



SCHOOLS FUNDING FORUM AGENDA

8.00 am

**Thursday
2 December 2021**

**Room 233-235, CEME,
Rainham**

Members 17: Quorum: 7

MEMBERSHIP:

Representative Groups

LA Maintained School Representatives:

Head Teachers (6): Emma Allen, Special
Steve Bowers or Chris Speller, Primary
Kirsten Cooper, Primary
Georgina Delmonte, Primary
David Unwin-Bailey, Primary
Hayley McClenaghan, Primary
Garth Tucker, 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) Gary Haines

**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, Support Staff

For information about the meeting please contact:

Nick Carter Tel: 01708 433884

nick.carter@haverling.gov.uk

AGENDA ITEMS

1 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS OR OBSERVERS

To note that:

(i) Garth Tucker has joined the Schools Funding Forum as the representative of Cluster B. Emma Allen will continue as the LA Maintained special school representative.

2 TO AGREE THE NOTES OF THE MEETING HELD ON... (Pages 1 - 4)

To agree the notes of the meeting held on 21st October 2021 as a correct and accurate record.

3 MATTERS ARISING

4 SCHOOL FUNDING CONSULTATION 2022-23 (Pages 5 - 20)

5 DE-DELEGATION OF FUNDING FOR THE EAL AND ATTENDANCE AND BEHAVIOUR SERVICES 2022-23 (Pages 21 - 29)

6 THE FUNDING OF LOCAL AUTHORITIES' SCHOOL IMPROVEMENT FUNCTIONS (Pages 30 - 44)

7 NEXT MEETINGS

Future meetings have been arranged as follows:

13 January 2021
10 February 2021
16 June 2021

Meetings to start at 8.00 a.m. at CEME rooms 233-235

8 ANY OTHER BUSINESS

Zena Smith
Democratic and Election Services Manager

**MINUTES OF A MEETING OF THE
SCHOOLS FUNDING FORUM
CEME, Room 235
21 October 2021 (8.00 - 9.35 am)**

Present:

Representative Groups

LA Maintained

Head Teachers: David Denchfield
Kirsten Cooper
David Unwin-Bailey
Chris Speller
Hayley McClenaghan
Terry Hudson

Governors:

**Academy
Representatives:**

Secondary: Keith Williams
David Turrell
Denise Broom

**Non-School
Representatives:** Emma Reynolds

Trade Unions:

**87 CHANGES IN MEMBERSHIP, APOLOGIES FOR ABSENCE AND
ANNOUNCEMENT OF SUBSTITUTE MEMBERS OR OBSERVERS**

Apologies were received for the absence of Emma Allen (Terry Hudson substituting), Kate Ridley-Moy, Dave Waters and Georgina Delmonte (David Denchfield substituting).

**88 TO AGREE THE NOTES OF THE MEETING HELD ON 23 SEPTEMBER
2021**

The minutes of the meeting held on 23rd September 2021 were agreed as a correct record.

89 MATTERS ARISING

There were no matters arising.

90 **EARLY YEARS FUNDING 2021-22**

The Forum received a detailed proposal of an increase in the funding rates for Early Years providers using unspent balances brought forward.

The Schools Funding Forum **agreed unanimously** the following, as recommended by the Early Years Provider Reference Group (EYPRG):

- that the basic hourly rate for 3 & 4 year olds be increased for the current financial year from £5.02 to £5.09, backdated to 1 April 2021.
- that the hourly rate for inclusion funding be increased for the current financial year from £4.90 to £5.09, backdated to 1 April 2021
- that the budget for the Early Years Inclusion Fund be increased from £300,000 to £400,000 to meet the cost of higher take up
- that a contingency of £200,000 be retained
- that the use of any underspend in the Early Years Block was 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.

91 **HIGH NEEDS FUNDING REVIEW**

The report before the Forum provided a summary of the options considered at the first meeting of the High Needs Task and Finish Group and proposed a package of increases in High Needs funding for schools. These covered the hourly rate paid in support of Education Health Care Plans (EHCPs), the inclusion supplement (headroom), the potential backdating of funding for EHCPs and funding for ARPs.

The ongoing work of the Task and Finish Group would determine the precise details of funding changes, but the package should result in an overall increase of £2.5m in line with the Local Authority's proposals.

The backdating of EHCPs was the area requiring most work. The Forum acknowledged that this was an issue for Year 7 pupils as well as for Reception pupils.

The report explained that local authorities were able to transfer up to 0.5% of the Schools Block to other funding blocks with the agreement of Schools Forums. The proposed increases in High Needs funding could not be implemented without a transfer of 0.5% from the Schools Block. This would reduce the increase in net cost to the High Needs Block from £2.5m to £1.5m

The Schools Funding Forum **agreed unanimously**:

- ☐ to note the areas examined by the Task and Finish Group
- ☐ that the consultation with schools on 2022-23 funding include the option of a transfer of Dedicated School Grant from the Schools Block to the High Needs Block.

92 **SCHOOL FUNDING 2022-23**

The Forum received a report that summarised the announcement of indicative DSG Schools Block funding for the financial year 2022-23 and provided options on a transfer of funding to the High Needs Block, meeting the cost of pupil growth and falling rolls and allocating the funding to schools.

Two funding options were presented to the Forum, one with no transfer of funds between the DSG Schools Block and High Needs Block and one with a transfer of 0.5%

The Schools Funding Forum considered the options presented and **agreed unanimously**:

- ☐ that the funding of pupil growth and falling rolls should continue at the current level
- ☐ that schools should be consulted on the single issue of a proposed transfer of 0.5% from the Schools Block to the High Needs Block of the Dedicated Schools Grant.

93 **EXCLUSION OF THE PUBLIC**

94 **ST URSULA'S CATHOLIC PRIMARY SCHOOL FUNDING 2022-23**

The Forum considered a report that outlined the funding position for recently amalgamated schools and proposed the submission of a request to the DfE for the 'disapplication' of part of the protected lump sum funding for St Ursula's Catholic Primary School.

The Schools Funding Forum **agreed unanimously** to the submission of a request to the DfE to 'dis-apply' part of the protected lump sum funding for St Ursula's Catholic Primary School

95 **NEXT MEETINGS**

The Forum noted that the next meeting would be held on 2 December 2021 at 8.00am. The meeting will take place at CEME.

96 **ANY OTHER BUSINESS**

There was no other business raised.

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Schools Funding Forum 2nd December 2021

ITEM 4

Subject Heading:

Schools Funding 2022-23

Report Author:

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

Eligibility to vote:

All school and academy members

SUMMARY

This report provides details of the Consultation on Schools and High Needs Funding 2022-23 which closed on Tuesday 30th November. A summary of the consultation responses received from schools and academies will be presented at the meeting.

RECOMMENDATIONS

That the Schools Funding Forum:

- (i) considers the responses to the Consultation on Schools and High Needs Funding 2022-23 submitted by schools and academies
- (ii) considers whether any action is required following the results of the consultation and prior to Local Authority receiving final funding allocations from the Department for Education later this month

REPORT DETAIL

Consultation on Schools and High Needs Funding 2022-23

At the meeting held on 21 October 2021 the Schools Funding Forum received a report on the indicative Dedicated Schools Grant (DSG) Schools Block funding for financial year 2022-23.

The Local Authority presented two options for the distribution of funding to schools and academies. In the first of these options there would be no transfer of funds from the Schools Block to the High Needs Block, the Minimum Funding Guarantee would be set at 2.0%, the maximum permitted, and there would be no gains cap.

The second option included the transfer of 0.5% of the Schools Block to the High Needs Block, to facilitate an increase in high needs funding for schools. The Minimum Funding Guarantee would be set at 1.0% and there would be a gains cap of 2.5%.

Both options used the DfE's National Funding Formula Rates and both options allowed for a transfer of £681k to maintain funding rates for growth and falling rolls at the current levels.

The Schools Funding Forum agreed that the two options presented should form the basis of the consultation with schools and academies on funding for 2022-23.

The funding consultation was issued on 12th November 2021 with a closing date of 30th November. The closing date means that the responses could not be included on the agenda papers but could be reported at the meeting on 2nd December 2021.

The consultation document is shown at Appendix A and the response form at Appendix B.



Consultation on Schools and High Needs Funding 2022-23

Introduction

This consultation document proposes options for the allocation of funding to schools for the financial year 2022-23 through the funding formula and in support of pupils with high needs. Schools are asked to consider the funding options outlined and respond to the Local Authority for further consideration by the Schools Funding Forum.

At this stage, all figures used in the calculations are from the October 2020 Census, but with the National Funding Formula (NFF) rates that will apply in 2022-23 formula. The final calculation will be based on the October 2021 Census.

The DfE do not release the October 2021 Census data until late December 2021. Therefore LAs consult using the previous year's dataset to agree the principles for the forthcoming financial year.

Process

A summary of responses to the consultation will be reported to the meeting of the Schools Funding Forum on 2nd December 2021, and will form part of the final decisions taken by the Local Authority in January, before schools are issued with their funding for the 2022-23 financial year.

Responding to the Consultation

This consultation paper is sent to the Head Teachers of all schools and academies. Please bring this to the attention of Chairs of Governors, Chairs of Resources, Board Members and Trustees as appropriate.

Responses should be emailed to:

education.finance@havering.gov.uk

Closing date of consultation: Tuesday 30th November 2021

If you require clarification on any point please contact:

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or

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Schools Funding 2022-23

Background to the funding options for 2022-23

This year we are consulting schools on a single issue, whether to transfer funding from the Schools Block to the High Needs Block of the Dedicated Schools Grant. In short this means reducing the funding distributed through the schools funding formula and increasing the funding available to support pupils with high needs in schools. Local Authorities, with the agreement of their Schools' Funding Forum, are permitted to transfer 0.5% of the Schools Block funding to High Needs funding. Based on indicative figures for 2022-23 this would equal £1,006,000.

Two options for the allocation of 2022-23 funding are presented in this consultation:

Option A - no transfer to High Needs

Option B - 0.5% transfer from Schools Block to High Needs

Further details of these options, and of the impact on schools' formula funding are outlined in this document and on the attached appendices.

It has become increasingly apparent in recent years that the cost of supporting pupils with high needs is placing an undue burden on school budgets. This is particularly the case for those schools with a high number of pupils with an Education Health Care Plan (EHCP) and those schools with an Additional Resources Provision (ARP). There is a risk that financial considerations begin to jeopardise inclusivity and that schools with a large number of pupils with high needs find it increasingly difficult to reach a balanced budget.

A Task and Finish Group comprised of Head Teachers and Local Authority officers, has been established to examine high needs funding for schools. Further details on the work carried out are given below. The Group are assessing a package of measures that would increase the high needs funding allocated to schools by around £2.5m per year. Financing these measures would require the 0.5% (£1m) transfer from the Schools Block. The remaining £1.5m needed would be met from the Council's DSG High Needs budget.

1 Dedicated Schools Grant (DSG)

Shortly before the start of the academic year 2019-20, the Government announced a £14 billion cash boost for schools. This provided an additional £2.6 billion in 2020-21, a further £2.2 billion in 2021-22 and a further £2.3 billion in 2022-23. This is shown in the table below.

	£bn	£bn	£bn	£bn
2020-21	2.6			2.6
2021-22	2.6	2.2		4.8
2022-23	2.6	2.2	2.3	7.1
Cumulative	7.8	4.4	2.3	14.5

Local authorities received indicative allocations of their DSG Schools and High Needs Blocks for the financial year 2022-23.

Since then, as part of the Spending Review 2021, the Government have announced an additional £4.7 billion for schools in England by 2024-25, over and above the previous Spending Review settlement for schools in 2022-23.

The details of the additional funding announced have not yet been released. It is likely that the extra funding for 2022-23 will be used to cover the cost of the National Insurance increase from April 2022, for funding the move towards a starting salary of £30k for new teachers, and for continuing Covid recovery programmes, rather than for an increase in the funding available for school formula allocations.

2 Havering's Schools Block funding 2022-23

Local authority allocations are based on primary and secondary units of funding (PUFs and SUFs). The indicative allocations released by the DfE are calculated using October 2020 data and will be updated in December for October 2021 pupil numbers.

	Actual primary unit of funding (PUF) £	Actual secondary unit of funding (SUF) £	Primary pupil numbers	Secondary pupil numbers	Pupil funding £	Rates (NNDR) £	Total funding £
2022-23	4,667	6,285	22,701	14,777	198,818,062	2,430,762	201,248,824
2021-22	4,559	6,097	22,701	14,777	193,595,869	2,241,145	195,837,015
Diff	108	188	0	0	5,222,193	189,617	5,411,809

The total Schools Block allocation also includes funding for pupil growth and falling rolls as below.

	Growth & falling rolls funding £	Total Schools Block funding £
2022-23	1,491,267*	202,740,091
2021-22	1,596,950	197,433,966
Diff	-105,683	5,306,125

* Locally calculated estimate

2.1 The National Funding Formula

Havering took the decision to adopt the National Funding Formula (NFF) factors and values in 2018-19 when they were introduced. The Schools Funding Forum has agreed that they should again be used in the calculation of schools' funding allocations for 2022-23.

As part of the Government's national increase in funding for schools, the NFF funding rates for core factors, additional needs factors and the school lump sum have increased by 3.0% for 2022-23. The differences between the 2021-22 formula factor rates and those for 2022-23 are shown in **Appendix A**.

Having adopted NFF factors and values, decisions still need to be made each year on whether funding should be transferred from the Schools Block to the High Needs Block of the Dedicated Schools Grant (DSG) and whether to supplement the funding received from the DfE for growth and falling rolls. Decisions also need to be made on the level of the minimum funding guarantee and any gains cap to be applied.

The DfE held a consultation over the summer on the move to a 'hard' National Funding Formula. The results of the consultation have not yet been published. Any changes to funding arrangements will not take effect until the 2023-24 financial year. As Havering already uses NFF factors and values the impact of a move to a hard NFF will not be as great as in some local authorities. Funding for growth and falling rolls is, however, likely to be affected.

2.2 Minimum per-pupil Funding Levels for primary and secondary schools (MFL)

In allocating funding to schools, Local Authorities need to ensure that minimum per-pupil funding levels are met. For 2022-23 these are £4,265 for primary schools and £5,525 for secondary schools, a rise of 2.0% on the rate for 2021-22.

In 2021-22 the MFL levels were £4,180 for primary schools and £5,415 for secondary schools. Ten primary and one secondary school received funding at the MFL level. From provisional modelling, using October 2020 Census data, seven primary and no secondary schools would be funded at MFL levels in financial year 2022-23. This is subject to change once the final dataset for the October 2021 Census is received.

2.3 The Minimum Funding Guarantee (MFG)

The Minimum Funding Guarantee (MFG) ensures that schools per pupil funding rises by a minimum percentage from the previous year. For 2022-23 local authorities can apply an MFG of between 0.5% and 2%. This means that where the per pupil funding for a school has risen by less than the MFG rate, the increase will be topped up to the level of the MFG.

As an example an MFG set at 1.0% would work as follows:

School's per pupil funding in 2021-22	£4,400
Formula funding for 2022-23	£4,300 (a fall from 2020-21)
School to be funded at 2021-22 + 1.0%	£4,444

For 2021-22 the MFG was set at 1.75%. In the 2022-23 funding consultation Option A proposes an MFG of 2%, the maximum permitted, and funding Option B an increase of 1%.

2.4 Gains cap

Local Authorities are able to adopt a gains cap if there is insufficient funding left in the Schools Block to meet formula allocations and MFG requirements.

As an example a gains cap set at 2.5% would work as follows:

School's per pupil funding in 2021-22	£4,400
Formula funding for 2022-23	£4,554 (a rise of 3.5%)
School to be funded at 2021-22 + 2.5%	£4,510

For 2021-22 there was no gains cap. In the 2022-23 funding consultation Option A proposes no gains cap and funding Option B a gains cap of 2.5%.

2.5 Pupil Growth and Falling Rolls Funding

As outlined above, the move to a hard NFF from 2023-24 is likely to impact on the funding received by schools for growth and falling rolls.

The allocation that Havering receives for pupil growth and falling rolls has reduced in recent years because the funding is now allocated by the DfE based on a formula. This multiplies the difference between the pupil numbers from the latest October census and those from the previous year by per pupil amounts of £1,485 for primary and £2,220 for secondary.

Havering's growth and falling rolls funds support school expansions, bulge classes and those schools with falling rolls. The allocations for existing bulge classes, previous year expansions moving through year groups and for falling rolls, were set out for the Schools Funding Forum. A budget of approximately £2.1m is required to continue funding on the current basis, a similar amount to that required for the current financial year.

The Schools Funding Forum agreed that pupil growth and falling rolls funding for schools needs to be protected at current levels. This will require the use of approximately £680k of the Schools Block funding.

3 Havering's High Needs Block funding 2022-23

Indicative funding for 2022-23 is as shown in the table below with comparable data from 2021-22. The DfE's High Needs formula uses 11 different factors. Only the pupil population factor is shown below, as along with historic spend, this distributes the largest proportion of funding to local authorities.

	Aged 2 – 18 Pupil Population Estimate	Provisional High needs NFF allocations £
2022-23	56,766	35,110,164
2021-22	56,028	31,838,736
Difference	738	3,271,428

Although funding for 2022-23 will increase by £3.3m (10.3%), costs are expected to increase by a similar figure. The High Needs Block is expected to overspend by £3.0m in the current financial year. With a £2.7m deficit brought forward, this will bring the cumulative deficit to £5.7m.

3.1 Transfer of Schools Block Funding to High Needs

As in previous years, for 2022-23 LAs are able to transfer up to 0.5% of the Schools Block to other DSG blocks including High Needs. Using the indicative figure for 2022-23, this equates to £1,006,000. Funding Option B proposes transferring 0.5% of the Schools Block to the High Needs Block.

3.1 High Needs Proposals

It has become increasingly apparent in recent years that the cost of supporting pupils with high needs is placing an undue burden on school budgets. This is particularly the case for those schools with a high number of pupils with an Education Health Care Plan (EHCP) or with an Additional Resources Provision (ARP). There is a risk that financial considerations begin to jeopardise inclusivity and that schools with a large number of pupils with high needs find it increasingly difficult to reach a balanced budget.

The Schools' Funding Forum has tasked a High Needs Task and Finish Group with reviewing four areas of SEN funding for schools. These are:

- (i) Funding in support of EHCPs
- (ii) The Inclusion Supplement (Headroom)
- (iii) The backdating of funding for new EHCPs
- (iv) Funding for Additional Resourced Provision (ARPs)

The work of the Task and Finish Group is not yet complete. From analysis undertaken so far, however, it can be seen that a package of measures increasing the high needs funding allocated to schools by £2.5m would make a meaningful difference in meeting the cost of supporting pupils.

With the High Needs Block already overspending, it would only be possible to increase the funding allocated by £2.5m if schools agreed to the transfer of 0.5% (approximately £1m) from the Schools Block to the High Needs Block. This would mean that the funding allocated to schools through the formula would be reduced by £1m but that an extra £2.5m would go out to schools for the support of pupils with high needs.

Funding Option B proposes transferring 0.5% of the Schools Block, just over £1m, to the High Needs Block enabling high needs funding allocated to schools to increase by £2.5m

The ongoing work of the High Needs Task and Finish Group will determine the precise formulation of the additional £2.5m to be allocated to schools. A decision is anticipated in early 2022 in time for the forthcoming financial year, 2022-23.

Below is a more detailed look at the areas under consideration.

(i) Funding in support of EHCPs

Teaching assistant time in support of an EHCP is currently funded at £14.00 per hour after the first 11 hours. The current cost of employing a teaching assistant averages £16.06 an hour.

Schools are funded for 39 weeks each academic year, with some variation each financial year depending on the timing of the Easter break. Teaching assistants are, however, paid for 43.6 weeks per year, or 44.1 weeks if they have over five years' service. Taking this into account, the hourly cost increases to £18.04.

Schools are expected to meet the first £6,000 of support for an EHCP from the School Budget Share. At the current funding rate of £14.00 per hour this equates to the first 11 hours. As the rate is increased, the hours represented by £6,000 falls. For example if the rate increased to £16 per hour, £6,000 would only purchase 9.5 hours.

The Task and Finish group is considering the hourly rate of £14.00, with the view of a phased move towards an £18.00 hourly rate.

(ii) The Inclusion Supplement

Frequently referred to as 'headroom', the Inclusion Supplement provides additional funding to schools that have a disproportionately high number of pupils with EHCPs.

Schools are expected to meet the first £6,000 of support from the School Budget Share. The DfE acknowledges that where a school has a high number of EHCP pupils, the need to fund the first £6,000 will place a strain on the budget. Local Authorities are, therefore, permitted to provide additional funding to schools that

have a high number of pupils with an EHCP. The DfE does not prescribe the method of calculating the additional funding.

The Task and Finish Group is reviewing the calculation of the Inclusion Supplement with a view to adopting a simpler formula that references the 'Notional SEN' funding included in School Budget Shares. This would remove some inequities in the current system and would, in most cases, result in those schools with a disproportionately high number of EHCPs receiving additional funding to more accurately reflect the cost to the school budget

(iii) Backdating funding for new EHCPs – Year Reception

A pupil arriving at a school may require one to one support from the first day. If that pupil does not have an EHCP in place, the school will not receive funding until an EHCP has been finalised and will then receive funding starting from the date of finalisation. This means that the school receives no funding for the assessment period.

The Task and Finish Group and the Schools' Funding Forum felt that the problem was most acute for pupils starting in Reception and in Year 7 and that this should be the focus for any additional funding. Work will continue to develop a fair, transparent and affordable mechanism to backdate funding when a child receives an EHCP.

(iv) Funding for Additional Resourced Provision (ARPs)

Schools with an ARP currently receive funding as follows:

- The pupil led funding relevant for the Key Stage of each pupil in the ARP. This is topped up to £4,000 for Key Stage 1 and 2 pupils.
- £4,000 for each place at the ARP that is unfilled
- £6,000 per place 'place funding'
- £6,667 per place 'pupil top-up'

This means that currently an ARP at a primary school receives £16,667 per place. An ARP at a secondary school receives £17,435 for each place filled by a KS3 pupil, £18,041 for each place filled by a KS4 pupil and £16,667 for each place that is unfilled.

The £6,667 pupil top-up matches the lowest funding band for pupil top-up in special schools, Level C (ii). There are, however, very few pupils in special schools that are funded on this lowest band. The LA has proposed that the £6,667 pupil top-up is increased to £10,000 to match the next funding band for pupil top-up in special schools, Level C (i). Funding would be increased by a further £660 per place to mirror the revised funding matrix for special schools.

These changes would provide an additional £3,993 per place meaning a 12 place ARP would receive an additional £48k.

The current deficit and overspend on the High Needs Block means that these proposals could not be implemented without a transfer of 0.5% from the Schools

Block. With agreement to the transfer of 0.5% (£1m) from the Schools Block, the remaining £1.5m would be met from the Local Authority's High Needs budget.

4 Funding Formula 2022-23 and Funding Options

The Schools Funding Forum feel that the issue of high needs funding needs to be addressed in 2022-23 and that schools should be asked to agree to the transfer of 0.5% from the Schools Block to the High Needs block.

Participants in this consultation are asked to express a preference for one of two options. Option A, in which there is no transfer to the High Needs Block and Option B in which 0.5% of the Schools Block is transferred.

Details of these two options are shown below. The impact on individual schools is shown anonymously in **Appendix B**.

Option A: No transfer of funding from the Schools Block to the High Needs Block

- No implementation of proposals to increase high needs funding allocated to schools in 2022-23
- Minimum Funding Guarantee set at 2.0%
- No gains cap
- £680k moved to the Pupil Growth and Falling Rolls Fund

Based on current indicative figures, it is possible to allocate funding to schools with the maximum permitted MFG of 2% and no gains cap. With a minor overspend, it would also be possible to allocate the additional funding required for growth and falling rolls. There would be no money available to transfer from the Schools Block to the High Needs Block. Proposals to increase allocations in support of high needs pupils would need to be deferred until a future year.

The table below shows the figures. Coupled with maintaining funding for growth and falling rolls at the current levels, this leaves a provisional deficit of £118k. As the figures are indicative, based on October 2020 census data, an overspend of this size is not a concern at this stage.

	£
Total funding allocated with 2.0% MFG	200,685,761
Total required for Pupil Growth/Falling Rolls	681,002
Total funding required	201,366,763
Total funding available	201,248,824
Funding remaining	-117,939

The number of schools receiving formula funding, MFL and MFG protection is shown in the table below, together with the cost of the MFG protection.

Type of School	No. of schools receiving per-pupil MFL	No. of schools protected on 2.0% MFG	Cost of MFG protection £	No. of schools funded on formula
Primary	7	0	0	59
Secondary	0	3	609,016	15
Total	7	3	609,016	74

Option B: 0.5% transfer from Schools Block to High Needs Block

- Implementation of proposals to increase high needs funding allocated to schools in 2022-23
- Minimum Funding Guarantee set at 1.0%
- A gains cap of 2.5%
- £680k moved to the Pupil Growth and Falling Rolls Fund

Based on current indicative figures, if 0.5% of the School Block is transferred to the High Needs Block it becomes necessary to reduce the Minimum Funding Guarantee (MFG) and to introduce a gains cap. An MFG of 1%, together with a gains cap of 2.5%, would enable a transfer of 0.5% from the Schools Block to the High Needs Block, and allow for the allocation of additional funding for growth and falling rolls.

The table below shows the figures.

	£
Total funding allocated with 1.0% MFG and 2.5% Cap	199,486,386
Total required for Pupil Growth/Falling Rolls	681,002
Transfer to High Needs (0.5%)	1,006,244
Total funding required	201,173,632
Total funding available	201,248,824
Funding remaining	75,192

The number of schools receiving formula funding, MFL and MFG protection is shown in the table below, together with the cost of the MFG protection and savings from the cap.

Type of School	No. of schools receiving per-pupil MFL	No. of schools protected on 1.0% MFG	Cost of MFG protection £	No. of schools to receive between 1.0% and 2.5%	No of schools capped	Savings from Cap £
Primary	7	0	0	11	48	-574,983
Secondary	0	2	454,618	2	14	-469,994
Total	7	2	454,618	13	62	-1,044,977

If there are additional funds available when the revised Schools Block allocation, based on October 2021 data, is received, this would be used to increase the cap threshold and / or to increase the level of MFG.

5 Conclusion

We hope that this paper and the accompanying appendices explain the funding options that form the basis of this consultation, and the rationale behind these options.

As explained above, these allocations are indicative and final calculations will be made once the validated data from the October 2021 census has been received from the DfE. The final funding allocations for 2022-23 will change, increasing or decreasing for each school depending on changes in schools' pupil numbers and changes in the additional needs data.

The consultation response form is provided in a separate document.

Issued on 12/11/21 by Education Finance - Nick Carter, Hany Moussa, Sam Allen



Havering

LONDON BOROUGH

Consultation on Schools and High Needs Funding 2022-23 – Response Form

School name:	
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Please place an **X** in the column provided against your preferred funding option for 2022-23:

Option A	No transfer of funds from the Schools Block to the High Needs Block	Preferred option
	<ul style="list-style-type: none"> No implementation of proposals to increase High Needs funding allocated to schools in 2022-23 	
	<ul style="list-style-type: none"> Minimum Funding Guarantee set at 2.0% 	
	<ul style="list-style-type: none"> No gains cap 	
	<ul style="list-style-type: none"> £680k moved to the Pupil Growth and Falling Rolls Fund 	

Option B	A transfer of 0.5% from the Schools Block to the High Needs Block	Preferred option
	<ul style="list-style-type: none"> Implementation of proposals to increase High Needs funding allocated to schools in 2022-23 	
	<ul style="list-style-type: none"> Minimum Funding Guarantee set at 1.0% 	
	<ul style="list-style-type: none"> A gains cap of 2.5% 	
	<ul style="list-style-type: none"> £680k moved to the Pupil Growth and Falling Rolls Fund 	

Please enter any comments you have about this consultation in the space below and continue on following page

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Respondent details

Name:	
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Designation:	
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Submission details

Please email the completed response form by Tuesday 30th November to:

education.finance@havering.gov.uk



Schools Funding Forum 2nd December 2021

ITEM 5

Subject Heading:

De-delegation of funding for the EAL and Attendance and Behaviour Services 2022-23

Report Author:

Nick Carter – Principal Finance Officer (Schools)

Eligibility to vote:

LA maintained primary school representatives

SUMMARY

This item revisits the de-delegation of funding for The English as an Additional Language (EAL) Service and the Attendance and Behaviour Services .

RECOMMENDATIONS

For LA maintained school representatives to determine whether to de-delegate funding for the following services:

- (i) EAL
- (ii) Attendance & Behaviour

REPORT DETAIL

Funding for de-delegated services must be allocated to schools through the formula but can be passed back, or 'de-delegated', for maintained mainstream primary and secondary schools with schools forum approval. De-delegation is not an option for academies, special schools, nursery schools and Pupil Referral Units.

At the meeting of the Schools Funding Forum held on 23 September 2021 representatives from primary LA maintained schools voted to de-delegate the funding for a number of services. Members wished to consult with their clusters before making a decision on de-delegation for the EAL Service and the Attendance and Behaviour Services. De-delegation of these services is now brought back to the Forum for consideration.

The timetable for determining school funding would allow the decision to be deferred until the meeting of the School Forum on 2 December 2021, although this does create uncertainty for the services concerned as they plan for the next financial year.

1. Attendance & Behaviour

Funding requested through de-delegation from LA maintained primary schools is as follows:

Formula factor	AWPU	FSM Ever 6	IDACI E	IDACI D	IDACI C	IDACI B	IDACI A	Low attainment	
Amount	£5.00	£2.00	£14.08	£22.08	£12.05	£7.71	£10.07	£5.00	
Total	£86,400	£6,513	£30,492	£25,769	£6,511	£4,671	£1,310	£24,581	£186,247

2021-22 rates	£5.00	£2.00	£14.08	£22.08	£12.05	£7.71	£10.07	£5.00	
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The range in sums de-delegated from each school is shown below. The majority of schools would benefit financially from de-delegation compared to the cost of buying a similar level of service.

	De-delegated from individual schools
Lowest	£1,815
Median	£3,855
Highest	£10,135

The supporting document provided at the meeting of the Forum on 23rd September 2021 is included at Appendix A.

2. EAL Service

Funding requested through de-delegation from LA maintained primary schools is as follows:

2022-23	Primary
Formula factor	EAL 3
Amount	£38.00
Total	£93,000

2021-22 rate	£38.00
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The range in sums de-delegated from each school is shown below. The majority of schools would benefit financially from de-delegation compared to the cost of buying a similar level of service.

	De-delegated from individual schools
Lowest	£297
Median	£1,650
Highest	£4,740

The supporting document provided at the meeting of the Forum on 23rd September 2021 is included at Appendix B. Additional information about the service sent to schools is included in Appendix C.

The EAL Team have now secured the services of an experienced, independent consultant to meet the back fill requirements. This will help to ensure that EAL provision will not be compromised by the joint EAL & Safeguarding roles.

Havering Attendance, Behaviour and Traveller Support Services

We aim to support schools to manage the most challenging pupils with the human resources that they currently have, hence ensuring good value for money and crucially increase the confidence of our staff.

Introduction

The Attendance, Behaviour and Traveller Support Teams provides for a central bank of knowledge and support to be available to primary and secondary schools across Havering. Our teams work to support a range of school staff, including members of SMT, SENCOs, teachers and support staff. We also work closely with parents/carers, undertaking home visits where appropriate, with the aim of reducing barriers to good attendance/school engagement and reminding parents of their legal responsibilities where necessary.

A key part of our role and one which we believe sets us apart from other approaches, is our joint work with other key professionals in Health and Social Care. This year the team has continued to forge our partnership with the Early Help Service. This work has enabled us to continue to advocate for a more holistic and education focused approach. Our focus is to support pupils at risk of school disengagement and to intervene in schools where thresholds for early help/social care intervention are not being met.

The focus of our work over the past year has been:

- Supporting schools to improve attendance, particularly persistent absence
- Support and challenge of parents/carers where there are attendance and/or behavioural concerns, developing targeted interventions for pupils at wave 2, 3 and 4 thresholds.
- Linking with other key inclusion and wider council services to improve attendance and behaviour, including SEN, the AP Commissioner, Early Help and CAMHS services, as well as supporting pastoral support networks
- Further roll out of the Restorative Approaches training
- Support for schools in policy writing (such as Flexi School Guidance)
- Supporting staff with Staff Discussion Groups and working with key primary school leaders in particular through the Head programme.
- Inclusion consultations, working with CAD and providing a child centred approach to supporting children with a variety of SEMH needs.

The Attendance and Behaviour Teams would like to request that Schools Funding Forum give a mandate for them to continue support for schools to help bring about further positive change, and to build on existing work to support a much needed multi agency approach with our most vulnerable pupils.

Our Core Offer to LA Maintained Schools. THIS OFFER IS AVAILABLE TO ACADEMIES VIA HES.

Behaviour Support

Support for an average of four individual children per primary school per academic year at risk of disengagement/exclusion depending on the waves threshold. This may vary depending on the current need in the school and will be assessed by ABTSS team also in consideration with

school demographics / need. This is a useful benchmark around general levels of support and some cases may be supervised more intensely than others. This will be dynamically assessed on a case by case basis. Support is designed to meet the need of each individual child in each individual school and can be delivered in a variety of ways. This could include twilight training sessions, online consultations, intensive 5 P planning and teaching as well as in class support.

In the 2019/20 academic year, the service actively supported 243 students who are struggling in the classroom, disengaged from learning or undertaking a school transition move through the IYFAP process. The support offered works on a step up and down mechanism where our students at most risk of disengagement receive between 2-5 sessions per week of in school support overseen by a senior officer in the team.

School professionals can also be supported through our comprehensive professional development training programme (listed below). Schools are entitled to choose a one-day training per year as part of the core offer, we have also greatly appreciated in this academic year schools sharing trainings across sites as some trainings such as Team Teach have been in very high demand.

We recognise that school and life transitions are trigger points for stress; we offer a transition service via our Transition Coordinator. We support pupils, through group work and 1-1 support if we anticipate that attendance at secondary school will be potentially overwhelming. This year much of programme was online with demand for support for Year 7 transitions. The online transition week continues to be a popular feature of the support we provide via the Havering FIS website which has thousands of hits with support provided following enquires via that page.

Attendance Support:

It is important to note that school attendance is coming under increasing scrutiny, with the persistent absence (PA) rate now defined as below 90% as opposed to 85%. We offer EVERY school an experienced named officer/s who will work flexibly with schools and visit regularly to monitor attendance, advise and work with schools and families to improve attendance.

The package of support provided to schools in the de-delegated arrangements includes bi-weekly or monthly visits to your school by a named officer to oversee patterns of non-attendance. This includes early intervention when patterns of poor attendance arise and multi-agency working to support the family and improve outcomes. Providing in-school training for school staff on attendance matters on SIMS plus templates, monitored late gate, presentations at new intake meetings, staff meetings and school assemblies. In addition:

- Advice and guidance when a parent wants to educate their child at home.
- Provision of advice and guidance on child protection issues.
- Regular support from a linked Attendance and Behaviour Support Officer (including absence cover when linked officer is unavailable due to ill health, etc.)
- Advice and guidance on promoting early intervention for pupils with poor attendance.
- Guidance on strategies for managing pupil absence.
- Detailed casework with pupils with low attendance that will reach the threshold for legal intervention, if required.
- Outreach work with pupils and families, including home visits and attendance at multi-agency meetings and case conferences for pupils causing serious concern.
- Meetings at school with staff and parents.
- Cross border liaison in relation to out-borough pupils.
- Pre- Ofsted 'health check'

The above support is in addition to the statutory service provided to every Havering school as follows:

- *Guidance for children on child protection plans and children missing from education*
- *Issuing and full administration of Fixed Penalty Notices including holiday fines*
- *Presentation of cases in court that meet the legal threshold for prosecution*

Primary schools have particularly appreciated our updated attendance leaflets for parents and the new fridge magnets and parents 'THINK TWICE' medical advice booklet.

Dedicated telephone service

To cover any kind of query related to attendance, behaviour, traveller support or exclusion we offer a dedicated Mon-Fri 9am-5pm duty telephone system for every school in Havering, where a member of our team will be here to answer any questions and provide you with a quick and timely follow-up. Our telephone service is also located in the MASH team so that we are able to share and support your safeguarding and welfare concerns.

Dedicated Traveller Education Support

We have a wealth of experience of dealing with traveller families. With the dedicated support of our specialist Traveller Education Support Officer and our knowledge of the traveller community, we aim to improve the attendance, educational outcomes and school engagement of all pupils from a traveller background. We maintain close and regular contact with parents. We visit families living on privately owned sites, fairgrounds and circuses as well as those in private and council accommodation, by building trust and confidence. This has led to an increase in school attendance, and a wider participation in the life and activities in Havering schools.

Our commitment:

- Support positive relationship building between Traveller families and schools
- Liaise with other agencies within the Borough to improve the quality of services available to traveller families.
- Provide intensive support packages and initial integration support for pupils who demonstrate great need.
- Share information with other agencies, schools, out of borough authorities by developing systems and protocols where necessary, and develop and maintain effective joint working relationships.
- School presentations, parent meetings and trainings according to need.

Training/CPD offer to all schools and Academies on a BUYBACK offer.

The core-training offer is flexible in terms of venue, full-day/half day and twilight options. **LA maintained schools** are entitled to **one whole day** training inclusive, selected from the list below. We offer a wide training menu to schools depending on the needs of the school in consultation and partnership with the Head teacher. We will deliver training packages that will improve the implementation of policy into practice and enhance the confidence of school staff. Our packages are approved and recommended by the DfE, NICE and OFSTED. **Much of the future training offer will be online or compliant with staffing 'bubbles'.**

Trainings available to you are:

- Positive Classroom Behaviour Management for teachers, including NQT's and support staff support via CPD programme to assist teaching staff in developing understanding of the motivations behind children's challenging behaviour. Key stage 1-4
- NQT Behaviour Classroom Management Key Stage 1-2
- Positive Lunchtimes! – a specific half day training for SMSAs in-line with the new OFSTED framework Key stage 1-2
- Accredited 1 and 2 day Team Teach Training: de-escalation and positive handling Key stage 1-4 (with staff groups of more than 24 staff at any one time there may be a minimal extra cost for extra tutors for this course only in line with accreditation specifications)

- Restorative Approaches –a whole school approach to behaviour management. We are able to offer whole school or part school training across key stages 1-4. (Please note this training requires more than one training day commitment and some parts of the training require additional purchase).
- Problem solving and circle time. Programmes/workshops to promote better social skills and related to the PSHE curriculum using the 'Dina Dinosaur' programme, building capacity and developing a school culture. Key stage 1-2
- Engaging Traveller Families Workshop Key stage 1-4
- Teacher and staff reflective problem solving sessions Key stage 1-4
- Training for Governors and schools on the attendance legal framework Key stage 1-4

Our training packages are well researched and received, providing enormous value when compared to the price charged by private providers for similar training programme for example if a whole school one day Team Teach Positive Handling Training was booked through Team Teach Ltd would cost in excess of £2,600!. On average, we train over 1700 staff each year.

Why continue with us?

As well as always taking a professional and flexible approach. We pride ourselves on our customer service and we value excellent communication with all our customers.

Our service is backed by educational and therapeutic specialists who work with you to achieve and maintain student well-being and direct access into a multi-disciplinary service of excellence.

For quality assurance, all of our staff members are suitably qualified and highly skilled within their job role. All staff attend regular training and our casework is closely supervised by senior staff members. We also keep schools informed and staff trained on new and emerging initiatives to help promote and maintain good attendance and behaviour in school; we provide guidance that is both purposeful and practical.

English as an Additional Language - Proposal to maintain a central EAL team

To retain a central EAL Team to maintain the high levels of support and response to Havering's maintained primary schools, it is proposed that £38 per EAL pupil be de-delegated in the financial year 2022-23. This would provide funding of £93,000 towards the costs of the team which would otherwise be put at risk should an insufficient number of schools decide not to buy into the service. The level of funding requested in 2022/23 remains unchanged from 2021-22 despite an increase in the numbers of pupils with EAL.

Through the national funding formula, primary schools receive £612.51 per EAL3 pupil so would retain nearly 94% of their funding to provide support to their EAL pupils. The percentage retained by schools would therefore continue to increase for the period 2022-23.

Rationale for maintaining a central team with EAL expertise in Havering

- Havering's demographic is continuing to change. Over the last 3 years, the EAL population in Havering primary schools has risen from 21.6% (Jan 2018) to 25.0% (Jan 2021) with increasing numbers of children entering mid-phase with little or no English.
- The need for a service can be evidenced by how well it is used by schools. From April to March 2020-2021, 37 LA-maintained primaries accessed the service for consultancy support and/or CPD. In addition, the team has maintained repeat buy-in from academies with 21 (13 primary and 8 secondary) buying into the service through the year.
- Unlike other service areas which generate a more consistent level of need, EAL needs fluctuate across schools making it more difficult for the EAL team to project a guaranteed income to fund salaries. Without collective buy-in from schools, EAL support could cease to exist within Havering and schools would have to source support from elsewhere.
- The central team plays a crucial role in managing school-to-school support networks and ensuring the sharing of best practice, both within and beyond Havering.
- The team also carries out important back office work, liaising with a range of LA services to ensure effective transitions, to facilitate SEND diagnoses and to safeguard children with EAL.
- Liaison with a number of commercial providers ensures that the EAL team is able to negotiate resources at a reduced rate for schools.

The offer for LA-maintained primaries:

- Termly consultancy visits (more available on request, depending on the needs of individual schools – may be virtual or face-to-face)
- Full-day EAL reviews, on request
- Twice-termly networks for EAL co-ordinators and EAL TAs (may be virtual or face-to-face)
- Unlimited access to centrally-held EAL CPD (may be virtual or face-to-face)
- Telephone, email support and resources

Impact of the EAL team:

The targeted work of the EAL team with EAL co-ordinators, class teachers and TAs helps schools tailor their provision to ensure EAL learners make rapid progress. As a result, pupils that start with limited English across all phases make accelerated progress in order to reach ARE or close the gap towards this. Many EAL learners are likely to have been disproportionately affected by the Covid-19 crisis due to lack of access to models of spoken English during lockdowns; central EAL funding will ensure ongoing support continues into the next financial year to help schools close these gaps.

De-delegation of EAL3 funds to maintain a central EAL team / core safeguarding support

Following the September Funding Forum meeting, the decision regarding whether or not to proceed with the proposed de-delegation of EAL3 funds for the purpose of maintaining a central EAL team for the period April 2022 – March 2023 has been passed to clusters for further discussion (please see attachment).

As you are aware, the EAL Team now have a split role that includes strategic safeguarding support for schools and we thought that, in order to support you with your decision regarding EAL de-delegation, it would be helpful to outline how this split role works in practice.

Our core safeguarding support for schools will continue to consist of: liaison with key partners from HSCP and relevant professionals across the LA; provision of updates through regular DSL networks/email communications; updates to policies/key documentation; and ongoing advice/support/signposting by email and telephone. Safeguarding CPD and S175 audits are available as a traded element.

In terms of EAL, we continue to be able to provide the following for LA-maintained primaries via the current de-delegation agreement and the proposal would extend this service throughout the financial year 2022-23: on-site (or virtual) consultancy support/CPD (termly visits are available if requested); access to half-termly networks; access to all centrally-held EAL CPD courses; and ongoing advice/support by email and telephone. We also provide access to a wealth of digital resources and maintain relationships with commercial partners leading to preferential rates for schools.

In terms of capacity and contact with schools, we have emailed all LA-maintained primaries to request that they contact us to arrange their autumn-term consultancy visits – in most cases, these emails have been sent to your EAL co-ordinator or EAL TA (if your EAL co-ordinator/TA has not received an email, please let us know so that we can add their details to our database). Where we have received requests for consultancy time/CPD over the current term, these have been met with all schools receiving the support they have requested.

Please be assured, therefore, that we will continue to offer a full EAL service and are also looking to expand capacity, by commissioning additional specialist EAL CPD/consultancy. This would be fully quality-assured and overseen by the Havering EAL team.

In light of the above, we would like to assure all school leaders that, by continuing to approve the de-delegation of EAL3 funds to retain a central team, you will continue to receive a full, high quality service, tailored to the needs of your school.

Please note that the de-delegation of EAL3 funds will be used solely for the purpose of funding a central provision for EAL support. Safeguarding support will continue to be available through core funding and is not part of the de-delegation decision.

Agenda Item 6



Schools Funding Forum 2nd December 2021

ITEM 6

Subject Heading:

The funding of Local Authorities' school improvement functions

Report Author:

Nick Carter – Principal Finance Officer (Schools)

Eligibility to vote:

LA maintained school representatives

SUMMARY

This item provides details the Department for Education Consultation 'Reforming how local authorities' school improvement functions are funded' which was held in November 2021.

RECOMMENDATIONS

That the Schools' Funding Forum notes the report and the implications for de-delegation.

REPORT DETAIL

The DfE have held a consultation 'Reforming how local authorities' school improvement functions are funded'. This ran from 29th October 2021 to 26th November 2021. The government's response will be published in December 2021 / early January 2022. The full consultation document is shown at Appendix A.

Background

The DfE sought views on removing the 'School Improvement Monitoring & Brokering Grant' and changing regulations to allow local authorities to fund all of their school improvement activity, including core school improvement activities, via de-delegation. The Grant would be reduced by 50% for the 2021-22 financial year and then removed completely for 2022-23. Havering currently receives £169k a year.

The Grant has been provided since 2017 to support councils in fulfilling their core improvement activities. These include the statutory power to warn and intervene in schools causing concern. Guidance sets out the expectations that councils should:

- Understand the performance of maintained schools in their area and work with them to explore ways to support progress.
- Work closely with the Regional School Commissioner, diocese and other local partners to ensure schools receive the support they need
- Where underperformance is recognised, work with the RSC to ensure the right approach, including warning notices and intervention powers
- Encouraging good and outstanding schools to take responsibility for their own improvement, support other schools and enable other schools to access the support they need.

With the agreement of schools' forums, local authorities are already permitted to de-delegate funding for additional improvement services, and will also provide other services on a traded basis. The DfE believe that in effective local authorities there is no longer a clear distinction between core improvement activities and additional improvement activities. Core improvement activities form part of a wider continuum of support.

The DfE believe that funding to support core improvement activities overlaps with wider improvement provision creating disparity with how improvement provision is funded in multi academy trusts.

Funding core improvement activities through de-delegation

From the 2022-23 financial year, the DfE is proposing to give councils the power to fund all improvement activity, including core activity, via de-delegation with the agreement of schools forums or the Secretary of State.

The DfE intends to review and consult further on which council functions should remain discharged by the council or move to a de-delegated or traded model.

Implications

The timing of the consultation allows little time for the planning and reconsideration of services. The outcome may not be known until January, with the first stage of the Grant reduction beginning from 1st April. Havering is currently looking at the implications and considering the options available, but may need to approach the Schools Forum in January for agreement from representatives of LA maintained schools to de-delegate.

Making up the 50% shortfall for 2021-22 would require £89k of de-delegated funds, Using October 2020 census numbers this equates to £5.15 per pupil.



Department
for Education

Reforming how local authorities' school improvement functions are funded

Government consultation

Launch date: 29 October 2021

Respond by: 26 November 2021

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Introduction

The purpose of this consultation is to seek views about proposed changes to how Local Authorities' school improvement activities are funded.

Who this is for

- Local Authorities
- Schools and parents
- Any other interested organisations and individuals

Issue date

The consultation was issued on 29 October 2021.

Enquiries

If your enquiry is related to the policy content of the consultation you can contact the team on:

SIMBgrant.consultation@education.gov.uk

If your enquiry is related to the DfE e-consultation website or the consultation process in general, you can contact the DfE Ministerial and Public Communications Division by email: Consultations.Coordinator@education.gov.uk or by telephone: 0370 000 2288 or via the [DfE Contact us page](#).

Additional copies

Additional copies are available electronically and can be downloaded from [GOV.UK DfE consultations](#).

The response

The government's response to the consultation will be [published on GOV.UK](#) in December 2021 / early January 2022.

About this consultation

We would like to hear your views on our proposals to:

- **Remove** the School Improvement Monitoring & Brokering Grant ('the Grant'), which is currently allocated to local authorities to support school improvement activities; and
- **Make provisions** within the School and Early Years Finance (England) Regulations for the financial year (FY) 2022-23 to allow local authorities to fund all of their school improvement activity (including all core school improvement activities) via de-delegation from schools' budget shares.

Respond online

To help us analyse the responses please use the online system wherever possible. Visit www.education.gov.uk/consultations to submit your response.

Other ways to respond

If for exceptional reasons, you are unable to use the online system, for example because you use specialist accessibility software that is not compatible with the system, you may download a word document version of the form and email it or post it.

By email

- SIMBgrant.consultation@education.gov.uk

By post

SIMB grant consultation
Department for Education
Agora Building
3 Cumberland Place
Nottingham
NG1 6HU

Deadline

The consultation closes on 26 November 2021.

Reforming how local authorities' school improvement functions are funded

The local authority (referred to here as 'council') role in school improvement has changed significantly in recent years, with the growth of school-led approaches, such as Multi-Academy Trusts (MATs), putting school improvement in the hands of the strongest schools and school leaders. In turn, the council's role in school improvement in maintained schools is increasingly focused on helping those of their schools that need it, to access the support they need from the school system.

Given these changes in the respective roles and responsibilities of different parties in the school system, we believe now is the right time to revisit councils' school improvement functions and how they are funded, and consider what this means for the future of the School Improvement Monitoring & Brokering Grant.

Background: Councils' school improvement functions and how they are currently funded

Councils' school improvement activity can be divided into their '**core improvement activities**' and '**additional improvement services**' which councils may opt to provide to maintained schools with their agreement.

Core improvement activities

Since 2017, the Grant has been provided to support councils to fulfil their core improvement activities, with the amount received by each council proportionate to the number of maintained schools in their area.

These core improvement activities are set out in Part 4 of the [Education and Inspections Act 2006](#) (the 2006 Act) and on page 36 of our [Schools Causing Concern guidance](#). Part 4 of the 2006 Act provides councils with statutory powers to warn and intervene in schools causing concern, through issuing a warning notice setting out actions the governing body are to take – with powers to require the governing body to enter into arrangements; to appoint additional governors; to provide for the governing body to consist of interim executive members; or to suspend the right to a delegated budget, if the governing body fails to take the required action.

The Schools Causing Concern guidance sets out expectations that councils should:

- Understand the performance of maintained schools in their area, using data as a starting point to identify any that are underperforming, while working with them to explore ways to support progress;

- Work closely with the relevant Regional School Commissioner (RSC), diocese and other local partners to ensure schools receive the support they need to improve;
- Where underperformance has been recognised in a maintained school, proactively work with the relevant RSC, combining local and regional expertise to ensure the right approach, including sending warning notices and using intervention powers where this will improve leadership and standards; and
- Encourage good and outstanding maintained schools to take responsibility for their own improvement; support other schools; and enable other schools to access the support they need to improve.

We recently implemented changes to ensure that, in delivering these core improvement activities, councils receiving this grant are supporting educational recovery from the pandemic, and to also adjust the overall value of the Grant to reflect the reduced number of schools for which councils are now responsible.

Additional improvement services

Since 2017 councils have also been permitted, with the agreement of their local schools forum, to de-delegate funding from their schools' budget shares, to fund the provision of additional improvement services. These are activities that go above and beyond their core improvement activities, and may include, for example, providing or funding access to improvement support. Many councils will also provide additional improvement and other services to schools on a traded basis, where school leaders choose to buy in services provided by the council.

Proposal and rationale

The current funding arrangements for council school improvement activity presume that there is a clear distinction between core improvement activities, for which the Grant is provided, and additional activity, which councils fund through de-delegation or as a traded service. We believe this distinction no longer reflects the reality of how effective councils operate.

Rather, we believe that, in practice, activity connected to their core improvement activities forms part of a continuum of wider improvement activity that councils may choose to undertake. This is understandable: councils will want to act before performance deteriorates significantly and formal intervention becomes an inevitability, for example, by putting in place arrangements to spot signs of potential underperformance early and challenge it; and only moving on to formal intervention through warning notices and further intervention powers where this hasn't worked and performance has deteriorated.

In that context, and taken together with the Secretary of State's responsibility to convert the poorest performing maintained schools (that Ofsted has judged 'Inadequate') into academies (for which the council is no longer responsible), it is unsurprising that whilst the vast majority of councils continue to spend the full value of the Grant, instances of councils exercising their intervention powers remain relatively low. This is reflected for example in the number of warning notices issued by councils – with less than 1 in 5¹ councils issuing a warning notice in each of the last 3 years. In turn, this implies that the Grant is predominantly used on early challenge and support in cases of potential underperformance, rather than use of formal intervention powers.

We recognise that councils are best placed to determine how to fulfil their core improvement activities but, as a result, we believe there is a strong case to reflect this reality in reformed funding arrangements for councils' improvement functions.

To achieve this, we are consulting on proposals to remove the Grant and enable *all* improvement activity, including that provided in connection with their core improvement activities, to be funded in the same way via de-delegation from schools' budget shares.

We see a number of benefits to this:

- It will remove the distinction set out above, which does not reflect the reality of how effective councils operate.
- In line with our drive towards a school-led improvement system, it will put more decisions about improvement provision to schools into the hands of school leaders (via schools forums). With an average uplift in next year's provisional core school funding allocations of 3.2%, as the beneficiaries of improvement support from councils, we believe it is right that they contribute to the cost of such support but, in turn, they should have greater influence over the activity undertaken.
- It will bring funding arrangements for councils' improvement activity closer into line with the relationship between individual academies and their MATs, which normally top-slice funding to secure improvement support; and support our overarching policy of ensuring maintained schools and academies are funded on an equivalent basis. In turn, this will help to deliver a core aim of the National Funding Formula (NFF), which is to support a more school-based system that allows schools maximum control over their funding.
- It will also enable councils to adjust over time to the government's longer-term ambition for all schools to become academies within a strong MAT – an end point

¹ According to data held by Ofsted

which a number of councils are already closing in on, where councils would no longer maintain schools. We believe that moving at this time to funding these responsibilities via de-delegation, in the same way that councils fund additional improvement services they provide to maintained schools, will provide a smoother transition for councils in this position.

We propose to effect this change through, (1) removing the Grant over the course of FY 2022-23, and (2) including provision in the School and Early Years Finance (England) Regulations for FY 2022-23 which would allow councils to de-delegate for all improvement expenditure, including all core improvement activities. This consultation seeks views on the impact of both these proposals. In addition, this consultation asks how we can update government guidance to support these changes.

Proposal 1: Removing the Grant

We believe the distinction our current funding arrangements effectively make – providing an additional grant to councils to support core improvement activities, with additional improvement services funded via de-delegation and traded services - no longer reflects the reality of how councils deliver improvement support to maintained schools, with formal intervention in reality only a small part at the end of a continuum of challenge and support provided by councils. This means funding to support core improvement activities and formal intervention overlaps with wider improvement provision in a way which creates a disparity with how improvement provision is funded in MATs.

Subject to the outcome of this consultation, we are proposing that the Grant would therefore be ended with effect from the start of FY 2023-24, phased so that it would be reduced to 50% of the current amount on a per school basis in FY 2022-23 to give councils and maintained schools time to adjust to these new arrangements.

Going forward, in fulfilling their responsibilities for the schools they maintain, councils will continue to be able to draw on wider improvement support that the Department for Education ('the Department') makes available at low or no cost, including our network of curriculum and behaviour hubs, Teaching School Hubs, National Professional Qualifications providers, Early Career Framework reforms, and our offer of funded support from a National Leader of Education for any school that Ofsted judge 'requires improvement'.

Proposal 2: Including provisions in the School and Early Years Finance (England) Regulations to enable councils to fund all core improvement activities via de-delegation

We recognise that, as well as those improvement functions which MATs undertake for academies, part of a council's core functions will continue to be to exercise its statutory

intervention powers as appropriate over maintained schools, for which councils cannot currently de-delegate. While instances of councils exercising their statutory intervention powers remain relatively low, we do intend to ensure they remain adequately funded for this, as well as their other improvement functions.

Paragraph 8 in Schedule 1 to the School and Early Years Finance (England) Regulations (the Regulations) that apply to FY2021-22 currently prohibits councils from using Dedicated Schools Grant (DSG) funding for expenditure connected to their statutory improvement functions under Part 4 of the 2006 Act. Paragraph 54 in Part 6 of Schedule 2 to the Regulations currently permits councils to de-delegate expenditure on improvement “that is not required by Part 4 of the Education and Inspections Act 2006” from schools’ budget shares, with the agreement of their local schools forum or the Secretary of State.

From FY 2022-23, we propose to give councils the power in the Regulations to fund all improvement activities, including their core improvement activities, via de-delegation of funds from schools’ budget shares, with the agreement of their local schools forum or the Secretary of State.

In practice, we propose doing this by omitting the existing provisions in paragraph 8 in Schedule 1 and paragraph 54 in Part 6 of Schedule 2 of the Regulations from the Regulations for FY2022-23, and including a new provision in Part 7 of Schedule 2 – items that may be removed from maintained schools’ budget shares (primary, secondary and special schools, and pupil referral units) – permitting councils to deduct expenditure incurred for the purposes of improvement, *including* that required by the council’s functions under Part 4 of the 2006 Act, from schools’ budget shares, with the agreement of their schools forum or the Secretary of State.

In line with other de-delegation decisions, the Secretary of State would retain the power to approve the de-delegation contrary to the decision of the schools forum, if satisfied that the council had demonstrated such de-delegation was necessary to ensure the council is adequately funded to exercise core improvement activities.

As set out above, this would support our overarching responsibility to ensure maintained schools and academies funding arrangements are more closely aligned; and would provide a smoother transition as more schools become academies and move out of council control.

Making this change would also align with the proposed reforms to the NFF on which the government has recently [consulted](#). That consultation proposed reviewing central school services with a view towards retaining funding by central grant as part of the Central School Services Block where responsibilities are to all schools, and de-delegating central functions that are provided only in support of maintained schools. The Department plans to consult further as part of the review of which council functions should remain discharged by the council or move to be de-delegated or traded.

Clarifying guidance provided to councils with respect to school improvement

As part of these changes, we would also intend to update guidance provided to councils with respect to their improvement activities in maintained schools, to ensure guidance reflects these new funding arrangements.

We are therefore keen to use this opportunity to seek views on where guidance can usefully be clarified to aid understanding of what councils are accountable for with respect to improvement, where these activities can be scaled in response to need, and the scope for councils and schools' forums to agree how these responsibilities are carried out and funded. For example, we are keen for views on how we might best update our Schools Causing Concern guidance.

Timeline

Subject to the outcome of this consultation, our proposed timeline would be to make these changes to the School and Early Years Finance Regulations for FY 2022-23, allowing for a phased removal of the Grant over the course of FY 2022-23 – at the end of which it would be expected that all council school improvement activity, including core improvement activities, will be funded via de-delegation, with any non-statutory services which councils choose to continue to offer either provided on a traded basis or also funded through de-delegation.

Table 1 Proposed timeline for implementation

Date	Proposal
October 2021	Government consultation launched on proposals for reforming how councils' improvement functions are funded.
December 2021 / early January 2022	Government publishes its response to the consultation, confirming its intentions.
December 2021 / January 2021	Councils agree de-delegation for FY 2022-23 with their schools forums. Provisions made within the School and Early Years Finance (England) Regulations allowing councils to de-delegate to fund all improvement activity, including core improvement activities, from FY 2022-23 onward. Amendments made to relevant government guidance relating to council school improvement activity.
By April 2022	School and Early Years Finance (England) Regulations 2022-23 come into effect, allowing councils to de-delegate for all council school improvement functions.
April 2022	The Grant is reduced by 50% on a per school basis.

Date	Proposal
April 2023	The Grant is removed entirely.

Questions

Question 1: We believe that instances of councils exercising formal intervention powers remain relatively low, and that since its introduction, this grant has primarily supported improvement functions such as early support and challenge to improve individual school performance, which overlaps with wider (non-core) improvement provision.

Do you agree that this is the case? If not, please explain.

Question 2: We are proposing to (i) remove the Grant (Proposal 1), and (ii) enable councils to de-delegate funds via their schools forum to ensure they are sufficiently funded to exercise all of their improvement activities, including all core improvement activities (Proposal 2).

Do you agree that, taken together, these proposals will allow councils to continue to ensure they are adequately funded for core improvement activities; and therefore do not impose a new burden? If not, please explain.

Question 3: Bearing in mind Proposals 1 and 2, are there any aspects of our guidance to councils on their role in school improvement which could usefully be clarified to aid understanding of what councils are accountable for with respect to improvement and how it should be funded? (For example, our Schools Causing Concern guidance.)

Question 4: The Public Sector Equality Duty (PSED) requires that public bodies consider the potential effects of key decisions on groups with protected characteristics. The relevant protected characteristics for the purposes of the PSED are: sex; race; disability; religion or belief; sexual orientation; pregnancy or maternity; gender reassignment; and age.

Please let us know, providing evidence where possible, if you believe any of the proposals set out in this consultation will have the potential to have an impact on specific groups, in particular those with relevant protected characteristics.



Department
for Education

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