

Appendix A: Email from ESFA Fri 06/10/2023 16:59

For information: pre-16 schools revenue funding allocations for 2024 to 2025

Today, the Department for Education (the department) has published revised provisional funding allocations for 2024 to 2025 for the schools national funding formulae (NFF).

The policy document is available at:

<https://www.gov.uk/government/publications/national-funding-formula-for-schools-and-high-needs>

The allocations and technical notes are available at:

<https://www.gov.uk/government/publications/national-funding-formula-tables-for-schools-and-high-needs-2024-to-2025>

The webtool will be updated with the revised figures and be available by mid-October. We will also be updating the COLLECT tables shortly.

We have published an updated schools operational guide for local authorities to reflect the revised NFF:

<https://www.gov.uk/government/publications/pre-16-schools-funding-local-authority-guidance-for-2024-to-2025>

We will issue an updated authority proforma tool (APT) to local authorities within the next few days.

Updates to the schools NFF for 2024 to 2025

The department published the schools NFF for 2024 to 2025 in July. However, the department uncovered an error made by DfE officials during the initial calculations of the NFF. Specifically, there was an error processing forecast pupil numbers, which means that the overall cost of the core schools budget would be 0.62% greater than allocated. The department has therefore issued new NFF allocations to correct that error while continuing to deliver, in full, the £59.6 billion core schools budget that has been promised.

The department apologises for this error. The Secretary of State has asked the Permanent Secretary to conduct a formal review of the quality assurance process surrounding the calculation of the NFF, with independent scrutiny. Improvements have already been identified to ensure similar mistakes are not repeated in the future.

The recalculation of funding does not affect the total amount we plan to spend in the core schools budget in 2024 to 2025 – which includes funding for mainstream schools, and funding for high needs. It will remain at £59.6 billion in 2024 to 2025, the highest ever in real terms per pupil. This is a percentage increase from 2023 to 2024 of 3.2% and will properly fund the teacher pay increase agreed in 2023.

The recalculated funding is at record levels, at an average of £5,300 per primary school pupil and £6,830 per secondary school pupil in 2024 to 2025, up from £5,200 and £6,720 respectively in 2023 to 2024. The 2024 to 2025 high needs NFF allocations (which fund provision for children with complex SEND) are unaffected, as are other funding streams outside the NFF, including the teachers' pay additional grant (TPAG) announced in the summer.

Schools have not yet received their 2024 to 2025 funding – so the correction of this error does not mean adjusting any funding that schools have already received. Likewise, the error will not impact on the publication of the dedicated schools grant (DSG) in December, or when schools will receive their final allocations for 2024 to 2025.

Nevertheless, we recognise that the correction of this error will be difficult for local authorities and frustrating for some school leaders, which is why the department has worked as quickly as possible to rectify the error. We and the department will work closely with school stakeholders, including unions, to communicate this change and support schools and local authorities.

Further details

If you have any other questions about the contents of this email, please contact us via our ESFA enquiry form:

https://form.education.gov.uk/service/Education_and_Skills_Funding_Agency_ESFA_enquiry_form

Yours sincerely,

Funding Directorate

Education and Skills Funding Agency