



Haverling

L O N D O N B O R O U G H

SCHOOLS FUNDING FORUM AGENDA

9.30 am

Tuesday
23 March 2021

Zoom

Members 17: Quorum: 7

MEMBERSHIP:

Representative Groups

LA Maintained School Representatives:

Head Teachers (7): Steve Bowers, Special
Emma Allen, Special
Kirsten Cooper, Primary
Georgina Delmonte, Primary
Hayley Durrant, Primary
Hayley McClenaghan, Primary
David Unwin-Bailey, Primary

Governors (1): Dave Waters, Primary

Academy Representatives:

Primary (1): Kate Ridley-Moy

Secondary (4) Neil Frost
David Turrell
Keith Williams
Denise Broom
Vacancy x2

Special (1) Vicki Fackler

AP Academy (1) Ray Lawrence

**Non-School
Representatives:**

Early Years PVI Sector Emma Reynolds
(1)

Post 16 Vacancy

Decision Board Vacancy

Trade Unions (2): John Delaney/John McGill, Teachers
Peter Liddle, UNISON

**For information about the meeting please contact:
Nick Carter
Nick.carter@haverling.gov.uk**

AGENDA ITEMS

1 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS OR OBSERVERS

2 TO AGREE THE NOTES OF THE PREVIOUS MEETING (Pages 1 - 8)

To agree the notes of the meeting held on 14 January 2021 and the special meeting held on 23 February 2021 as a correct and accurate records.

3 MATTERS ARISING

4 LOCAL AUTHORITY DEDICATED SCHOOLS GRANT MANAGEMENT PLAN
(Pages 9 - 10)

Report attached

5 HIGH NEEDS NATIONAL FUNDING FORMULA REVIEW CONSULTATION (Pages 11 - 21)

Report attached

6 SCHOOLS FUNDING 2021-22 (Pages 22 - 24)

Report and exempt appendix attached

7 PUPIL PREMIUM FUNDING 2021-22 (Pages 25 - 28)

Report and exempt appendix attached

8 THE FINANCIAL IMPACT OF COVID-19 FOR SCHOOLS AND EY SETTINGS
(Pages 29 - 43)

Report and appendices attached including one exempt

9 NEXT MEETINGS

Future meetings have been arranged as follows:

17 June 2021

Meeting to start at 8.30 a.m. at CEME, or at 9.30 a.m. as virtual meetings, depending on circumstances.

10 ANY OTHER BUSINESS

Andrew Beesley
Head of Democratic Services

Public Document Pack Agenda Item 2

MINUTES OF A MEETING OF THE SCHOOLS FUNDING FORUM

Zoom

14 January 2021 (9.30 - 11.20 am)

Present:

Representative Groups

LA Maintained School
Representatives

Head Teachers: Emma Allen, Special
Georgina Delmonte
Kirsten Cooper
Steve Bowers
Hayley Durrant
Hayley McClenaghan
David Unwin-Bailey

Governors: Dave Waters

Academy Representatives

Primary: Kate Ridley-Moy

Secondary: Keith Williams
Neil Frost

Special: Vicki Fackler

Non-School Representatives

Early Years PVI: Emma Reynolds

Trade Unions: John McGill

38 **APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS OR OBSERVERS**

39 **TO AGREE THE NOTES OF THE MEETING HELD ON 3 NOVEMBER 2020**

The notes of the meeting of the Forum held on 3 November 2020 were agreed as a correct record.

40 **MATTERS ARISING**

The Forum noted that the Assistant Director of Children's Services had spoken to Mark Halls to have a meeting set up.

41 **THE FINANCIAL IMPACT OF COVID 19**

The report presented to the Forum gave an update on the financial impact that COVID-19 had had on schools.

The Forum noted that in May 2020 the DfE had advised schools of the opportunity to claim for a limited range of additional costs that had been incurred. 38 LA maintained schools had received a total of £300,705. There would be a second opportunity for schools to submit a claim, but only for costs incurred between March and July 2020.

It was also noted that the DfE had announced the creation of a Coronavirus workforce fund for schools. This would be applicable for the second half term of the autumn. Where a school's level of staff absence was more than 20% on one day, or more than 10% for more than 15 days, the school could submit a claim. Schools with a balance of more than 4% would not be able to claim.

It was noted that there was a grant of £3.50 a week available for free school meals to meet the difference in cost between supplying meals in school and providing food parcels.

Members of the Forum were concerned that funding for the mass vaccination programme may not be available to schools with increasing balances.

There was no funding available for a school's loss of income.

Similar funding had not been made available to early years settings.

The Schools Funding Forum **noted** the current funding arrangements.

42 **TO AGREE THE NOTES OF THE MEETING HELD ON 3 NOVEMBER 2020 (EXEMPT ITEM)**

The exempt notes of the meeting of the Forum held on 3 November 2020 were agreed as a correct record.

43 **MATTERS ARISING (EXEMPT ITEM)**

There were no matters to be considered by the Forum.

44 **SCHOOL FORMULA FUNDING 2021-22**

The Forum received a report detailing the Local Authority's recommendations on the funding of Havering's schools and academies for financial year 2021-22.

The Forum noted that the funding consultation with schools had proposed a Minimum Funding Guarantee (MFG) of 0.5% with no gains cap. The consultation had been based on indicative funding figures provided by the DfE. The Forum noted that the Local Authority had now been informed of the final Dedicated Schools Grant Schools Block allocation for 2021-22, together with the pupil data for October 2020 that would be used to calculate 2021-22 school allocations.

The Forum members were pleased to note that Havering's School Block allocation had increased by 4.0% compared to 2020-21. This increase included funding for 611 more pupils than in the indicative allocation.

It was also noted that a transfer of £550k to the Growth Fund was required to maintain school funding for growth and falling rolls at the current level.

Recalculation of 2021-22 school budgets using the final funding allocation, and October 2020 pupil data, showed that a Minimum Funding Guarantee of 1.75% could now be afforded, together with no funding cap.

The Forum **agreed**:

1. The Local Authority adopts the national funding formula rates for the funding of schools and academies in financial year 2021-22 and also ensures that all schools receive a minimum funding guarantee of 1.75% per pupil, with no gains capped.
2. That £550,000 of the DSG Schools Block is used to support the Pupil Growth/Falling Rolls Fund

45 **DEDICATED SCHOOLS GRANT – CENTRAL SCHOOL SERVICES BLOCK 2021-22**

The Forum received a report which outlined the final allocation received for the Dedicated Schools Grant Central School Services Block.

The Forum noted the total Central School Services Block (CSSB) had increased from the indicative figure, provided at the September 2020 meeting, due to an increase in pupil numbers.

The Forum **agreed** that the additional sum in the final allocation be held as a contingency.

46 **HIGH NEEDS FUNDING 2020-21 AND 2021-22**

The report presented to the Forum provided a forecast of the expenditure against the 2020-21 High Needs budget and provided details of the Dedicated Schools Block for High Needs for 2021-22.

The Forum noted that the projected overspend had increased from £2.4million to £4.1million, with an increased in-year overspend forecasted at £3million. The Forum noted the High Needs Forecast of 2020-21 showed total funding was £25.1million with a cumulative overspend of £4million. It was noted that the 10% increase in the Dedicated Schools Block for High Needs for 2021-22, was not sufficient to cover the deficit.

The Forum:

1. **Noted** the year-end forecast of High Needs expenditure for financial year 2020-21
2. **Noted** the Dedicated Schools Grant - High Needs Block allocation for financial year 2021-22

47 **EARLY YEARS FUNDING 2021-22**

As proposed by the Chair, the Forum agreed to have this report presented at a special single item meeting of the Forum. This would allow prior discussion at the Early Years Provider Representation Group.

48 **NEXT MEETINGS**

The single item meeting of the Forum to discuss early years funding would be held on Tuesday 23rd February at 9.30m via Zoom.

The next normal meeting of the Forum would be held on Tuesday 23 March 2021 at 9.30 am via Zoom.

49 **ANY OTHER BUSINESS**

The Forum noted that the process for providing Personal Protective Equipment (PPE) for Early Years settings and schools had been finalised.

Public Document Pack

**MINUTES OF A MEETING OF THE
SCHOOLS FUNDING FORUM
VIRTUAL MEETING
23 February 2021 (9.30 - 10.15 am)**

Present:

Representative Groups

LA Maintained School
Representatives

Head Teachers: Georgina Delmonte
Elizabeth Page (in place of Kirsten Cooper)
Steve Bowers
Hayley McClenaghan
David Unwin-Bailey

Governors: Dave Waters

**Academy
Representatives**

Secondary: Keith Williams
Neil Frost
Denise Broom
David Turrell

Special: Vicki Fackler

**Non-School
Representatives**

Early Years PVI: Emma Reynolds

Trade Unions: John McGill
Peter Liddle

**50 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE
MEMBERS OR OBSERVERS**

Apologies were received for the absence of Kirsten Cooper (Elizabeth Page substituting) and Hayley Durrant.

51 **EARLY YEARS FUNDING 2021-22**

The report presented to the Forum gave an update on the Early Years Funding for 2021-2022 including the results of the consultation with Early Years providers.

The Forum noted that the funding allocations received from the DfE in December, for the Early Years Block of the Dedicated Schools Grant, were indicative. Funding would be revised to reflect pupil hours reported on the January 2021 Census.

It was noted that the funding for Early Years had been increased by £44million nationwide. This took the form of a 6p an hour increase in the rate used to fund Local Authorities for 3-4 year olds and an 8p rise in the rate used for 2 year olds. It was also noted that Havering had received an upward adjustment to funding in July 2020 of £701k.

It was noted that in Havering pupil hours at the October 2020 census had been 5% lower than the previous year, as a result of the pandemic. Funding proposals for 2021-22 had been formulated assuming a similar fall in hours between the January 2020 Census and the January 2021 Census.

The Forum noted that, in the funding consultation, Early Years providers had supported the Local Authority proposal for an increase of 8p an hour for 2 year olds and for a contingency of 1% which equated to £19k.

The Forum noted that Early Years providers expressed a preference for funding Option A, a base rate increase for 3-4 year olds to £5.02 with no change to the SEN Inclusion Fund rate of £4.90. The Forum then noted that EY providers were in favour of keeping deprivation funding as the only supplementary factor and of IDACI funding rates remaining aligned to those for schools. Members noted that in the funding consultation Early Years providers had supported the LA proposal that the central support services budget remain at £820,000.

The Forum agreed the recommendations as set out in the report.

1. (i) The basic hourly rate for 2 year olds is increased from £5.68 to £5.76
(ii) A contingency of 1% is retained to meet the cost of any in-year increase in 2 year old hours not funded by the Government
2. (i) The basic hourly rate for 3 & 4 year olds is increased from £5.00 to £5.02.
(II) The Early Years Inclusion Fund funded from the Early Years Block remains at £300,000 and that the hourly rate for eligible children remains at £4.90.

3. That deprivation is retained as the only supplementary factor and that the rates of funding continue to be aligned with the rates that are used for schools in the National Funding Formula.
4. That the centrally retained budget remains unchanged at £820,000.
5. That in future, the use of any underspend in the Early Years Block is discussed with the Early Years Provider Reference Group before any proposals are brought to the Schools Funding Forum and before any decisions are made on its use.

52 **NEXT MEETINGS**

The next meeting of the Forum would be held on Tuesday 23 March 2021 at 9.30 am via Zoom.

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Schools Funding Forum 23rd March 2021

ITEM 4

Subject Heading:

**Local Authority Dedicated Schools
Grant Management Plan**

Report Author:

**Nick Carter – Principal Finance Officer
(Schools)**

Eligibility to vote:

All members

SUMMARY

This item reports progress by the Local Authority on the Dedicated Schools Grant (DSG) Management Plan.

RECOMMENDATIONS

That the Schools Funding Forum notes the current progress on the DSG Management Plan and how the LA intends to proceed with this.

REPORT DETAIL

The requirement to complete a DSG Management Plan

The Dedicated Schools Grant (DSG) conditions of grant 2020 requires that any LA with an overall deficit on its DSG account at the end of the 2019 to 2020 financial year, or whose DSG surplus has substantially reduced during the year, must be able to present a plan to the Department for Education (DfE) for managing their future DSG spend. LAs will be required to share this information with their stakeholders, such as schools forums, parent and carer forum, local head teacher boards or groups.

This is the first year that all LAs with a deficit on the DSG have been required to produce such a plan. Previously LAs with a deficit of greater than 1% were required to produce a deficit recovery plan but there was no standard format.

At the end of the 2019-20 financial year, Havering had a deficit of £1.13m on the DSG and is therefore require to produce a DSG Management Plan.

Progress report

An update on progress with the plan will be presented to the meeting by Amar Barot, Strategic Finance Manager for Children's Services, for discussion.



Schools Funding Forum 23rd March 2021

ITEM 5

Subject Heading:

**High Needs National Funding Formula
Review Consultation 2022-23**

Report Author:

Nick Carter – Principal Finance Officer

Eligibility to vote:

All members

SUMMARY

This item provides details of the DfE consultation on the review of the national funding formula for allocations of high needs funding to local authorities.

RECOMMENDATIONS

To note the contents of the consultation and the questions to which the DfE is seeking responses, to determine whether the Forum wishes to submit a return, and if so, what the responses should be.

REPORT DETAIL

The DfE is currently consulting on changes for 2022-23 to the national funding formula used for allocations of high needs funding to local authorities. The consultation was launched on 10 February 2021 and closes 24 March 2021.

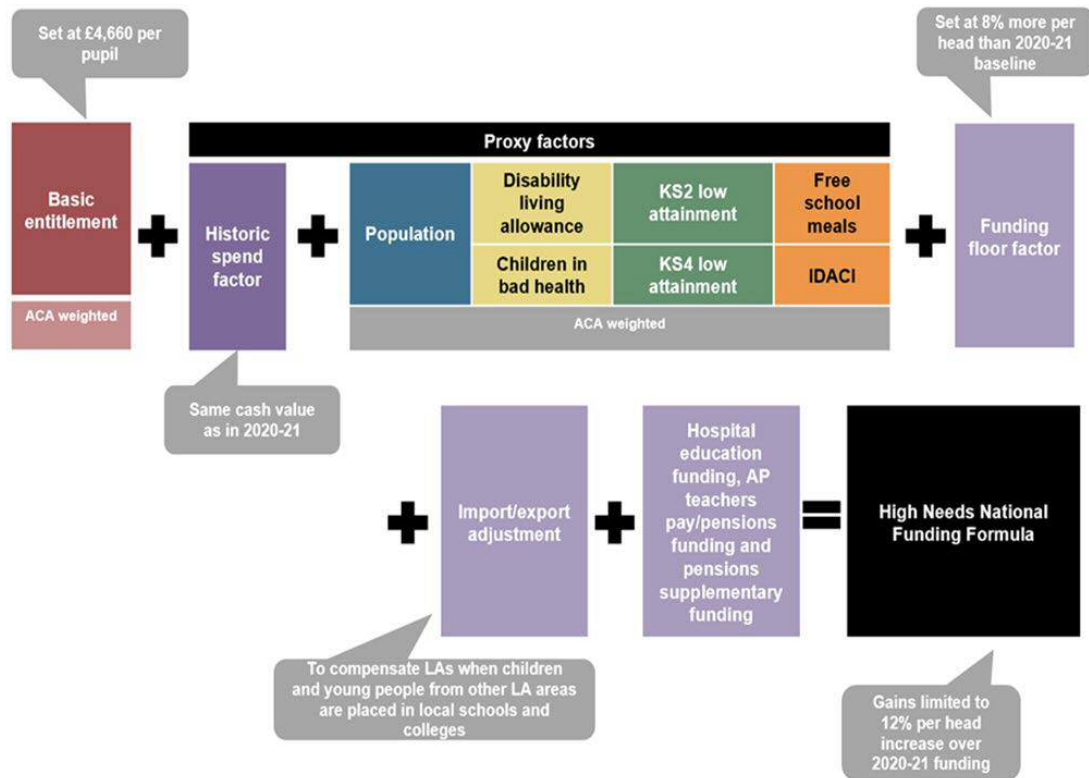
The full consultation document can be found on-line at:

https://consult.education.gov.uk/funding-policy-unit/high-needs-nff-proposed-changes/supporting_documents/High%20needs%20NFF%20review%20consultation%20document.pdf

The on-line response return is shown in Appendix A.

Funding formula used for 2021-22 allocations

The diagram below shows how the high needs national funding formula is made up:



Havering's allocation for 2021-22

£5,068 basic entitlement per pupil	£2,048,505
Proxy factors:	
Historic spend factor	£10,603,814
Population factor	£11,075,302
Disability living allowance	£1,387,839
Children in bad health	£1,452,054
Key stage 2 and 4 low prior attainment	£2,588,451
Free school meals	£1,850,498
Income Deprivation Affecting Children Index (IDACI).	£1,956,690
Funding floor set at 8% per pupil increase from 2020-21	£39,033
Import / export adjustment	-£1,302,000
Hospital education factor, AP pay and pension	£138,549
Gains cap set at 12% per pupil increase from 2020-21	£0
Total	£31,838,736

Introduction to consultation

The DfE are inviting local authorities in England, schools and colleges, other interested organisations and individuals to respond to specific proposals for a small number of changes to the national funding formula that will be used in the 2022-23 financial year. They are also seeking views on some of the longer term changes to the formula that could be considered in future.

The DfE is aware that many local authorities have in the past spent more on high needs than they were allocated and therefore they want to make sure that they are allocating high needs funding as appropriately and as fairly as possible.

This is regarded as the first stage of a planned review of the planned review of high needs funding. Wider SEND and AP system changes, that could be implemented in future years, are currently being considered. The aim of the review, six years on from the reforms inaugurated by the Children and Families Act 2014, is to make sure the system is consistent, high quality, sustainable, and integrated across education, health and care.

These broader SEND and AP reviews are likely to have implications for the way the DfE allocate high needs funding. The aim is to publish the review's proposals for consultation in spring 2021. There is then likely to be further consultation stemming from the review.

The national funding formula for high needs allocations to local authorities was introduced in 2018-19. Prior to that funding had been based on a local authority's past spending. The pledge was made to review the formula after four years.

The DfE make it clear that the consultation is specifically about the way funding is allocated through the formula and not about the overall level of funding. This will be examined in subsequent years as part of the next government spent review.

Question 1 - Historic levels of local authority expenditure in the funding formula

The historic spend factor in the formula acts as the main proxy for local supply and demand constraints that can significantly affect an LAs spend on high needs.

In the 2018-19 formula, and in subsequent years, a lump sum was included based on 50% of each LAs planned expenditure on high needs in 2017-18. Actual expenditure in 2017-18 varied from the original budgets submitted to the DfE. Actual expenditure on high needs in 2017-18 is seen as a better representation of past spending.

The DfE are proposing to replace the current historic lump sum figure with one based on actual 2017-18 expenditure. This forms Question 1 of the survey.

The theoretical impact of the change on each local authority for 2021-22 funding is shown on pages 20 – 37 of the review document. Havering is shown on page 26.

In Havering the High Needs position in 2017-18, as reported to the DfE on Section 251 budget and outturn returns, was:

High Needs budget	£22,698,263
High Needs actual expenditure	£23,104,218

Moving to 2017-18 actual expenditure would increase the level of funding allocated to Havering through the historic spend factor by £260k, however, the total funding would remain unchanged as Havering would still receive the minimum 8% rise (funding floor) in 2021-22.

The DfE do not intend to update this factor using more recent data as they believe this would introduce an incentive for LAs to spend more in order to generate more funding in the future.

This forms Question 1 of the survey.

Question 2 – Increasing the proportion of actual expenditure from 2017-18

As there have been significant increases in high needs funding through the formula since 2017-18, the proportion made up by the historic spend factor has fallen as it has been a fixed cash sum. The proportion allocated through this factor has fallen from 44% of funding in 2018-19 to 34% in 2021-22. This fall will have disadvantaged LAs with historically high cost provision for high needs.

The DfE are therefore considering whether it would be appropriate to increase the proportion of the funding through this factor. This could be done by using a more recent year as the base. The DfE will not do this, however, as they believe moving the base to more recent years would provide an incentive for local authorities to spend more in order to attract extra funding in future years.

The alternative is to increase the percentage of 2017-18 expenditure used from the current 50%. A rise to 60%, for example, would result in the historic spend factor making up 40% of total formula funding.

This forms Question 2 of the survey.

Question 3 – Finding an alternative to the historic spend factor

Historic expenditure reflects local circumstances that need to be acknowledged in funding distribution. It could also reflect, however, poor value for money. The historic expenditure factor reflects the position in 2017-18 which becomes increasingly outdated every year. The DfE would prefer to use alternative factors to reflect local issues that can be kept up to date.

Research by the Isos Partnership reported three main drivers, in addition to local demographics:

- Parental preference
- Capacity and ability of all providers in the area
- LA strategic decisions on how SEND need is met

Any factor used to replace the historic factor would need to avoid perverse incentives (e.g. creating more special school places because it attracts additional funding), be collected uniformly across the country and not be relatively stable year to year to avoid swings in funding.

The earliest any new factors could be introduced is 2023-24.

Views on this are sought in Question 3 of the survey.

Question 4 – Attainment data used in the formula funding

Low attainment at the end of key stages 2 and 4 is used as a proxy indicator of SEN in the national funding formula. The formula uses attainment data for pupils living in the LA from the most recent five-year period. For the 2022-23 there will be no key stage 2 test data, or GCSE exam results appropriate to use for this purpose, relating to 2020.

The DfE is therefore proposing to use data from 2016, 2017, 2018 and 2019 twice, as the five year set of data.

Views on this are sought in Question 4 of the survey.

Question 5 – Effective proxies for SEND and AP in the formula

The proxy measures used in the formula are shown above. The DfE is seeking views on how to improve the proxy factors used in the high needs national funding formula.

In previous consultations it has frequently been argued that the number of EHCPs should be a factor. The DfE have opposed this because their use varies between local authorities as does the threshold for obtaining an EHCP. Including EHCPs could also create a perverse incentive to increase the number simply to increase funding. The SEND review is examining whether system changes are needed to create greater consistency in EHC needs assessment.

Question 5 of the survey asks for ideas on which factors could be added to the formula, or could replace the current proxies.



Department
for Education

Review of national funding formula for allocations of high needs funding to local authorities: changes for 2022-23

Consultation

Launch date: Wednesday 10th February 2021

Responses by: Wednesday 24th March 2021

Historic spend factor - question 1

The historic spend factor in the high needs national funding formula is the main proxy we currently use for local circumstances that can significantly affect local authorities' levels of spending on high needs, and that take time to change. This formula lump sum is calculated using 50% of each local authority's planned expenditure on high needs in 2017-18, reported by local authorities.

We now have access to actual spending data from 2017-18. We therefore propose replacing the current lump sum included in the formula calculation with an amount calculated on the basis of actual expenditure in 2017-18, as reported by each local authority.

Before answering the question below, please read section 3 of the consultation document. Annex B to that document includes further information, and for each local authority the lump sum amount that we propose to use.

Do you agree that we should replace the current lump sum included in the formula calculation with an amount calculated on the basis of actual local authority expenditure, as reported by each local authority?

(Required) Agree Disagree Unsure

Please provide any additional comments:

Historic spend factor - question 2

The historic spend element of the high needs national funding formula has remained at a cash-flat level since the introduction of the national formula in 2018-19, moving from 44% of the overall formula funding in 2018-19 to 34% in the 2021-22 formula as that total funding has increased. Some local authorities may not have been able to change their spending patterns to keep pace with the percentage reduction in this factor, despite the protection afforded by the funding floor minimum increase of 8% this and next year. We are therefore considering whether to increase the proportion of funding allocated through this factor, alongside using actual expenditure amounts.

Using actual expenditure from a more recent year, and leaving the percentage at 50%, would increase the amount of the lump sum, but we are not proposing to do this as we are clear that local authorities' actual spending now or in future should not determine how much funding they receive. We could, however, increase the significance of this factor in the 2022-23 formula, by increasing the percentage of 2017-18 spending that is applied, allowing for a more gradual rate of change in the local pattern of spending.

Before answering the question below, please read section 3 of the consultation document.

Do you think that we should increase the percentage of actual expenditure in 2017-18 included in the funding formula calculation, or leave it at 50%? Use the comments box to propose a particular increase or reduction in the percentage.

(Required) Increase the percentage Keep the percentage at 50% Decrease the percentage Unsure or other

Comments:

Historic spend factor - question 3

We are aware that the continued use of historic spend is not the perfect long term solution for reflecting the patterns of local demand and supply that affect spending on high needs, as those patterns will naturally change over time. As part of the funding formula review that we are carrying out, and for consideration as we develop that formula in the years after 2022-23, we are therefore seeking views on potential alternatives to the historic spend factor. Any new factors would need to be appropriate for a funding formula (e.g. the data used should be collected on a consistent basis) and would also need to avoid creating a perverse incentive (e.g. to spend more on a certain type of provision so as to gain more funding, rather than to improve the quality or appropriateness of provision).

Before answering the question below, please refer to section 3 of the consultation document.

To what extent do you agree that the funding formula should include factors that reflect historical local demand for and supply of SEND and AP provision? If you have any suggestions for such factors that could eventually replace the historic spend factor, please provide these in the comments box.

(Required) Strongly agree Agree Neither agree nor disagree Disagree Strongly disagree

Comments:

Low attainment factor - question 4

The high needs national funding formula uses low attainment at both key stage 2 and key stage 4 as a proxy indicator for SEND. This figure is calculated using an average of results over the most recent 5 years of tests and exams, which for the 2022-23 formula would have meant using test and exam results from 2016 to 2020. Due to the COVID-19 pandemic, the 2020 key stage 2 tests and GCSE exams were cancelled. This has resulted in no key stage 2 data, and GCSE data that would be inappropriate to use because of the inconsistencies with the results from previous years.

We have considered using the same data as used to calculate last year's attainment formula factors, but this would mean data from more than 5 years ago. Instead, we propose to calculate low attainment by using data from 2016 to 2019, but then to double the weighting of the most recent exam data from 2019. This method could be used for a further year, assuming the 2021 test and exam results are also not able to be used for this purpose.

Please refer to section 4 of the consultation document before answering the following question.

Do you agree with our proposal to update the low attainment factors using data from 2016, and to substitute the most recent 2019 data in place of the missing 2020 attainment data?

(Required) Agree Disagree – calculate in the same way as last year Disagree – other (please provide further details in the comments) Unsure

Comments:

SEND and AP proxies - question 5

The high needs national funding formula uses six indicators which together act as a proxy for the level of more complex SEND, and need for alternative provision (AP) in an area. These indicators include: a measure of the local population of children and young people, the two low attainment measures (key stage 2 and key stage 4) referred to in question 4, two health and disability measures (the number of children in bad health and the number of families in receipt of disability living allowance), and two deprivation indicators (the number of children eligible for free school meals and a local area deprivation measure).

Numbers of EHC plans are not be used as a robust indicator of underlying need because the way they are used varies considerably across local areas, and the number of plans is therefore not necessarily directly associated with the local authority's need to spend. The ongoing SEND review is considering whether system changes are needed, to provide more consistency in EHC needs assessment and planning process, and to improve other aspects of the SEND arrangements.

Following the SEND review, we will consider whether consequent changes to these proxies that we use in the funding formula, as well as other funding changes, would be appropriate, as it is important that the proxies used support local authorities to deliver the outcomes of the review. At this stage we are keen to understand whether there are new factors either that could replace existing factors that have become out of date or otherwise unreliable, or that could be added to the formula to address types or prevalence of identified need, and we would welcome views.

Please refer to section 5 of the consultation document before giving your comments.

If you wish to offer ideas on factors that could be added to the current formula, or that could replace the current proxies, please provide further details in the comments box below.

Please provide your answer in the box below:

Equalities impact assessment - question 6

Please provide any information that you consider we should take into account in assessing the equalities impact of the proposals for change. Before answering this question, please refer to Annex C of the consultation document.

Please provide your answer in the box below:

Agenda Item 6



Schools Funding Forum 23rd March 2021

ITEM 6

Subject Heading:

Schools Funding 2021-22

Report Author:

Nick Carter – Principal Finance Officer

Eligibility to vote:

School and academy representatives

SUMMARY

This item is to provide confirmation that final allocations of funding for financial year 2021-22 were issued to LA maintained primary schools on 26th February 2021.

RECOMMENDATIONS

To note the report.

REPORT DETAIL

The issue to schools of their final funding allocations for financial year 2021-22 is the final stage of several months' work with the Schools Funding Forum in agreeing formula allocations, de-delegation etc.

The same funding formula applies to academies as it does to LA maintained schools, with academies receiving notification of their funding for the financial year commencing September 2021 from the ESFA.

Havering applies the schools national funding formula with a 1.75% per pupil minimum funding guarantee and no gain cap on schools.

Anonymised allocations for each school and academy are provided in Appendix A.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted



Schools Funding Forum 23rd March 2021

ITEM 7

Subject Heading:

Pupil Premium Funding 2021-22

Report Author:

Nick Carter – Principal Finance Officer

Eligibility to vote:

All members

SUMMARY

This item is to report the financial impact, on schools and academies, of Pupil Premium funding being calculated using October 2020 census data and not January 2021 census data.

RECOMMENDATIONS

To note the report.

REPORT DETAIL

Since the inception of the Pupil Premium in 2011-12, funding has been allocated based on data from the January census preceding the start of the financial year. The DfE announced in December 2020 that from 2021-22 funding would be based on data from the preceding October census. Exceptions to this include alternative provision and pupil referral units where eligibility will continue to be based on the January census. There will no change in the funding arrangements for children who are currently looked-after.

This change was reported to the Forum at the meeting held on 14 January 2021. The change was likely to impact on the amount of funding that schools receive, particularly as it was being applied retrospectively. Schools aim to ensure that as many pupils as possible are registered for free school meals to ensure they attract the Pupil Premium. Schools would have been working to the January census date to ensure maximum registration.

Parents of children who had just started in Reception may not have registered for free school meals by 1 October 2020, particularly as their children would receive a free meal anyway. The children of those who have become eligible for free school meals between October and January, maybe as a result of the impact of coronavirus, would not now receive the Pupil Premium in 2021-22.

Funding rates remain unchanged for 2021-22 at:

- Primary pupils free school meals 'Ever 6' £1,345
- Secondary pupils Free School Meals Ever 6 £955
- Children who have ceased to be looked-after £2,345
- Service children £310

In explaining the change in the Census used, the DfE state that it brings the Pupil Premium into line with how the rest of the core schools' budget is calculated and will provide both schools and DfE with greater certainty around future funding levels earlier in the year. In the past schools and academies have not been notified of Pupil Premium allocations for the 12 month period April – March until late June. This will remain the case for 2021-22 but from 2022-23 the DfE intend to publish allocations earlier.

The availability of January 2021 census data means that it is now possible to estimate the impact of the change with a reasonable degree of accuracy by looking at the number of pupils eligible for free school meals at the October and January censuses. The change in free school meal numbers may differ slightly from the change in Pupil Premium numbers if 'Ever 6' Pupils, not currently eligible for free school meals, have moved between schools. As entitlement to free school meals has been protected since April 2018, the difference in numbers is likely to be small as most pupils who attract the Pupil Premium are still currently eligible for free school meals.

The change in funding for each school is shown in Appendix A. The net loss across all schools and academies in Havering is £514k. To put this in context, the total Pupil Premium allocation for 2020-21 was £9.1m.

As expected, the impact is greatest on primary schools with 50 losing funding and only three gaining. The largest loss is £28k, with a further 19 schools losing more than £10k. The total net loss for the primary sector is £433k.

15 secondary schools lose funding with only one gaining. The largest loss is £26k. The total net loss for the secondary sector is £81k.

The impact on the three special schools is marginal.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted



Schools Funding Forum 23rd March 2021

ITEM 8

Subject Heading:

The Financial Impact for schools and early years settings of Covid 19

Report Author:

Nick Carter – Principal Finance Officer (Schools)

Eligibility to vote:

All school and academy members and the representative of the PVI sector

SUMMARY

This item summarises the funding arrangements announced by the DfE, and reports the findings of the surveys of schools and early years settings on additional costs incurred as a result of the Covid 19 pandemic.

RECOMMENDATIONS

That the Schools Funding Forum notes the current funding arrangements and survey results.

REPORT DETAIL

1. Exceptional Costs

In May 2020, the DfE advised that schools could claim for a limited range of additional costs incurred in dealing with the COVID-19 pandemic. These were:

- **increased premises related costs** associated with keeping schools open during the Easter and/or summer half term holidays, for vulnerable children

and the children of critical workers, over and above the costs that schools would have faced in other circumstances

- **support for free school meals for eligible children who are not attending school**, where those costs are not covered by the national voucher scheme - this covers:
 - costs to schools arising before the introduction of the national voucher scheme
 - costs where schools are providing free meals to children for whom the national voucher scheme is inappropriate (for example, because there are no participating supermarkets locally or schools are providing meals directly) - schools can only claim through this fund for free school meals provided over Easter and summer half term holidays where it was required because local supermarkets were not yet part of the national scheme
- **additional cleaning** – required due to confirmed or suspected coronavirus (COVID-19) cases, in line with COVID-19: cleaning of non-healthcare settings, over and above the cost of existing cleaning arrangements

Schools were not eligible to make a claim if they expected to add to their existing surpluses in their current financial year (September 2019 to August 2020 for academies and April 2020 to March 2021 for maintained schools).

Schools were able to register 'other' costs not included in the listed categories. The DfE stated that these costs would be considered, but there was no guarantee of payment. In November, the DfE announced that they would not be funding any of these additional costs.

Limits for school claims

Mainstream schools

250 pupils or fewer	£25,000
251 to 500 pupils	£30,000
501 to 1000 pupils	£50,000
Over 1000 pupils	£75,000

Special schools and alternative provision

All schools	£50,000
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38 LA maintained schools received a total of £300,705 as a result of claims submitted in the first window which closed at the end of the summer term.

There was a second opportunity to claim in December. The criteria for eligible spending remained largely unchanged and claims could only be made for expenditure incurred between March and July not included on the earlier submission.

24 LA maintained schools submitted a second claim in December with a further two submitting a claim for the first time. A total of £209,732 was received for claims submitted in December, bringing the total received for exceptional costs to £510,437. The total sums received by each school were:

	Total received £
School 1	30,000
School 2	30,000
School 3	29,870
School 4	29,400
School 5	27,850
School 6	24,694
School 7	24,280
School 8	24,243
School 9	21,349
School 10	17,179
School 11	16,447
School 12	15,703
School 13	15,434
School 14	15,293
School 15	14,011
School 16	12,559
School 17	11,927
School 18	11,776
School 19	11,381
School 20	10,632
School 21	10,199
School 22	9,757
School 23	9,496
School 24	9,002
School 25	8,461
School 26	8,395
School 27	8,273
School 28	7,604
School 29	7,550
School 30	7,248
School 31	5,323
School 32	4,320
School 33	3,932
School 34	3,808
School 35	3,361
School 36	3,183
School 37	2,900
School 38	1,663
School 39	1,543
School 40	392
Total	510,437

2. Coronavirus catch up premium and the national tutoring programme

In July 2020 the DfE announced £1 billion of additional funding to be allocated through a catch up premium. This consists of a universal £650 million catch-up premium for the 2020 to 2021 academic year and a £350 million National Tutoring Programme to provide targeted support for those who need the most help.

Primary and secondary schools will receive a total of £80 per pupil (Year R to Year 6) for the academic year 2020/21. There will be three allocations.

Term	Allocation
Autumn 2020	£20 per pupil using October 2019 Census numbers.
Spring 2021	£46.67 per pupil using October Census 2020 numbers <u>less</u> the allocation received for the autumn term
Summer 2021	£33.33 per pupil using October Census 2020 numbers. (Note for LA maintained schools this allocation will be in the 2021/22 financial year.)

Special, AP and hospital schools will receive £240 for each place using 2020/21 academic year place numbers. There will be three allocations.

Term	Allocation
Autumn 2020	£60 per place
Spring 2021	£80 per place
Summer 2021	£100 per place. (Note for LA maintained schools this allocation will be in the 2021/22 financial year.)

The autumn 2020 and spring term allocations have now been paid to schools and academies.

Details of the more recent Government announcements on funding to support the catch up programme have not yet been released.

3. Coronavirus (Covid-19) workforce fund for schools

In December 2020 the DfE announced details of funding to support schools with the costs of staff absences from 1 November 2020 to 31 December 2020. The on-line claim form went live on 10 March 2021 and will close on 31 March 2021

Teacher absences

To cover teacher absences schools can claim for the following expenditure:

- employing, either through agencies or directly contracting, supply teachers, or supply support staff where that role is to cover teacher absences
- increasing hours of part-time teaching staff or part-time education support staff where that role is to cover teacher absences
- making necessary amendments to support staff terms and conditions to enable them to take on additional responsibilities

Support staff absences

To cover support staff absences, schools can claim for the following expenditure:

- employing supply education and non-education support staff either through agencies or directly contracting
- increasing hours of part-time education and non-education support staff

Schools should seek the best rates they can. Where costs are particularly high relative to the absent rates reported, the DfE may review these claims.

What staff are included

Schools can only claim for covering the absences of permanent staff, who are on their payroll, or those employed on a long-term contract. They cannot claim for temporary staff.

- For 'educational support staff' this may include teaching assistants or specialist support staff where they are necessary in remaining open to all pupils or fulfilling a legal duty.
- For 'non-education support staff' this may include, cleaning, catering or caretaking staff where these are necessary in remaining open to all pupils or fulfilling a legal duty.
- In special schools or AP settings this may also include therapists and other support staff in health-related roles.

Conditions for accessing the fund

The criteria set out for this fund are designed to target those schools experiencing high absence rates and significant funding pressures

Prerequisite criteria:

- schools were open to all pupils (except where pupils are not physically in school, complying with clinical or public health advice) on the days in question
- schools have tried alternative options, for example using existing staff and resources (including at trust level)
- absences claimed are necessary spend to remain open to all pupils
- costs are not already covered by an existing insurance policy (for example, a supply teacher or staff absence insurance policy)

Financial reserves criteria

Schools will be eligible for this additional funding if their reserves at the end of the funding year are down to a level of no more than 4% of their annual income. Trusts will be eligible to claim for any of their academies once their level of reserves is down to 4% of total trust income. Additional funding allocated can be clawed back if, at year-end, balances are found to exceed 4% of income.

Workforce absence rate criteria

Mainstream schools

	Schools must be experiencing
Teachers	A total teacher and leader absence rate at or above 20% on a given day OR A teacher and leader absence rate of 10% or above for 15 or more consecutive school days
Support staff	Can be claimed on an exceptional only basis. The role must be necessary in remaining open to all pupils or meeting legal duties. This includes support required by an EHCP

Special schools and alternative provision schools

	Schools must be experiencing
	A total teacher and leader absence rate at or above 15% on a given day OR A teacher and leader absence rate of 10% or above for 15 or more consecutive school days
Support staff	A total support staff absence rate at or above 15% on a given day OR A support staff absence rate of 10% or above for 15 or more consecutive school days Once these thresholds are reached, claims can be made for roles which claimants deem to be necessary in maintaining critical provision for pupils

Schools do not have to calculate whether they meet the absence rate criteria themselves. When completing the on-line claim form, schools enter the number of absences each day. They are then able to see for which days they are eligible to claim.

4. Coronavirus – Mass asymptomatic testing

Schools and colleges will receive funding to support them with testing costs incurred.

Funding is available to support schools with testing requirements until the end of the Spring term. This includes:

- Any remaining on-site testing completed between 22 February and 8 March 2021
- The rapid testing of pupils with three LFD tests between 8 and 19 March 2021
- Maintaining a minimum on-site testing offer to deliver testing to pupils where at home testing is not considered suitable.

Funding will be paid retrospectively by reference to the number of test results the school has recorded on their individual school account on the NHS Test & Trace Log Results Website.

5. The Impact of Coronavirus on School and Academy Budgets – Survey Results

A survey of schools and academies was undertaken in the autumn term to gather information on the financial impact of the coronavirus pandemic. The intention being that the figures could be used when representations were made, through officers, to the DfE for additional funding. 46% of schools and academies responded. The results of this survey were reported to the Forum at the meeting held on 3 November 2020.

At their last meeting, the Schools Funding Forum requested a second survey to capture the up to date picture. This survey was sent to schools and academies on 10 March 2021 with a return date of 19 March 2021. The findings of the survey will be presented at the meeting.

A copy of the survey return and the accompanying letter are shown in Appendix A.

6. The Financial Impact of Coronavirus on Early Years Settings – Survey Results

The Early Years Provider Reference Group asked if a similar survey could be undertaken for early years settings. This was carried out at the end of January. A copy of the survey return and the accompanying letter are shown in Appendix B.

A summary of the returns is shown in Appendix C.

The number of responses received was as follows:

	Responses received
Childminders	8
Day Nurseries	11
Pre Schools	30
Primary Schools	1
Total	50

For child minders, reported costs ranged from £2k to £35k with an average of £12k. The average net cost after receipt of grants and other income was £7k. For day nurseries the figures ranged from £12k to £345k. The average net cost after receipt of grants and other income was £101k. For pre schools the figures ranged from £300 to £125k. The average net cost after receipt of grants and other income was £11k.

Lost income has had by far the greatest impact. Government / LA funding for the autumn term was protected at previous years' levels but for many settings this represents a relatively small proportion of their income. The average income lost for day nurseries was just short of £100k. Many providers added comments about the fall in income. The number of children at their settings had fallen sharply. Parents working from home did not require provision or required it only part time. Other reported parents withdrawing children over fears of Covid. Some settings had had to place a limit on the number of children to ensure they were providing a safe environment.

Grants, where they had been available, had not covered losses. Providers reported being unable to access certain grants because they had not been required to close by the Government. Some settings had not been able to furlough staff. Furlough had not covered losses where they had.

Settings reported difficulties claiming from their insurers for business interruption and that the success of claims was often dependent on the precise wording in policies.

Rent and utility costs had to be paid as usual.

On average, day nurseries had spent £6k on additional cleaning, PPE and sanitisers. Pre-schools had spent an average of £2.5k. Some suppliers had tripled the price of PPE.

The impact of Coronavirus on school and academy budgets to March 2021

School / Academy

Please includes costs to date and future expenditure already commitment

Yes

No

1 Additional costs incurred and lost income

Additional costs	£
Staffing (excluding cleaning staff) Include additional staff required and cover costs	
Cleaning of premises (including staff)	
PPE, hand sanitisers, other consumables	
Adaptations to premises	
Other equipment and services (including costs associated with remote learning)	
Lost income (e.g. from breakfast and after school clubs, lettings, fundraising activities cancelled)	
Total additional costs	0

Lost income	
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2 Additional funding from DfE / EFSA

Have you received, or are you expecting to claim and receive any of the following:

Grant	Yes / No / Maybe	£
Coronavirus exceptional cost funding (for period March - August 2020)		
Coronavirus workforce fund for schools (for the period November - December 2020)		
Coronavirus rapid mass testing in schools grant funding		
Total received / expected		0

3 Savings (if applicable)

£

Significant savings arising from partial school closure in the summer term 2020 and spring term 2021	
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5 Additional comments



Havering
LONDON BOROUGH

Nick Carter
Principal Finance Officer (Schools)

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RM1 3DW

To Head Teachers of Academies in Havering

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SENT VIA EMAIL

10 March 2021

Dear Colleague

The Impact of Coronavirus on Academy Budgets

Last term, at the request of the Schools' Funding Forum, I undertook a survey on the impact of the coronavirus pandemic on school and academy budgets. The response rate was close to 50%; thank you to everyone who submitted figures. I have attached a summary of the findings, as reported to the Schools' Forum.

The Forum have asked if I could repeat the exercise. Since the last survey in October, many of you will have faced considerable increased costs both in keeping the school open last term and in preparing for the return of all pupils now.

Representatives on the Schools' Funding Forum feel that the additional expenditure cannot be absorbed within day to day running costs and that financial support was required. Costs extended well beyond the scope of the additional funding made available by the DfE to date. The Forum suggested that a collective approach in lobbying for additional resources would be helpful, and that a knowledge of the costs incurred was needed. The figures will be used to make representations through officials to the DfE to release more money.

I have attached a spreadsheet to capture costs incurred. It is very similar to the last one, just a little more specific when it comes to grant income received or expected. I would be grateful if you could complete this and return it to me. Anything shared at the Schools' Funding Forum will be anonymised.

The next meeting of the Schools' Funding Forum is Tuesday 23 March 2021. If you could sent the return to me by Friday 19 March 2021, I will be able to report the findings at the meeting. I am sorry that does not give you a great deal of time but it is a general picture of the scale of costs that we are after, rather than complete accuracy.

At meetings with the DfE, they have made reference to savings that schools and academies will have made in the periods when they were not open to all pupils. To pre-empt future assertions, I have included a box for you to record significant savings, if there have been any.

Yours sincerely

Nick Carter

Principal Finance Officer (Schools)

The impact of COVID on Early Years Providers - January 2021

Provider name (optional)

Nature of setting

Day nursery, pre-school, independent, child minder etc.

Please includes costs to date and future expenditure already commitment

1 Lost income and additional costs incurred

Category	£
Lost income	
Additional costs	
Staffing (excluding cleaning staff) Include additional staff required and cover costs	
Cleaning of premises (including staff)	
PPE, hand sanitisers, other consumables	
Adaptations to premises	
Other equipment and services	
Total additional costs	0

2 Income and financial support received (if any)

Rates relief	
Insurance income for loss of earnings	
Income from furlough	
Other grants / support received	

3 Savings (if applicable)

Significant savings arising from reduced numbers or partial closure in the summer term	
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4 Additional comments



Havering
LONDON BOROUGH

Nick Carter

Principal Finance Officer

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To: Early Years Providers in Havering

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SENT VIA EMAIL

25 January 2021

Dear Colleague

The Financial Impact of COVID 19 on Early Years Providers

In the autumn term, the Local Authority carried out a survey of schools on the financial impact of COVID 19 and the survey will be repeated this term. The Early Years Provider Reference Group have asked if a similar survey of early years settings could be undertaken.

We are aware that COVID 19 has had a significant financial impact on early years providers. Protection was provided for funded places in the autumn term but apart from that support from Government has been largely been confined to the general support available for small businesses. We have raised the difficulties faced by providers with the Department for Education and will continue to do so.

In order to strengthen our case, it will be very helpful to have a better idea of the scale of the costs incurred. The figures would be used to make representations to the DfE.

To this end, I have attached a simple survey for you to complete in order to capture costs incurred. Any information you provide will be treated as confidential and anonymised before it is shared with anyone. It will be used only to inform discussions around additional funding for the sector, and not to assess the financial position of any individual setting. If you would rather complete the survey without giving the name that is fine, and you can leave the answers to some questions blank if you are more comfortable doing that.

To pre-empt claims about help that has been provided, I have included a section for you to show any financial support you have received and for savings that have arisen, if they are any. Please do not spend hours compiling precise figures, a general picture of the scale of costs is what is sought. A list of some of the additional costs you may want to include is shown below.

Please could you return completed surveys by Wednesday 10 February 2021. Thank you for your help.

Yours sincerely

Nick Carter
Principal Finance Officer (Schools)

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The impact of COVID on Early Years providers

Examples of lost income and additional costs faced

Lost income

- Loss of private income (i.e. non-funded income)
- Parents dropping hours and / or places
- Children not returning due to COVID
- Lack of uptake of new places due to COVID concerns
- The need to limit the amount of children at any one time in the setting
- Loss of income during bubble closures
- Loss of income for supplements – parents unable to pay due to their financial circumstances
- Not being permitted to enforce notice periods during lockdown

Staffing (excluding cleaning staff)

- Having to have more staff to enable operation of bubbles, even though there are fewer children
- Providing cover for staff absence due to sickness, shielding, self-isolation
- Not being able to furlough staff to ensure children have daily online teaching and vulnerable children's needs are met during lockdown

Cleaning of premises (including staff)

- Additional general cleaning costs – staffing, contract cleaners, cleaning products and equipment
- Additional deep cleaning costs – staffing, contract cleaners, cleaning products and equipment
- Fogging of settings
- Additional laundry costs

PPE, hand sanitisers, other consumables

- Hand sanitiser and other personal cleaning products
- Additional PPE costs
- Purchasing digital thermometers

Adaptation to premises

- Creation of additional space, creation of separate bubbles
- Adaptation to outside areas and installation of shelters to facilitate greater use
- Installation of further hand washing facilities
- Signage
- Partitions and barriers

Other equipment and services

- Additional training on COVID, Health and Wellbeing
- Additional health and wellbeing support
- Additional staff hours writing, reading and reviewing new policies and procedures
- Additional paperwork and printing
- Marketing including materials regarding COVID e.g distancing signs, mask wearing, screens etc
- Marketing for uptake of spaces
- Cost of filming virtual tours of settings
- Completion and distribution of stay at home work packs

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