

Individual Executive Decision Notice

Report title	Dedicated Schools Grant 2024-2025	
Decision designation	GREEN	
Cabinet member with lead responsibility	Councillor Jacqui Coogan Jobs, Skills and Education Councillor Louise Miles Resources	
Wards affected	All	
Accountable Director	James Howse, Interim Director of Finance Alison Hinds, Director of Childrens Services	
Originating service	Strategic Finance	
Accountable employee	James Barlow	Finance Business Partner
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Report to be/has been considered by	Cabinet 18 October 2023	

Summary

On 18 October 2023, Cabinet delegated authority to the Cabinet Member for Job, Skills and Education, and the Cabinet Member for Resources, in consultation with the Director of Finance and the Director of Childrens services, to approve changes to the local funding formula for Schools including method, principles and rules adopted.

Recommendation for decision:

That the Cabinet Member for Resources, and the Cabinet Member for Job, Skills and Education, in consultation with the Director of Finance and the Director of Childrens Services approve individual 2024-2025 budgets for schools reflecting the changes in the local funding formula approved by Schools Forum.

1.0 Background

1.1 Although the government's intention is still to move towards the full implementation of a National Funding Formula (NFF) for schools, it is recognised that this represents a significant change and so Local Authorities are again required to set a local formula for

2024-2025. The Council is required to approve adjustments to the formula in line with the published guidance and recommendations from Schools Forum.

- 1.2 On 18 October 2023, Cabinet delegated authority to the Cabinet Member for Resources, and the Cabinet Member for Job, Skills and Education, in consultation with the Director of Finance and the Director of Childrens Services to approve proposed changes to the local funding formula including method, principles and rules.

2.0 Progress

- 2.1 The formula used to calculate the individual schools' budgets from the Schools Block of the Dedicated Schools Grant (DSG) was agreed and approved by Schools' Forum at their meetings in December 2023 and January 2024.
- 2.2 At its January meeting Schools Forum agreed to again implement a local formula which adopted all the NFF factors (adjusted using the government's area cost adjustment to adjust for local economic factors) with a Minimum Funding Guarantee of 0% and a gains cap of 2.57%. The growth fund was set at £1.3 million.
- 2.3 The Authority Pro-forma Tool (APT) for Schools Block DSG was submitted to the Department for Education (DfE) in January 2024, using the agreed local formula factors. Clearance was received from the DfE in February 2024, to confirm that the submission passed all the relevant checks.
- 2.4 Appendix 1 details the local funding formula as agreed by Schools Forum. The outcome of the APT, providing a school by school budget for 2024-2025 is provided in Appendix 2.
- 2.5 The table below shows a summary of the distribution of the Schools' block for 2022-2023.

Factor	2024-2025
Minimum Funding Guarantee (MFG)	0%
Funding Cap (i.e percentage above which gains will be capped)	2.57%
Movement from the Schools Block to the High Needs Block	None
Total allocation from central government	271,316,188
NFF NNDR Allocation to be recouped so NNDR can be paid directly to the Council	2,116,725
Available for Growth Fund	1,280,544
Total Allocation to schools	267,918,919
Recoupment for academies	198,118,936
Allocation to maintained schools	69,799,983
Education Functions element for maintained schools as agreed Jan forum	402,360
De-delegation for maintained schools - CLL and School improvement as agreed Jan forum	183,206
Allocation to maintained schools less Ed functions and Dedelegations	69,214,418

3.0 Reasons for decision

3.1 The Council is required to set a local Funding formula, the proposed formula has been agreed with Schools Forum and the DfE.

4.0 Financial implications

4.1 Schools' budgets are funded entirely from the DSG and other external funding, therefore this is no net impact on the General Fund.

[JB/15022024/C]

5.0 Legal implications

There are no direct legal implications arising out of this report. [SZ/19022024/P]

6.0 Equalities implications

6.1 This report has no equalities implications.

7.0 All other Implications

7.1 There are no other implications.

7.2 If you are unsure about any of the other implications detailed above, then please contact the relevant colleague who will be able to advise further:

8.0 Schedule of background papers

8.1 2024-2025 National Funding Formula Provisional Allocations and Update on Budget Setting, report to Schools Forum, 7 December 2023

8.2 Dedicated Schools Grant and School Funding 2024 – 2025, report to Schools Forum, January 25 2024

8.3 Draft Budget 2024-2025 and Medium-Term Financial Strategy, Cabinet 18 October 2023

9.0 Appendices

9.1 Appendix 1: Wolverhampton Local Funding Formula 2024-2025

9.2 Appendix 2: School Level Budgets 2024-2025