

Education Resources Group  
Schools Forum

Meeting Date 1 December 2020  
Meeting Date 9 December 2020

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**Subject:** School Funding Arrangements – 2021/22: Responses to Consultation

**Cabinet Member:** Cllr Jewell

**Report Number:** 20

**Item: 5b**

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## Purpose of Report

This report:

- provides a summary of the responses received to the proposals contained in the consultation document on the school funding arrangements for 2021/22;
- makes recommendations for the local funding arrangements for 2021/22.

## Recommendations

1. The Schools Forum are asked to:
  - consider and comment on the final recommendations detailed in paragraph 4 for allocating funding from the Schools and Early Years blocks;
  - confirm their agreement to the transfer of 0.5% from the Schools to the High Needs block to support schools with above the agreed threshold for number of pupils with EHCPs in each school.

## Relevance to the Council's Corporate Plan

2. The Council has an oversight of the DSG and responsibility for the management and allocation of the funding to all schools in their area. The Council has to ensure the local arrangements are in line with the regulations governing school funding and aim to meet the needs of Enfield's children and young people.

## Main Consideration for the Schools Forum

### 3. BACKGROUND

At the last meeting, the headlines from the Government's announcements were presented to the Schools Forum.

The Forum was informed that there had been some increase in the funding to be provided to Enfield and the changes related to the application of the minimum funding guarantee and gains. With this in mind, two options for Enfield's funding formula (EFF) to inform the allocation of the Schools blocks and some other proposals in relation to high needs were presented to the Forum.

The Forum confirmed, in principle and subject to consultation, their support for the EFF to move to the national funding formula unit rates from 2021/22 and the transfer of 0.5% from the Schools to the High Needs block to fund schools with high numbers of pupils with EHCPs the element 2, the first £6,000 for pupils with EHCPs for the number above each school's calculated threshold incident.

The consultation document was amended to incorporate the Forum's views and the final proposals were discussed and confirmed with the Education Resources Group before publication.

The consultation document was published on 22 October 2020. A briefing session was held on Tuesday 3<sup>rd</sup> November for schools. In total 71 Headteachers and School Business Managers attended the briefing.

This report provides a summary of the responses received and seeks the Forum's views on the final proposals for EFF for 2021/22. Once the Forum's views have been received, the approval of the Cabinet Member for Children's Services will be sought.

In providing their view's, the Forum is reminded that the proposals in the consultation were based on October 2019 data and indicative funding information provided by the DfE. Both the data and funding information will be subject to change: use of the October 2020 Census for pupil data, and confirmation of actual funding settlement by the Government. Therefore, the proposals in this document will be subject to the available resources.

#### 4. SUMMARY OF RESPONSES

4.1 As stated the consultation document was published on 22 October 2020.

The deadline for submitting responses was Friday 20<sup>th</sup> November and by this date 23 responses had been received. Table 1 provides a summary of the response received.

*Table 1: Summary of Responses Received*

Sectors	No of Schools / Settings	No of Responses Received	% Sector Response	% of Total Response
Primary	42	7	17%	3%
Secondary	9	3	33%	1%
Special	6	-	0%	0%
Academies	39	1	3%	0%
PVI	112	12	10%	6%
<b>TOTAL</b>	<b>208</b>	<b>23</b>	<b>11%</b>	<b>11%</b>

The Education Resources Group raised some concern regarding the low response rate. There were a number of views as to why this may be the case. It was suggested that the current processes be enhanced to include other briefings, access and use of electronic response forms during the briefings.

The comments from the Group were noted and would be considered and developed in line with the regulatory process required in relation to consulting on funding.

#### 4.2 Mainstream Schools: Enfield Funding Formula (EFF)

The Forum are reminded that the DfE confirmed the continuation of the arrangements put in place for 2018/19 of a 'soft' national funding formula (NFF) for 2021/22 whereby the funding provided to local authorities was calculated using the NFF unit rates and then local authorities have responsibility for consulting and determining within the regulatory parameters the local funding formula for mainstream schools in their area.

As confirmed with the Schools Forum, the consultation sought a response as to whether the unit rates used for the EFF should be moved to those used for the NFF. Table 2 summarises the responses received. There were no additional comments with these responses.

*Table 2: Responses to the Enfield's funding formula for mainstream schools*

2021/22	Agree	Disagree	No Response
Primary	7	-	-
Secondary	3	-	-
Special	-	-	-
Academies and Free Schools	1	-	-
PVIs	1	1	10
<b>TOTAL</b>	<b>12</b>	<b>1</b>	<b>10</b>

### Recommendation

The Authority recommends the proposals for the unit rates for the EFF be changed to those used for the NFF be implemented from 2021/22.

The process followed for future consultation will be developed with the Education Resources Group.

### **4.3 Funding for Pupils with high level of SEND in Mainstream Schools**

Schools were asked to respond on the proposal to transfer 0.5% funding from the Schools to the High Needs Block to continue to support schools with above average incident of pupils with Education, Health and Care Plans (EHCP) for their school.

Schools were then asked their preferred option for distributing the money transferred to schools with high number of pupils with EHCP and high level of need. The two options on which a response was sought were:

- continue to fund £6,000 (Element 2) to schools with high number of pupils with EHCPs by adjusting the threshold for the number of pupils with EHCPs to match funding available;
- or
- reduce the per pupil funding from £6,000 to around £4,000 and continue to use the current expected average number of pupils with EHCPs.

Tables 3 - 5 summarise the responses received for the 0.5% transfer from the Schools block to support schools with above average number of pupils with high level of SEND, allocation of this funding using either of the two options outlined above. Table 6 details the additional comments received.

*Table 3: Responses to the transfer of 0.5% from the Schools Block*

<b>High Needs Funding</b>	<b>Agree</b>	<b>Disagree</b>	<b>No Response</b>
Primary	7	-	-
Secondary	3	-	-
Special	-	-	-
Academies and Free Schools	1	-	-
PVIs	-	1	11
<b>TOTAL</b>	<b>11</b>	<b>1</b>	<b>11</b>

*Table 4: Responses to allocating the funding transferred by reducing the threshold*

<b>High Needs Funding</b>	<b>Agree</b>	<b>Disagree</b>	<b>No Response</b>
Primary	4	-	3
Secondary	1	1	1
Special	-	-	-
Academies and Free Schools	1	-	-
PVIs	-	-	12
<b>TOTAL</b>	<b>6</b>	<b>1</b>	<b>16</b>

*Table 5: Responses to allocating the funding by reducing the amount per pupil*

<b>High Needs Funding</b>	<b>Agree</b>	<b>Disagree</b>	<b>No Response</b>
Primary	2	2	3
Secondary	-	1	2
Special	-	-	-
Academies and Free Schools	-	-	1
PVIs	-	-	12
<b>TOTAL</b>	<b>2</b>	<b>3</b>	<b>18</b>

*Table 6: Additional comments received on this proposal*

Area of Review	Comments	Response to Comments
0.5% Transfer	We reject both options at (b) and give an alternative which is to transfer enough money to High needs block to be sure that schools with EHCPs are funded in a fairer way i.e. we are funding our most vulnerable children	
Funding for pupils with EHCPs (Element 2)	We discussed a concern in relation to the 2 proposed options – specifically regarding out-of-borough children with EHCPs whom we have on roll. As different boroughs have different rules about who foots the bill for the first £6000 of support this has thus far impacted us negatively. We have one OOB child who is from Hertfordshire. Herts’ rule is that the school in which the child receives their education pays the first £6000, with top ups claimed from Herts. Whereas children from Enfield who are OOB in other borough schools get their first £6000 funded by Enfield. It would be far better if the DfE made one rule for all schools regardless of borough – either the home borough pays the costs or the school borough pays rather than risk the situation in which we are in with Herts.	The current regulations and the overspend of the High Needs block limit our capacity to those outlined in the consultation document.
	The funding consultation had an extra part to this question which is omitted on the response form – it read “Do you agree 0.5% to be transferred from the schools to the high needs block for 2021/22 to support inclusive schools? We would like to know exactly what is meant by “inclusive schools”.	For this purpose of this proposal only, the term inclusive is used to describe those schools with above average incident of pupils with high level of SEND.
	We understand that 0.5% from the schools block has been transferred to the high needs block for a few years now. We are deeply unhappy that we will receive £24,000 less under both recommendations. EHCPs continue to rise in Enfield and we are seeing a steady increase in the number of pupils with SEMH which will only continue to rise even further due to the current pandemic. We propose to increase the amount transferred to the High Needs Block so that it covers the cost of the EHCPs. Schools who have a high number of EHCPs would benefit proportionately.	As with any formula, the impact on individual schools will vary and the proposals outlined are in line what is permissible.

### Recommendation

The Authority recommends the Schools Forum to agree the proposals for the transfer of 0.5% from the Schools to the High Needs block to support schools with above average number of pupils with EHCPs and high level of SEND. The threshold will be calculated by dividing the total number of pupils with EHCPs by the total school population. This will provide a borough average for the threshold and then used to calculate each school’s average threshold. The number of pupils with EHCPs recorded on the January Census will be used to confirm the number of pupils above each school’s average to be funded at £6,000 per pupil.

### **4.3 Mainstream Schools – Top Ups for Pupils with EHCPs (Element 3)**

To support the development of a new methodology for allocating the top up for pupils with EHCPs, the Consultation sought volunteers to be part of a strategic group to assess the new methodology and pilot group to test the new methodology.

In response, five different schools and nursery settings volunteered to be part of the strategic group and five for the pilot group. These schools and settings will be contacted to confirm the arrangements for their participation.

### **4.4 Nurture Groups**

To extend the reach and enable more pupils to access Nurture Groups, the consultation sought responses to move from full to part time groups and thereby increasing the number of

schools with Nurture Groups. Tables 7 and 8 summarise the responses and additional comments received.

*Table 7: Responses to moving from full to part Nurture Groups*

High Needs Funding	Agree	Disagree	No Response
Primary	5	2	-
Secondary	1	-	2
Special	-	-	-
Academies and Free Schools	1	-	-
PVIs	2	-	10
TOTAL	9	2	12

*Table 8: Additional comments on the move from full to part Nurture Groups*

Comments	Response to comment
<p>We would be extremely disappointed to lose our NG provision as it is such a hugely valuable resource for us. We participate in the LA's annual review of NGs each year and always get excellent feedback. We are a school in an area of high deprivation and many of our parents and children suffer with mental health issues. The NG is crucial in meeting our pupils' mental health needs and in improving their overall wellbeing. Funding should only be removed from schools which have a NG which no longer meet the funding entitlement criteria, not from those which do and have a proven track record of improving children's outcomes.</p> <p>I feel that because the needs of children in each school changes from year to year, the need for the NG would also change which would suggest that the funding should be more fluid to target specific changes in need. I would also be concerned for the schools who are currently running an NG and will have funding cut by the new proposals. I prefer the idea of an increased number of localised ARPs for cluster schools which are run within the school as satellite provision whilst working closely with the school for an inclusive approach.</p>	<p>The proposal was not questioning the provision provided but looking to increase the reach of Nurture Groups and also to ensure that Nurture Groups were commissioned where there was a need. With this change, it is envisaged that Nurture Groups will be commissioned every three years.</p> <p>The Authority is already working on increasing the number of additionally resourced and satellite provisions within the borough and consideration will be given to suggestion in this response as part of the local development.</p>

#### Recommendation

The Authority recommends the move from full to part time Nurture Groups is implemented from September 2021.

#### 4.4 Early Years Inclusion Fund

The consultation document sought the continuation of the current arrangements for the use of the Inclusion Fund, which comprises of allocating the Fund to individual providers to access targeted resources to support pupils with SEND and centrally commissioned specialist provision to support all providers. The targeted resources are administered through an Inclusion Panel consisting of Headteachers, Managers from individual settings and officers. The commissioned specialist support includes Educational Psychologists and SENCOs. Table 9 & 10 provides a summary of the responses received.

*Table 9: Responses received to the use of the Early Years Inclusion Fund*

Early Years Inclusion Fund	Agree	Disagree	No Response
Primary	5	-	2
Secondary	1	-	2
Special	-	-	-
Academies and Free Schools	1	-	-
PVIs	11	1	-
TOTAL	18	1	4

**Table 10: Additional comments received and responses to these comments**

Comments	Responses
I believe the hourly rate for the early years (for 3-4) is very limited and not enough to provide high quality education and care to those children. Especially, for some children with special educational needs and behavioural difficulties it is not cost effective for the private sectors.	The hourly rate is one which is a national and regulatory requirement and therefore outside the remit of this consultation.  The aim of the Inclusion Fund is to provide some initial support to setting whilst an EHCP is put in place.
Whilst we have said that we agree for the current early years block funding arrangements to continue we just wanted to acknowledge that the rate of funding doesn't allow us to cover the level of staffing required. We see a high number of children in early years with undiagnosed additional needs who attract no extra funding and as a result we struggle to provide the level of support required. This has been the case for many years so we do not expect to see changes but we wanted to include this in our comments.	

**Recommendation**

The Authority recommends the continuation of the current arrangements for the use of the Inclusion Fund are retained.

**Main Considerations for the Council**

5. The local arrangements for delegating funding to schools is in line with statutory, national and local requirements.

**Financial Implications**

6. The recommendations in this report will be subject to the resources available. The final position will not be available until the DfE have published the budget settlement for 2021/22.

**Conclusions and Recommendations**

7. The Forum are asked to note and confirm their support to the recommendations detailed in paragraph 4.

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**Appendices:** None

**Background Papers**

School funding regulations and DfE operational and guidance documents  
School funding consultation document and responses  
Schools Forum and Education Resources Group reports from previous meetings