

**Agenda Item
7**



Report Status

For information/note ☒
For consultation & views ☐
For decision ☒

Report to Haringey Schools Forum – 16th January 2025

Report Title: Schools Block Funding Model Strategy for 2025-26

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Purpose:

1. To provide the results of the 2025-26 Haringey primary and secondary schools DSG funding formula consultation and recommendations to set the distribution of the 2025-26 Schools block DSG for devolved school budgets.

Recommendations:

- a. In relation to the previous Safety Valve Programme paper, note the decision to implement a 0.5% transfer from the Schools Block to the High Needs Block.
- b. Note the proposed final allocations in Table 1 for block transfers and de-delegations, which are presented for approval to be incorporated into the DSG funding formula.

1 Introduction.

- 1.0 DSG is currently divided into four notional blocks:
- Schools Block
 - High Needs Block
 - Early Years Block
 - Central School Services Block
- 1.1 This paper sets out the strategy for Dedicated Schools Grant (DSG) formula for schools' budget share allocations for the financial year 2025-26.
- 1.2 The policy document which sets out the background and principles of the new National Funding Formula for schools can be found at: [Dedicated schools grant \(DSG\): 2025 to 2026 - GOV.UK](#)
- 1.3 The basic structure of the schools National Funding Formula (NFF) is not changing in 2025-26. There are a small number of changes in existing factors of the formula in 2025-26.
- 1.4 The details of national funding formulae for schools and high needs for 2025-26 is published by the DfE in December 2024 on the following link: [The national funding formulae for schools and high needs - 2025 - 2026](#)
- 1.5 The basic structure of the schools National Funding Formula (NFF) is not changing in 2025-26.

2 Schools Block Allocation 2024-25 and 2025-26

- 2.0 Overall, for Haringey the Schools block has increase by 4.4% before recoupment, the headline increases in funding units for Primary and Secondary schools of 7.2% has been offset by a fall in pupil numbers as set out below and by a component of the schools block that accounts changes in pupil numbers between financial years.
- 2.1 The following table illustrates the variations in pupil numbers in comparison to the previous financial year. The data indicates a total decrease of 795 pupils in the Schools Block, with primary schools losing 378 (-2.0%) pupils and secondary schools a drop of 417 (-3.1%) pupils.

Comparison of Pupil Number	2024-25	2025-26	Change
Schools Block	32,454.00	31,659.00	-795.00
Primary School	19,141.00	18,763.00	-378.00
Secondary Schools	13,313.00	12,896.00	-417.00

- 2.2 The following table labelled "Comparison of Schools Block," which indicates that the Schools Block allocation for the year 2024-25 amounts to £225.783m. In the subsequent year, 2025-26, this figure rises to £235.643m, reflecting an increase of £9.860m.

Comparison of Schools Block	2024-25 (£)	2025-26 (£)	Change (£)
Schools Block Allocation	225,783,180	235,643,520	9,860,340

- 2.3 The total pupil count has declined by 795 for the financial year 2025-26, which will have a substantial effect on the Dedicated Schools Grant (DSG) funding for that period. However, it is significant to note that the DSG allocation has increased by £9.860m, due to the addition of the previously referenced grants amounting to £15.563 million.

3 Haringey School Funding Formula 2025-26

- 3.1. The final settlement has been announced at **£235.644m** and the NFF funding requirements applied to the APT.
- 3.2. The allowable range for setting the MFG for 2025-26 is between -0.5% to 0%. With the final settlement figures the MFG for Haringey schools is set at **0**.
- 3.3. The highest permissible local block transfer is set at 0.5%. However, the schools' forum has come to an agreement to authorise a total block transfer of **0.55%**, which surpasses the established maximum. This 0.55% allocation consists of a block transfer of 0.5% directed to the High Needs Block (HNB) and an additional 0.05% allocated to the Central Schools Service Block (CSSB). A request for disapplication was submitted in December 2024.
- 3.4. Schools were consulted on a single model that corresponds with the 100% National Funding Formula (NFF) values for the fiscal year 2025-26.
- 3.5. The final allocation and APT were published in December 2024, following all necessary adjustments and block transfers. The proposed allocation for the growth fund was established at £328K, attributed to the unallocated funds within the APT formula.
- 3.6. Two options were available for utilising the unallocated funds: 1) increasing the Minimum Funding Guarantee (MFG) to 0.01%, or 2) increase the growth fund allocation to £328K.
- 3.7. Given that it is not feasible to set the MFG above 0%. This modification will necessitate a disapplication, which is unlikely to gain ministerial approval. The final allocations are presented in Table 1 below, which sets the MFG at 0%.

Table 1: Revised Allocation Table

Allocation type	Schools Affected	Description	Proposed Final Amount
Block Transfer	All Schools	HNB transfer at 0.5%	£1,167,130
Top Slice	All Schools	Growth Fund/Falling Rolls Fund	£328,254
De-Delegation	Maintained only	Trade Union Facility	£210,147
Block Transfer	All Schools	CSSB for Education Welfare	£122,000

- 3.0 Appendix 1 outlines the financial allocations for each school for the financial year 2025-26
- 3.1 A disapplication for Block Transfers has been submitted to the DfE in December 2024
- 3.2 Final allocations are subject to financial and data validation by the ESFA formula validation checks.

4 Recommendations

- 4.0 The following proposals are recommended for schools' forum approval, subject to approval for the relevant DfE consents:
- a) To agree the Minimum Funding Guarantee (MFG) is set at **0%**.
 - b) To note the transfer of 0.50% from the Schools Block allocation to the High Needs Block, this equates to **£1.167m**.
 - c) To agree the Growth fund be set at **£328k**.
 - d) To note the de-delegation of **£210k** for Trade Union Representation (for maintained schools only).
 - e) To note the transfer of 0.05% from the Schools Block allocation to the CSSB for Education Welfare Services, this equates to **£122K**.
- 4.1 The schools' forum reached an agreement on the funding parameters outlined above from "a" to "e" above during the meeting in December 2024.
- 4.2 A new request was initiated in 2025-26 to de-delegate from schools budgets a sum of £150K to enhance the capacity of the council's finance team in order to better support schools experiencing financial difficulties. To support this initiative, a supplementary paper was shared with the NLCs' leadership for their agreement. During the meeting on 9th January 2025, the chairs of the NLCs and the council reached an agreement to remove the de-delegation request from the 2025-26 DSG funding.

5 Next Steps

- 5.0 Following Schools Forum's decision on the recommendations, a Cabinet Member report "Haringey Council's Local Schools Funding Formula for 2025-26" will be signed by Thursday 21st January 2025 and the set budgets communicated to the DfE on 22nd January 2024.
- 5.1 Once the budgets have been agreed and communicated to the DfE Schools will be informed of their funding allocations via the Authority Planning Tool (APT).
- 5.2 Haringey Council will ensure that all procedures are in place to meet the requirement to publish maintained school budgets by 28th February 2025 in line with guidance set by the School and Early Years Finance (England) Regulations 2024.