



**MEETING OF THE WORCESTERSHIRE SCHOOLS FORUM (WSF)**

**Thursday 20<sup>th</sup> May 2021**  
**At 2.00pm**  
**Remote Meeting Held Via MS Teams**

**A G E N D A**

1. Apologies
2. Declaration of Interests
3. Declaration of Potential Conflict of Interests  
With Items on the Agenda
4. Minutes of the Last Meeting 21<sup>st</sup> January 2021 (attached)
5. Matters Arising (verbal updates)
  - a) Place Partnership Limited (PPL)
  - b) Medical Education Pathway
6. Any Other Business (verbal updates)
  - a) Liberata
  - b) Proposal for a New Secondary School  
in Worcester City Council Boundary
7. WCC Issues (verbal updates)
  - a) Cabinet Report 4<sup>th</sup> February 2021  
Agenda Item 4 – 2021-22 Draft Budget and  
MTFP Update 2022-24  
<https://worcestershire.moderngov.co.uk/ieListDocuments.aspx?CId=131&MId=3723&Ver=4>
  - b) Local Elections 6<sup>th</sup> May 2021 Outcomes

**Phil Rook**

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8. Budget Issues 2021-22
  - a) Letters to Schools (attached)
  - b) Final Authority Proforma Tool (APT) for Mainstream Schools (attached)
  - c) Early Years Hourly Rate (attached)
  - d) DfE Action Plans – Schools in Financial Difficulty (attached)
  
9. Scheme for Financing Maintained Schools April 2021 (attached)
  
10. DfE Consultations 2022-23
  - a) Sparsity Funding (attached)
  - b) Funding for School Business Rates (attached)
  
11. High Needs Issues
  - a) DfE Consultation 2021-22 (attached)
  - b) F40 Survey and DfE Submission (attached)
  - c) Schools Week Article 5<sup>th</sup> May 2021 (attached)
  - d) OFSTED SEND Reinspection and WCF Management Plan Updates (attached)
  
12. F40 Group Updates
  - a) Pupil Premium Grant (PPG) Survey (attached)
  - b) Campaign Objectives 2021 (attached)
  - c) Executive Committee 8<sup>th</sup> March 2021 (attached)
  - d) Vice Chair Meeting 9<sup>th</sup> March 2021 (attached)
  
13. Academies Update (attached)

Date of Next Meeting: -

Thursday 8<sup>th</sup> July 2021 at 2pm

Via MS Teams or Kidderminster Room County Hall (if permitted)

Please pass apologies to Andy McHale who can be contacted on  
Tel 01905 846285 or e-mail [amchale@worcschildrenfirst.org.uk](mailto:amchale@worcschildrenfirst.org.uk)

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# worcestershire county council

## MINUTES OF THE MEETING OF THE WORCESTERSHIRE SCHOOLS FORUM (WSF)

Thursday 21<sup>st</sup> January 2021  
Remote Meeting Held Via MS Teams

The meeting started at 2.00 pm

### IN ATTENDANCE:

#### WSF Members

|                          |   |                                                                        |
|--------------------------|---|------------------------------------------------------------------------|
| Malcolm Richards (Chair) | - | Governor, Bromsgrove                                                   |
| Bryn Thomas (Vice Chair) | - | HT Wolverley CE Secondary School                                       |
| Marie Pearse             | - | HT Evesham Nursery School                                              |
| Paul Essenhigh           | - | Executive HT Catshill Middle, Catshill First and Nursery Schools       |
| Nathan Jones             | - | HT Meadow Green Primary School                                         |
| Lizzie Dixon             | - | HT Franche Primary School                                              |
| Emma Pritchard           | - | Principal Black Pear Trust<br>(to 3.00pm)                              |
| Adrian Ward              | - | HT Trinity High School<br>(from 2.50pm)                                |
| Bec Garratt              | - | HT Wyre Forest School                                                  |
| David McIntosh           | - | Governor, Wyre Forest                                                  |
| Jeff Robinson            | - | Governor, Malvern Hills                                                |
| Stephen Baker            | - | Union Representative                                                   |
| John Bateman             | - | Governor, Aspire Alternative Provision (AP)<br>Free School (to 2.30pm) |
| Tim Reid                 | - | Church of England Board of Education                                   |
| Catriona Savage          | - | PVI Sector                                                             |
| Tom Jenkins              | - | PVI Sector                                                             |

#### Local Authority (LA)

|                  |   |                                                                                        |
|------------------|---|----------------------------------------------------------------------------------------|
| Phil Rook        | - | Director of Resources<br>Worcestershire Children First                                 |
| Andy McHale      | - | Service Manager Funding and Policy<br>Worcestershire Children First                    |
| Sarah Wilkins    | - | Director of Education and Early Help<br>Worcestershire Children First<br>(from 2.20pm) |
| Caroline Brand   | - | Schools Finance Manager<br>Worcestershire County Council                               |
| Rob Phillips     | - | Accountancy Officer School Funding<br>Worcestershire County Council                    |
| Gabrielle Stacey | - | Assistant Director SEND and Vulnerable<br>Learners<br>Worcestershire Children First    |

## **1. WELCOME AND APOLOGIES**

### **1.1 Welcome**

The Chair welcomed new WSF members to their first WSF meeting: -

- Lizzie Dixon – HT Franche Primary School in the primary HT category.
- Catriona Savage – My First Friends and Little Oaks Day Nursery in the PVI category.
- Tom Jenkins – Wishing Wells Nursery Group in the PVI category

### **1.2 Apologies**

|                        |   |                                                                                                 |
|------------------------|---|-------------------------------------------------------------------------------------------------|
| Lorraine Petersen      | - | Governor, Bromsgrove                                                                            |
| Chris King             | - | CEO Severn Academies Educational Trust                                                          |
| Greg McClarey          | - | Archdiocese of Birmingham                                                                       |
| Edward Senior          | - | 16-19 Providers                                                                                 |
| Councillor Marcus Hart | - | Cabinet Member with Responsibility for<br>Education and Skills<br>Worcestershire County Council |

## **2. DECLARATION OF INTERESTS**

None.

## **3. DECLARATION OF POTENTIAL CONFLICT OF INTERESTS WITH ITEMS ON THE AGENDA**

None.

## **4. MINUTES OF THE LAST MEETING (5<sup>th</sup> November 2020)**

Agreed.

## **5. MATTERS ARISING FROM THE MINUTES**

None.

## **6. ANY OTHER BUSINESS**

### **6.1 Place Partnership Limited (PPL) Update**

(a) Phil introduced the item and advised on PPL ceasing trading on 31<sup>st</sup> March 2021. Consequently, services provided under the current SLA contract will not be provided by PPL from 1<sup>st</sup> April 2021. Phil advised building energy management services will revert to WCC, core property maintenance and compliance services will be undertaken by an alternative provider, which is currently subject to due diligence and schools will shortly be written to in order to confirm the proposals.

(b) Phil confirmed the creation of a new post within WCC to oversee the change in arrangements and requested representatives from the WSF to support and advise on the transition. A member of the WSF raised concerns on the late notification of the proposed changes and the service not currently giving value for money. Members of the WSF were

requested to contact Phil if they wished to support the change in arrangements with the council to ensure the transition is as smooth as possible.

## 6.2 Early Intervention Family Support Service (EIFS) Update

Phil advised, given the further 20% budget reduction as part of the Central School Services Block DSG and following the transfer to WCF of the Continuo Plus contract in October, the service was in the process of being reviewed to ensure a sustainable and consistent Early Help service across Worcestershire is provided. The WSF noted this and that a further report would be brought to the WSF in due course following consultation with staff had been completed.

## **7. CABINET DECISIONS**

### 7.1 10<sup>th</sup> December 2020 Agenda Item 4 – Fair Funding for Schools 2021-22 National and Local Funding Arrangements for Schools

(a) Andy reported the outcomes of the local funding proposals for 2021-22, discussed and approved by the WSF in the Autumn Term 2020, were received and considered by Cabinet.

(b) The WSF noted the Cabinet decisions and approvals made: -

- The Local Schools Funding Formula (LSFF) to continue as far as is practicable and affordable on the DfE NFF Year 4 parameters.
- No transfer of funding from the Schools Block to support High Needs.
- De-delegations for maintained schools
- Centrally retained services items for all schools.
- The LSFF submission to be made to the Education and Skills Funding Agency (ESFA) by 21<sup>st</sup> January 2021.

### 7.2 7<sup>th</sup> January 2021 Agenda Item 4 – Budget and Council Tax 2021-22

Phil reported the draft budget for 2021-22 for WCC had been considered and was now out for formal consultation. It included proposals for growth in both Adult and Children's Services and the proposed Council Tax increase of 2.5% (1.5% general increase and a further 1% for Adult Social Care). It also included references to the School Funding DSG settlement 2021-22 received in December 2020.

## **8. PROVISIONAL SCHOOL FUNDING SETTLEMENT 2020-21**

8.1 Andy advised, on 17<sup>th</sup> December 2020, the Department for Education (DfE) published details of the provisional School Funding Settlement 2021-22.

### 8.2 Dedicated Schools Grant (DSG)

(a) Andy confirmed the DSG details as follows: -

- The DSG schools block allocated based on the National Funding Formula (NFF).
- The Central Services Schools (CSS) Block allocated on the DfE NFF.
- The High Needs (HN) Block allocated based on the DfE NFF.
- The Early Years (EY) Block allocated on the DfE NFF arrangements introduced in 2017-18.

(b) The 2021-22 provisional allocation is detailed below under the notional DSG blocks. This is prior to the recoupment deduction for academies and non-LA maintained specialist providers. It also compares the provisional allocations to the 2020-21 DSG latest settlement.

### Provisional DSG Gross Settlement 2021-22

| DSG Block                 | 2020-21 Latest Nov 2020 £'000 | 2021-22 Indicative July 2020 £'000 | 2021-22 Initial December 2020 £'000 | Variance 2020-21 to 2021-22 £'000 |
|---------------------------|-------------------------------|------------------------------------|-------------------------------------|-----------------------------------|
| Schools Pupil Growth Fund | 339,667                       | 368,200                            | 369,495                             | +29,828                           |
| S-T Schools               | 2,319                         | Not Advised                        | 1,908                               | -411                              |
| Central Services          | 341,986                       | 368,200                            | 371,403                             | +29,417                           |
| High Needs                | 3,515                         | 3,343                              | 3,377                               | -138                              |
| Early Years               | 60,182                        | 67,944                             | 68,401                              | +8,219                            |
| TOTAL                     | 35,963                        | Not Advised                        | 36,476                              | +513                              |
|                           | <b>441,646</b>                | <b>439,487</b>                     | <b>479,657</b>                      | <b>+38,011</b>                    |

(c) For the **Schools Block** this is based upon DfE NFF policy for Year 4 including: -

- The October 2020 pupil census against the Primary and Secondary Units of Funding (PUF) and (SUF) confirmed in July 2020.
- Provides for NFF year 4 parameters including mandatory sector Minimum Funding Levels (MFLs), additional October 2020 pupil numbers and historic premises related factors allocation £7.443m.
- Includes the effect of the mainstreaming of specific grants in 2021-22 of £16.329m for teachers pay and employer pension contributions.
- Reflects the change in pupil numbers October 2019 to October 2020 of +199 (Primary -141.5; Secondary +340.5) as detailed below.

### Pupil Number Variation 2020-21 and 2021-22

| Phase        | 2020-21 October 2019 Census | %            | 2021-22 October 2020 Census | %            |
|--------------|-----------------------------|--------------|-----------------------------|--------------|
| Primary      | 44,250.0                    | 60.1         | 44,108.5                    | 59.7         |
| Secondary    | 29,411.5                    | 39.9         | 29,752.0                    | 40.3         |
| <b>Total</b> | <b>73,661.5</b>             | <b>100.0</b> | <b>73,860.5</b>             | <b>100.0</b> |

- Pupil Growth Fund £1.908m now on DfE formulaic basis in fourth year, reflecting changes in pupil numbers between October 2019 and October 2020.

(d) For the **Central School Services Block (CSSB)** formulaic allocation for centrally retained statutory services £2.417m plus historic commitments £0.960m (**reduced by a further 20% by the DfE from 2020-21 allocation £1.2m as part of their national policy**).

(e) For the **High Needs Block**: -

- The allocation of £68.401m reflects the share of the additional £730m HN DSG allocated in 2021-22 of £8.219m gross.

- Includes the effect of the mainstreaming of specific grants for teachers pay and employer pension contributions in 2021-22 of £2.165m, which will need to be reflected in the allocations to specialist providers.
- The estimated net HN DSG in 2021-22 is £59.819m which is an increase of £7.956m on 2020-21 of £51.863m. This reflects the proposed place deductions from the HN block for SEN units in academies, maintained post 16 and NMSS providers detailed below. These are subject to change during the year.

### Estimated HN Place Deductions

| DETAIL                                 | 2020-21<br>Latest<br>November<br>2020<br>£'m | 2021-22<br>Provisional<br>December<br>2020<br>£'m | Variance<br><br>£'m |
|----------------------------------------|----------------------------------------------|---------------------------------------------------|---------------------|
| <b>HN DSG Gross</b>                    | <b>60.182</b>                                | <b>68.401</b>                                     | <b>+8.219</b>       |
| Place Deductions                       |                                              |                                                   |                     |
| SEN Units Academies<br>Pre and Post 16 | (0.763)                                      | (0.730)                                           | <b>+0.033</b>       |
| Special Academies Pre and Post<br>16   | (5.208)                                      | (5.400)                                           | <b>(0.192)</b>      |
| Alternative Provision                  | (0.962)                                      | (1.000)                                           | <b>(0.038)</b>      |
| Academies Post 16                      | (0.028)                                      | (0.012)                                           | <b>0.016</b>        |
| FE Providers                           | (1.358)                                      | (1.440)                                           | <b>(0.082)</b>      |
| <b>S-T Deductions</b>                  | <b>(8.319)</b>                               | <b>(8.582)</b>                                    | <b>(0.263)</b>      |
| <b>= HN DSG Net</b>                    | <b>51.863</b>                                | <b>59.819</b>                                     | <b>+7.956</b>       |

(f) For the **Early Years Block** provisional based upon Schools, Early Years and Alternative Provision census data for 2, 3 & 4-year olds from January 2020. The final allocations will be updated based on January 2020 and January 2021 census data. The allocations reflect an increase to the allocated hourly rates for 2-year olds +8p and 3&4-year olds +6p.

(g) The WSF noted the details comparing 2020-21 and 2021-22 in **Appendices A and B** to the report. This showed for the Schools Block the effect of the increase in the PUF and SUF for the NFF Year 4 and the increased numbers in the October 2020 pupil census. Andy advised the Schools Block and the CSSB were fixed and the increase in the former was expected due to the NFF Year 4.

(h) For Early Years, Andy advised the indicative DSG requires the January 2021 census data to confirm what the 2021-22 grant position is likely to be. The WSF noted the significant national discussion on impact of Covid on the EY January 2021 census completion. Andy further advised these numbers are likely to be lower than usual, which will impact on the funding available for the hourly rate, particularly if numbers start to increase in the Summer and Autumn 2021. Andy confirmed colleagues in the EY and finance teams will soon start the work to model the January 2021 census effect including any proposed changes to the provider hourly rates from April 2021. The WSF noted there needed to be further discussion with the WSF EY representatives between now and the next scheduled meeting in March 2021.

### 8.3 Pupil Premium Grant (PPG)

(a) For the **PPG**, the WSF noted the DfE have confirmed the funding rates in the financial year 2021-22 will stay the same as for 2020-21. These are: -

- Primary Pupils £1,345.
- Secondary Pupils £955.
- Looked After Children £2,345.
- Children Ceased to be Looked After £2,345.
- Service Children £310.

(b) Andy advised, although the eligibility criteria for the pupil premium will remain unchanged, from 2021-22 **the DfE will be using October 2020 school census data to calculate pupil premium allocations**. The LA had not known this changed prior to the settlement being announced.

8.4 The WSF noted the former specific grants in 2020-21 to support the costs of teachers pay and pensions have now been mainstreamed into the NFF in 2021-22 – Schools Block DSG (AWPU) and High Needs Block DSG (Basic Entitlement and Supplementary Factors) and other grants were still to be announced.

8.5 The WSF noted the provisional school funding settlement for 2021-22.

## **9. SCHOOL BLOCK ALLOCATIONS 2021-22 AUTHORITY PROFORMA TOOL (APT)**

### 9.1 APT 2021-22 Quantum

(a) Andy introduced the report which detailed the current position on the APT 2021-22.

(b) An analysis of the Schools Block funding, prior to de-delegation for mainstream schools detailing the estimated amount to be included in the Local Schools Funding Formula (LSFF) and the breakdown of the Central School Service Block detailing the already approved centrally retained services is below.

### **Analysis of Schools Block 2021-22**

| <b>DETAIL</b>                                              | <b>£'000</b>   | <b>£'000</b>   |
|------------------------------------------------------------|----------------|----------------|
| <b>Schools Block Allocation</b>                            |                |                |
| Primary Unit of Resource £4,407.42 x Pupil Numbers 44108.5 | <b>194,405</b> |                |
| Secondary Unit of Resource £5,634.82 x Pupil Numbers 29752 | <b>167,647</b> |                |
| + Premises Costs Historic Costs Allocation                 | <b>7,443</b>   |                |
| <b>= Total LSFF Quantum 2021-22</b>                        |                | <b>369,495</b> |
| + Pupil Growth Fund DfE Formula Allocation                 |                | <b>1,908</b>   |
| <b>= Total Schools Block DSG</b>                           |                | <b>371,403</b> |
|                                                            |                |                |
|                                                            |                |                |



| <b>Central Schools Services Block (CSSB) Allocation</b>                        |       |           |
|--------------------------------------------------------------------------------|-------|-----------|
| <u>Centrally Retained Budgets (Previously Approved by WSF and WCC Cabinet)</u> |       |           |
| Contributions to Combined Services – Early Intervention Family Support         | 960   |           |
| Co-ordinated School Admissions                                                 | 582   |           |
| Servicing of the Schools Forum                                                 | 55    |           |
| Former ESG Retained Duties for All Schools                                     | 1,262 |           |
| <u>DfE Designated Centrally Retained Budgets</u>                               |       |           |
| Licenses and Subscriptions – DfE Actual                                        | 442   |           |
| Mainstream Grant for Teachers Pay and Pensions for Centrally Employed Teachers | 27    |           |
| = Total Centrally Retained                                                     |       | 3,328     |
| - Central Services Schools Block (CSSB) Allocated                              |       | 3,376     |
| <b>= Projected Surplus/(Deficit) on CSSB</b>                                   |       | <b>48</b> |

(c) For the LSFF net amount allocated in 2020-21 was £338.880m. A comparison of the position compared to 2021-22 is detailed below.

**Comparison of LSFF Actual 2020-21 and Estimated 2021-22**

| <b>DETAIL</b>                                                                                               | <b>£'000</b>   |
|-------------------------------------------------------------------------------------------------------------|----------------|
| <b>LSFF 2020-21</b>                                                                                         | <b>338,880</b> |
| <u>Adjustments</u>                                                                                          |                |
| Prior Year – pupil growth fund, growing school, rates and premises                                          | 787            |
| Additional DSG for NFF Year 4 for Schools Block October 2020 and for Increase in Pupil Numbers October 2020 | 13,499         |
| Mainstreaming of former specific pay and pension grants                                                     | 16,329         |
| <b>= Estimated Amount for LSFF 2021-22</b>                                                                  | <b>369,495</b> |

(d) Although this seems a significant increase, the additional NFF DSG allocation notified in July 2020 was expected. Also, the net increase in pupil numbers of +199 (Primary - 141.5; Secondary +340.5) will require funding in the LSFF 2021-22 together with the requirements of LSFF to be based as far as is practicable and affordable upon the National Funding Formula (NFF) data set and unit of resource parameters for Year 4 together with the mandatory DfE sector Minimum Funding Levels (MFLs).

(e) The WSF are reminded that the budgetary impact for each individual school will depend upon: -

- How their individual pupil numbers and all other data varies between October 2019 and October 2020.
- The Schools Block DSG increase between 2020-21 and 2021-22.
- The impact across all schools.

- The impact of the LSFF for the NFF parameters i.e. the MFG requirement and any potential capping level for affordability, together with the mandatory DfE sector Minimum Funding Levels (MFLs).
- The impact and affordability of the Minimum Funding Levels (MFL) per pupil for the total budget: –
  - Primary increasing from £3,750 in 2020-21 to £4,180 in 2021-22.
  - Secondary increasing from £5,000 in 2020-21 to £5,415 in 2021-22.
  - Hybrid MFL rates for schools with 'non-uniform' year groups.
- The MFG of between +0.5% and +2.00% per pupil in 2021-22 and any potential affordability cap.
- Although overall numbers have increased, there are also some significant variations with increases and decreases for individual schools, which will result in budgetary impact for those schools.
- Given the additional resource from the NFF in the Schools Block and the LSFF being based as far as is practicable on the NFF parameters, including the per pupil Minimum Funding Guarantee (MFG) protection, most schools should see increases in 2021-22.
- However, **the MFG is a per pupil not a cash protection**, so the LSFF even when based on the NFF parameters, cannot protect schools from the effect of data changes between 2019 and 2020.
- Consequently, some schools will see reductions in funding due to these data changes mainly due to significant reductions in pupil numbers. Nevertheless, all schools in the DfE NFF parameters will be subject to at least the 2% MFG per pupil increase on their 2020-21 baseline.

## 9.2 APT 2021-22 Current Position

(a) Andy advised assessment and the impact on the APT of all the above together with the data changes for 2020 has been made. This has been based upon the units of resource agreed by County Council Cabinet on 10th December 2020, the DfE NFF parameters for 2021-22, the recently provided DfE data sets for 2020 and other required local data sets.

(b) The WSF were provided with further information in **Appendix A** together with **Annexes A and B**, which summarised the current position and a comparison of the APT formula factors between 2020-21 and 2021-22.

(c) Andy confirmed: -

- The estimated quantum for the LSFF in 2021-22 is £369.495m plus a further sum of £1.908m from the national Pupil Growth Fund.
- The current APT position using the approved units of resource, other data and the NFF Year 4 parameters for the MFG, Capping and the sector Minimum Funding Levels is £369.216m – an under **allocation of £0.279m** against the £369.495m excluding the Pupil Growth Fund.
- The analysis is detailed below.

## Summary of Final APT 2020-21 Compared to Draft APT 2021-22

| <u>FORMULA COMPONENT</u>        | <u>2020-21<br/>APT<br/>£'m</u> | <u>2021-22<br/>APT<br/>£'m</u> | <u>VARIANCE<br/>£'m</u> |
|---------------------------------|--------------------------------|--------------------------------|-------------------------|
| AWPU                            | 250.8                          | 275.3                          | +24.5                   |
| Deprivation - FSM               | 14.4                           | 15.8                           | +1.4                    |
| Deprivation - IDACI             | 8.9                            | 10.2                           | +1.3                    |
| Low Prior Attainment            | 25.7                           | 25.5                           | -0.2                    |
| EAL                             | 1.5                            | 1.5                            | +0.0                    |
| Lump Sum                        | 26.0                           | 26.7                           | +0.7                    |
| Sparsity                        | 0.2                            | 0.5                            | +0.3                    |
| Split Site                      | 0.6                            | 0.6                            | 0.0                     |
| Rates                           | 3.9                            | 4.0                            | +0.1                    |
| PFI                             | 2.5                            | 2.6                            | +0.1                    |
| Exceptional Premises            | 0.4                            | 0.4                            | 0.0                     |
| Minimum Funding Levels (MFLs)   | 3.4                            | 5.5                            | +2.1                    |
| Minimum Funding Guarantee (MFG) | 0.6                            | 0.6                            | 0.0                     |
| <b>LSFF Prior to Capping</b>    | <b>338.9</b>                   | <b>369.2</b>                   | <b>+30.3</b>            |
| Capping                         | 0.0                            | 0.0                            | 0.0                     |
| <b>TOTAL</b>                    | <b>338.9</b>                   | <b>369.2</b>                   | <b>+30.3</b>            |

(d) Andy advised the draft APT: -

- Includes the effect of all the DfE NFF Year 4 units of resource including the MFG and the mandatory MFLs together with the majority of WCC local factors.
- Shows significant increases in some formula areas e.g. AWPU, FSM, IDACI and the mandatory MFLs must be managed within the quantum of funding available
- For deprivation factors, the effect of an additional +£2.7m had not been reflected in the DfE PUF and SUF notified in July 2020.
- Includes the effect of Year 4 for the new North Worcester Primary Free School. This is a call on the DSG and must be funded on estimated numbers not included in the October 2020 census.
- Provides for sparsity factor currently not based on the tapered model as in previous years but on the full DfE NFF model to support the DfE policy for additional funding provided in this area.
- Requires some local data sets to be finalised e.g. rates, which will all be a call on the currently under allocated funding of £0.279m.
- On current estimates, the NFF Year 4 is affordable from the Schools Block quantum for 2021-22.

(e) The WSF were reminded: -

- The new DfE data will have to drive the allocations and so cannot be amended along with the units of resource as approved unless there is a Schools Block DSG quantum issue. Varying from this approach is not appropriate – as in previous years the data and local formula parameters run.
- The APT is draft only and it is not final until the ESFA have approved the APT following their detailed compliance checks – this will take some time following submission.
- School by school data is never shared at this time as is not available until all maintained schools and academies have had their allocations.

(f) In response to questions from a member of the WSF regarding the funding of the new free school and notional SEN, Andy confirmed as the free school is a growing school the Schools Block DSG must provide for the new October 2021 intake numbers in advance of any funding and there has been no local review for notional SEN as this is likely to be part of the DfE policy for a 'hard' NFF.

(g) The WSF agreed for the need to endeavour to replicate the NFF Year 4 parameters in 2021-22 and gave its unanimous support to submitting the APT for 2021-22 using the NFF Year 4 parameters using the Schools Block DSG including the Pupil Growth Fund.

(h) Andy thanked Rob Phillips for all his hard work on the APT submission and the WSF recorded their appreciation.

## **RESOLVED –**

**The WSF unanimously endorsed (For 13 votes; Against 0 votes; Abstention 0 votes) the submission of the LSFF APT final Schools Block funding for 2021-22, using the NFF Year 4 parameters as approved by Cabinet in December 2020, taking account of the above issues, to the ESFA by 21<sup>st</sup> January 2021 as required.**

The Chair introduced Gabrielle Stacey to the WSF meeting to lead on the next two agenda items.

## **10. MEDICAL EDUCATION PATHWAY PROPOSAL**

10.1 Gabrielle made a presentation on the current position on the proposals for the Medical Education Pathway. The details covered the current provision, the statutory duty on the LA, the review timeline, stakeholder feedback, the proposed multi agency approach and funding issues.

10.2 The WSF commented as follows: -

- The review is vital given the current issues and their impact on medical and mental health for pupils.
- Given Covid cases will increase these needs, an efficient service to access is vital.
- The pathway looks comprehensive but how deliverable is it and at what extra cost to schools?
- Need to push on health to meet their fair share of the costs.
- Concern if already underfunded schools are requested to contribute to any shortfall – it is not their place to fund it is a statutory function of the LA.
- Schools already do an enormous amount of work on these aspects already and the current service must provide as required and shortfall from High Need budget.
- There is a need for further training for schools – some good training is available, but it needs to be enhanced.
- Value for money aspects are key so how will quality assurance aspects work?

10.3 Sarah thanked WSF members for their comments which will help shape the Cabinet paper and in terms of the potential funding shortfall options are being looked at internally and with the CCG. Gabrielle advised on the need for clearer advice to schools particularly on robust pupil outcomes and future service level agreements. Phil stated that we would share with the forum the Cabinet report and we would need to look at a transparent model for funding the pathway with the principle that the funding follows the child.

10.4 The WSF noted the proposed timescales and next steps.

## **11. HIGH LEVEL NEEDS MANAGEMENT PLAN 2020-21**

11.1 Phil introduced the item detailing the current and projected budget position, with 2020-21 predicted to be a £10.5m deficit increasing to £15.0m by the end of 2021-22. This is despite the increases in HN DSG received. Phil advised on the position of other County LAs, where a recent Society of County Treasurer's (SCT) survey reporting 13 members with deficits between £0m and £10m, 9 members with deficits between £10m and £20m, 1 with a deficit of over £20m, 1 with a deficit of over £30m, 3 with deficits between £40m to £50m and 2 with deficits even higher. Phil further advised on the need for a national solution but the requirement for a HN recovery plan to be discussed with WCC and the WSF and for the completion of the DfE HN template.

11.2 Gabrielle took the WSF through the presentation detailing the aims of the HN management plan, the governance arrangements including the role of the WSF, the plan workstreams and the challenges to the delivery of the plan.

11.3 The WSF commented as follows: -

- What progress has been made since the presentations from the previous interim SEND Group Manager?
- There appears to be little difference just further cost pressures, so is there any data to support changes?
- How has the additional DfE HN DSG been allocated?
- Has there been any progress on parental experience of complications in the EHCP process and delays in the process for issuing EHCPs?
- Special schools are in constant dialogue with WCC and are endeavouring to keep pupils in County provision.
- The role of the WSF is strategic but its input is important and there is a need for WSF to understand the operational and financial risks with regular briefings on progress.

11.4 Gabrielle advised that significant progress had been made on first time EHCPs with more pupils now being admitted to mainstream schools. Gabrielle further advised that this plan goes much wider than the previous discussions and there is a need to understand the gaps in SEND provision e.g. post 16/19, SEMH, population pressures in special schools, etc, which is a major piece of work.

11.5 On the timescales for issuing EHCPs, Gabrielle confirmed performance had improved significantly and former delays had been addressed through the graduated response process. Sarah confirmed data on key aspects of the plan seen by the SEND Improvement Board in WCC would be useful for the WSF.

11.6 In terms of the additional HN DSG, Phil advised this was only keeping pace with some of the current demand but it will not address the historic deficit, although some resource has been directed to special schools to allow the top up funding cap to be lifted from April 2020.

11.7 The WSF requested regular updates on a termly basis as the plan progresses.

### **The meeting closed at 3.55pm**

The date of the next WSF meeting: - Thursday 25<sup>th</sup> March 2021 at 2pm  
Via Remote Meeting MS Teams



The Headteacher

All Maintained Mainstream Schools

26 February 2021

Dear Colleague,

**SCHOOLS BLOCK FUNDING ALLOCATIONS FOR THE FINANCIAL YEAR 2021-2022**

The Schools Block funding allocations and estimated Pupil Premium Grant allocations for the financial year 2021-2022 have today been uploaded to the Children's Services Portal.

**Schools Block - Actual Allocation**

The Schools Block allocations are based on a single pupil count using data collected from the October 2020 Schools Census and other prescribed DfE data sets from October 2020. There may be minimal changes to pupil numbers as a result of the DfE's audit process, with adjustments made if the changes affect your school. This allocation will not be subject to any further in-year adjustments.

The Schools Block units of resource for the local schools funding formula were approved by the County Council Cabinet on 10 December 2020. These are based upon the revised local schools funding formula to reflect, as far as is affordable and practicable, the DfE's National Funding Formula (NFF) parameters for Year 4 set by the DfE.

Funding for the costs of teachers' pay and pensions employer contributions previously funded by DfE specific grants has been added by the DfE to the NFF in Year 4. This has been allocated on a per pupil basis to both the Age Weighted Pupil Unit (AWPU) and mandatory sector Minimum Funding Levels (MFLs) – primary £180 and secondary £265. So, from 2021-22, schools will no longer receive these as additional specific grants.

**Caroline Brand**  
Finance Manager -  
Schools

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County Hall  
Spetchley Road  
Worcester  
WR5 2YA

There is now no cap for gainers. Please note, however, that the MFG continues to be a per pupil and NOT a cash protection. In line with the NFF parameters all schools will see an increase in PER PUPIL FUNDING of at least 2.00%. As in previous years even with the local formula being based upon the DfE NFF parameters the MFG WILL NOT provide protection for schools from significant data changes, so schools experiencing reductions in pupil numbers from 2020-21 or other significant data changes such as reductions in deprivation (FSM and IDACI), low prior attainment, etc. will see a corresponding budget reduction. The County Council is unable to include a local factor

to protect for falling rolls and other such data changes. Conversely schools with increasing pupil numbers and other data requirements will see a budget increase.

### **High Needs Funding Allocations**

Initial allocations for those pupils entitled to High Needs funding will be made, as required by the DfE, by the 28 February 2021. For those schools with autism bases or resource units this will include either the £6,000 or £10,000 per commissioned place depending on if the pupils is registered within your school or not and the number of places agreed by the County Council.

Funding for High Needs Top up Element 3 will be allocated as required to those schools with such pupils. Schools are reminded that funding for High Needs top up will be adjusted and vary during the year depending upon the movement of such pupils. Indicative allocations will be provided for budget purposes only based upon information as at 15 February 2021.

### **Schools with Early Years Settings**

Funding for the free nursery education entitlement is determined by the Early Years Single Funding Formula (EYSFF). By the 31 March 2021 you will receive an indicative budget allocation for the financial year 2021-22 based upon the EYSFF. This will take into account any change to funding rates and other matters following the outcome of the EY funding consultation earlier in the Spring Term 2021. This allocation will continue to be amended termly to reflect actual numbers on roll and hours of attendance throughout the financial year.

### **Pupil Premium Grants**

Each Primary Free School Meal (FSM) Ever 6 pupil will attract funding of £1,345, with each Secondary FSM Ever 6 pupil attracting funding of £955. In addition, a child recorded as a Service Child or with a parent receiving a war pension will attract £310 on Ever 3 profile.

These indicative grant allocations are based on your actual funding for financial year 2020-21. The actual allocations will not be confirmed until the October 2020 School Census data has been audited and agreed by the DfE later in the summer term. The actual allocations will then be paid over in four instalments, when the County council receives the grant from the DfE. We anticipate that the first instalment will be paid in June 2021, with the remaining instalments being paid in September 2021, December 2021 and at the end of the financial year.

Children Looked After within the County will attract £2,345 of Pupil Premium funding in 2021-22. Responsibility for allocating this funding remains with the Virtual School Headteacher. Schools operating with maintained and non-maintained Early Years provisions will also continue to receive up to £300 Pupil Premium for eligible children in 2021-22.

### **Key Budget Planning Considerations**

Inflationary pressures continue to be experienced particularly in relation to pay costs. We would recommend you budget for anticipated future teachers' pay awards from September 2021 and for the pay award for support staff from 1 April 2021.

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All staffing projections provided by the Liberata Schools Finance Team will include these anticipated awards and increased employers' contributions for NIC and pension contributions. Details of the pension back funding charges for 2021-22 will be sent in a separate letter within the next two weeks.

### **Budget Setting**

All schools are required to complete an actual budget plan for the coming financial year. This must be submitted by 1 May 2021. Please ensure that your Governors' meetings are scheduled so that this deadline can be achieved.

The 2021-22 budget plan must be submitted via Collaborative Planning. Training is still available to all schools and those who are yet to undertake training or require additional support should contact Liberata Schools Finance Team urgently. Details of training sessions have been communicated via email, the weekly newsletter and are available on ConnectEd.

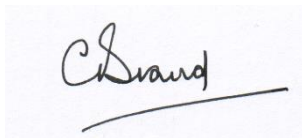
Budget plans must be approved by the Full Governing Body unless this action is delegated to the Finance Sub-committee. It is important to stress that any decision to delegate the budget plan approval to the Finance Sub-committee must be evident in your Finance Policy and Governors' minutes.

If your 2021-22 actual budget plan indicates a deficit balance, please email Statutory Schools Finance Team on [SFT@worcestershire.gov.uk](mailto:SFT@worcestershire.gov.uk) for a Deficit Budget Approval form.

If you buy back support through Liberata's Service Specification and would like to arrange a budget meeting or to discuss your budget plan, please contact Liberata's Schools Finance Team on [WCCSchoolsFinance@Liberata.com](mailto:WCCSchoolsFinance@Liberata.com). Please share the details of this letter with your Governors.

If you would like to discuss any of the items raised in this letter in more detail, please do not hesitate to email me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'C Brand', with a horizontal line underneath it.

Caroline Brand  
Finance Manager – Schools

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The Headteacher  
All Maintained Special Schools and Pupil Referral Units

26 February 2021

Dear Colleague,

**HIGH LEVEL NEEDS (HLN) BLOCK FUNDING ALLOCATIONS FOR THE FINANCIAL YEAR 2021/2022**

The HLN Block funding allocations and estimated Pupil Premium Grant allocations for the financial year 2021-22 have today been uploaded to the Children's Services Portal.

**High Needs Funding Allocations**

The allocations are based upon the most recent information held for pupils with High Needs in your school.

The requirements of the national changes to the funding for High Needs states that funding is allocated as follows:

- Elements 1 and 2 - £10,000 per commissioned place (pro rata if part year),
- Element 3 – for any need above the elements 1 and 2 allocated as 'top up' funding based upon the needs of the individual pupil.

In line with DfE requirements, the MFG is set at 0 percent per commissioned place. There will be no cap for gainers.

**Schools are reminded that Elements 1 and 2 are fixed for the year but funding for High Needs top up Element 3 will be adjusted and vary during the year depending upon the movement of such pupils i.e. in real time.**

**Pupil Premium Grants**

Each Primary Free School Meal (FSM) Ever 6 pupil will attract funding of £1,345, with each Secondary FSM Ever 6 pupil attracting funding of £955. In addition, a child recorded as a Service Child or with a parent receiving a war pension on the October 2020 census (Ever 3) will attract £310.

These indicative grant allocations are based on your actual funding for financial year 2020-21. The actual allocations will not be confirmed until the October 2020 School Census data has been audited and agreed by the DfE later in the summer term. The actual allocations will then be paid over in four instalments, when the County Council receives the grant from the DfE. We anticipate that the first instalment will be paid in

**Caroline Brand**  
Finance Manager  
Children, Families  
and Communities

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June 2021, with the remaining instalments being paid in September 2021, December 2021 and at the end of the financial year.

Children Looked After within the County will attract £2,345 of Pupil Premium funding. Responsibility for allocating this funding remains with the Virtual School Headteacher. Schools operating with maintained and non-maintained early years provision will also continue to receive up to £300 Pupil Premium for eligible children.

### **Key Budget Planning Considerations**

Inflationary pressures continue to be experienced particularly in relation to pay costs. We would recommend you budget for anticipated future teachers' pay awards from September 2021 and for the pay award for support staff from 1 April 2021.

All staffing projections provided by the Liberata Schools Finance Team will include these anticipated awards and increased employers' contributions for NIC and pension contributions. Details of the pension back funding charges for 2021-22 will be sent in a separate letter within the next two weeks.

### **Budget Setting**

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The 2021-22 budget plan must be submitted via Collaborative Planning. Training is still available to all schools and those who are yet to undertake training or require additional support should contact Liberata Schools Finance Team urgently. Details of training sessions have been communicated via email, the weekly newsletter and are available on ConnectEd.

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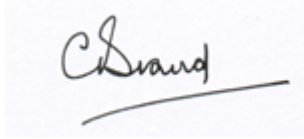
If your 2021-22 actual budget plan indicates a deficit balance, please email Statutory Schools Finance Team on [SFT@worcestershire.gov.uk](mailto:SFT@worcestershire.gov.uk) for a Deficit Budget Approval form.

If you buy back support through Liberata's Service Specification and would like to arrange a budget meeting or to discuss your budget plan, please contact Liberata's Schools Finance Team on [WCCSchoolsFinance@Liberata.com](mailto:WCCSchoolsFinance@Liberata.com). Please share the details of this letter with your Governors.

If you would like to discuss any of the items raised in this letter in more detail, please do not hesitate to email me.

Yours sincerely

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A handwritten signature in black ink on a light blue background. The signature reads "C Brand" in a cursive style, with a long horizontal line underneath.

Caroline Brand  
Finance Manager – Schools

Local Authority Funding Reform Proforma

|            |                |
|------------|----------------|
| LA Name:   | Worcestershire |
| LA Number: | 885            |

| Primary minimum per pupil funding level | Secondary (KS3 only) minimum per pupil funding level | Secondary (KS4 only) minimum per pupil funding level | Secondary minimum per pupil funding level | Disapplication number where alternative MPFF values are used |
|-----------------------------------------|------------------------------------------------------|------------------------------------------------------|-------------------------------------------|--------------------------------------------------------------|
| £4,180                                  | £5,215.00                                            | £5,715.00                                            | £5,415.00                                 |                                                              |

Pupil Led Factors

| 1) Basic Entitlement Age Weighted Pupil Unit (AWPU) | Reception uplift                                     | No                       | Pupil Units                                          |                                    | 0.00                                                          | Total        | Proportion of total pre MFG funding (%) | Notional SEN (%)                        |                            |                            |             |       |         |         |         |
|-----------------------------------------------------|------------------------------------------------------|--------------------------|------------------------------------------------------|------------------------------------|---------------------------------------------------------------|--------------|-----------------------------------------|-----------------------------------------|----------------------------|----------------------------|-------------|-------|---------|---------|---------|
|                                                     | Description                                          | Amount per pupil         | Pupil Units                                          |                                    | Sub Total                                                     |              |                                         | Primary Notional SEN (%)                | Secondary Notional SEN (%) |                            |             |       |         |         |         |
|                                                     | Primary (Years R-6)                                  | £3,123.00                | 44,137.30                                            |                                    | £137,840,788                                                  | £275,261,675 | 37.41%                                  | 5.00%                                   |                            |                            |             |       |         |         |         |
|                                                     | Key Stage 3 (Years 7-9)                              | £4,404.00                | 18,342.00                                            |                                    | £80,778,168                                                   |              |                                         | 21.92%                                  | 5.00%                      |                            |             |       |         |         |         |
|                                                     | Key Stage 4 (Years 10-11)                            | £4,963.00                | 11,413.00                                            |                                    | £56,642,719                                                   |              |                                         | 15.37%                                  | 5.00%                      |                            |             |       |         |         |         |
| 2) Deprivation                                      | Description                                          | Primary amount per pupil | Secondary amount per pupil                           | Eligible proportion of primary NOR | Eligible proportion of secondary NOR                          | Sub Total    | Total                                   | Proportion of total pre MFG funding (%) | Primary Notional SEN (%)   | Secondary Notional SEN (%) |             |       |         |         |         |
|                                                     | FSM                                                  | £460.00                  | £460.00                                              | 7,597.06                           | 4,530.00                                                      | £5,578,447   |                                         |                                         |                            |                            | £25,962,643 | 7.05% | 50.00%  | 50.00%  |         |
|                                                     | FSM6                                                 | £575.00                  | £840.00                                              | 8,421.50                           | 6,367.49                                                      | £10,191,052  |                                         |                                         |                            |                            |             |       | 50.00%  | 50.00%  |         |
|                                                     | IDACI Band F                                         | £215.00                  | £310.00                                              | 4,401.03                           | 2,836.01                                                      | £1,825,383   |                                         |                                         |                            |                            |             |       | 100.00% | 100.00% |         |
|                                                     | IDACI Band E                                         | £260.00                  | £415.00                                              | 3,223.51                           | 2,222.99                                                      | £1,760,654   |                                         |                                         |                            |                            |             |       | 100.00% | 100.00% |         |
|                                                     | IDACI Band D                                         | £410.00                  | £580.00                                              | 2,160.33                           | 1,459.53                                                      | £1,732,263   |                                         |                                         |                            |                            |             |       | 100.00% | 100.00% |         |
|                                                     | IDACI Band C                                         | £445.00                  | £630.00                                              | 1,815.11                           | 1,202.69                                                      | £1,565,417   |                                         |                                         |                            |                            |             |       | 100.00% | 100.00% |         |
|                                                     | IDACI Band B                                         | £475.00                  | £680.00                                              | 2,520.69                           | 1,682.83                                                      | £2,341,654   |                                         |                                         |                            |                            |             |       | 100.00% | 100.00% |         |
| IDACI Band A                                        | £620.00                                              | £865.00                  | 819.42                                               | 531.48                             | £967,771                                                      | 100.00%      | 100.00%                                 |                                         |                            |                            |             |       |         |         |         |
| 3) Looked After Children (LAC)                      | Description                                          | Primary amount per pupil | Secondary amount per pupil                           | Eligible proportion of primary NOR | Eligible proportion of secondary NOR                          | Sub Total    | Total                                   | Proportion of total pre MFG funding (%) | Primary Notional SEN (%)   | Secondary Notional SEN (%) |             |       |         |         |         |
|                                                     | LAC March 19                                         | £0.00                    |                                                      | 570.66                             |                                                               | £0           |                                         |                                         |                            |                            | 0.00%       | 0.00% |         |         |         |
| 4) English as an Additional Language (EAL)          | Description                                          | Primary amount per pupil | Secondary amount per pupil                           | Eligible proportion of primary NOR | Eligible proportion of secondary NOR                          | Sub Total    | Total                                   | Proportion of total pre MFG funding (%) | Primary Notional SEN (%)   | Secondary Notional SEN (%) |             |       |         |         |         |
|                                                     | EAL 3 Primary                                        | £550.00                  |                                                      | 2,165.53                           |                                                               | £1,191,042   |                                         |                                         |                            |                            | £1,530,713  | 0.42% | 0.00%   | 0.00%   |         |
| EAL 3 Secondary                                     |                                                      | £1,485.00                |                                                      | 228.73                             |                                                               | £339,671     |                                         |                                         |                            |                            |             |       |         |         |         |
| 5) Mobility                                         | Pupils starting school outside of normal entry dates | £0.00                    | £0.00                                                | 62.99                              | 18.77                                                         | £0           |                                         | 0.00%                                   | 0.00%                      | 0.00%                      |             |       |         |         |         |
| 6) Low prior attainment                             | Description                                          | Weighting                | Amount per pupil (primary or secondary respectively) | Percentage of eligible pupils      | Eligible proportion of primary and secondary NOR respectively | Sub Total    | Total                                   | Proportion of total pre MFG funding (%) | Primary Notional SEN (%)   | Secondary Notional SEN (%) |             |       |         |         |         |
|                                                     | Primary low prior attainment                         |                          | £1,095.00                                            | 28.56%                             | 12,603.41                                                     | £13,800,735  |                                         |                                         |                            |                            | £25,503,204 | 6.92% | 100.00% |         |         |
|                                                     | Secondary low prior attainment (year 7)              | 64.53%                   |                                                      | 23.23%                             |                                                               |              |                                         |                                         |                            |                            |             |       |         |         |         |
|                                                     | Secondary low prior attainment (year 8)              | 64.53%                   |                                                      | 23.52%                             |                                                               |              |                                         |                                         |                            |                            |             |       |         |         |         |
|                                                     | Secondary low prior attainment (year 9)              | 63.59%                   | £1,660.00                                            | 23.86%                             | 7,049.68                                                      | £11,702,469  |                                         |                                         |                            |                            |             |       |         |         | 100.00% |
|                                                     | Secondary low prior attainment (year 10)             | 58.05%                   |                                                      | 23.85%                             |                                                               |              |                                         |                                         |                            |                            |             |       |         |         |         |
|                                                     | Secondary low prior attainment (year 11)             | 48.02%                   |                                                      | 24.03%                             |                                                               |              |                                         |                                         |                            |                            |             |       |         |         |         |

Other Factors

| Factor                                                                                                                                                                                                                                                           | Lump Sum per Primary School (£) | Lump Sum per Secondary School (£)                       | Lump Sum per Middle School (£) | Lump Sum per All-through School (£)                    | Total (£)   | Proportion of total pre MFG funding (%) | Notional SEN (%) |        |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|---------------------------------------------------------|--------------------------------|--------------------------------------------------------|-------------|-----------------------------------------|------------------|--------|--|
| 7) Lump Sum                                                                                                                                                                                                                                                      | £117,800.00                     | £117,800.00                                             |                                |                                                        | £26,740,600 | 7.26%                                   | 10.00%           | 10.00% |  |
| 8) Sparsity factor                                                                                                                                                                                                                                               | £45,000.00                      | £70,000.00                                              | £70,000.00                     | £70,000.00                                             | £513,847    | 0.14%                                   | 0.00%            | 0.00%  |  |
| Please provide alternative distance and pupil number thresholds for the sparsity factor below. Please leave blank if you want to use the default thresholds. Also specify whether you want to use a tapered lump sum or the NFF weighting for any of the phases. |                                 |                                                         |                                |                                                        |             |                                         |                  |        |  |
| Primary distance threshold (miles)                                                                                                                                                                                                                               | 2.00                            | Primary pupil number average year group threshold       | 21.40                          | Fixed, tapered or NFF sparsity primary lump sum?       | NFF         |                                         |                  |        |  |
| Secondary distance threshold (miles)                                                                                                                                                                                                                             | 3.00                            | Secondary pupil number average year group threshold     | 120.00                         | Fixed, tapered or NFF sparsity secondary lump sum?     | NFF         |                                         |                  |        |  |
| Middle schools distance threshold (miles)                                                                                                                                                                                                                        | 2.00                            | Middle school pupil number average year group threshold | 69.20                          | Fixed, tapered or NFF sparsity middle school lump sum? | NFF         |                                         |                  |        |  |
| All-through schools distance threshold (miles)                                                                                                                                                                                                                   | 2.00                            | All-through pupil number average year group threshold   | 62.50                          | Fixed, tapered or NFF sparsity all-through lump sum?   | NFF         |                                         |                  |        |  |
| 9) Fringe Payments                                                                                                                                                                                                                                               |                                 |                                                         |                                |                                                        | £0          | 0.00%                                   |                  |        |  |
| 10) Split Sites                                                                                                                                                                                                                                                  |                                 |                                                         |                                |                                                        | £565,300    | 0.15%                                   | 0.00%            | 0.00%  |  |
| 11) Rates                                                                                                                                                                                                                                                        |                                 |                                                         |                                |                                                        | £3,791,867  | 1.03%                                   | 0.00%            | 0.00%  |  |
| 12) PFI funding                                                                                                                                                                                                                                                  |                                 |                                                         |                                |                                                        | £2,586,733  | 0.70%                                   | 0.00%            | 0.00%  |  |
| 13) Exceptional circumstances (can only be used with prior agreement of ESFA)                                                                                                                                                                                    |                                 |                                                         |                                |                                                        |             |                                         |                  |        |  |
| Circumstance                                                                                                                                                                                                                                                     |                                 |                                                         |                                |                                                        | Total (£)   | Proportion of total pre MFG funding (%) | Notional SEN (%) |        |  |
| Additional lump sum for schools amalgamated during FY20-21                                                                                                                                                                                                       |                                 |                                                         |                                |                                                        | £0          | 0.00%                                   | 10.00%           | 10.00% |  |
| Additional sparsity lump sum for small schools                                                                                                                                                                                                                   |                                 |                                                         |                                |                                                        | £0          | 0.00%                                   |                  |        |  |
| Exceptional Premises                                                                                                                                                                                                                                             |                                 |                                                         |                                |                                                        | £418,236    | 0.11%                                   | 0.00%            | 0.00%  |  |
| Exceptional Circumstance4                                                                                                                                                                                                                                        |                                 |                                                         |                                |                                                        | £0          | 0.00%                                   |                  |        |  |
| Exceptional Circumstance5                                                                                                                                                                                                                                        |                                 |                                                         |                                |                                                        | £0          | 0.00%                                   |                  |        |  |
| Exceptional Circumstance6                                                                                                                                                                                                                                        |                                 |                                                         |                                |                                                        | £0          | 0.00%                                   |                  |        |  |
| Exceptional Circumstance7                                                                                                                                                                                                                                        |                                 |                                                         |                                |                                                        | £0          | 0.00%                                   |                  |        |  |

|                                                                                                                  |                     |               |  |
|------------------------------------------------------------------------------------------------------------------|---------------------|---------------|--|
| <b>Total Funding for Schools Block Formula (excluding minimum per pupil funding level and MFG Funding Total)</b> | <b>£362,874,817</b> | <b>98.49%</b> |  |
|------------------------------------------------------------------------------------------------------------------|---------------------|---------------|--|

|                                                                              |                     |                |  |
|------------------------------------------------------------------------------|---------------------|----------------|--|
| 14) Additional funding to meet minimum per pupil funding level               | £5,574,183          | 1.51%          |  |
| <b>Total Funding for Schools Block Formula (excluding MFG Funding Total)</b> | <b>£368,449,000</b> | <b>100.00%</b> |  |

|                                                                                                                                           |       |                    |  |
|-------------------------------------------------------------------------------------------------------------------------------------------|-------|--------------------|--|
| 15) Minimum Funding Guarantee                                                                                                             | 2.00% | #VALUE!            |  |
| Where a value less than 0.5% or greater than 2% has been entered please provide the disapplication reference number authorising the value |       |                    |  |
| Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)                                           |       |                    |  |
| No                                                                                                                                        |       |                    |  |
| Capping Factor (%)                                                                                                                        |       | Scaling Factor (%) |  |

|                                                                                                                       | £                   |                                | Notional SEN (%)   |
|-----------------------------------------------------------------------------------------------------------------------|---------------------|--------------------------------|--------------------|
|                                                                                                                       | Total (£)           | Proportion of Total funding(%) |                    |
| Total deduction if capping and scaling factors are applied                                                            |                     |                                |                    |
| MFG Net Total Funding (MFG + deduction from capping and scaling)                                                      | £613,010            | 0.17%                          | 0.00%              |
| <b>Total Funding for Schools Block Formula</b>                                                                        | <b>£369,062,010</b> |                                | <b>£60,018,240</b> |
| High Needs threshold (only fill in if, exceptionally, a high needs threshold different from £6,000 has been approved) | £0.00               |                                |                    |
| Additional funding from the high needs budget                                                                         | £200,000.00         |                                |                    |
| Growth fund (if applicable)                                                                                           | £2,340,874.91       |                                |                    |
| Falling rolls fund (if applicable)                                                                                    | £0.00               |                                |                    |
| Other Adjustment to 20-21 Budget Shares                                                                               | £0                  |                                |                    |
| <b>Total Funding For Schools Block Formula (including growth and falling rolls funding)</b>                           | <b>£371,402,885</b> |                                |                    |
| % Distributed through Basic Entitlement                                                                               | 74.71%              |                                |                    |
| % Pupil Led Funding                                                                                                   | 89.09%              |                                |                    |
| Primary: Secondary Ratio                                                                                              | 1 :                 | 1.29                           |                    |



|                            |                   |                                 |                |         |     |                             |                |         |     |     |            |  |  |  |  |  |  |  |  |            |
|----------------------------|-------------------|---------------------------------|----------------|---------|-----|-----------------------------|----------------|---------|-----|-----|------------|--|--|--|--|--|--|--|--|------------|
| Lump Sum                   | N/A               | N/A                             | 25,968,800     | 7.66%   | N/A | N/A                         | 26,740,600     | 7.25%   | N/A | N/A | 771,800    |  |  |  |  |  |  |  |  | 771,800    |
| Sparsity                   | N/A               | N/A                             | 170,841        | 0.05%   | N/A | N/A                         | 513,847        | 0.14%   | N/A | N/A | 343,006    |  |  |  |  |  |  |  |  | 343,006    |
| Split Site                 | N/A               | N/A                             | 565,300        | 0.17%   | N/A | N/A                         | 565,300        | 0.15%   | N/A | N/A | 0          |  |  |  |  |  |  |  |  | 0          |
| Rates                      | N/A               | N/A                             | 3,921,682      | 1.16%   | N/A | N/A                         | 3,791,867      | 1.03%   | N/A | N/A | -129,815   |  |  |  |  |  |  |  |  | -129,815   |
| PFI                        | N/A               | N/A                             | 2,547,000      | 0.75%   | N/A | N/A                         | 2,586,733      | 0.70%   | N/A | N/A | 39,733     |  |  |  |  |  |  |  |  | 39,733     |
| Exceptional Circumstances  | N/A               | N/A                             | 369,441        | 0.11%   | N/A | N/A                         | 418,236        | 0.11%   | N/A | N/A | 48,795     |  |  |  |  |  |  |  |  | 48,795     |
| NFF Minimum Funding Levels | N/A               | N/A                             | 3,446,561      | 1.02%   | N/A | N/A                         | 5,574,183      | 1.51%   | N/A | N/A | 2,127,622  |  |  |  |  |  |  |  |  | 2,127,622  |
|                            |                   |                                 |                |         |     |                             |                |         |     |     |            |  |  |  |  |  |  |  |  |            |
|                            | S-T               |                                 | 36,989,625     | 10.92%  |     |                             | 40,190,766     | 10.89%  |     |     | 3,201,141  |  |  |  |  |  |  |  |  | 3,201,141  |
|                            | TOTAL             |                                 | 338,265,119    | 99.82%  |     |                             | 368,449,000    | 99.83%  |     |     | 30,183,881 |  |  |  |  |  |  |  |  | 30,183,881 |
|                            |                   |                                 |                |         |     |                             |                |         |     |     |            |  |  |  |  |  |  |  |  |            |
| MFG                        |                   | 1.840%                          | 614,556        | 0.18%   |     | 2.000%                      | 613,010        | 0.17%   |     |     | -1,546     |  |  |  |  |  |  |  |  | -1,546     |
| Capping                    |                   | 0.000%                          | 0              | 0.00%   |     | 0.000%                      | 0              | 0.00%   |     |     | 0          |  |  |  |  |  |  |  |  | 0          |
|                            | S-T               |                                 | 614,556        | 0.18%   |     |                             | 613,010        | 0.18%   |     |     | -1,546     |  |  |  |  |  |  |  |  | -1,546     |
|                            |                   |                                 |                |         |     |                             |                |         |     |     |            |  |  |  |  |  |  |  |  |            |
|                            | GRAND TOTAL       |                                 | 338,879,675    | 100.00% |     |                             | 369,062,010    | 100.00% |     |     | 30,182,335 |  |  |  |  |  |  |  |  | 30,182,335 |
|                            |                   |                                 |                |         |     |                             |                |         |     |     | 30,182,335 |  |  |  |  |  |  |  |  |            |
|                            | QUANTUM AVAILABLE |                                 | 339,667,000    |         |     |                             | 369,495,000    |         |     |     | 29,828,000 |  |  |  |  |  |  |  |  |            |
|                            | VARIANCE          |                                 | -787,325       |         |     |                             | -432,990       |         |     |     | 354,335    |  |  |  |  |  |  |  |  |            |
|                            |                   |                                 | Underallocated |         |     |                             | Underallocated |         |     |     |            |  |  |  |  |  |  |  |  |            |
|                            |                   |                                 |                |         |     |                             |                |         |     |     |            |  |  |  |  |  |  |  |  |            |
|                            |                   | Repay Pupil Growth Fund 2019/20 | 460,941        |         |     |                             |                |         |     |     |            |  |  |  |  |  |  |  |  |            |
|                            |                   | Estimated Rates Adjustments     | 326,384        |         |     | Estimated Rates Adjustments | 432,990        |         |     |     |            |  |  |  |  |  |  |  |  |            |

**WSF Approved 14/1/2020: -**  
Use of Schools Block as a whole including Pupil Growth Fund to fund requirement for NFF Year 3 as above and repay PGF.

**WSF to Approve 21/1/2021: -**  
Use of Schools Block as a whole including Pupil Growth Fund to fund requirement for NFF Year 4 as above.

29 March 2021

FOR ACTION &  
INFORMATION

Dear Colleague,

### **Hourly Rates for Nursery Education Funding**

The last 12 months have been an extremely challenging time and we would like to thank you all for your support to the children and families of Worcestershire. The coming year still will hold challenges both personal and professional as we recover and move on with our successful provision.

We have consulted with the school forum representatives for Early Years (EY), and others that have Early Years setting within them. This year is not going to be financially easy for all of us. The Local Authority (LA) funding is going to be slightly different with the Local Authority having a potential clawback from government for our spring term, based on the reduced children numbers included within the January 2021 census. Termly counts will be introduced based on the census week for the other terms. This will be done by the Local Authority with no additional information required from yourselves. However, it is imperative that you submit as much of your child attendance data as quickly as possible. This will allow us to claim for the children you have attending so that we can receive the money from the government to redistribute to you.

With the uncertainty on our allocation of grant we are trying to take a balanced approach to maximise the amount of funding we can give to you.

The LA is also committed as much as possible, if we have any surplus at the end of 2021-22 within Early Years, to distribute this to you. We have not agreed with the school forum representatives on the model to use, but my team will be doing this through the year. Any distribution would take place in March 2022.

### **Free Nursery Education for 2-year olds**

The LA will be allocated £5.36 per hour from the Department for Education (DfE) for eligible 2-year olds from April 2021. We are expecting an increase in eligible children throughout the year. The LA will be paying **£5.32** per hour to providers.

### **Nursery Education Funding for 3- & 4-year olds**

The LA will be allocated £4.44 per hour from the DfE per hour for eligible hours from April 2021.

The consultation last year agreed some changes to the Graduated Response rates, GR2 from £0.74 to £0.90; GR3 from £1.44 to £1.60 and GR4 from £2.70

**Caroline Brand**  
Schools Finance  
Manager

PO Box 73  
County Hall  
Spetchley Road  
Worcester  
WR5 2YA



to £2.86. Exceptional funding was unchanged at £6.30. These will remain the same.

On this basis supporting the increase in the Graduated Response and the current arrangements for centrally retained services means the hourly rate will increase from £4.20 to **£4.24** per hour.

### **Deprivation Factor**

The LA receives from the DfE for Early Years Pupil Premium £0.53 per hour. We will also be keeping the additional £0.10 per hour from the deprivation fund to increase the EYPP rate to £0.63 per hour. Only payable on the universal hours.

The deprivation funding will continue using IDACI A-D based on the January 2021 census.

### **Disability Access Funding**

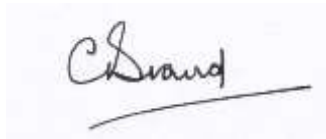
The funding for disability access funding will continue at the current rate of £615.00, and is only payable once per year, to the nursery provision that the parent has selected, you will still need to send in appropriate information to confirm eligibility.

### **Extended Entitlement for Working Parents**

I can also confirm that the LA is continuing with only funding the additional 15 hours of nursery provision if the parents have a valid code before the beginning of term.

If you have any questions about the contents of this letter or nursery education funding in general, please email [EYFunding@worcestershire.gov.uk](mailto:EYFunding@worcestershire.gov.uk).

Yours sincerely

A handwritten signature in black ink, appearing to read 'C Brand', with a horizontal line underneath it.

Caroline Brand  
Schools Finance Manager



Education & Skills  
Funding Agency

Education and Skills Funding Agency  
Sanctuary Buildings  
Great Smith Street  
London  
SW1P 3BT

[www.gov.uk/esfa](http://www.gov.uk/esfa)

Tina Russell  
Director of Children's Services  
Worcestershire Local Authority

10 May 2021

Dear Tina

I am writing to offer you the opportunity to help us shape the introduction of high-level Action Plans for managing schools with revenue deficits. By working with us, you will help to ensure that Action Plans are implemented in a helpful and effective way to support and improve the financial management of your schools.

### **Financial Transparency Consultation**

The consultation on Financial Transparency of Local Authority Maintained Schools and Academy Trusts sought the views of LAs, maintained schools and other interested organisations on several proposed changes designed to strengthen and improve the financial transparency and accountability of maintained schools.

The Government's response to the consultation, which can be accessed [here](#), was to implement the proposal to formalise the approach to working with LAs and include a request for high level Action Plans from some LAs (Proposal 6c). Action Plans would be requested from LAs where the number, or proportion, of schools with revenue deficits was above a certain level.

### **Approach to implementing Action Plans**

Initially, we intend to request Action Plans from local authorities with 10 schools, or 10% of schools, with revenue balance deficits of 10% or more. According to the Consistent Financial Reporting (CFR) data for 2019-20, Worcestershire LA have 14 schools with a revenue balance deficit of 10% or more as at 31 March 2020 and would therefore fall within the parameters we have set for Action Plans. We plan to begin formally requesting Action Plans from July 2021.

However, before requesting Action Plans, we want to work with you and other Local Authorities to help shape this process. To do this we are proposing holding a Workshop, which we anticipate will be on 22 June, to seek your views on the information that we require.

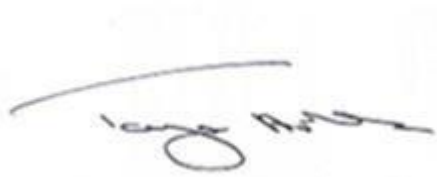
Our aim is to strengthen arrangements for maintained schools in financial difficulty whilst minimising any additional burden to you. We recognise that LAs will already have procedures in place to address schools in deficit and/or require schools in deficit to submit recovery plans. By working together with you we can better understand and build on what already works and look to consolidate returns where it is appropriate and feasible to do so. The workshop will also provide you the opportunity to share what procedures you have in place for managing school deficits with other LAs.

In addition to inviting LAs we are also planning to invite some School Resource Management Advisors (SRMAs) to join the Workshop to utilise their expertise and knowledge in working with schools in financial difficulty.

I do hope you will be able to work with us to shape the development and implementation of Action Plans. If you would like to be part of the Workshop and/or share any Action Plans that your LA currently uses, or if you need any further information, please contact us at [LA.efficiency@education.gov.uk](mailto:LA.efficiency@education.gov.uk) by Monday 24 May.

You can, of course, continue to access SRMAs and school resource management tools, which can be accessed [here](#), as set out in the letter of 31 March 2021.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tanya Arkle', is centered below the text 'Yours sincerely'.

**Tanya Arkle**

Deputy Director, School Resource Management  
Academies and Maintained Schools  
Education and Skills Funding Agency

Cc Caroline Bland, Andy McHale

**REPORT TO THE WORCESTERSHIRE SCHOOLS FORUM (WSF)**  
**SCHEME FOR FINANCING MAINTAINED SCHOOLS**

**1. PURPOSE**

1.1 To advise the WSF on latest DfE circular relating to Fair Funding Schemes.

**2. BACKGROUND**

2.1 From time to time the DfE issues guidance to LAs on the content of their local Fair Funding Schemes and directed revisions that require LAs to include provisions accordingly.

**3. LATEST POSITION**

3.1 On 5<sup>th</sup> August 2020, the DfE issued the following directed revisions from the Secretary of State to be included in LAs schemes from April 2021: -

*'Section 4.3: Submission of financial forecasts*

*From the 2021 to 2022 funding year each school must submit a 3-year budget forecast each year, at a date determined by the local authority between 1 May and 30 June.*

*Local authorities should consider the extent to which such forecasts may be used for more than just confirming schools are undertaking effective financial planning or not. For instance, they could be used as evidence to support the local authority's assessment of schools' financial value standards or used in support of the authority's balance control mechanism.*

*Local authorities must inform schools of the purposes for which they intend to use these 3-year budget forecasts: such a forecast may be used in conjunction with an authority's balance control mechanism.'*

*'Section 6.5: Planning for deficit budgets*

*Schools must submit a recovery plan to the local authority when their revenue deficit rises above 5% at 31 March of any year. Local authorities may set a lower threshold than 5% for the submission of a recovery plan if they wish. The 5% deficit threshold will apply when deficits are measured as at 31 March 2021.'*

3.2 These changes were considered by the WSF at its meeting on 15<sup>th</sup> September 2020 and were approved for inclusion in the Fair Funding Scheme from April 2021 as directed.

3.3 On 23<sup>rd</sup> April 2020, the DfE issued further guidance and the following changes: -

*'Section 4.16 Schools financial value standards (SFVS)*

*Due to the coronavirus (COVID-19) outbreak, DfE has decided that the SFVS return should be delayed this year. This is to take account of the current pressures schools and local authorities are facing.*

*For the financial year 2020 to 2021, schools should submit their SFVS to their local authority by no later than 28 May 2021.*

*Local authorities should submit their assurance statement to DfE within 6 weeks, by no later than 9 July 2021.*

*Section 5.8 Borrowing by schools*

*The introduction of IFRS 16 was postponed in relation to 2020 to 2021. It has been postponed again until April 2022.*

*Section 6.9 Licensed deficits*

*In circumstances where a school requires a budget share advance in order not to be to be overdrawn at their bank, this should be treated as a cash advance and not a loan. This will have no effect on the school's budget and outturn statements.*

3.4 These will be incorporated in a revised version of the Fair Funding Scheme, along with the updated list of maintained schools as at 1<sup>st</sup> April 2021.

#### **4. RECOMMENDATION**

4.1 The WSF notes the above changes.

4.2 The WSF maintained school members approve the required changes and for the posting of the revised version on the WSF website from May 2021 as required.

Andy McHale  
Senior Finance Business Partner  
Worcestershire Children First

May 2021

# Response ID ANON-2P9K-KEGV-K

Submitted to **Schools national funding formula: changes to the sparsity factor in 2022-23**

Submitted on **2021-03-26 09:24:35**

## Introduction

### Personal information

#### 1 What is your name?

Name:

ANDREW MCHALE

#### 2 What is your email address?

Email:

amchale@worcschildrenfirst.org.uk

#### 3 Are you responding as an individual or on behalf of an organisation?

Organisation

#### 4 What local authority area are you based in? Please select not applicable if you are not responding on behalf of a local authority.

Please select:

Worcestershire

#### 5 If you are responding on behalf of an organisation that is not a local authority, what is your organisation?

Organisation:

Worcestershire County Council

#### 6 What is your role?

Text field:

SENIOR FINANCE BUSINESS PARTNER

#### 7 Would you like us to keep your responses confidential?

No

Reason for confidentiality:

### Section 1. Current support for small and small and remote schools in the NFF

### Section 2. Increased support for small, remote schools

#### 8 Do you support our aim to allocate sparsity funding to a greater number of small schools in rural areas?

Yes

#### 9 Do you agree to us targeting additional sparsity funding to roughly 900 more schools nationally than at present?

This is about the right number

### Section 3. The design of the sparsity factor in 2022-23

#### 10 Do you agree with our plan to measure sparsity distances by the road?

Agree

#### 11 Do you agree with our plan to maintain the same sparsity factor distance thresholds as in 2021-22?

These are the right thresholds

#### 12 Do you agree with our proposed increase to the primary and secondary maximum sparsity factor values of £10,000?

This is about the right amount

**13 Do you have any further comments regarding the design of the schools NFF sparsity factor from 2022-23?**

**Text field:**

Worcestershire County Council (WCC) has an extremely diverse range of mainstream school provision and as such is supportive of a sparsity factor, which together with our base lump sum supports small schools. WCC replicates in 2021-22, the DfEs NFF parameters for both sparsity and the base lump sum in its local funding formula to endeavour to recognise the additional costs incurred by those schools.

WCC supports the changes proposed to the average distance and funding levels on the basis that LAs are allocated a relevant increase in the DSG for 2022-23 to adequately fund the changes, as it would be unfair for non sparse schools to fund the changes. Currently our sparsity factor in Worcestershire provides allocations to 17 schools costing £0.514m, whereas the new model would allocate funding to 38 schools costing £1.498m in sparsity funding. This represents an increase of £0.984m, which will need to be evident in WCCs DSG in 2022-23 in order to implement the changes.

**Section 4. Measuring sparsity distances by the road**

**14 Do you have any comments on our methodology to calculate sparsity distances by the road?**

**Text field:**

WCC contends this is a much fairer methodology.

**15 We welcome any additional comments about our proposals and our equalities impact assessment (Annex D of the main consultation document), including any evidence, examples, or data of possible equalities impacts of the proposals.**

**Text field:**

WCC has no specific comments to make apart from the need for equality and fairness required for non sparse schools not being expected to fund any changes to the DfEs NFF policy.

**REPORT TO THE WORCESTERSHIRE SCHOOLS FORUM (WSF)**  
**DfE CONSULTATIONS 2022-23 – FUNDING FOR SCHOOL BUSINESS RATES**

**1. PURPOSE**

1.1 To advise the WSF on a DfE consultation on the funding for school business rates.

**2. BACKGROUND**

2.1 On 10<sup>th</sup> March 2020, the DfE launched a consultation proposing to streamline the way schools are billed for business rates from the 2022-23 financial year. The details are in the attached link: -

<https://consult.education.gov.uk/funding-policy-unit/changes-to-the-payment-process-of-schools-business/>

2.2 The proposals for consideration are: -

- Proposal 1 – The ESFA pays schools' business rates directly to billing authorities on behalf of the schools, removing the need for LA maintained schools and academies to make these payments to billing authorities themselves.
- Proposal 2 – The ESFA makes a single reconciliation payment to billing authorities to allow for adjustments before the end of the financial year.

**3. ISSUES FOR CONSIDERATION**

3.1 The key issues are: -

- The government contend the changes will cut out '*substantial bureaucracy*'.
- Currently, individual schools receive business rates bills from their local councils every year and it is their responsibility to pay them. They also receive money to pay the rates either by claiming it back from the government if they are academies or as part of their funding from their council if they are maintained.
- The ESFA is proposing that instead of giving schools money to pay their business rates, it will pay schools' business rates '*directly to billing authorities*'.
- Technically, the change will mean LA maintained schools receiving less money in their funding allocations, because the cash they currently receive to pay business rates will be kept by the government.
- The ESFA said the funding available to cover the cost of schools' business rates '*will remain unchanged*'.
- Liability for business rates would also remain unchanged. LA maintained schools and academies *would 'retain liability for business rates, but ESFA would act as a paying agent on their behalf*'.
- The ESFA plans to repurpose its online portal currently used to collect academies' rates data to accept data from councils once a year for all the schools in their areas.
- However, the government has said it will also stop accepting historic claims for previous years' rates from academies next April.



- Transitional arrangements *'would include bringing academies' ability to make historic claims to an end by the launch of the new business rates payment system'* the ESFA said.
- Academies *'would have until April 2022 to submit any historic claims from the 2014-15 financial year to the 2020-21 financial year'*. After that, the ESFA *'would no longer accept, process or reimburse academies for historic claims relating to unclaimed years'*.
- However, the ESFA *'will continue to accept revised claims arising from historic adjustment'*.
- By law, councils can provide business rate relief to certain charitable and non-profit organisations. The ESFA said its proposed change *'would not preclude local authorities offering discretionary business rates relief and those local authorities which already offer relief for the schools within their local areas can continue to do so and any local authority may start offering discretionary relief, if they choose to do so.'*
- The proposals would also have *'no bearing on the 80 per cent mandatory rates relief received by academies, which would remain unchanged'*.
- It is unclear whether the business rates funding will still have to be included in the APT as now and if the ESFA will recoup it all for all schools to pay to the rating authorities, or the DfE will make an adjustment to the Schools Block DSG to take the funding at source prior to allocating the DSG to LAs.
- The proposals sound simple but there is no clarity on how the system will work for 2-tier authorities like WCC, where the districts are the rating authorities not WCC and also there is no mention of non-mainstream schools e.g. nursery, special, AP and PRUs.

#### **4. RECOMMENDATIONS**

4.1 The WSF notes and discusses the above proposals.

4.2 The WSF are advised further when the final policy direction is announced.

Andy McHale  
Senior Finance Business Partner  
Worcestershire Children First

May 2021

## Response ID ANON-YVGW-NG18-B

Submitted to **High needs national funding formula – proposed changes**

Submitted on **2021-03-23 15:46:49**

### Introduction

#### 1 What is your name?

**Name:**

ANDREW MCHALE

#### 2 What is your email address?

**Email:**

amchale@worcschildrenfirst.org.uk

#### 3 What is your organisation?

**Organisation:**

Worcestershire County Council

### Demographics questions

#### What type of organisation is your organisation?

**Please select one answer :**

Local authority

#### What is your role?

**Please provide your answer in the box below:**

Senior Finance Business Partner

#### Which local authority are you based in?

**Please select one answer :**

Worcestershire

#### Would you like us to keep your responses confidential?

No

**Reason for confidentiality:**

### Historic spend factor - question 1

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

Disagree

**Please provide any additional comments::**

Worcestershire County Council (WCC) although supportive of the principle of a lump sum element within the DfEs HN NFF allocation methodology disagrees on the basis proposed to use 2017-18 actual expenditure. If this used for 2022-23 this will be 6 years out of date to be reflective of current spend and not be meaningful. Since 2017-18 historic expenditure has increased significantly for all LAs. So, using actual expenditure as a proxy must align itself to the most recent actual expenditure available.

WCC note, as demonstrated in the DfEs consultation document, although the effect of this will be to increase LAs allocations for this element of the HN NFF, unless there is an increase in HN DSG it will be funded by reductions in other elements of the DfEs HN DSG. Without any DfE exemplifications, it is unclear at this stage what is the overall impact for individual LAs.

### Historic spend factor - question 2

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

Unsure or other

#### **Comments::**

WCC disagrees and feels without detailed modelling by the DfE giving the effect on LAs, it is not possible to comment on the use of or a change to the designated %.

WCC ask that the HN DSG NFF must be driven by the most up to date data sets. So, instead of having or changing a designated %, an alternative is to use the most up to date actual expenditure data (see response to Q1) if the DfE continues with this formula factor.

### **Historic spend factor - question 3**

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

Disagree

#### **Comments::**

WCC although supportive of a historic based factor, we are not supportive of a formula that gives a weighting to historic spend levels going back to 2017-18. This is not a reflection on current demand and any historic factor must use the most up to date data sets.

It is difficult to answer this question prior to the forthcoming SEND review and its impact on existing DfE policy being known.

WCC recommend that any revisions to the current HN NFF methodology need to reflect the pattern of expenditure and budget pressures resulting from the new SEND policy approach introduced from 2014 by the DfE. This must include annual recognition of local demand and the supply of SEND places. WCC suggest the following issues for consideration as factors: -

- a) The DfE extended the SEND age range for the DSG to 25 and this has resulted in significant financial pressures on LAs without any additional funding – any funding model must reflect 2-25.
- b) Reflecting the increasing demographics since 2014, evidenced by the rising numbers of EHCPs together with future demands in both the mainstream and specialist provision sectors not recognised in the current funding arrangements.
- c) Reflecting the increased complexity of needs for vulnerable SEND students not recognised in the HN Funding quantum.
- d) Recognising the impact of lack of LA capacity resulting in more out county and independent provision at a much higher cost, which is a consequence of the lack of available national capital resources to enhance LAs own provision.

WCC ask that future funding must keep pace with future demand and costs.

### **Low attainment factor - question 4**

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

Agree

#### **Comments::**

WCC agrees with the proposed approach and it makes sense given this is the methodology used in the mainstream schools NFF in 2021-22.

### **SEND and AP proxies - question 5**

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

**Please provide your answer in the box below::**

WCC suggest in respect of the current proxy indicators: -

- a) Population Factor – in its current form the 2-18 population has never been appropriate to use with the HN NFF, it should reflect the post 18 population to 25, for which LAs have responsibility but insufficient funding. Therefore, the population factor needs to include 2-25.
- b) Children with Bad Health – as this factor is only collected every 10 years, it is not suitably reflective of need, unresponsive to annual change and can present a funding cliff edge after every 10-year census. This should be removed as an indicator.
- c) Low attainment – the annual data collected to inform the mainstream funding formula should be used for high needs.
- d) Deprivation – free school meals and IDACI remain relevant for use so long as they are moderated to allow for population changes. We recommend the Ever 6 measure used for mainstream funding purposes is used for HN.

In terms of other potential proxy indicators, there has been significant growth experienced in pupils recorded as having communication and interaction difficulties including autism and for pupils with social, emotional & health issues. WCC would welcome research to understand the movement in the recorded primary needs of pupils and whether there may be factors that appropriately reflect that need that could be used within the HN NFF.

### **Equalities impact assessment - question 6**

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

**Please provide your answer in the box below::**

WCC urges the DfE to think very carefully about the equality within the current funding system and whether the current and any future SEND system truly provides equality of access to a quality education for all vulnerable children.

WCC has the following overall comments on this consultation as follows: -

WCC is disappointed that only views on specific elements of the DfEs HN NFF allocation methodology are currently being sought and not views on the continuing issues regarding the overall level of funding for LAs.

WCC has the view is that the impact of the changes proposed in this consultation are minimal and will only result in a shift in funding distribution between LAs.

WCC feels the issues that should be under consideration by the DfE now are: -

- a) The current review of the current system and any subsequent reforms.
- b) The current level of underfunding in HN, the future resourcing of current HN deficits and the overall level of HN Funding required in the future for LAs to exercise their statutory responsibilities.

The DfE are well aware of numerous research reports have shown current funding is insufficient to meet increasing need. The position on SEND deficits for many LAs is increasingly serious and is for WCC, which will be around £15m at the end of March 2022. This temporary solution of carrying forward the deficit against future DSG income is unsustainable, which now impacts on most LAs including WCC.



January 2020

### **f40's submission to Government review on SEND**

The f40 campaign group was launched more than 20 years ago with the central aim of influencing significant change in the way Government allocates funding to local authorities and schools. The group is made up of 42 local authorities who are among the lowest funded for education in England.

f40 seeks fairness and equal opportunities in education for all children, regardless of where they live, and wishes to see schools properly funded and equipped to enable them to provide a quality education. The per pupil funding should be enough to actually run a school, before extra monies for deprivation etc are added on.

Currently, there are too many discrepancies in the way funding is distributed, with some schools receiving substantially more per pupil than others. The historical proxy factors and add-ons that some schools receive need to be abolished to make the funding of education fair. We appreciate that additional funds should be paid for deprivation and realistic area costs, but the base funding for every school should be the same.

This also applies to SEND funding, which remains woefully insufficient to meet the growing demand, and is also unfairly distributed across the country.

Many local authorities have deficit SEND budgets and schools are simply unable to cope with the demands placed upon them, both financially and in terms of specialist care required. As budgets in health, mental health and social care are also under strain, schools are having to provide so much more than education.

f40 believes the whole SEND system needs major reform, but it must be considered holistically as changes to one area could impact adversely on another. It is extremely complex, so full consultation with local authorities, schools and specialist providers is required to ensure all issues are raised.

### **SEND reform**

f40 believes the current SEND system is broken and needs major change and investment in order to meet growing demand and assist the most vulnerable children in our country, many of whom have very complex, challenging needs that require a variety of additional support.

In short, steps need to be taken to:

- Increase SEND budget by £2.4bn between now and 2023 and fund current deficits
- Provide clarity and guidance on how notional SEND funding is spent by schools
- Reduce demand for EHC plans
- Place greater emphasis on early intervention
- Introduce expected levels of SEND support in Mainstream schools
- Strengthen and amend the Code of Practice and Tribunal system
- Ensure every teacher receives training in SEND and managing challenging behaviour

### **SEND funding**

**1** f40 believes major changes are required to the structure of the SEND system, but central to this is that funding in the High Needs Block needs to substantially increase. We believe £2.4bn additional funding is required in special needs education by 2023, and extra funding should be available to assist local authorities with current deficits.

**2** f40 supports a full Government SEND activity-led costing exercise, based on the current situation and not historical data, as the landscape has changed significantly since 2014.

**3** The current funding structure is complex and very confusing. We believe it needs to be standardised with guidance introduced to specify what percentage of the formula values should be applied to notional SEND funding. Notional funding should also be reformed to support small/rural/coastal schools.

**4** Guidance should be given to schools on how SEND budgets are spent and how much investment they should be making in terms of intervention programmes – when issues first arise.

**5** Consideration needs to be given to the £6k threshold and whether it should be increased or removed, however, the repercussions of that need to be thought through. Some believe that unless the demand for EHCPs comes down, increasing the threshold is not workable and will lead to more schools choosing to ignore a child's special needs purely because they cannot afford to pay the £6k threshold. Compensation controls would need to be considered to mitigate against this.

**6** Any shortfall in SEND funding should be topped up by Government, with the Department for Education meeting the current deficits in local authority budgets.

**7** When looking at funding, pressures on SEND-related services that fall outside of the HNB need to be taken into account, such as Educational Psychology Services, Home to School Transport, and EHE, CME and CMN education.

### **EHCPs v early intervention**

Since EHCPs were introduced in 2014, the demand for SEND support has far exceeded original expectations and is no longer workable. The number of EHCPs is increasing year on year, with many parents believing they are the route to additional funding to support their children, and that they pave the way for places at specialist SEND schools.

**1** Schools should be given a definition of what Ordinary Available Provision is along with what level of need there must be before a school/parent can apply for an EHCP. Currently each school and local authority is drawing their own conclusions.

**2** Schools also need more guidance on how and when to cease an EHCP.

**3** We believe emphasis should be placed on early intervention, instead of EHCPs, namely:

- Early intervention programmes being available to schools when issues / concerns first arise
- A requirement that two cycles of SEND intervention be carried out before statutory assessment

### **Code of Practice and tribunals**

**1** We believe the Department for Education needs to review the SEND Code of Practice 2014 to re-focus parental expectations, so they clearly understand what an EHCP is for, emphasising that it doesn't automatically lead to a specialist placement and their 'choice' of specialist school.

Currently, the right of parental 'choice' of provision in the Act is often interpreted by tribunals as a parent's right to choose, when we believe it should be worded as 'parental preference' instead and considered so by tribunals.

**2** In addition, there could be a requirement for the tribunal to consider 'efficient use of resources' in weighing a parent's choice of provision against that offered by the LA – a similar threshold to the 1980

Act and Admissions. Tribunals would need to be trained in the financial funding arrangements to be able to make this judgement.

**3** We would also like to see the revision of the Code of Practice to clarify health responsibilities and funding to support SEND in terms of therapy, monetary contributions towards high cost specialist placements, equipment, specialist nursing in schools, medical assistants in transport etc. Currently, High Needs Block is paying for a significant amount of health-related costs that should be the responsibility of the health, mental health and social care departments.

### **Incentivise inclusion**

The current funding and inspection systems mean there are perverse incentives for schools who exclude children with the most challenging needs and behaviours.

The fact that schools have to pay the first £6k towards the support of a child with SEND does not incentivise them to be inclusive.

Other perverse incentives for schools NOT to include, are:

- Poor general SEND budgets
- Lack of accountability
- Poor guidelines on what provision they should be offering
- League tables that focus on their academic outcomes
- Progress 8 focusing on academic achievement
- Ofsted inspections being heavily weighted towards academic progress and behaviour

Understandably, schools believe they will be judged unfairly if they include SEND pupils and will fare better with Ofsted, league tables and Progress 8 if they only retain pupils with fewer challenges and who 'perform' better.

**1** Government should place greater emphasis on schools being inclusive of SEND and should operate a carrot and stick system to reward and penalise accordingly.

**2** f40 believes that if a child is capable of remaining in a mainstream school, then measures should be put in place to enable them to do so.

**3** The Department for Education should impose clear minimum standards for the support every mainstream school should be providing to children with SEND. In order to recoup the full SEND funding available, they must meet those standards or risk losing part of their funding.

**4** The current system means it can be cheaper to pass the cost of an EHCP or a permanent exclusion onto the local authority High Needs Block, without any recourse on a school's budget. We need a system where being more inclusive to SEND pupils is the cheaper option and which does not result in the school being judged unfairly during inspection.

**5** SEND progress outcomes should be properly measured.

**6** Ofsted framework reformed further to enable greater scrutiny of SEND support.

**7** Progress 8 should include a less academic focus when measuring success and outcomes.

**8** Greater powers should be given to LAs relating to admissions, exclusions, off-rolling, part-time timetables and home education to enable children to continue with their education rapidly – not waiting for decisions that can take months.

**9** Zero tolerance policies for behaviour should be made illegal (or addressed in Ofsted inspection frameworks).

### **Accountability**

**1** In order to standardise SEND provision and encourage inclusivity, ALL schools, including maintained, Independent and Non-Maintained Schools (INMS) and academies, should be subjected

to the same agreed minimum levels of support for SEND pupils, and inspections. Those that fail to adhere to the minimum standards of support should be held accountable and be penalised.

**2** INMS should also be held to account for the additional 'add-on' services they provide and the effectiveness of them to each child. Saying services and add-on therapies are 'beneficial' does not mean they are required in the development of a child.

The current system, with parents given the opportunity to 'choose' the school they would like for their child, means the more independent schools spend on additional, add-on therapies and services, the more parents are likely to choose them – and the more likely they are to win at tribunal. This makes normal commissioning impossible for local authorities.

**3** Health has a part to play in how it describes a child's needs too. Something being beneficial is not the same as necessary.

**4** INMS should also be required to operate using a local funding formula, with anything else they offer being funded from charity collection.

**5** To this end, f40 would support a review of the position of INMS within the system.

**6** We would also support an introduction of the LA right of 'direction' for academies who refuse to admit children with SEND, when the LA is of the view that need can be met. We don't believe this decision should sit with the Secretary of State, as it does at present, as it leaves young people in limbo with interrupted education for far too long.

### **Post 19 SEND funding**

**1** Post 19 provision should be properly funded and should focus more on preparation for adulthood and employment skills, rather than just education. In many cases, people with SEND remain in education until age 25 purely because it is the only option available, rather than the most suitable. Whilst we accept that remaining in education to 25, or other programmes, is appropriate for many young people, the financial burden must be recognised and it requires additional funding.

**2** Clear pathways should be considered for children from Year 9 onwards, ensuring continued school placements post 16-19 are appropriate.

**3** Greater clarity should be given around what constitutes education provision in terms of Post 16, for example joint funded programmes.

### **Capital funding and expanding the provision of SEND places**

The impact of the increase in EHC Plans and decreasing confidence of parents/carers in mainstream schools is that they are increasingly preferencing specialist placements, including at INMS, which can be 2-3 times higher than a maintained or academy special school.

**1** We believe there should be realistic investment directly to local authorities to enable them to build and extend its specialist estate, without dependency on academisation or Free School status – through the opening of new maintained special schools or the creation of satellites from existing maintained and academy special schools.

**2** Changes to regulations that enable local authorities to open new special schools – without them being Free schools. The current system means plans to open new schools are protracted and very slow to come to fruition.

### **Teacher training and shared knowledge**

**1** F40 believes every teacher should be given full training in educating children with SEN and behavioural challenges. If this were to happen, mainstream schools would be better equipped to keep SEND pupils on their roll.

**2** Knowledge held by specialists in the SEND field from independent and non-maintained schools should be better shared among mainstream schools and teachers.



Fair funding for  
all schools

# **f40 SEND survey**

Autumn 2020

Data collected between October 5,  
2020 – November 15, 2020



# Painting a picture of the SEND crisis

In the autumn of 2020, f40 undertook a national survey to capture the extent of the SEND funding crisis in England.

We asked every local authority in the country to provide key statistics around their SEND budgets to illustrate how well councils were managing their funding in comparison to demand, and identify trends.

Of the 149 authorities responsible for education in England, 77 responded, giving us a 52% response rate.



# Painting a picture of the SEND crisis

The attached slides show the year-end position of High Needs Blocks, part of the Dedicated Schools Grant (DSG), across the authorities that responded.

The High Needs Block is used to pay for the needs of all pupils whose cost is more than £10,000 per year. This is largely made up of SEND pupils and children with additional educational needs.

Changes to the SEND 0-25 Code of Practice in 2015, placed additional pressure on the funding stream, to the extent that many local authorities are finding it difficult to meet the need within the budget available.

There has been a lot of anecdotal evidence of the pressures but, through this survey, f40 hoped to gain more factual evidence to show the extent of the difficulties faced by local authorities.

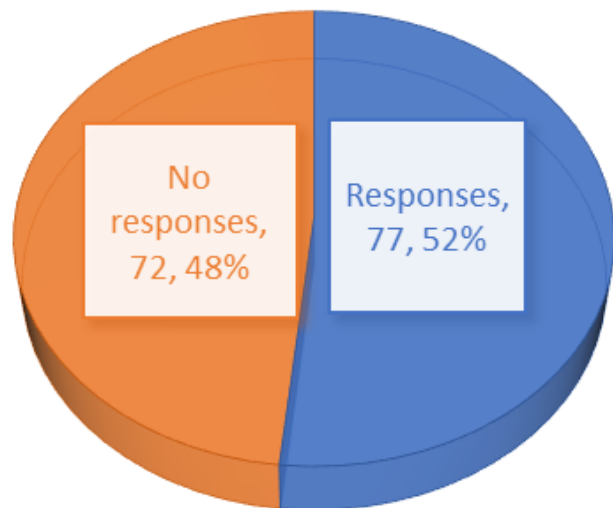


# Summary of findings

- Of the 77 that responded, 69 expected SEND budgets to be in deficit for 2020/21, with only eight expecting to have a balance or to finish even.
- Most LAs say deficit budgets are rising each year, some doubling.
- Three expect their cumulative deficits to be more than they received for 2020-21.
- In 2018-19, 43 requested to move money from Schools Block (SB) to High Needs Block (HNB). 41 were permitted to do so.
- 2019-20, 52 requested to move money from SB to HNB. 43 were permitted to do so.
- 2020-21, 45 requested to move money from SB to HNB. 31 were permitted to do so.



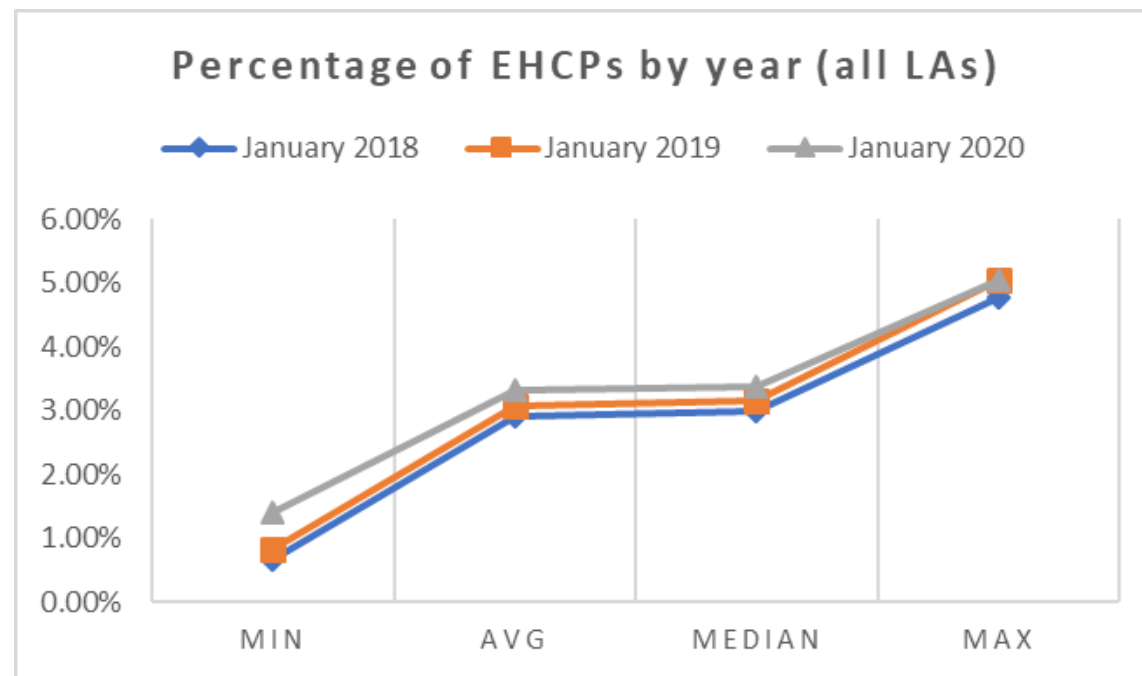
## Response Rate (All LAs)



The graph to the right shows the percentage of EHCPs when compared to the total pupil population stated in the Dedicated Schools Grant (DSG) allocations each year.

It provides for each year, for all local authorities, the minimum percentage, maximum percentage, and the average and median across three years.

## 77 from 149 local authorities responded



# Year-end balances of the High Needs Block

- Figure 1 shows the responding local authorities' year-end High Needs Block positions, including an estimate for the year ending March 31, 2021.
- Figures 2 and 3 are a closer look at Figure 1, to provide greater visibility. Figure 2 is the left side of Figure 1 and Figure 3 is the right side. West Sussex, Bristol and Warwickshire appear in both to provide context.

## Each bar shows



The **value** of the year end balance at March 31, 2018

The **value** of the year end balance at March 31, 2019

The **value** of the year end balance at March 31, 2020

The estimated **value** of the year-end balance at March 31, 2021

*Not all bars have the colours in this order.  
This is because some LAs improved their  
balance before it deteriorated again.*

2017-18 to 2020-21 (estimate), year end balance (with interim high or low as appropriate)

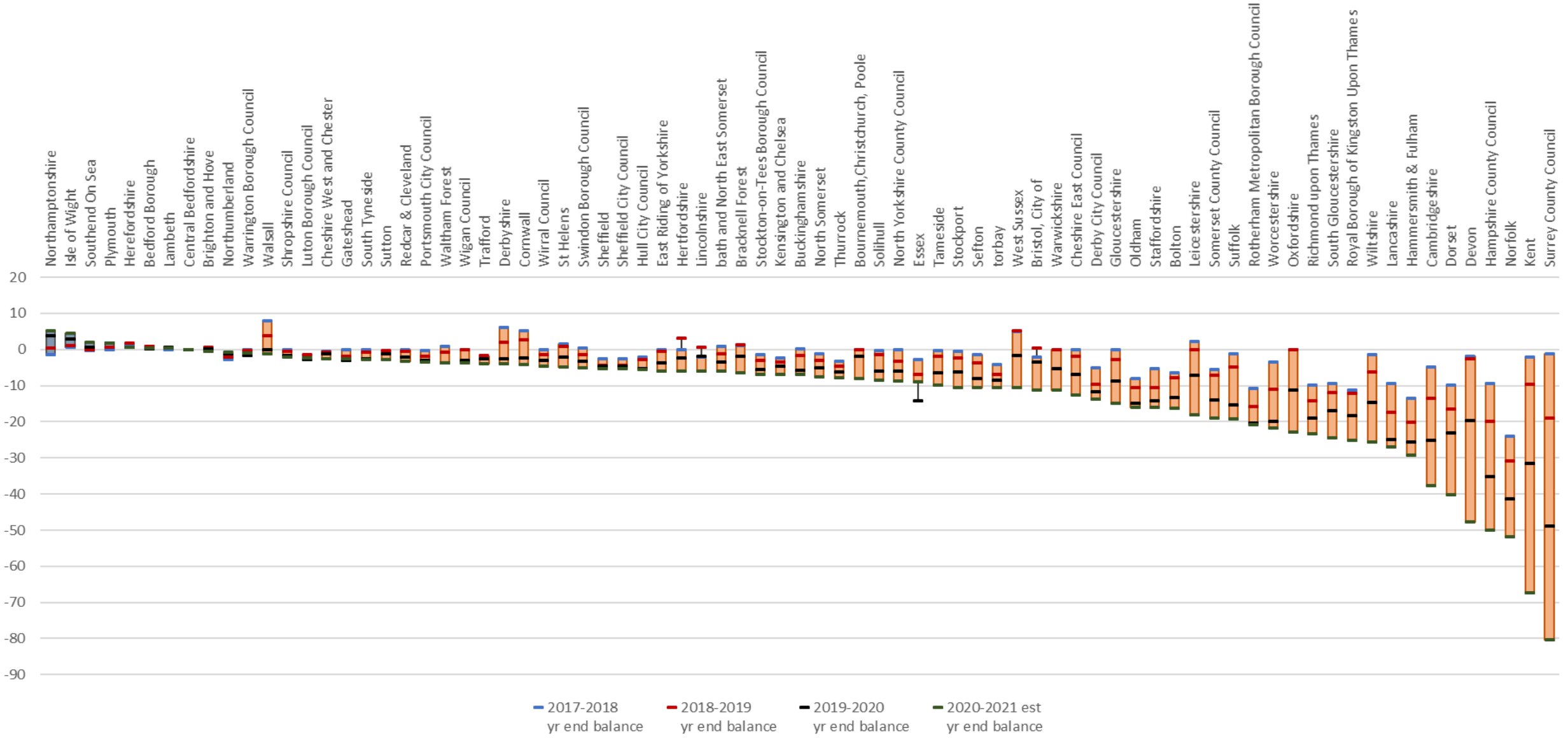


Figure 1

2017-18 to 2020-21 (estimate), year end balance (with interim high or low as appropriate) (lower deficit range)

W.Sussex, Bristol and Warks appear in both graphs

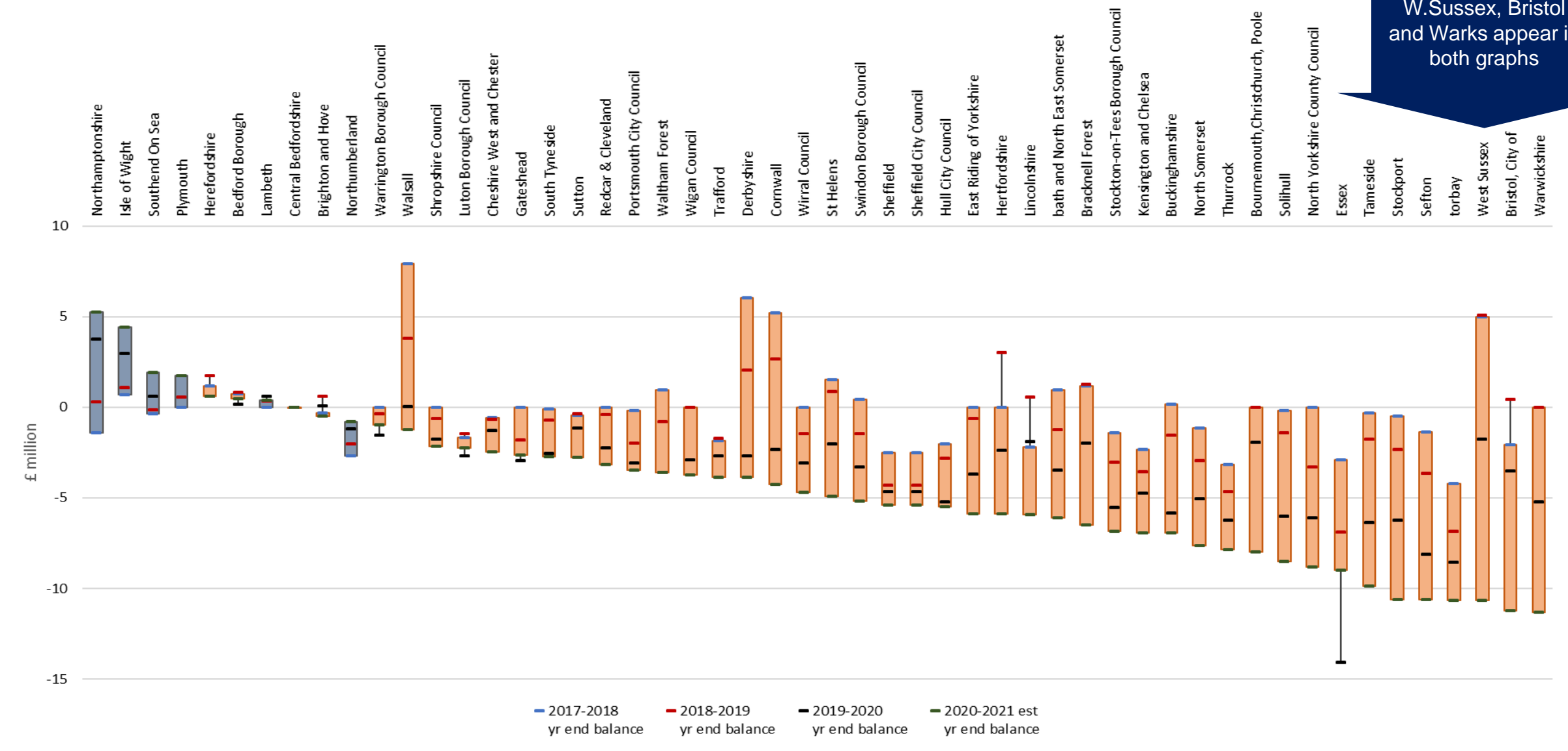


Figure 2



2017-18 to 2020-21 (estimate), year end balance (with interim high or low as appropriate)  
(higher deficit range)

W.Sussex, Bristol and Warks appear in both graphs

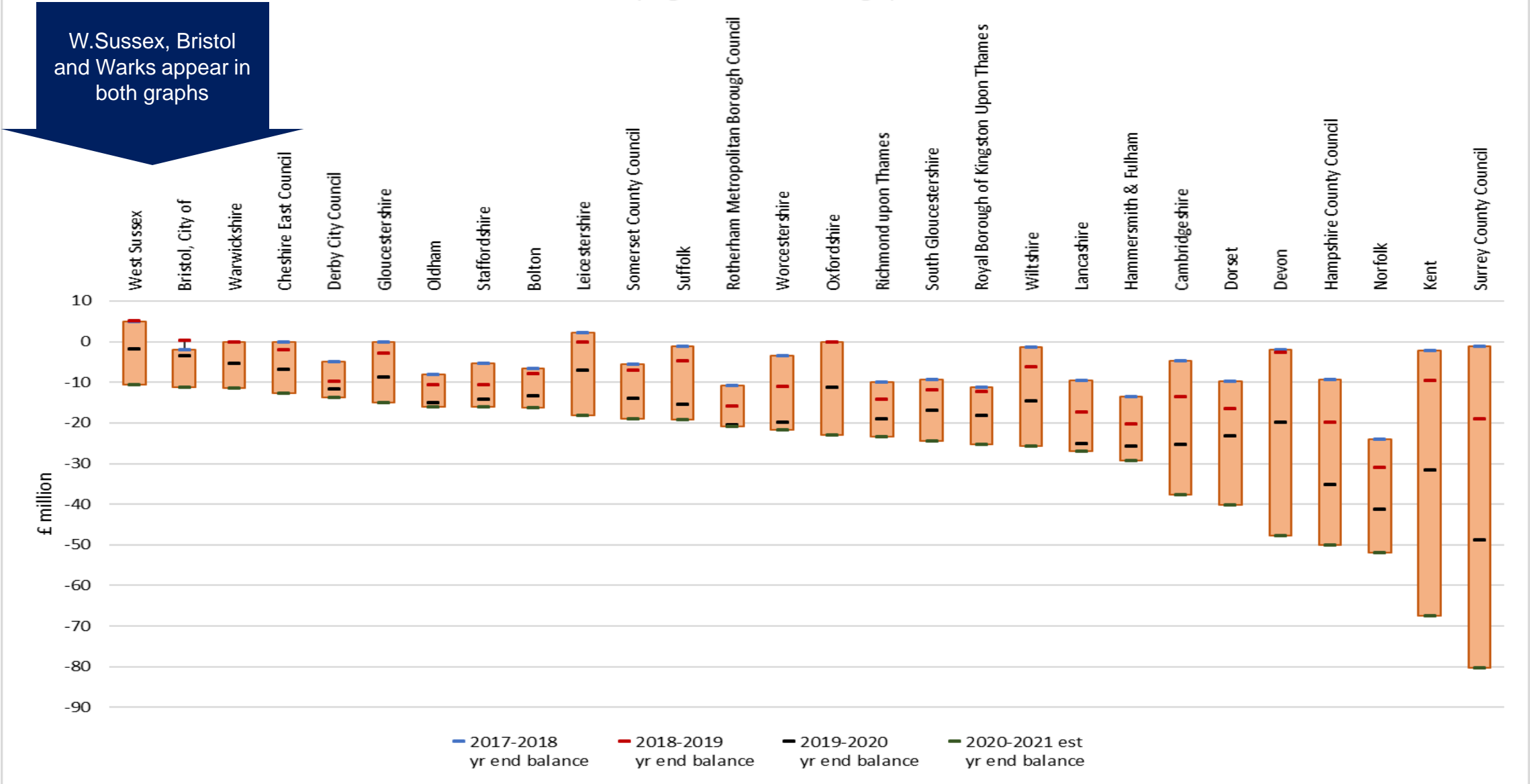


Figure 3

# Estimated High Needs Block

Figure 4 shows the estimated cumulative High Needs Block at the end of March 2021, on a per pupil basis.

Figure 5 shows the High Needs Block balance, showing the overspend as a proportion of the 2020-21 High Needs Block received. In this, it can be seen that for three local authorities the cumulative deficit is more than they received for 2020-21.

The pupil population used for these calculations comes from the sum of Schools Block pupils and High Needs Block pupils (in special schools and special academies), as is used for the DSG allocations.



Estimated Cumulative HNB per pupil at end of 2020-2021

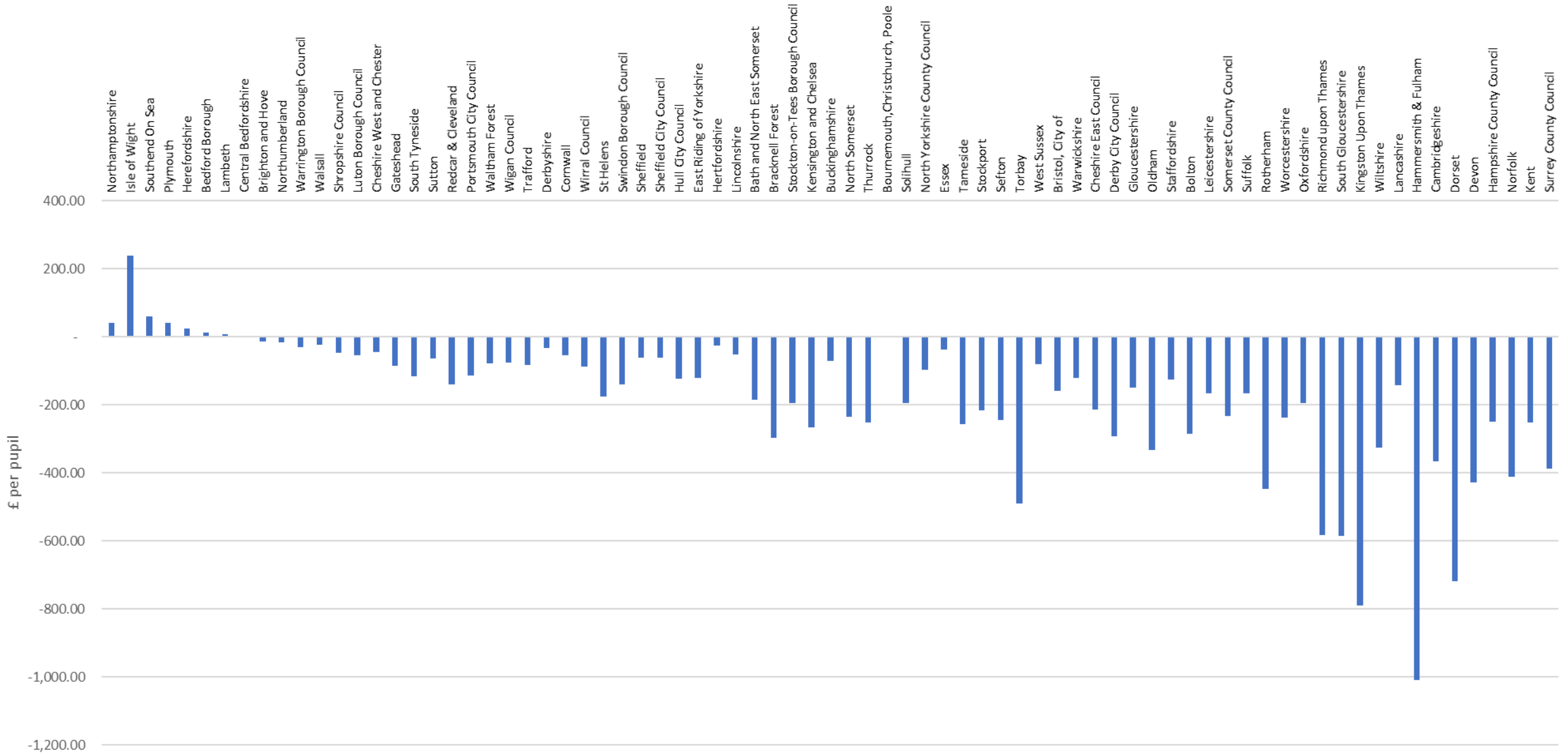
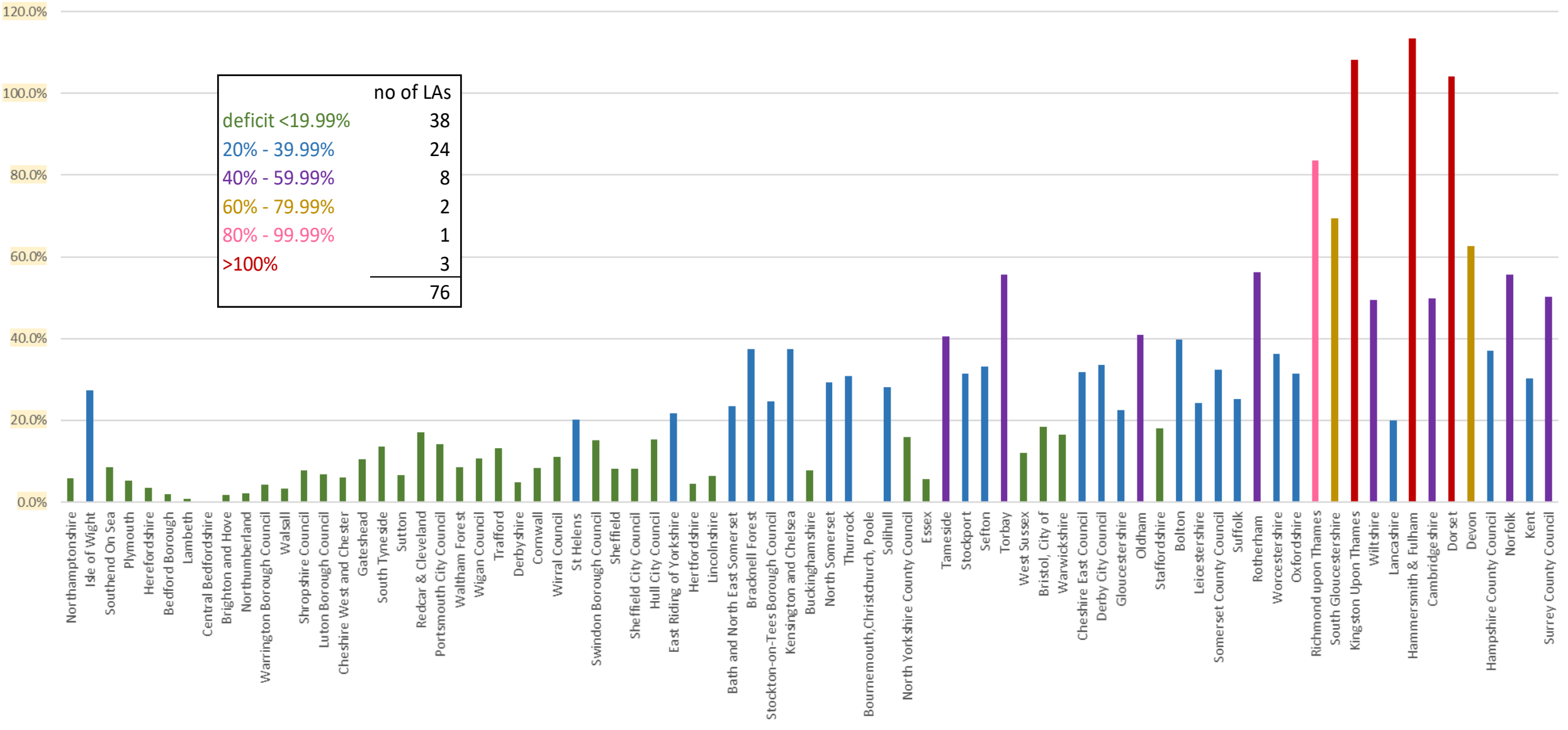


Figure 4

2020-21 estimated deficit as a proportion of HNB funding.



Local authorities are in the same order as the previous graph

Figure 5

# Moving money between the blocks

This table and the following graph show the number of local authorities that successfully moved money between the blocks in each year.

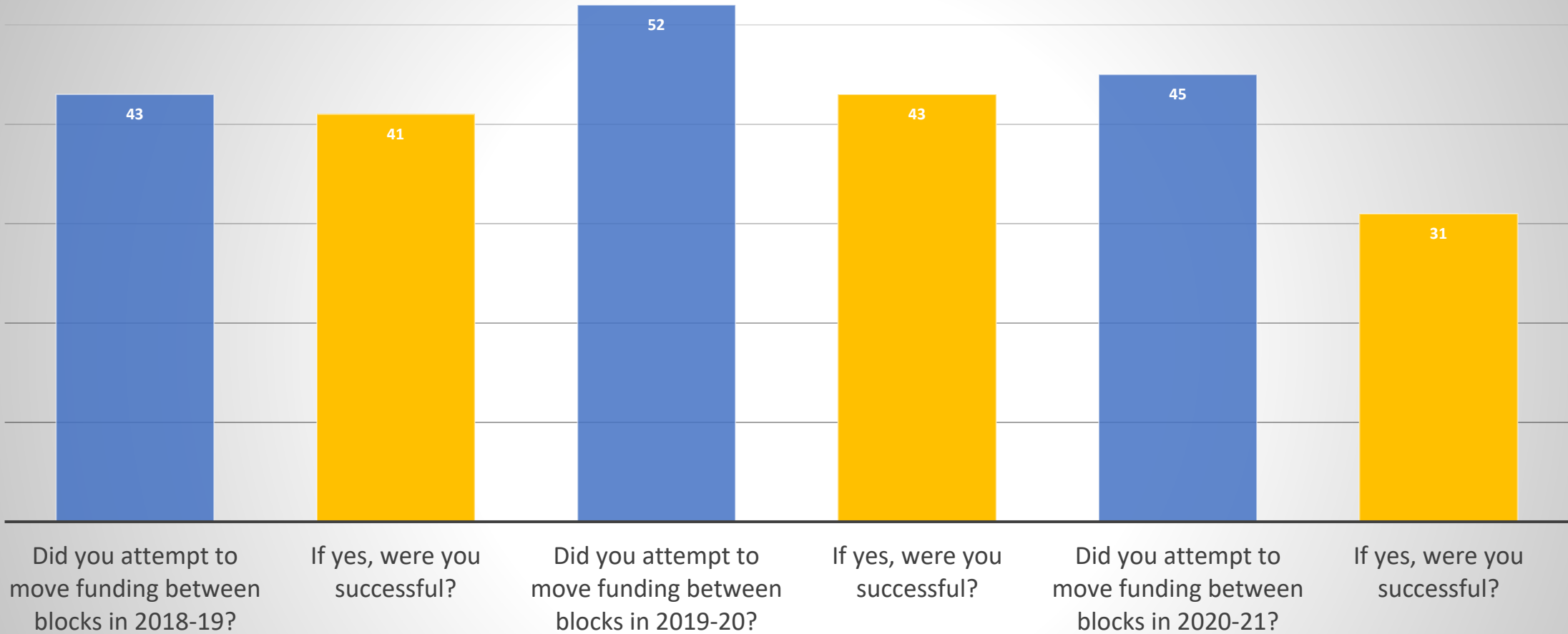
Figure 6

|                             | Did you attempt to move funding between blocks in 2018-19? | If yes, were you successful? | Did you attempt to move funding between blocks in 2019-20? | If yes, were you successful? | Did you attempt to move funding between blocks in 2020-21? | If yes, were you successful? |
|-----------------------------|------------------------------------------------------------|------------------------------|------------------------------------------------------------|------------------------------|------------------------------------------------------------|------------------------------|
| Yes, Schools to High Needs  | 43                                                         | 41                           | 52                                                         | 43                           | 45                                                         | 31                           |
| Yes, Schools to Early Years | 1                                                          | 1                            | 0                                                          | 0                            | 1                                                          | 1                            |
| Yes, something else         | 6                                                          | 6                            | 6                                                          | 6                            | 13                                                         | 10                           |
| No                          | 25                                                         |                              | 19                                                         |                              | 18                                                         |                              |
|                             | <b>75</b>                                                  | <b>48</b>                    | <b>77</b>                                                  | <b>49</b>                    | <b>77</b>                                                  | <b>42</b>                    |



Title

### Yes, Schools Block to High Needs Block



# Further work to be done

The survey results were discussed by members of the f40 Executive Committee. Questions were raised as to whether the true extent of the High Needs crisis was being masked by the transfer of funds from Schools Block to High Needs Block.

As a result, further work is being undertaken to try to ascertain if this is true and, if so, to what extent.

This is subjective and so is not being published with this data.



# Thank you

## Contact f40:

Email f40 secretary: [Karen@dtw.co.uk](mailto:Karen@dtw.co.uk)

Call: 07545 210067

Web: [www.f40.org.uk](http://www.f40.org.uk)

Twitter: @f40campaign

Facebook: @f40FairFunding





REPORT TO THE WORCESTERSHIRE SCHOOLS FORUM  
HIGH NEEDS ISSUES – SCHOOLS WEEK ARTICLE 5<sup>th</sup> MAY 2021

# Councils in deficit told to find SEND savings in exchange for £100m bailouts

Tom Belger

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**Five councils have been told to cut special needs and disabilities (SEND) spending and reform services in exchange for government bailouts totalling almost £100 million to fill black holes in their budgets.**

The Department for Education has reached deals with five local authorities which have some of the largest dedicated school grants deficits in England. Similar

agreements are expected to be reached with other local authorities with high deficits as part of the new programme.

Councils will receive millions a year in extra funding but the packages come with strings attached aimed at wiping millions off historic deficits.

[Details of the 'safety valve' contracts](#) struck with Bury, Hammersmith and Fulham, Kingston upon Thames, Richmond-upon Thames and Stoke on Trent were published on the DfE website today.

## School funding with strings attached

Officials described the reforms included in the deals as “tough,” with funding only disbursed each year if conditions are met.

Bury, Hammersmith and Fulham, and Stoke on Trent all agreed to “support and drive schools” to meet a higher level of need in a “more cost-effective way within mainstream settings,” without compromising on quality.

[Bury](#), in Greater Manchester, will receive £20m if it can cut its deficit from £25.5m this year to £16m by 2025. It agreed to “develop a culture in which demand is more effectively managed throughout the authority”.

[Stoke on Trent](#) was handed £10m, and is expected to bring its deficit down from £25.5m this year to £9.1m by 2024. It will have to launch a review of its early years, post-16 provision and its EHCP offer.

In [Hammersmith and Fulham](#), west London, the council agreed to review its alternative provision and outreach services to find savings in exchange for £20m.

It also agreed to increase early intervention for children receiving SEND support, in order to “reduce escalation” to children receiving education health and care plans (EHCP). It is expected to cap its deficit at £22.9m this year and £20m by 2026.

[Kingston upon Thames](#), south-west London, will receive £27m if it can limit the growth of its deficit, with a cap of £25.1m this year and £30m in 2026.

Neighbouring borough [Richmond upon Thames](#) will get £20m if its deficit stays below £17.6m this year and £20m in 2025.

Both south-west London boroughs were told to expand specialist provision and improve support available in schools to [cut placements in more expensive non-maintained and independent special schools](#).

The two councils each agreed to “improve efficiency of commissioning services to drive down costs,” and use “alternative council funding sources” to contribute to deficit reduction.

Consultants will continue to be used to scrutinise EHCP provision and “manage demand.”

## DfE scrutiny of spending

[The DfE said last year](#) increased high needs funding should ensure most councils can bring their high needs budgets into balance, but acknowledged some could not do so without extra cash.

It said such cash would come alongside “appropriate” conditions, such as changing SEND policy or management or requiring departmental sign-off for budgets.

Documents show the five authorities are expected to report at least every quarter on how their plans are progressing, and to hold meetings with DfE officials.

The department will also send a ‘commission’ to scrutinise councils’ capital plans for SEND and alternative provision, and could provide further funding.

## Bailout ‘one of the first of its kind’

Janine Bridges, cabinet member for education in Conservative-run Stoke, welcomed the deal as a “vote of confidence” in its plans to improve its finances and provision, calling the agreement “one of the first of its kind in the country.”

Robin Brown, lead member for finance on Liberal Democrat-run Richmond council, said he was “delighted that our sustained lobbying efforts have finally led to this welcome agreement with the DfE, although in an ideal world I would have preferred the deficit to be paid off immediately”.

“The ever-growing SEND deficit has been a cloud overshadowing our financial position for some time.”

He added that there was a “lack of clarity” remained over future funding.

Judith Blake, chair of the Local Government Association's Children and Young People Board, also welcomed the funding. But she warned the government's approach "addresses a symptom and not the cause of these deficits," highlighting growing demand for Education Health and Care Plans, and a lack of council powers to manage it.

"It is even more urgent that the government complete its positive ongoing review of the SEND system," she added. "This review needs to set out reforms that increase mainstream inclusion, provide councils with sufficiency and certainty of funding to meet significantly increased demand for SEND support, and give councils the power to hold academies to account if their provision for identifying and supporting children with SEND is not adequate."

## Reforms to high needs cash

It comes [amid an ongoing government consultation](#) on distributing high needs cash as "fairly as possible" to cash-strapped councils.

High needs funding is issued to local authorities based on nationally-set criteria.

It funds places for pupils with a statement of special education needs or an education, health and care plan (EHCP).

For some councils, the funding [isn't enough to cover growing demand](#) – resulting in cash being diverted from core budgets to make up shortfalls.

The government has increased high needs funding by £780 million, but [most of it was swallowed up to plug existing deficits](#).

A DfE spokesperson said: "We have put conditions in place which we expect the local authorities with the most significant deficits to meet, driving reform and improvement in their high needs systems and associated spending to make them more sustainable long-term and stop deficits growing. Any additional funding will be subject to strict monitoring of their progress, and will be allocated over several years.

"Longer term, our cross-government SEND review will continue to build on this support, and will look at ways to make sure the SEND system is consistent, high quality, and integrated across education, health and care."

The remaining councils were approached for comment.

**REPORT TO THE WORCESTERSHIRE SCHOOLS FORUM (WSF)**  
**HIGH NEEDS ISSUES –**  
**OFSTED SEND REINSPECTION AND MANAGEMENT PLAN UPDATES**

**1. PURPOSE**

1.1 To update the WSF on the current HN issues.

**2. BACKGROUND**

2.1 The issues in respect of HN have been a regular item for the WSF since 2019 and the previous **Agenda Items 11a) to c)** have provided the latest national issues and context.

2.2 The current local issues are detailed below.

**3. ISSUES FOR CONSIDERATION**

**3.1 OFSTED SEND Reinspection**

(a) The WSF are reminded that in 2018, OFSTED and the Care Quality Commission (CQC) visited Worcestershire to inspect our special educational needs and disability provision. This inspection found significant areas of weakness and a Written Statement of Action was deemed necessary for improvements to be made.

(b) The service was due to be reinspected in March 2020, but this was deferred due to Covid-19. It is anticipated that OFSTED and the CQC will revisit Worcestershire imminently to reinspect the SEND provision. At the time of writing this update the reinspection timing has still to be confirmed.

(c) There has been a lot of hard work as a partnership to address the key concerns from the inspection back in March 2018 and the service are looking forward to being able to show the progress made and how experiences for children and young people with SEND have changed in Worcestershire.

(d) As part of this it is important that all the workforce is aware of the SEND Improvement Programme journey – and what, as a local area, has and is being done to address the Written Statement of Action.

(e) A short presentation on WCCs You Tube channel from 13<sup>th</sup> April 2021 is available and provides an overview of progress to date.

**3.2 WCF Management Plan**

(a) As advised at the last WSF meeting the High Needs Management Plan continues to be progressed alongside the day to day operational SEND service issues.

(b) The progress has been impacted by the impending reinspection but the designated workstreams continue to consider the issues. A summary of some of the key aspects is detailed in **Appendix A**.

(c) In terms of the DfE template work continues to populate the details as required but the DfE have yet to confirm their intentions on its use and potential submission going forward.

3.3 The SEND service is intending to provide a fuller update on both the above issues at the WSF meeting on 8<sup>th</sup> July 2021. At that point the final HN DSG end of year position for 2020-21 will also be available.

#### **4. RECOMMENDATION**

4.1 The WSF notes and discusses the above issues.

Andy McHale  
Senior Finance Business Partner  
Worcestershire Children First

May 2021

**HIGH NEEDS MANAGEMENT PLAN UPDATE**

**FINANCIAL POSITION**

| <b>Financial Year</b> | <b>DSG High Needs Block Allocation (net)</b> | <b>High Needs Block Spend</b> | <b>Variance Overspend (£)</b> | <b>Variance (%)</b> |
|-----------------------|----------------------------------------------|-------------------------------|-------------------------------|---------------------|
|                       | <b>£'000</b>                                 | <b>£'000</b>                  | <b>£'000</b>                  | <b>£'000</b>        |
| 2017/18 (act)         | 38,988                                       | 42,361                        | 3,373                         | 8.7%                |
| 2018/19 (act)         | 39,909                                       | 48,880                        | 8,971                         | 22.5%               |
| 2019/20 (act)         | 43,592                                       | 52,314                        | 8,722                         | 20.0%               |
| 2020/21 (act) *       | 51,863                                       | 55,828                        | 3,965                         | 7.6%                |
| 2021/22 (est)         | 59,614                                       | 64,114                        | 4,500                         | 7.5%                |

\* Subject to external audit

**EHCPs**

**Total Number of EHCPs by Age Group (with estimated future projections)**

| <b>Jan</b>   | <b>2018</b>  | <b>2019</b>  | <b>2020</b>  | <b>2021</b>  | <b>2022</b>  | <b>2023</b>  | <b>2024</b>  | <b>2025</b>  |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Under 5      | 84           | 83           | 110          | 285          | 285          | 285          | 285          | 285          |
| Age 5 to 10  | 908          | 992          | 1,214        | 1,497        | 1,497        | 1,497        | 1,497        | 1,497        |
| Age 11 to 15 | 1,120        | 1,220        | 1,339        | 1,506        | 1,506        | 1,506        | 1,506        | 1,506        |
| Age 16 to 19 | 807          | 966          | 959          | 801          | 801          | 801          | 801          | 801          |
| Age 20 to 25 | 145          | 241          | 431          | 158          | 358          | 558          | 758          | 958          |
|              | <b>3,064</b> | <b>3,502</b> | <b>4,053</b> | <b>4,247</b> | <b>4,447</b> | <b>4,647</b> | <b>4,847</b> | <b>5,047</b> |

**Notes**

These are high-level initial illustrative examples only and it is recognised that more detailed work is required for the HN Management Plan. Essentially, net growth of 200 per year is assumed (was 194 last year) and that over time is creating pressure into 19-25.

It is extremely difficult to estimate the potential financial impact given the unpredictability in demand in the age groups, so any projections can change significantly as time progresses. However, a top line calculation of taking this growth each year and multiplying by current average costs, then adding 5% for general inflation, is looking at growth of over £6m per year from 2021/22, with HN spend costs estimated to increase to £70.2m and £76.5m in the subsequent two year period.

## **WORKSTREAMS**

### **WS1 Finance**

Feb 2021: new monitoring system for HNB has been built and user testing commenced and financial forecasting mechanisms for new reporting spreadsheet produced.

Mar 2021: ongoing testing of new monitoring system by Service Casework Officers for HNB.

Apr 2021: new monitoring system has been received well by the service, and it's being used as a business as usual owned by the service to produce regular budget monitoring process for 2021/22 with metric's to understand changes in the forecast outturn as shown above.

### **WS2 Top Up Funding**

Jan 2021: consultation survey responses reviewed, research into other LA models undertaken and feedback from engagement survey considered.

Feb 2021: an example of descriptors of need relating to top up funding bands were shared with the project group, good practice examples for management of top up funding considered, options paper produced addressing issues raised from stakeholder feedback.

Mar 2021: deep dive to understand decision-making process for top up funding review, consultation sessions with mainstream and special schools, survey open to review top-up funding and moderation process of top up funding allocation, identified Bromsgrove area to run SEND Locality Hub pilot with schools, WCF SEN Support Services and 2 HTs briefed on the model proposal.

### **WS3 & 7 Commissioning and Therapies**

Jan 2021: reviewed current monitoring measures in place for independent placements and current placement process (commissioning process).

Feb 2021: established link with the Social Care Placement Team regarding current measures in place, reviewed existing commissioning and monitoring processes for the independent specialist placements for CYP with ECHP in place, WS4 (WSOA) looking at Joint Commissioning including Section 75 process – focus on completion of Joint Commissioning Strategy and Specialist Equipment Policy.

Mar 2021: section 75 financial plan agreed at ICEOG with a forward work plan (includes Annual process of refreshing the s75), roles and responsibilities for commissioning OOA SEND placements clarified.

### **WS4 Capacity in Mainstream Schools**

Jan 2021: liaised with other teams CNN/LST to assist in school support, began research and review of other Local Authorities' 'District Models'.

Feb 2021: review of current staffing within SEND Support Services.



Mar 2021: completed research and review of other Local Authorities' 'District Models', Autism champion training launched, advert for the recruitment of the Educational Psychologist shared and interviews took place.

Apr 2021: autism champion model implemented; Principal Education Psychologist role has been offered.

#### WS5 Continuum of SEND Provision

Feb 2021: most of the projects under the Specialist Provision umbrella produced initial overview reports to justify the activity, work on next steps plans for projects commenced.

Mar 2021: ongoing work to produce draft SEND provision plan.

#### WS6 Section 19 Provision

Feb 2021: identified financial source to provide section 19 provision, ongoing work on Section 19 process and Edlounge policy.

Mar 2021: section 19 protocol drafted, Section 19 referrals meeting was established to collaboratively decide on appropriate provision for pupils unable to attend school, Vulnerable learners' links group was established and terms of reference were agreed, Job advert for the Education Absence Monitoring Officer went out.

April 2021: absence Monitoring Officer role has been offered. Exclusions and AP review implementation plan is out for stakeholder's feedback.

REPORT TO THE WORCESTERSHIRE SCHOOLS FORUM (WSF)  
F40 GROUP UPDATE – PUPIL PREMIUM GRANT (PPG) SURVEY

**1. PURPOSE**

1.1 To advise the WSF on the outcomes of a F40 Group survey on the impact of changes to the DfE Pupil Premium Grant (PPG).

**2. BACKGROUND**

2.1 As part of the School Funding settlement 2021-22 announced in December 2021, the DfE confirmed the PPG rates as follows: -

- Primary Pupils £1,345.
- Secondary Pupils £955.
- Looked After Children £2,345.
- Children Ceased to be Looked After £2,345.
- Service Children £310.

2.2 The DfE also announced, for 2021-22 the eligibility criteria for the pupil premium will remain unchanged, but **the DfE will be using October 2020 school census data to calculate pupil premium allocations**. Exceptions to that include alternative provision and pupil referral units where eligibility will continue to be based on the January census.

**3. SURVEY OUTCOMES**

3.1 The F40 Group requested members to submitted figures on the number of children eligible for Free Schools Meals (FSM), taken from the census in both October 2020 and January 2021.

3.2 These are the figures for pupils eligible for FSM but may include some children who are already included 'as Ever 6', who have become re-eligible between October and January. These cannot be identified but the use of the census data will give an indication of the potential change and impact of the DfE policy change.

3.3 The details for each F40 LA are detailed at **Appendix A**. It shows over the period, on average, the number of primary school children eligible for Free School Meals rose by 7.5%, and in secondary schools they increased by an average of 3.2%. These trends are likely to be replicated across the country.

3.4 For the F40 LAs alone they show an estimated shortfall of £34.6m in Pupil Premium funding this year (WCC £0.7m) due the changes in the census date.

3.5 While F40 appreciates why the DfE wants to streamline the funding to the October census, F40 believes it is not practical during the pandemic, when the demand for FSM is greater than usual. F40 are asking the DfE to consider either delaying the change or compensating schools for the funding they will miss out on this year. Without help, schools

will obviously have to find the money from elsewhere, when funding is already tight, so other aspects of their budgets will suffer.

#### **4. RECOMMENDATION**

4.1 The WSF notes and discusses the above issues.

Andy McHale  
Senior Finance Business Partner  
Worcestershire Children First

May 2021

## Financial impact of changes to the Pupil Premium calculation - Appendix A

| Local Authority              | FSM R-Y6 - October 2020 census | FSM Y7-Y11 - October 2020 census | FSM R-Y6 - January 2021 census | FSM Y7-Y11 - January 2021 census | Increase in R-Y6 | Increase in Y7-Y11 | Difference in funding requirements - pupils X £1,345 | Difference in funding requirements - pupils X £955 | Total additional funding requirements |  | Percentage increase R-Y6 | Percentage increase Y7-Y11 |
|------------------------------|--------------------------------|----------------------------------|--------------------------------|----------------------------------|------------------|--------------------|------------------------------------------------------|----------------------------------------------------|---------------------------------------|--|--------------------------|----------------------------|
| Bath and North East Somerset | 2074                           | 1723                             | 2176                           | 1744                             | 102              | 21                 | 137,190                                              | 20,055                                             | 157,245                               |  | 4.9%                     | 1.2%                       |
| Buckinghamshire              |                                |                                  |                                |                                  |                  |                    |                                                      |                                                    |                                       |  |                          |                            |
| Cambridgeshire               | 9435                           | 5002                             | 10182                          | 5245                             | 747              | 243                | 1,004,715                                            | 232,065                                            | 1,236,780                             |  | 7.9%                     | 4.9%                       |
| Central Bedfordshire         | 2798                           | 1792                             | 3096                           | 1846                             | 298              | 54                 | 400,810                                              | 51,570                                             | 452,380                               |  | 10.7%                    | 3.0%                       |
| Cheshire East                | 4076                           | 2713                             | 4304                           | 2795                             | 228              | 82                 | 306,660                                              | 78,310                                             | 384,970                               |  | 5.6%                     | 3.0%                       |
| Cheshire West and Chester    | 4895                           | 3367                             | 5206                           | 3493                             | 311              | 126                | 418,295                                              | 120,330                                            | 538,625                               |  | 6.4%                     | 3.7%                       |
| Cornwall                     | 7748                           | 4963                             | 8442                           | 5183                             | 694              | 220                | 933,430                                              | 210,100                                            | 1,143,530                             |  | 9.0%                     | 4.4%                       |
| Derbyshire                   | 13811                          | 7755                             | 14704                          | 8004                             | 893              | 249                | 1,201,085                                            | 237,795                                            | 1,438,880                             |  | 6.5%                     | 3.2%                       |
| Devon                        | 9712                           | 8514                             | 10496                          | 8651                             | 784              | 137                | 1,054,480                                            | 130,835                                            | 1,185,315                             |  | 8.1%                     | 1.6%                       |
| Dorset                       | 4212                           | 3597                             | 4509                           | 3666                             | 297              | 69                 | 399,465                                              | 65,895                                             | 465,360                               |  | 7.1%                     | 1.9%                       |
| East Riding of Yorkshire     | 4200                           | 2994                             | 4463                           | 3071                             | 263              | 77                 | 353,735                                              | 73,535                                             | 427,270                               |  | 6.3%                     | 2.6%                       |
| East Sussex                  | 7953                           | 4606                             | 8509                           | 4767                             | 556              | 161                | 747,820                                              | 153,755                                            | 901,575                               |  | 7.0%                     | 3.5%                       |
| Gloucestershire              | 7461                           | 4684                             | 8333                           | 4833                             | 872              | 149                | 1,172,840                                            | 142,295                                            | 1,315,135                             |  | 11.7%                    | 3.2%                       |
| Hampshire                    | 16275                          | 9924                             | 17555                          | 10308                            | 1280             | 384                | 1,721,600                                            | 366,720                                            | 2,088,320                             |  | 7.9%                     | 3.9%                       |
| Herefordshire                | 1997                           | 1195                             | 2133                           | 1248                             | 136              | 53                 | 182,920                                              | 50,615                                             | 233,535                               |  | 6.8%                     | 4.4%                       |
| Kent                         | 23509                          | 15493                            | 26094                          | 16306                            | 2585             | 813                | 3,476,825                                            | 776,415                                            | 4,253,240                             |  | 11.0%                    | 5.2%                       |
| Leicestershire               | 6626                           | 5264                             | 7222                           | 5421                             | 596              | 157                | 80,162                                               | 149,935                                            | 230,097                               |  | 9.0%                     | 3.0%                       |
| Lincolnshire                 | 12450                          | 7476                             | 13384                          | 7724                             | 934              | 248                | 1,256,230                                            | 236,840                                            | 1,493,070                             |  | 7.5%                     | 3.3%                       |
| North Lincolnshire           | 3203                           | 2281                             | 3456                           | 2329                             | 253              | 48                 | 340,285                                              | 45,840                                             | 386,125                               |  | 7.9%                     | 2.1%                       |
| North Yorkshire              | 5964                           | 4047                             | 6492                           | 4206                             | 528              | 159                | 710,160                                              | 151,845                                            | 862,005                               |  | 8.9%                     | 3.9%                       |
| Northamptonshire             | 9611                           | 6549                             | 10577                          | 6839                             | 966              | 290                | 1,299,270                                            | 276,950                                            | 1,576,220                             |  | 10.1%                    | 4.4%                       |
| Northumberland               | 4889                           | 3241                             | 5288                           | 3340                             | 399              | 99                 | 536,655                                              | 94,545                                             | 631,200                               |  | 8.2%                     | 3.1%                       |
| Oxfordshire                  | 6903                           | 4266                             | 7501                           | 4437                             | 598              | 171                | 804,310                                              | 163,305                                            | 967,615                               |  | 8.7%                     | 4.0%                       |
| Plymouth                     | 5089                           | 3149                             | 5382                           | 3236                             | 293              | 87                 | 394,085                                              | 83,085                                             | 477,170                               |  | 5.8%                     | 2.8%                       |
| Shropshire                   | 3147                           | 2120                             | 3407                           | 2243                             | 260              | 123                | 349,700                                              | 117,465                                            | 467,165                               |  | 8.3%                     | 5.8%                       |
| Solihull                     | 3646                           | 4085                             | 3972                           | 4316                             | 326              | 231                | 438,470                                              | 220,605                                            | 659,075                               |  | 8.9%                     | 5.7%                       |
| Somerset                     | 7469                           | 4395                             | 8055                           | 4523                             | 586              | 128                | 788,170                                              | 122,240                                            | 910,410                               |  | 7.8%                     | 2.9%                       |
| South Gloucestershire        |                                |                                  |                                |                                  |                  |                    |                                                      |                                                    |                                       |  |                          |                            |
| Staffordshire                | 10483                          | 7063                             | 11324                          | 7232                             | 841              | 169                | 1,131,145                                            | 161,395                                            | 1,292,540                             |  | 8.0%                     | 2.4%                       |
| Stockport                    | 4052                           | 2639                             | 4416                           | 2742                             | 364              | 103                | 489,580                                              | 98,365                                             | 587,945                               |  | 9.0%                     | 3.9%                       |
| Suffolk                      | 10619                          | 6728                             | 11198                          | 6983                             | 579              | 255                | 778,755                                              | 243,525                                            | 1,022,280                             |  | 5.5%                     | 3.8%                       |
| Swindon                      | 3825                           | 2223                             | 4082                           | 2303                             | 257              | 80                 | 345,665                                              | 76,400                                             | 422,065                               |  | 6.7%                     | 3.6%                       |
| Torbay                       | 2797                           | 1630                             | 2980                           | 1707                             | 183              | 77                 | 246,135                                              | 73,535                                             | 319,670                               |  | 6.5%                     | 4.7%                       |
| Trafford                     | 21024                          | 16276                            | 21356                          | 16414                            | 332              | 138                | 446,540                                              | 131,790                                            | 578,330                               |  | 1.6%                     | 0.8%                       |

|                              |         |         |         |         |        |       |            |           |                   |         |       |      |
|------------------------------|---------|---------|---------|---------|--------|-------|------------|-----------|-------------------|---------|-------|------|
| Wakefield                    | 7320    | 5604    | 7820    | 5740    | 500    | 136   | 672,500    | 129,880   | 802,380           |         | 6.8%  | 2.4% |
| Warrington                   | 3607    | 1967    | 3799    | 1993    | 192    | 26    | 258,240    | 24,830    | 283,070           |         | 5.3%  | 1.3% |
| Warwickshire                 | 7873    | 5258    | 8544    | 5431    | 671    | 173   | 902,495    | 165,215   | 1,067,710         |         | 8.5%  | 3.3% |
| West Sussex                  | 7624    | 5098    | 8409    | 5356    | 785    | 258   | 1,055,825  | 246,390   | 1,302,215         |         | 10.3% | 5.1% |
| Wigan                        | 6420    | 3961    | 6776    | 4074    | 356    | 113   | 478,820    | 107,915   | 586,735           |         | 5.5%  | 2.9% |
| Wiltshire                    | 5912    | 5147    | 6279    | 5212    | 367    | 65    | 493,615    | 62,075    | 555,690           |         | 6.2%  | 1.3% |
| Worcestershire               | 7323    | 5692    | 7758    | 5819    | 435    | 127   | 585,075    | 121,285   | 706,360           |         | 5.9%  | 2.2% |
| City of York                 | 1772    | 1253    | 1907    | 1305    | 135    | 52    | 181,575    | 49,660    | 231,235           |         | 7.6%  | 4.2% |
| <b>Total f40 respondents</b> |         |         |         |         |        |       |            |           | <b>34,640,537</b> |         | 7.5%  | 3.2% |
|                              | 289,804 | 195,734 | 311,586 | 202,085 | 21,782 | 6,351 | 28,575,332 | 6,065,205 |                   |         |       |      |
|                              |         |         |         |         |        |       |            |           |                   |         |       |      |
|                              |         |         |         |         |        |       |            |           |                   | min     | 1.6%  | 0.8% |
|                              |         |         |         |         |        |       |            |           |                   | max     | 11.7% | 5.8% |
|                              |         |         |         |         |        |       |            |           |                   | average | 7.5%  | 3.3% |
|                              |         |         |         |         |        |       |            |           |                   | median  | 7.7%  | 3.3% |



# Campaign for fair funding for schools

## Fairness

f40 seeks fairness and equal opportunities in education for all children, regardless of where they live, and wishes to see all schools properly funded to enable them to provide a quality education. The basic entitlement should be enough to run a school, before extra money is added.

There are still too many discrepancies in the way funding is distributed, with some schools receiving far more per pupil than others. The historical add-ons that some schools receive should be abolished. Additional funding should be given for deprivation and other additional needs and realistic area living costs, but

base funding for every school should be the same. While government has acknowledged the unfairness and is attempting to level up, it is a slow process and the unfairness continues, with many areas, especially large rural communities and 'shire' local authorities still receiving inequitably less funding.

The Covid pandemic has shone a light on these disparities and highlighted the plight of disadvantaged pupils. More funding should be given for all disadvantaged pupils – including those living in more rural areas, which are sometimes forgotten, as well as those in towns and cities.

## Increased funding

The pandemic has placed greater stress on already tight budgets. For a number of years, education funding has not kept pace with inflation, while the demands on schools and teachers have grown rapidly. In real terms, school funding is at 2010 levels.

In July 2019, f40, joined by a number of headteacher and school organisations, including teaching unions and parent and school governor groups, calculated that education required an extra £12.6b up to 2023.

In October 2019, government agreed a £7.1b incremental increase to the overall schools budget – with an additional £700m for special educational needs. While welcome, based on the figure previously calculated, it was £5.5b short of what was needed.

With teachers' pay and pensions being increased, much of the extra £7.1b will be used to pay for these increases, once rolled out.

To put this into context, the Schools Block budget increased by £1.7bn in April 2020; According to the NEU, £960m was absorbed by increased school costs (including pay rises) and £350m by the increase in the number of pupils. This left a real increase of £430m – £58 per pupil.

However, we know that schools incurred considerable costs due to Covid just in preparation to return to school last September, which will have eaten into any increases.

## SEND

Special Educational Needs continues to be a major concern, with need outstripping budgets and EHCP applications continuing to rise. The situation will get worse unless the High Needs system is overhauled, with less reliance on EHCPs and greater emphasis on school inclusion. We urge government to complete the review of SEND, and its funding, and implement the recommendations.

Schools need support systems, guidance and additional funding to enable them to be properly

inclusive of SEND pupils. And local authorities need additional funding to settle the huge deficit SEND budgets they currently have, which is increasing each year.

SEND funding continues to be unfair, with some councils receiving far more than others, despite having similar pupil numbers, need and deprivation. Funding is based on historic factors, rather than the situation now. The DfE is attempting to level up SEND funding, but it is a very slow process.



# Campaign for fair funding for schools

## Early years

Early Years has become much more of a concern throughout the pandemic. Children have not necessarily attended nurseries, but provision is still expected to be available. Funding for the free entitlement has received some support, but many providers have lost private parental income that is not being replaced but is a significant part of the organisation. There are fears many will go out of business unless financial support is given.

Up to 2019, there had been no increase in funding for the free entitlement for a number of years, but with significant increases in costs in wages (from the

national minimum wage) and from pension requirements, leaving nurseries running on a shoestring. The pandemic has highlighted how fragile this market is, but we know how necessary early education is for the life chances for our young people.

We are grateful of the recent announcement that children who are registered with a provider but not attending as a result of Covid can be counted on the census and that there is an 85% guarantee for LAs, however this does not address the loss of private parental income and the need for nurseries to have guaranteed funding to enable financial planning.

## Covid

Schools cannot afford the additional costs and financial impacts of Covid, such as:

- Extra teaching needs
- Heating and cleaning
- PPE
- Additional learning and catering resources
- Lack of guaranteed nursery funding (private/voluntary/independent/schools)
- Loss of income

We believe government should provide assistance with additional costs and loss of income incurred.

We acknowledge government has promised to pay additional teacher costs from November and December 2020, dependent upon levels of school reserves. But so far, only Covid expense claims from March to July 2020 have been processed, and the criteria for that was too narrow.

We are asking that the second window for claims be opened, with a third window planned for the end of 2021, allowing schools to properly explain their individual financial circumstances as they start to return to normal.

## What f40 is asking for

### **Changes to the National Funding Formula to make it fairer, more easily understood and transparent.**

We would like a minimum level of funding to meet basic educational need of all pupils, and the removal of historic inequalities and funding protections for Schools Block and High Needs Block. We do not wish to remove additional funding for deprivation, additional needs or realistic living costs.

**At least £5.5b additional school funding (above full inflation increases) in 2022/23, for Early Years, Primary, Secondary, 16-19, and High Needs up to age 25.** A further £5.4bn is needed from 2023 to 2025 to ensure every child is taught by a qualified teacher in classes of no more than 30. These figures were estimated in 2019 and are currently under review. f40 is refreshing its funding model in 2021 to ensure our figures take account of the latest data and cost pressures in education.

**A guaranteed rolling, three-year funding programme to enable education providers to budget ahead.**



## **f40 Executive Committee Meeting**

**Monday, March 8, 2021 – Conference call**

### **1. Attendances, apologies, and changes to committee membership**

**Present:** Cllr James McInnes (Chair); Karen Westcott (Secretary); Emily Proffitt (Staffs headteacher and Dep Chair); Matt Western MP (Labour Vice Chair); Margaret Judd (Dorset Council); Andrew Minall (Hamp); Peter Downes (Cambs Schools Forum); Jackie Smith (CEO Brunel SEN MAT & Uplands Educational Trust); Christine Atkinson (East Riding of Yorkshire); Cllr Mary Evans (Suffolk CC); Carole Thomson (Oxfordshire Schools Forum); Richard Soper (Worc Community Trust); Phil Haslett (Glos CC); Annette Perrington (Swindon); Julia Harnden (ASCL); Steve Edmonds (NGA); Deborah Taylor (Leic).

**Apologies:** Cllr Richard Long (Kent); Cllr Laura Mayes (Wiltshire); Alex Dale (Derbyshire); Bob Standley (East Sussex); Layla Moran MP (Lib Dem Vice Chair).

### **2. Minutes of the meeting held on 9 December 2020**

The minutes were **APPROVED** as a correct record of the meeting.

### **3. Meeting with Vice Chair Layla Moran MP on Jan 21, 2021 – noted**

EP updated members on the meeting with Layla Moran MP and said it was a good meeting. EP said that LM had explained how everything in Government was revolving around Covid at the moment, and it was very difficult to push an issue that was not linked to Covid. Referring to the issue of SEND funding, LM said in order for it to be prioritised it needed to be linked to Covid. She said she was looking at how Covid had impacted on special needs.

JS said in terms of SEND, Covid had made the problem more complex. She said she was still having to spend £2,000 a week on PPE across her trust. She said there was a number of pupils who were clinically vulnerable, so dealing with Covid had been difficult. JS said in many ways, Covid had sharpened the issue.

She said her special school academy trust had a deficit and she had no answers as to how the deficit was to be closed.

ME said she was concerned about what was going to happen with SEND post Covid. She asked what Matt Western MP thought would happen with SEND funding in the near future.

MW said he did not think SEND was a priority for the Government. He said he had seen in his constituency in Warwickshire the pressure placed on SEND budgets and he feared it would only get worse.

He said everyone had seen what was happening with nurses' pay. He said nurses had been promised a 2% increase last year but had actually only been offered 1% this year. MW said



he felt it would be indicative of what was going to happen across the board, especially with local authorities. He said he didn't think SEND would be the priority it deserved to be.

MW said in terms of rebalancing the National Funding Formula, he felt it may be seen as too difficult to deal with right now by Government, so nothing further happens in the short-term.

JMcl said he had heard that the SEND review had been resumed and would be reporting back to Government in the spring. He said he hoped that was the case.

He asked if MW could ask a question in Parliament about the SEND review and when it would be reported back, and then acted upon. MW agreed.

JMcl said if Covid had not happened, SEND would be the biggest single issue in education funding, and once Covid had subsided it would once again be the biggest issue. He said it needed to be dealt with as local authorities had growing deficit SEND budgets.

AP said Swindon Borough Council was in the process of looking at its DSG recovery plan but was unable to look at reducing the deficit properly because they were so busy trying to get the books to balance in-year. She said local authorities were in an impossible position and were not permitted to move general funds to help support SEND, even if they wished to.

She said she appreciated the honesty of MW, that SEND children were unlikely to be prioritised. She said they deserved attention and it seemed that because the issue was difficult to solve, they can get kicked further down the road. In the meantime, she said local authorities were in the middle of parents and schools, unable to please either.

4. **Meeting with Vice Chair Sir Gary Streeter MP on March 9, 2021** – noted
5. **f40 campaign plan for 2021 circulated to members and MPs** – noted
6. **SEND survey finalised and circulated to members, DfE, MPs and participants** – noted

Chair JMcl thanked MJ and the team for working on the SEND survey. He said a lot of work had gone into the survey and it had been well received by members.

7. **Evidence on extra school Covid costs sent to DfE** – noted
8. **f40 response to DfE consultation on high needs funding**

AM presented the DfE's consultation questions on high needs funding to members, outlining initial thoughts on what f40's submission feedback could be. He urged members to give their thoughts on the aspects of high needs funding they wished to prioritise and to suggest ways that f40's submission could be enhanced.

**Q1 Do you agree that we should replace the current lump sum included in the formula calculation with an amount calculated on the basis of actual local authority expenditure, as reported by each local authority?**

AM suggested that f40 choose the 'unsure' option.

He said the phased removal of an historic funding factor by levelling up local authority funding should be a priority to ensure equity of access for children and young people to an equivalent level of support.

Significant changes to the types and complexity of needs for children, services and support required had occurred since 2017-18, therefore, funding being allocated on that basis would not be reflective of current circumstances.

The types and breadth of services on offer were all heavily influenced by the historic funding made available, therefore, continued use would perpetuate the inequality of access to support for children and young people. He said the proposed change did little to rectify this inequality beyond recognising the increased pressures experienced across all local authorities and to what extent these could be contained.

CT said she agreed that calculating high needs funding on historic funding was basing it on what authorities have always had, rather than what they needed. She believed capping should also be removed.

PH said in Gloucestershire the analysis showed that changes to the historic factor of high needs funding would make very little difference without a change to quantum of funding as well.

AP said she believed not all authorities fully understood the impact of changes to funding relating to the post-19s. She said the changes had resulted in a great deal more work and impact on budgets as the funding now had to cater to people with special educational needs up to age 25.

**Q2 Do you think that we should increase the percentage of actual expenditure in 2017-18 included in the funding formula calculation, or leave it at 50%?**

AM said steps had been taken by the Department to achieve this in recent years, so it was unclear why it would now consider reversing this approach and move back to a system of historic funding – which it previously stated it wished to end.

He said, as outlined in Q1, historic spend was not reflective of the current needs of children or equitable access to services and support required, therefore, it was difficult to justify a large proportion of the total funding being allocated on that basis.

By continuing to use an historic spend factor, it would perpetuate the current inequality of funding distribution, with any increase in its use discriminating further against children in certain areas by denying them access to an equivalent level of service.

He suggested the Department should continue its current approach of directing any new funding to the responsive elements of the formula, ensuring continued protection for historic spend coupled with the funding floor, while over time increasing the proportion of funding that reflected current need.

AM said if the Department considered that another form of protection mechanism was required it should be considered against current costs and applied equitably to all.

He suggested f40 should choose the option to decrease the percentage of historic funding.

**Q3 To what extent do you agree that the funding formula should include factors that reflect historical local demand for and supply of SEND and AP provision? If you have any suggestions for such factors that could eventually replace the historic spend factor.**

AM said f40 was choosing to strongly disagree with this.

He said historic spend was not reflective of the current needs of children, with the increases in provision post-19 a particular example. In addition, access to services and support for young people had been heavily influenced by the historic level of funding available, leading to inconsistent levels of provision. The Department should continue to seek to manage this gradually out of the formula over time, he said.

AM said he believed population should be the default method of allocation of funding, given the general propensity for SEN within the wider population. Additional factors should only be included if they could clearly and objectively evidence that they would make a material difference to the general measure of population on an area basis.

Recognising the Department had greater access to draw conclusions on the availability and quality of data, it's difficult to provide firm proposals of other factors, but options could include:

Population – the formula currently only reflects the 0-18 population, however, following the reforms, the High Needs Block was now meeting costs from 0-25. Whilst we recognise not all the population would be relevant, a subset could be considered – potentially on a similar basis to the ever6 measure e.g., post-18 and with an EHCP for XX years.

JS said she agreed that as the population grew, so did the number of young people with SEND. Therefore, historical funding did not meet today's needs. However, she said as the population increased, so did the complexity of need among young people with SEND. She said the rate of young people diagnosed with autism was outstripping the percentage growth in the population – it was a steeper curve.

She said a number of special schools now had sixth forms. She said there was now a 14<sup>th</sup> year group for young people with special educational needs still in education, and funding needed to increase.

She said f40 should include in its consultation submission the impact that complexity of need has on funding, as well as the increase in autism cases.

CT said she did not think funding should just be about population. She said there were other factors that could be considered too, e.g. having a major teaching hospital which acted as a regional hub. She said she believed expensive support services for the most extreme, complex needs e.g. above £100K p.a. should be met centrally, instead of by local authorities.

#### **Q4 Do you agree with our proposal to update the low attainment factors using data from 2016, and to substitute the most recent 2019 data in place of the missing 2020 attainment data?**

AM said f40 proposed to disagree with this point.

He said it was important that the factors within the formula reflected the most recent, as far as possible, level of need, therefore, f40 agreed that the data set should be updated regularly.

He said the proposal had some merit and f40 recognised the challenges regarding the 2020 data, however, this suggested approach placed a great deal of significance on the data set from 2019, particularly if it was used in place of both 2020 and 2021 data. It would then remain a feature beyond this period for many years until the rolling average moved on.

Given the significance placed on the 2019 data, the question was, therefore, how representative this year's data would be for all local authorities. A particularly good or bad year outside of the norm could potentially have lasting effects on their funding levels.

AM said an alternative approach would be to take the average of the 2016-2019 period, which would smooth out any potential anomalies in a single year.

As outlined in question 5, he said f40 also suggested the Department review this and the other existing factors used within the formula to establish whether there was, indeed, good evidence to support its use as a proxy and make a material difference in distribution or whether the broader population measure would be sufficient.

CT said the proxy factors used by the Department to decide how much funding schools and local authorities received were appalling at individual school level. She said different factors should be used, including deprivation measures.

AP said a percentage of low attainment was linked to deprivation and schools in deprived areas tended to need more funding for early intervention, as well as SEND. She said they faced many problems.

AP agreed with CT and suggested the Income Deprivation Affecting Children Index (IDACI) may be useful to help gauge funding levels. She said demographics by household would be useful.

She said using low attainment as a proxy for funding was not good, and instead she believed population and deprivation should be factors.

MJ said f40 had struggled with IDACI because it worked well in urban areas but was less efficient in rural communities. She said the points raised would be considered.

**Q5 If you wish to offer ideas on factors that could be added to the current formula, or that could replace the current proxies, please provide further details.**

AM said, as outlined in Q3, population should be the default method of allocation of funding for high needs given the general propensity for SEN within the wider population, with additional factors only included if they could clearly and objectively evidence it would make a material difference to the general measure of population on an area basis.

He suggested f40 recommend that the DfE review the existing factors used within the formula to establish whether they did make a material difference in distribution or whether the broader population measure would be sufficient. He said this may provide an opportunity to simplify the formula and support greater transparency and understanding.

AM said whilst deprivation may have some bearing, particularly for lower end need and early intervention (schools action/school action plus), it was likely this in itself was proxy for other factors that may have a bearing on the propensity for SEN. Income deprivation, in itself, should not have a significant impact on the likelihood of children having additional needs. He said the formula should use primary indicators, with care to ensure that deprivation does not double count needs identified elsewhere.

He said other factors for consideration could include: premature/traumatic births; child mortality rates; post-18 population with data linked to EHCPs (see Q3) or linked to adult social care data.

AM said the outcomes of the SEND review was also likely to have a significant bearing on the relevance of indicators, particularly if proposals were made to improve clarity and consistency around the definition of SEND. For example, the current lack of clarity around responsibilities to fund elements of EHCPs may make health or social care indicators more relevant. Equally, mainstream schools played a key role in meeting high needs, therefore, the significance of their role would have a bearing on what proxies should be used.

AP said she understood everyone's concerns around deprivation, but said deprivation often led to a higher need for SEND support, especially early intervention. She said there were lots of interventions required in deprived homes.

JMcl said f40 needed to be careful because sometimes small pockets of deprivation were not identified so additional funding was not forthcoming.

PH said f40 should remember that the consultation was just to look at funding for a year, until the findings of the SEND review were released, so it could be a holding position for SEND funding. However, it could be the right time for f40 to make recommendations for the long-term.

He said historic funding had caused problems in Gloucestershire. He said perhaps in the past the local authority had not spent as much as it could have done on SEND and so was not being funded to the required level now.

He said f40 should be looking at what steps should be taken in the long-term. He said he believed there should be some national consistency to SEND funding and SEND support, and that it should be needs-led. At present, he said the system was open to local interpretation.

PH said the current SEND funding system had left Gloucestershire in a funding hole that it was struggling to get out of.

**Q6 Please provide any information that you consider we should take into account in assessing the equalities impact of the proposals for change. Before answering this question, please refer to Annex C of the consultation document.**

AM said use of historic spend in the formula would continue the inequality of access to support for children and young people, and it was also not reflective of the current level of need.

In considering the wider context of the High Needs Block alongside the equalities assessment there were other concerns. With the ringfencing of the Blocks within the DSG, and the relationship with the LA budget clarified to state that there is no expectation that DSG was supported from general funds, the High Needs Block becomes all that is available for high needs pupils. This position is likely to become even more locked in with the DfE's intention to implement a hard NFF "shortly".

AM said this, therefore, meant that the High Needs Block needed to be sufficient for all the requirements placed on it through SEND legislation. He asked how the DfE could ensure there would be no disability discrimination as an unintended consequence of the actions it was currently taking or would shortly take? He asked how it could be sure that the amount that LAs received was enough?

AM outlined the f40 principles and asked members if they were still happy with the core objectives of the group.

CT said she felt f40 needed to make the point somewhere that the minimum per pupil funding level (MPPFL) should be stripped out of these other funding factors, such as deprivation.

She said sometimes schools did not gain any additional funding with the MPPFL, while others were protected. She said you could have a school with a higher number of pupils with SEND receiving the same or less funding than a school with much fewer SEND pupils. She said it should be removed.

MJ said she believed funding should be formula-based, and not MPPFL, but said it needed to be a formula that was enough. She said the Department needed to work out a way where it could afford the funding formula.

AM said as the funding formula got harder, it became more difficult for local authorities to shape the funding to meet the different nuances and complexities of some of the schools that received less funding. He said in the past, they had tried to meet shortcomings in funding, but going forward they would find it more difficult to get permission to do that.

PH agreed and said the MPPFL did not work. He said in Gloucestershire there was a school in a highly deprived area that received the same as a school in a much less deprived area.

He said it would be much better if a system was introduced where High Needs Block and National Funding Formula (Schools Block) were interlinked and worked together.

CT asked if one of the f40 principles should be that both High Needs Block and NFF were inter-linked.

JH said it was important for everyone to understand how a hard NFF might work, and what they were agreeing to before it was fully adopted, especially as appears to be the case, more and more schools are joining MATs. She said there would likely be twists and turns along the way and f40 members should take the opportunity to think about what they would like the hard NFF to look like and any concerns they may have.

JS agreed that High Needs funding and Schools Block funding, through the NFF, needed to work together. She said special schools needed to support mainstream schools so they could step up and be more inclusive of children with special needs.

JS said there needed to be flexibility to enable schools and local authorities to move money between pots so that they could better support young people and provide services. She said that's the only way mainstream schools would be able to be inclusive.

AM said the Department for Education could achieve better efficiencies and value for money by inter-linking High Needs funding and Schools Block – it would ensure better use of public money.

**Action:** KW to circulate a copy of the draft response to members of f40's Executive Committee and Finance Managers Research Team, inviting them to feed back any comments or suggested changes.

**Action:** AM to take account of people's comments from the meeting and feedback via email and adapt into f40's response to the consultation. KW to submit the response before the deadline of March 24.

## **9. f40 response to DfE consultation on sparsity**

AM outlined the Government's consultation on sparsity.

MJ said it was a definite improvement on the current situation, but more was needed to include necessary small schools.

She said if there were two necessary schools close to each other, they would not qualify under the sparsity rules because currently one of the criteria is about how far away schools are to others. For example, a Catholic and a Church of England primary school could be located close to each other in a village, attracting different kinds of pupils. Though both necessary and rural, they would not qualify for sparsity funding.

She said if f40 was to simply say it wanted to include even more schools in sparsity funding, would a greater number of the wrong schools be included, and would it result in a dilution of funding in another part of the system that may adversely reduce funding to us elsewhere?

CT said there were a lot of small schools in Oxfordshire and the funding they currently received meant they were not sustainable. She said if the DfE wanted small schools to remain open, they needed to support them financially. If there is evidence that shared leadership between closely located schools both saved money and was sustainable in practice, she said this should be provided.

CT said there would still be a significant number of small schools that would not qualify for the sparsity funding after the proposed changes. She said there were some issues around whether some of the small schools were needed. CT questioned whether sparsity should be the factor used. The difficulty of running a small school budget related to the number of classes required and how many children attended.

CT said f40 should have a conversation with the DfE about whether they wanted to keep these small schools open that continued to miss out on sparsity funding. If they did, they needed to be funded properly.

JMcl said he agreed. He said there needed to be some guidance on how these small schools were supported. He said brave decisions needed to be made.

**Action:** Members of the FMRT to meet later in March to discuss sparsity and then KW to submit f40's response to the consultation.

## **10. Membership invoicing**

KW updated members on the 2020 invoicing of members. She said all members had now paid their 2020 reduced fees of £250. Members agreed that fees should this year return to the previous level of £500. KW said invoices for 2021 would be issued in April.

**Action:** KW to issue invoices to f40 members for 2021/22.

## **11. Financial update**

KW said f40 had a healthy bank balance.

## **12. Tender process to begin for f40 Secretariat role**

JMcl informed members that the tender process for the role of f40 Secretariat would begin in the spring. He said the contract, currently held by DTW, comes to an end in April 2022, so it was hoped to complete the tender process by the autumn, allowing for a period of handover,

if required. JMcl said he would be speaking with Derbyshire County Council, the procuring authority for the f40 group, in May – after the local elections.

MJ said she was keen to ensure that f40 played a role in the tendering process and was involved in drafting the job specification for the Secretariat role, to ensure that the right person with the requisite skills was appointed.

**Action:** JMcl, MJ, EP, AM and KW to meet later in March to discuss the role and the job specification.

### **13. Any other business**

PH said if f40 was proposing to have a meeting with the DfE later in the spring, he would appreciate the issue of the change in school census date being discussed.

He said because the DfE had decided to calculate the number of children attracting pupil premium funding from April this year based on the census from last October, instead of January, as usual, it had resulted in a loss of £1.4m in the budget for Gloucestershire. He said a lot of children went onto free school meals between October and January, who had not been included in the Pupil Premium figures. He said most authorities were in a similar situation.

### **14. Date of next meeting**

It was agreed that the next Executive Committee meeting would be held in mid-June.

**Action:** KW to circulate a doodle poll to ascertain the most convenient date.





**Notes of meeting with f40 Conservative Vice Chair Sir Gary Streeter MP, held on Tuesday, March 9, 2021**

Attendance:

- Sir Gary Streeter Conservative MP and Vice Chair of f40
- Cllr James McInnes, f40 Chair / Cabinet Member for Children and Schools, Devon CC
- Margaret Judd, Funding Manager, Dorset Council
- Andrew Minall, Head of Education Financial Services, Hampshire CC
- Karen Westcott, Secretary of f40

**1. Welcome**

JMcl thanked GS for his time and for supporting the f40 group.

GS said he was very happy to continue as a Vice Chair of f40 and would do all he could to assist with the campaign around education funding.

**2. SEND**

JMcl said the situation around SEND funding was serious, and if it was not for Covid, SEND would be the biggest issue in education right now.

He said the Government review into SEND was paused last year when Covid struck, and he was keen to ensure it was completed and reported back to Government as soon as possible. He asked if GS could ask a Parliamentary Question, asking when the SEND review would be finished, and the recommendations acted upon.

GS said he would be happy to table a question.

GS said everything had been swept away by Covid and Brexit, but he said SEND was an issue close to his heart and he would be happy to ask the question.

MJ said from the SEND survey that f40 undertook, it showed that of the 149 authorities responsible for education in England, 77 responded, giving a 52% response rate. She said those 77 local authorities had a combined deficit SEND budget in 2020/21 of £977m. A third of them have a £10m deficit in 2020/21.

JMcl said there needed to be changes to the system, with fewer applications for EHCPs and mainstream schools being more inclusive of pupils with SEND.

GS said it looked as though the deficit SEND budgets would cost £1b or more to deal with.

JMcl agreed and said the deficit would continue to grow unless the system was overhauled and more money was invested in SEND.

He said while the changes to the SEND system in 2014 were laudable, they were too expensive and not sustainable.

**Action:** KW to contact GS in connection with tabling questions to Parliament.

### **3. Early Years**

MJ said Covid had proven very difficult for the Early Years sector because of the lack of children attending nurseries.

She said the business model relied upon nurseries having private income to supplement their funding from the DfE. However, she said the pandemic had led to a fall in numbers and, therefore, a fall in income.

MJ said some parents were working from home or on furlough, so did not need to send their children to nursery, while some parents had chosen not to send their youngsters for fear of Covid infection. In some cases, nurseries simply could not accommodate the usual number of children due to social distancing. MJ said there were many reasons why the number of children attending nursery had fallen, and some people feared the numbers would not go back up again for some time.

MJ said Government had asked local authorities to pay for those children who had places in the Early Years entitlement provision, whether they attended or not. However, she said some children were not yet registered because parents were still at home, so they were not going to be included in the funding stream.

GS asked if there had been an over-supply of nursery provision, even before Covid.

MJ said she was not aware of a large over-supply, and both JMcl and AM said in their experience the Early Years market tended to balance itself out with supply and demand.

GS said he had been speaking to a primary school in Devon and the headteacher had mentioned there were not enough three-year-olds coming through. He asked if that was a national trend.

MJ said in her area there had been a drop in the birth rate that was forecast to continue for a number of years. AM said he had seen a similar trend in Hampshire.

### **4. Covid**

JMcl said schools had done extremely well throughout the pandemic and had returned to school in March without any issues. He said attendance among pupils appeared to be very high.

JMcl said he was interested to know what form of catch-up would be implemented during the summer. He said he had spoken to teachers who were concerned about children being overloaded with schoolwork through the holidays, which could have a reverse effect on their learning.

He said everyone wanted children to make up for lost time, but he did not believe it was a quick fix. He said it would take a few years for children to 'catch up'.

GS said he agreed. He realised that teachers were exhausted. He said he had a meeting with Nick Gibb, Minister for School Standards, coming up and he would discuss it with him.

GS suggested that if children were taking part in social activities during the summer holidays it might help to prepare them for academic learning from September, and may help to provide some of the social interaction they missed out on during lockdown.

MJ said people should also remember that students had been working online this year, so they would be ready for a break in the summer. As a result of the online learning, she said not all pupils may be behind.

GS said he guessed that some children could also be ahead.

### **5. Government consultations**

### High Needs funding

AM said f40 was preparing submissions for the Government's consultations on high needs funding.

He said f40 would be highlighting that the historic factor in funding did not reflect the current need of SEND. He said f40 believed the DfE should continue with the approach it had been taking, by allowing the historic factor to fade out, making way for increased responsive funding, based on need.

AM said f40 also wanted to see more equitable high needs funding, so that children had the same access to services, regardless of where they lived. At the moment, he said some local authorities received much more than others.

GS asked if f40 was suggesting a new funding formula for high needs.

AM said 'no', f40 wanted the DfE to continue in the same direction of travel that it had been taking, allowing the historic funding element to gradually decrease over time. He said f40 would like more responsive funding. He said in recent years, Government had invested more in SEND and that needed to continue, as need was increasing year on year.

MJ also said f40 was keen for High Needs Block and Schools Block funding to be interlinked as it was important that they worked together in tandem.

GS said this was something else he could bring up in the Parliamentary Questions.

### Sparsity

AM said f40 would also be submitting a response to the Government's consultation on sparsity. He said a lot of small schools in rural areas did not meet the criteria for sparsity funding. As a result, they were struggling to remain sustainable. AM said small rural schools could only generate so much income to supplement their Schools Block funding and could only find so many efficiencies – as a result, they had nowhere else to go.

AM said one of the funding changes in recent years had been to increase the minimum per pupil funding level (MPPFL). However, he said it moved many schools out of the responsive funding approach and to a fixed level of funding. He said some schools had so few pupils, that mathematically they would always be above the MPPFL.

He said f40 wanted to support small rural schools – those necessary schools that provided a much-needed service to local children.

GS said he would be happy to also ask some Parliamentary Questions about sparsity, too. KW to liaise with the office of GS about it.

**Action:** KW to contact the office of GS about Parliamentary Questions.

### National Funding Formula

AM said f40 would also be responding to the Government's consultation on the National Funding Formula, once it was released.

He said Government appeared to be removing the responsive element of funding, instead increasing the fixed funding through MPPFL. He said it was a crude way to calculate funding and left some schools very hard up, especially those with high numbers of SEND pupils.

GS asked if the issue was that they got the set amount through MPPFL, but then had some other funding taken away, meaning that it had a negative impact?

AM said 'yes'.

JMcl said multi-academy trusts could move money to different schools within the trust family, depending on need. However, he said local authorities were not permitted to do that. He said Government needed to make sure that funding systems were equitable across the board.

## **6. MPs' briefing**

JMcl said f40 hoped to host an MPs' briefing in Westminster later in the year and asked if GS would sponsor the event and arrange for f40 to use one of the committee rooms in the House of Commons.

It was agreed that a Tuesday late afternoon/early evening, during the beginning to middle of November, would be an ideal time.

GS said he would be happy to sponsor the briefing once f40 had agreed on a date.

**Action:** KW to liaise with the office of GS over the date of the briefing.

Ends

## Financial impact of changes to the Pupil Premium calculation - Appendix A

| Local Authority              | FSM R-Y6 - October 2020 census | FSM Y7-Y11 - October 2020 census | FSM R-Y6 - January 2021 census | FSM Y7-Y11 - January 2021 census | Increase in R-Y6 | Increase in Y7-Y11 | Difference in funding requirements - pupils X £1,345 | Difference in funding requirements - pupils X £955 | Total additional funding requirements |  | Percentage increase R-Y6 | Percentage increase Y7-Y11 |
|------------------------------|--------------------------------|----------------------------------|--------------------------------|----------------------------------|------------------|--------------------|------------------------------------------------------|----------------------------------------------------|---------------------------------------|--|--------------------------|----------------------------|
| Bath and North East Somerset | 2074                           | 1723                             | 2176                           | 1744                             | 102              | 21                 | 137,190                                              | 20,055                                             | 157,245                               |  | 4.9%                     | 1.2%                       |
| Buckinghamshire              |                                |                                  |                                |                                  |                  |                    |                                                      |                                                    |                                       |  |                          |                            |
| Cambridgeshire               | 9435                           | 5002                             | 10182                          | 5245                             | 747              | 243                | 1,004,715                                            | 232,065                                            | 1,236,780                             |  | 7.9%                     | 4.9%                       |
| Central Bedfordshire         | 2798                           | 1792                             | 3096                           | 1846                             | 298              | 54                 | 400,810                                              | 51,570                                             | 452,380                               |  | 10.7%                    | 3.0%                       |
| Cheshire East                | 4076                           | 2713                             | 4304                           | 2795                             | 228              | 82                 | 306,660                                              | 78,310                                             | 384,970                               |  | 5.6%                     | 3.0%                       |
| Cheshire West and Chester    | 4895                           | 3367                             | 5206                           | 3493                             | 311              | 126                | 418,295                                              | 120,330                                            | 538,625                               |  | 6.4%                     | 3.7%                       |
| Cornwall                     | 7748                           | 4963                             | 8442                           | 5183                             | 694              | 220                | 933,430                                              | 210,100                                            | 1,143,530                             |  | 9.0%                     | 4.4%                       |
| Derbyshire                   | 13811                          | 7755                             | 14704                          | 8004                             | 893              | 249                | 1,201,085                                            | 237,795                                            | 1,438,880                             |  | 6.5%                     | 3.2%                       |
| Devon                        | 9712                           | 8514                             | 10496                          | 8651                             | 784              | 137                | 1,054,480                                            | 130,835                                            | 1,185,315                             |  | 8.1%                     | 1.6%                       |
| Dorset                       | 4212                           | 3597                             | 4509                           | 3666                             | 297              | 69                 | 399,465                                              | 65,895                                             | 465,360                               |  | 7.1%                     | 1.9%                       |
| East Riding of Yorkshire     | 4200                           | 2994                             | 4463                           | 3071                             | 263              | 77                 | 353,735                                              | 73,535                                             | 427,270                               |  | 6.3%                     | 2.6%                       |
| East Sussex                  | 7953                           | 4606                             | 8509                           | 4767                             | 556              | 161                | 747,820                                              | 153,755                                            | 901,575                               |  | 7.0%                     | 3.5%                       |

|                       |       |       |       |       |      |     |           |         |           |  |       |      |
|-----------------------|-------|-------|-------|-------|------|-----|-----------|---------|-----------|--|-------|------|
| Gloucestershire       | 7461  | 4684  | 8333  | 4833  | 872  | 149 | 1,172,840 | 142,295 | 1,315,135 |  | 11.7% | 3.2% |
| Hampshire             | 16275 | 9924  | 17555 | 10308 | 1280 | 384 | 1,721,600 | 366,720 | 2,088,320 |  | 7.9%  | 3.9% |
| Herefordshire         | 1997  | 1195  | 2133  | 1248  | 136  | 53  | 182,920   | 50,615  | 233,535   |  | 6.8%  | 4.4% |
| Kent                  | 23509 | 15493 | 26094 | 16306 | 2585 | 813 | 3,476,825 | 776,415 | 4,253,240 |  | 11.0% | 5.2% |
| Leicestershire        | 6626  | 5264  | 7222  | 5421  | 596  | 157 | 80,162    | 149,935 | 230,097   |  | 9.0%  | 3.0% |
| Lincolnshire          | 12450 | 7476  | 13384 | 7724  | 934  | 248 | 1,256,230 | 236,840 | 1,493,070 |  | 7.5%  | 3.3% |
| North Lincolnshire    | 3203  | 2281  | 3456  | 2329  | 253  | 48  | 340,285   | 45,840  | 386,125   |  | 7.9%  | 2.1% |
| North Yorkshire       | 5964  | 4047  | 6492  | 4206  | 528  | 159 | 710,160   | 151,845 | 862,005   |  | 8.9%  | 3.9% |
| Northamptonshire      | 9611  | 6549  | 10577 | 6839  | 966  | 290 | 1,299,270 | 276,950 | 1,576,220 |  | 10.1% | 4.4% |
| Northumberland        | 4889  | 3241  | 5288  | 3340  | 399  | 99  | 536,655   | 94,545  | 631,200   |  | 8.2%  | 3.1% |
| Oxfordshire           | 6903  | 4266  | 7501  | 4437  | 598  | 171 | 804,310   | 163,305 | 967,615   |  | 8.7%  | 4.0% |
| Plymouth              | 5089  | 3149  | 5382  | 3236  | 293  | 87  | 394,085   | 83,085  | 477,170   |  | 5.8%  | 2.8% |
| Shropshire            | 3147  | 2120  | 3407  | 2243  | 260  | 123 | 349,700   | 117,465 | 467,165   |  | 8.3%  | 5.8% |
| Solihull              | 3646  | 4085  | 3972  | 4316  | 326  | 231 | 438,470   | 220,605 | 659,075   |  | 8.9%  | 5.7% |
| Somerset              | 7469  | 4395  | 8055  | 4523  | 586  | 128 | 788,170   | 122,240 | 910,410   |  | 7.8%  | 2.9% |
| South Gloucestershire |       |       |       |       |      |     |           |         |           |  |       |      |
| Staffordshire         | 10483 | 7063  | 11324 | 7232  | 841  | 169 | 1,131,145 | 161,395 | 1,292,540 |  | 8.0%  | 2.4% |
| Stockport             | 4052  | 2639  | 4416  | 2742  | 364  | 103 | 489,580   | 98,365  | 587,945   |  | 9.0%  | 3.9% |
| Suffolk               | 10619 | 6728  | 11198 | 6983  | 579  | 255 | 778,755   | 243,525 | 1,022,280 |  | 5.5%  | 3.8% |
| Swindon               | 3825  | 2223  | 4082  | 2303  | 257  | 80  | 345,665   | 76,400  | 422,065   |  | 6.7%  | 3.6% |
| Torbay                | 2797  | 1630  | 2980  | 1707  | 183  | 77  | 246,135   | 73,535  | 319,670   |  | 6.5%  | 4.7% |

|                              |         |         |         |         |        |       |            |           |                   |         |       |      |
|------------------------------|---------|---------|---------|---------|--------|-------|------------|-----------|-------------------|---------|-------|------|
| Trafford                     | 21024   | 16276   | 21356   | 16414   | 332    | 138   | 446,540    | 131,790   | 578,330           |         | 1.6%  | 0.8% |
| Wakefield                    | 7320    | 5604    | 7820    | 5740    | 500    | 136   | 672,500    | 129,880   | 802,380           |         | 6.8%  | 2.4% |
| Warrington                   | 3607    | 1967    | 3799    | 1993    | 192    | 26    | 258,240    | 24,830    | 283,070           |         | 5.3%  | 1.3% |
| Warwickshire                 | 7873    | 5258    | 8544    | 5431    | 671    | 173   | 902,495    | 165,215   | 1,067,710         |         | 8.5%  | 3.3% |
| West Sussex                  | 7624    | 5098    | 8409    | 5356    | 785    | 258   | 1,055,825  | 246,390   | 1,302,215         |         | 10.3% | 5.1% |
| Wigan                        | 6420    | 3961    | 6776    | 4074    | 356    | 113   | 478,820    | 107,915   | 586,735           |         | 5.5%  | 2.9% |
| Wiltshire                    | 5912    | 5147    | 6279    | 5212    | 367    | 65    | 493,615    | 62,075    | 555,690           |         | 6.2%  | 1.3% |
| Worcestershire               | 7323    | 5692    | 7758    | 5819    | 435    | 127   | 585,075    | 121,285   | 706,360           |         | 5.9%  | 2.2% |
| City of York                 | 1772    | 1253    | 1907    | 1305    | 135    | 52    | 181,575    | 49,660    | 231,235           |         | 7.6%  | 4.2% |
| <b>Total f40 respondents</b> | 289,804 | 195,734 | 311,586 | 202,085 | 21,782 | 6,351 | 28,575,332 | 6,065,205 | <b>34,640,537</b> |         | 7.5%  | 3.2% |
|                              |         |         |         |         |        |       |            |           |                   |         |       |      |
|                              |         |         |         |         |        |       |            |           |                   | min     | 1.6%  | 0.8% |
|                              |         |         |         |         |        |       |            |           |                   | max     | 11.7% | 5.8% |
|                              |         |         |         |         |        |       |            |           |                   | average | 7.5%  | 3.3% |
|                              |         |         |         |         |        |       |            |           |                   | median  | 7.7%  | 3.3% |