



**OXFORDSHIRE
COUNTY COUNCIL**

Date: 12 March 2024

Headteachers and Chairs of Governors
(Maintained Schools)

**Finance Service
County Hall
New Road
OXFORD
OX1 1ND**

Lorna Baxter
Executive Director of Resources
and S151 Officer

Dear Headteacher and Chair of Governors

Re: Formula Funding 2024-25 and Three-Year Budget Planning and Scheme for Financing Schools

I am pleased to confirm that Individual Schools' Budget information for 2024-25 has been published on the Local Authority's Intranet on the Schools Budgets and Financial Planning page. Please follow the path below to access this information.

[Budget and financial planning | Schools \(oxfordshire.gov.uk\)](https://www.oxfordshire.gov.uk/budget-and-financial-planning/schools)

Where a school believes it is not able to submit a balanced budget, it must contact and submit a draft budget plan to EFS by 31 March 2024, or earlier if possible. The local authority will work with those schools in seeking a balanced budget.

Oxfordshire continues to implement the National Funding Formula.

Compared to 2023-24, the national changes to formula factors for 2024-25 are as follows:

- Rolling the 2023 to 2024 MSAG and schools supplementary grant into the NFF
- NFF factor values increasing by:
 - 1.6% to free school meals at any time in the last 6 years (FSM6) and income
 - 1.4% on deprivation affecting children index (IDACI)
 - 1.4% to the basic entitlement, low prior attainment (LPA), FSM, English as an additional language (EAL), mobility, and sparsity factors, and the lump sum.
 - 1.4% to the minimum per pupil levels (MPPL)
 - 0.5% to the funding floor
 - 0% increase to Premises factors

Further details about the development of the funding formula can be found in the Schools Forum papers, which are published on our public site and can be located by following the link below:

<https://www.oxfordshire.gov.uk/cms/content/oxfordshire-schools-forum>

Union Duties Contribution – Maintained schools only

For maintained schools the charge for 2024-25 will remain unchanged at £1.30 per pupil based on the school's October 2023 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.

School Improvement Grant – Maintained Schools only

Although the DfE School Improvement Grant ceased in April 2023 Schools Forum agreed to continue to de-delegate the equivalent of 50% of the grant (2021-22 level) and held the level at £8.80 per pupil. .

Planning for Future Years

The Budget process is now in the second of a 3-year planning cycle including the current year, 2023-24, the new budget for 2024-25 and the final year, 2025-26.

The second year's Budget information for 2024-25 is in accordance with the DSG settlement announced by the DfE.

Changes in pupil numbers remain the key driver of change for funding levels. Other sources of funding such as grants should be assumed to remain at the same level unless schools are aware of changes in those pupils who qualify for this funding. It is important, however, that schools consider a number of "what if" scenarios in budget modelling for future years. For example, it would not be advisable to use one-off additional funding to pay for additional permanent staffing, as this could potentially be unsustainable in future years. Further information will be issued about future years as it becomes available.

Submission of Budget

In accordance with the Scheme for Financing Schools, schools are required to submit a balanced or in surplus budget plan covering the three-year period 2023-24 to 2025-26 to the local authority. **The deadline to submit your school's Governing Body approved budget to the local authority via Education Financial Services (EFS) is Friday 3 May 2024.** Where a school believes it is not able to submit a balanced budget, it must contact and submit a draft budget plan to EFS by 31 March 2023, or earlier if possible. The local authority will work with those schools in seeking a balanced budget.

Schools do not have a right to a deficit budget under the Scheme for Financing Schools. A deficit is only 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 still forecasting a deficit at March 2024 must continue to work closely with their EFS contact officer in order to set an agreed budget for 2024-25.

Support for Schools

EFS will be contacting schools with details of budget surgeries. Please do attend these and to make the most of the surgeries it is important that you have completed as much work as possible. Please contact the team if you have any questions.

Please bring the content of this letter to the attention of all those involved in the construction of the school's budget plans.

I hope the above and links to the Intranet are useful to you, but if you require any further help or guidance on budget construction, please contact your EFS Finance Adviser directly.

We look forward to receiving your Governing Body's approved budget.

Yours sincerely



Lorna Baxter
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