

# Committee report

Committee	<b>SCHOOLS FORUM</b>
Date	<b>18 JANUARY 2024</b>
Title	<b>SCHOOL FUNDING FORMULA 2024/25</b>
Report of	<b>DIRECTOR OF CHILDREN'S SERVICES AND DIRECTOR OF FINANCE</b>

---

## EXECUTIVE SUMMARY

1. This report provides an update on the local school funding formula for 2024/25 following receipt of the December 2023 dedicated schools grant allocations including the October 2023 census impact. The principles and balancing of the formula directly link to discussions with Schools Forum at the November 2023 meeting, meetings with headteachers throughout the autumn term, and receipt of the final allocations.

## SCHOOLS BLOCK ALLOCATION 2024/25

2. The dedicated schools grant (DSG) allocations for 2024/25 were confirmed by the Department for Education (DfE) on 19 December 2023 formalising previous announcements around the current funding settlement period. The final schools block allocation is included in the following table, compared against previously reported indicative figures, and can be found on the [DFE Website](#).

	Indicative £000	Final £000	Change £000
Allocation	89,788	88,838	-950
Growth/falling roll funding	396	341	-55
<b>Total Schools Block</b>	<b>90,184</b>	<b>89,179</b>	<b>-1,005</b>
Pupils used	15,282	15,091	-191

3. The decreased basic allocation entirely resulted from an overall decrease in the number of pupils between October 2022 and October 2023, falling from 15,282 to 15,091 (in particular within the primary sector). For the draft budget modelling for 2024/25 in November, an estimate of the growth funding component was compiled, and the final outcome was a £55,000 difference, linked to the overall reduction in pupils and pupil movement in the autumn term ahead of the census.
4. As the majority of funding is passported through the formula on a per pupil basis, there is no impact from the difference in final allocation on the previously discussed

proposals to setting the local formula.

5. As in previous years for the schools' block, the DfE calculate notional allocations for all schools in a local authority area using October 2022 pupil characteristics and use these to confirm Primary and Secondary Units of Funding (PUFs and SUFs). These are then multiplied by the actual pupil numbers included in the October 2023 census to determine the final allocation for the Isle of Wight.
6. October 2023 pupil characteristics proportions which drive the funding for 2024/25 financial year have remained relatively stable compared to October 2022 census. Minor increases in English as an additional language (0.36%), mobility (0.29%) and low prior attainment (0.95%) has not made a significant impact on affordability of the formula due to lagged funding.

### FINAL LOCAL FUNDING FORMULA

7. The overarching theme and consensus from consultation work completed through the autumn, was to set the local formula using the national funding formula values avoiding future turbulence when the direct national funding formula (NFF) is implemented. Appendix A details the values, which are identical to those used throughout the consultation and indicative modelling process, and ultimately allow for increases in funding rates for all schools.
8. The final decision on setting the Isle of Wight schools' funding formula for 2024/25 is taken by the Isle of Wight Council Cabinet at a meeting on 11 January 2024. The formula is still significantly shaped through consultation with the Schools' Forum and the wider schools' community, and the following key principles, assumptions and decisions are a culmination of meetings and engagement through 2023.
  - a) The 2023/24 mainstream schools additional grant has been rolled into the national funding formula adding an amount representing the grant into school baselines across some key factors such as basic entitlement and lump sum.
  - b) NFF values have been increased (on top of the rolled in Mainstream schools' additional grant values) by in the region of 1.5%, slightly higher for Deprivation FSM, Deprivation – Ever 6 FSM, English as an additional language for primaries and mobility for primaries.
  - c) Local authorities continue to be able to transfer up to 0.5 per cent to the high needs block in line with operational guidance limits with Schools Forum support, to contribute towards specific initiatives within the high needs area.
  - d) Minimum funding guarantee (MFG) has been set to the highest level of protection ensuring all schools receive a minimum increase of +0.5%. Protection is required for 5 schools in 2024/25 financial year with the adjustment totaling to a minor £23,000.

Year:	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Rate	-1.50%	+0.50%	+0.50%	+0.50%	+0.50%	+0.50%
Total Value	£149,839	£80,207	£158,236	£3,141	£0	£23,411
Number of Schools	3	4	9	1	0	5

- e) Schools Forum agreed in November 2023 to use the Growth factor allocation in the formula for Growth fund in 2024/25 and high needs transfer of 0.5%. If the formula is not affordable due to movement in pupil characteristics, high needs transfer and growth fund requirement, the capping and scaling mechanism in the formula will be used to balance to the schools' block allocation.

## RECONCILIATION OF THE FINAL (DECEMBER 2023) SCHOOLS BLOCK

9. The following table details how the funding will be distributed for 2024/25 and based on the principles agreed in November Schools forum following consultation with the schools.

	2024/25 (£)
Schools block allocation (excluding growth)	88,838,436
Growth and falling roll factor allocation	341,186
<b>Total Schools Block Allocation (December 2023)</b>	<b>89,179,622</b>
Growth fund	206,187
Transfer to high needs 0.5%	445,898
<b>TOTAL FUNDING FOR DISTRIBUTION</b>	<b>88,527,537</b>

10. To balance the formula to the allocation, the gap of £154,000 was managed through capping and scaling mechanism. Per pupil gain above 0.5% (MFG) is scaled back by 13.86%, resulting in an average reduction of 0.25% to schools' budget. Cash impact on individual schools is included in Appendix B.
11. The final DSG allocation resulted in the average per pupil increase in funding of 2.33% compared to 2023/24 funding. The sector increases are shown in the table below.

Sector	2023/24			
	Baseline incl. MSAG	2024/25 Final	Change	% Change
All-through	£6,248.74	£6,354.11	£105.37	1.69%
Primary	£5,187.85	£5,317.74	£129.89	2.47%
Secondary	£6,661.67	£6,764.39	£102.72	1.56%
<b>Grand Total</b>	<b>£5,412.93</b>	<b>£5,538.56</b>	<b>£125.63</b>	<b>2.33%</b>

12. The variation in the level of increase between sectors is entirely pupil characteristics related. Increase in the FSM and Lower prior attainment factor proportions in primary schools were the main contributors towards slightly higher funding in this sector.

## NEXT STEPS

13. The DfE require the funding formula to be submitted on 22 January 2024. Following their compliance checks, and a period of call in after the political ratification on 11 January, the local authority should be in a position to communicate individual budget shares to schools the week commencing 29 January 2024 (ahead of the required DfE deadline of 28 February).

## RECOMMENDATIONS

1. That Schools Forum notes the Isle of Wight local school funding formula for 2024/25.

## APPENDICES ATTACHED

Appendix A – 2024/25 Final Local School Funding Formula

Appendix B – Mainstream Cash Changes and MFG Adjustments.

## BACKGROUND PAPERS

[Schools Forum - Paper E 2024-25 School Funding](#)

Contact Point: Irina Rowan, Senior Finance Business Partner – Childrens Services, Isle of Wight Council, ☎ 01983 821000 e-mail: [irina.rowan@iow.gov.uk](mailto:irina.rowan@iow.gov.uk)

*STUART ASHLEY*  
*Director of Children's Services*

*CHRIS WARD*  
*Director of Finance*

**APPENDIX A**

**Isle of Wight 2024/25 School Funding Formula (final values December 2023)**

The final funding formula is included below. For reference, the current 2023/24, restated baselines (with rolled in mainstream schools' additional grant), and 2024/25 NFF values are also shown:

			NFF	Isle of Wight			FINAL Formula	Change	
Funding Type	Factor	Phase	2024/25 Values (after area cost adjust)	Current 2023/24 value	MSAG	2023/24 Baseline	FINAL 2024/25 value	£	%
Basic Per Pupil Funding	AWPU	Primary	£3,614	£3,442	£121	£3,563	£3,614	£51	1.5%
		Secondary KS3	£5,096	£4,853	£170	£5,023	£5,096	£73	1.5%
		Secondary KS4	£5,744	£5,470	£193	£5,663	£5,744	£81	1.5%
	Minimum Per Pupil Level	Primary	£4,610	£4,405	£145	£4,550	£4,610	£60	1.4%
		Secondary KS3	£5,771	£5,503	£189	£5,692	£5,771	£79	1.4%
		Secondary KS4	£6,331	£6,033	£211	£6,244	£6,331	£87	1.4%
Additional Needs Funding	Deprivation - FSM	Primary	£497	£487	-	£487	£497	£10	2.1%
		Secondary	£497	£487	-	£487	£497	£10	2.1%
	Deprivation - Ever 6 FSM	Primary	£832	£715	£105	£820	£832	£12	1.6%
		Secondary	£1,218	£1,045	£154	£1,199	£1,218	£19	1.8%
	Deprivation (IDACI - Primary)	Band A	£690	£680	-	£680	£690	£10	1.5%
		Band B	£523	£517	-	£517	£523	£6	1.2%
		Band C	£492	£487	-	£487	£492	£5	1.0%
		Band D	£452	£446	-	£446	£452	£6	1.3%
		Band E	£289	£284	-	£284	£289	£5	1.8%
		Band F	£238	£233	-	£233	£238	£5	2.1%
	Deprivation (IDACI - Secondary)	Band A	£959	£943	-	£943	£959	£16	1.7%
		Band B	£751	£740	-	£740	£751	£11	1.5%
		Band C	£700	£690	-	£690	£700	£10	1.4%
		Band D	£639	£629	-	£629	£639	£10	1.6%
		Band E	£457	£451	-	£451	£457	£6	1.3%
		Band F	£345	£340	-	£340	£345	£5	1.5%
	EAL	Primary	£599	£588	-	£588	£599	£11	1.9%
		Secondary	£1,608	£1,587	-	£1,587	£1,608	£21	1.3%
Mobility	Primary	£974	£958	-	£958	£974	£16	1.7%	
	Secondary	£1,400	£1,379	-	£1,379	£1,400	£21	1.5%	
Low attainment	Primary	£1,187	£1,171	-	£1,171	£1,187	£16	1.4%	
	Secondary	£1,801	£1,775	-	£1,775	£1,801	£26	1.5%	
School Led Funding	Lump Sum	Primary	£136,378	£129,819	£4,574	£134,393	£136,378	£1,985	1.5%
		Secondary	£136,378	£129,819	£4,574	£134,393	£136,378	£1,985	1.5%
	Sparsity	Primary	£57,941	£57,100	-	£57,100	£57,941	£841	1.5%
		Secondary	£84,222	£83,064	-	£83,064	£84,222	£1,158	1.4%
	Split sites	Basic & distance eligibility	£81,786	£30,000		£30,000	£81,786	£51,786	172.6%
	Premises / Other		Historic	Est costs			Est costs		

## APPENDIX B

### Mainstream Cash Changes, impact of MFG protection and capping and scaling.

LAESTAB	School	Sector	2023/24 Post MFG budget incl MSAG	2024/25 Final pre MFG Budget	MFG adjustment ( + 0.5% protection/ - capping and scaling)	2024/25 Final post MFG Budget	Cash change between 2023/24 and 2024/25
9212002	Cowes Primary School	Primary	£908,757	780,533	-2,039	£778,494	£-130,262
9212005	Gatten and Lake Primary School	Primary	£1,095,527	1,118,446	-2,249	£1,116,197	£20,669
9212006	Godshill Primary School	Primary	£749,672	809,865	-3,325	£806,540	£56,868
9212007	Gurnard Primary School	Primary	£1,871,541	2,007,492	0	£2,007,492	£135,951
9212009	Nettlestone Primary School	Primary	£948,720	1,024,806	-3,572	£1,021,234	£72,514
9212010	Newchurch Primary School	Primary	£1,017,612	1,027,434	-1,481	£1,025,953	£8,341
9212012	Barton Primary School	Primary	£1,545,049	1,515,712	-3,448	£1,512,264	£-32,785
9212014	Nine Acres Primary School	Primary	£1,952,855	2,067,804	-3,029	£2,064,775	£111,919
9212015	Niton Primary School	Primary	£942,960	1,015,976	-4,480	£1,011,496	£68,536
9212018	Hunnyhill Primary School	Primary	£1,848,763	1,846,420	-3,087	£1,843,333	£-5,430
9212021	Haylands Primary School	Primary	£1,881,296	1,899,583	-882	£1,898,701	£17,405
9212024	St Helens Primary School	Primary	£568,392	558,055	-1,691	£556,364	£-12,028
9212029	Wootton Community Primary School	Primary	£953,869	1,017,438	-493	£1,016,945	£63,075
9212030	Wroxall Primary School	Primary	£768,567	735,364	-1,917	£733,447	£-35,120
9212033	Broadlea Primary School	Primary	£1,414,571	1,289,154	-851	£1,288,303	£-126,268
9212038	Binstead Primary School	Primary	£995,101	1,018,811	-3,155	£1,015,657	£20,555
9212039	Greenmount Primary School	Primary	£1,899,116	1,760,275	-426	£1,759,849	£-139,268
9212041	Summerfields Primary School	Primary	£1,010,953	1,080,088	-3,855	£1,076,232	£65,280
9212042	Dover Park Primary School	Primary	£1,128,626	1,111,001	3,021	£1,114,022	£-14,604
9212043	Queensgate Foundation Primary	Primary	£2,007,284	2,044,985	-5,355	£2,039,630	£32,346
9213000	Arretton St George's Church of England (Aided) Primary School	Primary	£859,405	740,543	-2,531	£738,012	£-121,392
9213001	Bembridge Church of England Primary School	Primary	£959,643	991,469	-4,742	£986,727	£27,085
9213003	Brading Church of England Controlled Primary School	Primary	£980,800	948,828	-3,860	£944,968	£-35,831
9213004	Carisbrooke Church of England Controlled Primary School	Primary	£1,888,980	1,901,542	-7,778	£1,893,764	£4,783
9213011	Shalfleet Church of England Primary School	Primary	£912,230	910,828	-309	£910,519	£-1,711
9213300	Brighstone Church of England Aided Primary School	Primary	£555,107	532,887	-1,793	£531,093	£-24,013
9213303	Oakfield Church of England Aided Primary School, Ryde	Primary	£1,221,090	1,267,401	-3,867	£1,263,534	£42,444
9213304	Freshwater & Yarmouth Church of England Aided Primary School	Primary	£734,711	870,632	-3,758	£866,874	£132,164
9213310	St Mary's Catholic Primary School	Primary	£957,259	950,970	-2,785	£948,185	£-9,074
9213311	St Saviour's Catholic Primary School	Primary	£767,551	748,038	-2,716	£745,322	£-22,229
9213313	Holy Cross Catholic Primary School	Primary	£782,594	803,398	4,904	£808,301	£25,707
9213314	St Thomas of Canterbury Catholic Primary School	Primary	£1,036,228	1,036,759	13,033	£1,049,792	£13,563
9213315	Newport Church of England Aided Primary School	Primary	£1,470,442	1,466,272	-2,655	£1,463,616	£-6,825
9214030	Medina College	Secondary	£5,755,823	5,610,163	-1,124	£5,609,039	£-146,784
9214032	Carisbrooke College	Secondary	£3,933,532	4,072,124	-4,080	£4,068,044	£134,511
9214604	Christ The King College	Secondary	£5,919,538	6,051,673	-17,511	£6,034,162	£114,625
9212044	The Bay Church of England School	All-through	£8,085,868	8,306,491	-8,023	£8,298,469	£212,601
9212000	St Blasius Shanklin CofE Primary Academy	Primary	£1,038,491	1,032,190	1,798	£1,033,988	£-4,503
9212003	St Francis Catholic and Church of England Primary Academy	Primary	£1,139,164	987,778	657	£988,435	£-150,730
9212016	Northwood Primary School	Primary	£984,578	987,989	-3,353	£984,636	£59
9212032	Lanesend Primary School	Primary	£2,201,287	2,130,162	-5,418	£2,124,744	£-76,543
9214001	Ryde Academy	Secondary	£9,059,657	9,125,317	-7,511	£9,117,806	£58,149
9214002	The Island Free School	Secondary	£4,033,507	4,152,805	-10,113	£4,142,692	£109,185
9214004	Cowes Enterprise College, An Ormiston Academy	Secondary	£7,028,073	7,302,991	-15,105	£7,287,885	£259,812
			<b>£87,814,788</b>	<b>£88,658,494</b>	<b>-£130,957</b>	<b>£88,527,537</b>	<b>£712,749</b>

Increasing	25
Decreasing	19
<b>TOTAL SCHOOLS</b>	<b>44</b>

