

Lambeth Schools Forum Agenda
4-6pm Thursday 12th December 2024 (via Teams)

1.	Welcome & Apologies	Chair
2.	Membership, Register of Interests and Declaration of Interests	Chair
3.	Minutes from the Schools Forum meeting held 19 th June 2024 and matters arising	Chair
4.	DSG Update	Dominique Johnston-Franklin
5.	Schools Block Funding 2025-26	Dominique Johnston-Franklin
6.	De-delegated Items 2025-26	Dominique Johnston-Franklin
7.	Central Schools Services Block	Dominique Johnston-Franklin
8.	Early Years Block	Kathryn Shaw
9.	School Places Strategy – Verbal update	Abrilli Phillip
10.	Any other business	Chair
11.	Proposed dates of next meetings: <ul style="list-style-type: none"> • 16th January 2025 – 4-6pm • 19th June 2025 – 4-6pm • 23rd October 2025 4-6pm 	Chair

Forward Plan for Schools Forum (Academic Year2024/25) Summary

Item	12 th December 2024	16 th January 2025	19 th June 2025	23rd October 2025
Election of Chair / Vice-Chair			✓	✓
Standing items (membership issues, declaration of interests, minutes of last meeting, matters arising, AOB etc)	✓	✓	✓	✓
DSG Update and summary of area not covered in full paper	✓	✓	✓	✓
Schools Block	✓	✓	✓	✓
Central School Services Block	✓			
De-delegated services and Education Functions	✓			
Early Years Block	✓		✓	✓
High Needs Block		✓	✓	✓
Licensed Deficits		✓		
School Places Strategy	✓			
Scheme for Financing Schools				
Updates on HR issues			✓	
Major contracts affecting all schools			✓	
Other Topics	TBC			

LONDON BOROUGH OF LAMBETH

SCHOOLS' FORUM

Minutes of the meeting of the Schools' Forum held remotely on Thursday 10th October 2024 at 4:00pm

School Forum Members	Present	Schools:	Present
Schools:			
Alison Moller (AM) Julian's Primary School (Chair)	Present	Andrew Chaplin (AC) Walnut Tree Walk Primary School (Vice-Chair)	Present
Melanie Miah (MM) Lambeth Nursery Schools' Federation – Rep	Present	Coral Hayes Ruskin House School	Present
Jayne Mitchell (JM) St. Andrew's Primary	Absent	Michael Holland (MH) Sunnyhill Primary	Present
Martyn O'Donnell (MOD) (PCA)	Absent	Gay Wenban-Smith (GWS) Henry Cavendish Primary School	Apologies
Humaira Saleem (HS) Iqra	Present	Eleanor Donegan (ED) Woodmansterne School	Present
Nicole Lyon Holy Trinity Primary School	Present	Tom Prestwich Jubilee Primary School	Present
Officers:	Present	Observers:	Present
Abrilli Phillip (AP) Director – ELS	Present	Diane Wilkinson (DW) NUT/NEU	Absent
Kathryn Shaw (KS) School Quality Improvement Lead	Present	Christine Golding (CG) GMB Union	Present
Bunmi Idowu (BI) Early Years	Present	Andrew Tullis (AT) Unison Union	Present
Dominique Johnston- (DJF) Franklin - Finance	Present	Ryan Foster (RF) NASUWT Union	Absent
Lucy Jarvis (LJ) - Finance	Present	Brian Hazell (BH) NAHT Union	Present
Mark Whiffin (MW)- Finance	Present	Lorna Burg (LB) Henry Cavendish	Present
Cllr Judith Cavanagh	Apologies		
Cllr Ben Kind	Present		
Claire Cobbold (CC) – HR	Absent	Debbie Johnston	Present
Gerald Mehrrens (GM) - Interim Assistant Director Standards, Safeguarding and Partnerships	Present	Monique Bertrand Assistant Director Standards, Safeguarding and Partnerships	Absent
Sophie Garner (SG) Assistant Director Education Strategy, Access and Inclusion	Apologies	Adam Yarnold Lead, Special Education Needs & Disability	Present
Sarah Hockly (SH) – Finance SEND Accountant	Present	Neeral Vadgama (NV) - Finance	Present

SF Clerk: Maria Gabrielczyk (MGab) mgabrielczyk@lambeth.gov.uk

MINUTES

1. Welcome & Apologies

The Chair welcomed everyone to the meeting and confirmed it was quorate.

Apologies were received and accepted from Gay Wenban-Smith, Sophie Garner and Cllr Cavanagh.

2. Membership, Register of Interests and Declaration of Business Interests

There are now the following vacancies: 1 Primary, 3 Secondary, 1 Special School Headteacher and 2 Governor vacancies. MG will advertise the vacancies. **ACTION: MG**

Declaration of Business Interest forms were shared with Members to complete and return to MG. **ACTION: SF MEMBERS/MG**

3. Minutes from the Schools Forum meeting held on 19th June 2024 and matters arising

The minutes were **agreed** as a true and accurate record of the meeting and signed by the Chair.

Matters Arising

- The membership item is ongoing.
- The TUFA information has gone out to all Headteachers. Action: completed.

4. DSG Update and Schools Block

The paper was for information.

It covers the 2024/25 funding and forecast and intentions for 2025/26.

There has been an update to funding of EY. There is a £1.1m reduction as the pupil numbers are falling and now reflect the January 24 census. There is a reduction to the HNB of £0.4m due to import/ export adjustments. The Schools block remains unchanged.

For the 2024/25 forecast there is an in-year variance principally from the falling pupil fund within the Schools block (and noting that the LA is continuing to look at the ways to allocate this to schools), largely offset by the planned use of the High Needs Block brought forward balance. Other blocks are in line with the budget.

For the 2025/26 funding, due to the change in government, ESFA had advised information will not come out until after the government's Budget, which will be at the end of the month. There will therefore be more information in November or early December. There are no significant changes expected and Lambeth are planning to hold the same approach, as detailed in paragraph 3.4.

Schools Forum Members:

- **Noted** and **commented** on the content.

5. Central School Services Block - De-delegated Services and Education Functions Proposals for 2025-26

The paper was for information and a proposal for a consultation.

Dominique informed Forum that Lambeth are setting out their intentions for 2025-26 based on what they have in place for 2024-25.

The LA received £1.3m last year. It is assumed that there will be a similar funding level for 25/26, and it will follow the same components as 24/25.

It was noted there will always be a pressure in that block as detailed in paragraph 1.2 and Table 1. Further details will be provided at December's meeting once funding is confirmed.

Section 2 of the report covers the de-delegated items and provides a break down on allocation. The intention is to continue with the same items and principles, and in November to consult with schools and to come back with the results in the December SF. It is proposed to additionally de-delegate free school meals eligibility as per paragraph 2.3. This is following work with the cost of living team to identify FSM pupils , giving access to schools to Pupil Premium.

Q. With the FSM de-delegation item will there be no additional cost, and will it include data analysis or attendance?

A. It will be based on per pupil amount and not PAN amount, so there may be individual changes, but the intention is that it will not be an overall additional cost. If it is, there will be adjustments to reduce proportionately based on the split between the element of FSM checking and data traded service.

Q. What is the percentage of schools that buy in?

A. It is 80% including academies. Nearly all maintained primaries buy in to the service. It will still be offered as a traded service to academies.

Schools Forum Members **agreed** the following:

- Maintained primary and secondary school representatives **agreed** in principle the rationale - with the rates to be consulted on once there is the funding announcement and the de-delegation recommendations.
- Maintained primary, secondary, all-through and special school representatives **agreed** in principle to continue to de-delegate for Education Functions for 5–16-year-olds in 2025-26, to be adjusted as per funding announcements.
- Maintained primary and secondary school representatives **agreed** to consult on the FSM de-delegation element for the 2025-26 formula.

6. Early Years Block

The paper was for information.

Outturn 23/24 – EY team had been waiting for the clawback from the DfE following the census. In July it was confirmed at £427k in line with what was expected. The supplementary grant clawback based on the January 2024 head count, was confirmed at £22K, to be offset against reserves.

The 24/25 budget has been updated to £36.3m. It is in line with falling numbers and it is expected to decrease further following the January 2025 census to around £34.4m.

Operational Changes – The extension to funded hours since April 2024 where working Parents of 2 year olds have 15 hours of childcare and from September 2024 it will include children from 9 months. From September 2025 under 5s will be entitled to 30hrs free childcare.

There is a national wraparound childcare programme for all primary schools, term time only. There needs to be sufficient childcare places before and after school to meet the demand. In addition to Wraparound grant of £910k for 24/25 to 25/26, capital funding is £473K and will be made available to support expansion of those places. 5

Risks for the EY block remain the same. Lambeth is one of 9 LA protected by the loss cap because of historic funding decisions, so it is not in line with the NFF. There is a downward trend in pupil falling numbers, cost of living and recruitment issues.

A significant head count movement (up or down) will be unsustainable. There is currently a contingency, but it will not last for the long term.

Q. Whilst schools want to be inclusive, this is an additional pressure for them. Is there any guidance around that?

A. No. The point was made that schools want to be inclusive but within the budget and not to use funding for the SEND pupils.

Q. How long is Lambeth protected by the loss cap?

A. Until the formula is changed and it will taper out. The repressed percentage on rates will affect 3 and 4 year olds. Lambeth will then be in line with neighbours for rates.

Schools Forum Members:

- **Noted** the report.

7. High Needs Block

The paper was for information.

As per Table 1 Lambeth is forecast to break even on the HN funding budget, including using the £2.8m of the reserve b/f from 2023/2024.

The HN capital funding has been used, since 2018, to expand provision and keep SEN pupils in mainstream settings. Table 2 details what was allocated for 2024, expected to increase places by 53 pupils, allowing schools to support the pupils with SEN better. This would be a total expansion of 171 places over the past two year.

A full scoping exercise was undertaken to see where the most pressures and areas of need are in the borough. It established that there remains a higher need for SEMH and Autism places in secondary schools and there will be a focus for future.

The sub group is up and running and looking at the SEND banding, therapy costs and TA costs. It is also looking at the Exceptional Needs Grant (ENG) and the pupils who do not have EHCPs but that need that extra support.

It was noted the high risk budget is very volatile and that the numbers of cases coming in for EHCP support have not decreased. There is also increasing pressure of going to mediation and tribunal.

Q. Why is there an imbalance between primaries and secondaries in the HNCPA?

A. Lambeth are aware of this and are pushing for more balance in the next allocations. There is a pressure on secondary schools with the SEMH needs and the SEMH resource base will be looked at. Lilian Baylis, La Retraite and Platanos are all establishing new provisions and we 6

have also focused previously on our specialist schools to increase capacity. They will try to increase the provision across all the age groups.

Schools Forum Members:

- **Noted** and **commented** on the content.

8. Primary School Places Strategy – Verbal update

There is currently movement towards a decision, the statutory consultation having closed on Monday. The feedback from the consultation is being collated.

The impact of falling rolls is impacting on the way schools are managing their budgets and the matter will go to Cabinet. As it is a public meeting, anyone can join it online.

The estimated cost to the council is £3.8m and it will come from the council's general fund and not the DSG. More schools are having deficit budgets, individually and collectively. Lambeth is the worst borough in London for carrying deficit budgets.

Link to Consultation: <https://www.lambeth.gov.uk/consultations/have-your-say-lambeths-statutory-proposals-primary-school-places>

The decision of the Cabinet following the public consultation will be shared in due course with Schools Forum. AM will liaise with AP with reference to timing. **ACTION: AM/AP**

9. Scheme for Financing Schools

The Scheme for Financing Schools provides a financial framework for schools and the LA. The DfE provides statutory guidance, but there is local discretion on some aspects.

There is a section in the scheme regarding borrowing for schools eg. what leases a Governing Body can enter into and the powers schools have. The statutory update to this section was necessary with the introduction of IFRS16 for LAs.

Schools Forum were reminded that maintained schools can enter into leases under "General consent" from the Secretary of State unless they are outside of the points in Appendix 2 of the report, when they need to first come to the LA for review.

Schools Forum Members (Maintained schools Only) **agreed** the changes as per **Appendix 1** to Lambeth Scheme for Financing Schools and **adopted** the changes in the DfE statutory guidance as per the revision of March 2024.

10. Update on Lambeth Schools Partnership (LSP)

The paper was for information.

The LSP is a collaboration of the LA and schools and other educational establishments with the vision to enable all the borough's children and young people to experience the best education, opportunities, outcomes and life chances.

Over the last 2 years the LSP has developed its Education Strategy and produced the LSP school improvement plan. 7

Some of the key objectives in the LSP school Improvement Plan are:

- Outcomes in Key Stage 2 and Key Stage 4 to be at the London Average in 3 years;
- To be in the top quartile compared to our London Local Authority statistical neighbours within 7 years;
- Outcomes for disadvantaged pupils improve by 3% year on year
- Attendance to return to above pre-pandemic levels.

It will take a significant investment to achieve these outcomes and because of this the LSP Board took the decision for subscriptions will be raised. Although school improvement is the responsibility of schools, noting the challenges schools face, with declining rolls and the impact on schools' finances, the LA has committed to provide up to £1.5m to improve attendance outcomes. This consists of

- To match fund the increase in school subscriptions for 3 years
- Support secondary schools to improve outcomes for disadvantaged pupils by 3% year on year
- Recruitment of 4 Education Welfare Officers for 3 years to improve attendance in schools to pre-pandemic levels

Q. What is the take up for the EY offer as it was quite high?

A. GM will come back with that information. **ACTION: GM**

Schools Forum Members:

Noted and **commented** on the content.

11. AOB

There were no items for AOB.

12. Future Meeting Dates

The following meeting dates were agreed for the next academic year:

- **21st November 2024 – 4-6pm - Provisional Date depending on late announcements on funding**
- **12th December 2024 – 4-6pm**
- **16th January 2025 – 4-6pm**
- **19th June 2025 – 4-6pm**

There being no further business to discuss, the Chair closed the meeting at 5.05pm.

Signed: _____

Date: _____

Alison Moller
Chair of the School Forum

Agenda Item 4

Title: DSG Update
Date: 12th December 2024
Report to: Schools Forum
Report for: Information x Decision Consultation Action
Author: Dominique Johnston -Franklin – Group Manger -Education

1. Background

This report provides an update on the DSG for 2024/25. It also sets out the position of the intentions for 2025/26 High Needs Block.

2. DSG 2024/25

- 2.1 The ESFA refreshed the 2024/25 DSG in November 2024 to take account Autumn 2024 early years census as well as high needs changes. There has been a net decrease of £0.661m in 2024/25 DSG funding as a result. The differences are explained in **Table 1** below.

Table 1: Changes to the previously reported DSG Funding 2024/25

Block	DSG 2024/25 (July 2024) £'000	DSG 2024/25 (Updated Nov 2024) £'000	Difference £'000	Comment
Schools Block	-232,023	-232,023	0	No change.
Central School Services Block	-1,322	-1,336	-14	Adjustment for Copyright Licenses
Early Years Block	-36,300	-35,655	645	Net reduction based on falling pupil numbers
High Needs Block	-67,080	-67,050	30	Decrease due to updated Import/ export adjustment.
Total	-336,725	-336,064	661	

- 2.2 There is a decrease of £0.645m in the Early Years Block as it has now been updated with the August 2024 census, rather than the January 2024 census used for the previous allocation. This will continue to be a risk as, although there has been an expansion of the EY block settlement overall, the falling pupil numbers will continue to show a reduction in allocations from initial projections due to the lag in data.
- 2.3 There is a very small decrease £0.030m in the High Needs Block due to updated import and export and recoupment to academies being adjusted by 3 pupils. The finance team is continuing to review this process as we currently need to identify all imports in special schools to ensure there is not a net disadvantage for funding recoupment.

- 2.4 **Table 2** sets out the current summary forecast position for each DSG block for 2024-25. Explanations about the position in each of the four blocks and the associated risks then follow.

Table 2: Summary forecast spend against funding by DSG block 2024/25 (Period 8)

Block	2023/24 b/f balances £'000	DSG Funding / Budget 2024/25 £'000	Forecast net LA spend 2024/25 (P08) £'000	In-year variance £'000	2025/26 Forecast c/f balances £'000
Schools Block (not NNDR)	-919	-150,732	148,307	-2,691	-3,610
Central School Services Block		-1,336	1,336	0	0
Early Years Block	-1,135	-35,655	36,655	0	-1,135
High Needs Block	-5,636	-62,724	65,565	2,841	-2,795
De-delegated budgets	-44	0	44	44	0
DSG managed by LA	-7,734	-250,447	251,573	194	-7,540
Deductions for ESFA payments to billing authorities for NNDR	0	-4,492	4,492	0	0
Schools Block recoupment by ESFA	0	-76,799	76,532	0	0
High Needs Block recoupment by ESFA	0	-4,326	4,326	0	0
DSG held or recouped by ESFA	0	-85,617	85,350	0	0
Total Lambeth DSG	-7,734	-336,064	336,923	194	-7,540

- 2.5 **Schools Block.** The funding for the Schools Block has been allocated in accordance with the Authority Proforma Tool (APT) exercise on the mainstream schools funding formula in January 2024. The DSG position has been accounted for in gross terms, but the LA only disburses funds directly to maintained schools; the ESFA deducts (recoups) funding from the DSG to provide funding for academies and sixth form High Needs provision more directly.

- 2.6 The Falling Pupil rolls fund of £2.61m allocated for 2024-25 is proposed to be utilised as part of the allocation of 2025-26 formula as part of the exceptional circumstance factor detailed and to be approved in the Schools block item.

- 2.7 **Central School Services Block.** There is no expected variance in this block. Spending on Central School Services Block items such as Admissions, School Licenses, Schools Forum, Education Functions and Statutory Responsibilities is contained within the available funding. There has been an adjustment in the budget to reflect the late negotiations with Copyright Management Organisations and the DfE taking longer than expected and has seen an approx. 8.5% increase which will be issued in DSG allocations.

- 2.8 **Early Years Block.** There is no expected variance in this block. The brought forward underspend of £1.135m continues to be earmarked for contingency fund and is expected to support any large fluctuations in pupil number reductions in the summer term of 2024-25.

- 2.9 **High Needs Block.** We planned to use £2.8m of reserve to support SEND inclusion work across the service. It is currently supporting the Exceptional Needs Grant and onboarding Area SENCOs/ Family support workers. The current projection for this block is breakeven, but as in previous years the lag in analysis and data sometimes shows large decreases in spend by Q3. Once all the October Census data is refreshed and inflationary provisions are removed from the forecast, there will be further clarity on the position.
- 2.10 **De-delegated Budgets.** The Vulnerable Schools Fund is no longer being topped-up with DSG funding, and the carry forward will be fully spent in 2024-25. The later papers will show the outcome of consultation and the proposal to re-establish this fund.
- 2.11 **Overall.** The DSG brought forward a surplus of £7.7m into 2024-25 and is anticipated to reduce slightly to £7.5m for 2025-26. The plans for 2025-26 will anticipate to significantly reduce the balance, but ensure there is some sustainability in future years within the High Needs Block.

3 DSG 2025-26 and Schools Deficits

- 3.1 The DfE confirmed via the autumn statement some key headlines with regards schools funding: “Total core school funding is increasing by £2.3 billion in 2025 to 2026, meaning that this funding will total almost £63.9 billion. This includes funding through the schools NFF, high needs funding, CSSB of the DSG, and pupil premium.”
- 3.2 These were headline figures, and the final settlement figures, based on the October census data, is due to be released on 20th December 2024. Once the detail is published, Lambeth will be able to fully understand the funding breakdown for each individual school. As Lambeth continues to be one of the highest funded nationally (6th Highest for Primary School Unit funding and 4th Highest nationally for secondary Unit funding), it is important to note that the uplifts are always reflective of the baseline DSG that the LA starts from.
- 3.3 Most of the funding uplifts that have been announced are rolling in of previous Grants that the schools are already receiving and, due to the re- distributive effect of the National Funding formula, the likely uplifts for schools annually will continue to be small and not necessarily follow through from the headline figures.
- 3.4 The funding settlement will be announced in December and schools forum will meet in January to agree the overall affordability of the schools block based on the decisions made in later papers.
- 3.5 The headlines for the high needs block as part of the Autumn statement indicated “£1 billion will be added to the overall high needs budget, bringing the total level of high needs funding in 2025 to 2026 to £11.9 billion. This increase to high needs funding is over 9% compared to the 2024 to 2025 baseline.”
- 3.6 For the High Needs block, the national funding formula will allocate support for all the commitments in the delivery of the SEND strategy. Once the full funding settlement is announced, the High needs block sub group will need to agree the strategy moving forward in terms of % uplifts for EHCPs and affordability for future years with the expansion of SEND Resource base provisions.
- 3.7 For Early Years Block – these budget rates are normally agreed in January forum and will be updated as part of a subgroup and consultation on funding for the sector.

- 3.8 Although not part of DSG schools funding, the potential overall deficit position of Lambeth schools, which would be a cost to Lambeth's General fund budgets, and has an ongoing impact on the LAs balance sheet overall. For 2024/25, there is currently a requirement for at least 25 schools (37%) to have a licensed deficit, with 52 schools (78%) currently forecasting in-year deficits. If all forecasts are accurate, this would reduce the net aggregate surplus for all schools to just under £5m (down from £14.8m at the end of 2023/24). Risks therefore remain significant in this area.

4 Recommendations.

- 4.1 **This is an information item, and Schools Forum is invited to note and comment on the contents.**

Agenda Item 5

Title: Schools Block 2025-26

Date: 12th December 2024

Report to: Schools Forum

Report for: Information **Decision x** Consultation Action

Author: Dominique Johnston -Franklin – Group Manger -Education

1. Purpose of this report

- 1.1 This report sets out the financial position in the Schools Block for 2025-26 and explores the issues that Schools Forum will need to consider in the January meeting in making recommendations to Cabinet and Council about the mainstream funding formula for 2025/26. It will feed back the outcome of the consultation for 2025-26 from schools and propose the decisions regarding impact on funding for schools.

2. Background

- 2.1 The Education and Skills Funding Agency (ESFA) confirmed in Nov 2024 (normally July of each year, but late due to timing of election), key figures and operational guidance for the Schools Block National Funding Formula for 2025-26. This has unfortunately led to limited time to allow planning by Local Authorities and Schools Forum.
- 2.2 This report sets out this information, identifying how this affects Lambeth, including any local issues which may need to be taken account in developing the mainstream funding formula for 2025-26 and what decisions will be needed on the way. As in recent years, the mainstream funding formula (known as the Authority Proforma Tool (APT)) must be submitted to ESFA by 19th January 2025, subject to political sign off.

3. Schools Block 2025-26

- 3.1 The Key Changes to the National Funding Formula (NFF) for 2025-26 are:

- a) Rolling the 2024/25 teachers' pay additional grant (TPAG), the teachers' pensions employer contribution grant (TPECG) 2024, and the core schools budget grant (CSBG) into the NFF. For TPAG and TPECG this is done by:
- 1- adding amounts representing what schools receive through the grants into their baselines.
 - 2- adding the value of the lump sums, basic per pupil rates and free school meals Ever6 (FSM6) parts of the grants onto the respective factors in the NFF.
 - 3- uplifting the minimum per pupil values by the TPAG and TPECG basic per-pupil values and an additional amount which represents the average amount of funding schools receive from the FSM6 and lump sum parts of the grants.
 - 4- The methodology for rolling in the CSBG into the NFF is the same as for TPAG and TPECG, except that the CSBG 2024 to 2025 grant rates are uplifted to make them annualised before they are rolled in to the NFF.

b) technical changes to the split sites factor, which was first introduced in the 2024 to 2025 NFF.

1. The transitional floor protection that was included in 2024 to 2025 has now been removed. That protection was only needed in 2024 to 2025 to ensure that any school losing out from the formularisation itself was protected through the NFF floor.
2. Additionally, under mergers and amalgamations, where a school becomes eligible for split site funding as a result of a merger or an amalgamation, the relevant split sites funding should come into effect once the school no longer receives the 70% of the second lump sum in the financial year after the amalgamation.

3.2 The DfE have confirmed that a new Grant to meet the increases in the **National Insurance (NI)** Costs will be allocated in 2025-26. The change in NI is a reduction in threshold from £9k to £5k – meaning more people will be (in scope) paying NI. The rate is also increasing from 13.8% to 15%.

3.3 As with all grants we expect this to be driven by formula (recent practice shows an amount for AWPU, FSM6 and Lump sum), so may not meet the whole cost – each school will need to test the additional cost verses grant, to understand the impact on their school. Once we have more detail we will provide an update. Schools with higher-than-average costs in teaching are likely to have a pressure as will those with falling pupil numbers.

3.4 Local authorities were required to bring their own formulae closer to the schools NFF from 2023 to 2024. This transition will continue in 2025 to 2026 with the expectation that all LAs should be mirroring with NFF values and annually moving 10% closer to the local formula. As Lambeth is already following NFF, this does not affect the adjustment formulae for 2026-26.

3.5 Appendix 1 sets out the proposed formula distribution funding rates based on provisional values.

4 Consideration of issues in determining the use of the Schools Block for 2025-26

4.1 The operational guidance for school revenue funding for 2025-26 sets out the requirements for considering the schools block, and decision making. The issues the Schools Forum will need to consider to reach recommendations about the use of the Schools Block in 2025-26 are:

- a) Continued Alignment to the NFF formula Values.
- b) Should there be any transfers between the Schools Block and any other blocks?
- c) What rate should the Minimum Funding Guarantee be set at 0%?
- d) Exceptional Factor funding to add a one-off amount per pupil (a decision that needs to be submitted to the Secretary of State for ratification by the end of Jan 2025)?

4.2 A consultation was sent to school on the principles of the funding formula prior to the announcement in November and responses are highlighted below and detail in Appendix 2 & 3. The LA received 24 responses, an increase of 2 schools from last year's consultation.

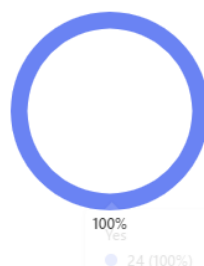
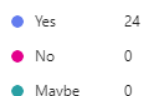
4.3 National Funding Formula Values

Lambeth agreed in December 2022 to align to the National Funding Formula values, as the guidance requires LAs to continue to move 10% annually to these values. As Lambeth currently is operating within this parameter, the recommendation is to continue with this agreement. This will include for 2025-26 using all funding values as determined by the DfE.

4.4 Minimum Funding Guarantee (MFG) – the DfE has now published the expectation that the requirement for MFG operates within the parameters of 0% to **minus 0.5%**. Unfortunately the consultation considered MFG 0-0.5%.

5. Do you agree that Lambeth should continue to set Minimum Funding Guarantee (MFG) between 0-0.5%?

[More details](#)



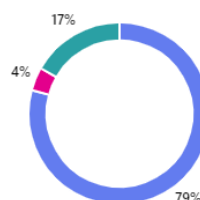
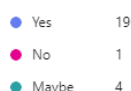
4.5 As the current guidance only allows the maximum of 0%, it is therefore the recommendation to set the MFG at 0%. Subject to affordability, it is proposed that the formula will endeavor to deliver on or as close to the max allowed by the DfE.

4.6 Transfers between blocks. Although the schools block is ring-fenced in 2025-26, local authorities can transfer up to 0.5% of their Schools Block funding into another block, with the approval of their Schools Forum. Lambeth has in the last 3 years always utilised this transfer to the High needs block to support ongoing uplifts in the distribution of funding linked to Educational Healthcare Plans (EHCPs). Due to the exceptional pressure within the schools block facing all Lambeth schools -particularly with the impact of falling rolls, it is important that where possible all funding available is fully distributed within the core schools budgets for 2025-26. In light of this and the current surplus position with the High Needs block balances it is recommended that there is a pause for this year on a transfer of funding to the High Needs block.

4.7 To support ongoing uplift within schools core budgets as discussed in previous forums – the intention for 2025-26 only is to seek approval from the secretary of State for an **exceptional factor** as a one off amount up to total of £2.6m to distribute additional funding per pupil outside the NFF. 79% of schools responded in agreement with this principle and it is recommended that this is initiated for 1 year only for the Lambeth schools funding formula.

7. Do you agree that Lambeth should apply to use Exceptional Circumstance Factor for 1 year 2025-26 to distribute fully the funding ringfenced to the Schools Block Falling Rolls in 2024-25?

[More details](#)



5 Next Steps

- 5.1 The deadline for producing this information is very challenging as the financial settlement is unlikely to be known until around 20th December 2024. Due to the late announcement, it has become challenging to have modelling completed (which would usually have been completed in summer months). For this reason, there could potentially be a delay to the reports dispatch process for Jan -25.
- 5.2 The LA is required to submit an Authority Pro Forma APT, which determines each schools' budgets associated with the factors discussed above.

6. Recommendations.

6.1 Schools Forum is asked to:

- a) **Agree Lambeth's continued adoption of 2025-26 ACA adjusted National Funding formula values.**
- b) **Agree to 0.0% MFG be set for Schools funding formula (subject to affordability in December Settlement)**
- c) **Agree to distribute remaining schools block funding via exceptional circumstance factor at an amount to be agreed in the January Forum after the settlement announcement and noting Secretary of state approval would be required.**

Appendix 1 - Illustrations of anticipated uplifts for Lambeth 2025-26

NFF Funding Factors	2024-25 NFF rates	Lambeth's Proposed 2024-25 rates ACA adjusted 1.18666	Provisional 2025-26 NNF Values Inc TPAG,TPECG and CSBG	Provisional 2025-26 Values	% movment	Proposed £ increase per pupil
Primary basic entitlement	£3,562.00	£4,226.88	£3,847.00	£4,565.08	7%	£338.20
KS3 basic entitlement	£5,022.00	£5,959.41	£5,422.00	£6,434.07	7%	£474.66
KS4 basic entitlement	£5,661.00	£6,717.68	£6,113.00	£7,254.05	7%	£536.37
Primary FSM	£490.00	£581.46	£495.00	£587.40	1%	£5.93
Secondary FSM	£490.00	£581.46	£495.00	£587.40	1%	£5.93
Additional Needs Funding						
Primary FSM6	£820.00	£973.06	£1,060.00	£1,257.86	23%	£284.80
Secondary FSM6	£1,200.00	£1,423.99	£1,555.00	£1,845.26	23%	£421.26
Primary IDACI F	£235.00	£278.87	£235.00	£278.87	0%	£0.00
Primary IDACI E	£285.00	£338.20	£285.00	£338.20	0%	£0.00
Primary IDACI D	£445.00	£528.06	£445.00	£528.06	0%	£0.00
Primary IDACI C	£485.00	£575.53	£490.00	£581.46	1%	£5.93
Primary IDACI B	£515.00	£611.13	£520.00	£617.06	1%	£5.93
Primary IDACI A	£680.00	£806.93	£685.00	£812.86	1%	£5.93
Secondary IDACI F	£340.00	£403.46	£340.00	£403.46	0%	£0.00
Secondary IDACI E	£450.00	£534.00	£450.00	£534.00	0%	£0.00
Secondary IDACI D	£630.00	£747.60	£635.00	£753.53	1%	£5.93
Secondary IDACI C	£690.00	£818.80	£695.00	£824.73	1%	£5.93
Secondary IDACI B	£740.00	£878.13	£745.00	£884.06	1%	£5.93
Secondary IDACI A	£945.00	£1,121.39	£950.00	£1,127.33	1%	£5.93
Primary EAL3	£590.00	£700.13	£595.00	£706.06	1%	£5.93
Secondary EAL3	£1,585.00	£1,880.86	£1,595.00	£1,892.72	1%	£11.87
Primary LPA	£1,170.00	£1,388.39	£1,175.00	£1,394.33	0%	£5.93
Secondary LPA	£1,775.00	£2,106.32	£1,785.00	£2,118.19	1%	£11.87
Primary mobility	£960.00	£1,139.19	£965.00	£1,145.13	1%	£5.93
Secondary mobility	£1,380.00	£1,637.59	£1,595.00	£1,892.72	13%	£255.13
Other Factors						
Primary lump sum	£134,400.00	£159,487.10	£145,100.00	£172,184.37	7%	£12,697.26
Secondary lump sum	£134,400.00	£159,487.10	£145,100.00	£172,184.37	7%	£12,697.26
Primary sparsity	£57,100.00	£67,758.29	£57,400.00	£68,114.28	1%	£356.00
Secondary sparsity	£83,000.00	£98,492.78	£83,400.00	£98,967.44	0%	£474.66
Middle-school sparsity	£83,000.00	£98,492.78	£83,400.00	£98,967.44	0%	£474.66
All-through sparsity	£83,000.00	£98,492.78	£83,400.00	£98,967.44	0%	£474.66
Split sites basic eligibility funding	£53,700.00	£63,723.64	£81,000.00	£96,119.46	34%	£32,395.82

Appendix 2 Consultation Responses

School Type	Do you agree that Lambeth should continue to set Minimum Funding Guarantee (MFG) between 0-0.5%?	Please provide comments on above	Do you agree that Lambeth should apply to use Exceptional Circumstance Factor for 1 year 2025-26 to distribute fully the funding ringfenced to the Schools Block Falling Rolls in 2024-25?	Please provide comments on above 1
Primary School Maintained	Yes		Yes	
Primary School Maintained	Yes	MFG is important at current times. I would prefer the MFG be kept closer to 0.5% than 0%, same as prior year	Yes	Agreed this is important for London/Lambeth schools in particular
Primary School Maintained	Yes		Yes	
Primary School Maintained	Yes		Yes	
Primary School Maintained	Yes		Yes	
Primary School Maintained	Yes	This is a historical factor and should be maintained.	Maybe	This funding is one off and will cover the significant increase in de-delegated funding including new de-delegation streams in 2025/26, but not in future years when the de-delegated funding continues to increase and further exacerbate the financial difficulties faced by so many schools including those with a falling rolls
Primary School Maintained	Yes	This is consistent with previous years and in line with national	Maybe	If I have understood this correctly, there is no mechanism to distribute the fund which was ringfenced in 24/25 to provide support for those schools with a dramatic fall in roll that are disproportionately disadvantaged financially compared to schools with a more stable roll therefore Schools Forum have decided to distribute the money to all schools on an equal per pupil basis - if I am correct re the first part of my assumption, then I agree that the only option is to distribute the money fairly to all schools and per pupil is the best metric to achieve this

Primary School Maintained	Yes	This is consistent with previous years and in line with national	Maybe	If I have understood this correctly, there is no mechanism to distribute the fund which was ringfenced in 24/25 to provide support for those schools with a dramatic fall in roll that are disproportionately disadvantaged financially compared to schools with a more stable roll therefore Schools Forum have decided to distribute the money to all schools on an equal per pupil basis - if I am correct re the first part of my assumption, then I agree that the only option is to distribute the money fairly to all schools and per pupil is the best metric to achieve this
Primary School Maintained	Yes		Yes	
Primary School Maintained	Yes		Yes	There needs to be a wider, realistic and longer term look at pupil numbers and how schools are supposed to cope under the pressures of raising pay increases and utility uplifts.
Primary School Maintained	Yes	I agree that the MFF continues, as this would protect schools from any further reduction the school is likely to encounter in their per pupil funding received.	No	I have said No to this section. Some schools have worked hard not getting into deficit, (however, not been able to show an increase in rolls) whereby other schools; their deficit has got larger and larger (and still no increase in rolls either). The schools that have worked hard managing their spending and not getting into a large deficit, (and trying to increase their rolls, and not been able too) would use the ring-fenced money to good use, (helping the pupils they have already) on the other hand, other schools that have a larger deficit (which keeps growing, and no increase in rolls), if the funds are given to those schools, the money would be lost in the 'large deficit' they have created. Based on the 2024-25 information no schools in Lambeth triggered this funds due to lack of increase in rolls; which Lambeth is aware of so unless the funds are given to schools with less deficits and trying to increase their increase in rolls. If funds are awarded to all schools as I mentioned before the funds would be lost in some schools.
Primary School Maintained	Yes		Maybe	Is there maybe a more useful way to use this money
Primary School Maintained	Yes	Having the minimum funding guarantee is a helpful tool for schools so that they do not lose more than a certain percentage per pupil of their funding	Yes	This will help schools plan operationally and financially especially schools that are operating a deficit budget
Primary School Maintained	Yes		Yes	Please identify the criteria for falling rolls
Primary School Maintained	Yes		Yes	
Primary School Maintained	Yes		Yes	

Primary School Maintained	Yes		Yes	
Primary School Maintained	Yes		Yes	
Primary School Maintained	Yes		Yes	
Primary School Maintained	Yes		Yes	
Primary School Maintained	Yes		Yes	
Secondary Academy	Yes		Yes	We would benefit from additional funding due to our falling roll.
Secondary School Maintained	Yes		Yes	
Secondary School Maintained	Yes		Yes	

Mainstream Schools Funding Formula 2025-26

Consultation Document

Lambeth Education Finance

27th November 2024

Purpose of this consultation

Local authorities are required to consult annually with all maintained schools and academies about any proposed changes to the local schools funding formula including the method, principles and rules adopted. The consultation responses will inform Schools Forum and local authority decision making.

The phased implementation of the National Funding Formula (NFF) within the Dedicated Schools Grant will continue into 2025-26, which was expected to be the full implementation year when the NFF was first launched.

Please note the consultation document and the financial impact of these changes were modelled based on 2024-25 data. Allocations for 2025-26 will use October 2024 census information. Provisional block announcements and funding guidance are normally published by DfE in July. Due to the general election, these have been delayed and are expected to be announced by DfE in December 2024.

The outcomes from this consultation will be considered by Schools Forum in December where they will make the decisions. Any decisions not made in December 2024 will need to be agreed by Schools Forum in January 2025, ahead of the APT submission, with formal political ratification in February 2025.

Decisions for Lambeth

Lambeth Mainstream funding formula now mirrors the NFF and will continue to do so over the future years.

Key decisions are needed to be confirmed on the Schools Block regarding:

- **Confirmation to set Minimum Funding Guarantee (MFG) value at 0.5%**
- **Agreement of Exceptional Circumstance Factor for one year outside of NFF formula values**
- **De-Delegation for**
 - **Trade Union Facilities Arrangement (TUFA)**
 - **Additional School Improvement Services**
 - **Free School Meals eligibility checking**
 - **Contingency - Vulnerable Schools Fund**

Schools Block

The government has not yet published its allocations or technical guidance for school funding for 2025-26. They have however already confirmed on 19th November 2024 that:

- **Structure of the schools NFF will remain largely unchanged in 2025 - 2026**
- **Rolling in the 2024 - 2025 Grants** – teachers' pay additional grant (**TPAG**), the teachers' pension employer contribution grant (**TPECG**) and the core schools budget grant (**CSBG**) into the NFF
- **TPAG and TPECG** are being rolled in to the schools NFF in the same way as we rolled in the mainstream schools additional grant (MSAG) in 2024 - 2025. This will be added as an amount representing what schools received through the grants to their 2024 -2025 baselines (adjusted by pupil numbers)
- Added the value of each grant's lump sum, basic per pupil rates and Free School Meals Ever 6 (FSM6) per pupil rates onto the respective factors in the NFF
- Uplifted the NFF minimum per pupil level (MPPL) factor values by the average amount of funding schools were funded through the MPPLs last year received through the grants
- For the **CSBG**, the 2024 - 2025 allocations have been recalculated on an annualised basis, and then rolled into the NFF in the same way as TPAG and TPECG. Doing so provides a funding uplift which covers 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.

Section 1

Schools Block – Funding Formula

This section sets out the information to respond to the following question:

Do you agree that Lambeth should continue to set Minimum Funding Guarantee (MFG) between 0-0.5%?

Schools Block

- In addition to the rolling in of additional grants, the DfE have confirmed there will be further overall increases applied to the school and pupil-led factors, although at this stage we do not have an indication of the level of increase for Lambeth schools until final settlements are announced.
- In light of the above changes, all schools will receive an uplift as this will be incorporated into the baseline for 2025-26. So a 0.0% funding floor (MFG) would still represent an uplift in schools' budgets compared to what a school would have attracted in 2024-25.
- Based on previous years' approaches, the PFI factor will increase by the Retail Prices Index (RPIX), which is 2.3% for the year to April 2024. Exceptions to this are made for local authorities that have provided the Department for Education (DfE) with an affordability model which demonstrates that a different amount is required. More guidance will be published with NFF December update.

The LA intends to continue to mirror the National Funding Formula values for 2025-26, with only PFI factors determined locally. The factors are pre-determined, and the funding allocated to schools is determined by the level of the MFG, the amount held centrally for the Growth Fund and Falling Pupil Roll funds and any amount transferred to other Blocks of the DSG i.e High Needs Block.

Table 1 on the following page represents the illustrative formula values anticipated, modelled on 2024-25 rates and area cost adjustment rates.

We do not yet know the minimum funding per pupil levels for 2025-26. In 2024-25, all schools were funded above minimum per pupil levels through the formula and therefore no adjustments were required to meet the minimum funding per pupil levels. We expect the position to be similar in 2025-26.

Schools Block

Table 1 Illustrations of anticipated uplifts for Lambeth 2025-26

NFF Funding Factors	2024-25 NFF rates	Lambeth's Proposed 2024-25 rates ACA adjusted 1.18666	Provisional 2025-26 NNF Values Inc TPAG,TPECG and CSBG	Provisional 2025-26 Values	% movement	Proposed £ increase per pupil
Basic per pupil Funding						
Primary basic entitlement	£3,562.00	£4,226.88	£3,847.00	£4,565.08	7%	£338.20
KS3 basic entitlement	£5,022.00	£5,959.41	£5,422.00	£6,434.07	7%	£474.66
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Primary FSM	£490.00	£581.46	£495.00	£587.40	1%	£5.93
Secondary FSM	£490.00	£581.46	£495.00	£587.40	1%	£5.93
Additional Needs Funding						
Primary FSM6	£820.00	£973.06	£1,060.00	£1,257.86	23%	£284.80
Secondary FSM6	£1,200.00	£1,423.99	£1,555.00	£1,845.26	23%	£421.26
Primary IDACI F	£235.00	£278.87	£235.00	£278.87	0%	£0.00
Primary IDACI E	£285.00	£338.20	£285.00	£338.20	0%	£0.00
Primary IDACI D	£445.00	£528.06	£445.00	£528.06	0%	£0.00
Primary IDACI C	£485.00	£575.53	£490.00	£581.46	1%	£5.93
Primary IDACI B	£515.00	£611.13	£520.00	£617.06	1%	£5.93
Primary IDACI A	£680.00	£806.93	£685.00	£812.86	1%	£5.93
Secondary IDACI F	£340.00	£403.46	£340.00	£403.46	0%	£0.00
Secondary IDACI E	£450.00	£534.00	£450.00	£534.00	0%	£0.00
Secondary IDACI D	£630.00	£747.60	£635.00	£753.53	1%	£5.93
Secondary IDACI C	£690.00	£818.80	£695.00	£824.73	1%	£5.93
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Secondary IDACI A	£945.00	£1,121.39	£950.00	£1,127.33	1%	£5.93
Primary EAL3	£590.00	£700.13	£595.00	£706.06	1%	£5.93
Secondary EAL3	£1,585.00	£1,880.86	£1,595.00	£1,892.72	1%	£11.87
Primary LPA	£1,170.00	£1,388.39	£1,175.00	£1,394.33	0%	£5.93
Secondary LPA	£1,775.00	£2,106.32	£1,785.00	£2,118.19	1%	£11.87
Primary mobility	£960.00	£1,139.19	£965.00	£1,145.13	1%	£5.93
Secondary mobility	£1,380.00	£1,637.59	£1,595.00	£1,892.72	13%	£255.13

Schools Block

Table 1 Continued Illustrations of anticipated uplifts for Lambeth 2025-26

NFF Funding Factors	2024-25 NFF rates	Lambeth's Proposed 2024-25 rates ACA adjusted 1.18666	Provisional 2025-26 NNF Values Inc TPAG,TPECG and CSBG	Provisional 2025-26 Values	% movement	Proposed £ increase per pupil
Other Factors						
Primary lump sum	£134,400.00	£159,487.10	£145,100.00	£172,184.37	7%	£12,697.26
Secondary lump sum	£134,400.00	£159,487.10	£145,100.00	£172,184.37	7%	£12,697.26
Primary sparsity	£57,100.00	£67,758.29	£57,400.00	£68,114.28	1%	£356.00
Secondary sparsity	£83,000.00	£98,492.78	£83,400.00	£98,967.44	0%	£474.66
Middle-school sparsity	£83,000.00	£98,492.78	£83,400.00	£98,967.44	0%	£474.66
All-through sparsity	£83,000.00	£98,492.78	£83,400.00	£98,967.44	0%	£474.66
Split sites basic eligibility funding	£53,700.00	£63,723.64	£81,000.00	£96,119.46	34%	£32,395.82

Minimum Funding Guarantee (MFG)

The MFG is a national requirement to protect schools from major real time funding reductions to their per pupil funding between years. It is set by the council following consultation with schools and the Schools Forum, within a range set by the government.

- For 2024-25, the Schools Forum agreed to set the MFG at 0.5% per cent, which meant all schools received protection at the maximum allowed so that no school saw a reduction in their per pupil funding.
- 55 schools in Lambeth were protected by the MFG in 2024-25 with adjustments totaling £6.4m, this was a reduction of 15 schools from 2023-24.
- We continue to expect schools to not require MFG protection but, as noted in the previous slides, all schools will receive inflationary uplifts in line with baseline adjustments. Against this background and consistent with our policy of keeping our formula as close to the NFF as possible, it is proposed to continue with the approach agreed by Schools Forum in previous years and implement 0.5%, with a review that it may reduce to the lowest allowable per cent MFG, down to a minimum of 0%.

QUESTION 1

Do you agree that Lambeth should continue to set Minimum Funding Guarantee (MFG) between 0-0.5%?

Considerations to Proposal in Section 1

Question	Benefits	Disadvantages	LA recommendations
1. Do you agree that Lambeth should continue to set Minimum Funding Guarantee (MFG) between 0-0.5%?	Reduces the impact on schools with high levels of deprivation and/or mobility; and/or with falling rolls, and supports ensuring that there is no reduction in per pupil funding amount year on year.	Lambeth stands to lose funding over future years in the NFF but will be continued to be protected by the Funding Floor (MFG) but will take many years of minimal funding increases to reach the point of purely being funded on NFF without Funding Floor (MFG) protections.	As per the DfE announcements all schools will receive an uplift in core per pupil allocations even if the MFG is set at 0%, therefore the recommendation is to agree this proposal to ensure schools all receive uplift per pupil.

Section 2

Exceptional Circumstance Factor

This section sets out the information to respond to the following question:

Do you agree that Lambeth should apply to use Exceptional Circumstance Factor for 1 year 2025-26 to distribute fully the funding ringfenced to the Schools Block Falling Rolls in 2024-25?

Exceptional Circumstance Factor

Local Authorities can apply to the Department for Education for use of an exceptional circumstance factor relating to schools. This will require the LA to seek Secretary of State (SoS) Approval.

- In 2024-25 Lambeth set up a Falling Pupil Rolls Fund using the allocation funding within the schools funding linked to the reduction in pupil numbers that medium super output areas (MSOA) within local authorities experience for each year.
- It is based on the observed differences between the primary and secondary number on roll in each MSOA in a local authority between the most recent October pupil census and the census in the previous October. This fund was set up as totalling £2.6m with the intention to distribute to schools that triggered this funding.
- Unfortunately, due to the mandatory criteria in the Schools Funding Regulations that schools need to show an increase in rolls in SCAP data in the future 3-5 years, it led to no schools in Lambeth triggering distribution of funding in 2024-25.
- For 2025-26 Lambeth are now reasonably at the point where the combination of MFG and being on NFF are causing perverse results due to falling rolls and protection funding year on year due to being one of the highest funded LA nationally.

In order to distribute funding back to schools it is proposed that a one-off per pupil amount is distributed to schools to support pupil variations and impact of repression of annual uplifts linked to NFF. This will be a one-off amount that schools will receive for 2025-26. (Note: this would not affect MFG as it is distributed outside the formula)

If Lambeth applied the £2.6m in 2024-25 it would equate to an approx. additional £87 per pupil on roll in Oct-24 census.

QUESTION 2

Do you agree that Lambeth should apply to use Exceptional Circumstance Factor for 1 year 2025-26 to distribute fully the funding ringfenced to the Schools Block Falling Rolls in 2024-25?

Considerations to Proposals in Section 2

Question	Benefits	Disadvantages	LA recommendations
2. Do you agree that Lambeth should apply to use Exceptional Circumstance Factor for 1 year 2025-26 to distribute fully the funding ringfenced to the Schools Block Falling Rolls in 2024-25?	<p>Lambeth has transitioned on to the National Funding Formula values. The intention is to continue this ongoing strategy to ensure that less schools are supported by MFG and operate within the funding levels available. This option allows this strategy to continue and ensure Schools Block is fully distributed to schools.</p> <p>This would not impact the core budget schools will receive in 2025-26, but allows the full distribution of funding within the Schools Block to be distributed on a fair basis to all schools.</p>	<p>Schools will need to remember that this amount would be a one-off injection of money to schools. It will therefore not be included in the 2026-27 baseline budgets and not factored into the MFG funding in 2026-27.</p>	<p>Lambeth is 7th highest funded local authority per primary pupil in England and the 4th highest funded per secondary pupil. The NFF is expected to have a redistributive effect, particularly benefitting schools in LAs with very small per pupil funding allocations. The DfE have now expressed concerns with regards to London boroughs having an adverse impact to falling rolls and rising deficits, so the LA recommend applying to the SoS with more consideration given the change of government and SoS.</p>

Section 3

De-Delegated Services (maintained schools only)

This section sets out the information to respond to the following questions:

Do you support the continued de-delegation of

- a) Trade Union Facilities Arrangement (TUFA)?**
- b) Additional School Improvement Services?**

Do you agree the addition for 2025-26 of de-delegation of

- a) Free School Meals eligibility checking?**
- b) Contingency - Vulnerable Schools Fund?**

De-Delegated Services

For Lambeth maintained schools, the Schools Forum may agree to de-delegate funding for a range of services from school budget shares. The amount de-delegated is deducted from school budget shares before these are allocated to schools. Lambeth currently has de-delegated items as agreed by Schools Forum below for 2024-25. **Table 2 on following page**

- **Trade Union Facilities Arrangement (TUFA)** (de-delegation within the mainstream funding formula for maintained primary/ secondary only). This funding is used to compensate those maintained schools that have trade union representatives in their staff in order to release these staff members for an agreed period of time to attend to trade union duties that they carry out on behalf of all maintained schools.

It is proposed to increase the de-delegation rate by 5.5% to cover staff pay awards (£0.30 per pupil increase). TU facility time is funded on the basis of income received from de-delegation and from those academies that agree to pay into the fund (at the same rate). If the staff pay awards were not funded sufficiently to continue at the current level of service and cover staff costs, there would be a need to scale back the provision of TU support to reduce the cost back to what is affordable within the allocation.

- **Additional School Improvement Services** (de-delegation within the mainstream funding formula started in 2023/24 for primary/ secondary schools). This funding is used to pay for certain specific functions that the local authority continues to undertake on behalf of maintained schools.

It is proposed to increase the de-delegation rate by the inflationary rate applied to the Lambeth settlement published in December and will be agreed at December Schools Forum.

- **Education Support** (treated as de-delegation in the mainstream funding formula for maintained primary/ secondary schools but also applying to special schools). Lambeth continues to see ongoing pressure within the education service and the Education Function's de-delegation supports the delivery of statutory and regulatory duties. This has been in place since the removal of Education Service Grant and is core to Lambeth Schools Block funding.

It is proposed to increase the de-delegation rate by the inflationary rate applied to the Lambeth settlement published in December and will be agreed at December Schools Forum.

De-Delegated Services

Schools Forum met in October and agreed in principle to support the ongoing de-delegated items that have formed part of the schools funding formula in 2024-25. All of the de-delegated items are based on pupil numbers which Lambeth have a significant reduction in year on year. The intention is to ensure that the current 2024-25 cumulative amounts see a minimum of 0.5% increase, with the exception of TUFA.

Table 2 Current 2024-25 rates for De-Delegation and Education Functions

Component 2024-25	Total mainstream maintained pupils	£ per mainstream pupil	Total Special / RB maintained places	£ per Special / RB place	Total funding for LA £'000
1.De-delegation: Trade Union Facilities Arrangement (TUFA)	21,628	£5.48			£118
2.De-delegation: Additional School Improvement Services	21,628	£7.25			£156
Education Functions: Statutory & Regulatory Duties	21,628	£11.00	831	£22.00	£256
Education Functions: Compliance Monitoring		£11.00		£22.00	£256
3.Total Education Functions		£22.00		£44.00	£512

De-Delegated Services

For 2025-26, Schools Forum will be asked to vote on the addition of the below elements of de-delegation and are seeking schools' views on the following areas.

Free School Meals eligibility checking

- This offers the benefit of managing an online application system accessible by schools and parents/carers, that checks eligibility via the DfE's access to the Benefits Agency's database and confirms eligibility.
- The LA's bulk eligibility checking facility helps maximise identification of pupils eligible for Free School Meals and funding, saves schools time, and reduces the need for parents to directly apply.
- Lambeth schools are currently buying this service as a traded function and 96% of schools and academies have a Service Level Agreement (SLA) with Lambeth traded services.
- With the introduction of the Greater London Authority (GLA) grant for FSM and additionally the Household Support Fund holiday payments for FSM and auto enrolment roll out, having a central system for all Lambeth schools, to ensure all eligible pupils are triggering funding, will support all schools' budgets in the longer term.

The proposal is that the schools will no longer purchase via Service Level Agreement from the Research and Statistics team, but it will be de-delegated on a per pupil amount of £5.70 (subject to funding allocations) annually, demonstrated in **Table 3**.

Table 3- Illustration of Free schools Meal De-delegation for 2025-26

Component	Total mainstream maintained pupils	£ per mainstream pupil	Total funding for LA £'000
FSM proposed rate 2025-26 Based on 2024-25 numbers	21,628	£5.70	£123

De-Delegated Services

Contingency – Vulnerable Schools Fund

- The contingency element allowed in the NFF is a small safety net to be applied in year where a school has exceptional cost pressures that cannot be met from the school's own budget share or balances brought forward. Examples include deficits of closing schools.
- In the 2017-18 financial year, Schools Forum agreed to the de-delegation of funding to establish a Vulnerable Schools Fund (VSF) for maintained schools and a figure of £9.70 per pupil was agreed for the financial year. A similar amount per pupil was also de-delegated in 2018-19.
- This money was ringfenced to support schools and remained in a ringfenced reserve to be drawn upon each year where required. There currently is a £45k balance that will be fully utilised in 2024-25.
- Lambeth is now in the 2nd phase of Pupil Place Planning, with agreements from Cabinet in October 2024 to amalgamate and close schools. Lambeth have significant surplus pupil places currently and this will continue to grow over the next decade, due to a declining birth date and demographic changes.
- The proposal is to reintroduce the Vulnerable Schools Fund de-delegation to be approved annually as agreed in previous years. This is to establish a support fund for schools that will be impacted and need support linked to Pupil Place Planning agreements.
- As in previous years, the distribution of funds within this element will need to be agreed by Schools Forum with a strict criteria.

De-Delegated Services

Contingency – Vulnerable Schools Fund (continued)

As demonstrated in **Table 4**, the value that is being proposed is £16.20 per pupil in 2025-26. This is subject to adjustments in formula funding increases that are published after 15th December.

Table 4- Contingency for Vulnerable Schools Fund 2025-26

Component	Total mainstream maintained pupils	£ per mainstream pupil	Total funding for LA £'000
Proposed for 2025-26 Based on 2024-25 numbers	21,628	£16.20	£350

QUESTION 3

Do you support the continued de-delegation of

- a) Trade Union Facilities Arrangement (TUFA)?
- b) Additional School Improvement Services?

QUESTION 4

Do you agree the addition for 2025-26 of de-delegation of

- a) Free School Meals eligibility checking?
- b) Contingency - Vulnerable Schools Fund?

Considerations to Proposals in Section 3

Question	Benefits	Disadvantages	LA recommendations
<p>Do you support the continued de-delegation of</p> <p>a) Trade Union Facilities Arrangement (TUFA)?</p> <p>b) Additional School Improvement Services?</p>	<p>These arrangements have been previously agreed by Schools Forum and the current areas of support are still required across the borough.</p> <p>As pupil numbers reduce, demand for TU support continues to increase with additional support for staff experiencing restructures and facing redundancies.</p> <p>Lambeth has a combined schools improvement investment that is committed to improving attainment across the borough schools access support services. The LA has also added funding via the Lambeth Schools Partnership to support the Education Strategy visions.</p>	<p>Increasing de-delegation above inflation uplift where it is linked to staffing costs could cause pressure on maintained schools' budgets.</p>	<p>The agreement of these two functions forms part of the current school budgets and will not reflect a change to the current agreements. The risks linked to current delivery will have a negative impact on Lambeth's service delivery. For the budgets for 2025-26 it will otherwise have to be funded from Lambeth, which would require reduction in budgets from other education provision.</p> <p>The LA is in support of this continuing for 2025-26.</p>

Considerations to Proposals in Section 3

Question	Benefits	Disadvantages	LA recommendations
<p>Do you agree the addition for 2025-26 of de-delegation of</p> <p>a) Free School Meals eligibility checking?</p> <p>b) Contingency - Vulnerable Schools Fund?</p>	<p>The bulk eligibility checking facility is an efficient way to maximise identification of pupils eligible for Free School Meals and funding, this saves schools time and reduces the need for parents to directly apply.</p> <p>The associated Pupil Premium and other deprivation led funding is equivalent to around £3,000 per child identified as eligible for Free School Meals.</p> <p>Re-establishment of the Vulnerable Schools Fund will support schools through current Pupil Place Planning decisions.</p>	<p>Increasing de-delegation above inflation uplift where it is linked to staffing costs could cause pressure on maintained schools' budgets.</p> <p>Amount of de-delegation may become so diluted that the costs of support may be significantly higher for Vulnerable Schools identified as part of Pupil Place Planning strategy, school amalgamation or closures.</p>	<p>In light of the current trajectory of Lambeth's falling rolls and school deficit projections, the ability to have a support fund for schools to access is important.</p> <p>The LA committed to funding from its general fund as a strategy for Pupil Place Planning and this will form part of the future years' Medium Term Financial Strategy (MTFS).</p> <p>Some of this cost normally would fall within school budgets and it would have recognition of a contribution. If the VSF had continued, this reserve may have already been established to support Vulnerable schools.</p> <p>The LA recommends to agree this proposal for 1 year and review annually with Schools Forum to support ongoing work with Vulnerable Schools.</p>



Next Steps

How to Respond

Consultation Questions

Section 1 - Schools Block – Funding Formula

QUESTION 1

Do you agree that Lambeth should continue to set Minimum Funding Guarantee (MFG) between 0-0.5%?

Section 2 - Exceptional Circumstance Factor

QUESTION 2

Do you agree that Lambeth should apply to use Exceptional Circumstance Factor for 1 year 2025-26 to distribute fully the funding ringfenced to the Schools Block Falling Rolls in 2024-25?

Section 3 – De- Delegated Services – Maintained Schools only to respond

QUESTION 3

Do you support the continued de-delegation of

- a) Trade Union Facilities Arrangement (TUFA)?
- b) Additional School Improvement Services?

QUESTION 4

Do you agree the addition for 2025-26 of de-delegation of

- a) Free School Meals eligibility checking?
- b) Contingency - Vulnerable Schools Fund?

Consultation Responses

Consultation responses should be made via the form in the link below:

<https://forms.office.com/e/F2aefUEPVy>

Please submit your responses by **Wednesday 4th December 2024**. We understand that this is a short turnaround but timelines are restricted by the late funding announcements due to the change of government.

If you have any queries on content or how to respond, please email:

schoolsmonitoring@lambeth.gov.uk

djohnston-franklin@lambeth.gov.uk

Agenda Item 6

Title: De-delegated Services and Education Functions 2025-26

Date: 12th December 2024

Report to: Schools Forum

Report for: Information Decision X Consultation Action

Authors: Dominique Johnston-Franklin – Group Manager Education Finance

1 Background

- 1.1 The DfE guidance enables Local Authorities to provide services centrally which are funded by a process known as de-delegation. This only applies to mainstream schools and not academies. As such, funding levels agreed will reduce should any school convert following finalisation of the budget process. The de-delegated values will reduce relative to 2024/25 figures due to academisation of 2 schools in 2024-25.

2 De-Delegated Items 2025-26

- 2.1 At Schools Forum in October 2024, it was agreed for schools to consult with schools to consider pooled funding for particular services and functions for:
- **Trade Union Facilities Arrangement (TUFA)** (de-delegation within the mainstream funding formula for maintained primary/ secondary only)
 - **Additional School Improvement Services** (de-delegation within the mainstream funding formula from 2023/24 for primary/ secondary schools).
 - **Education Functions** (treated as de-delegation in the mainstream funding formula for maintained primary/ secondary schools, but also applying to special schools).
- 2.2 The intention for 2025-26 is for the LA to continue with the services set out above, with a 3.5% uplift to support the reduction in pupil roles and the delivery of the central functions. This is a reduction in the overall total, which would require support from the LA's General fund for any overspends in 2025-26. It is also proposed to de-delegate funds for Free school meals eligibility checking and for Vulnerable schools fund.
- 2.3 **Trade Union Facilities Agreement** is used to compensate those maintained schools that have trade union representatives in their staff in order to release these staff members for an agreed period of time to attend to trade union duties that they carry out on behalf of all maintained schools.
- 2.4 The purpose of the TUFA agreement is to provide a framework agreement between Lambeth Council, its community of schools which includes foundation, academies and voluntary controlled, and the recognised trade unions. Its aim is to facilitate, improve and provide a constructive framework for consultation and industrial relations with the Council and within individual schools. Consultation feedback showed as per **Appendix 1** showed that 70% of schools who responded agreed with continuation in principle of this agreement.

- 2.5 **Additional Schools Improvement** This funding is used to pay for certain specific functions that the local authority continues to undertake on behalf of maintained schools. The amount of funding that schools contribute to these functions does not cover the full cost of these activities and there are contributions additionally provided by the LA. Consultation feedback showed as per **Appendix 1** showed that 65% of schools who responded agreed with continuation in principle of this agreement, with 13% being “no” and 22% being “maybe”.
- 2.6 **Education Functions** – This funding that was agreed in 2017-18 for functions that were paid for by a grant from the DfE known as the Education Services Grant and since this grant ceased, the various elements that were covered by the grant are now subject to different funding arrangements with those functions that relate to maintained schools falling under this arrangement. Although this is not a De-delegated item it forms part of the delivery of Education services for maintained schools and is also charged to Special schools and maintained nursery provisions in Lambeth following the principles set below.
- 2.7 **Table 1** summarises the composition of the proposed contribution per pupil/ place for 2025/26.

**Table 1: Maintained school proposed contribution for De-delegation and Education Functions
2025/26**

Note * indicative Census data not yet published

Component	Total mainstream maintained pupils expected pupil numbers	£ per mainstream pupil	Total Special / RB maintained places	£ per Special / RB place	Total funding for LA 2025-26 £'000	2024-25 funding	Movement
1. De-delegation: Trade Union Facilities Arrangement (TUFA)	20,428	£5.67			£115	£118	-£3
2. De-delegation: Additional School Improvement Services	20,428	£7.50			£156	£153	-£3
Education Functions: Statutory & Regulatory Duties	20,428	£11.77	949	£23.54	£262	£256	£6
Education Functions: Compliance Monitoring		£11.77		£23.54	£262	£256	£6
3. Total Education Functions		£22.00		£47.08	£524	£512	£6

3 Additional proposals for 2025-26

- 3.1 For 2025-26 it was proposed to add new areas of de-delegation: to support schools with Free school meals eligibility checking and re-establishment of the Vulnerable schools fund.
- 3.2 **Free school meals eligibility** is currently delivered via the LA's Research and Statistics team. Schools currently purchase this service directly from the LA, but there has been work with the LA's Cost-of-Living team to also identify families who are not currently defined as FSM in schools' budgets, but who are eligible.
- 3.3 This exercise that the Cost-of-Living team has been reviewing over the past 2 years has supported additional funding in schools' budgets via the identification of FSM pupils which then enables schools to access Pupil Premium – deprivation elements within the budgets.
- 3.4 The proposal is to offer the full research and statistics SLA as a de-delegated item. Feedback from the consultation showed 52% of schools agreed with this Item going forward de delegated, but some of the questions asked/ comments were:
- a) The schools would receive the full data service within the de- delegation amount that schools purchase now as an SLA
 - b) Some schools complete checking themselves and felt it would be a cost to them.
- 3.5 The full service that is currently offered via the current traded model would continue to be offered as part of the De-delegated function and will not be reduced under this process which will allow schools to have schools statistical information updates and additional breakdowns of deep dive into individual schools data. There will be no change in service.
- 3.6 Where some schools are checking their information, the joined-up approach via the LA central systems allows identification of parents who have not presented at the school via DWP data the LA hold, and ensures schools have the most accurate data as possible recoded on their census. This supports schools in receiving full entitlement of funding linked to deprivation elements.
- 3.7 The consultation proposed an amount of £5.70 per pupil based on 21,628 pupils which would give a total allocation of £0.123m based on 2024-25 pupil numbers. The indicative Census for October 24 is currently showing 20,428 pupils which would reduce this to £0.116m.
- 3.8 **Vulnerable Schools Fund (VSF)**. The contingency element allowed in the NFF is a small safety net to be applied in year where a school has exceptional cost pressures that cannot be met from the school's own budget share or balances brought forward. Examples include deficits of closing schools.
- 3.9 In the 2017-18 financial year, Schools Forum agreed to the de-delegation of funding to establish a **VSF** for maintained schools and a figure of £9.70 per pupil was agreed for the financial year. A similar amount per pupil was also de-delegated in 2018-19.
- 3.10 Lambeth is now in the 2nd phase of Pupil Place Planning, with agreements from Cabinet in October 2024 to amalgamate and close schools. Lambeth have significant surplus pupil places currently and this will continue to grow over the next decade, due to a declining birth date and demographic changes.
- 3.11 Schools were consulted on the proposal to reintroduce the Vulnerable Schools Fund de-delegation to be approved annually (as agreed in previous years) at a rate of £16.20 per pupil. This is to establish a support fund for schools that will be impacted and need support linked to Pupil Place Planning agreements. Under the indicative October 24 census numbers, this would equate to a fund of £0.331m.

3.12 The responses showed that 61% of maintained schools who responded were in agreement in principle, with 17% saying they did not agree. Some of the questions / comments that formed part of formed part of the responses are highlighted in **Appendix 2**, together with LA response.

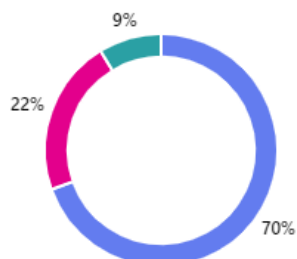
4. Recommendations

- 4.1 **Maintained primary and secondary school representatives** are invited to agree De-delegated amounts for 2025-26 as demonstrated in Table 1.
- 4.2 **Maintained primary, secondary, all-through and special school** representatives are invited to agree to de-delegate for Education Functions for 5–16-year-olds in 2025-26, to be adjusted as per funding announcements as per Table 1.
- 4.3 **Maintained primary and secondary school representatives** are invited to agree to the FSM de-delegation element for the 2025-26 formula at a rate of £5.70 per pupil.
- 4.4 **Maintained primary and secondary school representatives** are invited to agree to the Vulnerable schools fund de-delegation element for the 2025-26 formula.

Appendix 1 Consultation Feedback

9. MAINTAINED SCHOOLS - Do you support the continued de-delegation of Trade Union Facilities Arrangement (TUFA)? [More details](#)

● Yes	16
● No	5
● Maybe	2



10. Please provide any comments on above

[More details](#)

10
Responses

Latest Responses

"I think this should be looked at in terms of possibly reducing the amount th... "

"Yes, with continued transparency and consultation"

...

4 respondents (40%) answered de for this question.

core work delegation of TUFA schools qualified teachers taking away staff and employers

local authority Union Reps pay increase **de** staff increases slight adjustment

steep rise employees union support staff union fees Reps are teachers rest of the work

Advantages to the proposal transparency and consultation

11. MAINTAINED SCHOOLS - Do you support the continued de-delegation of Additional School Improvement Services? [More details](#)



12. Please provide any comments on above

[More details](#)

8
Responses

Latest Responses
"Yes, with consultation and transparency"
...

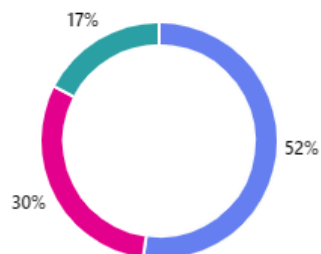
2 respondents (25%) answered specific support for this question.

teaching and learning detailed explanation Leadership effectiveness
consultation and transparency **specific support** **fund** Advantages to the proposal
High-quality use of this funding cost of support

13. MAINTAINED SCHOOLS - Do you support the de-delegation of Free Schools Meals Eligibility Checking?

[More details](#)

● Yes	12
● No	7
● Maybe	4



More Details

14. Please provide any comments on above

[More details](#)

11
Responses

Latest Responses

"Yes, although I would want to be clear on costings"

...

5 respondents (45%) answered schools for this question.

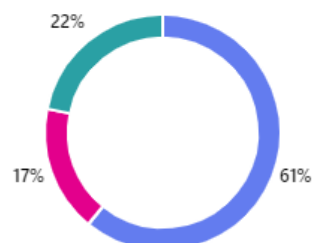
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- checks
- schools
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- mandatory charge
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- service can be accessible
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- capacity to do these checks
- compulsory de
- important function
- potentially pay
- proposal is expensive
- time and resources
- R&S SLA
- PPG entitlement
- R&S
- LGfL function

15. MAINTAINED SCHOOLS - Do you support the de-delegation of Contingency for Vulnerable Schools Fund?

[More details](#)

● Yes	14
● No	4
● Maybe	5



16. Please provide any comments on above

[More details](#)

7
Responses

Latest Responses

"Although I would want this to be fair and equitable to all schools given curre..."

...

7 respondents (100%) answered schools for this question.

schools schools that are vulnerable
Circumstance Fund

Appendix 2 Consultation Vulnerable schools Fund detailed Comments

MAINTAINED SCHOOLS - Do you support the de-delegation of Contingency for Vulnerable Schools Fund? Comments

Many schools themselves are in need of funds, as I expect some vulnerability extends quite wide

LA comments to query – *Lambeth are currently facing volatile drops in pupil numbers that has been difficult for schools to sustain – the distribution of this fund, if set up, will be set with clear parameters agreed by the schools forum – Schools Block sub group, which should ensure it is fair and transparent.*

This may provide an important lifeline to schools that are vulnerable to operational barriers due to short/mid term budget issues but I have two main concerns 1) that the fund is allocated in such a way that is transparent so that schools can be assured that the fund is not just used to float schools that have not worked to manage their budgets effectively by creating efficiencies as required and 2) that, whilst the impact of this charge may not be felt by schools this year due to the £87 per pupil one off additional income (Exceptional Circumstance Fund), they may not be sustainable/affordable in future years

LA comments to query – *The intention is to have a strict criteria regarding which schools are at most risk which is agreed via schools forum.*

Once the NFF is published, the introduction of the Vulnerable schools fund should not impact the exceptional circumstances factor and this will be considered at January Forum if that is deemed the case.

I have said No to this section as this could cause unnecessary pressure on Vulnerable Schools budget. Due to closing schools and merging schools

LA comments to query – *The intention is to have a strict criteria regarding which schools are at most risk which is agreed via schools forum.*

As a governor in a school that has consistently made every effort to stay within the budget I'm not sure that we should be covering the costs of other schools where there has been less effort

LA comments to query – *Due to the parameters of previous funding rates and rapid changes to schools' demographics, some schools have had swifter decline in pupil numbers and geographical changes.*

Although I would want this to be fair and equitable to all schools given current financial pressures

LA comments to query – *The intention is to have a strict criteria regarding which schools are at most risk, which is agreed via schools forum.*

Agenda Item 7

Title: Central School Services Block 2025-26
Date: 12th December 2024
Report to: Schools Forum
Report for: Information Decision X Consultation Action
Authors: Dominique Johnston-Franklin – Group Manager Education Finance

1 Background to Item

- 1.1 The Central School Services Block (CSSB) within the DSG provides funding for local authorities to carry out central functions on behalf of maintained schools and academies. This block will continue to comprise two distinct elements: ongoing responsibilities and historic commitments.
- 1.2 For 2025-26 the DfE have confirmed that the formula for allocating this funding follows the same approach as in 2024 to 2025. The CSSB is relatively small for Lambeth of £1.4m for 2025-26 which is a 5% increase from previous year.
- 1.3 As highlighted in previous forums other boroughs are benefiting from historical commitments identified in their baseline budgets which were not identified prior to 2018. This unfortunately means that Lambeth continues to be funded at 15% lower than the average inner London comparative at £47.57 per pupil. The historical commitments factor is annually being unwound in the CSSB, and other boroughs are receiving a reduction but, as Lambeth were never funded for these, this block will not experience that reduction.
- 1.4 This low level of resource has put pressure on the LA in being able to afford the range of statutory, regulatory and other functions that an education authority must provide to all schools. The current list of services is funded by way of a formulaic allocation based on a per pupil amount (£47.57) multiplied by the number of primary and secondary school pupils used in the Schools Block. For 2025-26, this is £1.442m.

2. Details of CSSB

- 2.1 The CSSB is for local authority services and functions that apply, regardless of how many academies an authority may have. This is to provide funding for a prescribed list of services under the headings: Statutory and Regulatory, Education Welfare, Admissions, Asset Management, Other Ongoing Duties and Historic Responsibilities.
- 2.2 The funding formula distinguishes between the current list of services and functions and the historic responsibilities which would have had to be agreed by the Schools Forum prior to 2013.
- 2.3 The proposed allocations for 2025-26 are set out in **Table 1** below. They are also referenced in more detail in **Appendix 1**.

- 2.4 Most areas have had inflationary uplift of 4%, with the exception of Centrally employed teachers, where the Teachers' Pension Employer Contribution Grant (TPEG) and the Core Schools Budget Grant (CSBG) have been rolled into the budget. Additionally, copyright licenses inflationary uplifts of 8% have been reflected in the proposed 2025-26 Budgets.

Table 1: Allocation of CSSB proposed for 2025-26

Component	2024-25 Allocation £'000	2024-25 TPCEG/CSBG	Proposed 2025-26 £'000	Difference £'000
Statutory and Regulatory	203.28		211.90	8.64
Education Welfare	260.40		271.47	11.07
Admissions	569.15		593.34	24.19
School Licenses	212.02		221.03	9.01
Schools Forum & SACRE	32.96		34.36	1.40
Teachers Pay and Pension funding for centrally employed teachers	58.47	47.62	110.00	4.51
Total	1,336.28	47.62	1,442.09	58.82

3. Recommendations

- 3.1 Schools Forum is invited to agree with the proposed budget for the Central School Services Block for 2025/26.

Agenda Item 5 - Central School Services Block 2025-26

Appendix 1

Category	Component permitted to be funded from CSSB DSG, subject to Schools Forum agreement	Brief explanation of what the assessed amount might pay for in 2025/26	Indicative Amount for 2025/26 £'000
Statutory & Regulatory	<ul style="list-style-type: none"> Director of children's services and personal staff for director (Sch 2, 15a) Planning for the education service as a whole (Sch 2, 15b) 	Central budgets for education planning that are not already charged elsewhere in the DSG plus inflation.	107.99
Statutory & Regulatory	<ul style="list-style-type: none"> Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 2, 22) Authorisation and monitoring of expenditure not met from schools' budget shares (Sch 2, 15c) Formulation and review of local authority schools funding formula (Sch 2, 15d) 	Accounting and finance staff directly supporting education budget setting and funding for all schools.	103.91
Statutory & Regulatory	<ul style="list-style-type: none"> Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Sch 2, 15e) 	Estimated cost of internal audit time	0
Statutory & Regulatory	<ul style="list-style-type: none"> Consultation costs relating to non-staffing issues (Sch 2, 19) Plans involving collaboration with other LA services or public or voluntary bodies (Sch 2, 15f) 	Estimated cost of public consultation on service development (eg High Needs) and collaborative working.	0
Statutory & Regulatory	<ul style="list-style-type: none"> Standing Advisory Committees for Religious Education (SACREs) (Sch 2, 17) 	Shared with Schools forum budget for clerking	17.18
Statutory & Regulatory	<ul style="list-style-type: none"> Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 2, 21) 	Legal Services staff support.	0
Education Welfare	<ul style="list-style-type: none"> Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20) School attendance (Sch 2, 16) Responsibilities regarding the employment of children (Sch 2, 18) 	Current budget for Education Welfare plus 4% inflation	271.47
Asset Management	<ul style="list-style-type: none"> Management of the LA's capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Sch 2, 14a) General landlord duties for all buildings owned by the local authority, including those leased to academies (Sch 2, 14b) 	Current budget for education property management and capital programme monitoring.	0

Agenda Item 5 - Central School Services Block 2025-26

Appendix 1

Category	Component permitted to be funded from CSSB DSG, subject to Schools Forum agreement	Brief explanation of what the assessed amount might pay for in 2025/26	Indicative Amount for 2025/26 £'000
Other ongoing duties	<ul style="list-style-type: none"> Licences negotiated centrally by the Secretary of State for all publicly funded schools (Sch 2, 8); this does not require schools forum approval 	Estimated based on 2024-25 plus 4%.	221.03
Other ongoing duties	<ul style="list-style-type: none"> Admissions (Sch 2, 9) 	Costs of the Admissions Function in Lambeth plus 4% inflation	593.34
Other ongoing duties	<ul style="list-style-type: none"> Places in independent schools for non-SEN pupils (Sch 2, 10) 	None	0
Other ongoing duties	<ul style="list-style-type: none"> Remission of boarding fees at maintained schools and academies (Sch 2, 11) 	None	0
Other ongoing duties	<ul style="list-style-type: none"> Servicing of schools forums (Sch 2, 12) 	Estimated cost of clerking	17.17
Other ongoing duties	<ul style="list-style-type: none"> Back-pay for equal pay claims (Sch 2, 13) 	None	0
Other ongoing duties	<ul style="list-style-type: none"> Writing to parents of year 9 pupils about schools with an atypical age of admission, such as UTCs and studio schools, within a reasonable travelling distance (Sch 2, 23) 	None	0
Other ongoing duties	<ul style="list-style-type: none"> Capital expenditure funded from revenue (Sch 2, 1) Prudential borrowing costs (Sch 2, 2(a)) Termination of employment costs (Sch 2, 2(b)) Contribution to combined budgets (Sch 2, 2(c)) 	ESFA does not recognise any historic commitments for Lambeth.	0
Other ongoing duties	<ul style="list-style-type: none"> Teachers Pay and Pension funding for centrally employed teachers 	Continuation of the amounts claimed for previous year plus uplift of TPECG and CSBG	110
	TOTAL CSSB Eligible Expenditure		1,442.09

Agenda Item 8

Title: Early Years Update

Date: 12th December 2024

Report to: Schools Forum

Report for: Information X Decision Consultation Action

Author: Kathryn Shaw - Early Years and Out of School Quality Improvement Lead

1 Purpose of this paper

- 1.1 This paper explains the current position and provides some service context regarding the Early Years block for 2024-25.

2 Early Years 2024-25

- 2.1 The formula allocation for 2024-25 continues to be based on 5/12th January 2024 and 7/12th January 2025 censuses for the existing 2-year-old disadvantaged and 3- and 4-year-old settings. In addition, the new under 2-year-old and 2-year-old working parents' settings are based on termly census data. As this data for additional settings will only be available once they have gone live, the funding for these will be retrospectively updated.
- 2.2 The Early Years block allocation for 2024-25 has been updated for the Autumn 24 census headcounts and is anticipated to be £35.7m, a decrease from £37.4m from the Spring 24 census. This is set out in **Table 1**. This is expected to further decrease once the Jan 25 census headcount numbers are known, with the current Early Years block forecast projecting £34.4m. The EY block is funded on participation, so any reduction in funding should follow through to funding passported to providers.

Table 1: 2024-25 Provisional Early Years DSG Allocations

Income component	EY Block Initial @Spr 24 2024-25			EY Block Latest @Aut 24 2024-25			EY Block Projected @ Sum 24 2024-25 Allocation £
	Pupils PTEs	Rate / hr £	Allocation £'000	Pupils PTEs	Rate / hr £	Allocation £'000	
Under 2s entitlement	503.38	15.27	4,381	503.38	15.27	4,381	4,381
2 year old disadvantaged	676.99	11.18	4,314	524.00	11.18	3,339	3,155
2 year old working parent	840.69	11.18	5,357	751.77	11.18	4,791	4,190
3 and 4 year old universal & additional	4,945.68	7.80	21,988	4,948.90	7.80	22,003	21,379
EY Pupil Premium - under 2s	21.05	0.68	8	21.05	0.68	8	8
EY Pupil Premium - 2 year old	350.91	0.68	136	149.00	0.68	58	136
EY Pupil Premium - 3 and 4 year old	604.29	0.68	234	586.50	0.68	227	234
EY Disability Access Fund - under 2s	11.00	910.00	10	11.00	910.00	10	10
EY Disability Access Fund - 2 year old	28.00	910.00	25	28.00	910.00	25	25
EY Disability Access Fund - 3 and 4 year old	102.00	910.00	93	102.00	910.00	93	93
Maintained Nursery School Supplement	309.00	4.64	817	272.00	4.64	719	817
Total			37,365			35,655	34,430

- 2.3 The risk to these assumptions is the projection of falling rolls in Lambeth and how this will impact the Early Years headcount. There is an anticipation that the new setting being rolled out and a push in publicity across the sector will help stabilise numbers in the future.
- 2.4 In addition to the Early Years NFF allocation in 2024-25, the DfE have provided a separate sum to Local Authorities in the form of an **Early Years Budget Grant (EYBG)**. This funding is to cover the additional hourly rates needed to compensate for the cost of the additional teachers' pay, which was not accounted for at the time of the original allocations of early years' funding. The approach that has been taken to calculate EYBG hourly rates is in line with the way the historic teachers' pay grant (TPG) was implemented before it was rolled into core funding arrangements in 2023 to 2024. It is expected that for 2025-26 this will be rolled into the hourly rate.
- 2.5 There are two rates provided for Lambeth and these are: the 'core' rate at £0.12 per hour and the 'maintained nursery school' rate at £0.50 per hour. The total allocation for Lambeth is £0.243m. Each rate is multiplied by seven-twelfths of a local authority's part-time equivalents (PTE) count, based on January 2024 universal and additional hours (for the 'core' rate) PTEs and January 2024 MNS universal hours (for the MNS rate), to produce each authority's total allocation under the grant.
- 2.6 Distribution is the on the same basis as the receipt, but using the Summer 24 census as agreed at EY sub-group on 19 November 24. **Table 2** below provides an overview of the allocation and distribution:

Table 2: Early years budget grant (EYBG) 2024 to 2025 - for September 2024 to March 2025

	EYBG rate (£/hr)	Number of 3 and 4 year olds for universal entitlement funding (PTEs) from January 2024 census	Funding allocation for universal entitlement for 3 and 4 year olds	Number of 3 and 4 year olds for additional hours funding (PTEs) from January 2024 census	Funding allocation for additional hours for 3 and 4 year olds	EYBG hourly rate for supplementary funding for maintained nursery schools (£ / hr)	Number for supplementary funding for maintained nursery schools (PTEs) from January 2024 census	Supplementary funding allocation for maintained nursery schools (£s)	Total early years budget grant (£s)
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]
			= [A] * [B] * 7/12 * 15 * 38	= [A] * [D] * 7/12 * 15 * 38			= [F] * [G] * 7/12 * 15	= [C] + [E] + [H]	
Lambeth	£ 0.12	3567.00	£ 142,324.00	1381.90	£ 55,138.00	£ 0.50	272.00	£ 45,220.00	£ 242,682.00
Allocation					£ 197,462.00			£ 45,220.00	£ 242,682.00
Distribution									
CORE									
PVIs	0.10	2244.90	£ 77,550.76	914.30	£ 31,584.74				£ 109,135.50
Schools (excl. MNS)	0.10	1562.05	£ 53,961.41	582.24	£ 20,113.81				£ 74,075.22
MNS	0.10	300.54	£ 10,382.20	112.00	£ 3,869.08				£ 14,251.28
MNS									
PVIs						0.45	0.00	£ -	£ -
Schools (excl. MNS)						0.45	0.00	£ -	£ -
MNS						0.45	300.54	£ 45,220.00	£ 45,220.00
Balance Remaining					£ 0.00			£ 0.00	£ 0.00

3 Early Years Operational Changes from 2024-25 and Intentions for 2025-26

- 3.1 As part of the Government's Budget announcement there has been a commitment to expand the 30 hours free childcare offer to support working parents from their return to work after parental leave. This therefore will mean that working parents of all children over the age of nine months will also be entitled to 30 free hours of childcare.
- 3.2 The LA have implemented the roll out of payments to providers based on the following timelines and have been seeking sufficiency data from Schools and PVIs regarding this roll out:
- **April 2024** – Working Parents of Two year olds will be able to access 15 hours of free childcare.
 - **September 2024** – 15 hours of free childcare will be expanded to include children from the age of 9 months.
 - **September 2025** – Working parents of children under the age of five will be entitled to 30 hours of free childcare.
- 3.3 In terms of funding rates that Lambeth receives for 3- & 4-Year-olds, we are the 7th Highest nationally and received the 5th lowest % increase in 2024-25 at 2.9% with the national average being 4.7%, which is likely to continue for 2025-26. For 2-Year-old funding, to mitigate the impact, it is expected that DfE will continue with year-to-year protections, to ensure that local authorities can manage the changes at a local level, but this will always show as lower % increases in the Lambeth allocation. For 2-Year-olds and under 2-year-olds, Lambeth is still the 6th highest nationally in terms of hourly rate, but this does reflect the cost of London boroughs.

- 3.4 The intention for 2025-26, depending on operational guidance announcements expected from the DfE imminently, is to continue to follow the same formula principles as for 2024-25, and passport any increases to providers by way of an increase of hourly rates.

4. Early Years Extended Entitlements and the National Wraparound Childcare Programme

- 4.1 Please see **Appendix 1**: Grant distribution for the Early Years Extended Entitlements and the National Wraparound Childcare Programme.

5. Risks

- 5.1 Lambeth are still being protected by the loss cap, meaning they are being funded (at a higher level) by reference to historic funding decisions, rather than in line with the funding formula. Lambeth will therefore continue to see minimal increases in the per hour rate compared to national increases.
- 5.2 Pupil numbers are continuing to see a downward trend, and this, in conjunction with inflationary pressures, is impacting sufficiency in the EY sector. The Sector continues to have recruitment issues, which impacts the ability to expand their provision in future.

6. Recommendations

- 6.1 Schools Forum to note this report.

Grant distribution for the Early Years Extended Entitlements and the National Wraparound Childcare Programme.

1. Main purpose:

1.1 The purpose of this appendix to the Early Years Update paper is to provide information to members of the Schools' Forum on the capital and revenue grant funding for the 2 recent DfE government initiatives: the Early Years Extended Entitlements and the National Wraparound Childcare Programme, and how the grants will be distributed according to the DfE's published guidance.

2. Background Information: Extension to the Early Years Entitlement and the National Wraparound Childcare Programme.

2.1 As has already been reported at the Schools Forum, the government announced in July 2023 an expansion of the free childcare offer so that eligible working parents in England are able to access 30 hours of free childcare per week for 38 weeks per year from the term after their child turned 9 months to when they start school.

2.2 The timeframe for the Extended Early Years Entitlements is as follows: -

- From April 2024, working parents of 2-year-olds will be able to access 15 hours of free childcare per week (38 weeks a year),
- From September 2024, this was extended to parents of 9 month to 3-year-olds, and
- From September 2025, working parents of 9 month to 3-year-olds will be able to access 30 free hours per week (38 weeks a year)

2.3 As has also been reported at the Schools Forum, the National Wraparound Childcare Programme, commenced in September 2024. This 2 year funded programme, ending in July 2026, will enable all parents and carers of primary school-aged children who need it, to have access to term time childcare in their local area from 8am-6pm. This will assist parents and carers to gain access to employment and thus improve labour market participation.

2.4 The purpose of the funding for both Programmes is to create additional childcare places, to ensure there are sufficient places to meet demand from working parents.

3. Capital funding and distribution.

3.1 For the current financial year 2024/2025, £472,603 capital funding has been allocated to Lambeth.

This includes:-

Early Years Entitlements - £382,603

Wraparound Childcare Programme - £90,000

3.2 Following the DfE guidance as part of the process, applications were completed by relevant stakeholders for both programmes. For the Early Years Expansion Programme, bids were received from primary schools and a range of early years providers such as childminders, private, voluntary and independent nurseries. For the Wraparound Programme, bids were received from primary schools and wraparound providers, endorsed by the school.

3.3 A panel consisting of local authority staff and a variety of early years stakeholders met to discuss, review and approve the capital bid applications.

3.4 A similar exercise was carried out for the distribution of the capital bids for the Wraparound Childcare Programme.

3.5 Successful applicants will be notified this month for both Programmes and the capital funding will be distributed shortly.

4. Wraparound revenue funding and distribution.

4.1 For the current financial year 2024/2025, £615,694.38 revenue has been allocated to Lambeth for the Wraparound Childcare Programme.

This includes:-

Delivery Costs - £541,400

Capacity Costs - £60,087

4.2 The purpose of this funding is to support an increase in the supply of wraparound places, to ensure or guarantee provision for all parents who may need it, meeting current demand and building further demand.

4.3 Our intention is to pass on the funding to primary schools and private, voluntary and independent (PVI) Ofsted registered wraparound providers, including childminders, to introduce or expand before and after-school childcare provision in their area where there is a gap in availability.

4.4 We will also plan activity that supports growth of future demand, for example, improved communication with parents and advice on the use of Universal Credit and Tax-Free Childcare.

4.5 Once we have scrutinised our current supply and demand data, we will decide how to distribute the Early Years Extended Entitlements and the National Wraparound Childcare Programme grant funding to best achieve programme outcomes given the context in the local area and in line with the grant conditions. The supply and demand mapping data will help us

decide how to use the grant funding to best achieve programme outcomes given the context in our local area, and in line with the delivery model(s) we choose to adopt.

4.6 This is likely to include dispersal of funding to schools and childcare providers to contribute to start up/ expansion and running costs. It will ensure that childcare provision funded from this grant meets the definition of wraparound childcare.

4.7 The funding is not designed to cover costs of delivering wraparound in the long term and should contribute to the set up or expansion phase. Parents will need to pay for the wraparound childcare.

4.8 The application process for the revenue funding will commence this month with the view to the funding being distributed by February 2025.