

## **ITEM 2**

### **Dedicated Schools Grant 2024/25 & School Funding Formula Factors Review**

Schools Forum – 6 November 2023

#### **Recommendation**

**The School's Forum is asked to:** Note the new DfE rule regarding Split Site and Growth funding in DfE formula factors to be used in setting the 2024/25 schools' budgets and to evaluate all the options per factor and vote accordingly.

#### **1. Background**

- 1.1** The Local Authorities received this year's annual notification of funding as well as funding methodology from the Department for Education (DfE) as part of the school's annual budget setting process in July 2023 and updated again in October 2023. This information is provided by the DfE through the information sharing portal as well as published in the DfE Annual Schools Block Operational Guide.
- 1.2** The guide provides useful updates from the DfE regarding the National Funding Formula for the following year and local authorities are expected to calculate their individual schools' budgets based upon this guidance.
- 1.3** The (DfE) reiterated the drive towards the National Funding Formula implementation by requesting local authorities to continue with their local formula factor values and for those to be set at least 10% closer to the NFF.

The key changes for 2024/25 are as follows:

- (a)** DfE has introduced a new methodology for calculating and allocating split sites funding in the NFF in 2024 to 2025, replacing the previous locally determined split sites factor. The new factor is made up of a basic rate £58,185 and an additional rate of £29,147 per 100 metres based on distance. The distance-based funding must be paid out in addition to the basic rate (lump sum) for schools whose eligible sites are separated by more than 100 metres up to a maximum limit of 500 metres,
- (b)** DfE is also introducing for the first time, a methodology for calculating and allocating funding for falling rolls. This only applies to Local Authorities with that (falling in roll) funding stream available. The restriction that schools were previously only eligible for falling rolls funding if they were judged 'good' or 'outstanding' by Ofsted is also being removed from 2024 to 2025.
- (c)** Local Authorities must follow the new local formula requirements for growth funding, whereby additional classes (driven by basic need) must be funded by at least the minimum funding level set out in the funding calculation.

- (d) Local authorities are required to provide growth funding where a school or academy has agreed with the local authority to provide an extra class to meet basic need in the area (either as a bulge class or as an ongoing commitment). Funding, either through the growth fund, or by adjusting pupil numbers in the APT, will need to be provided regardless of whether the additional class is within or outside of the PAN.
  - (e) The new DfE guidance sets a required minimum funding rate (£1,550) payable to schools from 2024/25. **Primary growth factor value (£1,550) × number of pupils × ACA**
  - f) According to the DfE, funding for maintained schools is provided to cover the period from September to March before the lagged funding system ‘catches up’. Academies are funded on an academic year hence expected to receive additional funding (at a rate of an additional five-sevenths of the allocation) to cover a full year before funding system ‘catches up’.
- 1.4 Local authorities are therefore expected to set their funding allocations for schools through a formula in line with the new directive above. Schools Forum last year made the decision to move closer to the NFF by adapting almost all the DfE recommended NFF factors. The local authority deviated on only Growth and IDACI (Primary and Secondary) band A factors.
- 1.5 This paper sets out the most recent compulsory and optional factors expected to be used in line with the new DfE directive. Schools Forum may still decide to select one of the three options (a minimum rate based the national rate, or the maximum) presented in this paper.
- 1.6 The School’s Block DSG is a ring-fenced grant, but local authorities can transfer up to 0.5% of their school’s block funding into another block, with the approval of their schools forum. The Local Authority presented a paper to Forum on the 2<sup>nd</sup> of October 2023 to seek support to transfer between 0.3% to 0.5% (£1.2m) from school’s block to the High Need blocks in 2024/25 financial year. Forum voted in favour of this request subject to Secretary of State’s approval.

## 2. Provisional funding allocation

- 2.1 The NFF provisional allocation for 2024/25 is below in Table 2. The funding is an indicative allocation and subject to change. Final allocation is likely to be issued in late December. The movement shows an indicative increase of £5.288m from the 2023/24 final allocation. The overall growth net is therefore £4.088m after the £1.2m disapplication request.

**Table 1 - Schools Block provisional allocation 2023/24**

	<b>Total 2023/24 final allocation</b>	<b>Provisional funding in 2024/25</b>	<b>Movement</b>
Schools’ Block allocation	£311,370,095	£316,439,818*	£5,288,769

*ESFA October 2023 Published data\**

### 3. Formula factors

The formula factors expected to be used for next year's funding are summarised in Table 2.

**Table 2 - Formula factors used in Croydon 2024-25. Rule changes noted in green below.**

Para No.	Formula factor	Approval type -2023/24
3.1	Minimum per pupil funding	To note (compulsory factor)
3.2	Age weighted pupil unit (Basic Entitlement)	To note (compulsory factor)
3.3	Deprivation - IDACI	BAND B to F - NFF was applied last year (NFF) BAND A – Above NFF rate was applied.
3.4	Deprivation – FSM & FSM6	NFF was applied last year
3.5	Low prior attainment	NFF was applied last year
3.6	English as an additional language	NFF was applied last year
3.7	Lump Sum	To agree (local factor of £142,000 used last year) which is close to NFF)
3.8	Mobility	NFF was applied last year
3.9	Private Finance Initiative – base rate increase	To agree but optional factor. The agreed amount paid for the last three years was £547k.
3.10	Minimum Funding Guarantee	To agree (compulsory) and part of the DfE Model
3.11	Growth ( <i>Primary growth factor value* New DfE minimum funding level/value payable per pupil to schools</i> )	Criteria for growth and no change expected on agreed rate for 2024/25. Primary growth factor value* (£1,550 × number of pupils × ACA)
3.12	Split Site	Compulsory Factor and local factor last year – The new factor is made of basic rate of £58,185 and additional rate of £29,147 per 100 metres based on distance up to maximum of 500 metres (Minimum, NFF, maximum to be selected).
3.13	Sparsity and London Fringe	To agree (Sparsity is compulsory but none of Croydon schools falls within the eligibility criteria on distance and pupil numbers. Croydon is not London Fringe) but not applicable to Croydon)
3.14	Looked after children	DfE has removed this factor. School Forum agreed to fund these services last year. LA distributed £167k through this factor in previous years.

### 3.1 Minimum per pupil level funding

Minimum per pupil funding level is set by the NFF to ensure that each pupil attracts a basic level of funding thus ensure that if no other factor is relevant that there is a minimum level each pupil at each school phase should be funded for. Reference Authority Proforma Tool.

### 3.2 Age weighted pupil unit (AWPU)

The funding formulae will calculate our rate of AWPU **after** all the other factors' amounts have been allocated. The AWPU rates applied last year as well as the new funding limits set by the DfE after completion of the model with agreed factors is as shown in table 3 below.

#### 3.2.1 Important information - Forum to note that primary schools are already close to the maximum allowable AWPU of £4,008.64 based on the national funding formula. Any real increase in their budget will come from the other factors.

For example, the expected AWPU increase per pupil for Croydon primary schools is only £9.50 per pupil (£3,859.50 less £3,850) compared to £316.16 minimum rise per pupil for KS3. This means that real increase in the primary sector budget may only be realized through higher factors chosen and agreed by Schools Forum.

**Table 3 - AWPU rates with DfE Recommendations**

Factor	23-24 APT	Difference between 23-24 APT and 23-24 NFF	24-25 APT minimum	24-25 NFF including ACA	24-25 APT maximum
Primary basic entitlement	£3,850.00	£165.71	£3,763.01	£3,859.50	£4,008.64
KS3 basic entitlement	£5,088.00	-£106.26	£5,305.40	£5,441.44	£5,577.47
KS4 basic entitlement	£5,488.24	-£366.02	£5,804.39	£6,133.81	£6,287.15

*Area Cost Adjustment - The Area Cost Adjustment (ACA) is a tool used to measure this variation in costs for local authorities in England*

#### 3.2.2 School's Forum to note the final AWPU last year. The 2024/25 AWPU will be determined after the LA receives the final allocation from the DfE and after all other factors have been distributed.

### 3.3 Deprivation IDACI

Income Deprivation Affecting Children Index (IDACI) measures the proportion of all children aged 0 – 15 living within income deprived families. It is a useful indicator of the level of deprivation in an area. IDACI funding is based on the IDACI 2019 area-based index measuring the relative deprivation of Lower-layer Super Output Areas (LSOAs).

This is a compulsory factor and is made up of 3 elements: free school meals (FSM), free school meals 6 (FSM6) and the income deprivation affecting children index (IDACI). Schools Forum can choose to use free school meals (FSM and FSM6) and/or IDACI.

DfE have set revised IDACI banding rate amounts. The intention is for this factor to be moved to a 'hard formula' to introduce nationally consistent factor values. See Appendix A for definition of FSM6 and the IDACI amounts.

#### 3.3.1 Table 4C highlights the cost /funding implications for each factor value selected. The total value for primary school and secondary IDACI last year were £6.065m and £5,944m respectively. Keeping the NFF factors used last year means the overall cost will increase to

£6.147m and £6,016m for primary and secondary schools respectively.

**Table 4A - IDACI rates Primary Schools**

Factor	23-24 APT	Difference between 23-24 APT and 23-24 NFF	24-25 APT minimum	24-25 NFF including ACA	24-25 APT maximum
Primary IDACI A	£748.16	£20.85	£718.37	£736.79	£755.56
Primary IDACI B	£553.62	£0.00	£544.06	£558.01	£571.96
Primary IDACI C	£521.05	£0.00	£512.37	£525.51	£538.64
Primary IDACI D	£477.63	£0.00	£470.11	£482.17	£494.22
Primary IDACI E	£303.95	£0.00	£301.08	£308.80	£316.52
Primary IDACI F	£249.67	£0.00	£248.26	£254.63	£260.99

**Table 4B - IDACI rates Secondary Schools**

Factor	23-24 APT	Difference between 23-24 APT and 23-24 NFF	24-25 APT minimum	24-25 NFF including ACA	24-25 APT maximum
Secondary IDACI A	£1,054.68	£45.14	£998.33	£1,023.93	£1,064.55
Secondary IDACI B	£792.44	£0.00	£781.76	£801.80	£821.85
Secondary IDACI C	£738.16	£0.00	£728.94	£747.63	£766.32
Secondary IDACI D	£673.03	£0.00	£665.55	£682.62	£699.68
Secondary IDACI E	£483.06	£0.00	£475.39	£487.58	£499.77
Secondary IDACI F	£363.65	£0.00	£359.19	£368.40	£377.61

**Table 4C – IDACI Options and cost.**

Options	Cost implications	
	Primary Schools	Secondary Schools
(a) Keeping to the last years NFF (band B TO F) and A on maximum.	£6,147m	£6,016m
(b) Moving all bandings to 2.5 % below the NFF rate.	£5,991m	£5,861m
(b) Moving all bandings to 2.5 % above the NFF rate.	£6,298m	£6,163m

### 3.3.2 IDACI as a method of calculating deprivation for Primary and Secondary:

- (a) Keeping to the NFF rates used last year highlighted in green in table 4b.
- (b) Move to 2.5 % below the average national NFF rate.
- (c) Moving to the 2.5% above NFF or maximum rate.

### 3.4 Deprivation Free School Meals (FSM) and (FSM6)

Schools receive funding for all FSM eligible pupils through this factor. In 2023/24 Croydon followed the NFF rates and distributed £23,590m. The rates per school phase varies for each of the two elements (FSM rates and FSM6).

**Table 5A - FSM rates**

Factor	23-24 APT	Difference between 23-24 APT and 23-24 NFF	24-25 APT minimum	24-25 NFF including ACA	24-25 APT maximum
Primary FSM	£521.05	£0.00	£517.65	£530.92	£544.20
Secondary FSM	£521.05	£0.00	£517.65	£530.92	£544.20

**Table 5B - FSM6 rates**

Factor	23-24 APT	Difference between 23-24 APT and 23-24 NFF	24-25 APT minimum	24-25 NFF including ACA	24-25 APT maximum
Primary FSM6	£765.30	£0.00	£866.27	£888.49	£910.70
Secondary FSM6	£1,118.10	£0.00	£1,267.72	£1300.22	£1,332.73

**Table 5C – FSM & FSM6 Options and cost**

Options	Cost implications <b>FSM</b>		Cost implications <b>FSM6</b>	
	Primary Schools	Secondary Schools	Primary Schools	Secondary Schools
Primary and Secondary school				
(a) Keeping to the last years or NFF	£4,894m	£3,259m	£8,482m	£9,632m
(b) Moving all bandings to 2.5 % below the NFF rate.	£4,771m	£3,177m	£8,270m	£9,391m
(b) Moving all bandings to 2.5 % above the NFF rate.	£5,016m	£3,340m	£8,694m	£9,872m

**3.4.1 Use FSM & FSM6 as a method of calculating deprivation for Primary and secondary:**

- (a) Keeping to the NFF rate used last year as highlighted in green in table 5a and 5b.
- (b) Moving to the minimum NFF rate per pupil or
- (c) Moving to the maximum rate above NFF

**3.5 Low Prior Attainment**

Primary school pupils who have not achieved the expected level of development in the Early Years Foundation Stage Profile assessment (EYFSP) and secondary pupils who have not achieved the expected standard in Key Stage 2 at either reading, writing or maths.

LPA funding has been allocated to all pupils identified as not reaching the expected standard at the previous phase, regardless of their year group. It does not only apply to those pupils in their first year of schooling.

This is now a compulsory factor which Croydon will use again this year. It is a rate per pupil per school phase and is set locally. In the 2023/24 allocation Croydon distributed £18.330m through this factor. The APT tool automatically provides the number of pupils who are eligible (based on the prior year census data). See Appendix A for definition of Low Prior Attainment and the pupils in this category.

The DfE uses a weighting system to identify the number of pupils that qualify. The weightings will operate in the same way as in 2023: the number of pupils identified as having LPA in the data will be multiplied by the relevant weighting to determine the number of pupils eligible for the factor for funding purposes.

**Table 6A - Low Prior Attainment rates**

School phase	23-24 APT	Difference between 23-24 APT and 23-24 NFF	24-25 APT minimum	24-25 NFF including ACA	24-25 APT maximum
Primary LPA	£1,253.79	£0.00	£1,236.03	£1,267.72	£1,299.41
Secondary LPA	£1,899.68	£0.00	£1,875.17	£1,923.25	£1,971.33

**Table 6B - Low Prior Attainment Options Appraisal & cost**

Options	Cost implications LPA	
	Primary Schools	Secondary Schools
Primary and Secondary school		
(a) Keeping to the last years or NFF	£10,378m	£8,256m
(b) Moving to 2.5 % below the NFF rate.	£10,119m	£8,049m
(b) Moving 2.5% above the NFF rate.	£10,637m	£8,463m

### 3.5.1 The Low Prior Attainment rates to be decided on are:

- (a) Keep to the NFF rate as selected last year and highlighted in green in table 6b,
- (b) Move to the minimum NFF rate per pupil,
- (c) Move above the NFF rate.

### 3.6 English as an additional language (EAL)

This is a compulsory factor used in the Croydon local formula. According to the DfE methodology, pupils identified in the October census with a first language other than English attract funding for 3 years after they enter the statutory school system. This rate per pupil per phase had been set locally. In the 2023/24 allocation Croydon distributed £4.829m through this factor.

**Table 7A - EAL Rates**

Factor	23-24 APT	Difference between 23-24 APT and 23-24 NFF	24-25 APT minimum	24-25 NFF including ACA	24-25 APT maximum
Primary EAL	£629.61	£0.00	£623.29	£639.28	£655.26
Secondary EAL	£1,698.85	£0.00	£1,674.44	£1,717.38	£1,760.31

**Table 7B - EAL Options Appraisal and cost**

Options	Cost implications EAL	
	Primary Schools	Secondary Schools
Primary and Secondary school		
(a) Keeping to the last years or NFF	£4,344m	£1,429m
(b) Moving to 2.5 % below the NFF rate.	£4,235m	£1,393m
(b) Moving 2.5% above the NFF rate.	£4,452m	£1,465m

### 3.6.1 The English as an additional language factor rate should:

- (a) Keeping to the NFF rate as highlighted in green in table 7a.
- (b) Moving to the minimum NFF rate per pupil\* or
- (c) Move above the average national NFF rate

### 3.7 Lump Sum

Each school receives a lump sum. All-through schools will receive the secondary lump sum value and middle schools will receive a weighted average lump sum value based on the number of primary and secondary year groups in the school. A different DfE payment methodology would be used for all-through schools.

In 2023/24, the local lump sum per school was £142,000 and resulted in a distribution of £15.336m. The published NFF rate is £145,625.09 for Primary schools and Secondary schools. The cost implication of move towards the NFF is approximately (£3,625 x 108 schools) £391k.

**Table 8 - Lump Sum Rates**

Factor	23-24 APT	Difference between 23-24 APT and 23-24 NFF	24-25 APT minimum	24-25 NFF including ACA	24-25 APT maximum
Primary lump sum	£142,000.00	£3,052.16	£141,984.46	£145,625.09	£149,265.72
Secondary lump sum	£142,000.00	£3,052.16	£141,984.46	£145,625.09	£149,265.72

**3.7.1 The lump sum factor should:**

- (a) Moving to the minimum NFF rate per school\* or
- (b) Moving to the NFF. Additional cost is £391k overall.
- (c) Move above the NFF rate
- (d) Steering Group to determine a rate within the approved DfE range. £142k approved last year.

**3.8 Mobility**

The mobility factor allocates funding to schools with a high proportion of pupils who first join on a non-standard date. Mobility funding was previously allocated on the basis of historic spend. However, for 2020/21, the DfE developed a new methodology that enables calculation of allocations of this funding on a formulaic basis. Rather than relying on a single census, the methodology involved tracking individual pupils using their unique pupil ID through censuses from the past 3 years. If the first census when the pupil was in the school was a spring or summer census, they are considered a mobile pupil.

To be eligible for mobility funding, the proportion of mobile pupils a school has must be above the threshold of 6%. A per pupil amount will then be allocated to all mobile pupils above that threshold. See Appendix A for definition of Mobility and the schools and school phases impacted. The total amount paid last year on this factor was £624k.

Whichever option is chosen is very insignificant on the overall impact of the budget as the average number attracting this funding is approximately 54 pupils. Choosing the maximum rate will add £24k extra budget to fund this growth.

**Table 9 - Mobility rates**

Factor	23-24 APT	Difference between 23-24 APT and 23-24 NFF	24-25 APT minimum	24-25 NFF including ACA	24-25 APT maximum
Primary mobility	£1,025.83	£0.00	£1,014.17	£1,040.18	£1,066.18
Secondary mobility	£1,476.32	£0.00	£1,457.88	£1,495.26	£1,532.64

**3.8.1 The Mobility factor should:**

- (a) Moving to the minimum NFF rate per pupil\* or
- (b) Moving to the national NFF rate as highlighted in green in table 10.
- (c) Move above the average national NFF rate



### 3.9 Private Finance Initiative

Croydon has one PFI school and therefore uses this factor. The purpose of the factor is to fund the additional costs to a school of being in a PFI contract. The agreed amount paid for the last two years was £547k.

#### 3.9.1 The PFI factor options include:

- a) Inflationary increase to be applied to last year's rate,
- b) Stay the same as last year's rate,
- c) Reduce last year's rate by £100k.

### 3.10 Minimum funding Guarantee (MFG)

MFG protects schools' budgets from large changes in funding based on factor changes. It protects on £/per pupil basis but does not protect against a fall in pupil numbers.

Local authorities have the freedom to set the MFG in their local formulae between +0.0% and +0.5% per pupil. All of Croydon schools have reached and exceeded these increases using the NFF rates. It is proposed to keep the limit of +0.5% in 2024/25.

**Table 10 MFG rates**

Year	MFG	Using NFF rate for all factors
2016/17	£11,425,730	
2017/18	£3,861,329	
2018/19	£2,362,522	
2019/20	£1,143,179	
2020/21	£670,987	
2021/22	£87,337	
2022/23	£101,196	
2023/24	£146,450	

#### 3.10.1 Schools Forum are requested to note the set MFG

### 3.11 Growth

The criteria for growth funding for schools was reviewed and approved by Schools Forum on 5th October 2020. The rates for various parts of the growth fund will be applied to the schools that meet the growth criteria and have been confirmed by the schools Admissions Team.

The new DfE required minimum funding payable to schools from 2024/25 is: **(Primary growth factor value (£1,550 × number of pupils × ACA)**

**Table 11 - Growth funding**

Year	Growth
2017/18	£3,002,894
2018/19	£3,365,680
2019/20	£2,279,811
2020/21	£1,708,617
2021/22	£1,914,299
2022/23	£1,369,581
2023/24	£1,718,478
2024/25	

**3.11.1 Schools Forum are requested to note the above and agree that this sum be allocated to schools that meet the growth criteria.**

**3.12 Split site factor**

The split site factor was previously part of the growth fund and at the meeting of October 4<sup>th</sup> 2021 Schools Forum agreed that it should, once again, become part of the main formula. An updated criteria was approved last year with a value of £50k.

DfE has introduced a National Funding formula (national approach) in criteria and amount payable. This new methodology now replaces the previous locally determined split sites factor. The new factor is made of basic rate of £55,700 and additional rate of £26,900 per 100 metres based on distance. Schools' forum may still decide to select one of the three options (a minimum rate based the national rate, or the maximum) presented in table 13 below.

**Table 12 - Split Site DfE national funding formula rates**

Factor	23-24 APT	Difference between 23-24 APT and 23-24 NFF	24-25 APT minimum	24-25 NFF including ACA	24-25 APT maximum
Split sites basic eligibility funding			£57,364.26	£58,835.14	£60,306.01
Split sites distance funding			£28,629.31	£29,363.39	£30,097.48

**Table 13 - Split Site DfE national funding formula rates**

Croydon Spilt Site Schools	DfE Recorded Distance (Metres)	24-25 APT minimum 2.5% lower	Total Amount Payable under NFF 2024/25	24-25 APT maximum 2.5% higher
School 1	1,421.42	£85,148.42	£87,331.71	£89,515.01
School 2	0	£56,730.40	£58,185.02	£59,639.65
School 3	883.76	£85,148.42	£87,331.71	£89,515.01
School 4 (two sites at 706m and 531m)	706.28	£170,296.84	£174,663.42	£179,030.02
Total		£397,324.08	£407,511.86	£417,699.69

**3.12.1 The Split Site factor for lump sum and distance should be:**

The total amount paid in 2023/24 was £200k. The new DfE methodology increases the monetary value of the factor due to lumpsum and distance award.

Cost Implications and options are as follows:

- (a) **Moving to the minimum NFF rate per school** or **Additional cost of £197.3k**
- (b) **Moving to the NFF rate** – Additional cost of £207.5k
- (c) **Move above the average national NFF rate.** Additional cost of £217.6k

**3.13 Sparsity and London Fringe**

**3.13.1** These factors are not applicable to Croydon.

### 3.14 Looked after children (LAC)

This has been an optional factor for years where Local authorities apply a single unit value for any child who has been looked after for one day or more, as recorded on the LA SSDA903 returns. The DfE does not allow the LAC factor in the NFF model anymore and Local authorities currently using this factor can no longer fund it through the factors. Please note that:

- (a) Schools forum last year agreed to fund the £167k LAC through de-delegate process from the growth budget which forms part of the schools' block. No change expected in 2024/25.

### 3.15 Conclusion

In evaluating the options presented in this paper, Schools Forum should consider the following:

- (a) Primary School current AWPU is much closer to the maximum allowable National funding rate (**Reference Table 3**) which means that their budget can only increase significantly through the factors,
- (b) Forum had voted allow the local authority to transfer £1.2m from the school's block to the High Needs through the disapplication process,
- (c) Secondary schools will receive more percentage growth in funding (**Reference Table 3**) than primary school under the national funding formula. The only way to apply an equalizing effect is to apply lower factors,
- (d) The local Authority will have to seek political approval from the Council as part of the
- (e) governance process outlined by the DfE operational guide

Recommendation:

**The School's Forum asked to:** Note the new DfE rule regarding Split Site and Growth funding in DfE formula factors to be used in setting the 2024/25 schools' budgets and to evaluate all the options per factor and vote accordingly.

Governance process outlined in DfE operational guide:

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

## **Appendix A**

**FSM6** - Pupils who are identified as FSM6 eligible (pupils who have been entitled to FSM at any time in the last 6 years) as taken from the previous January census.

**IDACI** - The IDACI element of the deprivation factor is based on the IDACI dataset for 2019, which is published by the Ministry for Housing, Communities and Local Government (MHCLG). IDACI is a relative measure of socio-economic deprivation—an IDACI score is calculated for an LSOA (an area with typically about 1,500 residents) based on the characteristics of households in that area. The IDACI score of a given area does not mean that every child living in that area has particular deprivation characteristics—it is a measure of the likelihood that a child is in a household experiencing relative socio-economic deprivation. LSOAs are ranked by score, from the most deprived LSOA, with the highest score, to the least deprived LSOA.

The IDACI measure uses 7 bands (A to G where A is the most deprived) and different values can be attached to each of the 6 bands A to F. Different unit values can also be used for primary and secondary schools in each band.

**Low Prior Attainment** - The LPA factor acts as a proxy indicator for low level, high incidence, special educational needs and is measured as such for primary and secondary pupils:

1. primary pupils identified as not achieving the expected level of development in the early years foundation stage profile (EYFSP).
2. secondary pupils not reaching the expected standard in KS2 at either reading, writing or maths an individual weighting is applied to each year group from years 7 to 10 when calculating secondary LPA to reflect the higher levels of low attainment under the new testing regime

**Mobility** - This factor pertains to pupils who first appeared in either the January or May census return at their current school (the one they are on roll with in the October census) in 2017 or later. This is for pupils in reception only, those first appearing at their current school in the May census are classed as mobile.

With this factor, there is a 6% threshold and funding is allocated based on the proportion above the threshold (for example, a school with 8% of pupils classed as mobile will attract pupil mobility funding for 2% of pupils).

**How PFI is calculated in the NFF** - Premises funding will continue to be allocated at local authority level on the basis of actual spend in the 2020-21 APT, with the PFI factor increasing in line with the RPIX measure of inflation (1.56%) to reflect PFI contracts.

**Split Site funding – DfE guidelines for 2024/25** - In 2024 to 2025 we are introducing a national formulaic approach to split sites funding, which replaces the previous local authority-led approach. The new split sites factor is compulsory for all local authorities, ensuring that split sites funding will be allocated consistently and fairly across the country. Local authorities are required to set their split sites factor values within the 2.5% mirroring threshold for the NFF. The factor is made up of 2 parts, both of which are compulsory:

- basic eligibility funding: schools must be allocated a lump sum payment for each of their additional eligible sites
- distance funding: additional funding must be paid out on top of the basic eligibility lump sum for schools whose eligible sites are separated by more than 100 metres (by road distance) from the main site

The basic eligibility criteria for split sites funding requires additional sites to:

- be part of the main school, that is, to share the same unique reference number (URN) with the school's main site
- be separated from the school's main site by a public road or railway
- have a building on them which is maintained by the school and which is primarily used for the education of 5 to 16- year-old pupils in mainstream education. This excludes playing fields, 'ancillary buildings' and buildings leased out full time by the school to another entity

Illustration of split site distance factor from 500 to 100 metres.

Distance from Main site in Metres	Distance Weighting	24-25 NFF including ACA	Amount Payable
500.00	1.00	29,146.69	29,146.69
400.00	0.75	29,146.69	21,860.02
300.00	0.50	29,146.69	14,573.34
200.00	0.25	29,146.69	7,286.67
100.00	0.00	29,146.69	0.00

## Appendix B

### **Other key changes to the schools NFF in 2023 to 2024 are:**

- increasing the 2022/23 NFF factor values (on top of the amounts we have added for the schools supplementary grant) by:
- 4.3% to free school meals at any time in the last 6 years (FSM6) and income deprivation affecting children index (IDACI)
- 2.4% to the basic entitlement, low prior attainment (LPA), FSM, English as an additional language (EAL), mobility, and sparsity factors, and the lump sum.
- 0.5% to the floor and the minimum per pupil levels (MPPL)
- 0% on the premises factors, except for Private Finance Initiative (PFI) which has increased by Retail Prices Index excluding mortgage interest payments
- local authorities with a falling rolls fund must also follow the new **requirements for falling rolls funding**, whereby local authorities can only provide falling rolls funding to schools where school capacity survey (SCAP) 2022 data shows that school places will be required in the subsequent 3 to 5 years. The restriction, that schools were previously only eligible for falling rolls funding if they were judged 'good' or 'outstanding' by Ofsted, is also being removed from 2024 to 2025.
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## Appendix C

### National Funding Formula. DfE Table on Croydon

Factor	23-24 APT	Difference between 23-24 APT and 23-24 NFF	24-25 APT minimum	24-25 NFF including ACA	24-25 APT maximum
Primary basic entitlement	£3,850.00	£165.71	£3,763.01	£3,859.50	£4,008.64
KS3 basic entitlement	£5,088.00	-£106.26	£5,305.40	£5,441.44	£5,577.47
KS4 basic entitlement	£5,488.24	-£366.02	£5,804.39	£6,133.81	£6,287.15
Primary FSM	£521.05	£0.00	£517.65	£530.92	£544.20
Secondary FSM	£521.05	£0.00	£517.65	£530.92	£544.20
Primary FSM6	£765.30	£0.00	£866.27	£888.49	£910.70
Secondary FSM6	£1,118.10	£0.00	£1,267.72	£1,300.22	£1,332.73
Primary IDACI F	£249.67	£0.00	£248.26	£254.63	£260.99
Primary IDACI E	£303.95	£0.00	£301.08	£308.80	£316.52
Primary IDACI D	£477.63	£0.00	£470.11	£482.17	£494.22
Primary IDACI C	£521.05	£0.00	£512.37	£525.51	£538.64
Primary IDACI B	£553.62	£0.00	£544.06	£558.01	£571.96
Primary IDACI A	£748.16	£20.85	£718.37	£736.79	£755.56
Secondary IDACI F	£363.65	£0.00	£359.19	£368.40	£377.61
Secondary IDACI E	£483.06	£0.00	£475.39	£487.58	£499.77
Secondary IDACI D	£673.03	£0.00	£665.55	£682.62	£699.68
Secondary IDACI C	£738.16	£0.00	£728.94	£747.63	£766.32
Secondary IDACI B	£792.44	£0.00	£781.76	£801.80	£821.85
Secondary IDACI A	£1,054.68	£45.14	£998.33	£1,023.93	£1,064.55
Primary EAL	£629.61	£0.00	£623.29	£639.28	£655.26
Secondary EAL	£1,698.85	£0.00	£1,674.44	£1,717.38	£1,760.31
Primary LPA	£1,253.79	£0.00	£1,236.03	£1,267.72	£1,299.41
Secondary LPA	£1,899.68	£0.00	£1,875.17	£1,923.25	£1,971.33
Primary mobility	£1,025.83	£0.00	£1,014.17	£1,040.18	£1,066.18
Secondary mobility	£1,476.32	£0.00	£1,457.88	£1,495.26	£1,532.64
Primary lump sum	£142,000.00	£3,052.16	£141,984.46	£145,625.09	£149,265.72
Secondary lump sum	£142,000.00	£3,052.16	£141,984.46	£145,625.09	£149,265.72
Split sites basic eligibility funding			£56,730.40	£58,185.02	£59,639.65
Split sites distance funding			£28,418.02	£29,146.69	£29,875.36