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## **TITLE OF REPORT: School Funding Update**

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### **Purpose of the Report**

To update Schools Forum on the funding announcements released by the Department for Education (DfE) 20 July 2020

### **Background**

The main funding announcements are listed below

- School funding overall will increase by 4%
- Limited changes to funding arrangements
- The below have been removed from the regulations
  - Any deficit from the previous funding period that is being brought forward and is to be funded from the new financial year's schools budget (this should be specifically agreed at the time the budget is set, using the latest estimated outturn position).
  - Any brought forward deficit on de-delegated services which is to be met by the overall school's budget.
- Later this year there will be a consultation on the move towards a hard NFF
- Local Authorities will continue to have the flexibility to transfer 0.5% of their schools block to other blocks
- Schools Forums can meet remotely until 31 March 2021

### **Mainstream Schools**

- At a national level all schools will receive at least a 2% increase.
- MFG can be set between 0.5% and 2%
- National Funding Formula (NFF) factors will increase by 3%
- Funding for teachers pay grant and teachers pension employer contribution grant including the supplementary fund has been added to the Dedicated Schools Grant (DSG) for 2020/21. The calculations have been checked and for mainstream schools the equivalent amount of funding has been transferred into the DSG.
  - Primary levels for Gateshead will be £47.02 for pay and £132.86 for pension grants per pupil
  - Secondary levels for Gateshead will be £69.21 for pay and £195.57 for pension grants per pupil
- Minimum per pupil factors have increased to £4,180 for primary and £5,415 for secondary schools and includes the above amounts for teachers pay and pension grants.
- The DfE have updated the Income Deprivation Affecting Children Index from the 2015 data to the 2019 data and have also changed the funding brackets which are now assigned on rank.
- The free school meal factor will increase by 2%

- Premises factors will be funded at the actual spent in 2020/21 with the PFI factor increasing by PRI 1.56%

#### Provisional Allocation for Gateshead

- DfE calculate 4.8% increase in Gateshead's baseline total cash
- DfE calculate 3.33% increase in per pupil funding
- Primary unit of funding increased by £319.55 to £4,584
- Secondary unit of funding increased by £481.30 to £5415
- Premises factors decreased by £74,489 to £4,179,364
- Provisional allocation increased by £13,892,968 to £123,746,581, but this does include £5,062,431 for the teachers pay and pension grants

#### High Needs Block

- At least 8% increase in funding for 2-18 year olds,
- A cap on increases of 12% for 2-18 year olds
- Increase of proxy factors
- Increase of £660 to the basic entitlement factor to £4,660 for special schools but includes the teachers pay and pension grant allocations.
- Additional factor in the formula to enable LA's to receive funding for the teachers pay and pension grants
- Updated from 2015 to the 2019 data set for IDACI
- MFG for special schools must be 0% or higher on a per pupil basis

#### Provisional allocation for Gateshead

- Based on 2020/21 HNB after import/export adjustment and based on the same pupil numbers as 2020/21 the HNB will increase by £2,692,890 from £25,324,602 to £28,035,492 which the DfE have calculated a 10.07% increase

#### Central Schools Services Block

- Ongoing responsibilities will increase by 4%
- Funding for historic commitments will decrease by 20%
- The maximum per pupil year on year reduction for ongoing responsibilities is 2.5% with a year on year gains cap of 6.5%
- Additional pension funding that local authorities (LA) have claimed for either LA employed teachers or additional amounts for special schools will be rolled into their ongoing responsibilities and will be added to the per pupil rate. Adjustments for this will be made later in the year.

#### Provisional Allocation for Gateshead

- Unit of funding increased from £32.68 to £33.67, an increase of £0.99
- Historic commitments reduced by £152,480 from £762,400 to 609,920
- Overall reduction in CSSB £128,806 from £1,543,109 to £1,414,303

#### Covid-19 Catch up Premium

- For all mainstream schools special schools and alternative provision schools

- Funding will be £80 per pupil for mainstream schools for the full academic year 2020/21 for years reception to 11
- Special and AP schools £240 per place
- Payments will be made in 3 tranches
  - The initial part payment will be autumn 2020 based on the latest available data on pupils in mainstream schools and commissioned places in special and AP schools
  - The second grant payment will be made early 2021 based on updated pupil and place data, for mainstream schools it will be the October 20 census. For maintained AP and special schools, LA published data on numbers 19/20 numbers. For academies published place numbers for 2020/21
- Schools will have the flexibility to spend their funding in the best way for their cohort and circumstances. Examples of effective use are:-
  - Small group or one to one tuition (particularly through the national tutoring programme)
  - Summer programmes to help re-engage pupils or extra teaching capacity from September
- Schools must be able to account for how this funding has been used to get back on track and teaching a normal curriculum as quickly as possible
- Governors and trustees should scrutinise the schools approaches to catch up from September

### **National Tutoring Programme**

- To provide additional targeted support of those pupils who need the most help.
- There will be at least 2 parts to the programme
- Tuition partners
  - High quality tuition available to 5 to 16 year olds
  - A post 16 fund for 16 to 19 year olds for small group tutoring for disadvantaged pupils
- Academic mentors
  - Schools in disadvantaged areas will be supported to employ in-house academic mentors to provide small group tuition to their pupils.
  - Some will start work from October half term, the remainder will start in the spring term 2021
  - The government will subsidise their salaries

### **Exceptional Costs Associated with Covid 19**

This funding was launched by the DfE to help schools cover additional costs associated with the Covid 19 outbreak. The funding was for very specific items and could only be claimed by schools not expecting to add to their in year balances, or those who had a plan in place to reduce their deficit which would be effected if they did not claim this funding.

Schools who made a claim for additional costs due to Covid 19 by the deadline of 21 July and only made a claim in the specified areas of additional premises costs, additional cleaning cost and support for free school meals have had their claims met.

Schools that added additional cost in the “other” column have not had their claims met yet as these are subject to further review.

The guidance states that there will be another opportunity to claim additional Covid 19 costs and details will be published later in the year.

## **Early Years**

Update of the “Use of free early education entitlement funding during Covid-19”, but there has been no announcements on the early years funding rates for 2021/22. There has been a questionnaire on the pass through of the maintained nursery grant, other financial questions around nurseries including if their rates are funded. There is also no current solution on how teachers pay and pension grants will be paid to nurseries

## **Funding for LA's**

LA's would under normal circumstances be funded for the 7/12 (September to March) of the 2020/21 financial year based on the January 21 census data. The DfE have recognised that the number of children attending settings may not have returned to normal by January 21 when the census is due. Therefore, final funding for Autumn 20 will be based on January 20 census.

The DfE will use the January 21 census to fund the spring 21 term, and the DfE expect LA's to fund on a normal basis using actual hours for the spring term, but this will be kept under review.

## **Funding for Settings**

- LA's for the autumn term should continue to fund settings who are open at broadly the levels they would have expected to see in a “normal” 2020 autumn term.
- Settings that have been advised to close or have had no option to close due to public health issues should continue to be funded.
- LA's should not fund providers that are closed without public health reasons from the start of the autumn term.
- Possible funding methods could be
  - Use of Autumn 19 funded hours
  - Changes in demographics or known catchment changes should be taken into account
- It is expected that the demand for childcare to increase in the autumn, and therefore it will be increasingly important for LA's to ensure that there is enough childcare and delivery of the entitlements for all children
- The DfE will change its advice for the Autumn term and LA's should not fund providers that are closed for any other reason than for a public health reason
- LA's may need to use funding not spent on closed settings to address local sufficiency gaps
- There maybe also some unavoidable double funding costs where a child is only attending one setting instead of 2

## **Proposal**

It is proposed that Schools Forum notes the information in the report and that further information will be brought to Schools Forum when issued by the DfE.

## **Recommendation**

It is recommended that Schools Forum note the information in the report.

### **For the following reasons:**

- To ensure Schools Forum is aware of the current school funding information.

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