

Date: Wednesday 18 December 2024 at 1.00 pm

Venue:

Susan Richardson (Chair)

Cllr Carol Clark

AGENDA

- 1 Apologies for Absence**
- 2 Declarations of Interest**
- 3 Minutes** (Pages 07 - 12)
- 4 Matters Arising**
- 5 Schools National Funding Formula 2025/26** (Pages 13 - 20)
- 6 Schools Funding Consultation 2025/26** (Pages 21 - 28)
- 7 Any Other Business**
- 8 Date & Time of Next Meeting - Tuesday 21st January 2025 at 1:00pm**

Members of the Public - Rights to Attend Meeting

With the exception of any item identified above as containing exempt or confidential information under the Local Government Act 1972 Section 100A(4), members of the public are entitled to attend this meeting and/or have access to the agenda papers.

Persons wishing to obtain any further information on this meeting, including the opportunities available for any member of the public to speak at the meeting; or for details of access to the meeting for disabled people, please

Contact: Elaine Barrett on email Elaine.Barrett@stockton.gov.uk

KEY - Declarable interests are:-

- Disclosable Pecuniary Interests (DPI's)
- Other Registerable Interests (ORI's)
- Non Registerable Interests (NRI's)

Members – Declaration of Interest Guidance

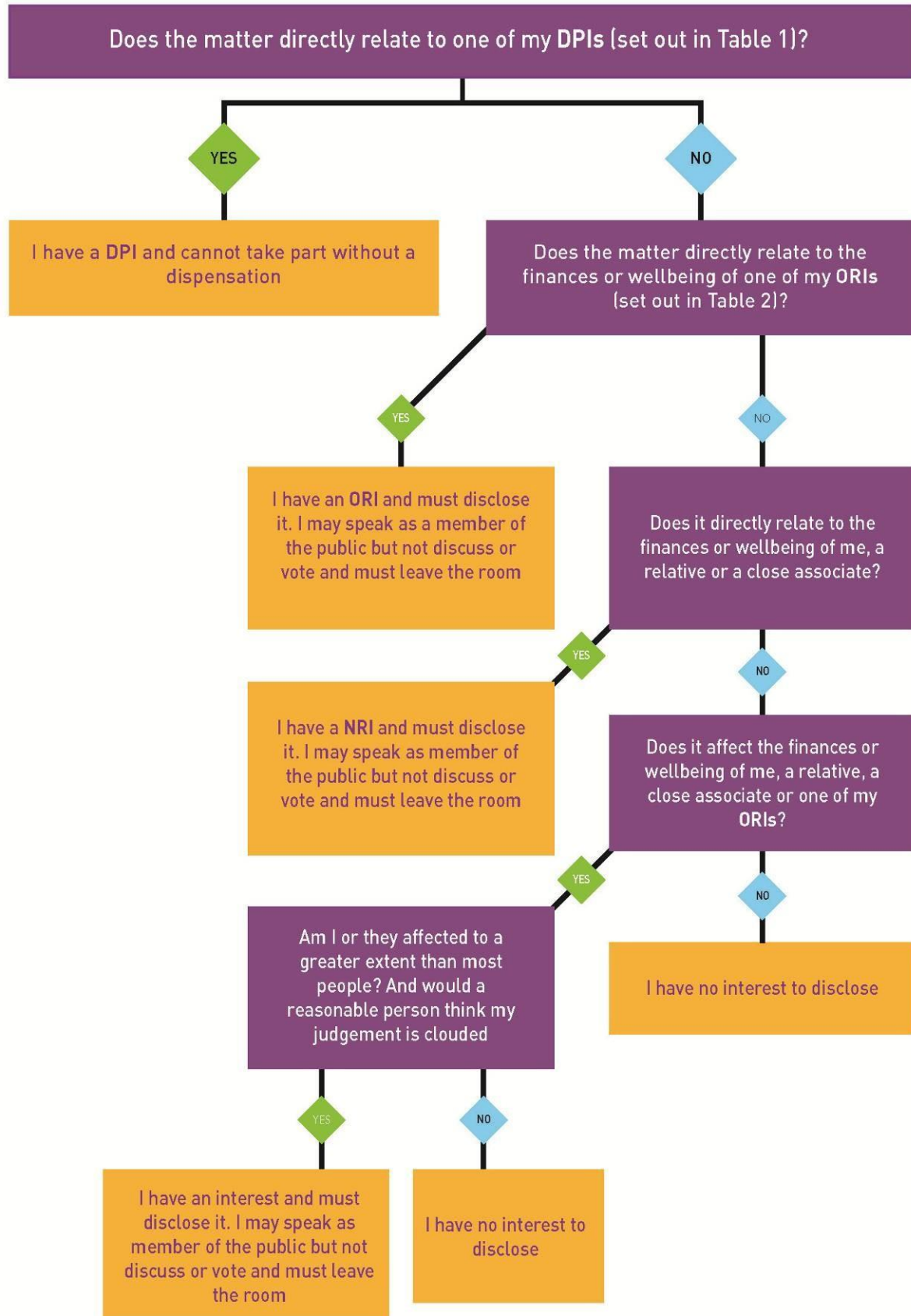


Table 1 - Disclosable Pecuniary Interests

Subject	Description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain
Sponsorship	Any payment or provision of any other financial benefit (other than from the council) made to the councillor during the previous 12-month period for expenses incurred by him/her in carrying out his/her duties as a councillor, or towards his/her election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract made between the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners (or a firm in which such person is a partner, or an incorporated body of which such person is a director* or a body that such person has a beneficial interest in the securities of*) and the council — (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land and property	Any beneficial interest in land which is within the area of the council. 'Land' excludes an easement, servitude, interest or right in or over land which does not give the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/ civil partners (alone or jointly with another) a right to occupy or to receive income.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the council for a month or longer.
Corporate tenancies	Any tenancy where (to the councillor's knowledge)— (a) the landlord is the council; and (b) the tenant is a body that the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/ civil partners is a partner of or a director* of or has a beneficial interest in the securities* of.
Securities	Any beneficial interest in securities* of a body where— (a) that body (to the councillor's knowledge) has a place of business or land in the area of the council; and (b) either— (i) the total nominal value of the securities* exceeds £25,000 or one hundredth of the total issued share capital of that body; or (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the councillor, or his/ her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners have a beneficial interest exceeds one hundredth of the total issued share capital of that class.

* 'director' includes a member of the committee of management of an industrial and provident society.

* 'securities' means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

Table 2 – Other Registrable Interest

You must register as an Other Registrable Interest:

a) any unpaid directorships

b) any body of which you are a member or are in a position of general control or management and to which you are nominated or appointed by your authority

c) any body

(i) exercising functions of a public nature

(ii) directed to charitable purposes or

(iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a member or in a position of general control or management

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SCHOOLS FORUM

VIRTUAL MEETING VIA MICROSOFT TEAMS

HELD ON 12 NOVEMBER 2024

PRESENT:

Primary Academy Headteacher Representative: Mrs J Armstrong and Ms S Richardson (Chair)

Primary School Governor Representative: Mr R Powner

Secondary School Governor Representatives: Mr C Wilkinson

Secondary Academy Headteacher Representatives: Mr R Parkinson and Mrs C Humble

Secondary School Headteacher Representative: Mr R Henderson

Special School Representative: Mrs C Thomas

Trade Union Representative: Mr L Russell

Pupil Referral Representative: Mrs G Warby

LA Representative: Councillor C Clark

OFFICIALS: Mr A Bryson – Chief Accountant

Mr G Waller – Senior Accountant

Mrs S Hewitson - Secretary to the Forum

OBSERVER: Mr D Leane - BHCET

1. APOLOGIES FOR ABSENCE

RESOLVED that the apologies for absence were received from Mrs A Swift, Mrs J Stanyard, Mr E Squire, Mr E Huntington, Mrs V Housley, Mrs M McCarthy, Mr J Faulkner, Mr A McClurg, Cllr. L Evans and Mrs L Spellman be accepted by the Forum.

2. DECLARATION OF INTERESTS

Members were invited to declare any personal or business interests they may have in any item included on the agenda.

No interests were declared.

3. MINUTES OF THE LAST MEETING – 8 OCTOBER 2024

RESOLVED that the minutes of the meeting held on 8 October 2024 be approved by members of Schools' Forum.

4. MATTERS ARISING

There were no matters arising from the minutes.

5. CONSULTATION FEEDBACK RE DELEGATION / DE-DELEGATION 2025/26

In the absence of Mr E Squire who had undertaken the consultation regarding delegation and de-delegation for 2025/26 for maintained primary schools had submitted his apologies for the meeting. Therefore Mrs H Gregory fed back to the Forum on the consultation and advised there was an overwhelming amount of responses to the poll and the purpose was to retain the status quo.

Votes were unanimous on contingencies, staff costs and behaviour and were a majority of 10:1 on Support to School and School Improvement.

Mr R Henderson, the only maintained secondary representative agreed to use the de-delegated funds on the areas outlined in the report previously circulated for 2025/26.

RESOLVED that:

- That the primary maintained Headteachers agree to de-delegate funds as outlined within the report for 2025/26
- That the secondary maintained school Headteacher agrees to de-delegate the funds for 2025/26 as outlined within the report.

6. SCHOOLS FUNDING CONSULTATION

Following the last Schools' Forum meeting, the Schools National Funding Consultation document had been shared to all which seeks views from maintained schools, academies and free schools on the proposal in respect of Schools and High Needs Budgets for 2025/26. This deals specifically with the 0.5% transfer between the schools and high needs blocks (additional consultation questions would be sent out once the authority had received NFF details from the Government).

The council recently held a consultation on school funding arrangements for 2025/26. This took place between 9th October and 6th November. A copy of the consultation document issued to schools was attached at Appendix A to this report.

Of the 78 schools consulted with, 44 responses were received (compared to 28 in the previous year). The responses included a block of 11 votes from one Academy Trust and a block of 5 votes from another.

The breakdown of the 44 responses (which was a 56% response rate) was shown in the table below:

LA Primary	10
LA Secondary	1
Primary Academy	25
Secondary Academy	4
AP / Special Academy	4
TOTAL	44

Further detail on each of the proposals and consultation responses were provided. A log of consultation response comments were set out in Appendix B.

The council consulted on a 0.5% (0.5% or £900k whichever greater) transfer from the schools block to the High Needs block. Information was provided to schools on the background to the proposal as part of the consultation document attached at Appendix A.

Of the 44 responses received 23 (52%) supported the proposal, 20 (45%) did not and there was 1 response with no view. From the 23 that supported the proposal, 13 of the respondents were from Academy Trusts with the remaining 10 from maintained schools. From the 20 responses that did not support the proposal, 1 was from a maintained school and 19 were from Academy Trusts (including a group response of 11 replies from Bishops Hogarth and a group response of 5 from Prince Regent Street Trust).

It was highlighted that the response from Bishop Hogarth was provided after the 5pm deadline on the 6th November set for returns. Mr Bryson was asked to include Oxbridge Primary as part of Prince Regent Street Trust response even though it had not yet converted.

	Yes	No	No Views	Total
Academy	13	19		32
Maintained	10	1	1	12
	23	20	1	44

As noted above, 11 of the responses were from the academy trust with the most schools under its umbrella within the borough. If this group response was excluded from the results above 23 (70%) of the respondents would have supported the proposal with 9 (27%) not supporting it.

Excluding Bishops Hogarth	Yes	No	No Views	Total
Academy	13	8		21
Maintained	10	1	1	12
	23	9	1	33

If the responses from academy trusts were only counted as 1 reply each then 23 (77%) of the respondents would have supported the proposal with 6 (20%) not supporting it.

Group Trusts 1 Reply	Yes	No	No Views	Total
Academy	13	5		18
Maintained	10	1	1	12
	23	6	1	30

The Chair observed there were a high amount of responses in comparison to last year which was positive.

In response to a question, Mr Bryson clarified that he detailed all the responses in the tables in the report and appendices and advised that Schools Forum had the overall vote despite the consultation process.

In response to a question, Mr Bryson explained that Academy Trusts can respond on behalf of all schools within the Trust.

Several members highlighted they felt that the votes received from Bishop Hogarth shouldn't be accounted for as it was received after the deadline time of 5pm.

Schools Forum was asked to consider and vote on a proposal to transfer 0.5% (0.5% or £900k whichever greater) from the schools block to the high needs block in 2025/26, therefore after a vote was undertaken, it was:

RESOLVED that the majority of Schools Forum were in favour of the proposal to transfer 0.5% or £900k (whichever greater) from the schools block to the high needs block in 2025/26. One member was not in favour.

7. SCHOOLS FUNDING ARRANGEMENTS 2025/26 (VERBAL UPDATE)

Schools funding arrangements had been delayed in July 2024 and Mr Bryson was still awaiting further information. Mr Bryson highlighted the following key points:

- Due to a delay in the schools funding arrangements, there was another part of the consultation which included the NFF which would need approval from Schools Forum. Another meeting was scheduled to take place on Wednesday 18th December 2024 at 1:00pm. The Clerk would issue an invite to all members.
- Prior to the meeting Mr Bryson had received additional details in relation the National Funding Formula. It was noted that overall funds are increasing by £2.3 billion, (£1 billion of this would be allocated to high needs), funding provided to mainstream schools through the teachers' pay additional grant (TPAG), the teachers' pension employer contribution grant (TPEG) 2024 and the core schools budget grant (CSBG) will be rolled into the schools NFF for 2025 to 2026.
- The National Insurance increase was due next year where there would be an additional grant provided to schools which would be outside of the schools funding formula.
- The 0.5% figure would be identified at the next meeting.

In response to a members question, the MFG applied to special schools will be the same as applied to mainstream schools.

RESOLVED that an additional Schools' Forum meeting would be held on Wednesday 18th December at 1pm.

8. BUDGET MONITORING

A copy of the budget monitoring report and appendix was circulated to members prior to the meeting. This paper provides members of the Forum with the current projected outturn position on the Schools Budget based on information to the end of September 2024.

The Dedicated Schools Grant (DSG) budget was set for 2024/25 assuming a small overall saving of £17k, intended to reduce the DSG deficit down to £3.78m at the end of 2024/25. This was in-line with Delivering Better Value (DBV) submission to DfE in January 2024.

However, based on a review of projected expenditure on High Needs at quarter 2 it was now expected that this target will not be met. Instead, an in-year overspend of £536k is now expected which will increase the cumulative deficit brought forward from 2023/24 of £3.8m up to £4.3m instead of the budgeted position of £3.78m. This revised position would be reflected in the medium-term financial plan.

The projected overspend described above does not take account of any potential offsetting savings on other DSG blocks. For example, there was a significant increase in funding for the Early Years Block relating to the Governments childcare expansion programme. The funding

rates that were set were based on estimated activity levels and once the data had been analysed for the summer and autumn terms 2024, quarter 3 should provide a more accurate picture

Mr R Powner and Mrs J Armstrong joined the meeting.

The Special School Representative had several queries regarding the figures displayed and the impact it would have on Special Schools. She asked if they were confident with the estimates provided. Mr Waller explained the figures take everything into account they were aware of so far however, the deficit may reduce later.

The Chair advised Stockton Council was normally ahead of the curve with most things however she still acknowledged there was something not working with the budget. She was hopeful after quarter one it would be at zero and not at an overspend.

9. ANY OTHER BUSINESS

There was no other business.

10. DATE AND TIME OF NEXT MEETING

RESOLVED that:

- a. An additional meeting is scheduled for Wednesday 18th December 2024 at 1.00.p.m
- b. The next meeting of Schools Forum would be held on 21st January 2025 at 1.00 p.m.

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AGENDA ITEM 5

REPORT TO SCHOOLS FORUM

**18th DECEMBER
2024**

SCHOOLS FUNDING ARRANGEMENTS 2025/26

SUMMARY

1. This paper is intended to inform the Schools Forum of the latest information regarding the 2025/26 national funding formula (NFF) for schools and High Needs which was published by DfE at the end of November 2024.
2. DfE recognise that the timescale for the publication of the NFFs is unprecedented. The Department usually publishes the NFF allocation in July to help schools with their planning as early as possible. This year, due to the timing of the general election, that was not possible. DfE have also kept the structure of the NFFs largely unchanged in order to minimise disruption in light of the shorter than usual timescales available for local authorities to set their local formulae for 2025 to 2026.

RECOMMENDATION

3. That the Schools Forum note the report.

National Increases

4. To improve opportunities for our children and young people, DfE is investing in education with an additional £2.3 billion for mainstream schools and young people with high needs for 2025 to 2026. This means that overall core school funding will total almost £63.9 billion next year compared to £61.6 billion in 2024 to 2025.
5. £1 billion of the £2.3 billion increase is being allocated as high needs funding in 2025 to 2026. This will bring total high needs funding to £11.9 billion. The high needs NFF will ensure that every local authority receives at least a 7% increase per head of their projected aged 2-18 population, with the majority of authorities seeing higher gains. There is a limit on the gains of 10% per head
6. Funding through the mainstream schools national funding formula (NFF) is increasing by 2.23% per pupil on average in 2025 to 2026, compared to 2024 to 2025. This includes a 1.28% increase to ensure that the 2024 teachers and support staff pay awards continue to be fully funded at national level in 2025 to 2026.

7. The schools national funding formula (NFF) continues to distribute this based on the needs of schools and their pupil cohorts. The main features in 2025-26 are:
 - An increase in factor values in the NFF to increase the amount of funding available to schools. Through the minimum per pupil funding levels, every primary school will attract at least £4,955 per pupil, and every secondary school at least £6,465 per pupil.
 - The funding floor will continue to protect schools from sudden drops in their per-pupil funding.
 - Rolling the 2024 to 2025 Teachers' Pay Additional grant (TPAG), Teachers' Pension Employer Contribution grant (TPECG) and Core Schools Budget grant (CSBG) into the schools NFF, ensuring that this additional funding forms an on-going part of schools' core budgets.
8. Local authorities will continue to use funding through the schools NFF to determine final allocations for all local mainstream schools. We will continue with the same approach to "tightening" local formulae as in previous years. Local authorities will be required to move their local formulae factors 10% closer to the NFF values, compared to where they were in 2024 to 2025, unless they are already mirroring the NFF.
9. The structure of the high needs NFF will remain largely unchanged. While the mainstream elements of the TPAG, TPECG and CSBG are rolled into the school NFF for 2025 to 2026, for high needs we will continue to pay local authorities the funding currently allocated through the separate TPAG, TPECG and CSBG for special schools and alternative provision outside of the high needs NFF in 2025 to 2026. These funding streams will be brought together and paid as a single 2025 to 2026 CSBG.
10. Central school services funding funds local authorities for the ongoing responsibilities they continue to have for all schools, and some historic commitments entered into before 2013 to 2014. The total provisional funding for ongoing responsibilities is £342 million in 2025 to 2026.
11. Final allocations of mainstream schools and central schools services funding for 2025 to 2026 will be calculated in December 2024, based on the latest pupil data at that point, when we announce local authorities' Dedicated Schools Grant (DSG) allocations. The December DSG allocations will also include updated high needs funding allocations, based on the latest pupil data, but these are not final because, as usual, there will be further adjustments in March 2025 and subsequently. As normal, Stockton will use the December allocations to finalise schools and high needs budgets for 2025 to 2026.

12. In addition to the funding allocated through the NFFs, further funding in respect of the increase in employer's National Insurance contributions will be provided in 2025 to 2026 by a grant outside the NFF.

The National Funding Formula for Schools

13. The basic structure of the schools national funding formula (NFF) is not changing for 2025-26. Factor values in the NFF have increased from 2024 to 2025. The amount of the increase varies between factors as detailed below:
 - a. The basic entitlement values, FSM6 values, the lump sum and the minimum per pupil funding values have increased to reflect the rolling in of the three separate pay and pensions grants from 2024 to 2025: TPAG, TPECG and CSBG. A further increase has then been applied to these same factors to cover the remaining costs of the 2024 teachers' pay award in mainstream schools, so that the full 12 months of salary costs are fully funded at a national level. On top of this, a further overall increase has been applied to school- and pupil led factors, as well as to the split sites factor.
 - b. These increases mean that all primary schools will attract at least £4,955 per pupil, and all secondary schools at least £6,465 per pupil, through the minimum per pupil levels.
 - c. The funding floor will continue to protect schools from sudden drops in their funding. The 2025 to 2026 NFF funding floor is set at 0%. This ensures that no school will see a drop in the amount of pupil-led per pupil funding they attract, compared to the 2024 to 2025 baseline. For 2025 to 2026 the baseline does not only include the funding schools attracted in 2024 to 2025 via the NFF and the pay and pensions grants – it also includes a further uplift to ensure that the 2024 teacher pay award remains fully funded in 2025 to 2026 at a national level. Because of this baseline uplift, the 0% floor in 2025 to 2026 still incorporates a year-on-year increase in funding compared to what schools attracted in 2024 to 2025.
 - d. Local authorities will continue to set a minimum funding guarantee in local formulae, which in 2025-26 must be between -0.5% and 0%.
 - e. Local authorities will continue to be able to transfer up to 0.5% of their schools block to other blocks of the Dedicated Schools Grant (DSG), with schools forum approval. A disapplication will be required for transfers above 0.5%, or for any amount without schools forum approval. **This was approved at the last Schools Forum meeting following a period of consultation.**

The National Funding Formula for High Needs

14. The basic structure of the high needs NFF for 2025 to 2026 is not changing, as the Government is taking time to carefully consider what changes are needed, both to make sure that they establish a fair education funding system that directs funding to where it is needed, and to support the SEND reforms that will be taken forward.
15. The funding floor – this ensures that all local authorities' allocations per head of population will increase by a minimum percentage compared to the baseline. For 2025 to 2026 we are setting the funding floor at 7% per head of the projected 2-18 year old population in the authority's area.
16. The gains limit – the limit on gains per head of the population compared to the baseline. For 2025 to 2026 we are setting the gains limit at 10%, which means that local authorities can see an increase of up to 10% before their gains are capped.
17. Special schools (maintained and academies), pupil referral units and AP academies will continue to be funded primarily through place funding at £10,000 per place, and top-up funding for the excess costs of provision, with the majority of that funding coming from the high needs NFF allocations to local authorities.
18. In addition, DfE will be continuing to require local authorities to allocate specific extra high needs funding for special and AP schools, as follows:
 - additional high needs funding originally allocated through separate teachers' pay and pensions grants in 2020 to 2021, but since then included in the NFF baseline
 - a 3.4% increase to funding introduced in 2023 to 2024, and also included in the NFF baseline.
 - the consolidated CSBG for 2025 to 2026, which brings together the additional funding for teachers' pay and pensions that was paid as separate grants in 2024 to 2025.

National Funding Formula for Early Years

19. For the financial year 2025 to 2026, DfE are making a small number of changes to the early years operational guide and funding formula. The updates that have been made are intended to ensure the funding system supports the continued rollout of the new entitlements and delivery of the existing entitlements.
20. The main changes to the guidance are:
 - an increased minimum pass-through requirement for local authorities in 2025 to 2026 – the pass-through rate will increase from 95% to 96%

- an expectation that local authorities will announce their funding rates to childcare providers by 28 February 2025- DfE intend to mandate this as a requirement in the regulations from the financial year 2026 to 2027.
- for 2025 to 2026 DfE have made no changes to either the 3 and 4-year-old formula, or the formula for 2-year-old and under, other than updating for the latest available data for the formula factors and accounting for the expansion to 30-hours of the working parent entitlement.

The National Funding Formula for Central Schools Services

21. The block will continue to comprise two distinct elements: ongoing responsibilities and historic commitments. For 2025-26 the formula for allocating this funding follows the same approach as in 2024-25.
22. The CSSB will continue to fund local authorities for the ongoing responsibilities they deliver for all pupils in maintained schools and academies. The total provisional funding for ongoing responsibilities is £342 million in 2025 to 2026. This includes funding for the rolling in of the centrally employed teachers elements of both the TPECG and CSBG into the CSSB for 2025 to 2026 – with the CSBG element recalculated to cover the full-year salary costs.
23. Local authorities will continue to be protected so that the maximum per pupil year-on-year reduction in funding for ongoing responsibilities is at -2.5% as in the previous year, while the year-on-year gains cap will be set at the highest affordable rate, of 2.98%.
24. DoE have provided an additional £4 million to cover the exceptional increase in copyright licence costs in 2025-26, as licences were updated following the increased use of digital technology. The additional funding each local authority will receive in respect of copyright licences will be calculated as 7.1% of their copyright licence costs in 2024 to 2025.
25. In 2025-26, the historic commitments element will continue to reduce by 20% on 2024-25 allocations, the same rate as the reduction in previous years.

Consultation

26. Schools forums have a range of responsibilities relating to local funding formulae for mainstream schools and High Needs budgets and a consultation is required to fulfil the Forums responsibilities.
27. This consultation has taken place and the results are also presented at today's Forum Meeting for relevant Forum Members to vote on each proposal.

Timeframes

28. An extract of the DfE’s timetable as published in the Schools revenue funding 2025/26 operational guide is attached as an Appendix A.

Contact Officer: Andy Bryson, Chief Accountant
Tel No: 01642 528850

Appendix A

Local Authority Activity - Timetable

03 October 2024

- School census day.

18 November 2024

- Deadline for submitting disapplication requests (for response by December) for:
 - MFG exclusions
 - exceptional circumstances
 - sparsity factors
 - lump sum variations for amalgamating schools
 - pupil number reductions
 - growth funding
 - where the local authority wishes to transfer more than 0.5% of the schools block
 - where the schools forum has turned down a proposal from the local authority to transfer funding out of the schools block, but the local authority wishes to proceed with the transfer—the department aims to issue decisions before the APT deadline
 - providing details of any changes to the published list of split sites
 - safety valve local authorities - the process for safety valve local authorities is separate and all safety valve local authorities have been sent a letter outlining the process

November 2024

- school census database closed
- check and validate school census
- closing date for submission of the 2025 to 2026 high needs place change workbooks.

16 December 2024

- Deadline for notification of any changes to split sites

9 January 2025

- schools block disapplication submission amendment date

22 January 2025

- schools forum consultation and political approval from local authorities required in line with APT submission deadline for final 2025 to 2026 funding formulae
- deadline for submission of final 2025 to 2026 APT to the department

31 January 2025

- deadline for local authorities to provide evidence of the total value of their ongoing prudential borrowing and termination of employment costs, for this funding to be protected in 2025 to 2026 (this will be reflected in the March DSG allocations)

28 February 2025

- confirmation of schools budget shares to mainstream maintained school

March 2025

- final allocations to mainstream maintained schools (includes de-delegation)

AGENDA ITEM 6

REPORT TO SCHOOLS FORUM

18th DECEMBER 2024

Schools Funding Consultation Report 2025-26

SUMMARY

1. Dedicated School Grant (DSG) to Local Authorities is allocated in blocks. There are blocks of funding for Early Years, Schools, High Needs and Central School Services. The Education and Skills Funding Agency (ESFA) uses the national funding formula to calculate the blocks within the DSG that are allocated to local authorities. Local authorities currently have some flexibility in how this funding is allocated to schools, within the framework and constraints set out by the ESFA.
2. Following reports to the Schools Forum on 12th November 2024 on the delay to the publication of the National Schools Funding Formula there was a requirement to undertake the remaining part of the annual funding consultation exercise with all schools on proposals for next year's funding arrangements.
3. This paper sets out the results of this recent local consultation with maintained schools and academies which covered preferences for the schools funding formula. The schools forum should take into account the views of the schools responding before making their decision.

RECOMMENDATION

4. Schools Forum is asked to support the proposals for the schools funding formula for 2025/26 (Q1-3) noting that:-
 - All Schools Forum members may vote on these proposals.
 - The local authority is required to consult with Schools Forum on the funding formula, however the local authority retains the final decision on the formula to be used.

DETAIL

5. The council recently held a consultation on school funding arrangements for 2025/26. This consultation closed on the 11th December. A copy of the consultation document issued to schools is attached at **Appendix A** to this report.
6. The proposals in this report regarding the Schools Funding formula may therefore be subject to change. A Schools Forum meeting has been arranged for 21st January 2025, where the full final proposals will be confirmed prior to submission to ESFA on 22nd January 2025.

Summary of the Consultation Responses

7. Of the 78 schools consulted with, 23 responses were received. The responses include a block of 11 votes from one Academy Trust and a block of 5 votes from another.
8. The breakdown of the 23 responses (which is a 29% response rate) is as shown in the table below:-

LA Primary	6
LA Secondary	1
Primary Academy	12
Secondary Academy	4
AP / Special Academy	0
TOTAL	23

9. The three questions related to the Schools Funding formula and are considered together.

Question 1 - Do you agree, funding permitting, to increase the formula factors in line with the NFF?, except for the PFI factor which will increase in line with the RPIX measure of inflation to reflect the use of RPIX in PFI contracts.

Question 2 - The Council seeks your views on whether you agree with the proposal to set the MFG at the maximum of 0%, assuming the level of funding permits this?

Question 3 - Do you agree to adjust the Basic Entitlement AWPU if funding allocated to the LA is greater than that needed to fulfil the National Funding Formula?

10. The council is required to apply a funding formula in order to allocate schools block funding to schools. The ESFA sets a range of factors we are able to use in the formula. Within each of these factors there are also certain restrictions that can apply; for example the application of minimum per pupil funding levels.

Consultation Responses

11. With the exception of 1 return, which had no views all remaining responses fully supported the proposals in Questions 1 to 3.
 - Q1 - 22 Responded Yes, 1 No Views
 - Q2 - 23 Responded Yes,
 - Q3 - 23 Responded Yes,
12. Schools Forum is asked to support the proposals for the schools funding formula for 2025/26 noting that:-

- a. All Schools Forum members may vote on this proposal.
- b. The local authority is required to consult with Schools Forum on the funding formula, however the local authority retains the final decision on the formula to be used.

Contact Officer: Andy Bryson, Chief Accountant

Tel No: 01642 528850



School Funding 2025/26 - Consultation Document

PURPOSE

To seek views from maintained schools, academies and free schools on proposals in respect of the Schools Budget for 2025/26. The results of this consultation will be presented at the School Forum Meeting on 18th December for relevant Forum Members to vote on each proposal.

Schools forums have a range of responsibilities relating to local funding formulae for mainstream schools. For example, they must be consulted by their LA on changes to local funding formulae for schools. This consultation fulfils the Forums responsibilities.

This consultation ends on **Wednesday 11th December 2024**.

BACKGROUND

Due to the election the Government have not yet confirmed funding allocations for 2025/26 although they have produced the following document on the national funding formula.

[Summary policy note for schools and high needs national funding formula 2025 to 2026 - GOV.UK](#)

ESFA aim to publish NFF allocations for schools and local authorities and all supporting documents on the NFF (including the schools operational guide and NFF technical note), for 2025 to 2026, by the end of November 2024. The dedicated schools grant (DSG) allocations will then be published in December 2024.

To not delay decision making at the Forum on the 18th December I am undertaking the required consultation with relevant maintained schools, academies and free schools.

This is the second part of the consultation following the schools block transfer that has taken place over the last month and which was agreed at the Schools Forum on the 12th November.

SCHOOL BUDGET

Funding provided to mainstream schools through the teachers' pay additional grant (TPAG), the teachers' pension employer contribution grant (TPEG) 2024 and the annualised core schools budget grant (CSBG) will be rolled into the schools NFF for 2025 to 2026. Funding provided for special schools and alternative provision (AP) through these grants will be consolidated into a single CSBG. In addition,

ESFA anticipate that further funding, in respect of the increase in employers' National Insurance contributions, will be provided in 2025 to 2026 by a grant outside the NFF.

Formula Factors Increase

As mentioned above, formula factors will increase due to grants being rolled into the NFF. It is proposed to increase the formula's core factors in line with the NFF. The PFI factor is increasing in line with the RPIX measure of inflation to reflect the use of RPIX in PFI contracts.

Minimum Funding Guarantee

The MFG is set by the Council after taking account of the views of schools and the Schools Forum. In 2025/26 this can be set between -0.5% and 0%. The Minimum Funding Guarantee (MFG) is a way to protect schools funding on a per pupil rate. It is proposed to implement the maximum 0% MFG (subject to affordability) so all mainstream schools see an increase at this level for pupil led factors.

Basic Per Pupil Entitlement

Otherwise referred to as AWPU (age weighted pupil unit), this is a compulsory formula factor that assigns funding on the basis of individual pupils, with the number of pupils for each school or academy based on the previous October pupil census. Stockton proposes that if there is any funding remaining after ensuring that all the formula factors and protections have been fulfilled that the balance will be allocated to all pupils through the basic entitlement (AWPU) factor.

Consultation Questions

Question 1 - Do you agree, funding permitting, to increase the formula factors in line with the NFF?, except for the PFI factor which will increase in line with the RPIX measure of inflation to reflect the use of RPIX in PFI contracts.

Question 2 - The Council seeks your views on whether you agree with the proposal to set the MFG at the maximum of 0%, assuming the level of funding permits this?

Question 3 - Do you agree to adjust the Basic Entitlement AWPU if funding allocated to the LA is greater than that needed to fulfil the National Funding Formula?

Consultation Questions

Question 1 - Do you agree, funding permitting, to increase the formula factors in line with the NFF?, except for the PFI factor increasing in line with the RPIX measure of inflation to reflect the use of RPIX in PFI contracts.

	Response	Comments
Yes		
No		
No views		

Question 2 - The Council seeks your views on whether you agree with the proposal to set the MFG at the maximum of 0%, assuming the level of funding permits this?

	Response	Comments
Yes		
No		
No views		

Question 3 - Do you agree to adjust the Basic Entitlement AWPU if funding allocated to the LA is greater than that needed to fulfil the National Funding Formula?

	Response	Comments
Yes		
No		
No views		

Please complete and certify this sheet and return electronically with your consultation to:
andy.bryson@stockton.gov.uk by 5pm on Wednesday 11th December 2024.

If you are unable to include electronic signatures could you please provide authorisation within the body of the email from both the Headteacher and Chair / Clerk to Governors.

Name of School:

.....
Chair or Clerk to Governors	Headteacher
(Please specify)	

.....
Print Name	Print Name

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