



## SCHOOLS FUNDING FORUM AGENDA

8.00 am

Thursday  
13 January 2022

Virtual meeting

**Members 18: Quorum: 7**

### **MEMBERSHIP:**

#### **Representative Groups**

#### **LA Maintained School Representatives:**

**Head Teachers:** Emma Allen, Special  
Chris Speller, Primary  
Kirsten Cooper, Primary  
Georgina Delmonte, Primary  
Garth Tucker, Primary  
Hayley McClenaghan, Primary  
David Unwin-Bailey, Primary

**Governors:** Dave Waters

#### **Academy Representatives:**

**Primary:** Kate Ridley-Moy

**Secondary** Neil Frost  
Keith Williams  
Denise Broom  
David Turrell  
Vacancy x2

**Special** Vicki Fackler

**AP Academy** Gary Haines

**Non-School  
Representatives:**

**Early Years PVI Sector**     Emma Reynolds

**Post 16**                                  Vacancy

**Decision Board**                      Vacancy

**Trade Unions:**                      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**

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

To agree the minutes of the meeting held on 2<sup>nd</sup> December 2021 and authorise the Chairman to sign them.

**3 MATTERS ARISING**

**4 SCHOOL FORMULA FUNDING 2022-23** (Pages 5 - 9)

Report attached

**5 SCHOOL SUPPLEMENTARY GRANT 2022-23** (Pages 10 - 12)

Report attached

**6 HIGH NEEDS FUNDING 2022-23** (Pages 13 - 15)

Report attached

**7 CENTRAL SCHOOLS SERVICE BLOCK 2022-23** (Pages 16 - 17)

Report attached

**8 EARLY YEARS FUNDING 2022-23** (Pages 18 - 21)

Report attached

**9 DE-DELEGATION OF FUNDING FOR CORE SCHOOL IMPROVEMENT ACTIVITIES** (Pages 22 - 24)

Report attached

**10 NEXT MEETINGS**

Future meetings have been arranged as follows:

10 February 2021

16 June 2021

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

**11 ANY OTHER BUSINESS**

**Zena Smith**  
**Democratic and Election Services Manager**

**MINUTES OF A MEETING OF THE  
SCHOOLS FUNDING FORUM  
Virtual meeting  
2 December 2021 (8.00 - 9.00 am)**

**Present:**

**Representative Groups**

**LA Maintained Primary  
Schools Head**

**Teachers:** Kirsten Cooper  
Emma Allen  
Georgina Delmonte  
Hayley McClenaghan  
Chris Speller  
Garth Tucker  
David Unwin-Bailey

**Governors:** Dave Waters

**Academy  
Representatives:**

**Primary** Kate Ridley-Moy

**Secondary:** Keith Williams  
Denise Broom  
Neil Frost

**Early Years PVI  
Representative:** Claire Lakin

**Trade Unions:** Peter Liddle  
John McGill

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

Apologies were received for the absence of Emma Allen (Claire Lakin substituting), Vicki Fackler and David Turrell.

**98 TO AGREE THE NOTES OF THE MEETING HELD ON...**

The Chairman notified the Clerk of a spelling error under Item 88. Kate Ridley-Moy and Neil Frost had sent apologies for their absence.

Otherwise the minutes of the meeting were agreed as a correct record. Due to the COVID-19 pandemic, the Chairman would signed them at a later date

**99 MATTERS ARISING**

The Local Authority had received agreement from the Department for Education for the disapplication of lump sum funding for St Ursula's Catholic Primary School.

**100 SCHOOL FUNDING CONSULTATION 2022-23**

The Forum noted that the funding consultation with schools had taken place between 12<sup>th</sup> and 30<sup>th</sup> November 2021, presenting the two options discussed at the Forum meeting held on 21<sup>st</sup> October 2021.

Thirty-three schools had responded to the consultation, a much higher number than in recent years. Thirty schools were in favour of Option B that included the transfer of 0.5% of the Schools Block to the High Needs Block.

The Forum was reminded that, at this stage, all funding calculations used indicative figures based on October 2020 census numbers. No further action was needed until final funding allocations were released by the DfE later in December.

**101 DE-DELEGATION OF FUNDING FOR THE EAL AND ATTENDANCE AND BEHAVIOUR SERVICES 2022-23**

The issue of de-delegation of funding for the EAL and Attendance and Behaviour Services for 2022-23 was brought back to the Forum, after first being considered at the meeting held on 23<sup>rd</sup> September 2021.

Having discussed the matter with colleagues in their clusters, members agreed to de-delegate funding. Members of the Forum were, however, unhappy that de-delegation of costs for the Attendance and Behaviour Services were considered together and they also sought a review into the quality and capacity of the Behaviour Support Service. Members noted that the LA would be conducting a review into the service that had recently been re-aligned.

The representatives of local authority maintained schools primary schools on the Forum agreed to de-delegate funding with a unanimous vote.

**102 THE FUNDING OF LOCAL AUTHORITIES' SCHOOL IMPROVEMENT FUNCTIONS**

The Forum was presented with details of the Government consultation 'Reforming how local authorities' school improvement functions are funded' which had commenced on 29<sup>th</sup> October 2021 and ended on 26<sup>th</sup> November 2021.

Members noted the DfE proposal to reduce the value of the School Improvement Monitoring and Brokerage Grant by 50% in financial year 2022-23 and withdraw it completely from 2023-24. Members were advised that Havering

currently receives £169k a year from this grant which covers costs of core statutory improvement functions carried out by local authorities.

Local authorities would be given the power to fund all improvement activity, including core activity, via de-delegation. De-delegation requires the agreement of Schools Forums or the Secretary of State. The LA advised the Forum that it was likely that a request to de-delegate funding for core school improvement activities would be brought to members at the next meeting to be held on 13<sup>th</sup> January 2022.

**103 NEXT MEETINGS**

The Forum noted that the next meeting would be held on 13 January 2021 at 8.00am.

**104 ANY OTHER BUSINESS**

Tara Geere, who had recently taken up the post of Assistant Director of Children's Social Care and Early Help, introduced herself to the Forum.

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## Schools Funding Forum 13th January 2022

## ITEM 4

**Subject Heading:****Schools Funding Formula 2022-23****Report Author:****Nick Carter – Principal Finance Officer  
(Schools)****Eligibility to vote:****All school and academy members****SUMMARY**

This report details the Local Authority's recommendations on the funding of Havering's schools and academies for the financial year 2022-23, following release of the October 2021 census data and Schools Block allocation by the DfE.

**RECOMMENDATIONS**

The Schools Funding Forum agrees that:

- (i) Havering adopts the national funding formula rates for the funding of schools and academies in financial year 2022-23 with a minimum funding guarantee of 1.2% per pupil and a gains cap of 2.8%.
- (ii) £1,028,678 (0.5%) of the DSG Schools Block is transferred to the DSG High Needs Block
- (iii) £680,000 of the DSG Schools Block is used to support Pupil Growth and Falling rolls in addition to the £1,525,109 funding received for this



## REPORT DETAIL

### 1. Schools Block Funding 2022-23

In July 2021 the Department for Education (DfE) released indicative funding allocations for 2022-23 using 2022-23 National Funding Formula (NFF) rates but with data values taken from the October 2020 census. Following discussion at the Schools' Funding Forum, schools were consulted on two funding options for 2022-23. The results of the consultation were presented to the Schools' Funding Forum at the meeting held on 2<sup>nd</sup> December 2021. 90% of respondents favoured Option B, which was:

- A transfer of 0.5% from the Schools Block to the High Needs Block of the of the Dedicated Schools Grant (DSG)
- Implementation of a package of proposals to increase High Needs funding allocated to schools in 2022-23 by around £2.5m
- Minimum Funding Guarantee (MFG) set at 1.0%
- A gains cap of 0.5%
- £681,022 moved to the Pupil Growth and Falling Rolls Fund

On 16<sup>th</sup> December 2021 the DfE issued the revised DSG Schools Block allocation to local authorities and on 20<sup>th</sup> December 2021 issued data from the October 2021 census for LAs to use in calculating their final proposals for funding schools.

There has been an increase in pupil numbers between October 2020 and October 2021 resulting in an increase in the LA's allocation of DSG Schools Block for 2022-23 as follows:

Funding for 2022-23 through the DSG Schools Block:

Financial year	Pupil Numbers	Schools Block allocation excluding pupil growth and premises factors £	Allocation through premises factors £	Total allocation (excluding pupil growth) £	Allocation per pupil £
2022-23	38,061	201,779,795	2,430,762	204,210,557	5,365
2022-23 indicative	37,478	198,818,062	2,430,762	201,248,824	5,370
2021-22	36,979	190,978,314	2,241,195	193,219,509	5,225
Difference 2021-22 to 2022-23	1,082	10,801,481	189,567	10,991,048	140
				5.69%	2.68%

The table above shows the comparison of 2022-23 funding against the baseline figure for 2021-22. This is not the final allocation that the LA received in 2021-22 which is shown in the table below together with the Schools Block funding for 2022-23.

Financial year	Actual primary unit of funding (PUF) £	Actual secondary unit of funding (SUF) £	Primary pupil numbers	Secondary pupil numbers	Pupil Funding £	Premises Factors £	Total Funding (excluding pupil growth) £
2022-23	4,667	6,285	23,137	14,924	201,779,794	2,430,762	204,210,557
2022-23 indicative	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	2,241,195	195,837,064
Difference 2021-22 to 2022-23	108	188	436	147	8,183,925	189,567	8,373,542
							4.28%

Total Schools Block funding including funding for pupil growth is as follows:

Financial year	Pupil Funding £	Premises Factors £	Pupil Growth £	Total £
2022-23	201,779,794	2,430,762	1,525,109	205,735,666

Havering's total Schools Block allocation for 2022-23, including funding for growth, has increased by £8.3m (4.2%) compared to 2021-22. The increase in pupil numbers of 583 accounts for £3.0m (1.5%) of this, with £5.3m (2.7%) the result of a rise in the funding rates.

With total Schools Block funding of £205,735,666, the 0.5% transfer to the High Needs Block now equates to £1,028,678.

The pupil growth funding allocation for 2022-23 is £71,842 less than the previous year. It is £33,842 more than was estimated by the LA using the calculator provided by the DfE.

Financial year	Funding £
2022-23	1,525,109
2022-23 LA estimate	1,491,267
2021-22	1,596,951
Difference 2020-21 to 2021-22	-71,842

Based on the estimated allocation for pupil growth and falling rolls, the LA calculated that £681k would need to be transferred from the School Block in order to maintain funding to schools at previous levels. This was the figure used in the consultation with schools and agreed by the Schools Funding Forum.

Unlike in previous years, the estimated cost of pupil growth in 2022-23 did not include any provision for new bulge classes. The LA is proposing that the transfer to the Pupil Growth and Falling Rolls fund remains at £681k and that the additional £33,842 is used as a provision for new bulge classes.

## 2. Schools Block Funding 2022-23

School funding allocations for 2022-23 were re-calculated using the October 2021 data set released by the DfE.

In line with Option B of the funding consultation:

- £1,028,678 was transferred from the Schools Block to the High Needs Block
- £681,022 was transferred to the Pupil Growth and Falling Rolls Fund
- the Minimum Funding Guarantee was set at 1.0%
- a gains cap of 2.5% was applied

This resulted in an overall position as follows:

<b>MFG 1%, Gains cap 2.5%</b>	<b>£</b>
Total Schools Block as above	205,735,666
Less: transfer to High Needs	1,028,678
Less: required for growth DfE allocation	1,525,109
Less: additional sum required for growth	681,022
<b>Schools Block available</b>	<b>202,500,857</b>
<b>Allocated through formula</b>	<b>202,023,449</b>
<b>Unallocated</b>	<b>477,408</b>

With £477,408 unallocated the figures were reworked using an increased Minimum Funding Guarantee and an increased gains cap. With an MFG of 1.2% and a gains cap of 2.8% the overall position is as follows:

<b>MFG 1%, Gains cap 2.8%</b>	<b>£</b>
<b>Schools Block available</b>	<b>202,500,857</b>
<b>Allocated through formula</b>	<b>202,444,940</b>
<b>Unallocated</b>	<b>55,916</b>

The table below shows the number of schools subject to MFG or a gains cap in the provisional calculations with an MFG of 1.0% and a gains cap of 2.5%, in the final calculations with an MFG of 1.0% and a gains cap of 2.5%, and in the final calculations with an MFG of 1.2% and a gains cap of 2.8%.

Option	MFG	Cap	No. of schools on MFL		No. of schools on MFG		No of schools capped		Cost of MFG £000s	Saving from cap £000s
			Prim.	Sec.	Prim.	Sec.	Prim.	Sec.		
Provisional	1.0%	2.5%	7	0	0	2	48	14	455	1,046
Final	1.0%	2.5%	6	0	1	2	45	13	456	1,798
Final	1.2%	2.8%	6	0	1	3	41	12	489	1,409

The formula on which schools are to be funded in 2022-23 has to be submitted to the EFSA by 21<sup>st</sup> January 2022. The LA is proposing to submit a formula using the NFF formula and funding factors, with an MFG of 1.2%, a gains cap of 2.8% and the use of £681k to support the pupil growth fund.

The proposed funding allocations at individual school level will be circulated to Schools Funding Forum members at the meeting.

# Agenda Item 5



## Schools Funding Forum 13th January 2022

## ITEM 5

**Subject Heading:**

**Schools Supplementary Grant 2022-23  
and Pupil Premium 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 Schools Supplementary Grant 2022-23 announced by the Government in December 2021 and also the rates for the Pupil Premium in 2022-23

### RECOMMENDATIONS

The Schools Funding Forum:

- (i) notes the details of the Schools Supplementary Grant 2022-23
- (ii) notes the funding rates for the Pupil Premium for 2022-23

### REPORT DETAIL

#### 1. Schools Supplementary Grant Introduction

The autumn 2021 spending review confirmed an additional £1.6 billion for schools and high needs in 2022-23 over and above the previous settlement for that year.

£1.2 billion of this will be allocated through a schools supplementary grant to provide support for the introduction of the Health and Social Care Levy (the increase in

National Insurance) from April 2022 and wider costs. The intention is that this additional funding will be paid as a separate grant for 2022-23 only, and then be incorporated into core budget allocations for 2023-24 where possible. This means that funding will be rolled into the National Funding Formula (NFF) for 2023-24.

Both LA maintained schools and academies will receive allocations under the schools supplementary grant covering the financial year 2022-23. Academies will receive an additional allocation for April – August 2023 to cover the period before funding is rolled into their core budgets from September 2023.

Schools will have flexibility to prioritise their spending of the schools supplementary grant to best support the needs of their pupils and staff and to address cost pressures, including those associated with the Health and Social Care Levy.

## 2. Funding rates

Funding for early years and post-16 provision in schools is provided in respect of the Health and Social Care Levy. The additional funding for pupils 5 to 16 in mainstream schools is in respect of the Health and Social Care Levy and wider cost pressures. The national funding rates and those for Havering, which include the Area Cost Adjustment of 1.08410, are shown below.

Factor	National rate £	Havering rate £
Early years per pupil	24.00	26.02
Per pupil primary	97.00	105.16
Per pupil KS3	137.00	148.52
Per pupil KS4	155.00	168.04
Lump sum	3,680.00	3,989.49
Ever 6 FSM primary	85.00	92.15
Ever 6 FSM secondary	124.00	134.43
Post 16 numbers	35.00	37.94

Allocations will be calculated using the following data sources:

Early years	January 2022 census
5-16	October 2021 census
Post 16	Student count using data from the 2022-23 16 to 19 allocations

Funding allocations will be calculated and notified in Spring 2022. The indicative total figure for Havering issued by the DfE is £5.99m.

An estimate of funding by the LA shows primary schools in Havering receiving between £16k and £105k, with a median amount of £49k, and secondary schools receiving between £47k and £231k, with a median amount of £171k.

### 3. Pupil Premium 2022-23

Funding rates for the Pupil Premium in the financial year 2022 to 2023 will increase by around 3%. Rates for 2022 to 2023 will be:

Category	2021-22 £	2022-23 £
Primary FSM6 pupils	1,345	1,385
Secondary FSM6 pupils	955	985
Pupil Premium Plus	2,345	2,410
Service children	310	320

Pupil Premium allocations will be published in spring 2022.



## Schools Funding Forum 13th January 2022

## ITEM 6

**Subject Heading:**

**High Needs Funding 2022-23**

**Report Author:**

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

**Eligibility to vote:**

**All Schools Funding Forum members**

### SUMMARY

This report provides details of the 2022-23 National Funding Formula allocation for high needs and an additional High Needs Block allocation.

### RECOMMENDATIONS

The Schools Funding Forum:

- (i) notes the Dedicated Schools Grant - High Needs Block formula allocation and additional High Needs Block allocation for financial year 2022-23

### REPORT DETAIL

#### **1. High Needs Block National Funding Formula allocation 2022-23**

The High Needs Block for 2022-23 is based on the National Funding Formula (NFF) figures released in July 2021 and reported to the Schools Funding Forum at the meeting held on 23<sup>rd</sup> September 2021. The allocation has been updated to reflect special school pupil numbers from the October 2021 school census. This resulted in an increase in funding of £63k.



## Funding for 2022-23 through the DSG High Needs Block National Funding Formula:

Funding factor	2022-23		2021-22 £	Change 2021-22 to 2022-23 final £	Change %
	Final £	Indicative £			
(A) Basic entitlement factor	2,172,532	2,109,083	2,048,505	124,027	6.1
(B) Historic spend factor	11,194,567		10,603,814	590,753	5.6
(C) Population factor	12,581,963		11,075,302	1,506,660	13.6
(D) FSM factor	2,117,116		1,850,498	266,618	14.4
(E) IDACI factor	2,243,173		1,956,690	286,483	14.6
(F) Bad health factor	1,637,830		1,452,054	185,776	12.8
(G) Disability factor	1,562,504		1,387,839	174,665	12.6
(H) KS2 low attainment factor	1,260,458		1,078,723	181,736	16.8
(I) KS4 low attainment factor	1,617,724		1,509,728	107,995	7.2
(J) Funding floor factor	0		39,033	-39,033	-100.0
(K) 2021-22 hospital education, AP teachers pay/pension and supplementary funding factor	135,746		138,549	-2,802	-2.0
(L1) Import/export adjustment	-1,374,000		-1,320,000	-54,000	4.1
(L2) New and growing special free schools	24,000		18,000	6,000	33.3
<b>Total funding</b>	<b>35,173,615</b>	<b>35,110,164</b>	<b>31,838,736</b>	<b>3,334,879</b>	<b>10.5</b>

It should be noted that the figures shown are before DfE recoupment for the direct funding of academies and non maintained special schools.

## 2. Additional High Needs Block allocation 2022-23

The autumn 2021 spending review confirmed an additional £1.6 billion for schools and high needs in 2022-23 over and above the previous settlement for that year. £1.2b of this will be allocated through a schools supplementary grant as outlined in Agenda Item 5.

In addition to the schools supplementary grant, local authorities have been allocated £325m additional high needs funding for 2022-23. This is on top of the DSG high needs block allocations, calculated under the NFF and outlined above.

The additional funding has been allocated pro rata to the high needs formula funding for each local authority. Havering will receive an additional £1,411,237, bringing the total high needs allocation to £36,584,852. This is an increase of £4,746,166 on the total for 2021-22, a rise of 14.9%.

<b>Year</b>	<b>NFF formula £</b>	<b>Additional £</b>	<b>Total £</b>
2022-23	35,173,615	1,411,237	36,584,852
2022-23 indicative	35,110,164	-	35,110,164
2021-22	31,838,736	-	31,838,736
Difference 2021-22 to 2022-23	3,334,879	1,411,237	4,746,116
			14.9%

The anticipated deficit at year end 2021-22 and the proposed increase in high needs funding for schools must be taken into account when considering the impact of the additional £4.7m in meeting the costs of ongoing high needs provision in Havering.

# Agenda Item 7



## Schools Funding Forum 13th January 2022

## ITEM 7

**Subject Heading:**

**Central Schools Services Block 2022-23**

**Report Author:**

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

**Eligibility to vote:**

**All school and academy members**

### SUMMARY

This report is to inform the Schools Funding Forum of the final allocation received for the Dedicated Schools Block Central Schools Services Grant.

### RECOMMENDATIONS

The Schools Funding Forum:

- (i) notes the funding received and agrees that the additional sum in the final allocation is held as a contingency.

### REPORT DETAIL

#### **1. Dedicated Schools Grant - Central School Services Block 2022-23**

The Central School Services Block (CSSB) is allocated on the basis of the per-pupil rates and historic commitments announced in July 2021. The final allocation uses pupil numbers from the October 2021 census.

Funding for 2022-23 through the DSG CSSB is as follows:

Year	Ongoing responsibilities			Historical commitments	Total CSSB
	Pupil nos.	Per pupil £	£	£	£
2022-23	38,061	39.69	1,510,661	147,195	1,657,857
2022-23 indicative	37,478	39.69	1,487,592	147,195	1,634,788
2021-22	37,478	37.74	1,414,419	183,994	1,598,414
Difference 2021-22 to 2022-23	583	1.95	96,242	-36,799	59,443
Difference 2022-23 indicative to 2022-23	583	0.00	23,069	0.00	23,069

The services that the LA can fund from the CSSB are set out in the Operational Guidance on DSG allocations issued by the DfE. The Schools Funding Forum gave approval to the use of the ongoing responsibilities and historical commitments funding, based on the indicative allocations, at the meeting held on 23<sup>rd</sup> September 2021. Details are shown below.

Ongoing responsibilities	2022-23 indicative £
Copyright licences	183,183
Admissions	511,590
Schools Forum	44,548
LA responsibilities to all schools	688,307
Pension funding	59,964
Total	1,487,592
<b>Historical commitments</b>	
Schools Partnerships/Schools Causing Concern	147,195
<b>Total</b>	<b>1,634,788</b>

<b>Final funding for categories above</b>	<b>1,657,857</b>
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The final allocation for ongoing responsibilities is £23,069 more than the indicative allocation.

As predicted, the cost of copyright licences has risen. The actual cost will be £185,679, £2,496 more than the indicative allocation. This leaves £20,573 unallocated. It is proposed that this is held as a contingency.

# Agenda Item 8



## Schools Funding Forum 13th January 2022

## ITEM 8

**Subject Heading:**

Early Years Funding 2022-23

**Report Author:**

Nick Carter – Principal Finance Officer  
(Schools)

**Eligibility to vote:**

All school and academy members and  
the PVI representative

### SUMMARY

This report summarises the announcement of indicative DSG Early Years Block funding for financial year 2022-23 and outlines the process for the Local Authority to determine early years funding rates for the next financial year.

### RECOMMENDATIONS

The Schools Funding Forum:

- (i) notes the indicative funding allocations for 2022-23
- (ii) notes the process and timeline for determining funding rates for 2022-23

### REPORT DETAIL

#### 1 Background

Early years education is funded through the Early Years Block of the DSG. Funding rates were announced on 25<sup>th</sup> November 2021 and indicative allocations for 2022-23 were issued to local authorities on 16th December 2021 along with the final allocations for the other DSG blocks.

In the autumn spending review 2021 the Government announced an increase in early years entitlements worth £160m in 2022-23 compared to 2021-22. The hourly rates for all local authorities will be increased by 21p an hour for the 2 year old entitlement and by 17p an hour for the 3 and 4 year old entitlement. Havering's increase is as follows:

Year	2 year olds £	3 & 4 year olds £
2022-23	6.03	5.59
2021-22	5.82	5.42
Increase	0.21	0.17

The autumn spending review covered three years. As well as the £160m rise in 2022-23 funding will be increased by £180m in 2023-24 and by £170m in 2024-25.

## 2 Funding arrangements for 2021-22

Funding arrangements for 2021-22 were originally agreed as follows:

Hourly rate for 2 year olds	£5.76
Hourly rate for 3 & 4 year olds	£5.02
SEN Inclusion Fund	£300,000
SEN Inclusion Fund hourly rate	£4.90
Central retention	£820,000

Funding rates were reviewed in autumn 2021 in order to distribute to providers sums unspent in the Early Year Block from previous years. Proposed increased rates were agreed by the Early Years Provider Reference Group on 6<sup>th</sup> October 2021 and by the Schools Funding Forum at their meeting on 21<sup>st</sup> October 2021.

The revised rates, backdated to 1 April 2021, are:

Hourly rate for 2 year olds	£5.76
Hourly rate for 3 & 4 year olds	£5.09
SEN Inclusion Fund	£400,000
SEN Inclusion Fund hourly rate	£5.09
Central retention	£820,000

Contingency funding was required to meet any in-term increases in hours that occurred after the autumn and spring census dates. It was also possible that hours supported through the Inclusion Fund would continue to rise requiring additional funding. A contingency figure of £200k was agreed.

### 3 Indicative Early Years Block allocation 2022-23

For 2021-22 the DfE put in place a temporary variation to the way that local authorities were funded in response to coronavirus. Funding will be calculated using data from each termly census. For 2022-23 the DfE will revert to the normal process of allocating funding based on the annual January census.

Indicative allocations for 2022-23 have been calculated by applying the 2022-23 hourly funding rates to January 2021 data. The table below shows a comparison with the indicative figures for 2021-22 released in December 2020.

Category	2022-23	2021-22	Change in numbers	Change £	Change %
Hourly rate for 3 and 4 year olds from early years national funding formula (£ / hr)	5.59	5.42	-	0.17	3.14%
Number for 3 and 4 year old universal entitlement funding (part-time equivalent)	4,043.80	4,395.04	-352.04	-	-8.01%
Initial funding allocation for universal entitlement for 3 and 4 year olds (£s)	12,884,760	13,578,037	-	-693,277	-5.11%
Hourly rate for 3 and 4 year olds from early years national funding formula (£ / hr)	5.59	5.42	-	0.17	3.14%
Number for 3 and 4 year old additional 15 hours entitlement for eligible working parents (part-time equivalent)	1,575.92	1,661.06	-85.14	-	-5.13%
Initial funding allocation for additional 15 hours entitlement for eligible working parents of 3 and 4 year olds (£s)	5,021,354	5,131,679	-	-110,325	-2.15%
Hourly rate for 2 year old entitlement (£ / hr)	6.03	5.82		0.21	3.61%
Number for 2 year old entitlement funding (part-time equivalent)	483.87	569.26	-85.39	-	-15.00%
Initial funding allocation for 2 year old entitlement (£s)	1,663,110	1,888,464		-225,354	11.93%
Initial funding allocation for early years pupil premium (£s)	100,641	69,402	-	31,239	45.01%
Funding allocation for disability access fund (£s)	64,800	68,880	-	-4,080	-5.92%
<b>Total early years block (£s)</b>	<b>19,734,665</b>	<b>20,736,462</b>		<b>-1,001,797</b>	<b>-4.83%</b>

The indicative allocations for 2022-23 will be updated as follows:

- July 2022 - updated based on January 2022 census numbers

- July 2023 - updated based on five-twelfths of the January 2022 census numbers (to cover the period April 2022 to August 2022 period), and seven-twelfths of the January 2023 census numbers (to cover September 2022 to March 2023)

#### 4 Funding adjustment for 2020-21

The DfE announced the final funding adjustment for the 2020-21 financial year in November, several months later than usual. The period September 2020 to March 2021 is calculated using the January 2021 census numbers that were adversely affected by the pandemic. In previous years, this final adjustment has resulted in Havering receiving additional funding. For 2020-21, however, the adjustment has resulted in a reduction in funding with the DfE clawing back £398,272.

Category	Initial £	Final £	Adjustment £
Universal 3-4 year old entitlement	13,427,727	13,159,450	-268,277
Extended 3-4 year offer	5,074,871	5,009,856	-65,015
2 year old	1,862,505	1,792,652	-69,853
EY Pupil Premium	69,402	74,275	4,873
Disability Access Fund	70,110	70,110	0
<b>Total</b>	<b>20,504,615</b>	<b>20,106,343</b>	<b>-398,272</b>

#### 5 Determining funding rates for providers 2022-23

The Local Authority is due to meet with the Early Years Provider Reference Group (EYPRG) on 10<sup>th</sup> January 2022 to discuss funding for 2022-23 and to agree the content of the consultation with providers. Details will be reported to the Schools Funding Forum at the meeting.

The outcome of the consultation will be shared with EYPRG and the resulting proposals brought to the meeting of the Schools Funding Forum on 10<sup>th</sup> February 2022 for approval.



## Schools Funding Forum 13<sup>th</sup> January 2022

## ITEM 9

**Subject Heading:**

**De-delegation of funding for core school improvement activities 2022-23**

**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’ and proposes the de-delegation of funding to cover the shortfall created, if the proposals to phase out the School Improvement Monitoring & Brokering Grant go ahead.

### RECOMMENDATIONS

That the Schools’ Funding Forum agrees to:

- (i) the de-delegation of £5.11 per pupil for core school improvement activities should the proposals outlined in the Government consultative document ‘Reforming how local authorities’ school improvement functions are funded’ be implemented

### REPORT DETAIL

The DfE have held a consultation ‘Reforming how local authorities’ school improvement functions are funded’. This ran from 29<sup>th</sup> October 2021 to 26<sup>th</sup> November 2021. To date the DfE response to the consultation has not been published. This is now expected in early January.

## **The School Improvement Monitoring & Brokerage Grant**

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.

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.

Grant represents 26% of the funding for the non-traded activities carried out by Hsis, which encompass the core improvement activities detailed above. For schools identified as requiring additional support this will include regular school performance review meetings and implementing any actions agreed. This can include support for senior leadership, middle leadership, specific curriculum subjects or any other areas of concern.

Support may be provided by Hsis staff, or HSiS may arrange for support to be provided in conjunction with another school, providing that school with the opportunity to be a system leader. This will in turn provide development opportunities for staff at the supporting school.

The core improvement support received will vary considerably between schools, based on performance and need, but can also vary over time. A school may not require additional support at present but may do as circumstances change. An adequately funded school improvement service helps to ensure that schools requiring support are identified early and support put in place when needed, wherever that may be across the family of Havering schools. It should be remembered that currently all LA maintained schools in Havering are judged by OFSTED to be Good or Outstanding.

## **Funding core improvement activities through de-delegation**

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. 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.

### **De-delegation of funding for 2022-23**

Making up the 50% shortfall for 2022-23 would require £89k of de-delegated funds, which equates to £5.11 for each pupil Year R -11. Havering is seeking the agreement of the Schools Funding Forum to de-delegate this amount.

The DfE require local authorities to submit funding proposals for 2022-23 by 21<sup>st</sup> January 2022. This means that LAs do not have time to wait for the publication of the response to the consultation before seeking approval from their Schools Funding Forum to de-delegate funds. The DfE have recommended that if local authorities are seeking to de-delegate funds for core school improvement they should obtain conditional agreement, i.e. that de-delegation is approved in the event that the reduction in grant funding goes ahead.