

Schools Funding Forum 23rd March 2021

ITEM 8

Subject Heading:

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

Report Author:

Nick Carter – Principal Finance Officer (Schools)

Eligibility to vote:

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

SUMMARY

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

RECOMMENDATIONS

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

REPORT DETAIL

1. Exceptional Costs

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

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

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

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

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

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

Limits for school claims

Mainstream schools

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

Special schools and alternative provision

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

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

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

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

2. Coronavirus catch up premium and the national tutoring programme

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

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

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

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

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

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

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

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

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

Teacher absences

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

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

Support staff absences

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

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

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

What staff are included

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

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

Conditions for accessing the fund

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

Prerequisite criteria:

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

Financial reserves criteria

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

Workforce absence rate criteria

Mainstream schools

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

Special schools and alternative provision schools

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

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

4. Coronavirus – Mass asymptomatic testing

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

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

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

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

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

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

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

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

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

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

A summary of the returns is shown in Appendix C.

The number of responses received was as follows:

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

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

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

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

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

Rent and utility costs had to be paid as usual.

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

The impact of Coronavirus on school and academy budgets to March 2021**School / Academy**

Please includes costs to date and future expenditure already commitment

Yes

No

1 Additional costs incurred and lost income

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

Lost income	
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2 Additional funding from DfE / EFSA

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

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

3 Savings (if applicable)**£**

Significant savings arising from partial school closure in the summer term 2020 and spring term 2021	
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5 Additional comments
Please return by Friday 19 March 2021 to: nick.carter@haverling.gov.uk



Nick Carter
Principal Finance Officer (Schools)

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To Head Teachers of Academies in Havering

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SENT VIA EMAIL

10 March 2021

Dear Colleague

The Impact of Coronavirus on Academy Budgets

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

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

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

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

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

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

Yours sincerely

Nick Carter
Principal Finance Officer (Schools)

The impact of COVID on Early Years Providers - January 2021**Provider name (optional)****Nature of setting**Day nursery, pre-school, independent,
child minder etc.

Please includes costs to date and future expenditure already commitment

1 Lost income and additional costs incurred

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

2 Income and financial support received (if any)

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

3 Savings (if applicable)

Significant savings arising from reduced numbers or partial closure in the summer term	
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4 Additional commentsPlease return by Wednesday 10 February 2021 to education.finance@haverling.gov.uk



Nick Carter

Principal Finance Officer

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To: Early Years Providers in Havering

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SENT VIA EMAIL

25 January 2021

Dear Colleague

The Financial Impact of COVID 19 on Early Years Providers

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

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

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

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

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

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

Yours sincerely

Nick Carter

Principal Finance Officer (Schools)

The impact of COVID on Early Years providers

Examples of lost income and additional costs faced

Lost income

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

Staffing (excluding cleaning staff)

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

Cleaning of premises (including staff)

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

PPE, hand sanitisers, other consumables

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

Adaptation to premises

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

Other equipment and services

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