



Budget Planning Edition

Budget setting for the 3-year period starting in 2024-25

Please find attached the information to enable you to start your 3-year budget setting process beginning with the 2024-25 financial year.

This special bulletin is relevant to all school staff and leaders involved in the budget setting process and will provide useful background information for Local Governing Bodies.

The Board of Trustees has agreed a range of budget assumptions on which to base your budget for the coming 3 years. These assumptions have been uploaded to the School Business Managers section of Foldr: [School Business Managers\Trust Wide\Information for 2024-25 Budgets\Budget Assumptions and guidance 3 years 2024-25](#). The document also contains guidance on how to set your budget on IMP and details a number of tools that have been devised to help you.

IMP will be updated to incorporate these budget assumptions and your confirmed GAG funding for 2024-25 on Monday 11 March. We advise you not to use IMP on this day until we have confirmed that these updates have been completed.

The Strategic Schools Forum in North Somerset met yesterday to determine top up funding arrangements. The outcome of this is also provided in this special bulletin.

As you will have seen from yesterday's bulletin article, we are expecting the budget setting process to be very challenging this year due to low increases in funding and significant anticipated increases in costs.

Historically schools have produced budgets in the summer mainly based on maintaining current staffing and spending arrangements and agreed these with their LGB. Where this resulted in a deficit, schools and the Central Team worked together in the following Autumn to follow a change management process to rectify the projected deficit.

Whilst this has worked successfully in the past, it was very challenging to achieve in the last budget round and, given the financial position anticipated, we feel that it will be very challenging again this year. We also feel that Heads and LGBs should begin the process of rectifying projected deficits as part of the budget setting process, rather than consider it as a separate exercise. We are, therefore, planning a more detailed and structured budget setting process for 2024-25.

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BUDGET PLANNING 2024-25

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We have produced a detailed budget timeline which can be found on Foldr: [School Business Managers\Trust Wide\Information for 2024-25 Budgets\Budget Planning Timetable 24-25](#). In summary the main changes are:

- All schools to have completed a first draft budget to identify any projected deficit by Friday 19 April.
- Primary schools will also be asked to map the deployment of staff in a standard format during this period using a standard format.
- From Tuesday 23 April to Friday 31 May schools will be asked to consider the changes that need to be made to set a balanced budget for 2024-25 (where an exemption to this has not already been agreed) and for 2025-26.
- The Central Team will be available to support you throughout this process but will formally review your proposed budgets between Monday 3 June and Friday 21 June ahead of the budget being agreed by your LGB.
- Please can we request that your LGB meet between Saturday 24 June and Friday 5 July to approve your budget.
- The Trustees will review and approve budgets on Thursday 18 July.
- Where a change management process is required to deliver the savings identified, this can continue during the autumn term and consultation with unions and staff can begin in the new calendar year as per normal

We recognise that this will impact on workload by bringing the budget planning process forward, particularly for School Business Managers, and may result in changes to the date of your LGB meeting to set the budget. We hope, however, that swift and informed decision making will improve the process for all involved and give us the best possible opportunity to resolve the projected deficits.

We also recognise that the burden of this work will not just be the process but the outcome of that process as well. Please make use of the people and tools already available to support you and share with us any thoughts of what more we could do. We will continue to lobby on behalf of all of our children and young people for fair and adequate funding in education.



North Somerset Top Up Funding

The Strategic Schools Forum (SSF) met on Wednesday 6 March to consider the arrangements for top up funding in North Somerset. The following points have been agreed:

- The new top up funding rates as detailed in option 2a in the Council's consultation have been agreed. Again these are detailed in the budget assumptions document in the School Business Managers section of Foldr: [School Business Managers\Trust Wide\Information for 2024-25 Budgets\Budget Assumptions and guidance 3 years 2024-25](#)
- New EHCPs will be allocated funding into these bands with effect from April 2024. Children and young people that currently receive top up funding will be moderated into one of these categories with effect from September 2024. This process will take place over the next couple of months. Based on a small sample, a table in the budget assumptions document will give you a guide of how the current categories may translate into the new bands but this will be dependent on the moderation for each individual pupil:
- The Local Authority intends that all children and young people that receive top up funding under categories OTH, OTH+ and OLA will be moderated into one of the new bands. However, they have committed to meeting their legal requirements under section F of the EHCP and therefore there may be a need for some negotiation as part of the moderation process.

Two of the other options suggested by the Council involved lower top up funding allocations but with a more general allocation of funding to schools (called NSAF) to provide more flexible funding for all children and young people with SEND. The Council proposed using census categories E and K to determine this funding and, understandably, this met with concern that this data is open to potential manipulation. In our response to the consultation, we responded in favour of the principle of NSAF as it aligns well with the Learning Partners model that we are introducing, which has a strong evidence base. As part of our consultation response, we suggested some alternative data that could be used to calculate the NSAF. Whilst this is not being implemented from September 2024, the SSF agreed to continue modelling options for this with the potential for implementation at a later date.

In order to help you to budget for the implication of this change, we have produced a modelling tool which is also available in the School Business Managers section of Foldr: [School Business Managers\Trust Wide\Information for 2024-25 Budgets\NSC TUF modelling 2a only](#). The tool uses TUF data as at January 2024. This is more up to date than the information included in the North Somerset consultation documents but may not reflect the position that you will face in the 3 year budgets that you are producing. The modelling tool also enables you to insert your own data to best estimate the implications.

We hope that this information is of use but recognise that this is likely to have very challenging implications. We encourage you to engage with the LA in the moderation process, maximise the opportunity to provide for individual pupils with SEND as part of universal provision wherever possible and, once these steps have been taken, to positively challenge the LA when the funding category given does not meet the requirements of Section F of the EHCP.

Please do seek advice and support from [Debbie Coker](#) and [Suzy Divine](#) if you need it.

Louise Malik, Chief Financial and Operating Officer