



Schools Forum

Monday 27 January 2025 at 6.00 pm

This will be undertaken as an online virtual meeting.

The press and public are welcome to attend this online virtual meeting with the link to attend and view the meeting available [HERE](#)

Membership

Representing

SCHOOL MEMBERS

Nursery

Nisha Lingam
Angela Turner

Head
Governor

Primary

Vacancy
Michelle Ginty
Melissa Loosemoore
Raphael Moss
Vacancy
Vacancy
Ilana Myers
Michael Odumosu
Ernest Toquie

Head
Head
Head
Head
Governor
Governor
Governor
Governor
Governor

Secondary

Vacancy

Head (Maintained)

Special Education Needs

Nick Cooper

Head

Pupil Referral Unit

Ranjna Shiyani

Head

ACADEMY MEMBERS

Primary

Vacancy
Jo Jhally

Head
Governor

Secondary

Andy Prindiville	Head
Jude Enright	Head
Vacancy	Governor
Vacancy	Governor
Martin Beard	Governor
Mike Heiser (Chair)	Governor

Special Education Needs

Jayne Jardine	Head
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NON –SCHOOL MEMBERS**Early Years PVI**

Paul Russell
Wioletta Bura

Trade Union

John Roche/Jennifer Cooper

16-19 Provider Representative

Vacancy

For further information contact: Abby Shinhmar, Governance Officer
Email: abby.shinhmar@brent.gov.uk

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Notes for Members - Declarations of Interest:

If a Member is aware they have a Disclosable Pecuniary Interest* in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent and must leave the room without participating in discussion of the item.

If a Member is aware they have a Personal Interest** in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent.

If the Personal Interest is also significant enough to affect your judgement of a public interest and either it affects a financial position or relates to a regulatory matter then after disclosing the interest to the meeting the Member must leave the room without participating in discussion of the item, except that they may first make representations, answer questions or give evidence relating to the matter, provided that the public are allowed to attend the meeting for those purposes.

***Disclosable Pecuniary Interests:**

- (a) **Employment, etc.** - Any employment, office, trade, profession or vocation carried on for profit gain.
- (b) **Sponsorship** - Any payment or other financial benefit in respect of expenses in carrying out duties as a member, or of election; including from a trade union.
- (c) **Contracts** - Any current contract for goods, services or works, between the Councillors or their partner (or a body in which one has a beneficial interest) and the council.
- (d) **Land** - Any beneficial interest in land which is within the council's area.
- (e) **Licences**- Any licence to occupy land in the council's area for a month or longer.
- (f) **Corporate tenancies** - Any tenancy between the council and a body in which the Councillor or their partner have a beneficial interest.
- (g) **Securities** - Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

****Personal Interests:**

The business relates to or affects:

- (a) Anybody of which you are a member or in a position of general control or management, and:
 - To which you are appointed by the council;
 - which exercises functions of a public nature;
 - which is directed is to charitable purposes;
 - whose principal purposes include the influence of public opinion or policy (including a political party or trade union).
- (b) The interests of a person from whom you have received gifts or hospitality of at least £50 as a member in the municipal year;

Or

A decision in relation to that business might reasonably be regarded as affecting the well-being or financial position of:

- You yourself;
- a member of your family or your friend or any person with whom you have a close association or any person or body who is the subject of a registrable personal interest.

Agenda

Introductions, if appropriate.

Item	Page
1 Apologies for Absence	
2 Declarations of Interest	
3 Deputations (if Any)	
4 Minutes of the Previous Meeting	1 - 8
To approve the minutes of the previous meeting of the Schools Forum held on Thursday 14 November 2024 as a correct record.	
(Agenda republished to include this item on 21 January 2025)	
5 Actions Arising (if Any)	
To consider any actions arising from previous meetings.	
6 DSG Schools Block Budget 2025/26	9 - 26
This report sets out the proposed DSG Schools Budget for 2025/26 for consultation and agreement by Schools Forum ahead of the Council budget being set and approved by Full Council in February 2025.	
(Agenda republished to include this item on 21 January 2025)	
7 Early Years National Funding Formula 2025/26	27 - 38
Following the confirmation of the provisional DSG Early Years' (EY) Block funding for Brent, this report seeks Schools Forum endorsement of the local EY Funding Formula for 2025/26.	
(Agenda republished to include this item on 21 January 2025)	
8 Any Other Urgent Business	
9 Date of Future Meetings	
To note the schedule of dates for future meetings during 2024/25 as	

follows:

- Thursday 13 February 2025

Unless otherwise notified all meetings to be held online starting at 6pm.

Date of the next meeting: Thursday 13 February 2025

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MINUTES OF THE SCHOOLS FORUM

Held as an online virtual meeting on Thursday 14 November 2024 at 6.00pm

Membership

Representing

PRESENT (all in remote attendance):

Governors

Mike Heiser (Chair)
Ilana Myers
Michael Odumosu
Ernest Toquie

Headteachers

Honor Beck (representing Melissa Loosemoore)
Jayne Jardine
Jude Enright
Andy Prindiville
Ranjna Shiyani
Nick Cooper

Early Years PVI

Wioletta Burra

Councillors

Councillor Grahl, Cabinet Member for Children, Young People & Schools

Officers

Nigel Chapman, Corporate Director Children and Young People
Shirley Parks, Director, Education, Partnerships and Strategy
Ravinder Jassar, Deputy Director of Finance
Roxanna Glennon, Head of Inclusion
Folake Olufeko, Head of Finance
Kamaljit Kaur, Senior Finance Analyst
Abby Shinhmar (Governance Team)

1. Apologies for Absence and Membership

Apologies for absence was received from Mellisa Loosemoore (Headteacher) with Honor Beck attending as a substitute representative.

Following completion of the recruitment process undertaken to fill existing vacancies on the Forum, the Chair took the opportunity to formally welcome Ilana Myers as a new Primary (Maintained School) Governor representative. It was noted that vacancies remained for the following positions, on which a further recruitment process would be undertaken later in the year:

- Academy Secondary Governor x 2

- Maintained Primary Governor
- Maintained Primary Headteacher
- Maintained Secondary Headteacher
- Academy Primary Headteacher

2. **Declarations of Interest**

None.

3. **Deputations (if Any)**

None.

4. **Minutes of the previous meeting**

It was **RESOLVED** to approve the minutes of the previous meeting held on Wednesday 19 June 2024 as a correct record.

5. **Actions arising**

None.

6. **Dedicated Schools Grant Budget Monitoring Report 2024-25**

Folake Olufeko (Head of Finance, Brent Council) introduced a report, which provided an update on the projected financial position for the second quarter of the 2024-25 financial year. The position was reported against the budget set in consultation with the Schools Forum and submitted to the Department for Education (DfE) in the Section 251 budget return in June 2024. It also provided an update on schools' additional in-year grant allocations from the DfE with Appendix 1 of the report containing a detailed budget breakdown and forecast by funding blocks. The Forum noted the following key points as part of the update provided:

- As of the close of the 2023-24 financial year, the cumulative deficit stood at £13.2m. Due to rising demand for High Needs provision, coupled with the pressures on top-up funding allocations, the DSG budget was now projected to end the 2024-25 financial year with a slight increase to the cumulative deficit, forecast at £13.5m.
- The DSG forecast was reflecting a deficit of £0.3m against grant funds of £235.9m for 2024-25, mainly due to pressures from the High Needs (HN) Block.
- The overall DSG allocation had decreased by £0.6m, from the position approved by Schools Forum, due to an in-year adjustment by the DfE in July 2024. The adjustment related to a £0.1m decrease in the HN Block funding for Brent children attending schools in other local authorities and £0.5m decrease in the Early Years Block following the completion of the January 2024 census which saw a reduction in hours of childcare provision compared to the January 2023 census data. There was a 9.5% decrease in take-up of the two-year free entitlement in Brent and this was reflective of a 7% decrease in take-up nationally. This decrease was attributed to three factors including falling birth rate in recent years, the transition to universal credit from legacy benefits and income thresholds for the eligibility criteria remaining unchanged whilst average incomes have risen in recent years.

- In terms of the Schools Block, of the total £274.4m allocated by the DfE to Brent, £149.1m had been recouped and allocated directly to academies. £1.4m had been transferred to the HNB and £2.3m had been deducted for National Non-Domestic Business Rates to be paid by the DfE directly to the billing authority, leaving £121.6m directly allocated to Brent maintained schools and to fund centrally retained items, including the growth fund. This block was currently forecast to break even.
- In terms of the High Needs (HN) this totalled £77m (excluding the proportion allocated to academies) including a £1.4m transfer from the Schools Block. Place funding of £9.3m for academies had been recouped from the Block and allocated to Special Academy providers with a £0.09m in year adjustment by the DfE in July 2024 to decrease the HN funding for Brent children attending schools in other local authorities. Although the HN Block allocation had increased by £2.8m in 2024/25 (£6.9m in 2023-24), as in previous years, the number of children with EHCPs had also continued to rise. This growth in demand was recognised as a national and London trend but had not been supported by an increase in HN Block funding creating financial pressures. Between January 2024 and September 2024, there had been an 8% increase in children and young people with an EHCP, with the number increasing from 3508 to 3782 over this period representing a 12% increase when compared to September 2023.
- In noting the HN Block forecast detailed in Table 2 of the report, the Forum was advised that the £0.3m deficit against the HN Block was mainly due to an increase in the expected costs of out borough and in-borough academies and special schools' top up funding. Further details in relation to the forecast position were highlighted as follows:
 - The £0.4m forecast pressures against in-borough mainstream schools' (including academies) top up funding due to the introduction of a new Band 7 top up funding rate on which further details had been included under Agenda Item 7.
 - There was a further pressure of £0.3m against the education costs of children placed in independent and residential settings. This was partially mitigated by an additional forecast recoupment income of £0.1m to claim back the cost of children attending Brent schools placed by other boroughs.
 - £0.7m pressure against the cost of placing Brent children in schools out of borough. The post-16 budget was projecting a breakeven position, as it was difficult at this stage to accurately forecast the post-16 costs due to delays in various settings confirming their charges to the local authority. New pupils joining in the spring term also made it difficult to predict the forecast based on pupil numbers. As such, the forecast against the post-16 budget line was subject to change later in the financial year.
 - The above pressures were expected to be mitigated by a forecast underspend of £0.7m against SEN support services, including Education Otherwise/Awaiting Placement and a further forecast underspend against the SEN support budget due to slippage against the training budget earmarked for the graduated approach programme.
- Details on the HNBlock management plan could continue to be regularly reported to Schools Forum, which included longer-term actions to mitigate the deficit. A Task Group chaired by the Corporate Director of Children and Young People was coordinating and monitoring delivery of the Action Plan, which focussed on cost avoidance through managing demand, improving sufficiency of places and financial management on which the next update was due to presented at the February Schools Forum.

- In terms of the Early Years (EY) Block this had reduced by £0.5m following the completion of the January 2024 census. The census had shown an increase in take-up of the 3-and 4-year-old entitlement and a reduction in take-up 2-year-old entitlements with a clawback of £28.5k from the initial supplementary funding allocation for maintained nursery schools. To support these settings, the local authority was not proposing to recover this clawback from its Maintained Nurseries for this financial year. At this stage, the Forum was advised, the forecast for the EY Block indicated a break even position although this position was likely to change over the next two quarters, as children moved on from early years' settings and new take-up hours were confirmed from September 2024 and in the Spring term from January 2025.
- The Central Block of the DSG (£2.1m), including a set contribution towards pension strain costs for former school employees of £0.3m, was currently forecast to break even.
- In terms of DSG funding for 2025-26, the autumn 2024 budget announced that core schools funding would increase by £2.3b in 2025-26 with £1b of this to be allocated to support work to reform the system for pupils with special educational needs. The Forum was advised it was not clear at this stage how the funding would be distributed at local authority level and between the DSG Blocks. An announcement on the 2025-26 Schools Block DSG allocations was expected in December 2024 with the Council continuing to set a local funding formula (LFF) for mainstream schools in 2025-26 in line with the move of the funding factor rates closer towards the National Funding Formula (NFF) factors. The Treasury had advised that funding would be provided to assist schools cover the increase of 1.2% in Employers' National Insurance contributions, although final details were not due to be confirmed until spring 2025.
- In relation to the Core School Budget Grant (CSBG) for 2024-25 the DfE had announced almost £1.1b of funding to support schools with their overall costs in the 2024-25 financial year, including confirmation of the 2024 Teachers' Pay Award. The indicative grant allocation for Brent mainstream schools (excluding Special Schools) in 2024/25 was £2.56m and special schools would be funded at £703.05 per place. The funding for mainstream primary, secondary and all through schools would be incorporated into core budget allocations for 2025-26, through the schools NFF for 2025-26. Funding for Centrally Employed Teachers would be rolled into the Central Schools Services Block funding for 2025-26.
- The 2024-25 mainstream base funding rates, as detailed in section 11.2 of the report.
- The update on previous Action Points agreed by the Forum, as detailed in section 12 of the report relating to the Delivering Better Value (DBV) in Brent Programme, and update on the DSG Deficit Management Plan and agreed banding arrangements for Special Schools.

The Chair thanked Folake Olufeko for the update provided and welcomed any questions from the Forum, with the following noted:

- Nigel Chapman (Corporate Director Children & Young People. Brent Council) took the opportunity to highlight the national pressure on High Needs with the funding received by Brent recognised as marginal when compared to other local authorities and levels received in previous years. Whilst the overall HN Block deficit remained, Brent was managing to contain cost pressures through the targeted actions with its HN Deficit Management Plan although given the ongoing

pressures identified in relation to ongoing funding the forecast deficit was expected to remain challenging to address.

- In response to further details sought on how it was anticipated the government would distribute additional funding support in relation to the increase in Employer National Insurance Contributions to each school, it was clarified that the expectation was for the DfE to use the schools' workforce data included in census returns to the DfE. Additionally, the government would shortly be publishing a Policy Statement with the MHCLG (Ministry of Housing, Communities and Local Government) expected to provide further clarify around the funding position. In response to a query on how schools are funded for placements from out of borough, it was confirmed that the local authority allocates direct payments to schools and recoups funds from other local authorities on behalf of schools.

As no further questions or comments were raised the Forum **RESOLVED** to note the report and update provided.

7. **SEND Resource Allocation System**

Shirley Parks, Director, Education, Partnerships and Strategy introduced a report providing an update on the consultation process agreed by the Forum on 19 June 24 proposing a banding SEND Resource Allocation System (RAS) designed to move away from the current hours led system to a needs-led, provision-based approach for mainstream schools and Additional Resource Provisions (ARPs), early years settings and post-16 settings. Following consultation, the report detailed the proposed changes to the way that Brent would allocate resources for children and young people with Education, Health and Care Plans (EHCPs) for children aged 0-25 in mainstream schools and post-16 colleges with the following key points highlighted as part of the update provided:

- Consultation had been undertaken during the autumn term with mainstream schools and post-16 colleges on the proposed RAS for mainstream schools and post-16 with further work being undertaken on application of the RAS for children in ARPs and Early Years. This paper therefore sets out.
- Currently, Brent allocated financial resources based on the number of hours of one-to-one teaching assistant (TA) support that a child was considered to need by the SEND Advisory Panel, in accordance with their EHCP. Brent was an outlier in allocating resources this way with the proposed SEND RAS designed to move Brent to a system of allocating resources to children with an EHCP based on an assessment of the child's level of need, as determined through the use of banding matrices applied to their EHCP at the SEND Advisory Panel. There was one banding matrix proposed for children aged 5-25 and another for children in early years aged 0-5. The RAS included 12 areas to support the assessment of the child's needs with each was scored according to the following ranking system - no additional support; some support; high level of support and exceptional level of support and the scores totalled and corresponding to a funding level.
- The new bands did not represent in themselves a change to the level of financial resources that children would receive (as detailed in Table 1 of the report) with the proposed banding matrices developed as part of Brent's engagement with the Department for Education's (DfE) 'Delivering better Value' (DBV) programme and matrices co-produced with members of Brent Parent Carer Forum (BPCF), representatives from Brent early years (EY), primary and secondary providers and relevant professionals within the Inclusion Service (Educational Psychology,

Early Years Inclusion and SEND 0-25 teams), as well as the Schools Forum High Needs Block Working Group and the Early Years Working Group. The only financial changes proposed included – a rounding of amounts attached to each band and the introduction of a higher Band 7 funding intended for children in mainstream school whose EHCP stated that special school would be an appropriate setting.

- The details provided on the consultation process undertaken (as set out in section 3.2 of the report) and level of feedback provided in response. In terms of qualitative data, overall respondents had supported the move away from resources being allocated in terms of 1:1 TA hours and towards a needs-based system (which represented the central question of the consultation). Respondents commented that the proposed new system of resource allocation would be clearer and more consistent, although, one respondent had expressed concern that parents may be made anxious by the move away from 1:1 TA hours and that this proposed change must be communicated carefully. Participants had commented positively on the implementation of Band 7 funding for children in mainstream awaiting a place in special school. Two respondents had requested more information and training on the matrix (should it be implemented), especially for SENDCOs with concern also expressed in 3 of the 16 responses that the proposals would not solve the issue of high needs funding failing to match the cost of meeting the needs of some children with SEND.
- Based on the responses received, officers were therefore recommending that Schools Forum approve implementation of the proposed new resource allocation process for children with an EHCP in mainstream schools with the new process to be implemented from 1 December 2024, applied initially to new plans and at phase transfer annual reviews and the aim for all Brent EHCPs to have been placed onto the new bands by September 2025.

The Chair thanked Shirley Parks for the update provided and then invited comments on the presentation and proposed way forward, with the following issues covered:

- It was confirmed that modelling had been in order to assess the impact of changes on a sample of primary and secondary schools which had informed the banding rates, alongside benchmarking information on funding allocated to children with SEND in mainstream schools and post-16 provisions. This had shown that Brent would be broadly in line with other neighbouring authorities for school-age children.
- The support expressed for the proposed changes and move away from the current hours led system to a needs-led, provision-based approach.
- Members were grateful for the consultation and asked whether learning had also been gained from other boroughs. In response, officers advised that consultation had been undertaken with other local authorities which had identified issues when trying to model on an electronic system. The aim introducing the proposals had been to start slowly and accurately whilst staff were undergoing training and working with SENCOs to get it right. Additional feedback provided by parents had identified a need for careful consideration of the language supporting introduction of the proposals to be used, which would be picked up moving forward.
- Consultation on Additional Resource Provisions (ARP) and Early Years (EY) funding was now anticipated to commence January 2025, which would be informed by modelling of the impact of proposed rates and benchmarking

information. This had been delayed by a decision, since the report to Schools Forum in June 2024, to remodel some of the initial DBV data set assumptions given the changing needs profile of children placed in ARPs and in the presenting needs in early years cohorts. Further analysis was aimed at ensuring need was not underestimated to ensure that appropriate funding was allocated.

With no further comments raised, and in view of the support expressed the Schools Forum **RESOLVED:**

- (1) To approve the introduction of a Resource Allocation System for all children and young people with an EHCP in mainstream schools and settings.
- (2) To approve that the Local Authority and mainstream schools and settings work in partnership to implement the Resource Allocation System for all children and young people commencing with new EHCPs from December 2024.
- (3) To note that a report on the adoption of the Resource Allocation System for ARPs and Early Years settings would be brought to a future meeting following consultation in the new year.

8. **Any Other Urgent Business**

No items were raised for consideration at the meeting.

9. **Dates of Future Meetings**

To note the remainder of the schedule of dates for 2024 - 25 as follows:


- Monday 27 January 2025 at 6pm via Zoom
- Thursday 13 February 2025 at 6pm via Zoom

It was noted that the additional meeting scheduled (if required) for Tuesday 10 December 2024 would not need to take place.

The meeting closed at 6:46pm.

M Heiser
Chair

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 Brent	Schools Forum 27 January 2025
Report from the Corporate Director of Children and Young People	
Dedicated Schools Grant Schools Budget 2025/26	

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	N/A
List of Appendices:	Two: Appendix A: 2025/26 Brent Local Funding Formula Rates Appendix B: School Level Allocations 2025/26
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Folake Olufeko Head of Finance – CYP 0208 937 2179 Email: Folake.Olufeko@brent.gov.uk Kamaljit Kaur Senior Finance Analyst – CYP Email: Kamaljit.Kaur@brent.gov.uk

1.0 Executive Summary

- 1.1. This report sets out the proposed DSG Schools Budget for 2025/26 for consultation and agreement by Schools Forum ahead of the Council budget being set and approved by Full Council in February 2025.
- 1.2. Due to the timing of the general election in 2024, the provisional DSG allocations for the 2025/26 financial year were not published by the Department for Education (DfE) at the usual time. The final DSG block funding allocations were announced on 18 December 2024. This report gives an update on the Schools Block allocations which include the growth funding allocation for 2025/26.

2.0 Recommendation(s)

- 2.1 Schools Forum is asked to:

- a. Agree the transfer of (0.5%) £1.48m from the Schools Block to support the High Needs Block. Department for Education (DfE) regulations permit up to 0.5% of the Schools Block funding can be transferred with Forum approval.
 - b. Endorse the 2025/26 budget for the DSG Blocks, including the mainstream funding formula, to Full Council for approval in February 2025.
 - c. Approve 2025/26 growth fund, in line with DfE's mandatory requirements for the treatment of the growth fund allocation.
- 2.2 Maintained school members of the Schools Forum are requested to approve the proposed de-delegation arrangements set out within this report.

3.0 Contribution to Borough Plan

- 3.1 This report aligns with the Council's Borough Plan, which focuses on giving children and young people the best start in life. This is achieved by collaborating with schools and other partners to ensure fair and equal access to education.

4.0 2025/26 DSG Funding Announcements

In July 2024 the DfE announced almost £1.1bn through the Core Schools Budget Grant (CSBG) to support schools with their overall costs in the 2024/25 financial year, in particular following confirmation of the 2024 teachers' pay award. The indicative grant allocation for Brent mainstream schools (excluding Special Schools) in 2024/25 was £2.56m. This grant has now been rolled into the National Funding Formula (NFF) and included in the baselines of 2025/26 Schools Block allocations.

- 4.1 Along with the CSBG, the teachers' pay additional grant (TPAG) and teachers' pension employer contribution grant (TPECG) have also been rolled into the Schools NFF for 2025/26. All 3 grants have been rolled in by adding cash amounts to different factors used to distribute the grants including, Free School Meals (FSM) and the Minimum Per Pupil level (MPPL) factors.

5.0 2025/26 DSG Funding Blocks

5.1 Table 1 – 2025/26 Brent DSG Funding Allocations

Brent NFF Allocation 2025/26	Schools Block	High Needs Block	Central Schools Service Block	Early Years Block	Total
	£'000	£'000	£'000	£'000	£'000
2024/25	274,404	85,007	2,125	34,350	395,886
2025/26	298,181	90,325	2,445	41,442	432,394
Increase	23,777	5,318	320	7,092	36,508
% Change	8.7%	6.3%	15.1%	20.6%	9.2%
*Other grants included in 2025/26 allocations (TPAG, TPECG, CSBG)	19,223		396		19,619
Increase/(decrease) excluding other grants	4,554	5,318	(75)	7,092	16,889
% Change excluding other grants	1.7%	6.3%	(3.5%)	20.6%	4.3%

5.2 Brent is set to receive a total DSG funding allocation of £432m in 2025/26 compared to £396m in 2024/25. This represents an overall increase of £36m.

5.3 The growth funding allocation has increased to £1.8m compared to £1.2m in 2024/25. This allocation is based on the difference between the number of pupils on roll in each school between the October 2023 and October 2024 school censuses. This growth funding allocation is included in the overall Schools Block funding for 2025/26 as shown in Table 1 above.

5.4 The final High Needs Block (HNB) allocation has been announced as £90.3m. This is £5.3m more than the allocation for 2024/25 and represents a funding increase of 6.3%.

5.5 The 2024/25 HNB expenditure budget, excluding the proportion allocated for Brent children placed in other local authorities is £77.4m, including £1.4m transfer from the Schools block. The budget is currently forecast to spend £77.7m. The number of children with Education, Health and Care plans (EHCPs) continues to increase. Therefore, in addition to measures outlined in the DSG deficit recovery plan, it is recommended that there is a transfer of 0.5% from the Schools Block to the HNB to mitigate the growing demand. This equates to a transfer of £1.5m, which would bring the total 2025/26 HNB budget to £91.8m and a net budget of £82.3m after deductions for allocations to other local authorities.

5.6 The 6.3% increase in funding in 2025/26 is considerably less than the 12% increase seen in EHCPs. from September 2023 to September 2024. and will not contribute towards the projected cumulative DSG deficit of £13.5m. It would, however, contribute towards funding any further additional pressures due to

continued increases in the number of ECHPs. A detailed breakdown of the HNB budget will be presented to Schools Forum in February 2025.

- 5.7 The government plans to continue the expanded roll out of funded childcare hours for parents of children from 9-months-old, up to 3- and 4-year-olds. Brent's allocation of the Early Years' grant for 2025/26 is £41.4m and this represents an increase of £7.1m (21%) compared to the last financial year, with the most significant changes reflected against the 2-year-old working parents' entitlement which will increase by £1.9m ((58%) and under 2-year-old working parent entitlement set to increase by £4.2m (128%) based on the expansion of hours to 30-hours from September 2025. Brent's rates for the new financial year will rise to £13.32 for under 2s, £9.77 for two-year-olds and £6.80 for 3-and 4-year-olds. Funding for Brent's Maintained Nursery Supplementary Grant is set to increase by 13% to £1m at a rate of £7.08 per hour.
- 5.8 In 2025/26, the Central Schools Services Block (CSSB) will increase nationally by an average of 1.85% for ongoing responsibilities that local authorities continue to have for all schools, while those local authorities in receipt of funding for historic commitments within this block will see a 20% decrease compared to 2024/25 allocations. The overall impact for Brent is a 20% increase in the per pupil rate of funding for ongoing responsibilities, and a 20% reduction against the historic commitment which currently relates to a pensions strain contribution to the Council's central budgets. As a result, the amount to be transferred to the centralised budgets towards this pension cost will be reduced accordingly.
- 5.9 In 2025/26, funding for the CSSB will incorporate allocations that were provided separately in 2024/25 for increased copyright license costs, TPECG, and CSBG for centrally employed teachers. Excluding these grants, which are now part of the 2025/26 baseline, the allocation reflects a 1% reduction in funding for ongoing responsibilities compared to 2024/25 and an overall reduction of 3.5%.

6.0 Schools Block Expenditure – Mainstream Funding Formula

6.1 Table 2 – Individual Schools Block funding

Details	£
2025/26 DSG allocation	298.18
2025/26 NFF funded NNDR	(2.67)
DSG schools block after deduction of 2025/26 NFF funded NNDR	295.51
Less transfer to HN Block	(1.48)
	294.03
Less growth fund	(0.78)
	293.25
Less De-delegation	(0.79)
Less Education services	(0.52)
Post De-delegation and Education functions budget after deduction of 2025/26 NFF NNDR allocation	291.94

- 6.2 As shown in Table 2 above, the mainstream funding formula for 2025/26 is £298.2m. This includes £2.7m of the Schools Block funding which has been clawed back by the DfE to pay for Non-Domestic Business Rates directly to billing authorities on behalf of schools. £0.78m has been excluded for the growth fund with £1.48m proposed to be transferred to the HN Block. The allocation has been reduced by £0.79m for de-delegated funds and £0.52m retained by the council as a contribution towards fulfilling education services including school improvement services. This leaves £291.9m to be transferred to schools.
- 6.3 As was agreed at previous Schools Forums, the DSG contribution to central services to fund education functions remains £0.360m, from maintained schools only.
- 6.4 In line with the Schools Forum approval to de-delegate £0.159m from the schools' budgets for school improvement services in January 2024, it is proposed to retain this level of funding for the 2025/26 financial year. The local authority will continue to supplement the cost of the provision of school improvement services to schools, by contributing an additional £0.59m to support the functions of the Setting and School Effectiveness Service.
- 6.5 This allocation of £0.159m plus the on-going £0.360m totals the £0.519m budget for education services as shown in Table 2 above.

7.0 De-Delegations

- 7.1 Agreement to de-delegate is sought on the basis that centralised budgets provide better value, and that maintained schools have open access to the services listed in the table below. Maintained school representatives are required to take a decision for their own school phase on each service on whether to de-delegate. The table below sets out the proposed de-delegated services.

7.2 Table 3 – De-delegated items

	2024/25		2025/26	
Primary Pupil Numbers	18,554		17,555	
Secondary Pupil Numbers	1,873		1,996	
Total Maintained pupils	20,427		19,551	
	Rate per pupil (£)	Amount (£)	Rate per pupil (£)	Amount (£)
Contingencies- Schools in Financial Difficulty	8.59	175,400	8.97	175,400
Contingencies- Redundancy funding	14.69	300,000	15.34	300,000
Free School Meals eligibility service	1.22	25,000	1.28	25,000
Licences/ Subscriptions	0.32	6,500	0.33	6,500
Staff costs - Maternity & paternity supply cover	10.92	223,000	11.41	223,000
Staff costs - Trade union facilities	2.94	60,000	3.07	60,000
Total De-delegated items	789,900		789,900	

Contingencies

- 7.3 The number of Brent schools experiencing difficulties in 2024/25 has increased with 20% (13% in 2024/25) projecting an in-year deficit. 33% (39% in 2024/25) of these schools' plan to use over 50% of reserves to balance their budgets in 2024/25. It is therefore proposed to continue to de-delegate funds to support schools in financial difficulty. There is a £0.38 increase in the proposed rate for 2025/26 at £8.97, due to reduced number of pupils, to allocate £0.175m.

Schools Forum agreed in January 2024 that if in exceptional circumstances school redundancies are eligible to be funded centrally then these will need to be found from within wider DSG funding. It was agreed that redundancies should be funded from the Schools Facing Financial Difficulties Fund (SFFDF). It is proposed to retain this allocation of £0.3m. There is a £0.65 increase in the proposed rate for 2025/26 at £15.34 per pupil for centrally funded redundancies, where schools are eligible for funding.

Free School Meals eligibility

- 7.4 The per pupil rates (£1.28) increase of £0.06 from last the financial year is mainly due to a fall in pupil numbers. This is required to maintain the Free School Meals eligibility service at a cost of £25k.

Licences and Subscriptions

- 7.5 This covers the cost of two licences which the local authority pays for on behalf of schools. These are the British Pathe and CLEAPPS which is an advisory service that provides support in science and technology for a consortium of local authorities and their schools. It is proposed to retain this allocation at £6.5k in line with the actual cost in 2024/25.

Staff costs

- 7.6 This covers schools' costs for maternity and paternity supply cover and Trade Union services. The net cost of centrally employing union representatives is estimated at £60k with £0.23m earmarked for maternity and paternity supply cover, in line with the current forecast for 2024/25. This equates to de-delegation rates of £3.07 and £11.41 per pupil respectively.

8.0 Growth Fund

- 8.1 The current growth budget funds growth in pupil numbers, as well as the Choice Advice and Fair Access Interview (CAFAl) projects for children who have newly arrived in the UK and require additional educational support.
- 8.2 Since 2024/25 local authorities need 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).
- 8.3 The growth fund can only be used to:
- support growth in pre-16 pupil numbers to meet basic need.
 - support additional classes needed to meet the infant class size regulation.
 - meet the revenue cost of new schools.
 - meet revenue costs, for schools, of removing or repurposing surplus places.

The growth fund must not be used to support:

- schools in financial difficulty; any such support for maintained schools should be provided from a de-delegated contingency.
 - general growth due to popularity; this is managed through lagged funding. This includes cases where academies have admitted above pupil admission numbers (PAN) by their own choice.
- 8.4 As a minimum local authorities will have to provide funding to a level which is compliant with the following formula;

$$\text{secondary growth factor value (£2,350)} \times \text{number of pupil} \times {}^1\text{ACA}$$

For Brent, the secondary growth factor value of £2,691 will be used for all school types, recognising there is one teacher pay scale and that this funding is a minimum value.

- 8.5 The Schools Forum is asked to agree to set aside a growth budget of £0.782m made up of £0.242m to provide extra classes to meet basic need for the pupils on the waiting list and £0.540m for the current CAFAl arrangements with 3 schools to continue to meet the local authority's requirement to meet basic need for children who have newly arrived in the UK and require additional educational support.

9.0 Falling Rolls

- 9.1 Where local authorities operate a fund, they will only be able to provide funding where school capacity data (SCAP) shows that school places will be required in 2025 to 2026 and/or the subsequent 2 years (this is a mandatory requirement). A review of Brent's SCAP demonstrates that fallings rolls are projected for 2025/26 and the next 2 years, for the schools experiencing falling rolls and therefore, eligibility for this funding does not apply for the next financial year.

10.0 Funding Formula Rates

- 10.1 The government is taking a gradual approach to transitioning the local formulae progressively closer to the NFF over time. 2023/24 was the first year of that compulsory, gradual process. A fixed target date by which the direct NFF will be in place has not been set, although the expectation is a move to the direct NFF by the 2027/28 funding year at the latest.
- 10.2 The DfE has provided the 2025/26 factor values including an Area Cost Adjustment (ACA) for Brent. Minimum and maximum allowable rates have also been included so local authorities must either move towards the NFF within the allowable rates or use the actual NFF rates. In line with this requirement, Appendix A provides information on the proposed funding factor rates used in setting the 2025/26 Schools budgets.
- 10.3 To allocate the maximum amount of the Schools Block funding to schools via the funding formula factors, and to make use of the increased funding available in 2025/26 to cushion the impact of the transition, the local funding formula factors used to set the budgets for 2025/26 have been applied as follows:
- (a) In line with the results of the local authority's consultation with schools on the implementation of the direct NFF and as prescribed by the DfE, implement the compulsory 10% move, and narrow the gap for Primary and Secondary lump sums as these factor rates were significantly higher than the NFF.
 - (b) To set all Age-Weighted Pupil Unit (AWPU), Primary and FSM ever6, Primary IDACI bands A and D, Secondary IDACI bands A to E, Secondary Low Prior Attainment (LPA), Primary and Secondary Mobility factors at the NFF rate.
 - (c) To set the DfE's compulsory split site rates at the NFF rates.
 - (d) To utilise the remaining funds after allocating all other factors to move the Primary and Secondary FSM and Primary and Secondary Additional Language (AEL) factors are at the NFF rates.
- 10.4 The change in formula rates primarily allocates 25% of the additional pupil led funding through AWPU for all Primary and Secondary schools and targets

schools with high deprivation via FSM as well as schools with a high number of pupils with EAL across both phases.

- 10.5 The Minimum Funding Guarantee (MFG) threshold range for 2025/26 is between (0.5%) and 0.0%. The MFG has been set at the maximum allowable rate of 0%. This means that the per pupil funding rates will increase by this proportion. Under these proposals 30 out of 76 schools require an MFG allocation, and this totals £1.82m. This adjustment is included in the overall post de-delegations and education functions budget as shown in Appendix B.
- 10.6 Appendix B contains an analysis of the funding formula by individual school, giving both the total formula funding and per pupil funding against the previous year. It should be noted that changes in individual school funding are also caused by changes to the pupil cohort data for that school, for example, the number of pupils attracting the low prior attainment funding factor will change from year to year, so changes in funding are not solely driven by increases or decreases to pupil numbers.
- 10.7 21 schools are set to see reductions in overall budget share allocations in 2025/26 and this is mainly due to falling rolls ranging from 2% to 19% drop in pupil numbers.

11.0 Update on split site funding

- 11.1 Following the [Implementing the direct national funding formula – government consultation](#) which concluded in September 2022, the DfE announced that from 2024/25, there will be a standardised formula to calculate the funding for schools with split sites in order to ensure consistency across all local authorities.
- 11.2 The DfE has developed a split sites factor which recognises costs through a basic eligibility criteria that attracts a lump-sum payment of £62k, and a distance 600m eligibility criteria that attracts an additional lump-sum payment of up to £31k.
- 11.3 The table below sets out the split sites funding allocations for 2025/26 for schools that meet the new criteria.

11.4 Table 4 – Brents Schools’ Split Site funding for 2025/26

School	DfE’s distance to second site (metres)	Basic eligibility	Distance factor	Total 2025/26 allocation	Total 2024/25 allocation
		£	£	£	£
Alperton	670	61,834	30,915	92,749	92,487
Islamia	112	61,834	922	62,756	62,570
Kingsbury High	600	61,834	30,915	92,749	92,487
Leopold	1730	61,834	30,915	92,749	92,487

13.0 Stakeholder and ward member consultation and engagement

13.1 This paper enables consultation with members of Brent’s Schools Forum. The recommendations include a requirement for the endorsement of the DSG 2025/26 budgets for approval at full council in February 2025.

14.0 Financial Considerations

14.1 The financial implications have been detailed in the body of this paper.

15.0 Legal Considerations

15.1 This report has been drafted with due consideration of the School and Early Years Finance (England) Regulations 2024.

16.0 Equity, Diversity & Inclusion (EDI) Considerations

16.1 Not applicable.

17.0 Climate Change and Environmental Considerations

17.1 Not applicable.

18.0 Human Resources/Property Considerations (if appropriate)

18.1 Not applicable.

19.0 Communication Considerations

19.1 All School Forum papers are published, and all schools will have access to them. The final 2025/26 Schools’ budget allocations school will be published on Best Brent by February 2025.

Related documents for reference:

Prior Financial reports to Schools Forum

Report sign off:

Nigel Chapman

Corporate Director of Children and Young People

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Appendix A - Brent 2025-26 Local Funding Formula Rates

Pupil Led Factors	2024-25 LFF	2024-25 LFF rates including in-year grants	2025-26 NFF including ACA	Brent LFF 10% towards NFF	2025-26 Proposed LFF within allowable rates	Change in LFF compared to 2024-25	% Change in LFF compared to 2024-25	2024-25 Units (Oct 23)	2024-25 Units (Oct 24)	Diff. in no of units	Total Funding 2024-25 £	Total Funding 2025-26 £
	£	£	£	£	£	£	£	No.	No.	No.	£	£
Primary basic entitlement	4,087	4,321	4,405	4,329	4,405	84	2.0%	25,017	24,945	(72)	108,089,046	109,884,721
KS3 basic entitlement	5,763	6,028	6,209	6,046	6,209	181	3.0%	10,040	10,136	96	60,520,564	62,930,066
KS4 basic entitlement	6,496	6,775	7,000	6,798	7,000	225	3.3%	6,645	6,736	91	45,021,100	47,150,720
Primary FSM	412	412	567	428	567	154	37.4%	5,278	5,632	354	2,176,542	3,192,274
Secondary FSM	412	412	567	428	567	154	37.4%	3,593	4,285	692	1,481,698	2,428,781
Primary FSM6	941	1,011	1,214	1,031	1,214	203	20.1%	5,516	5,849	333	5,576,310	7,099,341
Secondary FSM6	1,377	1,477	1,781	1,507	1,781	304	20.6%	4,324	4,693	369	6,386,932	8,356,262
Primary IDACI F	359	359	269	350	269	(90)	-25.1%	4,066	3,961	(105)	1,460,506	1,065,930
Primary IDACI E	379	379	326	374	326	(53)	-13.9%	4,163	4,272	108	1,577,144	1,393,978
Primary IDACI D	511	511	510	511	510	(1)	-0.2%	2,359	2,269	(90)	1,204,351	1,156,205
Primary IDACI C	641	641	561	633	561	(80)	-12.5%	1,316	1,298	(18)	844,140	728,426
Primary IDACI B	906	906	595	874	595	(310)	-34.2%	195	213	18	176,657	126,887
Primary IDACI A	780	780	784	781	784	4	0.5%	3	7	4	2,343	5,547
Secondary IDACI F	407	407	389	405	389	(18)	-4.4%	2,372	2,443	71	965,622	951,269
Secondary IDACI E	516	516	515	516	515	(1)	-0.2%	2,431	2,391	(40)	1,255,235	1,231,944
Secondary IDACI D	723	723	727	723	727	4	0.6%	1,406	1,368	(38)	1,016,185	994,709
Secondary IDACI C	792	792	796	792	796	4	0.5%	636	629	(7)	503,409	500,281
Secondary IDACI B	849	849	853	850	853	4	0.5%	123	122	(1)	104,629	104,169
Secondary IDACI A	1,084	1,084	1,088	1,085	1,088	3	0.3%	3	4	1	3,254	4,354
Primary EAL	604	604	681	612	681	77	12.8%	9,928	9,655	(274)	5,999,062	6,577,828
Secondary EAL	1,213	1,213	1,826	1,275	1,678	464	38.3%	1,574	1,638	65	1,909,172	2,748,726
Primary LPA	1,382	1,382	1,345	1,379	1,345	(37)	-2.7%	7,794	7,938	143	10,774,608	10,679,731
Secondary LPA	2,037	2,037	2,044	2,037	2,044	7	0.4%	3,602	3,579	(22)	7,336,023	7,316,283
Primary mobility	1,102	1,102	1,105	1,102	1,105	3	0.3%	679	642	(37)	747,929	709,304
Secondary mobility	1,584	1,584	1,586	1,584	1,586	2	0.2%	395	418	23	625,856	662,915
Total Pupil Led Funding											265,758,315	278,000,648
School led factors											0	0
Primary lump sum	169,710	172,610	166,150	171,964	171,964	(646)	-0.4%	60	60	0.00	10,356,600	10,317,838
Secondary lump sum	169,710	172,610	166,150	171,964	171,964	(646)	-0.4%	16	16	0.00	2,761,760	2,751,423
Primary sparsity	65,521	65,521	65,727	65,542	65,727	206	0.3%	n/a	n/a			
Secondary sparsity	95,241	95,241	95,499	95,267	95,499	258	0.3%	n/a	n/a			
Middle-school sparsity	95,241	95,241	95,499	95,267	95,499	258	0.3%	n/a	n/a			
All-through sparsity	95,241	95,241	95,499	95,267	95,499	258	0.3%	n/a	n/a			
Split sites basic eligibility funding	61,620	61,620	61,834	61,641	61,834	214	0.3%	NFF mandatory	NFF mandatory		340,031	341,033
Split sites distance funding	30,867	30,867	30,917	30,872	30,915	48	0.2%	NFF mandatory	NFF mandatory			
Business Rates											2,312,798	2,669,016
Growth funding											656,000.00	782,224.50
MFG											2,129,130	1,841,434.93
0.5% Transfer to the HN Block											1,360,457.00	1,477,560.81
Total School led funding 2025-26											19,916,776	20,180,530
2025-26 Total DSG Funding Allocation											285,675,091	298,181,178

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Appendix B - School Level Allocations 2025-26


(2024/25 is inclusive of the mainstream schools additional grants (CSBG, TPEGG & TPAG))

School	2024-25						2025-26				Change				
	NOR	Post De-delegation and Education functions budget (after NNDR deductions) £	2024/25 Additional Grants £	Total inclusive of Additional Grants £	Per Pupil £	MFG Adjustment (included in post de-delegations budget) £	NOR	Post De-delegation and Education and Education functions budget (after NNDR deductions) £	Per Pupil £	MFG Adjustment (included in post de-delegations budget) £	Increase/(Decrease) in pupil Nos.	Increase/(Decrease) in funding £	% Increase/(Decrease) in funding	Increase/(Decrease) in rate £	% Increase/(Decrease) in per pupil rate
Anson Primary School	361	2,172,705	120,071	2,292,776	6,351	0	363	2,332,658	6,426	1,236	2	39,881	2%	75	1%
Brentfield Primary School	352	2,251,915	124,990	2,376,905	6,753	0	387	2,654,232	6,858	0	35	277,327	12%	106	2%
Harris Primary Academy South Kenton	858	4,423,286	240,463	4,663,749	5,436	0	739	4,206,791	5,693	0	(119)	(456,958)	-10%	257	5%
Carlton Vale Infant School	59	533,320	27,275	560,595	9,502	14,372	48	497,794	10,371	0	(11)	(62,801)	-11%	869	9%
Harlesden Primary School	274	1,830,140	104,631	1,934,771	7,061	0	290	2,081,236	7,177	0	16	146,465	8%	115	2%
Mount Stewart Junior School	324	1,675,557	94,416	1,769,973	5,463	18,844	355	1,946,617	5,483	7,474	31	176,645	10%	21	0%
Mount Stewart Infant School	260	1,464,697	75,631	1,540,328	5,924	18,976	254	1,525,859	6,007	22,876	(6)	(14,469)	-1%	83	1%
Uxendon Manor Primary School	630	3,239,507	180,179	3,419,686	5,428	24,543	632	3,471,763	5,493	74,645	2	52,077	2%	65	1%
Kingsbury Green Primary School	554	3,076,457	170,477	3,246,934	5,861	0	547	3,284,097	6,004	0	(7)	37,163	1%	143	2%
Leopold Primary School	579	3,602,010	193,416	3,795,426	6,555	99,793	528	3,525,380	6,677	28,862	(51)	(270,046)	-7%	122	2%
Lyon Park Primary School	816	4,308,305	223,360	4,531,665	5,554	0	834	4,789,731	5,743	0	18	258,066	6%	190	3%
Malore Infant School	170	1,079,521	55,699	1,135,220	6,678	75,414	160	1,091,906	6,824	66,449	(10)	(43,314)	-4%	147	2%
North New Junior and Infant School	202	1,316,841	75,600	1,392,441	6,893	0	204	1,441,158	7,065	0	2	48,717	3%	171	2%
Park Lane Primary School	420	2,378,078	131,471	2,509,549	5,975	0	417	2,533,203	6,075	0	(3)	23,654	1%	100	2%
Preston Park Primary School	539	2,887,935	161,605	3,049,540	5,658	0	545	3,166,257	5,810	0	6	116,717	4%	152	3%
Roe Green Junior School	461	2,452,957	136,314	2,589,271	5,617	0	472	2,722,439	5,768	0	11	133,168	5%	151	3%
Roe Green Infant School	360	2,321,641	101,273	2,422,914	6,730	271,909	356	2,421,124	6,801	275,137	(4)	(1,790)	0%	71	1%
Barham Primary School	844	4,381,248	240,572	4,621,820	5,476	0	840	4,711,388	5,609	0	(4)	89,569	2%	133	2%
Wykeham Primary School	417	2,393,888	131,384	2,525,272	6,056	16,252	417	2,558,844	6,136	0	0	33,572	1%	81	1%
Elsley Primary School	749	4,342,280	225,256	4,567,536	6,098	0	776	4,848,673	6,248	0	27	281,137	6%	150	2%
Donnington Primary School	206	1,287,720	73,773	1,361,493	6,609	0	207	1,432,671	6,921	0	1	71,178	5%	312	5%
The Stonebridge School	271	1,741,483	98,835	1,840,318	6,791	0	319	2,281,963	7,153	0	48	441,645	24%	363	5%
Newfield Primary School	227	1,508,877	88,398	1,597,275	7,036	0	213	1,557,546	7,312	0	(14)	(39,729)	-2%	276	4%
Mitchell Brook Primary School	592	3,489,025	197,225	3,686,250	6,227	0	608	3,836,843	6,311	0	16	150,593	4%	84	1%
Chalkhill Primary School	413	2,478,163	136,447	2,614,610	6,331	0	413	2,679,086	6,487	0	0	64,476	2%	156	2%
Salisbury Primary School	601	3,273,686	180,979	3,454,665	5,748	0	601	3,499,553	5,823	0	0	44,888	1%	75	1%
Oliver Goldsmith Primary School	419	2,227,314	126,264	2,353,578	5,617	15,821	418	2,377,330	5,687	4,506	(1)	23,752	1%	70	1%
Mora Primary School	382	2,329,008	129,085	2,458,093	6,435	0	382	2,499,156	6,542	0	0	41,063	2%	107	2%
Fryent Primary School	655	3,604,888	198,398	3,803,286	5,807	21,617	650	3,821,901	5,880	28,800	(5)	18,615	0%	73	1%
Christ Church CofE Primary School	171	1,107,851	61,768	1,169,619	6,840	0	153	1,077,393	7,042	12,822	(18)	(92,226)	-8%	202	3%
John Keble CofE Primary School	372	2,339,096	126,211	2,465,307	6,627	0	363	2,439,048	6,719	32,811	(9)	(26,259)	-1%	92	1%
Princess Frederica CofE Primary School	400	2,080,648	112,775	2,193,423	5,484	67,808	414	2,290,932	5,534	56,144	14	97,510	4%	50	1%
St Mary's CofE Primary School	180	1,225,223	67,203	1,292,426	7,180	0	179	1,339,149	7,481	0	(1)	46,723	4%	301	4%
St Joseph's Catholic Junior School	275	1,486,046	82,656	1,568,702	5,704	2,182	276	1,604,302	5,813	0	1	35,600	2%	108	2%

School	2024-25						2025-26				Change				
	NOR	Post De-delegation and Education functions budget (after NNDR deductions) £	2024/25 Additional Grants £	Total inclusive of Additional Grants £	Per Pupil £	MFG Adjustment (included in post de-delegations budget) £	NOR	Post De-delegation and Education functions budget (after NNDR deductions) £	Per Pupil £	MFG Adjustment (included in post de-delegations budget) £	Increase/ (Decrease) in pupil Nos.	Increase/ (Decrease) in funding £	% Increase/ (Decrease) in funding	Increase/ (Decrease) in rate £	% Increase/ (Decrease) in per pupil rate
St Mary Magdalen's Catholic Junior School	267	1,536,948	89,545	1,626,493	6,092	0	245	1,531,947	6,253	0	(22)	(94,546)	-6%	161	3%
St Robert Southwell Catholic Primary School	420	2,169,549	121,116	2,290,665	5,454	5,046	418	2,308,501	5,523	5,600	(2)	17,836	1%	69	1%
Convent of Jesus and Mary RC Infant School	198	1,243,618	68,798	1,312,416	6,628	17,450	178	1,211,514	6,806	19,377	(20)	(100,902)	-8%	178	3%
Our Lady of Lourdes Catholic Primary School	197	1,291,072	72,653	1,363,725	6,922	0	193	1,356,273	7,027	2,443	(4)	(7,451)	-1%	105	2%
St Joseph's Catholic Infant School	207	1,297,051	62,368	1,359,419	6,567	43,929	207	1,373,756	6,637	32,558	0	14,338	1%	69	1%
Sinai Jewish Primary School	557	2,741,433	151,147	2,892,580	5,193	91,409	579	3,035,995	5,244	103,071	22	143,415	5%	50	1%
St Mary's RC Primary School	189	1,268,009	72,207	1,340,216	7,091	0	165	1,217,530	7,379	2,448	(24)	(122,686)	-9%	288	4%
Avigdor Hirsch Torah Temimah Primary School	174	997,192	53,008	1,050,200	6,036	0	169	1,036,804	6,135	5,717	(5)	(13,396)	-1%	99	2%
Wembley Primary School	829	4,541,097	247,398	4,788,495	5,776	0	819	4,859,252	5,933	0	(10)	70,756	1%	157	3%
Malorees Junior School	209	1,233,821	71,472	1,305,293	6,245	2,061	220	1,390,715	6,321	0	11	85,422	7%	76	1%
St Joseph's Roman Catholic Primary School	439	2,405,718	139,350	2,545,068	5,797	7,176	428	2,527,067	5,904	0	(11)	(18,001)	-1%	107	2%
The Kilburn Park School Foundation	59	507,894	29,216	537,110	9,104	0	60	554,138	9,236	0	1	17,028	3%	132	1%
Islamic Primary School	416	2,529,237	136,181	2,665,418	6,407	24,983	418	2,709,588	6,482	143,939	2	44,170	2%	75	1%
Ark Franklin Primary Academy	598	3,135,502	177,996	3,313,498	5,541	119,012	614	3,442,681	5,607	128,148	16	129,184	4%	66	1%
Gladstone Park Primary School	613	3,632,253	201,279	3,833,532	6,254	0	615	3,899,489	6,341	0	2	65,957	2%	87	1%
St Andrew and St Francis CoFE Primary School	389	2,375,166	132,832	2,507,998	6,447	0	398	2,634,267	6,619	0	9	126,268	5%	171	3%
Kilburn Grange School	206	1,435,097	83,050	1,518,147	7,370	46,499	202	1,512,112	7,486	0	(4)	(6,035)	0%	116	2%
East Lane Primary School	628	3,254,477	176,268	3,430,745	5,463	198,305	631	3,488,718	5,529	208,868	3	57,972	2%	66	1%
Braintcroft E-Act Primary Academy	628	3,877,354	208,411	4,085,765	6,506	0	615	4,053,612	6,591	4,332	(13)	(32,154)	-1%	85	1%
Furness Primary School	288	1,813,744	99,855	1,913,599	6,644	0	312	2,153,489	6,902	0	24	239,890	13%	258	4%
Sudbury Primary School	844	4,442,362	255,163	4,697,525	5,566	0	846	4,844,355	5,726	0	2	146,830	3%	160	3%
Our Lady of Grace Catholic Junior School	232	1,400,214	79,481	1,479,695	6,378	0	240	1,545,579	6,440	22,296	8	65,885	4%	62	1%
The Lady of Grace RC Infant and Nursery School	179	1,170,891	58,976	1,229,867	6,871	20,272	175	1,220,292	6,973	26,433	(4)	(9,575)	-1%	102	1%
St Margaret Clitherow RC Primary School	204	1,291,978	69,402	1,361,380	6,673	7,976	202	1,366,435	6,765	2,378	(2)	5,055	0%	91	1%
Oakington Manor Primary School	634	3,546,559	186,363	3,732,922	5,888	0	638	3,833,771	6,009	0	4	100,849	3%	121	2%
North West London Jewish Day School	187	1,090,524	55,755	1,146,279	6,130	49,259	178	1,112,092	6,248	54,544	(9)	(34,187)	-3%	118	2%
PRIMARY TOTAL	24,184	138,540,075	7,593,390	146,133,465		1,280,906	24,125	148,767,999		1,373,916	(59)	2,634,534	2%		
Michaela Community School	599	4,554,888	286,259	4,841,147	8,082	0	614	5,179,615	8,436	0	15	338,468	7%	354	4%
Ark Elvin Academy	1071	8,534,470	518,811	9,053,281	8,453	0	1073	9,270,940	8,640	0	2	217,658	2%	187	2%
North Brent School	186	1,464,292	0	1,464,292	7,873	0	311	2,586,004	8,315	0	125	1,121,712	77%	443	6%
Wembley High Technology College	1289	9,169,436	544,352	9,713,788	7,536	0	1288	9,875,944	7,668	0	(1)	162,156	2%	132	2%
Claremont High School	1381	9,667,626	582,815	10,250,441	7,422	74,690	1413	10,693,145	7,568	0	32	442,704	4%	145	2%
Kingsbury High School	1662	12,414,445	745,806	13,160,251	7,918	70,186	1649	13,403,737	8,128	0	(13)	243,487	2%	210	3%
Queens Park Community School	1088	7,971,499	483,451	8,454,950	7,771	0	1080	8,643,921	8,004	0	(8)	188,971	2%	233	3%
Saint Claudine's Catholic School for Girls	812	6,901,900	394,845	7,296,745	8,986	0	767	7,276,029	9,486	0	(45)	(20,716)	0%	500	6%
Alperton Community School	1634	12,190,876	711,408	12,902,284	7,896	257,541	1616	12,932,934	8,003	80,148	(18)	30,650	0%	107	1%
St Gregory's Catholic Science College	945	6,726,426	387,695	7,114,121	7,528	159,617	958	7,303,295	7,623	104,957	13	189,174	3%	95	1%

School	2024-25						2025-26				Change				
	NOR	Post De-delegation and Education functions budget (after NNDR deductions) £	2024/25 Additional Grants £	Total inclusive of Additional Grants £	Per Pupil £	MFG Adjustment (included in post de-delegations budget) £	NOR	Post De-delegation and Education functions budget (after NNDR deductions) £	Per Pupil £	MFG Adjustment (included in post de-delegations budget) £	Increase/(Decrease) in pupil Nos.	Increase/(Decrease) in funding £	% Increase/(Decrease) in funding	Increase/(Decrease) in rate £	% Increase/(Decrease) in per pupil rate
Harris Lowe Academy Willesden	913	7,433,547	467,417	7,900,964	8,654	0	935	8,403,580	8,988	0	22	502,616	6%	334	4%
E-Act Crest Academy	1,082	9,123,028	555,197	9,678,225	8,945	0	1,035	9,656,267	9,330	0	(47)	(21,958)	0%	385	4%
JFS	1409	9,531,332	545,445	10,076,777	7,152	286,188	1500	10,849,953	7,233	262,437	91	773,176	8%	82	1%
Newman Catholic College	464	4,013,665	227,431	4,241,096	9,140	0	496	4,820,024	9,718	0	32	578,928	14%	577	6%
SECONDARY TOTAL	14,535	109,697,431	6,450,932	116,148,363		848,223	14,735	120,895,389		447,541	200	4,747,026	4%		
Preston Manor School	1667	11,580,298	692,586	12,272,884	7,362	0	1649	12,575,799	7,626	0	(18)	302,915	2%	264	4%
Ark Academy	1316	8,948,266	555,498	9,503,764	7,222	0	1308	9,704,290	7,419	0	(8)	200,526	2%	197	3%
ALL THROUGH TOTAL	2,983	20,528,564	1,248,084	21,776,648		0	2,957	22,280,089		0	(26)	503,441	2%		
Total	41,702	268,766,069	15,292,406	284,058,475		2,129,130	41,817	291,943,477		1,821,457		7,885,001			

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	<p align="center">Schools Forum 27 January 2025</p>
	<p align="center">Report from the Corporate Director of Children and Young People</p>
<p align="center">Early Years National Funding Formula (EYNFF) 2025/26</p>	

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	N/A
List of Appendices:	None
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	<p>Folake Olufeko Head of Finance – CYP 0208 937 2179 Email: Folake.Olufeko@brent.gov.uk</p> <p>Kamaljit Kaur Senior Finance Analyst – CYP Email: Kamaljit.kaur@brent.gov.uk</p> <p>Sasi Srinivasan Early Years Manager Email: Sasi.Srinivasan@brent.gov.uk</p>

1.0 Executive Summary

- 1.1. This report seeks Schools Forum endorsement of the local EY Funding Formula for 2025/26, following the confirmation of the DSG Early Years' (EY) Block funding for Brent.
- 1.2. The 2025/26 EY Block funding for Brent is £41.4m, an increase of £7.1m from 2024/25 allocations.

2.0 Recommendations

- 2.1 The Schools Forum is asked to note the requirement for local authorities to have an additional support 2-year-old rate that is at least equal to the rate for 2-year-old children of working parents.

2.2 The Schools Forum is asked to endorse Brent's EY Funding Formula for 2025/26, as supported by the EY Funding Subgroup. The following updates have been applied to the Early Years National Funding Formula (EYNFF):

- a) A universal base rate for Brent providers for 3 and 4-year-old funding of £5.76 per hour. This represents a 6.7% increase of £0.36p from £5.39 in 2024/25.
- b) An allocation for deprivation supplement of 10% from the 3 and 4-year-old funding allocation and a discontinuation of the 2% quality supplement as agreed by the EY Subgroup of this forum.
- c) A base rate of £9.77 to pay Brent providers for the additional support (formerly known as the disadvantaged) 2-year-old entitlement. This represents a 2.4% increase of £0.23 from £9.54 in 2024/25.
- d) A base rate of £9.44 to pay Brent providers for the 2-year-old working parent entitlement. This represents a 0.3% increase of £0.03 from £9.41 in 2024/25.
- e) A base rate of £12.92 to pay Brent providers for children aged 9 months up to 2 years. This represents a 0.4% increase of £0.05 from £12.87 in 2024/25.
- f) A reduction from 5% to 4% centrally retained funding by the local authority from 3 and 4-year-old funding, following the DfE's mandatory requirement to pass through a minimum of 96% of this funding to early years providers.
- g) An introduction of a 2% centrally retained funding by the local authority from 9-months old to 2-year-old working parents with no central expenditure deductions from the 2-year-old additional support entitlement to support the uptake of provision for this cohort.
- h) An allocation of £0.587m for special educational needs inclusion funds (SENIF), in line with the DfE's expectation that local authorities earmark this funding for children with special educational needs (SEN) eligible for or taking up the new and existing entitlements, regardless of the number of hours taken and based on local eligibility. This funding will be allocated by the Under 5s Nursery Panel, and both PVI and maintained providers can apply for this to ensure the funding continues to be targeted at vulnerable children.

2.3 The Schools Forum is asked to note an expectation that local authorities will announce their funding rates to childcare providers by 28 February 2025. The government intends to mandate this as a requirement in the regulations from the financial year 2026/27.

3.0 Contribution to Borough Plan

3.1 This report is linked to the Council's Borough Plan which aims to support babies, children and young people get the best start in life, by working in partnership with schools and other partners to make sure access to education is fair and equal.

4.0 Summary of funding for Brent

4.1 The 2025/26 Brent EY Block funding has increased by £7.1m to £41.4m compared to 2024/25. £12.6m (31%) of the total allocation relates to the new entitlements for eligible working parents with the hours set to increase from 15 to 30 hours from September 2025.

4.2 The indicative supplementary funding allocations for maintained nursery schools (MNS) has increased by 12.9% from £0.886 to £1m and the funding rate has increased by £0.81p from £6.27 to £7.08 in 2025/26.

4.3 The EYNFF hourly rate for 3 and 4-year-olds has increased from £6.59 in 2024/25 to £6.80 in 2025/26. This represents a 3.2% increase of £0.21p. Table 1 below sets out the key EY funding amounts.

4.4 Table 1: EYNFF funding rates

3 and 4-year-olds	2023/24	2024/25	2025/26
Universal 15 hours allocation	£16.0m	£17.8m	£18.4m
Additional 15 hours allocation	£4.0m	£4.8m	£4.9m
Hourly rate before central spend	£5.93	£6.59	£6.80
Maximum % for central spend	5%	5%	4%
Hourly rate after central spend removed	£5.63	£6.26	£6.53
Maximum % for deprivation	10%	10%	10%
Maximum % for quality supplement	2%	2%	0%
3 and 4-year-old base rate	£4.84	£5.39	£5.76
MNS supplementary funding	£0.778m	£0.886m	£1.0m
MNS supplementary funding rate	£5.70	£6.27	£7.08
2-year-olds			
2-year-old additional support funding allocation	£3.1m	£4.0m	£4.1m
2-year-old working parents funding allocation	n/a	£3.3m	£5.1m
Hourly rate for 2-year-old allocation	£6.84	£9.59	£9.77
Under 2-year-olds			
Under 2-year-old working parents funding allocation	n/a	£3.3m	£7.6m
Hourly rate for under 2 working parent	n/a	£13.07	£13.32

4.5 In the summer of 2023, the previous government consulted on the minimum pass-through requirement and outlined its intention to increase this from 95% to 97% once the new entitlements were sufficiently embedded. This change has now been introduced with a minimum pass-through requirement for local authorities increased from 95% to 96% for 2025/26. This new requirement will apply separately to all early years' entitlements from 9 months to 4 years old. Whilst the increased pass-through rate has resulted in a reduction of £0.2m from the previously allocated central spend that was deducted from the 3 and 4-year-old funding, this impact has been mitigated by a 2% deduction from the under 2- to 3-year-old working parent entitlement, resulting in an increased allocation of £17k for central expenditure from 2024/25. This surplus will be used to fund increases in salary costs due to increased pay awards. A 4% retention from the 3 and 4-year-old entitlement at this stage represents a gradual move towards the mandatory 97% pass-through rate from 2026/27.

5 A universal base rate for Brent providers for 3 and 4-year-old funding

5.1 The 3 and 4-year-old funding will be distributed to providers as a universal base hourly rate plus additional allocations for deprivation following a 4% reduction for central spend. The universal base rate to providers has increased from £5.39 in 2024/25 to £5.76 in 2025/26 as shown below:

a) Overall hourly rate received from DfE	£6.80
b) Remove central spend of 4%	£6.53
c) Allocate to Specialist Nursery Panel (0.13p)	£6.40
d) Reduce by allocation for deprivation (£6.40 x 90%)	£5.76

5.2 Funding supplements are amounts of funding paid to providers in addition to the base rate to reflect local needs or policy objectives. The DfE requires local authorities to use a supplement to recognise deprivation in their areas. In Brent, the maximum 10% allowable for supplements is applied to deprivation and it is proposed to continue to apply this rate to the 3 and 4-year-old entitlement for 2025/26. This equates to £0.64p per hour.

5.3 The DfE took the decision to mainstream the teachers' pay and pensions grant into the 2024/25 EYNFF. Several local authorities raised concerns that schools-based nurseries would no longer receive the teachers' pay and pensions grant as a separate grant. To address these concerns, the government increased the total planned value of funding supplements to no more than 12% of the total value of planned formula funding to providers, compared to 10% in 2023/24. This approach allowed local authorities the flexibility to use the additional 2% to fund pressures that some providers might face from, for example, addressing the need to pay contributions to the teachers' pension scheme.

5.4 Local authorities were not required to use this additional flexibility. However, to ensure that schools continued to have visibility of this funding, following the EY subgroup's recommendation, the Schools Forum agreed in January 2023 to use the quality supplement to apply the additional flexibility to replace the previous teachers' pay and pensions grant that was paid by the DfE. The quality supplement applied to Brent school-based nurseries and PVIs that met the

criteria (£413k in 2024/25 at £0.12p per hour). For 2025/26, members of the EY subgroup have reviewed the application of the quality supplement and agreed on a revised approach to recognise the various levels of qualifications held by staff at all settings. The group agreed to discontinue the application of the quality supplement from the 2025/26 financial year. This would result in a distribution of £0.560m funding that would have been earmarked to all settings by inclusion in the universal base rate of £5.76.

- 5.5 The MNS supplementary funding has been revised to an hourly funding rate that is inclusive of the teachers' pay and pensions grant.
- 5.6 Deprivation is allocated based on an index called Income Deprivation Affecting Children Index (IDACI), which allocates a score according to postcodes. The index was updated by the DfE based on 2019 data, as prior to 2020/21, 2015 data was being used. Similarly, to recent years, the 2019 IDACI scores will be used to allocate deprivation funding for 2025/26.

6 Base rates for Brent providers for 2-year-old funding for 2025/26

- 6.1 For 2025/26 the 2-year-old additional support provisional allocation is £4.1m, an increase of 2% from the last financial year and the 2-year-old working parents' provisional funding is £5.1m, an increase of 58% mainly due to the 15 hours entitlement for eligible working parents of 2-year-old children (due to be extended to 30 hours from September 2025).
- 6.2 The EYNFF rate for 2-year-old funding will increase from £9.59 per hour in 2024/25 to £9.77 per hour.
- 6.3 The DfE's provisional funding estimates are based on the January 2024 census data and as expected, the actual funding allocation for 2025/26 has increased, reflecting the increase demand for childcare for 2-year-olds compared to January 2023 figures.
- 6.4 The government mandates local authorities to have a disadvantaged 2-year-old rate that is at least equal to their rate for 2-year-old children of working parents. It also recognises the expectation that local authorities have SENIFs for all children with SEN. In line with this, the proposal to distribute this rate to providers is as set out below:

Base rate for the disadvantaged 2-year-old entitlement:

a) Overall hourly rate received from DfE	£9.77
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Base rate for the working parents of 2-year-olds' entitlement:

a) Overall hourly rate received from DfE	£9.77
b) Allocation for central spend (2%)	£9.57
c) Allocate to Specialist Nursery Panel (0.13p)	£9.44

7 A base rate for Brent providers for under 2-year-old funding

- 7.1 The new 15-hour childcare entitlement for working parents of children aged 9 months to 2 years old was introduced in September 2024.
- 7.2 For 2025/26, the EYNFF rate for under 2-year-old funding is £13.32 per hour.
- 7.3 The local authority proposes to deduct 2% from this funding allocation to contribute towards the cost of central services and as with the other free entitlements, deduct £0.13p from the pass-through rate for a contribution towards SENIF. The rate is to be applied as follows:

Base rate for the working parents of 9 months to 2-year-olds entitlement:

a) Overall hourly rate received from DfE	£13.32
b) Allocation for central spend (2%)	£13.05
c) Allocate to Specialist Nursery Panel (0.13p)	£12.92

8 Retention of funding for Central Spend

- 8.1 The DfE guideline mandates local authorities to pass through a minimum of 96% of the EY funding to providers of childcare and local authorities can retain up to 4% for central expenditure.
- 8.2 The central spend supports EY services as set out below. A significant number of Brent EY settings access this support and regard it as highly valued. The services include:
- Providing specialist Early Years advice and guidance to nursery schools, Early Years' settings and Family Wellbeing Centres to improve the quality of early learning.
 - Supporting the inclusion of young children who have a range of SEND that may be affecting their learning and progress.
 - Expanding supply and take-up of good quality early learning and childcare opportunities for all 3 and 4-year-olds and increasing numbers of 9 months to 3-year-olds from eligible families.
 - Administration of the Funded Early Education Grant and related projects.
 - Learning and development for practitioners from all parts of the sector including single and multi-day courses, projects, and annual conferences.
- 8.3 The central spend budget is based upon the DfE estimates for the take-up of provision and is then fixed for the year. The actual income received in year is dependent upon the number of 9 months to school age children who take up free entitlement places in Brent and are counted in the latest January census.
- 8.4 It is recommended that central retention of EY funding for the existing and new entitlements for 2025/26 is as set out in the table below:

8.5 Table 2: Local funding allocation for central expenditure

Entitlements	Retention %	2024/25 (£)	2025/26 (£)	Increase/ (decrease) (£)
15 and 30 hours for 3 and 4-year-olds	4	1,109,600	932,843	(176,757)
15 hours for the additional support 2-year-olds	0.5	24,435	0	(24,435)
15 to 30 hours for 2-year-olds of eligible working parents	2	20,288	101,787	81,499
15 to 30 hours for children aged 9 months to 2 years of eligible working parents	2	14,009	151,157	137,148
Total		1,168,331	1,185,787	17,456

8.6 The above percentages have been set in acknowledgment of both the increase in administration of the expanded entitlements as well as the DfE's plans to increase the pass-through rate to 97% in 2026/27 once the new entitlements have been successfully implemented.

8.7 The proposed central retention equates to £1.186m, compared to a £1.168m equivalent in 2024/25; an increase of £17k from the previous financial year.

8.8 The budget requirement for delivery of the current level of central services and the training offer as set out in paragraph 8.2 above is £1.06m. This provision will ensure continued delivery of support and training which has been acknowledged by the Early Years Funding subgroup as a required service and is valued by providers.

8.9 This leaves a surplus of £0.122m. The expanded entitlements will increase workload for the teams involved due to the increased numbers of children accessing free entitlements from September 2025, both in terms of administration and working with providers and parents to ensure smooth implementation across the dates set by the DfE and high awareness amongst families to enable as many eligible families as possible access their entitlements. It is proposed that this surplus is used to fund additional resources to facilitate this implementation.

9 Specialist Nursery Panel

9.1 This is a multi-agency panel allocating funds for children with Special Educational Needs and Disability (SEND) or Children in Need (CIN), based on eligibility criteria to assist with their successful inclusion in their setting.

9.2 The HNB allocation of £1.09m contributes to the costs associated with the children with SEND. A disapplication to the single national funding formula regarding funding for additional 15-hour places for some 3 and 4-year-olds based

on local eligibility criteria was allowed by the DfE in January 2017 and applied until the summer term of 2018. This equated to £0.13p from the 3 and 4-year-old funding rate. In January 2018, Schools Forum agreed to release this funding (approximately £0.4m in 2018/19) to this panel for allocation to ensure the most vulnerable children receive some additional support. The proposal is to retain the similar levels of contribution for the 3 and 4-year-old funding which equates to £0.446m for the next financial year. The principle remains that children with the most complex needs will be supported to attend one of the specialist nurseries where appropriate.

9.3 In line with the DfE's expectation that local authorities have SENIFs for all children with SEN eligible for or taking up the new and existing entitlements, it is proposed to include a contribution from the new free entitlements for children of working parents aged 9 months to 3-years-old, at the same rate of £0.13p which equates to £141k.

9.4 For 2025/26, the total value of the EY Inclusion fund from the EY Block is £0.587m.

9.5 Table 3: DSG Specialist Nursery Panel Budget

Proposed income	2024/25	2025/26
Income	£	£
DSG High Needs Block (HNB)	(1,089,160)	(1,089,160)
Early Years Block	(520,650)	(587,336)
Disability Access Fund	(163,800)	(169,778)
Total Income	(1,773,610)	(1,846,264)
Expenditure		
Early Years Inclusion Fund for specialist nurseries	724,988	724,988
Inclusion fund for 3 & 4-year-olds in non-specialist early years provision	294,172	294,172
Staff member for EY Inclusion team	70,000	70,000
CIN for specialist nurseries	288,000	288,000
EY Inclusion fund for 9 months to 3 years-olds in non-specialist early years provision	142,650	204,326
Quality Assurance staff (1.5 post)	90,000	95,000
Disability Access Fund	163,800	169,778
Total Expenditure	1,773,610	1,846,264

10 Additional funding for MNSs

10.1 Local authorities with MNS will continue to receive supplementary funding for the 2025/26 financial year. The provisional allocation for Brent is £1.0m compared to £0.886m in 2024/25. This represents an increase of 12.9%.

10.2 In response to the consultation on the early years funding, from 2023/24 the distribution of the MNS supplementary funding has been reformed to ensure that

it is being shared more evenly across all local authorities with MNSs. A minimum and a cap on the hourly funding rate that local authorities can receive for their MNSs has been introduced and all providers must be paid the same hourly base rate. For 2025/26, the government has mainstreamed the funding that MNSs previously received through the teachers' pay and pensions grants, therefore, this grant has now been rolled into each local authority's supplementary funding allocation.

- 10.3 This supplementary funding applies to the council's four MNSs and was previously allocated on an agreed local formula i.e., based on business rates, a lumpsum and estimated hours. The proposal is to continue to distribute this funding to the MNSs based on an hourly rate for 2025/26, in line with the DfE's change in local authority fundings to an hourly rate basis.
- 10.4 The MNS supplementary hourly rate, inclusive of Teachers' Pay Additional Grant has increased from £6.27 to £7.08 per hour: an increase of 13%.

11 EY funding based on DfE's provisional allocations

- 11.1 Table 4 outlines the Early Years' budget based on draft allocations from the DfE and the recommendations from this paper.

11.2 Table 4: Proposed Early Years block budget

Income	2024/25 £' (000)	2025/26 £' (000)
Universal allocation for 3&4-year-olds	17,626	18,372
Additional hours for 3&4-year-olds	4,566	4,949
Allocation for 2-year-olds additional support	4,887	4,113
Allocation for 2-year-olds with working parents	4,058	5,089
Allocation for under 2-year-olds with working parents	2,802	7,558
Supplementary funding for MNSs	915	1,001
Disability Access Fund for 3 to 4-year-olds	128	123
Disability Access Fund for 2-year-olds	25	31
Disability Access Fund for under 2-year-olds	11	16
Early years pupil premium for 3 to 4-year-olds	109	156
Early years pupil premium for 2-year-olds	66	31
Early Years Pupil Premium for under 2 years old	3	3
Total Income	35,196	41,442
Expenditure	2024/25 £' (000)	2025/26 £' (000)
Distribute to providers for 3&4-year-olds universal offer	16,398	17,286
Distribute to providers for 3&4-year-olds children with working parents (additional 15 hours)	4,247	4,657
Central spend	1,168	1,186
Additional panel funding	521	587
Distribute to providers for additional support 2-year-olds	4,863	4,113
Distribute to providers for 2-year-olds children with working parents	3,982	4,920
Distribute to providers for under 2-year-olds	2,760	7,333
Supplementary funding distributed to maintained nursery schools	915	1001
Disability Access Fund for 3 to 4-year-olds	128	123
Disability Access Fund for 2-year-olds	25	31
Disability Access Fund for under 2-year-olds	11	16
Early years pupil premium for 3–4-year-olds	109	156
Early years pupil premium for 2-year-olds	66	31
Early Years Pupil Premium for under 2 years old	3	3
Total Expenditure	35,196	41,442

12.0 Stakeholder and ward member consultation and engagement

12.1 On January 7, 2025, a discussion was held with the EY sub-group of the Schools Forum to review the proposed hourly rates, central retention percentages from the EY funding allocation, and the SENIF allocations for the upcoming financial year. These considerations were made in considerations of the DfE's requirements stemming from the expansion of Early Years entitlements. During the meeting, members of the sub-group expressed their agreement with the

proposals to retain 4% of the funding allocation for 3- and 4-year-olds and 2% of the funding allocation for under-twos and 2-year-olds. These retentions are intended to support central services.

- 12.2 The group engaged in a detailed discussion about the 2% quality supplement that was introduced in 2023/24 as a mechanism to distribute the Teachers' Pay Additional Grant across the sector. Members highlighted that, historically, the PVI sector had been encouraged to upskill staff with qualifications such as Early Years Professional Status but had not received additional funding to offset the costs associated with employing more highly qualified staff. In recognition of this, the group agreed on a revised approach to the application of the quality supplement and ultimately decided to recommend allocating the funding through the base rate to all settings instead. The group acknowledged that this proposal presented a valuable opportunity to address the disparity in funding and recognises the high-quality practice demonstrated by individual practitioners across all settings, regardless of their specific qualification levels.
- 12.3 The group also received an update on the ongoing review of the EY SENIF. The update included plans to establish a specialist medical provision for children, introduce a more refined banding system, and maintain a financial contribution of £1m from the High Needs Block of the DSG to support the SENIF. A discussion followed on the increase in the numbers of children with additional needs and the challenges of delivering inclusive provision given financial constraints and system delays, both in diagnosis and processing of paperwork. It was agreed that further updates will be brought to the group as plans are finalised.
- 12.4 It was also agreed that the hourly rate for the 2-year entitlement for families in receipt of additional support would remain higher compared to the 2-year-olds from working families as a financial incentive for providers supporting the most vulnerable 2-year-olds in the borough.
- 12.5 The group was consulted as on the requirement within the Statutory guidance 'Early education and childcare (applies from 1 April 2024) Updated 1 January 2024' for providers to be paid monthly. This had been discussed by the group in January 2024 and members had voted unanimously to retain the existing system. It was discussed that the requirement to offer monthly payments to providers who wished this remains and therefore this is a decision that will need to be reviewed regularly. The group once again voted to retain the existing payment system.
- 12.6 Members of the group expressed appreciation and gratitude for the support that they received from the EY teams and other colleagues in the Council and advised that they feel they receive a much higher level of support than providers in other local authorities.

13.0 Financial Considerations

- 13.1 The financial implications have been detailed in the body of this paper.

14.0 Legal Considerations

14.1 This report has been drafted with due consideration of the Early Years Foundation Stage (EYFS) statutory framework which sets the standards that all early years' providers must meet to ensure that children learn and develop well and are kept healthy and safe.

15.0 Equity, Diversity & Inclusion (EDI) Considerations

15.1 Not applicable.

16.0 Climate Change and Environmental Considerations

16.1 Not applicable.

17.0 Human Resources/Property Considerations (if appropriate)

17.1 Not applicable.

18.0 Communication Considerations

18.1 All School Forum papers are published, and all schools will have access to them. The final 2025/26 EY budget allocation for each school will be published on Best Brent.

Related documents for reference:

Prior Financial reports to Schools Forum

Report sign off:

Nigel Chapman

Corporate Director of Children and Young People