



School funding 2024-25 - Update for headteachers and governors

10 May 2024

Scheme for financing maintained schools and balance control mechanism

The 2024-25 Scheme for Financing Maintained Schools was approved by Schools Forum in April. The scheme, which is substantially the same as the 2023-24 version, sets out the financial and accounting framework for maintained schools in Ealing. The Key change for 2024-25 is to section 5.8 Borrowing for Schools to reflect the new guidance on leasing activities and the changes to how leasing activities are accounted for and reported. Maintained schools should familiarise themselves with the changes to ensure accurate and compliant financial management.

The updated scheme maintains the existing balance control mechanism (BCM) for excess surplus balances. Following the confirmation of maintained school balances, the local authority will revert to the Forum in July to make a decision about whether to implement the mechanism this year. Should Schools Forum agree to implement the BCM, schools with an increasing excessive surplus for 2 consecutive years will be considered for clawback at the incremental levels set out in section 6.2 of the scheme.

Budget setting 2024-25

The final schools block budget allocations for primary and secondary schools were confirmed in February. Special school budgets and funding for specialist provision in mainstream based on revised average top up rates were also communicated with schools in March, and indicative detailed budget allocations, including for the new 2024 teacher pension grant, have now been published on the EGFL.

Schools are required to submit their 2024-25 budget to the LA by Friday 17 May. Budgets must be ratified by the governing body before submission. Schools are also required to submit their three year budget forecast by the same **17 May deadline**. This is a statutory requirement.

A deficit budget cannot be planned for by a maintained school without the formal approval of the Local Authority. Schools who are unable to set a balanced budget, after the use of balances, should still submit their unratified budget, following agreement with governors, but should be working on a deficit recovery plan and should contact Kim Price kprice@ealing.gov.uk as soon as possible to arrange a deficit recovery planning meeting. All requests for licensed deficits must be made in writing to the LA (using the relevant templates), with a detailed Deficit Recovery Plan setting out how the school budget will be balanced over a 3-year period.

Schools who have concerns about their longer term financial sustainability and / or the impact of falling pupil numbers should also in the first instance contact Kim Price kprice@ealing.gov.uk.

2024-25 monitoring of outturn

Schools are asked to have an outturn forecast from the second half of the summer term which is updated at least half termly to governors. As funding becomes tighter, regular monitoring and reporting on spending against your agreed budget is particularly important. Cumulative spend analysis is a part of this process, however this should be combined with forecasts and assumptions for both income and expenditure which are reviewed on a regular basis.

All maintained schools will be required to submit a budget monitoring update to the LA in the second half of the Autumn term.

Schools who are in deficit (with or without a licenced deficit in place) or who are forecasting a deficit at 31 March 2025 should also be submitting monthly monitoring data, showing a clear outturn forecast, to Schools Accountancy Services SchoolsAccountancyServices@ealing.gov.uk from the second half of the summer term..

Financial sustainability

As school funding becomes tighter, strategic budget planning and resource management in schools is more important than ever. The financial sustainability page on the EGFL includes links to the DfE's school resource management resources, training and other documents and templates that can support schools in managing their resources. Maintained schools interested in arranging a free DfE funded School Resource Management Advisor deployment should contact Kim Price kprice@ealing.gov.uk who can liaise with the Schools Financial Support and Oversight Directorate at the DfE to arrange this.

Schools Forum and the 2025-26 school funding consultation

The latest Ealing Schools Forum papers from 18 April are available on the council website and have also been circulated to all schools in gatekeeping. We will be seeking nominations for a small number of vacancies on forum in the Autumn term and would encourage headteachers and governors to consider putting themselves forward for these important roles.

The LA will as usual be publishing a school funding consultation in September. The responses to the consultation inform LA and Schools Forum decision making around 25-26 funding arrangements and we would therefore strongly encourage all schools to read and respond to the consultation to ensure their views are considered. We will be holding consultation information sessions in early October to provide an opportunity for schools to seek clarification on the

proposals in the document. Further details will be shared early in the Autumn term.

Was this page useful?

- [Yes](#)
- [Neutral](#)
- [No](#)

Contacts

[Kim Price](#)
kprice@ealing.gov.uk
020 8825 8698
Last updated: 14 May 2024
