium (EYPP)

This allocation does not apply to 2-year-olds as the related funding continues to be targeted at the most disadvantaged 2-year-olds.

### **3.9 Early Years Formula Funding Allocation Transfers Process (within IBC)**

The allocation process for maintained nursery schools and schools with nursery classes has been updated for 2024-25 and will be as follows;

- At the start of each (traditional) term 60% of the estimated funding claimed for that term will be credited to the school's SAP during the first month of each term. This is dependent on schools completing an estimated submission via the portal.
- Following the termly count a balance adjustment to that term's allocation will be made. If an estimated submission was not received by the school at the start of the term then 100% payment will be made at this point.

### **3.10 Early Years Funding Update 2023-24**

The hourly rates for each 3 and 4-year-old formula factor have been updated . in addition to the increased funding secured for 2024 to 2025 in the Spring Budget of July 2023, and additional funding to reflect teachers' pay and pensions and National Living Wage (NLW) increases.

Introduction of a new entitlement provision for children aged 9 months up to (and including) 2-year-olds working parents (As from 1 Sept 2024)

Extension of the 2-year-old entitlement provision into two separate cohorts of:

- 2-year-old disadvantaged parents' entitlement and
- 2-year-old working Parents entitlement.

The extension of EYPP and DAF to cover eligible children aged 9 months up to (and including) 2-year-olds, regardless of which entitlement they are accessing.

## **4 Post 16 allocations from the Education Funding Agency (ESFA) for schools with sixth forms**

There is a national funding formula used by the ESFA to allocate post 16 funding to fund programme costs. The ESFA funding formula incorporates factors including student numbers, student retention, higher cost subjects, disadvantaged students and area costs.

This is supplemented by additional funding for high needs students, bursaries and other financial support awarded to individual students.

Historically allocations have been calculated on academic years and for maintained schools are adjusted to financial year allocations by applying a pro-rata calculation of 4/12<sup>th</sup> of current year funding and 8/12<sup>th</sup> of next academic year's funding.

Oxfordshire has one maintained secondary school – Carterton Community College.

Further information can be found here:

- <https://www.gov.uk/guidance/16-to-19-funding-information-for-2024-to-2025>

## **5 Universal Infant Free School Meals (UFSM)**

Introduced in September 2014 all Reception, Year 1 and Year 2 pupils in stated-funded schools have been offered a Free School Meal (FSM). The cost of these meals has been subject to a separate government grant, Universal Infant Free School Meals (UFSM).

This Grants shall continue into financial year 2024-25

The DfE have yet to release updated allocation information for the 2024-25 academic year, the below is specific to 2023-24 and so is subject to change going forward.

The allocation is paid to the local authority in two instalments; 7/12 is paid in June of the current financial year (FY 2023-24), and 5/12 is paid in June of the next financial year (FY 2024-25).

The 2023/24 rate per pupil is £2.53 (2022/23 = £2.41).

Further information can be found here based on latest updated.

- 2023-24 conditions - [Universal infant free school meals \(UFSM\): conditions of grant 2023 to 2024 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/universal-infant-free-school-meals-conditions-of-grant-2023-to-2024)

## 6 Pupil Premium Grant

The pupil premium grant is designed to allow schools to help disadvantaged pupils by improving their progress and the exam results they achieve.

**Important Note:** From April 2021, pupil premium allocations for mainstream and special schools will be calculated based on the number of eligible pupils recorded by schools in the October census prior.

The allocation is paid to the local authority quarterly, in June, September, December and March, however Oxfordshire County Council provides the full allocation to maintained schools at the first payment date. **Note:** this amount can be adjusted in-year as the DfE can adjust allocations at each payment date.

The Pupil Premium rates for the Financial Year 2024-25 are set out in the table below.

	<b>Rates 2022-23 (£)</b>	<b>Rates 2023-24 (£)</b>	<b>Rates 2024-25 (£)</b>
<b>Primary Pupil</b>	1,385	1,455	1,480
<b>Secondary Pupil</b>	985	1,035	1,050
<b>Looked After Child</b>	2,410	2,530	2,570
<b>Children ceased to be looked after because of adoption, special guardianship order etc.</b>	2,410	2,530	2,570
<b>Service Child</b>	320	335	340

Further information can be found here:

- Use and accountability - [Pupil premium: effective use and accountability - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/pupil-premium-effective-use-and-accountability)

## **7 PE and sport premium**

The DfE have yet to release updated allocation information for the 2024-25 academic year, the below is specific to 2023-24 and so is subject to change going forward.

The premium is to be used to fund additional and sustainable improvements to the provision of PE and sport, for the benefit of primary-aged pupils to encourage the development of healthy, active lifestyles.

For 2023-24 the allocation is paid to the local authority in two installments, one at the end of October (covering September to March), and one at the end of April (covering April to August). Schools with 16 or less pupils will receive £1,000 per pupil, schools with 17 or more will receive £16,000 plus an additional £10 per pupil.

Further information on can be found here:

- Guidance 2023-24 - [PE and sport premium for primary schools - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/pe-and-sport-premium-for-primary-schools)
- 2023-24 allocations and conditions - [PE and sport premium: conditions of grant 2023 to 2024 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/pe-and-sport-premium-conditions-of-grant-2023-to-2024)

## **8 Teachers' Pay Grant (TPG) and Teachers' Pension Employer Contribution Grant (TPECG)**

For mainstream schools TPG and TPECG are now fully rolled into the National Funding Formula. For special schools the equivalent funding is now separately identified in the special school funding statement.

TPG and TPECG for maintained nursery schools has been rolled into the early years funding.

Post-16 TPG allocations were rolled into core 16-19 funding from the start of the 2022-23 academic year. The DfE have yet to release updated allocation information for the 2024-25 academic year. The DfE confirmed in October 2023 that Post 16 TPECG will continue to be funded separately to core allocations.

## **9 High Needs Funding**

### **9.1 High-needs top-up funding**

For pre-16 pupils, this is paid directly by the commissioning local authority for high needs pupils where the total cost exceeds the following thresholds.

The per pupil funding for mainstream schools includes funding for pupils with SEND, whose additional support costs are lower than £6,000. Schools & academies should have sufficient funding in their delegated budget to enable them to support pupils' SEND where required up to the mandatory cost threshold of £6,000 per pupil per annum.

Where the pupil is in a Special Educational Needs Unit, the cost threshold is £10,000, this amount includes the costs of all pupils' basic educational entitlement and £6,000 place funding.

Schools are expected to meet any cost of support below these thresholds from their budget allocations. See high needs matrix for pre-16 below.

Type of provision	Core funding	Top up funding (expected to be distributed in real time)
Mainstream schools	First £6,000 of additional need costs to be met from delegated budget	Agreed per pupil top up paid by commissioning LA
Special units and resourced provision in mainstream schools	A combination of per pupil funding through the LA funding formula plus £6,000 per place for those occupied by pupils on roll and £10,000 for remainder of places to be funded.	Agreed per pupil top up paid by commissioning LA
Maintained special schools	£10,000 per place based on number of places to be funded.	£660 per place reflecting the roll in of the Teacher's pay and pensions funding.  Agreed per pupil top up paid by commissioning LA.
Nursery Schools	Per pupil funding through the early years funding formula. The place funding system doesn't operate in 0 to 5-year only settings	Agreed per pupil funding paid by commissioning LA

## 9.2 Secondary school SEN funding

As in previous years, secondary school SEN funding had been delegated to schools through the Schools Funding Formula as a SEN allocation, using number on roll, deprivation and low-cost high incidence data.

Since 2014-15 this secondary schools' high needs funding from the DSG High Needs Block has simply been allocated to secondary schools using the pre-April 2013 allocation methodology.

## 9.3 Special Educational Needs (SEN) Units (Resource Bases)

From 2021-22 onwards pre-16 places at special unit and resourced provision (bases) occupied by pupils recorded on the school census (as either sole or dual [main]) will be funded at £6,000. This is funded from the High needs block and allocated by the authority. In addition, the pupils in these places will also have attracted funding through the mainstream school formula (deemed to be £4,000).

Other agreed places will be funded at £10,000 and may apply where:

- The place is or will be occupied by a pupil registered on the roll of another school
- A place is not occupied at the time of the school census but is likely to be filled and requires funding.
- Spare capacity is required for another reason.

## 9.4 Special Schools

In 2021-2022 the DfE incorporated the teachers' pay grant (TPG) and teachers' pension employer contribution grant (TPECG) within the high needs national funding formula. There is an additional DSG condition of grant requiring local authorities to pass this on to special schools and special academies. An additional allocation of £660 per place has been included for 2023-24, to reflect the Teachers' Pay and Pensions funding. This has been separately recorded on funding statements for ease of reference and transparency.

In the financial year 2024 to 2025 maintained special schools and pupil referral units, special and alternative provision (AP), and maintained hospital schools, will also receive a separate allocation amounting to 4.3% of their total place and top-up funding income, based on the place funding of £10,000 per place plus the average top-up funding they pay for a pupil placement in financial year 2024 to 2025, using the total number of places being funded in academic year 2023 to 2024.

## 10 Redundancy Allocations

Since September 2011 maintained schools have been responsible for paying their own redundancy costs. The previously centrally held funding has been passed to schools annually. Allocations are made to schools either as a per pupil amount for primary and secondary schools or for special schools based on pupil numbers but weighted to reflect the higher adult to pupil ratio.

It was agreed at Schools Forum of 10 March 2011 that the overall resources to be made available to schools would be capped at £6.79 per pupil and this remains the allocation rate.

Special schools receive a weighted allocation to account for the greater staff per pupil in these establishments. This weighting is five times the pupils on roll.

## 11 Devolved Capital

Funding Allocations will be circulated to all schools once the funding methodology has been confirmed (usually June). The 2024-25 allocations are calculated from pupil numbers from the 2023 spring school census.

It is expected that the Devolved Formula Capital funding methodology remains unchanged and is calculated using the same approach as in previous years.

Each year's allocation per school will be calculated according to the DfE formula set out below.

Allocations for 2024-25:

Each institution receives a fix sum of £4,000 and a variable amount based on their weighted pupil numbers.

The DfE have weighted the numbers to reflect the different levels of floor area per pupil in different settings:

<b>Pupil Phase</b>	<b>Phase-related</b>
Nursery / Primary	1.0
Secondary	1.5
Post-16	2.0
Special / PRU / AP/ Boarders	4.5

The base rate is £11.25. This means that the total DFC calculated for each school is as follows:

$£4,000 + (£11.25 \times \text{weighted pupils})$

Schools are to ensure that devolved formula capital allocations are spent appropriately on Asset Management Plan and ICT priorities.

At the time of writing provisional amounts for 2024-25 are not yet known or whether Devolved Formula Capital (DFC) allocations will continue. However, for planning purposes schools should assume that DFC will continue at the current levels of funding.

Capital funding is based on financial years (April to March), not academic years. You must spend DFC within 3 financial years, with year one being the financial year payment is made.

Where funding for particular programmes has time limits for achieving expenditure, any grant left unspent is at risk of clawback.

## **12 National Copyright Licenses**

The Department for Education has agreed with a number of agencies to purchase a single national licence for all state-funded schools in England, a list of which can be found at the link below.

This means that local authorities and schools no longer need to negotiate any of the individual licences listed via the link below. Schools are not permitted to opt out of this arrangement.

All other licenses required by individual schools must be purchased from the school's delegated budget.

Further information can be found here:

- [Copyright licences for state schools in England - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/copyright-licences-for-state-schools-in-england)

## **13 Permanently Excluded Pupil funding – (Check current relevant Law)**

The Schools and Early Years Finance (England) Regulations require the excluding schools budget share be recalculated where a pupil is permanently excluded (other than a special school, pupil referral unit or from a place reserved for children with special educational needs). This ensures the funding attributable to a pupil follows them or provides funding with which the local authority can fulfil its duty to provide education for a permanently excluded pupil.

Where a pupil is permanently excluded, Base Entitlement funding will be withdrawn for the remainder of the financial year at the rate relevant for the Key Stage in that financial year.

If the pupil is eligible for pupil premium funding, this funding will be withdrawn for the remainder of the financial year.

Where an excluded pupil is admitted to another, then the receiving school will be allocated funding from the admission date to the end of the current financial year.

## **14 Pupils who are the responsibility of other local authorities**

Any top up funding in respect of out of county pupils that schools (and academies) educate will need to be agreed between the school (academy) and the commissioning/placing local authority. Schools are recommended to ensure that the amount reimbursed is at least the same as a pupil with similar needs is funded by Oxfordshire.

Schools are reminded that it is their responsibility to ensure that the income is collected.

## **15 What Schools Must Publish Online**

Maintained schools are required to publish on their website additional information in relation to the funding detailed in this document.

Further information can be found here:

- [What maintained schools must publish online - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/what-maintained-schools-must-publish-online)

## **16 Budget Submission Timetable**

The deadline for all maintained primary, including nursery schools and secondary schools to submit their governor approved budget to the Local Authority covering the period 2024-25 to 2026-27 is to be Friday 3rd May 2024. For maintained special schools the date is to be set as Friday 10 May 2024.

Schools Forum have agreed to provisional submission deadlines of Friday 3 May 2024 and Friday 10 May 2024 for the period 2024-25 to 2026-27 for respective schools outlined above. (update)

## **17 School Budget and Inflationary Pressures**

The below rates should be assumed for the next three years unless specified.

The Consumer Price Index (CPI) Inflation forecast published in the Autumn Statement was 4.6% in October 2023 and 2.6% in 2024/25 (HM Treasury, February 2024).

The following items are dependent on contractual arrangements entered into by schools;

- Contracts – General
- Contracts – Building Maintenance
- Catering Supplies
- Water
- Energy
- Insurances – specific arrangements made by schools
- Staff insurance schemes - arranged by schools and tailored to school's individual needs. Premium rates usually dependent on claims history.
  - Maternity
  - Teaching and non-teaching staff long term sickness
- Licenses – most licenses are already covered under the copyright license agreement. Any additional will need to be paid by the school.
- Contracts – Agency Staff

The following pay related items are dependent on school specific arrangements and dependent on current pay point and progress criteria.

- Other teachers pay-related costs
  - Threshold
  - Leadership
  - Increments
- Other staff pay related costs.
  - Increments
- Redundancy - costs met by schools unless agreement compatible with contents of Scheme for Financing Schools

Income Pressure	Inflation / Increase Rate	Comment
<b>Formula funding allocations</b>	<p>2022/23 schools supplementary grant rolled into the NFF.</p> <p>NFF factor values increasing (on top of the amounts added for the schools supplementary grant) by:</p> <p>Most formula factors = 2.4%            FSM6 &amp; IDACI = 4.3%            Floor &amp; MPPL = 0.5%            Premises factors = 0%</p> <p>(Check Finance APT 24/25)</p>	<p>Formula model is replicating the national funding formula in full. Changes in allocations are made up of changes in factors, allocation rates for factors and inflation.</p> <p>The model assumes 0.5% increases for future years.</p>

<b>Expenditure Pressure</b>	<b>Inflation / Increase Rate</b>	<b>Comment</b>
<b>Teachers' Pay – (Check with Michelle Higgs)</b>	<p>Year 1: M1 – M5 per Teacher's Review Body report (starting at £30,000) All other scales 5%</p> <p>Year 2: 2.5%</p> <p>Year 3: 2.5%</p>	<p>Teachers pay is agreed nationally. Future years are assumptions.</p> <p><a href="#">School Teachers' Review Body 32nd report: 2022 - GOV.UK (www.gov.uk)</a></p>
<b>Non-teaching Staff Pay – (Check with Michelle Higgs)</b>	<p>Year 1: 2.5%</p> <p>Year 2: 2.5%</p> <p>Year 3: 2.5%</p>	<p>Year 1 reflects the Employers offer of a £1,925 uplift from April 2023. Offer yet to be accepted at time of writing.</p> <p>Dependent on national and local pay deals.</p>
<b>On-costs: National Insurance and pension costs - (Check with Sue Douglas/Nicola Jackson)</b>	0%	<p>No change expected for 2023-24.</p> <p>Pension revaluation effective 1<sup>st</sup> April 23, no impact on maintained schools.</p>
<b>Apprenticeship Levy</b>	0%	No change expected for 2023-24
<b>Demographic pressures</b> <ul style="list-style-type: none"> <li>- Free School Meals</li> <li>- SEN</li> </ul>	School specific	Dependent on specific demand and need.
<b>Rates</b>	Rate revaluation effective April 2023	<p>All Oxfordshire districts have now signed up to the ESFA proposal to pay billing authorities directly on behalf of state-funded schools from April 2023.</p> <p>Any changes to rate bills will be managed by the ESFA.</p>
<b>- ICT Purchases &amp; Services</b> <b>- Examination Fees</b> <b>- General Price Increases (inflation)</b>	7.4%	Increase in line with CPI
<b>Energy – (check Bick Nguyen-McBride)</b>	Fuel (Electricity and Gas at 19% 2024/25 and 6% 2025/26)	<p>Estimated increases at the time of writing.</p> <p>Figures factor in the Energy Bill Discount Scheme from April 2023 - February 2024, where applicable.</p>
<b>Bought-in Services</b>	Generally, around 3%. May vary due to changes to offers.	In-house bought in services mainly re-costed to bundling of similar services costs increased for anticipated pay awards. Final figures yet to be agreed.

Some of the above inflationary pressures will have already been built into the local authority (via Hampshire's EFS) provided budget planning tool. Specifically, teachers' pay award estimated at around 3% and non-teaching staff pay award estimated at 4.5% on all scale points. There is some uncertainty around future pay awards and as this is the significant element of school budget plan costs and schools should consider making appropriate contingency and/or seek economy of scale efficiency savings.

## 18 Budget Pressures identified by Schools

These lists are not in any particular order of either impact or importance. There are also not exhaustive and are similar to those of earlier years.

- Reduction in enrichment activities
- Reduction in counselling/mental health support
- Voluntary donations from parents
- Increasing levels of sickness
- Ancillary staff pay scale restructure and assimilation.
- Uncertainty as to future years funding
- Staff vacancies
- Uncertainty as to continuation of specific grants (UIFSM, PE and Sports, Pupil Premium)
- Contingency planning and cost uncertainty relating to impact of unknowns.
- Increasing staff workloads
- Increments / high-cost staff
- Implementing new/changes to curriculum
- Apprenticeship Levy
- Prices inflation on resources
- Falling pupil numbers
- Auto enrolment in pension schemes
- Provision for pupils with SEN
- Impact of formula changes
- Curriculum provision in a small school
- Recruitment costs – advertising, recruitment agencies
- Extra cost to ensure recruitment and retention (R&R payments)
- Cost of agency staff – supply cover and recruitment
- Leadership and management costs
- Building maintenance costs and inflation
- Energy and water inflation

Primary specific	Secondary Specific
<b>Volatility in pupil numbers in nursery</b>	Volatility in pupil numbers in sixth form
<b>School expansion, increase pupil numbers</b>	Reduction in EFA sixth form funding
<b>UIFSM provision cost and varying take-up</b>	Increasing class sizes
<b>CPD costs and requirements</b>	Examination fees
<b>SEN support - parental expectation</b>	School expansion, increase pupil numbers

## **19 Deficit budget planning**

The Scheme for Financing Schools, requires schools to submit a balanced or in surplus budget plan covering the three-year period (2023-24 to 2025-26) to the local authority. Where a school believes it will not be able to submit a balanced budget, it must contact and submit a draft budget plan to Education Finance Services (EFS) by 31 March 2024, or earlier if possible. The local authority, through EFS, will then work with those schools in seeking a balanced budget.

Schools are reminded that there is no right to a deficit budget under the above Scheme. A deficit will only be allowed with the permission of the Director for Children's Services and the Chief Finance Officer. Conditions relating to the approval of a deficit budget are set out in the Scheme for Financing Schools, Section 4.

Schools with existing deficits and are still forecasting a deficit at March 2024 must continue to work closely with their EFS contact officer and look to set an agreed budget for 2024-25.

The View 'My financial insights (VMFI)' tool has been updated with data from the 2023/24 Consistent Financial Reporting (CFR) return. VMFI is a free tool that provides you with enhanced analytics into the financial position and performance of your school/s, alongside comparisons to your 30 most similar schools. VMFI is part of the DfE's benchmarking offering and the team also hold monthly webinars to showcase VMFI and to answer any questions you may have.

The VMFI tool can be accessed via [View my financial insights - GOV.UK \(www.gov.uk\)](https://www.gov.uk/view-my-financial-insights)

## **20 School Improvement Grant**

The DfE consulted on and has now confirmed a reduction in the School Improvement Grant of 50% in 2022-23, with full removal in 2023-24.

Following consultation with all schools, School Forum at the meeting on 8<sup>th</sup> November 2022 agreed to de-delegate the equivalent of 50% of the grant. This holds the level of de-delegation at £8.80 per pupil for maintained schools.

## **21 Union Facilities Charge**

Schools Forum, following discussion and deliberation, has agreed to continue with the de-delegated from maintained schools of the per pupil contribute to the cost of providing the union facilities arrangement. Also, academies will be asked to contribute at the same level.

For maintained schools the charge for 2023-24 will be £1.30 per pupil based on the school's October 2022 census return. The budget planner has been amended so that the annual Union Duty contribution is adjusted through allocated budget totals, rather than through recharges.

## 22 Finance Documents

The following documents are of use to schools:

- Scheme for Financing Schools
- Financial Manual of Guidance

Both these documents are available on the Finance pages ([Schools Finance | Schools \(oxfordshire.gov.uk\)](#)) of the local authority's InSite: Schools web pages.

## 23 Change Log

Version	Date	Change
1.0	Feb 2024	Annual Update
2.0	Mar 2024	12.1 High-needs top-up funding – Formatting - £660 Teacher's pay and pensions funding moved to Top up column.  20 School Budget and Inflationary Pressures – Updated year 1 assumption for non-teaching staff pay (£1,925).
3.0	July 2024	4 MSAG – Removed reference to estimated allocations.  5.9 Early Years Funding Update 2024-25 added  7 UIFSM – Updated with 24/25 rate / updated link to conditions.  8 Pupil Premium – Updated link to 24/25 allocations and conditions  10 TPECG – Confirmation that post 16 TPECG will continue to be paid separately to core allocations for the 24/25 FY.