

Rotherham Schools' Forum

Venue: Virtual Meeting

Date: Friday, 18 September 2020

Time: 8.30 a.m.

A G E N D A

1. Apologies for Absence.

To receive apologies from any Forum Member who are unable to attend the meeting.

2. Declarations of Interest.

To invite Forum Members to declare any interests they may have on agenda items to be considered at this meeting, to confirm the nature of those interests and whether they intend to leave the meeting for the consideration of the item.

3. Minutes of the Previous Meeting. (Pages 1 - 11)

Recommendation:- To receive and approve the minutes of the previous meeting held on 26th June, 2020

4. Matters Arising from Previous Minutes

To consider and report on any matters arising from the previous minutes

5. DSG Mid-Year Update (Pages 12 - 15)

Report by Neil Hardwick, Schools Finance.

Recommendation:- To receive an update and note the current position.

6. New Funding Announcements:- (Pages 16 - 40)

- National Funding Formula for Schools and High Needs 2021-2022.
- Pre-16 Schools revenue funding for 2021-2022.
- 2021-2022 School Formula Consultation.

Report by Neil Hardwick/Vera Njegic, Schools Finance.

Recommendation:- To note this information and for Forum Members to ensure school/academies are aware of this information.

7. New Funding Announcements:- (Pages 41 - 42)

- Support for schools during Covid-19.
- Early Years funding this autumn.

Report by Neil Hardwick/Vera Njelic, Schools Finance.

Recommendation:- To inform of the recently announced School Funding Update.

8. SEND Joint Commissioning Strategy, SEMH Strategy and SEND Sufficiency

Report by Jenny Lingrell, Assistant Director, Commissioning, Performance and Quality

Recommendation:- To receive an update presentation and note the progress.

9. The School information (England) Regulations 2020 - Financial Transparency of Maintained Schools and Academy Trusts (Pages 43 - 44)

Report by Vera Njelic, Schools' Finance.

Recommendation:- To note the contents and for Forum Members to ensure all school/academies are aware of this information.

10. Scheme for Financing Local Authority Maintained Schools

Report by Neil Hardwick, Schools' Finance.

Recommendation:- To receive a report and note the contents.

11. Falling Rolls Fund (Pages 45 - 47)

Report by Vera Njelic, Schools' Finance.

Recommendation:- To inform of the criteria for a falling rolls fund.

12. Prior Attainment - Funding Formula Factor (Pages 48 - 49)

Report by Vera Njelic, Schools' Finance.

Recommendation:- To receive the report and note the contents.

13. Any Other Business

- (a) To consider nominations for Chair and Vice-Chair (November meeting) – Clerk to report.

Recommendation:- To receive any other items of urgent business.

14. Date of Next Meeting

Recommendation:- To consider and agree the date and time of the next meeting of the Rotherham Schools' Forum on Friday, 20th November, 2020 at 8.30 a.m. – venue to be confirmed.

**ROTHERHAM SCHOOLS' FORUM
FRIDAY, 26TH JUNE, 2020**

In Attendance:- Deborah Ball (Treeton Primary (Academy) (in the Chair);
John Coleman – Nexus MAT
Dom Curran – Aston Academy (Academy)
Neil Hardwick – Head of Finance, CYPS, RMBC
Janet Hodgkinson – GMB Representative
Andy Krabbendam – Kiveton Park Infant and Harthill Primary (Academy)
Jenny Lingrell – Assistant Director, Commissioning, Performance and Inclusion
Angela McComb – Primary Maintained Governor
David Naisbitt – Oakwood High (Academy)
Vera Njelic - Principal Finance Officer, RMBC
Pepe Di'lasio – Interim Assistant Director of Education
Nevine Towers – Diocese of Sheffield
Kirsty Peart - Sitwell Infant (Maintained)
Debbie Pons – Clerk, RMBC
Alan Richards – Secondary Governor
Steve Scott – PVI Sector
Sharon Stones – Head of Arnold Nursery and Children's Centre
Paul Silvester – Newman Special School (Maintained)
Councillor Gordon Watson – Deputy Leader

Apologies were received from:-
Dean Fenton - Head of Access to Education
Mary Jarret – Head of Inclusion, RMBC
Steve Rhodes – Head of Winterhill (Academy)

35. DECLARATIONS OF INTEREST

There were no Declarations of Interest to record.

36. MINUTES OF THE PREVIOUS MEETING AND MATTERS ARISING

Consideration was given to the minutes of the previous meeting held on 17th January, 2020.

Reference was made to Minute No. 28 (Constitution and Membership) where it was confirmed that due to the Covid-19 Pandemic it had not been possible to raise vacancies at the various meetings. However, this would be discussed at the earliest convenience.

Further to Minute No. 30 (2020/21 Early Years Funding) it was noted that the Section 251 submission would not be complete until late Summer when it would then be forwarded to the Forum for information.

With regards to Minute No. 31 (DSG and Funding Formulae) would be clarified further and circulated to the Forum.

Agreed:- That the minutes of the last meeting held on 17th January, 2020, be approved as a true and accurate record, subject to Mr. J. Coleman being added to the list of those present.

37. CONSTITUTION AND MEMBERSHIP OF THE SCHOOLS' FORUM

The Clerk presented the current constitution and membership as at January, 2020, of the Rotherham Schools' Forum.

Nominations to fill vacancies had been received from Rajmund Brent to fill a vacancy in the Maintained Primary Governor Sector and from Phillip Patterson, Diocese of Hallam.

Agreed:- That Rajmund Brent and Phillip Patterson be approved as representatives on the Rotherham School's Forum for a period of four years.

38. DEDICATED SCHOOLS GRANT - 2019/20 OUTTURN & 2020/21 FUNDING

Neil Hardwick, Head of Finance for Children and Young People's Service, introduced the report which outlined the 2019/20 outturn position of the dedicated schools grant (DSG) and to the surplus/deficit balances of the maintained schools within Rotherham.

A further outline was provided on the national picture on the High Needs Block as part the overall Dedicated Schools Grant and the additional funding the Government was investing in education in the next three years as part of its spending review.

The announcement would provide additional funding for schools and high needs and, when compared to 2019-20, would rise by £2.6 billion for 2020-21, £4.8 billion for 2021-22 and £7.1 billion for 2022-23. For Rotherham this was an additional £6.2m for schools and £4.8m in the High Needs Block.

The report also highlighted clarification on the accounting treatment of the Dedicated Schools Grant reserve and use of funds to mitigate the deficit following the Government's consultation response in January 2020 and in addition information in respect of pupil-led funding recovered as a result of permanent exclusions.

The Forum sought and received confirmation that, where possible, outstanding monies as a result of a child being permanently excluded were pursued and recouped. From 2018/19 there were two outstanding. One was resolved shortly after being highlighted and the other was still being followed up.

Reference was made to individual school budgets and of the total 2019/20 surplus balances, eight schools held balances (set out in detail as part of

the report) above the thresholds set out in the Scheme for Financing Schools.

In addition, of the seven schools that were previously identified to be in deficit, one had now entered a surplus balance position, two have academy status with a cumulative deficit balance of £103k and four schools remained in deficit. Three schools that were previously in surplus have now entered a deficit position.

Meetings would be taking place between the school, Finance, HR and School Improvement Service colleagues to offer support in developing a deficit recovery plans. For all schools that were in a deficit position, individual three-year budget recovery plans were in the process of being compiled. These would then be subject to formal review throughout the year.

The Forum welcomed the positive moves being taken to address the deficit and eventually operate the High Needs Block within the annual funding in the future.

Agreed:- (1) That the report be received and the contents noted, particularly that the reserve balances have increased to £19.7m (centrally retained).

(2) That it be noted that the deficit balance is subject to change as this will be dependent on the Early Years adjustment for the Spring 2020 census count. Within the figures, an anticipated addition of £50k has been accounted for.

39. UPDATES TO THE HIGH NEEDS BLOCK FROM 2020/21 ESFA GUIDANCE

Neil Hardwick, Head of Finance for Children and Young People's Services, introduced the report which detailed how High Needs funding was provided to Local Authorities through the High Needs Block of the Dedicated Schools Grant (DSG) and who must spend the funding in line with the associated conditions of grant, and School and Early Years Finance Regulations. Some High Needs funding was also provided directly to some institutions by the Education and Skills Funding Agency (ESFA).

The report, therefore, provided clarity on the place funding process to educational institutions, changes to the ESFA High Needs Block 2020/21 Operational Guidance and enhancements to the current Local Authority processes.

The summary changes to draw to the Forum's attention related to the clarity on pupil places and the process to agree the initial places through the High Needs Learner Return for academies, post 19 and independent sector placements. Maintained school places were determined at the

same time, but through the budget setting process and linked to current place numbers.

The guidance outlined responsibilities between the Commissioning and Provider Authority where the agreed pupil place numbers have been exceeded, also provided much improved understanding of the import/export adjustments to each educational institution within Rotherham and introduced processes to validate that adjustments were correct and to pursue rectification from the ESFA were it was incorrect.

The Forum welcomed the guidance and the importance in ensuring the import/ export data was correct and where this would allow the Schools Finance Team to contact each school with their import adjustments to validate they were correct or request evidence to pursue revision of the import numbers with the ESFA.

Whilst it was noted and acknowledged that with the increase in academies it may be the Chief Finance Officer who may need to be contacted about any adjustments, in some cases the responsibility still lay with the Head Teacher. The Schools Finance Team would ascertain the main points of contact for each school following this meeting.

Agreed:- (1) That the process to agree initial place funding with educational institutions and the requirements to agree additional in year funding as detailed in the ESFA 2020-21 High Needs Funding Operational Guidance be noted.

(2) That the proposed enhanced processes to confirm import/export places with each education institution and where incorrect action the enquiry process through the ESFA be supported.

40. ENHANCEMENTS TO PAYMENT OF ELEMENT 3 (TOP-UP) FUNDING FOR HIGH NEEDS LEARNERS

Neil Hardwick, Head of Finance for Children and Young People's Services, introduced the report which set out how the Element 3 Top-up payments were currently being made to Rotherham schools and academies on an annual basis, with other educational institutions invoicing the Local Authority.

The proposal moving forward was to widen the top-up payments to cover all maintained schools, academies, Pupil Referral Units and Further Education providers on a monthly basis in arrears which would ensure that Rotherham was compliant with the ESFA - High Needs Funding: 2020 to 2021 Operational Guide.

By providing all educational institutions with a detailed payment schedule this would outline and identify each student's top-up payment and line up pupils with payments. In addition, this would also facilitate and enable further updates from each institution of any new starters and leavers

which could then be reviewed and if approved amended on the following month's payment.

Agreed:- That the enhancements to the payments process of Element 3 (Top up Funding) from the DSG High Needs Block to all mainstream, special schools, PRU's and Further Education institutions for all Rotherham High Needs Learners (HNL's) be approved.

41. **UPDATE ON SEN SUFFICIENCY PROJECTS**

Jenny Lingrell, Assistant Director, Commissioning, Performance and Inclusion, introduced the report which, following approval by the Cabinet for a capital spending programme of £1.186 million to create 111 additional school places in Rotherham starting from 2020, for children with special education needs and disabilities an update was provided on the progress of works.

These were in addition to the 125 places which were agreed in Phase 1 and some would be impacted by the recent Covid-19 pandemic as some projects were to be built during August and it was not clear at present whether they could yet be delivered within timescales.

Whilst there was some uncertainty regarding continuation of building works, as set out in detail as part of the submitted report, there have been some additional delays and project issues to the Aspire Primary site, the extensive works planned at Thomas Rotherham College (TRC) and Wath Victoria Primary School.

Agreed:- That the progress in relation to developing the new SEN Sufficiency projects be noted.

42. **SEND JOINT COMMISSIONING STRATEGY, SEMH STRATEGY, SEND SUFFICIENCY STRATEGY AND ALTERNATIVE PROVISION REVIEW**

Jenny Lingrell, Assistant Director, Commissioning, Performance and Inclusion, gave a presentation, using Powerpoint, on the Rotherham Social, Emotional and Mental Health Strategy which drew attention to progress made against the six priorities identified in the SEMH Strategy.

The priorities were:-

- **Sufficiency:** develop local education provision that responds to need – this will include flexible and specialist provision. The update on this priority was provided as part of the previous agenda item.
- **Seamless Pathways:** ensure that pathways to support are connected and aligned and develop a clear behaviour pathway that includes responses to attachment and trauma. The focus in this academic year has been to establish the Mental Health Trailblazers in pilot schools. The Mental Health Support Teams are now fully

established. Next steps will be to embed these and identify how the learning from the Mental Health Trailblazer can inform the wider system.

- **Evidence-Based Approaches:** ensure that the local authority offer (from Early Help and Inclusion services) is underpinned by evidence-based approaches and aligned with clear pathways. Mapping is underway for presentation to working groups as part of the Isos review (commencing July).
- **Workforce:** develop a robust training and support, enabling practitioners to feel confident in responding to the needs of children and young people with SEMH needs. Sara Graham, Maltby Academy Trust, is leading this piece of work and designing a framework and delivery model to support the workforce (work will continue into autumn term).
- **Partnerships:** develop and sustain robust inclusion partnerships that enable schools to meet need through a collective approach to responding to the needs of individual children.

The Isos Partnership have been engaged to lead a review of Alternative Provision and Partnerships in Rotherham. The work focussed on the continuum of inclusion support and AP (with a clear understanding of the roles and pathways), the decision-making processes and responsibility for pupils requiring inclusion support and AP; and the funding system, ensuring this supported strategic priorities and the day-to-day operation of inclusion support and AP.

The work had been split into three stages. Phase 1 was building a picture of the context around inclusion support and AP in Rotherham, including data analysis, engagements with LA, AP and school leaders. Phase 2 was shaping options for the future system. ISOS would establish and facilitate the work of two Working Groups (primary and secondary) and engage with other key partners (e.g. PRUs). Phase 3 would be pulling it all together, collating findings, developing a summary report and presenting key findings to colleagues and partners.

The Forum were advised the ISOS Partnership delivering the project were responsible for arranging the virtual groups and the consultation. Contact details of relevant schools had been provided, but anyone who had not been contacted and wished to be involved were welcome to contact Jenny Lingrell direct and the details would be forwarded on.

The neutrality and credibility of the partnership along with how progress could be sustained and embedded in the future were welcomed.

Forum Members found the presentation very informative and welcomed the approach being taken forward. An update on progress would be provided in due course.

Agreed:- (1) That Jenny Lingrell be thanked for her informative presentation.

(2) That the presentation slides be circulated to Forum Members after the meeting for information.

43. RISK PROTECTION ARRANGEMENT (RPA)

Andrew Shaw, Insurance Manager, introduced a report which detailed how following a Government consultation, the Department for Education (DfE) was to extend the academies' Risk Protection Arrangement (RPA) to Local Authority maintained schools.

The report set out in more detail information on the scheme and aimed to advise on the issues that should be considered by schools before signing up.

It was highlighted, however, that Local Authority maintained schools considering a switch to the RPA must carefully consider the implications of such a move, including factoring in the cost and value of services provided by the Authority as well as the insurance covers not provided by the RPA.

It would represent good value for some schools, but it was essential that they understand all the implications and potential costs that they, and the Local Authority, might face before making a decision, given that there were still many 'unknowns' at this stage, largely because the DfE had released very little in the way of claims and performance-related information.

Consequently, insurers and brokers have not been able to formulate the additional management information that would prove of great assistance in decision making and anyone requiring additional information or guidance should contact Andrew Shaw (Insurance Manager) in the first instance.

Some Forum Members had already signed up to the Government initiative and were happy to share their experiences with others and would pass on their details. However, it was suggested that initially information be circulated to all schools in the first instance and for them to contact relevant people for advice should they express an interest.

Agreed:- (1) That the report be received and the contents noted.

(2) That details of the Government initiative be circulated to all schools for information and they be advised of participating school contacts should they wish to seek further advice.

44. EXPANDING AND NEW SCHOOLS CONTINGENCY FUNDING FORMULA

Vera Njelic, Schools' Finance, introduced the report which detailed the agreed funding formula for funding allocations to support staffing and resource implications for expanding and new schools from the Pupil Growth element within the Schools Block of the Dedicated Schools Grant.

Where schools are expanded, this can create a requirement for additional teaching staffing and, as a result it may be necessary to provide interim financial support to bridge the gap (between 1st September and 31st March for maintained Schools and 1st September to 31st August for Academies) due to funding arrangements.

Funding was allocated to schools each year based upon numbers on roll on Census day in October of the preceding year. Additional pupils commencing at the start of a new academic year as the result of a basic need expansion would not be on roll at that time in order to generate sufficient funding to meet additional staffing and other agreed expenditure. Any new school/Academy that was open for basic need purposes was the responsibility of the Local Authority to fund. This included both post revenue opening costs and pre-start development costs.

The report set out the projections Growth funding allocations for expanding schools which were re paid in July annually following confirmation of pupil growth numbers and additional staffing implications for the new academic year. Allocations were approved by Schools Forum following consideration of a report recommending allocation amounts.

The Forum noted the detail in the report, but sought clarity on use of a Growth or Regrowth Fund for schools/academies that had seen falling rolls in previous years, which in subsequent years had then risen.

It was reported that any provisional fund would first need to be agreed by the Schools' Forum and any such funding would only then be available to schools to be judged Good/Outstanding by Ofsted with specific eligibility criteria.

Currently Rotherham did not have such a fund and consultation on such a proposal would need to be undertaken. It was suggested that a report be prepared for consideration at a future meeting.

Agreed:- (1) That the current expanding and new school growth funding allocations formulas be noted.

(2) That a report be prepared for consideration by the Schools Forum on proposals for a potential Growth/Regrowth Fund.

45. WAVERLEY DISAPPLICATION REQUEST

Vera Njelic, Schools Finance, introduced the report which detailed the intention of the Local Authority to submit a disapplication request to vary the pupil numbers on the October, 2020 schools census return for the new Waverley Junior Academy which was scheduled for completion in early August in time for the start of the 2020/2021 academic year, which may not be achieved given the current COVID-19 pandemic.

As a consequence of a delay to the opening of Waverley academy, pupils currently on roll at Rotherham schools who have applied to transfer to Waverley have the option to remain in their current school.

This temporary measure could lead to these pupils being included in the October, 2020 pupil census count at those schools and not Waverley's. 2021/2022 school budgets were mainly determined by the number of pupils on school census data.

Where a new school had opened, regulations required Local Authorities to estimate the pupil numbers for that school, explaining the rationale underpinning the estimates. The Local Authority could then include those pupils registered on the temporary school's October 2020 count with Waverley, for the purpose of future funding calculations. To ensure these pupils were not double funded regulations required the Council to submit a disapplication request to the ESFA in order to vary October 2020 pupil numbers, should the above-mentioned scenario occur. This would mean there would be an adjustment to the submitted census data of those schools where the Waverley pupils have remained on a temporary basis. It would remove those pupils who were to transfer to Waverley Junior and, therefore, the 2021/2022 funding would reflect their removal from October 2020 census return.

Consultation had taken place with all schools to make them aware that it was the intention to submit a disapplication request in the Autumn term if necessary.

It was noted that some schools that were affected by the opening of Waverley Junior Academy were currently refusing children entry even though when Waverley opened they would have places. Those children refused places were advised to follow the appeals process.

Agreed:- That the report be received and the contents be supported.

46. FREE SCHOOL MEALS APPLICATIONS

Neil Hardwick, Head of Finance for Children and Young People's Services, introduced the report which highlighted the significant increase in Free School Meal applications since lockdown was imposed.

As at January 2020 school census there were 8,557 Rotherham children recorded as eligible for free school meals. During the period 23rd March 2020 to 9th June 2020 the Council received 863 web applications in comparison to 169 received during the same period last year.

Following receipt of the 863 web applications 730 (85%) were issued award notices and 133 (15%) non eligible notices. Based on current data there were now 9287 children entitled to free school meals.

It was pointed out, however, that the increased number of registered free school meal children will lead to an increase in Rotherham's 2021/2022 School's Block DSG and Pupil Premium allocations.

It was suggested that information be circulated to all schools to avoid any disruptions during this period. There had been issues with the Portal and getting logged in, but by circulating information all schools would be kept up-to-date.

Agreed:- (1) That the report be received and the contents noted.

(2) That information be circulated to all schools, as soon as possible.

47. ANY OTHER BUSINESS

(a) DfE School Funding guidance - COVID pandemic

Neil Hardwick, Head of School Finance for Children and Young People's Services, introduced the report which acted as a reminder to the DfE guidance issued and the current financial support the DfE had put in place at these extraordinary times.

The DfE have already confirmed that schools would continue to receive their core funding allocations – as determined by the Council for maintained schools and through the general annual grant (GAG) for academies – for the 2020 to 2021 financial year (April 2020 to March 2021 for maintained schools and until August 2021 for academies and non-maintained special schools).

This would occur regardless of any periods of partial or complete closure and ensure schools could continue to pay staff and meet other regular financial commitments.

Councils would also continue to receive their High Needs budgets and should continue to pay top-up and other high needs funding to schools. This would ensure that the employment and payment of staff supporting pupils with special educational needs and disabilities (SEND) could continue.

Similarly, where schools pay top-up or other funding for pupils attending alternative provision (AP), or pay for other SEND or AP

services, these payments would continue so that teachers and other staff could be paid in accordance with their existing employment contracts.

If placements and services for the summer term have not yet been agreed, schools should fund on the basis of previous patterns of placements. There may be some instances where schools that remained open have already, or may over the coming weeks, face additional costs as a result of the coronavirus (COVID-19) outbreak. In some instances, schools may not be able to cover these from their existing resources.

Forum Members welcomed the information and found the detail helpful and reassuring.

Agreed:- That the report be received and the contents noted.

48. DATES OF NEXT AND FUTURE MEETINGS

Agreed:- That future meetings of the Schools Forum take place Friday, 18th September and 20th November, 2020 at 8.30 a.m. (venue to be confirmed).

Schools Forum Briefing

1.	Date of meeting:	18 th SEPTEMBER 2020
2.	Title:	DSG 2020/21 – MID YEAR UPDATE REPORT
3.	Directorate:	CYPS

1. SUBJECT: DSG 2020/21 – MID YEAR FUNDING UPDATE REPORT

2. PURPOSE OF REPORT

To update all members of Schools Forum on the the wider dedicated schools grant (DSG) position for 2020/21.

3. RECOMMENDATION (S)

That members note the current position.

4. REASON FOR RECOMMENDATION (S)

To ensure Schools Forum members are aware of the current year position of the wider dedicated schools grant (DSG) and the impact this has on the DSG reserve.

5. BACKGROUND INFORMATION

5.1 The 2019/20 outturn provided the closing DSG reserve balances to be;

High Needs Block	-£20.425m
Early Years Block	£ 0.773m
Schools Block	£ 0.392m
Central Schools Block	£ 0.089m
Pupil Referral Units	-£ 0.721m
Total	-£19.892m

On closure of the 2019/20 accounts the local authority had not been notified of the final early year's adjustment for 2019/20 as a result of the January schools & early year's census. The local authority estimated that this would be £50k addition. On the 17th July 2020 the ESFA provided the final allocations to local authorities and for Rotherham the adjustment was an increase in funding of £43k.

The overall impact of the ESFA final allocations is that the LA received £7k less income than initially anticipated and this has been analysed below;

	Variance	No. PTE pupils
Nursery school supplementary funding	-£5k	-2
EY Pupil Premium	-£ 2k	-7

The spring 2020 census is also used to re-run the allocations for 2020/21 financial year as outlined further in 5.2 below.

- 5.2 The additional £7k has been used to increase the Early Years Reserve carry forward budget for the 2020/21 financial year.

2020/21 overall DSG position

The initial allocations were issued in December 2019 and the latest July 2020 allocations have been updated as follows;

	Dec 2019 (£m)	Jul 2020 (£m)	Movement (£m)
Schools block (incl. academy allocations)	£197.067m	£197.067m	Nil
Central schools block	£1.136m	£1.136m	Nil
High Needs block (incl. EFA funded places)	£36.854m	£37.109m	(+£0.255m)
Early Years block (inc. estimated Jan 20 Census Adjustment)	£17.625m	£17.701m	(+£0.76m)
Total	£252.682m	£253.014m	(£0.332m)

The above table excludes block transfers

The High Needs adjustment can be analysed as:

Additional Funding for Imported Places (Jan 20 Census)	(£255k)
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This adjustment is to reflect any changes either in the placement by a local authority of pupils in schools and colleges located in other local authority areas (exports), or in the funding required by schools and colleges accepting pupils and students resident in other local authority areas (imports).

The Early Years adjustment (following Jan 20 census) can be analysed as:

3 & 4 year old universal funding	-£23
3 & 4 year old extended funding	-£181k
2 year old funding	£116k
Early Years Pupil Premium Grant	-£15k
Nursery school supplementary funding	£27k

Excluding EFA direct funding of academies (and high needs places) the revised DSG allocations are:-

	Allocation	Additional information
Schools block	£38.856m	After recoupment for all conversions as notified by the DfE in July 2020
Central schools block	£1.136m	
High Needs block	£31.052m	Allocation less £6.057m for ESFA direct funded places
Early Years block	£17.701m	Incl. EYPP & DAF funding allocations
Total	£88.745m	

As at the end of August (period 5), the anticipated outturn position is as follows:

5.3

Early Years are currently forecasting a breakeven position at year end.

High Needs DSG has a forecast overspend of £0.420m based on the DSG recovery plan and included anticipated growth on EHCs numbers and the implementation of new developments linked to the SEND Sufficiency Strategy see table below for details:

High Needs Block Budget Monitoring 2020-21 as at the 31st August	Original Budget 2020-21	Original Place Numbers April to August	Original Place Numbers Sept to March	Revised Budget 2020-21	Forecast Outturn 2020-21	Forecast Variance to Revised Budget 2020-21
Special Schools Total	13,545,516	731	745	14,169,813	14,169,813	-1
Primary Units Total	325,677	12	42	325,677	114,830	-210,847
Secondary Resource Units	463,106	15	51	456,106	220,931	-235,176
Special School Units Total	491,808	0	43	491,808	335,883	-155,925
Top Up Funding Total	7,559,741	706	723	7,236,266	7,103,931	-132,335
Alternative Provision Total	5,676,088	304	314	5,479,266	5,568,907	89,641
External Residential Total	1,973,135	60	48	1,973,135	2,347,601	374,466
Independent Service Providers Total	5,934,575	172	162	5,956,746	6,605,331	648,585
Inclusion Services Total	2,205,094	18	19	2,208,094	2,402,078	193,984
Other Education Services Total	480,228	0	0	358,057	327,628	-30,429
CCP & FE Places Total	1,410,190	192	236	1,410,190	1,288,548	-121,643
TOTAL	40,065,158	2,211	2,384	40,065,158	40,485,480	420,322

Based on the above, the level of DSG central reserves deficit will increase from a deficit of £19.892m (carried forward from 2019/20) to £20.312m at the end of 2020/21 as outlined below;

Reserve brought forward	-£19.892m
Plus: in-year overspend	(£0.420m)
Anticipated reserve at 31.03.21	-£20.312m

This would equate to 8.03% of the overall DSG allocation.

In summary, the financial sustainability of the high needs block remains a significant cause for concern for the borough which will require addressing for 2021/22

Name and contact details

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Schools Forum Briefing

1.	Date of meeting:	18 th September 2020
2.	Title:	New Funding Announcement – Pre 16 Schools Revenue Funding for 2021/2022
3.	Directorate:	Finance and Customer Services Directorate

1. SUBJECT: NEW FUNDING ANNOUNCEMENT

2. PURPOSE OF REPORT

To inform Schools Forum members of the recently announced School Funding Update

3. RECOMMENDATION (S)

That members note this information and ensure they make school/academies that they represent aware of this information.

4. REASON FOR RECOMMENDATION (S)

To ensure Schools Forum members are aware of the latest announcements relating to funding.

5. BACKGROUND INFORMATION

- 5.1 On 20th July the Minister of State for School Standards made a written statement setting of the key aspects to schools, high needs and central school services national funding formula for 2021/2022.

SCHOOLS AND HIGH NEEDS

6. Provisional funding allocations for 2021/2022 through the schools, high needs and central services national funding formula (NFF) have been published.

- 6.1 The 5-16 core schools and high needs budget will, compared to 2019/20 rise by the following:

- £4.8 billion in 2021/22
- £7.1 billion in 2022/23

In addition to this, additional pension costs for teachers, worth £1.5 billion per year.

- 6.2 Funding from the teachers' pay grant and the teachers' pension employer contribution grant, including the supplementary fund, has been added to schools' NFF allocations from 2021-22. The funding has been added to basic per pupil entitlement, to the minimum per pupil funding levels, and to schools' baselines so that it is protected through the funding floor. This will simplify the allocation of this funding – worth almost £2bn a year – recognising the fact that these grants are part of schools' core budgets and providing reassurance to schools and local authorities that this funding will continue to be provided.
- 6.3 The 2019 update to the Income Deprivation Affecting Children Index has been incorporated so that deprivation funding allocated through the formulae is based on the latest data.
- 6.2 The minimum per pupil amounts are also set to increase; the current levels are £3,750 for primary and £5,000 for secondary schools. For 2021/2022 these will increase to £4,000 and £5,150 for primary and secondary respectively. – on top of that, these schools will receive an additional £180 and £265 per pupil respectively to cover additional teachers' pay and pension costs previously funded through the separate grants.
- 6.3 In addition, for 2021/2022 the minimum funding guarantee will be between +0.5% and +2.00% (for 2020/2021 the MFG was between +0.5% and +1.84%).
7. Local authorities will only be able to transfer 0.5% of their Schools block with School Forum approval. To transfer more than this or any amount without Forum approval, they will have to submit a request to the DfE.
- 7.1 Final dedicated schools grant allocations will be released in December 2020 (following the October 2020 census).
8. Within the allocations announced above, £730m has been included in 2021/22 to support children & young people with special educational needs. The high needs NFF will ensure that every local authority receives an increase of at least 8% per head of population.

CENTRAL SCHOOLS SERVICES

- 8.1 Central schools services funding in 2021-22 will increase by 4% for the ongoing responsibilities that local authorities continue to have for all schools.

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Department
for Education

The national funding formulae for schools and high needs

2021 - 2022

July 2020

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Background

1. As the country moves through the coronavirus (COVID-19) pandemic, never has the essential role that schools play in our communities been more apparent. As a result, the government is more committed than ever to its mission to level up opportunity and transform the lives and prospects of a generation. Every child deserves to benefit from a great education, and the success of our country depends on a world-class schools system.

2. We are backing that commitment with the largest cash increase for schools in a decade. Core school funding is increasing by £2.6bn in 2020-21, and will increase by £4.8bn and £7.1bn in 2021-22 and 2022-23 respectively, compared to 2019-20, including significant additional funding for children with special educational needs and disabilities. In addition to this, we continue to fund additional pension costs for teachers, worth £1.5bn a year.

3. Now, by publishing provisional school and high needs funding allocations for 2021-22, through the schools, high needs and central school services national funding formulae (NFF), we are delivering the second year of that three year funding increase. These allocations will give schools and local authorities certainty of future funding levels.

4. The funding factors used in the formulae remain the same, but we are making two technical changes:

- Funding from the teachers' pay grant and the teachers' pension employer contribution grant, including the supplementary fund, has been added to schools' NFF allocations from 2021-22. The funding has been added to basic per pupil entitlement, to the minimum per pupil funding levels, and to schools' baselines so that it is protected through the funding floor. This will simplify the allocation of this funding – worth almost £2bn a year – recognising the fact that these grants are part of schools' core budgets and providing reassurance to schools and local authorities that this funding will continue to be provided.
- The 2019 update to the Income Deprivation Affecting Children Index has been incorporated so that deprivation funding allocated through the formulae is based on the latest data.

5. School funding through the NFF is increasing by 4% overall in 2021-22. The NFF will distribute this funding based on schools' and pupils' needs and characteristics. The main features in 2021-22 are:

- The key factors in the NFF will increase by 3%, providing a significant increase to those schools already attracting their NFF allocations.
- The minimum per pupil funding levels will ensure that every primary school receives at least £4,000 per pupil, and every secondary school at least £5,150 per pupil, delivering on the government's pledge to level up the lowest funded schools

– on top of that, these schools will receive an additional £180 and £265 per pupil respectively to cover additional teachers' pay and pension costs previously funded through the separate grants.

- Every school will be allocated at least 2% more pupil-led funding per pupil compared to its 2020-21 NFF baseline.
- Additional funding for small and remote schools will increase in 2021-22, with primary schools attracting up to £45,000, compared to £26,000 previously, as a first step towards expanding the support the NFF provides for such schools from 2022-23.

6. High needs funding is increasing by a further £730m, or 10%, in 2021-22 – that follows the £780m increase this year and brings the total high needs budget to over £8bn. The high needs NFF will ensure that every local authority receives an increase of at least 8% per head of population, with some authorities receiving up to 12% more than this year. This vital extra resource will help local authorities to manage their cost pressures in this area. In addition, the government is continuing to pursue a cross-departmental review of the SEND system to see what further improvements are necessary to ensure that it supports children and young people with SEND as effectively as possible.

7. Central schools services funding in 2021-22 will increase by 4% for the ongoing responsibilities that local authorities continue to have for all schools. In line with the process introduced for 2020-21 to withdraw funding over time based on the commitments local authorities entered into before 2013-14, funding for historic commitments will decrease by 20%, for those local authorities in receipt of this funding.

8. These provisional NFF allocations will be updated, based on the latest pupil data, to produce final allocations that local authorities will receive through the Dedicated Schools Grant (DSG). Local authorities will continue to use that funding to determine final allocations for all local mainstream schools.

9. In light of the need to focus efforts on meeting the challenges of COVID-19, we are not changing local authorities' flexibility over the distribution of school funding in 2021-22. The government will shortly put forward proposals to move to a 'hard' NFF in future, which will determine schools' budgets directly, rather than through local formulae set independently by each local authority. This will level up the school funding system so that all schools across the country are funded on a comparable basis. We will consult wider with local authorities, schools and others to make this transition carefully.

The national funding formula for schools

10. The basic structure of the schools national funding formula (NFF) is not changing for 2021-22. It remains as set out in Figure 1. However, we are changing some existing features of the formula, alongside making some technical changes. These are outlined below.

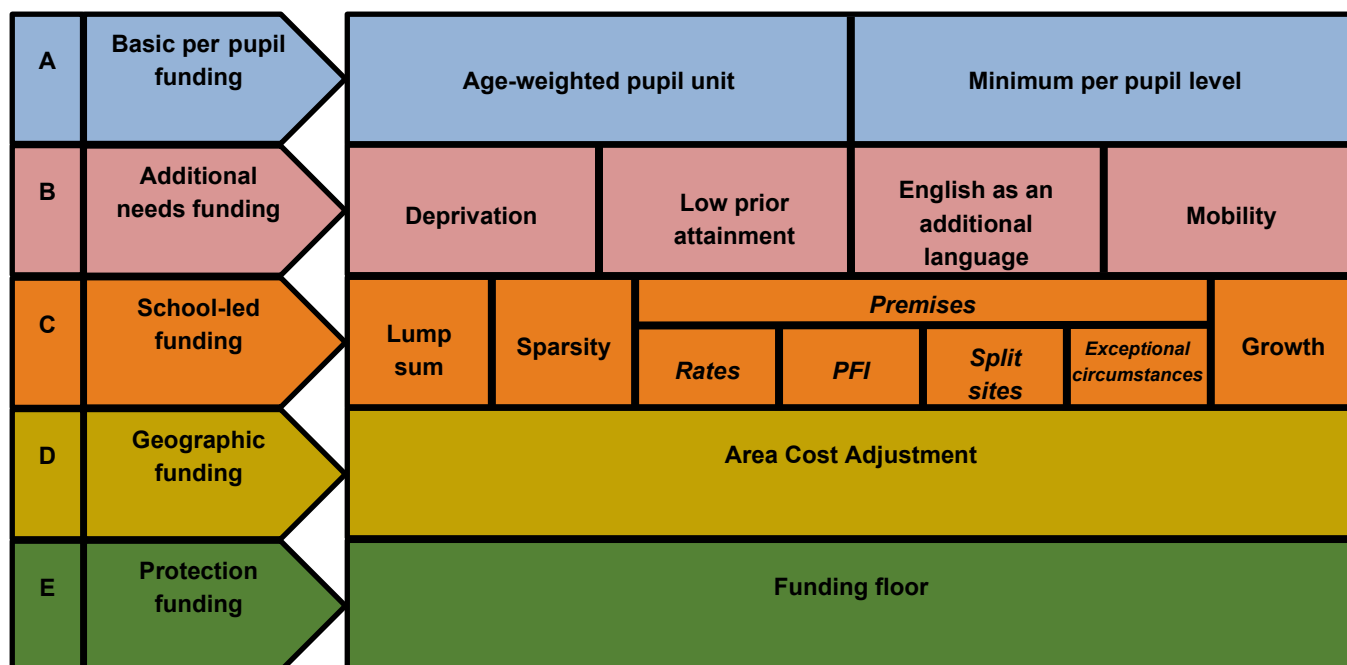


Figure 1: This illustrates the factors that will be taken into account when calculating schools block DSG funding allocations through the national funding formula. It is not to scale. Funding for factors in italics will be allocated to local authorities on the basis of historic spend.

11. This document sets out the main changes to the National Funding Formulae in 2021-22. For a more detailed overview of the National Funding Formulae as a whole, and changes made in previous years, please see the [2018-19](#), [2019-20](#) and [2020-21](#) policy documents. For more detail on the how the NFF works, and on operational arrangements for 2021-22, please see the technical note and operational guide.

Increasing funding factor values

12. The additional money we have invested in schools for 2021-22 means that we can increase the key factors in the NFF by 3.0%.¹ This means that schools which are already attracting their NFF allocations will attract a significant increase in both cash and real terms. On top of this 3.0% uplift, we have added a further £180 for primary pupils and £265 for secondary pupils the age-weighted pupil unit, to reflect the rolling

¹ The key factor values have been uplifted by 3% and then rounded.

in of the teachers' pay and pension grants into the NFF, as set out in paragraphs 20-27 below.

13. The minimum per pupil levels in 2021-22 will be set at £4,180 for primary schools. This delivers on the Prime Minister's commitment to ensure that every primary school will receive a minimum of £4,000 per pupil, with a further addition of £180 per pupil from the rolling in of grants. The minimum per pupil levels will be £5,215 for KS3 and £5,715 for KS4 – ensuring that standard secondary schools with 5 year groups receive at least £5,415 per pupil. This includes £265 per secondary pupil for the rolling in of grants.

14. The 2021-22 NFF funding floor is set at 2.0%, broadly in line with current inflation forecasts.² This means that every school will attract an increase in their pupil-led funding of at least 2.0% per pupil, compared to their funding floor baseline.³ The free school meals factor will also increase by 2.0%, as the factor value is based on an estimate of the actual cost of providing school meals.

15. Premises funding will continue to be allocated at local authority level on the basis of actual spend in the 2020-21 APT, with the PFI factor increasing in line with the RPIX measure of inflation (1.56%) to reflect PFI contracts.⁴

Supporting small and remote schools

16. The Government is committed to supporting small and remote schools which are at the heart of the rural communities they serve. We recognise the particular financial challenges these schools can face due to their location and size, such as fewer opportunities to find efficiencies. Such schools, particularly primaries, are often necessarily small because of their location and without them, pupils could face long travel distances to attend school.

17. The schools NFF accounts for these challenges by providing support to small primary and secondary schools in remote areas through the lump sum and the sparsity factor. In response to evidence we have heard of the financial pressure such schools find themselves under compared to others, particularly small and remote primary schools, we are extending this support further.

² Unlike previous years, we have set the floor at a round number in line with forecast inflation. In light of the uncertainty created by COVID-19, inflation levels in 2021-21 are particularly difficult to predict with accuracy.

³ Funding floor baselines will be increased to take account of the rolling in of the teachers' pay and pension grants.

⁴ [Office for National Statistics RPIX](#)

18. In 2021-22, we will increase the support we are providing for these schools through the sparsity factor. The maximum sparsity value will increase from £26,000 to £45,000 for primary schools, and from £67,600 to £70,000 for secondary schools. This will increase the amount that the formula allocates to remote schools through the sparsity factor to £42 million – an increase of over 60% in comparison to 2020-21.

19. This will be a first step to expanding and improving the support the NFF provides for small and remote schools, with further changes planned from 2022-23. We will consult publicly on these changes in due course.

Rolling grant funding into the schools NFF

20. The Teachers' Pay Grant (TPG) and the Teachers' Pension Employer Contribution Grant (TPECG) and pension supplementary fund provide schools and local authorities with almost £2bn of funding a year. The TPG was introduced in September 2018 to support schools to implement the 2018 teachers' pay award.⁵ In September 2019 the grant was increased to help schools implement the 2019 teachers' pay award, as well as the ongoing cost of the 2018 award. The TPECG and supplementary fund funds schools and LAs for the increase in teacher pension employer contribution costs from September 2019.⁶

21. Rolling these grants into the NFF will simplify their administration, improving the efficiency of the operation of the funding system, and will provide schools and local authorities with greater reassurance that this funding will continue to be considered part of their core funding.

22. The aim of our approach for rolling the grants into the school NFF is to make sure that the additional funding schools attract through the NFF is as close as possible to the funding they would have received if the funding was continuing as separate grants in 2021-22, without adding significant additional complexity to the formula. We have rolled in the grants in three ways, to reflect the three different ways in which schools attract funding through the NFF:

- Adding an amount to reflect the current grant funding (£180 per pupil for primary schools and £265 per pupil for secondary schools) onto the age-weighted pupil

⁵ Further information about the teachers' pay grant can be found at <https://www.gov.uk/government/publications/teachers-pay-grant-methodology/teachers-pay-grant-methodology>

⁶ Further information about the the teachers' pension employer contribution grant can be found at <https://www.gov.uk/government/publications/teachers-pension-employer-contribution-grant-tpecg/pension-grant-methodology>

unit (AWPU). This increases the amount that schools already on their NFF allocations will attract.

- Adding the same per pupil amounts to the minimum per pupil (MPP) funding levels. This increases the amount that schools on the minimum per pupil funding levels will attract through the NFF.
- Adding an amount representing the funding schools receive through the TPG, TPECG and supplementary fund in respect of their reception to Year 11 pupils onto their baselines, which is used to calculate any funding protection for the schools through the funding floor. This increases the amount that schools whose allocations are determined by the funding floor will attract.

23. The £180 and £265 per pupil rates have been calculated on the basis of the grant rates schools currently receive. The existing Area Cost Adjustment (ACA) calculation within the NFF ensures that the per pupil rates added to the AWPU are uplifted to reflect geographical variation in labour market costs. We are therefore not using the separate grant rates that currently apply for inner London, outer London or the London fringe areas.

24. The rolling in of these grants into the schools' notional NFF allocations will affect the core budgets that maintained schools will receive from April 2021, and that academies will receive from September 2021. To avoid an unfair gap in the support provided to academies, academies will therefore continue to receive separate grant payments up until the end of August 2021.

25. In 2021-22, local authorities will remain responsible for determining final allocations to schools, in consultation with the Schools Forum. It is our expectation that, as far as possible, individual schools' additional funding from the previous pay and pension grants should be passed on to them by local authorities in 2021-22. We will provide clear guidance for local authorities on how the calculations have been made, allowing them to mirror the calculations in the local formulae.

26. Schools receiving the minimum per pupil funding levels will have the additional funding protected in local formulae as these will continue to be compulsory in 2021-22. We would also require local authorities to mirror the additional funding added to schools' NFF baselines in their baselines for the minimum funding guarantee, so that schools on the minimum funding guarantee can also have their pay and pension grant funding protected.

27. Further details about methodology for rolling in grants are available in the technical note. Grant funding for early years and 16-19 pupils will be distributed through the early years and 16-19 funding arrangements. We will provide details of how that will be done in due course.

Updating the Income Deprivation Affecting Children Index (IDACI)

28. IDACI is an area-based index measuring the relative deprivation of different areas, and ascribes a score as well as a rank to each Lower-layer Super Output Area (LSOA). The 2019 update provides a more up-to-date measure of the relative deprivation of different areas.

29. For both the schools and high needs NFF, the IDACI scores are divided into seven bands, A to G, with band A representing the most deprived areas. Additional funding is directed by reference to the number of pupils in each of bands A-F, with higher per pupil amounts directed to pupils in the more deprived bands.

30. As we move to using the 2019 data, we will also be changing the banding structure to reflect the new data. This change is necessary to ensure that the amount of deprivation funding allocated through IDACI does not decrease.

31. The new band boundaries will be based on the proportion of LSOAs in each band. In line with MHCLG recommendations, this means that the banding boundaries will be defined by rank⁷ rather than by score. The new IDACI bands are set out in the table below. These apply to both the schools and high needs NFF.

Figure 2: New NFF IDACI bands

Band	A	B	C	D	E	F	G
% of LSOAs in each band	2.5%	5%	5%	5%	10%	10%	62.5%
Ranks covered by each band	1 -	822 -	2464 -	4106 -	5748 -	9033 -	12317 -
	821	2463	4105	5747	9032	12316	32844

32. The table shows that 2.5% of LSOAs (those ranked between 1 and 821) will be placed in the highest IDACI band, band A; 5.0% of LSOAs (those ranked between 822 and 2463) will be placed in band B; and so forth. 62.5% of LSOAs will be placed in band G, which does not attract additional funding.

33. The new banding methodology will ensure that the proportion of pupils attracting funding through each band will remain broadly unchanged from 2020-21. Where there have been small changes in the proportions, we have increased the factor values of some bands by more than 3.0% in the schools NFF to ensure that the average funding, per eligible pupil, allocated through IDACI increases by 3.0%.

⁷ The ranks of each LSOA can be found in file 3 on <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019>.

Moving towards a hard national funding formula

34. The schools NFF has, since it was introduced in 2018-19, replaced the postcode lottery of the past to ensure that funding is distributed on the basis of schools' and pupils' characteristics, not accidents of history or geography. The government is committed to completing these reforms by moving to a 'hard' NFF in future, whereby individual schools receive what they attract through the national formula, rather than through independently-set local authority funding formulae. This will ensure that schools across the country are funded on a comparable basis, as well as create a simpler, more transparent and more predictable funding system.

35. While local authorities currently retain flexibility over how they distribute the funding they receive through the NFF, in consultation with schools, we have seen continued significant progress towards following the national formula. As of this year (2020-21), two-thirds of local authorities have moved all aspects of their funding formulae towards the NFF since its introduction – of these, 64 local authorities are now mirroring the national formulae almost exactly.⁸ Furthermore, 110 local authorities at least matched the funding floor protection in the NFF, while every single local authority implemented the mandatory minimum per pupil levels in 2020-21.

36. In light of this continued progress towards the NFF, and due to the need to focus efforts on meeting the challenges of COVID-19, we are not changing local authorities' flexibility over the distribution of school funding in 2021-22. The minimum per pupil levels, at the values provided in the NFF, will remain mandatory in 2021-22. The government will shortly put forward proposals to move to a 'hard' NFF in future. In making this important change, we want to consult widely with local authorities, schools and others to consider carefully the issues that remain to be resolved, and how we can ensure a smooth transition for all schools and local areas.

Other changes to local funding formulae

37. We have made minimal changes to the rules governing how local authorities set their local funding formulae in 2021-22, to provide stability while local authorities and schools are meeting the challenges posed by the COVID-19 pandemic.

⁸ Of 151 local authorities in England, 99 have moved every one of their factor values in their local formulae closer to the NFF over the past 3 years or remained within 1% of NFF values – the equivalent figure was 89 in 2019-20. The comparison excludes the mobility factor as this was only included in the NFF from 2020-21.

38. Local authorities will continue to set a Minimum Funding Guarantee in local formulae, which in 2021-22 must be between +0.5% and +2.0%. This allows them to match the protection in the NFF, which we expect local authorities to continue to do where possible.

39. The changes to the NFF to roll in teachers' pay and pension grants and to incorporate the 2019 Income Deprivation Affecting Children Index (IDACI) will also be reflected in local funding formulae. We have provided guidance on this for local authorities in the school funding operational guide. We do not expect the incorporation of these changes alone to require consultation with schools.

40. Following the cancellation of assessments in summer 2020 due to COVID-19, local authorities will not be able to use this data as part of setting a low prior attainment factor in local funding formulae. Instead, local authorities will use 2019 assessment data as a proxy for the 2020 reception and year 6 cohort, which will be reflected in the data they receive from the department.

41. Finally, local authorities will continue to be able to transfer up to 0.5% of their schools block to other blocks of the Dedicated Schools Grant (DSG), with schools forum approval. In 2021-22, the total schools block available for such transfers must exclude the additional funding local authorities have been allocated for the teachers' pay and pension grant, thereby guaranteeing that all of this funding remains with schools. A disapplication will be required for transfers above 0.5%, or for any amount without schools forum approval. The criteria the department applies when considering such requests is available to local authorities in the school funding operational guide.

Factor values and total spend in 2021-22

Factors	Unit Values	Total Funding (including ACA)	Proportion of core total
Basic per pupil Funding		£28,905m	76.5%
AWPU		£28,450m	75.3%
Primary AWPU	£3,123	£14,482m	38.3%
KS3 AWPU	£4,404	£8,236m	21.8%
KS4 AWPU	£4,963	£5,731m	15.2%
Minimum per pupil		£455m	1.2%
Primary Minimum Per Pupil funding	£4,180	£319m	0.8%
Secondary Minimum Per Pupil funding	£5,415	£136m	0.4%
Additional Needs Funding		£6,426m	17.0%
Deprivation		£3,341m	8.8%
Primary FSM	£460	£372m	1.0%
Secondary FSM	£460	£230m	0.6%
Primary FSM6	£575	£613m	1.6%
Secondary FSM6	£840	£712m	1.9%
Primary IDACI A	£620	£97m	0.3%
Primary IDACI B	£475	£145m	0.4%
Primary IDACI C	£445	£133m	0.4%
Primary IDACI D	£410	£117m	0.3%
Primary IDACI E	£260	£139m	0.4%
Primary IDACI F	£215	£108m	0.3%
Secondary IDACI A	£865	£81m	0.2%
Secondary IDACI B	£680	£129m	0.3%
Secondary IDACI C	£630	£120m	0.3%
Secondary IDACI D	£580	£106m	0.3%
Secondary IDACI E	£415	£141m	0.4%
Secondary IDACI F	£310	£99m	0.3%
Low Prior Attainment		£2,613m	6.9%
Primary LPA	£1,095	£1,557m	4.1%
Secondary LPA	£1,660	£1,055m	2.8%
English as an Additional Language		£420m	1.1%
Primary EAL	£550	£311m	0.8%
Secondary EAL	£1,485	£108m	0.3%
Mobility		£52m	0.1%
Primary Mobility	£900	£42m	0.1%
Secondary Mobility	£1,290	£10m	0.0%
School Led Funding		£2,473m	6.5%
Lump Sum		£2,430m	6.4%
Primary lump sum	£117,800	£2,032m	5.4%
Secondary lump sum	£117,800	£398m	1.1%
Sparsity		£42m	0.1%
Primary sparsity	£45,000	£38m	0.1%
Secondary sparsity	£70,000	£4m	0.0%
Premises		£531m	1.4%
Area Cost Adjustment: Multiplier applied to basic per pupil, additional needs and school led funding. (It is already included in the factor subtotals.)		£949m	
Core total (excluding funding floor)		£37,804m	
Protections			
Floor		£581m	
Primary floor funding		£334m	
Secondary floor funding		£247m	
Total		£38,916m	

Figure 3: This shows the unit values, total funding and proportion of funding for each factor in the formula. Total funding is rounded to the nearest £1m. Proportion of core total is rounded to the nearest 0.1%. The secondary minimum per pupil factor value is based on a standard secondary schools with 5 year groups. We have excluded growth funding from this table as this funding will be calculated using October census data.

The national funding formula for high needs

Updates to the high needs national funding formula in 2020-21

42. The national increase in high needs funding, from 2020-21 to 2021-22, will amount to £730 million. This will allow local authorities to see further increases in their share of high needs funding for 2021-22, using the 2020-21 allocations as a baseline⁹ with a minimum per head increase of 8.0%. The additional funding is distributed through the formula, which includes:

42.1. **The funding floor** – this ensures that all local authorities' allocations per head of population will increase by a minimum percentage compared to the baseline. For 2021-22 we are continuing to keep the funding floor at 8.0%.¹⁰

42.2. **The limit on gains** – the limit on gains will be 12.0% per head of population compared to the baseline, so that authorities due to gain under the formula see an increase of up to 12.0% before their gains are capped.

43. The remainder of the additional funding will be distributed through an increase to the proxy factors in the formula, keeping their relative weightings the same as previously. The historic spend factor will remain at the same cash value as in 2020-21.

44. For 2021-22, we have also incorporated the teachers' pay grant and the teachers' pension employer contribution grant amounts within the formula by increasing the basic entitlement factor value to £4,660 for special schools, and through an additional factor in the formula that will enable local authorities to receive funding equivalent to the teachers' pay and pension grant they will receive in 2020-21 for AP settings, and to the teachers' pension supplementary fund they will receive. The basic entitlement factor numbers will be updated for the December DSG allocations using the latest school census data, as in previous years. The additional factor amounts will also be updated, in line with the relevant grant amounts paid in 2020-21.

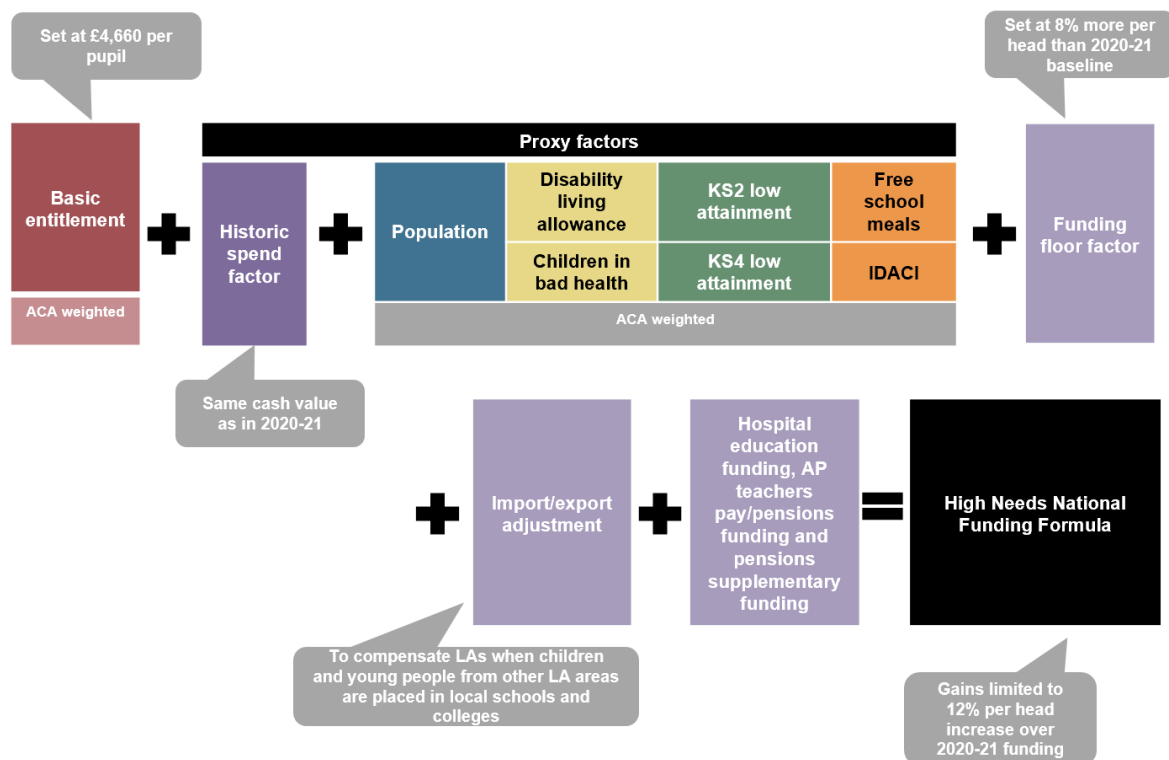
45. The basic structure of the high needs national funding formula is not changing for 2021-22. Figure 4 below sets out the factors and adjustments that comprise the

⁹ The basic entitlement factor and import/export adjustment will continue be excluded from the funding floor and gains cap baselines as previously. Further detail can be found in the technical note. In addition, the baseline will be updated with additional sums for those special free schools that are no longer new and growing so authorities can continue receiving this funding in future years through the formula.

¹⁰ And similarly to the previous year, the hospital education element will also be uplifted by 8%, in line with the funding floor.

formula, including an area cost adjustment applied to the basic entitlement and proxy factors.

Figure 4: basic building blocks of the formula



46. In addition to regular data updates in the high needs NFF, we have also updated the Income Deprivation Affecting Children Index (IDACI) factor in the 2021-22 formula to use the latest available 2019 data. Similar to the schools NFF, the high needs NFF uses IDACI as a proxy factor for deprivation funding. Updating this to use the latest available data will ensure that funding through this proxy factor continues to be targeted towards areas most likely to need additional funding. The new banding structure outlined in paragraphs 31-32 above will also apply to the high needs NFF. The band boundaries are based on set proportions of the IDACI areas to minimise change for the majority of local authorities.

47. For further details on the methodology used for the high needs formula, please refer to the 2021-22 high needs technical note once published. The technical note will also include information on the data updates and adjustments used within the high needs formula.

Local distribution of high needs funding

48. We will be requiring local authorities to allocate to special schools (maintained and academies), pupil referral units and AP academies additional high needs funding for 2021-22, on a similar basis as their allocations of the separate teachers' pay and pensions grants in 2020-21, using similar conditions of grant that will instead apply to authorities' allocations of DSG. We will provide more guidance on this in the high needs operational guide to be published in September 2020.

49. We are continuing the maintained special schools and special academies protection arrangements in 2021-22, using the 2020-21 allocations of place and top-up funding as the basis for the year-on-year calculation, and including the teachers' pay and pensions grant they will have received in 2020-21.

50. The minimum funding guarantee (MFG) for mainstream schools – at least +0.5% per pupil – covers their core budget, but does not cover the high needs top-up funding they receive. That element is not protected, because it can change significantly when a single pupil with high needs leaves the school.

51. For special schools, however, the top-up funding they receive is a much higher proportion of their overall funding, and so it is covered by the equivalent of the MFG for special schools. Because it protects more of their total budget, we are continuing to set the level of that broader protection slightly lower – at 0% per pupil. This means that no special school will receive from their local authority less per pupil next year on a like-for-like comparison with their pupil cohort this year. Again further guidance on this protection will be available in the high needs operational guide to be published in September.

The national funding formula for central schools services

The central schools services block in 2020-21

52. The central school services block (CSSB) within the DSG provides funding for local authorities to carry out central functions on behalf of maintained schools and academies. The block will continue to comprise two distinct elements: ongoing responsibilities and historic commitments.

Ongoing responsibilities

53. The CSSB will continue to fund local authorities for the ongoing responsibilities they have a statutory duty to deliver for all pupils in maintained schools and academies. The total funding for ongoing responsibilities is £257m in 2021-22 – a 3.8% increase compared to 2020-21 to keep up with inflation and pupil numbers.¹¹

54. This element of the CSSB is calculated using a simple per-pupil formula, the structure of which is unchanged. 90% of the funding will be distributed through a basic per-pupil factor, and 10% of funding through a deprivation factor based on the proportion of pupils eligible for free school meals within the past six years (FSM6) in mainstream schools. Both elements will be adjusted for area costs.

55. Local authorities will continue to be protected so that the maximum per-pupil year-on-year reduction in funding for ongoing responsibilities is of 2.5%, while the year-on-year gains cap will be set at the highest affordable rate of 6.45%.

56. Additional pension funding that local authorities have claimed for centrally employed teachers will be rolled into the ongoing responsibilities element of the CSSB. We will add this funding as a per-pupil amount to the relevant local authority's per-pupil rate. As this funding is based on local authority claims received in May and June, we will make this adjustment through the DSG later in the year, rather than the NFF in July.

57. Further details on the methodology used for the CSSB formula is set out in the 2021-22 NFF technical note.

Historic commitments

¹¹ This is based on increasing total funding for national copyright licenses by real terms overall, and increasing the remaining funding for ongoing responsibilities by real terms per pupil. As with the schools NFF floor, we have used 2% as a rounded figure broadly in line with current inflation forecasts.

58. From 2020-21 we began to reduce the element of funding within the CSSB that some local authorities receive for historic commitments made prior to 2013-14, and which have been unwinding since. This was in line with our reforms to move to a fairer funding system, and to avoid maintaining significant differences in funding indefinitely between local authorities which reflect historic decisions.

59. In 2021-22, for those local authorities that receive it, historic commitments funding will continue to reduce by 20.0% on 2020-21 allocations, the same rate as the reduction in 2020-21. Also as last year, we will protect any local authority from having a reduction that takes their total historic commitments funding below the total value of their ongoing prudential borrowing and termination of employment costs, in recognition of the long lead-in times required for such costs to unwind. We will consider the evidence local authorities submitted for 2020-21 allocations, and invite any other local authority in this position to contact the department. We will make these exceptional adjustments for 2021-22 in the DSG allocations.

60. We will provide further detail in due course on how we will continue to reduce this funding in future years. Our expectation remains that commitments will also continue to unwind over time as contracts reach their end points. However, in 2021-22 we are not changing the requirement in regulations that authorities spend no more on these commitments than they did in the previous year; therefore, with the approval of the schools forum, an authority can maintain spending in this area using other funding sources if they wish to.

Equalities Impact Assessment

61. The Public Sector Equality Duty (PSED) in section 149 of the Equality Act 2010 requires the Secretary of State to give due regard to achieving the following objectives in exercising their functions:

- 61.1. eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- 61.2. advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- 61.3. foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

62. We have considered the impact on persons who share any of the protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation. We have focused on those protected characteristics for which the impact is largest, and which are most closely tied to the distributional policy choices we are making. We use incidence of SEND as a proxy for disability in this analysis, as the two are highly correlated, and ethnicity as a proxy for race.

63. We introduced the NFF in 2018-19 after significant consultation and published a full equalities impact assessment.¹² We are broadly continuing the implementation of this version of the NFF. Therefore, we have focused this assessment primarily on the key policy changes that are being made in 2021-22.

Schools NFF

Increasing the minimum per pupil levels

64. Increasing the minimum per pupil levels for primary schools to £4,180 and secondary schools to £5,415 will benefit the lowest funded schools that do not otherwise attract these levels of funding through the other formula factors (i.e. for additional needs). As a result, the schools with the highest proportions of pupils with SEND will typically gain less as a result of this element of the formula, because these schools are likely to attract additional funding through other factors in the formula, and will therefore not be among the lowest-funded schools. Schools with the highest proportions of pupils from low-performing ethnicities and ethnic minorities will also

¹² https://consult.education.gov.uk/funding-policy-unit/schools-national-funding-formula2/supporting_documents/NFF_EqualityImpactAssessment.pdf

typically gain less than other schools, because these characteristics in general correlate with higher overall funding at school-level.

65. However, there are individual pupils with both these characteristics who are currently in the lowest-funded schools and they will benefit from this policy. Furthermore, the overall policy for the NFF continues to allocate the greatest share of resources to pupils with additional needs, and therefore those most likely to have these protected characteristics. This specific element of the formula is also set alongside a very significant increase to high needs funding – channeling resources specifically towards pupils with SEND.

Increasing the funding floor

66. The increase to the funding floor in line with inflation will disproportionately benefit schools that have been more highly funded historically. These tend to be in urban areas, and have a higher proportion of children from low-performing ethnicities and ethnic minorities because these areas are more ethnically diverse. They also have a higher occurrence of non-Christian faith schools. We assess that this will have a positive impact on these pupils.

Supporting small schools

67. We are directing more funding to small remote schools. These schools tend to have lower proportions of pupils with additional needs than average. As additional needs funding contains proxies to direct funding towards pupils with special educational needs and disabilities (SEND), support for small remote schools will generally benefit schools with lower proportions of pupils with disabilities more than average. Likewise, small remote schools have a lower proportion of pupils with ethnic minorities than average.

68. However, the overall distribution of funding in the schools and high needs NFF still significantly favours schools with high levels of additional needs, and therefore with higher incidence of pupils with certain protected characteristics, notably disability and ethnicity. Furthermore, analysis has shown that small schools face higher per pupil costs than larger schools, which is compounded in remote areas by an inability to achieve efficiencies such as shared senior leadership teams with other small schools. The increased funding will help meet those costs, which can include the costs of supporting pupils with more complex SEN, and those who are disabled.

Increasing the remaining NFF factors by 3%

69. We are increasing the remaining core NFF factors by 3%, which affects the majority of schools. As the same 3% uplift would cover both the basic per pupil amount (AWPU) and the factors for additional needs, the balance between the factors remains broadly unchanged from before. There would therefore not be any disproportionate impact (either positive or negative) on pupils with protected characteristics.

Rolling in the teachers' pay and pension grants

70. We are rolling in the teachers' pay grant (TPG) and teachers' pension employer contribution grant (TPECG) to the schools and the central school services NFF in such a way that the additional NFF funding schools and LAs receive is as similar as possible to the funding they would receive if the grants were not rolled in. We recognise that the rolling in will never perfectly reflect the current allocations, but do not believe that the schools affected by the discrepancies have a higher proportion of pupils with protected characteristics than average. There would therefore not be any disproportionate impact (either positive or negative) on pupils with protected characteristics from the rolling in of grants.

Moving from using IDACI 2015 to IDACI 2019

71. We will (i) switch from using IDACI 2015 to IDACI 2019, and in conjunction with that (ii) update the IDACI banding methodology used in the schools and high needs NFFs:

- 71.1. Switching to using the updated IDACI 2019 data will ensure that deprivation funding is directed more accurately at those areas which are most deprived – as opposed to those areas which were most deprived in 2015. This shift would not be expected to have any significant impact on groups with protected characteristics.
- 71.2. The change in the banding methodology aims to ensure that the proportion of deprivation funding allocated through the NFF remains broadly unchanged. Without this change, the total amount of deprivation funding would decrease significantly. As there is a significant overlap between areas of high deprivation and the proportion of pupils from an ethnic minority background, the change in banding methodology would be expected to have a positive impact on equalities.

High needs NFF

72. We have considered the impact of the high needs distribution on people who share any of the protected characteristics. We have focused particularly on people with SEND given the high level of correlation between pupils with SEND and pupils with disabilities.

73. We introduced the high needs NFF in 2018-19 after significant consultation and a full equalities impact assessment. We are distributing the funding for high needs through the high needs NFF, and are not proposing any changes to the overall structure of the formula for 2021-22. Therefore, we have focused this assessment primarily on the aspects of the formula that have changed for 2021-22.

74. In recognition of the fact that all LAs are facing some pressures on their high needs budgets, we are allocating increased funding through the high needs NFF. We are distributing this increase in the following ways:

74.1. **A higher funding floor set at 8%.** This means that at a minimum, LAs will see at least a 8% per head increase in funding compared to what they received in 2020-21.

74.2. **A limit on formula gains set at 12%.** This will allow LAs on the gains cap limit to receive greater increases in funding before their gains are capped.

74.3. **Increased funding through the remaining proxy factors.** We have distributed the remaining funding through the proxy factors. This is in line with how the formula has worked previously and means that LAs will receive their share of this remaining funding based on the proxy factors of need. These include health and disability factors reflecting any changes in the proportion of the local population of 2-18 year olds whose families receive disability living allowance because they are disabled. The proxy factors also include an amount of funding based on each local authority's previous spending, so that funding can reflect patterns of provision and spending not otherwise captured through the formula, and making sure that funding levels do not drive changes in the placement of disabled children to the detriment of the provision they need.

75. We expect this distribution of funding to provide both reasonable increases to all LAs as well as ensure stability through use of the formula. As a result, and subject to local decisions on how the funding is spent in making special provision, our assessment is that the additional funding will have a positive impact for those pupils identified as having SEND (which includes those with disabilities), by improving their ability to access the right educational provision and thereby addressing educational inequalities for children with SEND.

Central School Services Block NFF

76. The formula that allocates this funding is broadly unchanged; we do not expect this to have an impact on different groups of pupils, including those with protected characteristics.

77. The reduction to funding for historic commitments will affect some local authorities' ability to continue to deliver certain central functions as they have previously – this is a continuation of our established policy to unwind these commitments. The nature of this expenditure, relating to a wide range of individual decisions by different local authorities, means the impact of the reduction is very variable. Where authorities combine this funding with other sources to support services – for example, related to early intervention, programmes for vulnerable

children or those with high needs – these are likely to disproportionately benefit pupils with protected characteristics, such as those from ethnic minority backgrounds or with disabilities. If the reductions mean a local authority can no longer fund such services in the same way, this represents a negative impact.

78. However, reducing this funding will address funding disparities to make the wider system fairer, so that educational provision for these pupils is based on need rather than historic decisions. Ultimately, prioritising funding for schools and high needs, which has significantly increased, benefits all areas and will respond to pupils' characteristics and needs. The impact on pupils with disabilities, in particular, will be offset by the additional high needs funding that all authorities will receive in 2021-22.

79. Finally, we are not making any changes to the regulations that local authorities can spend the same amount on historic commitments that they did in the previous year, nor are we changing the flexibility to transfer funding between blocks, with local agreement. A local authority can therefore maintain spending on historic commitments at current levels using other funding where appropriate.

Overall impact

80. As noted above, each change has a specific impact and in some cases these work in different directions. For example, in relation to the schools NFF, the increase to the minimum per pupil level is less likely to benefit pupils with protected characteristics, while the increase to the NFF funding floor is more likely to. The overall policy of the NFF continues to allocate the greatest share of resources to pupils with additional needs, and therefore those most likely to have these protected characteristics. We do not think these individual changes significantly shift the conclusions of the equalities impact assessment published at the point of introducing the NFF in September 2017.

81. The exception to this is the increase to high needs funding that all local authorities are seeing, which will have a positive impact on pupils with SEND in particular, and therefore on pupils with disabilities. This is a significant additional positive impact on these pupils beyond our previous assessment.



Department
for Education

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Reference: DfE-00127-2020



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Schools Forum Briefing

1.	Date of meeting:	18 th September 2020
2.	Title:	New Funding Announcement – Support for Schools this year during the Covid-19 pandemic.
3.	Directorate:	Finance and Customer Services Directorate

1. SUBJECT: NEW FUNDING ANNOUNCEMENT

2. PURPOSE OF REPORT

To inform Schools Forum members of the recently announced School Funding Update

3. RECOMMENDATION (S)

That members note this information and ensure they make school/academies that they represent aware of this information.

4. REASON FOR RECOMMENDATION (S)

To ensure Schools Forum members are aware of the latest announcements relating to funding to support children and young people to catch up following disruption to their education as a result of Coronavirus (Covid-19) and Early Years this autumn term.

5. BACKGROUND INFORMATION

- 5.1 On 20th July the Government announced £1 billion of funding to support children and young people to catch up. This includes a one-off universal £650 million catch-up premium for the 2020/2021 academic year and a £350 million National Tutoring Programme for the most vulnerable and disadvantaged.

6. UNIVERSAL CATCH-UP PREMIUM

- 6.1 The £650 million of universal catch-up premium will be available for all mainstream and special schools and alternative provision. Funding will be provided for pupils with EHC plans who are educated in independent special schools.

Schools' allocations will be calculated on a per pupil basis, providing each mainstream school with a total of £80 for each pupil in years reception through to 11. Special and AP schools will be provided with £240 for each place for the 2020/2021 academic year.

6.2 Funding will be provided in 3 tranches with an initial part payment in Autumn 2020.

6.3 As the catch-up premium has been designed to mitigate the effects of the unique disruption caused by coronavirus (COVID-19), the grant will only be available for the 2020 to 2021 academic year. It will not be added to schools' baselines in calculating future years' funding allocations.

6.2 Schools have the flexibility to spend their funding in the best way for their cohort and circumstances. To support schools to make the best use of this funding, the Education Endowment Foundation (EEF) has published a [support guide for schools](#) with evidence-based approaches to catch up for all students.

7. **NATIONAL TUTORING PROGRAMME**

The £350 million National Tutoring programme provides additional targeted support for those children and young people who need the most help.

7.1 The programme will comprise of at least 3 parts in the 2020 to 2021 academic year, including:

- a 5-16 programme
- a 16-19 fund to provide small group tutoring activity
- a reception year early language programme

7.2 Please see link to government guidance and support [Covid-19 catch up premium guidance](#)

8. **EARLY YEARS FUNDING THIS AUTUMN TERM**

The Government has also announced its position on funding local authorities and childcare providers for the early years free entitlements for the 2020 autumn term, confirming that they will fund childcare at the level they would have done before coronavirus until the end of the year.

8.1 This means that even if providers are open but caring for fewer children they usually would be in the autumn term as a result of lower demand from parents or for public health reasons – they can continue to be funded as if the pandemic were not happening. This gives another term of secure income to nurseries and childminders who are open for the children who need them.

8.2 Guidance setting this out in more detail is available. [Free EY Entitlement - Covid](#)

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Schools Forum Briefing

1.	Date of meeting:	18th September 2020
2.	Title:	Financial Transparency of Maintained Schools and Academy Trusts
3.	Directorate:	Finance and Customer Services Directorate

1. SUBJECT: FINANCIAL TRANSPARENCY

2. PURPOSE OF REPORT

To inform Schools Forum members of the update to the School Information (England) Regulations 2020

3. RECOMMENDATION (S)

That members note this information and ensure they make school/academies that they represent aware of this information.

4. REASON FOR RECOMMENDATION (S)

To ensure Schools Forum members are aware of the update.

5. BACKGROUND INFORMATION

- 5.1 In 2019 the Department for Education ran a consultation entitled "[Financial transparency of local authority maintained schools and academy trusts](#)" and has begun implementing the proposals as [per the government response](#).

6. EXECUTIVE SUMMARY

- 6.1 Further to the consultation, the following proposals will be implemented 1st January 2021.
- 6.2 The DfE will publish names of LAs on gov.uk if they fail to comply with deadlines for returns to the Department starting from when they have missed 3 deadlines starting from 2020/2021.
- 6.3 The DfE will collect the number of schools with suspended budgets and notices of financial concern through the existing DSG assurance statement signed by the LA Chief Financial Officer (CFO) at the end of the financial year (due September 2021)
- 6.4 A new section will be added to the DSG assurance statement that captures the amounts that LAs have recovered from investigating fraud. (September 2021)

- 6.5 A directed revision will be made to LAs' schemes for financing schools to make it a requirement for maintained schools to provide LAs with three-year budget forecasts. (starting in 2021/2022)
- 6.6 Schools will be required to append a list of Related Party Transactions (RPTs) to their response to the question in the Schools Financial Value Standard (SFVS) about their arrangements for managing RPTs. In addition, additional columns will be inserted into the CFO Assurance Statement, so that the number of RPTs and value for each can be disclosed. (by the end of 2021/2022)
- 6.7 There will be a directed revision to LAs' schemes for financing schools, requiring schools to submit a recovery plan to their maintaining authority when their deficit rises above 5%. (measured as at 31st March 2021)
- 6.8 Information will be collected on the number of recovery plans in each LA through the DSG annual assurance return from the CFO. (September 2021)
- 6.9 The DfE will formalise the approach to working with LAs and include a request at any time during the year for high level action plans from some LAs. This will be achieved by:-
- Sharing published data on the school balances in each LA.
 - Using this data and evidence-based requests from LAs to ensure support is focused where it is needed.
 - Requesting high level action plans from LAs in which the number or proportion of school revenue deficits over 5% is above a certain level.
- 6.10 All LA maintained schools will be required to publish annually on their websites the number of individuals (if any) earning over £100K in £10K bandings. (Required from 1st January 2021 when the regulations come into force)
- 6.11 LA maintained schools will be required to publish a link to the schools financial benchmarking website, where the Consistent Financial Reporting (CFR) statement of income, expenditure and balances is already published, instead of requiring them to publish the CFR statement annually on their own website. (Required from 1st January 2021 when the regulations come into force)
- 7 Under the New Burdens policy, the Department will compensate LAs for the additional burden that these changes will impose. For 2021-22, this will be done through a direct grant to each LA, in proportion to the number of maintained schools they have.

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Schools Forum Briefing

1.	Date of meeting:	18th September 2020
2.	Title:	Falling Rolls Fund
3.	Directorate:	Finance and Customer Services Directorate

1. SUBJECT: NEW FUNDING ANNOUNCEMENT

2. PURPOSE OF REPORT

To inform Schools Forum members of the criteria for a falling rolls fund.

3. RECOMMENDATION (S)

That members note this information and ensure they make school/academies that they represent aware of this information.

4. REASON FOR RECOMMENDATION (S)

To ensure Schools Forum members are aware of the operational guidance on falling roles funding.

5. BACKGROUND INFORMATION

5.1 Local authorities may set aside schools block funding to create a small fund to support good schools with falling rolls, where local planning data shows that the surplus places will be needed within the next three financial years.

5.2 The Schools Forum should agree both the value of the fund and the criteria for allocation, and the local authority should consult Schools Forum before expenditure is incurred.

5.3 The Falling Rolls Funds is ring-fenced. It operates in a similar way to the Growth Fund, in the sense that both maintained schools and academies are top sliced for the cost of the Fund and both are eligible to receive support through it.

6. SETTING FALLING ROLLS FUNDING CRITERIA

6.1 Criteria for allocating falling rolls funding should contain clear objective trigger points for qualification and a clear formula for calculating allocations. Compliant criteria would generally contain some of the features set out below:

- support is available only for schools judged good or outstanding at their last Ofsted inspection (this is a mandatory requirement)
- surplus capacity exceeds a minimum number of pupils, or a percentage of the published admission number
- local planning data shows a requirement for a minimum percentage of the surplus places within the next three years
- formula funding available to the school will not support provision of an appropriate curriculum for the existing cohort
- the school will need to make redundancies in order to contain spending within its formula budget

Methodologies for distributing funding could include:

- a rate per vacant place, up to a specified maximum places (place value likely to be based on AWPU)
- a lump sum payment with clear parameters for calculation (for example, the estimated cost of providing an appropriate curriculum, or estimated salary costs equivalent to the number of staff who would otherwise be made redundant)

Local authorities should report any falling rolls funds remaining at the end of the financial year to the Schools Forum. Funding may be carried forward to the following funding period, as with any other centrally retained budget.

7. **EXAMPLES OF COMPLIANT CRITERIA FOR FALLING ROLLS FUNDING**

Example 1

Identification of schools with falling rolls:

- the school must have been judged good or outstanding at their last Ofsted inspection
- the total NOR has dropped by at least 5% between last October census and the previous year's October census
- capacity of school is a minimum of 15% of published admission number (PAN)
- local planning data shows the places will be required within the next 3 - 5 years

Where a school meets all the above criteria, funding will be provided using the following calculation:

- the NOR as at last October census will be deducted from the NOR of the previous October's census. The result will be multiplied by the current base rate, appropriate to phase, pro rata April - August (5 months)

Example 2

Schools and academies must have a good or outstanding Ofsted rating to be eligible for this funding. Additional funding is allocated based on a proportion of the basic entitlement for vacant places below 85% of the PAN for the normal year of entry (YR or Y7) and also for the next year group after entry (Y1 and Y8). Funding is available for a maximum of 3 years after which a school's PAN may be adjusted or other action taken.

Example 3

Schools that meet the following criteria will receive support from the falling rolls fund:

- good or outstanding
- numbers on roll are less than 80% of total planned admission number (PAN)
- numbers on roll are more than 5% lower in the October 2018 census than the October 2017 census
- school is in a planning area where the vacant places are required

These criteria have been set to ensure that funding supports good and outstanding schools with falling rolls in planning areas where places are needed and the local authority cannot support reductions in PAN and does not support schools that have vacant places as they have increased their PAN for reasons other than addressing basic need.

Schools will receive protection for the fall in numbers above the 5% threshold. This will be paid at the current AWPU rate. For example, a school that experienced a drop of 6.5% will receive AWPU for 1.5% of its previous intake.

Example 4

To qualify, the eligible criteria would be as follows:

- support for schools judged as good or outstanding at their last Ofsted inspection (mandatory)
- surplus capacity exceeds 15% of the total PAN for the school
- local authority planning data shows a requirement for at least 15% of the total surplus places within the next year

Schools must meet all the criteria above, then funding would be provided based on the AWPU rate per vacant place required, up to a maximum of the number of further places vacant from the prior year's census.

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2020/2021 Prior Attainment formula factor

Primary pupils identified as not achieving the expected level of development in the early years foundation stage profile (EYFSP)

Secondary pupils not reaching the expected standard in KS2 at either reading or writing or maths

Since 2017 to 2018, the DfE have weighted the low prior attainment factor for some secondary year groups so that those who have sat the more challenging KS2 tests introduced in the 2015 to 2016 academic year do not have a disproportionate influence within the total for the prior attainment factor in the mainstream formula.

In 2020 to 2021, the weightings used in 2019 to 2020 for the year 7 to year 9 cohorts have been carried forward, so they will apply to the year 8 to year 10 cohorts respectively.

For the financial year 2020 to 2021, the weightings are:

- pupils in year 8 in October 2019: 64%
- pupils in year 9 in October 2019: 58%
- pupils in year 10 in October 2019: 48%

This is included under Schedule 3, paragraph 4 of the 2020 Regulations.

A national weighting of 65% should be used for those who are year 7 in the academic year 2019 to 2020.

The DfE have calculated this weighting in the same way, by scaling back the proportion of year 7 pupils identified as having low prior attainment (LPA) to a level commensurate with the number of secondary-age pupils identified as LPA in October 2015; before the new, more challenging, KS2 test was introduced.

The weightings will operate in the same way as 2019/2020; the number of pupils identified as having LPA in the data will be multiplied by the relevant weighting to determine the number of pupils eligible for the factor for funding purposes.

Local authorities will not be able to change the weighting, but will be able to adjust their secondary LPA unit value as in previous years. This will enable local authorities, in most cases, to maintain their LPA factor at previous levels without significant turbulence.

LPA funding will be allocated to all pupils identified as not reaching the expected standard at the previous phase, regardless of their year group. It does not only apply to those pupils in their first year of schooling.

As with current funding arrangements, pupils who have not undertaken the assessment are given the overall average attainment score of their year group, so are taken into account when calculating a school's LPA rate

2020/2021 School Budgets APT- 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
Primary Low Attainment		£800.00	29.87%	6,890.44	£5,512,353
Secondary low attainment (year 7)	64.53%	£1,050.00	24.21%	3,721.26	£3,907,326
Secondary low attainment (year 8)	63.59%		23.35%		
Secondary low attainment (year 9)	58.05%		22.26%		
Secondary low attainment (year 10)	48.02%		21.38%		
Secondary low attainment (year 11)			19.13%		

Provisional 2021/2022 LPA factor values are:

- Primary LPA £1,095
- Secondary LPA £1,660

Following the cancellation of assessments in summer 2020 due to COVID-19, local authorities will not be able to use this data as part of setting a low prior attainment factor in local funding formulae. Instead, local authorities will use 2019 assessment data as a proxy for the 2020 reception and year 6 cohort, which will be reflected in the data they receive from the department.