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**Meeting of the Dudley Schools Forum – 16<sup>th</sup> January 2024**

**Report of the Director of Children's Services**

**Dedicated Schools Grant Budget Process 2024/25**

**Purpose**

- 1 To update Schools Forum on the 2024/25 Dedicated Schools Grant budget process.

**Schools Forum Role and Responsibilities**

- 2 The Forum is the 'guardian' of the local Schools Budget and its distribution among schools and other bodies, and therefore must be closely involved throughout the development process.

**Recommendations**

- 3 Schools Forum is invited to note the contents of the report and in particular:
  - The provisional Dedicated Schools Grant (DSG) settlement for 2024/25 and the impact for Dudley.
  - A further DSG update will be provided at the 27 February 2024 and 16 April 2024 meetings, to include the central expenditure budget allocations for Schools Forum approval.
  - To approve a Minimum Funding Guarantee for 2024/25 between 0.0% and 0.5% per pupil as specified in latest operational guidance and as detailed in Dudley's Authority Proforma Tool (APT).
  - To note Dudley's APT submitted to the Education and Skills Funding Agency (ESFA), to be tabled as Appendix 1 to this report.

## **Background**

- 4 The DfE issued its first consultation in respect of a national funding formula for early years and mainstream school pupil funding in March 2016 with a second consultation in December 2016. The original planned timeline was delayed owing to focused efforts in dealing with the COVID-19 pandemic. In 2021 a further consultation was held and following the feedback to that consultation, the Government, in March 2022, confirmed its commitment to introducing the direct National Funding Formula. Further consultation during the summer of 2022 focused on the detail of implementation.

In 2024/25 the ESFA will again calculate notional budgets for schools according to the national funding formula. These will then be aggregated and allocated to local authorities as the Schools Block within the DSG for distribution to schools according to the locally agreed formula.

## **Role of the Department for Education (DfE)**

- 5 The Department for Education is responsible for children's services and education, including early years, schools, higher and further education policy, apprenticeships and wider skills in England.

## **Role of the Education and Skills Funding Agency (ESFA)**

- 6 The Education and Skills Funding Agency is the Department of Education's delivery agency for funding and compliance. The ESFA provides revenue and capital funding for education for learners between the ages of 2 and 19, or the ages of 0 and 25 for those with learning difficulties and disabilities and also supports the delivery of building and maintenance programmes for schools, academies, free schools and sixth-form colleges. The ESFA is the first port of call for queries from open academies, and carries out a number of compliance and assurance activities on behalf of the Secretary of State for Education, including monitoring funding agreements and admission appeals. The ESFA implemented the funding reforms for pre and post 16 education.

## **Dedicated Schools Grant (DSG) Process For 2024/25**

- 7 The provisional DSG funding settlement for 2024/25 was announced on 19th December 2023. This report summarises the DfE settlement for Dudley, identifying any issues or actions for Schools Forum.

The DSG can only be used for the purposes of the Schools Budget as defined in the School and Early Years Finance Regulations. The Schools Budget consists of delegated budgets allocated to individual schools, Pupil Referral Units (PRUs) and Early Years Provision in Private, Voluntary and Independent (PVI) providers, a budget for other provision for pupils which local authorities fund centrally, which now includes the bulk of high needs

provision, including post-school provision up to age 25, together with centrally retained expenditure in respect of special educational needs and early years services.

The distribution of the DSG to local authorities is allocated in four funding blocks:

- Schools Block
- Early Years Block
- High Needs Block and
- Central School Services Block.

### **Centrally Retained Services**

- 8 The central expenditure limits, which are subject to Schools Forum approval, will be presented at the 27 February 2024 meeting for Schools Forum approval.

### **Schools Block**

- 9 The pupils counted for the purpose of calculating the DSG Schools Block allocation are those recorded in the School Census in maintained schools and academies going through recoupment in National Curriculum Year Groups R-11 aged 4 or above including those pupils in SEN (Special Education Needs) units or Resourced Provision within such institutions. Any pupils recorded as Year R but who are less than 4 years old are not counted, because funding for these pupils is provided under the Early Years block.

The Schools Block allocation is derived from the October 2023 School Census pupil count.

### **Schools Block Units of Funding**

For 2024/25 the Schools Block Units of Funding for primary and secondary sectors which determine the Schools Block element of the DSG are £5,037.56 and £6,737.25 respectively.

As Dudley has not yet fully implemented the National Funding Formula, our Local Funding Formula will guarantee a Minimum Funding Guarantee of between 0.0% and 0.5% increase, which will be confirmed to schools on completion of the Authority Pro-forma Tool (APT).

Where a mainstream school has a number of funded places in a SEN unit or resourced provision, then funding will be allocated as follows:

- i) Funding for pupils recorded on October 2023 school census as registered at a school and taking a place at that school will be funded through the schools delegated budget in accordance with

Dudley's local funding formula, and additional funding of approximately £6,000 per pupil will be made available from the High Needs Block.

- ii) Funding for pupils not recorded on October 2023 school census as registered at the school and taking up a place will be funded at £10,000 per place from the High Needs Block.

The Schools Block funding covers:

- Mainstream Schools delegated budgets (but excludes High Needs top up funding which will be funded from the High Needs Block);
- Items that may be removed from Maintained Schools' Budget Shares – De-delegation, as approved by Schools Forum in November 2023.

### **Early Years Block**

- 10 The DSG Early Years Block is based on participation and covers all pupils in maintained schools and academies going through recoupment in National Curriculum year groups N1 and N2, all relevant pupils in Private, Voluntary and Independent (PVI) providers, and under-fives in Alternative Provision. In addition, any pupils recorded as Year R, but who are less than four years old, are counted in the Early Years Block together with the early years pupil premium and funding for disadvantaged two year olds. Two year olds with SEN are funded under the High Needs Block.

The Early Years Block allocation is funded on a lagged basis being initially derived from the January 2023 Early Years Census, Schools and Alternative Provision Census to be updated for the January 2024 and January 2025 School Census pupil data counts. The allocation announced by the DfE in December 2023 is therefore provisional and will be updated in the Summer of 2024 and the Spring of 2025 to produce the Early Years Block allocations for the financial year 2024/25.

For 2024/25 the Early Years Block DfE funding is as follows:

- For three and four year old nursery children has increased from an hourly rate of £4.88 to £5.47 or £5,197 per full time equivalent Dudley pupil;
- Funding in respect of participation funding for disadvantaged two year olds has increased from an hourly rate of £5.67 to £7.78 or £7,391 per full time equivalent Dudley pupil.
- Funding in respect of under 2's entitlement has been introduced at a rate of £10.61 or £10,080 per full time equivalent Dudley Pupil
- Disability Access Funding has increased from £828 to £910 per eligible pupil;

- The amount per pupil for the early years' pupil premium has increased from £0.62 to £0.68 per hour;
- Transitional supplementary funding for Dudley's maintained nursery school continues and is estimated at £0.390m for 2024/25.

The Early Years Block funding for 2024/25 will cover:

- Early Years Individual Budget Shares (ISB) for:
  - Netherton Park nursery school's budget share;
  - Maintained schools' nursery classes early years single funding formula budget allocation;
  - Participation funding for disadvantaged two year olds.
  - Early years PVI providers single funding formula budget allocation for three and four-year olds.
- Early Years Pupil Premium.
- Disability Access Funding
- SEN Inclusion Fund
- Central Services – where the value of the budget is capped in line with the previous funding period, as agreed by Schools Forum.
- Central Early Years expenditure, as agreed by Schools Forum.

#### Hourly Rate Payable to Nursery Providers for Disadvantaged Two Year Olds Entitlement for 2024/25

Provider rates for the 15 hour entitlement for disadvantaged two year olds will be set at the same value of funding received from the DfE: £7.78 per hour. This follows the decision to pass through the full funding approved by Forum in February 2015 to encourage take up of the provision.

#### Hourly Rate Payable to Nursery Providers for Three and Four Year Olds Entitlement for 2024/25

Provider rates for the universal 15 hour entitlement for all three and four year olds will be less than the value of the funding received by the DfE of £5.47 per hour for a number of reasons. The £5.47 is also required to fund:

- The centrally retained services, to be a maximum of 5% in 2024/25;
- The early years nursery contingency budget;
- The SEN inclusion fund.

With effect from 2019/20 all local authorities were required to have a Universal Base Rate (UBR) of funding for all childcare providers in their local Early Years Single Funding Formula (EYSFF). This impacted upon Dudley's maintained nursery school by reducing the hourly rate paid (£8.02 p/hour in 2018/19) to be the same as all other providers (£4.00 p/hour in 2018/19).

Local authorities with maintained nursery schools continue to receive Maintained Nursery Supplement (MNS) funding through the Early Years Block which is provided in order to enable local authorities to protect their 2016/17 funding rates for maintained nursery schools (that is, the rates that existed before the EYNFF) and the Government expects it to be used in this way.

The indicative Maintained Nursery Supplement (MNS) funding is £0.390m for 2024/25 and this will be passed directly to Dudley's maintained nursery school through the local EYSFF.

An update will be provided at the 27 February 2024 Schools Forum meeting to include an indicative Early Years budget with proposed hourly rates for 2024/25.

### Pass-Through Requirement

For 2017/18 there was a new requirement on the amount of Early Years Block funding for three and four year olds that local authorities must pass to providers. This pass through requirement is intended to ensure the maximum amount of funding allocated to local authorities by the ESFA reaches providers.

The pass through funding level is set at 95% for 2024/25. This means that centrally retained funding (for central services or services in kind) combined with any funding movement out of the early years block will be constrained to a maximum of 5% of total Early Years Block funding from 2024/25.

In planning for this requirement, the value of the central service expenditure proposed by Dudley is estimated to be within the required percentages and further information will be presented at the next Forum meeting on 27 February 2024.

### SEN Inclusion Fund

A separate paper will be presented to Schools Forum on the 27 February 2024 meeting outlining the value of the fund for 2024/25.

## **High Needs Block**

- 11 The High Needs block supports provision for pupils and students with special educational needs and disabilities (SEND), from their early years to age 25, and alternative provision (AP) for pupils who cannot receive their education in schools. The block includes place funding for pre-16 and post-16 places in:

- Maintained mainstream schools (pre-16 places in special units and resourced provision and post-16 high needs places);
- Maintained special schools;
- Pupil referral units (PRU);
- Mainstream academies and free schools (pre-16 places in special units and resourced provision and post-16 high needs places);
- Special academies;
- Alternative provision (AP) academies;
- FE colleges and commercial and charitable providers (CCP).

For 2024/25 the High Needs block comprises the high needs block adjusted baseline plus a high needs national uplift based on the 2-18 population. The budget will be adjusted for imports & exports to reflect local authorities funding pupils who live in their area regardless of where they are educated. The imports/exports adjustment is indicative at this stage and will be finalised in later DSG updates.

For Dudley the High Needs block budget will cover:

- Special Schools budgets at £10,000 per place;
- Pupil Referral Unit delegated budgets at £10,000 per place;
- SEN Resourced provision/Unit at £10,000 per place;
- Top up budget (element 3) for Special Schools, PRUs, 16-18 SEN or 19 – 25 with Learning Difficulties and Disabilities, Mainstream SEN pupils, SEN Resourced provision, Dudley resident pupils in other local authority schools with SEN;
- Independent SEN Placements;
- Alternative Provision and commissioned provision;
- Special education needs services: Counselling, Learning Support, Physical and Medical, Visually Impaired, Autism Outreach, Early Years;
- Hospital Education;
- Central Services – where the value of the budget is capped in line with the previous funding period, as agreed by Schools Forum.

## **Planned Places and ESFA Return**

- 12 Flexibility is available at local level to make adjustments to individual institutions' place funding in 2024/25. This is to ensure that the places funded broadly reflect both local authorities' recent commissioning activity relating to those children and young people with SEND, and the more strategic planning that they might undertake to secure suitable SEND provision and AP in line with their statutory responsibilities. Additional places at individual institutions will need to be funded from existing resources within the total high needs block allocated to local authorities.

The institution types that are in scope of the 2024/25 place change request are:

- Mainstream academies with SEN units or resourced provision (RP)
- Special academies
- Alternative provision (AP) academies
- Further education (FE) colleges
- Commercial and charitable providers (CCPs)

The process to notify ESFA of changes to 2023/24 academic year place numbers at institutions funded directly by ESFA, including academies, ended on 10 November 2023. For 2024/25 the place change notification process requests are:

- The Bromley-Pensnett Primary School – increase of 12 places
- Rufford Primary School – increase of 12 places
- The Crestwood School – increase of 12 places
- Dudley College – no change.
- Halesowen College – increase of 47 places
- King Edward VI College – no change
- Beacon Hill Academy – no change.
- Cherry Tree Learning Centre – no change
- Hob Green Primary School – no change.

The changes will have a direct impact on the recoupment of DSG funding: this is estimated to be a deduction of £0.282m on the High Needs block for 2024/25 for post 16 places. The ESFA will advise local authorities of the outcomes in March 2024. An update will be provided to Forum at the 16 April 2024 meeting.

From the academic year 2019/20, starting in August 2019, funding for post-16 places in maintained schools (including maintained special schools) and pupil referral units (PRUs) will remain in the DSG paid to local authorities, rather than being deducted from local authorities' DSG allocations and paid as sixth form grant.

The scope to change place numbers in academies applies to pre 16 only. This replicates the scope local authorities currently have to make place changes in maintained schools. The regulations do not allow local authorities to make adjustments to the post 16 place numbers used to calculate place funding. Post 16 place numbers are notified by the Secretary of State at school level through the sixth form grant. The DfE expect to consult on these arrangements for future years.



## **Dedicated Schools Grant (DSG) 2024/25 and Financial Impact for Dudley**

- 13 Table 1 summarises the provisional DSG settlement for 2024/25 in line with the details outlined in section 7 to 12 above.

The following DfE adjustments are still required before the final DSG for 2024/25 can be determined:

- Early Years Block will be amended in the Summer of 2024 and Spring 2025 for updated early years census data for two, three and four year old children. The allocation shown in Table 1 relates to 2023 Early Years Census data.
- Pupil numbers are estimated based on the December 2023 allocation and will be finalised on receipt of the pupil numbers tool.

**Table 1 -Dudley Provisional Dedicated Schools Grant 2024/25 at December 2023**

	Pupil Data Oct 23	Pupil Data Jan 23	Unit of Funding per pupil PUF/SUF	School Block £ m	Central School Block £ m	Early Years Block £ m	High Needs Block £ m
Total Funding Pupil Led – Primary	26,376		£5,037.56	132.871			
Total Funding Pupil Led – Secondary	18,155		£6,737.25	122.315			
Premises including Rates and PFI				4.723			
Pupil Growth Funding				1.465			
<b>Total Schools Block</b>				<b>261.374</b>			
Historic Funding					0.112		
Teachers Pensions – Centrally Employed					0.218		
Ongoing Commitments					1.519		
<b>Total Central School Block</b>					<b>1.849</b>		
3 & 4 year olds early education pupil led funding- <i>provisional</i> lagged at January 2023 pupil data		2,596.5 <i>fte</i>	£5,196.50 per <i>fte</i>			13.493	
Netherton Park Nursery supplementary funding			Specific allocation			0.390	
2 year olds early education – Dudley <i>provisional</i> lagged at January 2023 pupil data		483.0 <i>fte</i>	£7,391.00 per <i>fte</i>			3.570	
Early Years Pupil Premium <i>provisional</i> lagged at January 2023 pupil data		490.6 <i>fte</i>	£0.68 per hour			0.317	

Additional 15 hours 3&4 year olds		992.4 fte	£5,196.50 per fte			5.157	
Additional 15 hours 2 year olds		606.1 fte	£7,391.00 per fte			4.480	
Under 2's		307.1 fte	£10,079.5 0 per fte			3.095	
Disability Access Funding		303.00	£910.00 per eligible child			0.276	
<b>Total Early Years Block</b>						<b>30.777</b>	
2023/24 Adjusted Baseline funding carried forward to 2024/25							57.162
Basic entitlement deductions for SEN Units							(0.244)
Hospital Education academy recoupment (76 places)							(0.760)
Post 16 SEN places Academies and Free Schools (7 places)							(0.042)
FE post 16 SEN place funding recoupment - funded by EFA grant (330 places)							(1.980)
<b>Total High Needs Block</b>							<b>54.136</b>
<b>Provisional 2024/25 DSG Budget</b>				<b>261.374</b>	<b>1.849</b>	<b>30.777</b>	<b>54.136</b>
<b>Additional HNB Allocation 2024/25</b>							<b>0.000</b>
<b>Total DSG</b>				<b>261.374</b>	<b>1.849</b>	<b>30.777</b>	<b>54.136</b>
<b>Grand Total DSG</b>				<b>348.135</b>			

## **Dedicated Schools Grant and Academy School Budgets**

- 14 The calculation of each authority's DSG must include the pupils educated in the academy schools within the borough. The pupil data is required to be supplied to the local authority (LA) by the academy school at October School Census date.

It is a condition of the DSG that the LA must maintain a single formula for funding both maintained schools and academies in its area. The LA is responsible for calculating the academy schools' delegated budget by replicating the local funding formula and these details are communicated to the ESFA who are then responsible for funding academy schools. Key changes to the schools' funding formula for 2024/25 are:

- Introducing a new formulaic approach to allocating split site funding in the NFF from 2024/25. This replaces the previous locally determined split sites factor. We have not previously included a local split site factor, so from 2024/25, schools identified as eligible for split site funding will receive this in their formula allocation.
- Rolling the 2023/24 Mainstream Schools Additional Grant (MSAG) into the NFF. This will include adding the lump sum, basic per pupil and FSM6 (free school meals Ever 6) elements of the grant onto the respective NFF factors as well as uplifting the minimum per pupil values by all these factors. This appears to be a more sophisticated mechanism for mainstreaming the MSAG compared to the methodology used for mainstreaming Supplementary Grant in 2023/24 and should avoid some of the negative consequences that some schools experienced.
- On top of the amounts added for MSAG, NFF factor values are increased by:
  - 0% for premises factors other than PFI (10.4%) and split site funding which is now formularised
  - 0.5% increase to funding floor
  - 1.6% to FSM (free school meals) factor
  - 1.4% for all other factors.

There will be a separate grant for teachers' pay (TPAG) in 2023/24 and 2024/25 to support schools with the September 2023 teachers' pay award. This funding will be rolled into core budget allocations for 2025/26.

The base funding rates for mainstream schools for the 2024/25 financial year are (before Area Cost Adjustment ACA):

- a basic per-pupil rate of £62 for primary pupils, including pupils in Reception
- a basic per-pupil rate of £86 for key stage 3 pupils
- a basic per-pupil rate of £98 for key stage 4 pupils
- a lump sum of £2,306

- a FSM6 per-pupil rate of £53 per eligible primary pupil
- a FSM6 per-pupil rate of £77 per eligible secondary pupil

For special schools and Alternative Provision, the funding rate (before ACA) is £446 per place. Local authorities have flexibility in relation to special schools and Alternative Provision on how to pass on the TPAG: we are proposing to pass this funding on to schools using the rate per place and are consulting with eligible schools before confirming this methodology.

### **Local Authority Pro-forma Tool (APT)**

- 15 The APT is an integrated tool which contains a range of information, including the underpinning data for mainstream school level allocations, details of how split site and PFI allocations have been calculated, and the methods used for de-delegation of services. It is a statutory requirement for each LA to submit the APT to the ESFA for scrutiny in order to establish compliance with Schools Finance Regulations.

The deadline for LAs to submit the 2024/25 financial year final APT and detailed tables to the ESFA is **22 January 2024**. Therefore, the latest draft summary pro-forma from the APT will be tabled for information as Appendix 1 to this report at the Schools Forum meeting on 16 January.

### **Coverage and Conditions of Dedicated Schools Grant**

- 16 The School and Early Years Finance (England) Regulations 2023 prescribe how a local authority can allocate the DSG funding. The DSG is paid as a ring-fenced grant and is subject to formal grant conditions. The conditions include a requirement to use the grant in support of the Schools Budget and a provision for the Secretary of State to recover grant.

### **Pupil Premium**

- 17 The ESFA confirmed on 19 December 2023 that the Pupil Premium funding rates for 2024/25 will increase on average by 1.56%.

Schools will receive £1,480 per primary pupil who is currently eligible for free school meals (FSM) or has been eligible for FSM in the past 6 years (FSM 'Ever 6') and the allocation for secondary sector will be £1,050 for FSM 'Ever 6' pupils. Eligible looked after children and those who have ceased to be looked after will receive £2,570 each, and service children £340 each.

Final allocations and grant conditions will be published in spring 2024.

## **National Copyright Licensing**

- 18 The DfE have formalised an agreement with a number of licensing agencies to purchase a single national licence, to be managed by the DfE, for all state-funded schools in England. This means that local authorities and schools no longer need to negotiate individual licences. The Department pay the cost, including VAT, to the CLA and will provide this as a service to local authorities at a charge. These arrangements will cover recoupment Academies as well as maintained schools, and local authorities are allowed to hold this money centrally rather than include it in school budgets.

Details of the process and of licences covered are shown in Appendix 2. The annual fees are normally announced alongside the schools funding settlement, but DfE have advised that negotiations are still ongoing with some of the copyright management organisations so the fees for 2024/25 will be announced at a later date. This funding will be held centrally within Children's Services Directorate budget for payment to the DfE and is provided by a top slice from the Schools Block budget.

## **DfE Next Steps**

- 19 Table 2 details the DfE next steps timetable.

**Table 2 – DfE Timetable**

<b><u>Date</u></b>	<b><u>Action</u></b>
22 January 2024	Local authorities submit final funding Authority Pro-forma Tool (APT) for 2024/25.
29 February 2024	Deadline for confirmation of schools' budget shares to maintained mainstream schools, PRUs and Special schools.
31 March 2024	Deadline for confirmation of estimated Early Years funding allocations to providers.
April 2024	Final DSG confirmed including final high needs deductions.
Summer 2024	Early Years Block updated for Early Years pupils from January 2024 Early Years pupil numbers.
31 March 2025	Final update for in-year recoupment and high needs deductions.
Summer 2025	Early Years Block updated for January 2025 Early Years pupil numbers (pro rata 7/12 <sup>th</sup> for September 2024 to March 2025).

**HTCF - Budget Working Group Discussed** – Yes, 9 January 2024.

### **Finance**

- 20 From 1 April 2006, the Schools Budget has been funded by a direct grant; Dedicated School Grant (DSG).

### **Law**

- 21 The Schools Forum is a statutory decision making and consultative body constituted in line with the School Standards and Framework Act 1998, and its associated regulations, including the Schools Forum (England) Regulations 2012, to enable members of the local school community to work in partnership with Dudley Metropolitan Borough Council when making decisions about school funding and finances.

The funding of schools is prescribed by the Department for Education (DfE) through the School and Early Years Finance (England) Regulations 2023.

## **Risk Management**

- 22 There are no material risks to the Council's Risk Management Framework resulting from the contents of this report.

## **Equality Impact**

- 23 This report has no direct implications for the Council's commitment to equality and diversity.

## **Human Resources/Organisational Development**

- 24 This report has no direct implications for human resources, organisational development or service transformation.

## **Commercial/Procurement**

- 25 There is no impact on the potential to commercially trade and no impact on our customer base.

## **Environment/Climate Change**

- 26 This report has no direct implications on the environment or the Council's work in addressing Climate and achieving Net Zero target by 2030.

## **Council Priorities and Projects**

- 27 The 2022/2025 Council Plan is clear in its ambitions for educational outcomes including raising skills, educational and work potential, increasing good or better schools and closing the gap for disadvantaged pupils. This report relates to the use of the Dedicated Schools Grant funding to support the educational outcomes of children and young people in the borough.



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## **List of Background Documents**

Appendix 1 – Dudley's Authority Pro-forma Tool (APT) due for submission to the Education and Skills Funding Agency (ESFA) on 22 January 2023 (to be tabled at the meeting).

Appendix 2 – National Copyright Licences 2024/25.

**2022/23 Authority Pro-forma Tool**

To be tabled at the meeting

### **National Copyright Licences**

The Department has agreements with the following agencies to purchase a single national licence managed by the Department for all state-funded schools in England:

- Christian Copyright Licensing International (CCLI)
- Copyright Licensing Agency (CLA)
- Education Recording Agency (ERA)
- Filmbank Distribution Ltd (for the PVSL)
- Mechanical Copyright Protection Society Ltd (MCPS)
- Motion Picture Licensing Company (MPLC)
- Newspaper Licensing Authority (NLA)
- Performing Rights Society (PRS)
- Phonographic Performance Ltd (PPL)
- Schools Printed Music Licence (SPML)

This means that local authorities and schools no longer need to negotiate individual licences, resulting in savings both in administration and in the overall cost of the licence. The Department will pay the cost, including VAT, to the agencies and will provide this as a service to local authorities at a charge. This means that local authorities can continue to reclaim VAT on the licences as they do now. These arrangements will cover academies as well as maintained schools, and local authorities are able to hold this money centrally rather than include it in school budgets. Local authorities will receive details of the charges for 2024/25 separately when these have been agreed (because the figures are commercial in confidence). In April 2024, ESFA will deduct the charge from the DSG and issue each local authority with a VAT invoice.