

<b>Item 3</b>
<b>Surrey Schools Forum</b>
<b>9 July 2020</b>
<b>For information and discussion</b>

**Mainstream SEN Funding Review Timeline March 2021 – December 2021**



Item 5
<b>Surrey Schools Forum</b>
<b>9 July 2020</b>
<b>Author: Daniel Peattie</b>
<b>For information and discussion</b>

## COVID-19 Funding update – June 2020

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### Key points

*Overarching principle still that DSG budgets have continued to be passed through LA to maintained schools and direct to academies, including High Needs and top ups.*

*SCC has received £47m of central government funding to support COVID-19 response, there are already commitments up to and exceeding this level so there is no surplus funding to be used for other purposes.*

*Revised guidance last year prevents Local Authorities supporting DSG expenditure from General Fund balances which means the specific government schemes are the best method to access additional funding at this stage. Any additional funding from within the DSG would need to be considered against the context of the overall DSG deficit.*

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### Exceptional COVID-19 costs

1. There is a specific scheme in place to cover exceptional costs associated with COVID-19 up to the end of summer term 19/20. In order to be eligible the school must not be projecting to increase their surplus balances at the end of the year. If a school does apply for this funding and increases their reserves balances the indication is that there will be a recoument of funding at a later date.
2. The funding is available for 3 types of costs;
  - **increased premises related costs** (including utilities and resources needed to keep the school open, such as hygiene services) associated with keeping schools open during the Easter and/or summer half term holidays, for vulnerable children and the children of critical workers, over and above the costs that schools would have faced in other circumstances
  - **support for free school meals** for eligible children who are not attending school, where those costs are not covered by the national voucher scheme - this covers:
    - costs to schools arising before the introduction of the national voucher scheme

- costs where schools are providing free meals to children for whom the national voucher scheme is inappropriate (for example, because there are no participating supermarkets locally or schools are providing meals directly) - schools can only claim through this fund for free school meals provided over Easter and summer half term holidays where it was required because local supermarkets were not yet part of the national scheme
  - **additional cleaning** – required due to confirmed or suspected coronavirus (COVID-19) cases, in line with COVID-19: cleaning of non-healthcare settings, over and above the cost of existing cleaning arrangements
3. If a school faces other, extraordinary costs to deliver appropriate support to their pupils over the period of partial closure that are not covered by this list and cannot be met by existing budgets, they will be able to register the details of these through the claims process, but no detail on what action may be taken has yet been released.
  4. Schools are not eligible to make claims for any additional costs associated with more pupils returning to school that are not covered by these categories. Guidance on the actions schools can take to open for more pupils in a way that minimises the risks of transmission has been released. Government anticipate that schools will typically be able to implement the measures set out in our guidance (including increases to routine cleaning) within their existing resources.
  5. There are three specific costs identified in the claim form guidance which are excluded from this funding.
    - a. costs associated with opening schools to more pupils from 1 June
    - b. additional staff costs
    - c. loss of self-generated income
  6. Where schools have members of staff delivering services, which were funded by private income, they should first look to make the necessary savings from their existing budgets or consider options to redeploy these staff. Once having looked to these other options, schools can then consider using the Coronavirus Job Retention Scheme. Any claims made against this grant are limited as per the table below.

## Limits for schools

Mainstream schools	
250 pupils or fewer	£25,000
251 to 500 pupils	£30,000
501 to 1000 pupils	£50,000
Over 1000 pupils	£75,000
Special schools and alternative provision	
All schools	£50,000

7. Government expectation is that these levels will ensure that few schools will likely exceed them. There will be a process for schools to make a case for increasing the limit when they submit a claim but this is expected only in exceptional instances.

The process for obtaining these funds is through a claim form which is now live.

<https://www.gov.uk/government/publications/claiming-exceptional-costs-associated-with-coronavirus-covid-19>

8. The deadline for completing this return is the **21<sup>st</sup> July 2020**, with no opportunity to request an extension. As the claim will be a retrospective process, if a school has short term cash flow issues in making payments to cover exceptional costs, they should follow the normal process by contacting the ESFA if they are an academy or SCC if they are a maintained school.

<b>Item 7</b>
<b>Surrey Schools Forum</b>
<b>9 July 2020</b>
<b>Authors: Louise Lawson/Liz Mills</b>
<b>For information and discussion</b>

## DSG Update

DSG guidance states that:

*Any local authority that has an overall deficit on its DSG account at the end of the 2019 to 2020 financial year must co-operate with the Department for Education (DfE) in handling that situation. In particular the local authority must provide information as and when requested by the DfE and keep the schools forum regularly updated about the local authority's DSG account and plans for handling it, including high needs pressures and potential savings.*

This paper sets out the latest 2020/21 position on the High Needs Block (HNB) DSG and the plans to address the deficit.

## Background

1. At 31 March 2020 the overall DSG Balance was a deficit of £31.5m, mainly due to the HNB Deficit of £48m as shown in table 1.

Table 1: DSG Balances at 31 March 2020

	<b>31 March 2019</b>	<b>Movement</b>	<b>31 March 2020</b>
	<b>Deficit / Surplus (-)</b>		<b>Deficit / Surplus (-)</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Schools	-4.90	-0.88	-5.78
Central School Services	-0.26	0.15	-0.11
Early Years	-7.74	-3.69	-11.44
High Needs	18.88	29.96	48.83
<b>Total</b>	<b>5.97</b>	<b>25.54</b>	<b>31.51</b>

2. The DSG guidance states that a deficit must be carried forward to be dealt with from future DSG income, unless the Secretary of State authorises the local authority not to do this. This means that the council is not allowed to use its general fund to reduce the deficit. The HNB budget is monitored and reported to the council and SEND Board each month. In addition the long term HNB position is regularly modelled to inform strategic plans.

## 2020/21 High Needs Block Forecast

3. The 2020/21 HNB budget, net of place funding and corporate costs, is £166m, including an agreed £24m overspend of grant. This overspend is enabled by the council making an equal contribution to an offsetting reserve. The overall position at the end of May is shown in table 2. At this stage in the financial year, we are projecting to spend on budget.

Table 2: HNB Forecast at May 2020

	<b>Full Year Budget £000</b>	<b>FY Forecast £000</b>	<b>FY Var £000</b>
Placements	70,673	70,649	-23
Individual Support in Schools	22,020	22,020	0
Surrey Maintained Special Schools	39,218	39,318	100
SEND Services			
Therapies	6,343	5,945	-398
Access to Education	2,279	2,264	-15
Special Early Education	1,219	1,219	0
Other SEND Services	9,457	10,012	555
Other SEND Provision (incl PRUS, nurture groups, learning support units, nursery SEND)	14,378	14,160	-218
<b>Total High Needs DSG</b>	<b>165,588</b>	<b>165,588</b>	<b>0</b>

Placements include OLA placements (approx.16%)

4. There is likely to be a £0.6m reduction in the amount of HNB DSG allocated to the council which explains the variance in Other SEND Services. Finance is reviewing the estimate and will update the funding position in August. Higher than anticipated places for Surrey children are being provided by maintained special schools outside of Surrey. The grant is adjusted to fund these places at source. These places are more cost effective than independent special schools and the use of them is in line with the SEND strategy. The cost of existing placements is included in the plans but the grant adjustment was not planned so is likely to lead to a pressure. However, it can be offset by underspends in other areas.
5. There have been delays recruiting staff in the Therapies Service, mainly due a national shortage leading to a full year underspend of £0.4m. Recruitment is improving and the impact on service delivery is being closely monitored.
6. It should be noted that the forecast does not include any changes which may arise from the Special Schools funding review.

7. The Covid-19 situation could lead to additional pressures or delayed efficiencies. The council is currently required, as per Government guidance, to continue paying for placements even if they are closed or the pupils are not attending. This may lead to further pressures, such as where parents do not want to send their children to existing placements and need alternative resources. It may also lead to delays to implementing the demand related cost containment activities such as Education Health Care Plans and Post 16.

### **Future Years HNB Forecasts**

8. The amount of HNB grant over the next three years has been estimated and the latest plan is that, through transformation, a balanced in-year position will be achieved in 2022/23, the cumulative deficit is likely to be £85m at 31 March 2023. At this time the transformation will continue and contain the demand pressures so that spend is less than the grant and the deficit will eventually be repaid.
9. The SEND transformation activities are set out in the attached presentation.

<b>Item 8a</b>
<b>Surrey Schools Forum</b>
<b>9 July 2020</b>
<b>Author: Carol Savedra</b>
<b>For discussion</b>

## **Early Years Funding Proposals for Consultation for 2021/22**

### **Summary**

In 2020/21 no changes are proposed to the key principles of Surrey’s approach to early years funding. We expect to pass through 95% of DfE funding for 3-4 year olds to providers with 5% of funding centrally retained, and to continue to pass 100% of funding for 2 year olds to providers.

Following a review of recent years’ outturn, we are proposing an increase of between 5p and 8p in the hourly rate funding for 3-4 year olds, over and above any increase funded by the DfE.

The Schools Forum will be asked to support the proposals as a basis for planned consultation with the sector and wider community.

### **Background**

DfE funds Surrey for the funded entitlement for three and four year olds at an hourly rate and funds disadvantaged two year olds at a separate, and higher, hourly rate.

In 2020/21 DfE increased hourly rates to Surrey by 8p/hour (1.5% for 3-4 year olds and 1.3% for 2 year olds) and Surrey increased provider funding rates (including deprivation) by the same percentage. We do not yet know what increase, if any, DfE will provide in 2021/22, but we propose, once again, to increase the basic hourly rates and the hourly deprivation supplement and other elements by the same % as any increase in the hourly rate received by Surrey from DfE

As we have gained more experience of take-up of the extended entitlement, we have been able to reduce the level of provision for unexpected changes in demand. In planning for 2020/21, we identified a continuing underspend in the budget for 3-4 year olds and took the opportunity to significantly increase the Inclusion Fund by £2m. This had enables us to target funding to children with SEND and to the most disadvantaged children in order to facilitate early identification and implement effective interventions. This supports our focus on closing the attainment gap and driving up quality of provision in the most disadvantaged areas. We propose to maintain the inclusion fund at this increased level in 2021/22.

Following a review of 2019/20 outturn we have identified scope for a further increase in annual expenditure of £1.0m (or 1.7% of budget) We are proposing to use this to increase the hourly rate funding for 3-4 year olds. This would support an increase in hourly rate of up to 8p. The actual increase would be determined in January and might have to be lower if there is evidence of a significant increase in the cost of

deprivation funding in the autumn term. The underspend has arisen in part because take-up of deprivation funding has been lower than budgeted for. The combination of greater promotion of funded entitlement to disadvantaged groups, a focus on encouraging settings and schools to draw down all the funding they are entitled to and the impact of COVID 19 may mean an increase in demand for deprivation funding. This would need to take priority over delivering the full 8p increase if our objectives of greater inclusion and closing the attainment gap remain paramount.

We propose this increase in the hourly rate in preference to an additional increase to the Inclusion Fund as there was such a significant increase last year, the impact of which has not been fully evaluated due to the lack of time and the COVID-19 pandemic interrupting provision delivery. In addition we are acutely aware of the sustainability issues affecting the sector and believe the increase in the base rate would go some way to ameliorate this. We compare positively with our statistical neighbours with regard to hourly rate. See Appendix 1.

The proposals above assume that there will be no significant reduction in the maintained nursery schools transitional grant (which currently averages £0.2m per maintained nursery school). Should there be a significant reduction in this grant, it may be necessary to provide some local transitional funding, which would mean a reduction in the proposed hourly rate increase above.

Appendix 2 provides an overview of the current and proposed budgets for 3-4 year olds.

### **Proposed Headlines: Principles for Early Years Funding distribution**

- Increase the basic hourly rate for 3-4 year olds (currently £4.72) by the same % as the increase in DfE funding rates, plus up to an additional 8p.
- Increase the two year olds basic rate of £5.96 per hour in line with any increase in DfE funding rate, retaining the 100% pass through for two year old funding
- Maintain the current level of the inclusion fund
- Continue to deliver a deprivation supplement with funding criteria linked to Early Years Pupil Premium criteria, and increase it in line with the percentage increase in DfE hourly rates; taken together with the Early Years Pupil Premium rate of 53p per hour this generates an uplift of at least £3.34 per hour for the benefit of disadvantaged children
- Continue with current approach to Maintained Nursery Schools Transitional Grant – subject to government announcements and to possible transitional protection if it is withdrawn by government
- Maintain centrally retained funds at 5% of funding for 3-4 year olds to meet all the costs of support and administration to deliver funded entitlement for 2, 3 & 4 year olds and to support a sufficiency of provision and on-going provision of 2 year old Inclusion Fund.

- Maintain the funding rate for free school meals for eligible children aged 2, 3 & 4 years attending a full day at Surrey maintained provision at £2.35

### **Inclusion Fund**

This new fund replaced Inclusion Funding and Discretionary Funding as of April 2020 for Early Years and is a supplement of the Early Years Funded Entitlement for 2, 3 and 4 year olds. EIF can only be awarded for Early Years Funded Entitlement hours. Any setting, school or childminder who is registered to deliver Early Years Funded Entitlement can apply for funding to support children with SEND. This funding is awarded by the Early Years Governance Panel which is made up of multi-disciplinary professionals with specialist knowledge of Early Years and interventions. Focus for interventions include closing the attainment gap, supporting emotional resilience, addressing childhood trauma and supported transition. There is built in monitoring and evaluation within the funding process and data collected will be carefully and regularly monitored to ensure the funding is effective. We expect to see an improvement in the number of children achieving a Good Level of Development at EYFS, especially in the groups identified as disadvantaged. (See Appendix 3)

### **Maintained nursery school transitional grant**

If the maintained nursery school transitional grant continues into 2021/22, we propose to distribute in 2021/22 using the same principles as in 2020/21;

- Use first to fund business rates and split site funding in maintained nursery schools;
- Distribute the remainder equally among the four maintained nursery schools.

It should be noted that the maintained nursery school transitional grant could be more, or less, in 2021/22 than in 2020/21.

### **SEN resources in maintained nursery schools and nursery classes**

We are not proposing any changes to the funding of SEN resource places in 2021/22 ie they will continue to attract place funding at £9,145 per fte and hourly rate funding at the normal rate. Hourly rate funding for Universal hours –and for DfE funded extended hours -in resource places will continue to be funded from the Early Years budget.

### **Early Years Specialist Places**

We are proposing that from September 2021 all Early Years specialist places including Resource places and nursery places in Special Schools are offered at 15 hours per week term time only. Currently, although the majority are offered at 15 hours (86%), which is the entitlement for all children, some places are offered at 25 hours and others at 30 hours (for children not entitled to 30 hours under DfE criteria for working families. This proposal seeks to create a fair and equitable offer for all children who require access to Early Years specialist provision and would mitigate the risk of challenge. Current funding arrangements will continue (ie places will continued to be funded pro rata to £9,145 per 25 hr place), and there will be an

opportunity to consider whether additional 15 hour places might be created if required. No children currently attending will have their hours reduced. Dorking and Chertsey Nursery Schools will need to carry out HR consultation with staff as there would be an impact on contractual arrangements.

### **Centrally retained funds**

We propose to continue to retain 5% of the funding for three and four year olds in order to meet statutory duties in administering and distributing the funding, ensuring that there are sufficient places for eligible two, three and four year olds and providing a range of support to individual providers. (see appendix 4)

### **Proposed Consultation questions**

Do you agree that the hourly rates in the early years funding formula for both 2 and 3-4 year olds (both basic and deprivation) should increase by the same percentage as the funding rates paid by DfE to Surrey?

Do you agree that the basic hourly rate should then increase by a further 8p/hr, subject to affordability?

Do you agree that the inclusion fund for 3-4 year olds should be maintained at the same level in 2021/22 as in 2020/21?

Do you support the continued provision of an Inclusion Fund for 2 year olds?

Do you support the continued retention of 5% of funding for 3-4 year olds for 2021/22 for use as described in the funding paper?

Do you support the proposal to offer all Early Years specialist places at 15 hours per week for 38 weeks per year in line with entitlement?

Do you have any other comments on the funding proposals in this paper?

## Appendix 1

### Comparison of Funding Rates with Statistical Neighbours 2019/20

2019/20 3-4 year old funding rates	Hourly Rate	Base Rate
Statistical neighbours	£	£
Buckinghamshire	4.43	4.25
Cambridgeshire	4.51	4.05
East Sussex	4.14	4.02
Essex	4.42	4.24
Hampshire	4.49	3.98
Hertfordshire	5.40	5.10
Kent	4.41	4.00
Oxfordshire	4.21	3.86
<b>Surrey</b>	<b>4.94</b>	<b>4.65</b>
West Sussex	4.69	4.42
Average	4.56	4.26
Surrey variance from average	0.38	0.39

## Appendix 2

### Breakdown comparison of distribution of funding for 3-4 year olds 2020/21 and proposed 2021/22

<b>Based on 14,246 fte 3 &amp; 4 year olds census Jan 2020</b>		
	<b>2020/21 £000s</b>	<b>2021/22 £000s</b>
Base rate	62,625	62,625
Deprivation	1,572	1,572**
Inclusion	3,429	3,429
Central retention	3,559	3,559
Total from DfE hourly rate funding	71,185	71,185
Transitional grant for maintained nursery schools*	786	TBA
DAF*	243	TBA
EYPP*	278	TBA
Total	72,494	TBA

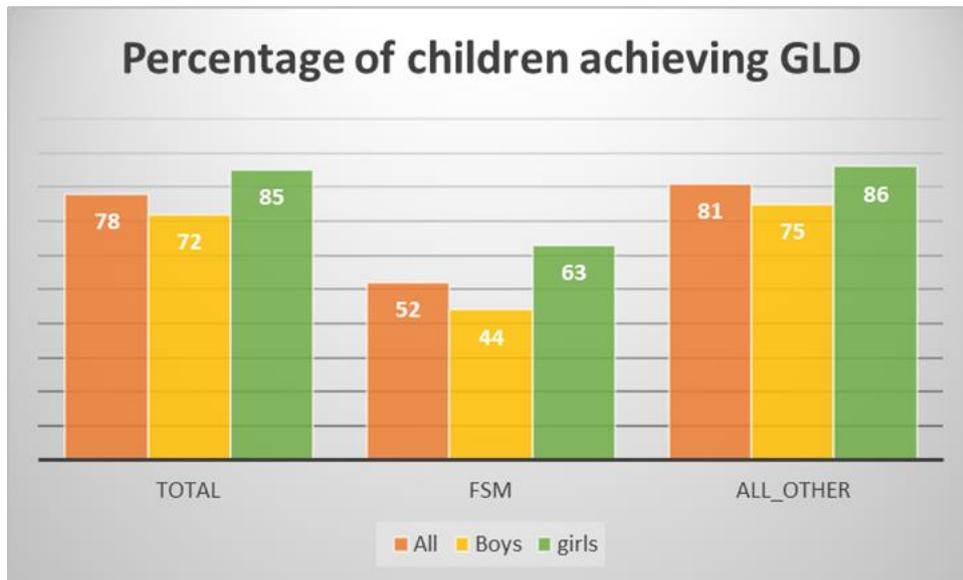
*\*restricted funds for specific purposes*

*\*\*plus a transfer of up to 300k from deprivation to base rate if incidence of deprivation remains at current levels*

*Note : estimates for both years are based on estimated Jan 2020 school and early years census data.*

*The impact of the proposed changes is that Surrey estimates that it will fund fewer hours, but at a higher rate (because in previous years the number of hours has been overestimated). The number of hours funded to providers by Surrey is not the same as the number funded to Surrey by the DfE.*

**Appendix 3**  
**Surrey GLD 2019**



## Appendix 4

### Purposes for which centrally retained funds are used

The following teams work together to support Early Years provision across all sectors including maintained, private, voluntary, independent sectors to promote quality and improve outcomes for children in Surrey

**Educational Effectiveness Team** - Provides support and advice to settings in relation to quality of early education and childcare, Ofsted and statutory requirements, with a focus on settings that require improvement or inadequate, as well as providing targeted support around work with vulnerable groups. This year there is an additional focus on transition as part of the COVID-19 recovery programme.

**Graduated Response Early Years Team** - Provides support and advice to settings in relation to support for children with SEND, with a particular focus on inclusion, quality and early identification of need. Access to Inclusion and discretionary funding.

**Early Years Commissioning & Team Family Resilience** - Meeting the Council's statutory duties to ensure a sufficiency of places for funded 2, 3 & 4 year olds across Surrey. Monitoring and delivering sufficiency; providing support, advice and to promote business sustainability; and individual commissioning of provision for the most disadvantaged families. Delivering census, compliance with DfE statutory guidance and requirements. Brokerage of places for vulnerable children and children identified as disadvantaged and those eligible for FEET funding.

**Funded Early Education Team** - Managing the funded entitlement by advising providers, processing, administering and making payments, including support for the FEE portal. Delivering census.

In addition to funding teams as described above centrally retained funds are used for the following.

**2 year old Inclusion Fund** –enable eligible children with low and emerging to access their funded entitlement.

**Sufficiency Fund** – Grant funding to create new provision and to support sustainability in areas of identified need.

**Provider Portal and Parent Portal** - Maintenance and development

**Census** – statutory requirement and method used by DfE to calculate budget

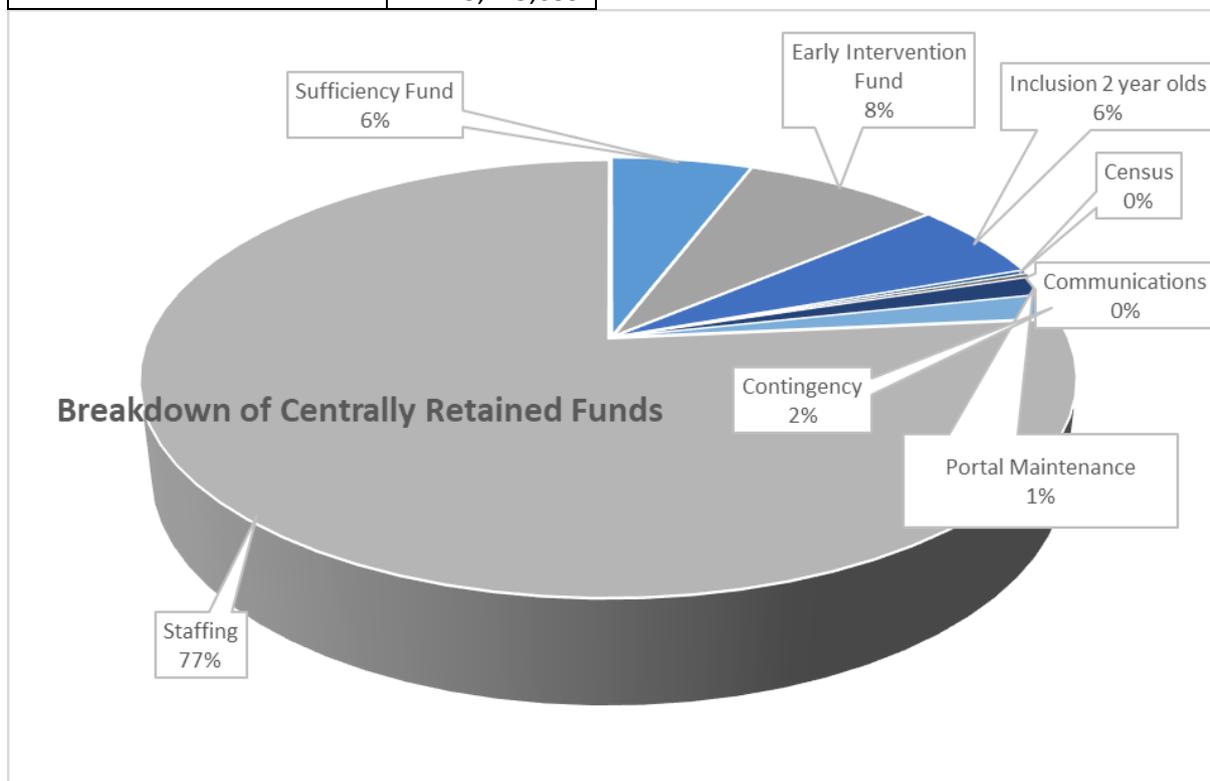
**Communications and publicity** – promotional activities to support FEET, 30 hours, Early Intervention Fund, EYPP, Deprivation and DAF uptake.

**Early Years Phase Council Budget** – To meet expenses as necessary.

## Breakdown of Centrally Retained Funds

Breakdown of Centrally Retained Funds	
Sufficiency Fund	£200,000
Early Intervention Fund	£280,000
Inclusion 2 year olds	£200,000
Census	£10,000
Communications	£10,000
Portal Maintenance	£50,000
Contingency	£66,927
Staffing	£2,658,712
	£3,475,639

Teams Funded and Partially Funded
Educational Effectiveness
Early Help
Partnership with Parents (SSIASS)
CSF Performance Improvement Team
Early Years Commissioning
Finance Team
Education Safeguarding



<b>Item 8b</b>
<b>Surrey Schools Forum</b>
<b>9 July 2020</b>
<b>Authors: David Green, Susie Campbell (Annex 1), Maria Dawes (annex 2)</b>
<b>For discussion and recommendation</b>

## **“De-delegation” proposals for 2020/21**

### **Summary**

De-delegation is the deduction of funds for a specific service from the budgets of maintained primary and/or secondary schools, with the approval of the Schools Forum. The council is proposing continued de-delegation in 2021/22, for those services which were de-delegated in 2020/21.

### **Scope**

In 2020/21 funding was de-delegated from maintained mainstream schools, and held centrally, for the following services:

- Behaviour support (primary schools only: part of specialist teacher service)
- CAPITA SIMS licences
- Teacher and trade union facility time
- Other special staff costs (eg suspensions)
- Free school meals eligibility checking
- Primary school specific contingency
- Intervention fund (primary schools only)
- REMA travellers service (primary schools only).

Further details of the behaviour support and REMA travellers services are shown in Annex 1, of the intervention fund in annex 2. The current and proposed charging rates are in annex 3.

The other services can be summarised as follows:

- CAPITA SIMS licences  
The council purchases a collective licence for maintained schools, allowing cost and administrative savings (nursery and special schools are charged)
- Teacher association and trade union facility time  
This funds a small number of teacher association and trade union reps to provide countywide advice in maintained schools, thus reducing the need for individual schools to release their own staff;
- Other special staff costs  
This contributes to cost of suspensions and release for specified public duties, which can have significant unplanned effects on a small number of schools;

- Free school meals eligibility checking  
This service supports schools by checking the eligibility of pupils to free school meals, to ensure that all pupils are identified and schools receive the additional funding provided for these pupils. This includes additional formula funding income and the pupil premium.
- Primary school specific contingency.  
This benefits only a few schools in any year, but allows a means of providing additional funding in wholly exceptional circumstances to primary schools. Should de-delegation not be agreed, all maintained primary schools would have to bear exceptional risks themselves.

For 2021/22 continued de-delegation of all of these services is proposed subject to the following changes:

- Behaviour support: an increase of 2.3% in the per pupil rate and an increase of 2.3% in the average deprivation rate per pupil. This reflects estimated inflationary increases in staff costs for the services. Average de-delegation rates for this service have not been inflated for several years. The definition of the deprivation rate may need to change in line with any changes made by DfE in NFF deprivation (eg impact of updating IDACI scores). A further increase in rates may be necessary if teachers' pay and pension costs are moved into Dedicated Schools Grant.
- Travellers: increase of 2.3% in the per pupil rate, to reflect increased staff costs subject to the same caveat as above as regards teachers' pension costs;
- CAPITA SIMS licences-increase in line with the estimated cost of the external licences (as this is the cost of an external service);
- Special staff costs- a reduction in the per pupil rate for facilities time and an increase in the rate for other special staff costs. This follows a review of recent years' outturns:
- Rates for free school meals eligibility checking, primary schools contingency and intervention fund would remain unchanged.

The total funding held for each service in 2021/22 is likely to be less than in 2020/21 due to further academy conversions.

De-delegation is not allowed from nursery or special schools or pupil referral units.

### **Action requested of the Forum**

Does the Forum wish to suggest any additional information which would help schools to decide whether to support the de-delegation of these services?

### **Annex 1**

Consultation Paper on Delegation for Schools Forum: Specialist Teachers for Inclusive Practice (STIP) Behaviour Support Service and Race Equality and Minority Achievement (REMA) Gypsy Roma Traveller Service.

## **Financial Background**

De-delegation funds over a quarter (28.5%) of the STIP budget and nearly all (93%) of the REMA Gypsy Roma Traveller (GRT) budget. De-delegation can be seen as an appropriate funding model when there is a need for a service with capacity to respond to demand which can be unpredictable, urgent and has a high impact on staff and pupils. Pupil behaviour often leads to this kind of urgent demand. The highly mobile nature of Surrey's GRT population also leads to urgent and often unpredicted demand with many pupils arriving in-year.

If de-delegation were withdrawn or significantly reduced, the Council could decide there is insufficient business for a traded model to continue with services at their current level. This would create a risk to schools of no suitable alternative provider with sufficient scale, capacity and local Surrey knowledge. There would certainly be no alternative provider with links to the Surrey GRT community as these trusted relationships have been developed over years of working with the community. Even if the Council were to continue with the services at their current level, a fully traded model would not provide the capacity for the kind of urgent response described above and would create a particular risk for smaller schools, which might be exposed (to high risk) under a traded model.

## **Specialist Teachers for Inclusive Practice (behaviour support)**

The STIP service currently receives £ 727, 000 from delegated funding. This accounts for 28.5% of total budget. The rest is made up from high needs block funding (for learning and language support) and traded income. De-delegation funds the STIP (behaviour support) offer to maintained primary schools of evidence-based early intervention, targeted work with individual or groups of pupils, support for staff through training, consultations and surgeries, support for implementing whole-school policies and strategies and direct work with parents.

The STIP (behaviour support) service offer is a Surrey wide offer although the delivery model is local and quadrant- based, and can be accessed easily via a named member of the STIP team for each school who links directly with the SENCO and Head teacher. The service offer has been developed in response to feedback from schools and delivers a graduated response in line with the SEND code of practice and Surrey's profile of need. It offers direct support in the classroom, as well as advice and guidance on how to implement targeted strategies or more specialist approaches.

The Specialist Teachers for Inclusive Practice currently have 1,051 vulnerable pupils open to their service with needs categorised at the specialist school support level and above. In addition, the service has supported schools to meet the needs of over 4,000 vulnerable pupils at the universal or school support level through training activities, observation and consultations with school staff and parents.

359 cases have been closed over the past academic year. (A case is closed when progress has been made, the pupil has left the school or moved out of area or when a case is transferred to another agency).

Of the 359 closed cases the impact is as follows:

- 70% have made sufficient or significant progress
- 7% have left
- 23% have been transferred to other agencies or services

The service has trained over 1600 school staff this academic year, including 578 people, using virtual software, during the COVID 19 pandemic. Feedback from the training is overwhelmingly positive with average scores of 5 (on a scale of 1-5 – low to high) for presentation and impact on future practice.

This is just one of many quotes that we have received following one of the trainings:

*“The training was exceptionally well presented & enjoyable.”*

The STIP service has responded to the COVID 19 situation by providing an enhanced range of virtual surgeries, a daily support line (plus a daily risk assessment support line), additional support materials and an additional online training offer.

If de-delegation were withdrawn or significantly reduced, the Council could decide there is insufficient business for a traded model to continue with services at their current level. This would create a risk to schools of no suitable alternative provider with sufficient scale, capacity and local Surrey knowledge. Even if the Council were to continue with the services at their current level, a fully traded model would not provide the capacity for the kind of urgent response described above and would create a particular risk for smaller schools, which might be exposed (to high risk) under a traded model.

## **Race Equality and Minority Achievement (REMA) Gypsy Roma Traveller (GRT) Service**

Surrey's REMA GRT service currently receives £448, 000 from delegated funding. This accounts for 93% of the total budget. The rest is made up of traded income and a small amount of council funding for non-school GRT work.

De-delegation funds the REMA GRT Core Education Offer to Surrey maintained primary schools. The Core Education Offer includes: induction support for in-year admissions and transitions, personalised programmes for individual pupils with complex needs, support for attendance, engagement and behaviour, advice on providing the right environment for these pupils, vital engagement with parents and building effective home-school links, support with requirements of SEND and statutory processes, insight into cultural background of GRT community and training

for staff and governors, advice and liaison with other agencies. It also provides support to maintain learning while travelling.

Surrey's REMA service has unique links to countywide Gypsy, Roma and Traveller (GRT) communities and excellent relationships developed over many years. The service consists of specialist GRT teachers as well as Traveller Education Support Workers (TESWs) who provide an important 'bridge' between school and GRT families. Much of their work takes place out on the sites or in the home environment. The mobility of this population mean that Traveller pupils can arrive new to Surrey or can change schools at any time during the year. De-delegation is therefore important to ensure that the service can be matched to unpredictable and often urgent demand.

Over 80 schools have accessed REMA's Core GRT Offer to maintained primary schools so far this academic year (numbers impacted by COVID) with an additional 250 Early Years visits made to develop school readiness and to undertake pre-school identification of GRT children with SEND. REMA's Traveller Education Support Workers (TESWs) have provided home school liaison support with GRT families for over 100 schools.

Maintained primary schools with a high level of GRT pupil vulnerability or a transient cohort have been provided with ongoing consultation/surgery sessions. Schools report that good progress has been made by their pupils and the level of staff expertise has increased. School evaluation includes:

- excellent rapport achieved with GRT pupil and parents
- targets are relevant and teachers are implementing all advice
- really pleased with level of support and pupils are making measurable progress as a result
- always professional and relevant and completely invaluable

REMA's training offer has been highly successful with 100% of evaluations rated as Excellent or Good. Training to support schools' response to bullying and prejudice-related behaviour was rated as excellent by 98% respondents.

The REMA GRT service has responded to the COVID 19 situation with the following enhanced offer:

- **Home learning packs, wellbeing support, food vouchers** provided/delivered to GRT sites/homes by Traveller Education Support Workers (49 contacts to date)
- **Additional GRT advice and support** offered to schools direct and via Schools Bulletin Issue 299 (June)
- **'Guidance for GRT parents and carers supporting their children with home learning'** sent to all schools and in Schools Bulletin Issue 299 (June)

- **‘Re-engaging with GRT Pupils and their Families following School Closures’** - two free training webinars on 7<sup>th</sup> July for primary school teams (16 delegates to date) Training films to follow.

If de-delegation were withdrawn or significantly reduced, the Council could decide there is insufficient business for a traded model to continue with services at their current level. This would create a risk to schools of no suitable alternative provider with sufficient scale, capacity and local Surrey knowledge. There is currently no alternative provider with comparable links to the Surrey GRT community as these trusted relationships have been developed over years of working with the community. Even if the Council were to continue with the services at their current level, a fully traded model would not provide the capacity for the kind of urgent response described above and would create a particular risk for smaller schools, which might be exposed (to high risk) under

## Maintained primary schools' intervention fund

### Introduction

Historically funds have been de-delegated from maintained primary schools in order to provide additional school improvement services and interim leadership costs to schools that face standards and performance issues and where the delegated budget is insufficient to bear the costs. At Schools Forum on 12 June 2019 it was agreed that Schools Alliance for Excellence (SaFE) would take forward the management of this fund from September 2019 and in addition would manage the underspend of £147K from 2018/19.

It was further agreed at Schools Forum on 30<sup>th</sup> April 2020 that any underspend from 2019/20 would also be carried forward.

This paper gives a brief summary on how this funding has been spent during the academic year 2019/20.

The following table summarises the overrun on 30 March 2020

	Budget £	Total spent £	Underspend £
18/19 intervention fund B/F	146,847	142,945	3,902
19/20 intervention fund	446,574	221,511	225,063
Universal Offer	45,423	0	45,423
<b>Total</b>	<b>638,844</b>	<b>364,456</b>	<b>274,388</b>

### 2018/19 Intervention fund Carry Forward

A key objective for SaFE and for Surrey is to improve outcomes and progress for identified vulnerable groups including disadvantaged and pupils with special educational needs and disabilities. Therefore, the 18/19 carry forward funding has supported work addressing this issue through two substantial projects.

#### *Disadvantaged Primary Project*

Base-line statistics shows that outcomes for disadvantaged pupils at all key stages are significantly below those for similar groups nationally with gaps widening in 2019 in some cases.

Research identifies two key areas at primary that have the potential to make a difference

- ❖ Curriculum design
- ❖ Early reading

Therefore, to complement the on-going Secondary Premium Learners Project SAfE launched a significant project for Primary Schools in January which is funded for maintained primary schools through the 18/19 Intervention fund Carry forward. A total of 75 maintained primary schools and 31 Academies attended the launch event and are taking part in the full programme. The full programme involves schools focusing on one of the two areas, reviewing their current practice using a model provided by the EEF, identifying an action research project and evaluating progress. In addition to support from the EEF, The White Knights English Hub and Christine Counsell, maintained schools have been allocated funding to support their projects.

Due to COVID most projects have been pushed back into the Autumn and are likely to be 'tweaked' to take account of issues arising from lockdown.

### *Inclusion Peer Review*

The purpose of the Inclusion Peer Review programme is to provide a framework and set of strategies to support schools make an accurate evaluation of the quality of their SEND provision and to develop an action plan to move forward. The programme is delivered by Whole Education and led by David Bartram. As part of the programme schools work in triads and are trained in a coaching model that enables transfer knowledge and experience resident in senior practitioners to less experienced professionals in order to build long-term sustainability.

This is a six half-term project which was launched in January 2020 and fully funded for maintained primary schools. In total 57 maintained primary schools are taking part in this project with a further 15 academies and other phase schools.

Feedback from the launch was very strong with 100% of delegates evaluating the session as useful and 80% rated it as extremely useful.

Schools have been placed in triads and some work has taken place, however much has been postponed until the new academic year.

### **2019/20 Intervention Fund**

The total intervention fund for 2019/20 was £446,574. Of this £221,511 has been spent.

The majority of the funding has been allocated by SAfE to provide additional school improvement and leadership to Support and Challenge Schools. There are currently 25 S&C primary schools. Each S&C school has an allocated S&C partner (either an NLE or other headteacher with SI experience) who works with the school leadership to devise and cost a support programme. Depending on the school's budget some or all of the support plan may be funded through the intervention. Progress against the action plan is monitored termly through S&C meetings chaired by a SAfE advisor.

Schools are not allocated the money – the support provider invoices SAfE directly for the funding. A total of £177,955 has been allocated for this support. Where work has had to stop due to COVID this will be carried forward into 20/21.

In addition, £43,656 was allocated directly to schools to provide interim leadership.

There remains a carry forward of £274,388 from 2018/19 and 2019/20. Given the negative impact of the current COVID crisis on learning and well-being and in particular the disproportionate impact on children from disadvantaged backgrounds this funding will support the work being directed by SAfE under the third strand of the Surrey Recovery Plan.

### **2020/21 Intervention Fund**

The total intervention fund for 2020/21 is £431,873. Given the negative impact of COVID it is anticipated that there will be an increase in the number of S&C schools and this funding will enable the most vulnerable schools access to support.

### Annex 3 Current and proposed de-delegation rates (provisional)

	2020/21		2021/22 provisional proposal	
Service	Primary	Secondary	Primary	Secondary
Behaviour support services	£6.92 per pupil + £44.80/FSM6+ £16.24/IDACI band F+ £19.34/IDACI band E+ £29/IDACI band D+ £31.32/IDACI band C+ £33.64/IDACI band B+ £46.40/IDACI band A	n/a	(£6.92 per pupil plus deprivation bands based on the same average deprivation funding per pupil) +2.3% increase	n/a
Licences and subscriptions	£3.82 per pupil	£5.14 per pupil (KS3+4)	£3.82 per pupil+ inflation	£5.14 per pupil (KS3+4) + inflation
Special staff costs-union facility time	£1.68 per pupil	£2.27 per pupil in KS3-4	£1.47 per pupil	£1.99 per pupil KS3-4
Special staff costs (other eg suspensions)	£0.47 per pupil	£0.64 per pupil in KS3-4	£0.59 per pupil	£0.80 per pupil in KS3-4
Free school meals eligibility checking	£275 per school	£435 per school	£275 per school	£435 per school
Primary school specific contingency	£3.23 per pupil	n/a	£3.23 per pupil	n/a
Additional school improvement -devolved funding and direct school improvement support -travellers education service	£8.75 per pupil  £9.09/pupil	n/a	£8.75/pupil  £9.30/pupil	n/a

<b>Item 8c</b>
<b>Surrey Schools Forum</b>
<b>9 July 2020</b>
<b>Author: David Green</b>
<b>For discussion and recommendation</b>

## **Other mainstream funding consultation proposals**

### **Summary**

The Forum is invited to discuss proposals for mainstream schools' funding changes, for inclusion in the autumn 2020 schools funding paper. These include the balance between minimum funding guarantee, ceiling etc, and various technical issues.

### **Background**

Proposed changes to mainstream schools funding for 2021/22 must be subject to consultation with all schools and with the Schools Forum (in the autumn of 2020) and then approved by Cabinet, in November/December 2020.

This paper summarises the proposals on which the LA plans to consult schools for 2021/22. The outcome of the consultation will be reported to the Forum at the next meeting.

The Forum is asked

- Whether the proposals and questions require clarification
- Whether it would wish any other proposals/questions to be included
- Whether it wishes to make any other comments on the proposal or process.

However, the final decision on the content of the consultation paper is one for the LA.

### **DFE changes**

Often, funding changes are driven by changes by the DfE to the funding framework. Should any such changes be announced between now and September, which require local choices to be made, officers are happy to consult Forum members informally over the summer (although this may be subject to tight turnaround times).

### **Levels of unit of resource, minimum funding guarantee and ceiling**

In 2020/21, Surrey schools are funded on the NFF except that

- Funding rates are generally 0.7% above NFF rates (which we could afford due to a reduction in low prior attainment incidence) Basic entitlement rates are 0.5% above NFF (not 0.7%), to support a higher lump sum (see below)

- Lump sum was increased by 4% (the NFF formula factor increase rate), whereas it would have had to be reduced to match NFF: this was done in order to protect small schools.

There was no ceiling on schools with large per pupil funding gains, so all such schools now receive full formula funding.

As the government still intends to move to a “hard” NFF (ie no local choice) there is still little point in moving local factors away from the NFF. Therefore in 2021/22, officers provisionally propose (subject to affordability):

- To set the minimum funding guarantee at the highest level permissible (which maximises protection for those schools which remain on MFG (some of which have been on MFG for years), recognising that they will still need to meet the cost of teacher pay increases etc;
- To deliver the minimum per pupil (funding) level in full
- To increase all formula factors by the same percentage as the DfE increase the NFF factor values, less 0.7% for the extra increase provided by Surrey in 2020/21)
- Should this leave a surplus, to further increase all NFF factors by a standard percentage (in effect this is an advance on the following year growth)
- Should the above be unaffordable, to implement a lower percentage increase in all formula factors,
- Should a block transfer be proposed and approved, to implement it via a lower percentage increase in all formula factors
- To use a ceiling on gains only in the case of huge increases in per pupil gains (perhaps 5% or more above the increase in funding rate values).

As a reminder, the DfE funds Surrey for 2021/22 based on Oct 2020 pupil numbers and Oct 2019 pupil characteristics. But Surrey must fund schools based on Oct 2020 pupil numbers and Oct 2020 pupil characteristics- and the difference between the two could allow Surrey to fund above NFF rates (as in 2020/21) or create an affordability gap. The actual gap, if any, will not be known until December, when the DfE publishes the 2021/22 funding data.

### **Level of the notional SEN budget**

The level 1 and level 2 notional SEN budgets are sums earmarked for SEN from the mainstream NFF formula budgets. The basis of definition of the notional SEN budget is a local one and the average level 1 and level 2 funding per pupil have remained unchanged for several years, although the values of most of the formula factors on which the notional SEN budget is based increased in 2020/21 and are expected to increase in 2021/22.

Therefore it is proposed that in 2021/22, the value of notional SEN funding factors is increased by the same % as the increase in the relevant mainstream formula factor values (eg if deprivation and low prior attainment rates in the formula increase by 4%, level 2 notional SEN funding would also increase by 4%). This would mean that schools would be expected to spend roughly the same proportion of their budget on

SEN if their pupil characteristics didn't change, and thus that SEN pupils received a share of the benefit of increases in NFF rates.

Proposed Question: Do you agree that the level 1 and level 2 notional SEN budget factors should be increased in line with the value of mainstream formula factors, so that the SEN budget shares the benefit of SEN funding increases?

### **Primary schools contingency**

In recent years there has been a surplus on de-delegated primary schools contingency and this has been redistributed back to maintained primary schools in the following year as a per pupil rate for the schools which contributed at the time the surplus arose. Maintained primary schools are asked whether they support continuation of such a redistribution if there is any such surplus available.

### **Delegated former combined services funding (confederations and additional school improvement)**

In 2020/21 mainstream schools' delegated budgets included a sum funded from the former combined services Dedicated Schools Grant allocations for confederations (primary schools only) and school improvement. These amounts are included in the basic entitlement and deprivation factors.

In 2020/21, the sum allocated by DfE for combined services was reduced by 20% and this was reflected in average reductions of £2.00 per primary pupil and £0.75 per secondary pupil in the delegated sums. Should DfE make a further reduction in 2021/22, we propose to pass the reduction on to schools in the same way.

### **Growing schools funding**

We are not currently proposing any changes to the methods used for funding growing schools for 2021/22, including the basis of vacancy funding.

### **Excluding rents and split site funding from minimum funding guarantee (MFG) and ceiling calculations**

DfE classify both rents and split site allocations as "premises factors" which can now be excluded from the minimum funding guarantee and ceiling calculations without Secretary of State approval, although such approval was required prior to 2018/19. Currently Surrey does not exclude either from minimum funding guarantee, although both are excluded from the MPPL.

From 2021/22 it is proposed that both rents and split site funding are automatically excluded from MFG and ceiling calculations, on the basis that

- \* they are generally unrelated to overall pupil numbers (rents are generally fixed costs, subject to periodic review, split site costs relate to the number of pupils)

on the subsidiary site, rather than to the size of the school as a whole). So for example if a school has a rent allocation, is on MFG, and its pupil numbers fall, it will in effect lose part of the rent funding in proportion to the fall in pupil numbers

- \* rents can vary wildly on periodic review We have usually asked for individual variations anyway where there have been large changes and it would be simpler to establish a general principle which would save the discussion of specific cases. It wouldn't change the principle that the LA has to be satisfied that any rent increase is reasonable or unavoidable.

In 2020/21 no school funded for rents or split site is on either minimum funding guarantee or ceiling deduction and therefore all schools entitled to rent and split site funding are receiving their full allocations for both. So making the change in 2021/22 would mean that the baseline budget would be free from historic anomalies.

The basis of eligibility for rent and split site funding would remain the same.

Currently 6 schools are funded for rents and 9 for split sites.

#### **Action requested of the Forum**

The Forum is asked to consider the proposals described in the paper and in particular

- How they could be made clearer to schools as a whole
- Whether they would wish to see any other proposals included?

<b>Item 9</b>
<b>Surrey Schools Forum</b>
<b>9 July 2020</b>
<b>Author; David Green</b>
<b>For decision</b>

## **Request for approval of proposed changes to the Surrey Scheme for Financing Schools : DfE Risk Protection Arrangement**

### **Summary**

On 1 April 2020 the DfE published revised statutory guidance on local authorities' Schemes for Financing Schools, the statutory schemes governing the financial relationship between local authorities and their maintained schools. The only substantial change concerns the DfE's Risk Protection Arrangement, previously open only to academies, which was opened to maintained schools from 1 April 2020.

The Forum is now asked to approve proposed changes to the Surrey Scheme in order to implement the DfE requirements that the Risk Protection Arrangement is extended to maintained schools. This is a matter for maintained school representatives only.

### **Background**

The DfE's Risk Protection Arrangement was established to provide academies with an alternative to commercial insurance. Following a consultation in autumn 2019, the DfE has allowed maintained schools to join the arrangement from April 2020. Additionally, maintained primary and secondary representatives on Schools Forum will have the right in future years to approve sector wide participation in the Risk Protection Arrangements, via "de-delegation" if they so choose.

Changes are required to section 10 (insurance) of the Surrey Scheme for Financing Schools in order to recognise the new arrangements. The existing wording and the proposed revised wording are shown below.

The LA consulted all schools on the proposed changes to the Scheme via a bulletin dated 7 May. No responses had been received by the closing date of 5 June.

The proposed changes below are the same as those shared with the Forum on 30 April. The issue is HOW the change is implemented in Surrey and not whether the RPA is made available to Surrey schools.

It should be noted that if the Forum agrees to de-delegation, schools would join the RPA on the same terms as if they chose to join individually. So the only advantage to de-delegation would be administrative, if the vast majority of schools chose to join.

### **Existing Surrey Scheme (as at March 2020)**

If funds for insurance are delegated to any school, the Authority will require that school to demonstrate that cover relevant to the Authority's insurable interests, under

a policy arranged by the Governing Body, is at least as good as the relevant minimum cover arranged by the Authority if the Authority makes such arrangements, either paid for from central funds or from contributions from the schools' delegated budgets. The Authority is required to have regard to the actual risks which might reasonably be expected to arise at the school in question in operating such a requirement, rather than applying an arbitrary minimum level of cover for all schools.

**Proposed revised Surrey wording covering RPA** (new text underlined)

Funding for insurance is delegated to all schools, **subject to the right of Schools Forum to agree de-delegation in respect of maintained primary and secondary schools. The Authority will normally offer insurance cover to all schools on a traded basis.** Should a school wish to arrange insurance independently, the Authority will require that school to demonstrate that cover relevant to the Authority's insurable interests, under a policy arranged by the Governing Body, is at least as good as the relevant minimum cover arranged by the Authority. The Authority is required to have regard to the actual risks which might reasonably be expected to arise at the school in question in operating such a requirement, rather than applying an arbitrary minimum level of cover for all schools.

**Note:** Instead of taking out insurance, a school may join the Secretary of State's Risk Protection Arrangement (RPA) for risks that are covered by the RPA, on the expiry of any existing contract after 1 April 2020. Schools should note that RPA cover is not identical to Surrey's, but it will be deemed to be cover which meets the authority's basic requirements, except in respect of motor insurance and damage caused by explosion of boilers, pressure vessels etc, which are not covered by the RPA. Schools are advised to take professional advice before changing their insurance arrangements. Schools may choose to join the RPA individually when any insurance contract, of which they are, part expires, or at the end of each financial year where they are part of the LA contract and a multi year agreement exists (subject to giving notice to the LA before 31 January to join the RPA on 1 April). . Alternatively primary and/or secondary maintained schools may join the RPA collectively by agreeing through the Schools Forum to de-delegate funding.

**Action requested of Forum members**

Maintained schools representatives are asked to

- a) To approve the proposed changes.
- b) To advise whether they would wish the LA to consult on de-delegation.