



## Papers for Schools Forum meeting 9 January 2024

### Item 5

#### Surrey Schools Forum

9 January 2024

For discussion (part) and decision (part)

Lead officers: Julia Katherine/David Green/Sarah Bryan

Update on final Dedicated Schools Grant settlement for 2024/25 including high needs block update and CSSB funding

### Summary

This paper summarises the changes in 2024/25 Dedicated Schools Grant allocations between the July provisional allocations, the October amendments and the December final allocations.

### Background

The DfE announced the “final” Dedicated Schools Grant (DSG) settlement for 2024/25 on 19 December 2023. The table below summarises the final DSG allocations (before deductions for academy recoupment or direct funding of academy places) and compares them with those for 2023/24 and with the provisional 2024/25 allocations announced in July 2023 and the corrected allocations announced in October 2023.

**Table: summary of DSG changes between 2023/24 and 2024/25**

DSG block	2023/24 (latest) £m	2024/25 July 2023 £m	2024/25 Oct 2023 £m	2024/25 (Dec 2023) £m	2024/25 Change Oct to December £m
National funding formula (NFF) schools	792.9	844.0*	836.5*	836.7	0.2
Central schools	6.5	6.6	6.6	6.6	n/a
High needs	218.1	223.8	223.8	225.3	1.5
Total before Early Years	1,017.5	1074.4	1066.9	1,068.6	
Early years	84.5	Not quoted		134.7	Subject to update during the year
Total including early years	1,102.0			1,203.3	See above

\*before update of growth fund

Note that the increase in schools block between 2023/24 and 2024/25, shown above as £43.8m, is actually £16.8m “new money” and £27m in lieu of the 2023/24 mainstream schools additional grant.

### **NFF schools block, including mainstream schools additional grant**

The 2024/25 DfE funding rates per pupil for the NFF schools block remain the same as announced in October. There is a 1.4% increase in most funding factors (1.6% for free school meals), 0.5% increase in funding floor and 1.4% in minimum per pupil level, making an approximate 1.9% increase in average funding per primary and secondary pupil in Surrey after taking into account increased additional needs. The main changes since the October figure are an increase in secondary pupil numbers and a £1.3m reduction in growth funding. (Note: following discovery of an error by DfE, October figures were reduced compared to the July provisional allocations which were used as the basis for Surrey’s autumn consultation).

Revised proposals for formula funding of mainstream schools, and for the growth fund, are set out in separate papers.

### **Central schools services block (local authority retained duties)**

There is an increase of £199,000 in central schools services block (retained duties funding), partly offset by a reduction of £90,000 in historic commitments funding (which was expected). Proposals for allocation of the central schools services block are described in a separate paper.

### **High needs block**

The allocation is £1.5m higher than the July provisional allocation, of which £1.3m is due to increased pupil numbers in state maintained and independent special schools (where an increase was anticipated, and where additional costs have been incurred due to the increased pupil numbers).

### **Early years block**

Early years block funding rates for 2024/25 were announced in December 2023, including rates for the new entitlement for children aged above 9 months but under three of working parents. The large increase in the early years block is due in part to the extension of entitlements to new groups, but also to increases in hourly funding rates for existing entitlements. Further details and proposed formula funding arrangements for Surrey are provided in a separate paper.

As usual, early years funding received by Surrey will be amended during the year based on January 2024 and January 2025 census data, and (in 2024/25) using termly census data for the new entitlements for children under three of working parents, but the hourly DfE funding rates will not change. Rates paid by Surrey to providers will be determined over the next few months, once current take up trends are clearer, and may differ from the DfE hourly rate increase in order to ensure affordability.

### **Reminder of the role of Schools Forum in respect of DSG**

The Forum has the right to:

- Approve the level of the growth fund budget (item 7)
- Approve the use of the centrally managed schools budget (item 11)
- Approve the use of centrally managed early years funding (item 9)
- Be consulted on the proposed schools and early years funding formulae (final decision is for the local authority) (as above, and items 8 and 9)
- Be consulted on the proposed use of the high needs block.

### **Recommendations**

That the Forum notes the updated DSG allocations and the updated high needs block position.

**Item 6****Surrey Schools Forum****9 January 2024****For information and support****Special Schools and PRU Funding issues****Inflation Agreement 2024/25**

As set out last year in the schools funding consultation, SCC has made a commitment to agree the Special Schools Inflation figure by the end of January 2024. We acknowledge that school leaders require as much notice as possible when setting budgets of the income and funding they can expect, especially during this challenging period. The intended process, as operated in 2023/24, will be for SCC to work closely with the Special Schools and PRU Working groups led by Head Teachers to agree an appropriate percentage figure and methodology and timeline for allocations, which may require some detailed work with the working group colleagues. The aim is that a joint proposal endorsed by SCC and the Working Group members can be shared more widely with the Phase Council groups of all Special Schools and PRU's Headteachers for their collective agreement.

**Action requested of the Forum**

To support the proposals

## **Item 7**

### **Surrey Schools Forum**

**9 January 2024**

**For decision**

**Lead officer: David Green**

### **Growing schools funding and falling rolls issues for mainstream schools for 2023/24 and 2024/25**

Including criteria for the use of average pupil numbers in expanding schools and in schools reducing PAN or losing bulge classes)

#### **Summary**

This paper provides an update on the growing schools budget for mainstream schools for 2023/24 and proposes criteria and budgets for 2024/25. The Forum has the right of approval of the growing schools' budget and criteria. The Forum is asked to note the latest estimates for 2023/24 and to approve the proposed criteria and provisional budget for 2024/25. Some additional criteria have been added following changes in DfE requirements.

The paper also provides an update on proposed transitional "falling rolls" funding for a special case.

#### **Background to growing schools and falling rolls budgets**

The growing schools' budget for 2024/25 funds pupil growth from September 2024 due to PAN increases or bulge classes, plus funding for eligible vacancies in extra classes and other related costs.

Growing schools funding is allocated to LAs by DfE using a separate formula, outside the main schools national funding formula and based on pupil number growth in the previous year. Surrey's 2024/25 allocation is £4.018m, compared to £5.934m in 2023/24, reflecting a reduced level of pupil growth. The DfE formula is based on net pupil growth in small areas and does not distinguish between growth filling vacancies and growth requiring new places. There is also an allocation of £0.592m based on the number of small areas with falling rolls (see below).

LAs are allowed to move funding between NFF allocations and the growth fund (and separate falling rolls fund), indeed DfE guidance states that:

"We are not illustrating allocations of growth at school level and do not expect local authorities to necessarily use (the methodology used to fund LAs) to decide how much growth funding to allocate to individual schools. Local authorities should continue to make decisions about growth funding locally as they do now. We do not anticipate that local authorities' spending on growth will necessarily match

precisely the sum allocated to them for growth, and they will continue to have the ability to ‘top slice’ their overall schools block funding to fund pupil number growth”.

Schools extending age range (such as infant schools expanding to primary, or wholly new schools) must be funded for 2024/25 on “average pupil numbers” ie the average of October 2023 and estimated October 2024 pupil numbers. The difference between the cost of average pupil numbers and the cost of using October 2023 pupil numbers alone is a further cost to the growth fund, although schools receive this funding as part of their main formula budget share, rather than separately.

For 2024/25 the DfE is making some changes to growth criteria which will necessitate changes to those in Surrey. Specifically, “(growth) funding, either through the growth fund, or by adjusting pupil numbers in the “APT” (the annual school level budget return from LA to the DfE), will need to be provided (at a minimum per pupil rate) regardless of whether the additional class is within or outside of the PAN”, where it is needed to meet growth in demand in the area, although it also refers to maintained schools and academies “agreeing” to admit extra classes within PAN. Changes have been proposed to the proposed local criteria in an attempt to respond to this policy change. Further clarification from DfE on interpretation is awaited.

### **Growing schools’ budgets 2023/24 and 2024/25**

The current state of the growing schools’ budget for 2023/24 and initial projections for 2024/25 are shown in the table below. As ever, there will be much uncertainty for 2024/25 until place allocations for September 2024 are known.

<b>Table: Growing schools budgets 2022/23-2024/25</b>	2022/23 Outturn	2023/24 Jan 2023	2023/24 Latest estimate	2024/25 Initial estimate
	£000s	£000s	£000s	£000s
New bulge classes/permanent PAN increases primary	276	339	134	231
Resources for new primary classes	32	48	24	36
Protected vacancies in existing pri bulge classes	450	211	204	65
Missing year groups (diseconomies of scale)	81	76	76	72
Secondary schools exceeding/raising PAN	2,039	1,743	1,329	1,573
Contingency for growth within existing PAN: primary				229
Growth within PAN (new DfE requirement): secondary				580
Others (incl exceptional 2023/24 commitments)	4		423	
Prior year vacancy adjustments				
Pre opening costs of wholly new schools				0
<b>Total estimated cost</b>	<b>2,882</b>	<b>2,417</b>	<b>2,190</b>	<b>2,786</b>

Budget available	4,341	3,590	3,629	2,786
The available budget is calculated as shown below				
Estimated DFE growth and falling rolls allocation	4,891	5,895	5,934	4,611
Less 1% block transfer to high needs		-59	-59	-46
Less cost of average pupil number growth and new school lump sum	550	-242	-242	-1,239
Less cost of falling rolls allocation (special case)				-140
Less to support mainstream formula		-2,000	-2,000	-400
Available to fund growing schools (est)	4,341	3,590	3,629	2,786

The estimated growing schools cost excludes the cost of April-August funding for actual additional pupils in growth classes in academies, which is offset by deductions from academy formula funding recouped by ESFA. The estimates for 2024/25 also exclude any additional vacancy funding required when budgets for schools on average pupil numbers are adjusted from estimates to actuals, which is covered by savings arising from the associated reductions in formula funding.

The net cost of average pupil number adjustments for growing schools and any adjustments for schools losing bulge classes affects the growth fund and therefore the funding available for growth in 2024/25 depends on whether DfE agrees or refuses Surrey's disapplication requests in respect of schools losing bulge classes. The estimates above do not include any savings from schools losing bulge classes (requested at around £220,000 for four classes, much lower than in recent years).

It is proposed that £0.4m of growth funding is transferred to support the main funding formula, plus up to a further £800,000 if DfE agree that the criteria in section 2 of annex A need not be funded.

### **Further information on proposed criteria for growing schools funding**

Annex A provides full details of proposed growing school criteria (other than pre opening funding) for those who are interested. The main categories of growing schools funding are:

- Funding for additional classes opening in September 2024 over and above PAN (annex A, part 1)
- Funding for additional classes opening in September 2024 within existing PAN (new DFE requirement, to be clarified, see above and Annex A part 2)
- Funding for resources for new classes in primary schools opening in September 2024 (annex A, part 3);
- Funding for protected vacancies in existing growth classes (annex A, part 4);
- Funding for missing year groups (or "diseconomies of scale"): (annex A, part 5);
- Additional funding for infant schools expanding to primary schools (annex A, part 6).

### **Use of average pupil numbers for schools extending age range**

Where a school is extending its age range (eg infant converting to primary, or wholly new school opening one year group at a time), the additional pupils in the new year groups must be funded by using average pupil numbers (i.e.  $5/12 \times$  Oct 2023 actual plus  $7/12 \times$  Oct 2024 estimate for 2024/25) rather than via growing schools funding. Such schools will still receive growing schools funding for resources, missing year groups etc.

Where a school is extending its age range and the PAN of such a school is not changing, we propose that average pupil numbers should be used only for the expanding phase (infant, junior or secondary) rather than for the whole school. Thus, for an infant school expanding to a primary school, actual Oct 2023 pupil numbers would be used for all infant year groups, and average numbers for all junior year groups. For a secondary school in this position, average pupil numbers would be used for all secondary year groups.

Where a school is extending age range, and its PAN is changing, we propose that average numbers are used in the new phase, and also for those year groups in the old key stage which are affected by the change in PAN only. The logic is that a school on average pupil numbers should not gain or lose funding in year for a change which could have happened, and which would not have affected funding, in any other school.

Annex B shows the schools where estimated average pupil numbers are expected to be used in 2024/25.

Where a school has been funded in part on estimated pupil numbers, and actual pupil numbers differ from the estimates, the DfE encourages LAs to adjust the school's funding from estimated to actual pupil numbers, but this adjustment must be made in the following year. Such adjustments have been made in Surrey since 2016/17 and we propose to make them again in respect of 2024/25 estimates. In some cases, this may require a change in vacancy funding, where the number of pupils in the oldest year group (which attracts vacancy funding in expanding primary schools) differs from the estimated number. Adjustments would be made only in respect of year groups for which estimated pupil numbers were used initially in the 2024/25 budget.

### **Use of average pupil numbers for schools where bulge classes leave**

Where a bulge class leaves a primary school, the LA has normally funded it for the summer term only in the year in which it leaves, by using "average pupil numbers" to fund the school in that year, although this requires annual approval from the Secretary of State. The LA has applied to vary funding in this way for four schools in 2024/25. An update on this year's disapplication requests will be given at the meeting if possible.

### **Pre opening funding for wholly new free schools**

Where the LA runs a competition to provide a new mainstream free school, in order to meet a basic need requirement identified by the LA, it is expected to provide funding for pre opening costs and is required to advise potential bidders of the revenue funding



which will be available to meet pre-opening costs. These costs are met from the growth fund and therefore the basis of funding requires the approval of Schools Forum.

In December 2018, the Forum agreed that a lump sum of £100,000 could be made available to proprietors of wholly new primary mainstream free schools, established in response to a competition run by the LA, to meet revenue pre-opening costs. This would cover, or contribute to, costs of early appointment of staff and non capital resources costs, including resources for non classroom accommodation. It is not currently anticipated that any such costs will be incurred in 2024/25 and therefore no budget has been provided.

For the avoidance of doubt, this pre opening funding would not apply to free schools established by the “centrally determined” route, whereby potential proprietors apply directly to the DfE to open new free schools. The DfE makes an allocation to these schools to cover pre-opening costs.

### **Funding rate for additional pupils in bulge classes or additional pupils due to an increase in PAN**

It is proposed that the 2024/25 funding rate for eligible schools continues to be the average pupil led funding for that school (including minimum per pupil funding, minimum funding guarantee and ceiling, where applicable), less de-delegation and central services levy for maintained schools and a small adjustment for academies. This means that the funding which a school receives for growth is much the same whether it is provided as growth funding outside the formula, or by using average pupil numbers within the formula. The funding rates are proposed to increase compared to 2023/24 due to the assimilation of mainstream schools additional grant into the NFF.

### **Funding rates for vacancies in eligible primary classes**

We are proposing that the funding rate for eligible existing vacancies should change to reflect the proposed changes in basic entitlement funding and in the levels of de-delegation and central services levy deductions. The same principles would be used as in previous years:

- 90% of net basic entitlement rate for vacancies in classes opened in or after September 2019 and agreed after January 2019
- 100% of net basic entitlement rate for other eligible infant vacancies and 95% for other eligible junior vacancies.

We expect the cost of funding vacancies to continue to fall as the increased pupil numbers move from primary (in which vacancies in some new classes are funded) to secondary (in which they are not).

### **2023/24 growth fund issues: secondary schools with recent PAN reductions being asked to exceed the reduced PAN**

In December 2022 the Forum considered the application of growth funding to various secondary schools where PANs had either been held below previous figures, or had been reduced recently, and were now being increased. The Forum is now asked to approve growth fund allocations to three such schools.

Specifically:

Merstham Park School, opened in September 2018 and in the first few years the PAN was reduced from planned 180 to 120 because of accommodation limitations. The Sept 2018 intake left in July 2023 and the Sept 2023 intake was subject to the full PAN of 180 (Actual NOR 156). It is proposed that the September 2023 intake above 120 (36 pupils) should be funded as in year growth in 2023/24 (£131,000).

Bishop David Brown School reduced its PAN from 180 to 150 in Sept 2020 and up to Sept 2021 year 7 had never exceeded 150 pupils since before Sept 2015. The school admitted 167 in Sept 2022 and 207 in Sept 2023. The leaving group in July 2023 was 148 and it is proposed to calculate growth funding for Sept 2023 from the new PAN of 150, rather than from the Sept 2018 PAN of 180. This would mean funding 30 more pupils as growth (57 rather than 27), an increase of £118,000.

Collingwood College reduced its PAN from 355 to 300 in September 2019. In Oct 2017 only one year group exceeded 310 pupils and therefore a decision to reduce PAN could be seen as reasonable at that time. The leaving group in July 2023 was 323 and the incoming year 7 had 343 pupils. It is proposed to fund the incoming group as growth of 20 (at an estimated cost of £69,000) even though the entering group did not exceed the old PAN of 355.

The 2023/24 growth fund can afford all three of the above proposals.

### **2024/25 falling rolls issues: Lakeside Nursery and Primary Academy**

Lakeside Nursery and Primary Academy relocated from its former site in Frimley to a new site on the Mindenhurst housing development (distance of 2.8 miles) from September 2023, and was expected to suffer a consequential short term loss of pupils due to existing pupils moving to nearer schools. This would affect funding from September 2024. On 8 December 2022 the Forum supported, in principle, vacancy funding for up to three years for pupil losses caused by pupils moving to other local schools, and for year R losses not due to general falls in pupil numbers in the area. Vacancy funding for three years had been a condition of regional director approval of the relocation.

The Forum is now asked to agree a specific proposal, for vacancy funding, at basic entitlement rate, for September 2024-August 2025 for

\*four year R pupils (difference between Oct 2022 and Oct 2023 year R)

\* 64 year 1-6 pupils (net fall in numbers between Oct 2022 and Oct 2023. In all year groups except year 6 the number of pupils identified as moving to nearby schools exceeded the net losses).

This school was seen as an exceptional case for falling rolls funding, due to the particular circumstances, ie relocation initiated by the LA.

The estimated cost for September 2024-March 2025 (part year) is around £140,000 (subject to final agreement on 2024/25 units of resource).

Use of falling rolls funding in this way is subject to DfE clarifying some technical issues over the criteria.

### **Recommendations**

That the Forum:

- \* notes current estimates for growing schools funding for 2023/24;
- \* agrees the proposed criteria for growing schools funding for 2024/25 (summarised above and described in Annex A, note in particular proposed changes affecting growth within PAN and conditional proposal for part 2 of annex A;
- \* agrees the provisional growing schools' budget for 2024/25 and the proposed transfer of £400,000 to support the main formula, plus another £400,000 if part 2 of Annex A is not required; (and known by 17 January)
- \* supports the proposed methods for the use of average pupil numbers for schools changing age range
- \* agrees the proposals for advance funding of pre opening costs of wholly new primary schools
- \* agrees the proposals for 2023/24 growth funding for listed schools where effective PAN was reduced or otherwise suppressed in previous years
- \* agrees the proposed basis of falling rolls funding for Lakeside Nursery and Primary Academy
- \* agrees that all expenditure meeting the above criteria can be incurred during the year for any school meeting those criteria.

Growing schools funding affects the future funding of individual schools and potentially the value of mainstream formula factors. Therefore, officers recommend that only representatives of maintained schools, academies and PVI early years providers (who are allowed to vote on mainstream formula funding issues) should be allowed to vote on this item.

## **Annex A: Details of proposed growing schools criteria for 2024/25: existing mainstream schools**

### **1 Additional classes opening in September 2024 (both primary and secondary)**

Where the LA has requested a school to open an additional class above its PAN or exceed PAN by ten or more (or an increase in PAN of ten or more is supported by the LA), actual pupils admitted above the highest of

- The new PAN
- the number of pupils in the leaving year group,
- the PAN ruling at the date the leaving group was admitted

would be funded at the average pupil led funding rate for the school (including share of minimum funding guarantee or ceiling deduction and/or minimum per pupil level funding, if any) x 7/12 for the part year. Thus the extra pupils would be funded at 7/12 of the rate which they would have received had they been on roll in October 2023. For maintained schools, funding would be net of any de-delegated amounts and central services levy. The original allocation would be based on an estimate and would be corrected to actual pupil numbers at the end of the year. (This would include any additional classes within the school's existing age range -whether bulge classes or increased PAN - but would exclude additional classes due to an extension of age range, which must be funded through use of average pupil numbers in the main formula, see above). In some circumstances vacancies may attract funding, but at a lower level than actual pupils (see below).

Additional funding would not be allocated for pupils admitted in excess of PAN on appeal or for excepted infant pupils, or to schools adding additional classes which were not supported by the LA or otherwise exceeding PAN without the support of the LA where the capacity was not required.

For an academy, the minimum funding guarantee and ceiling would be calculated from the LA formula, which may sometimes give a different result to a calculation based on the general annual grant allocation.

Where exceptionally a new school could not admit at its official PAN for the year now leaving, because of accommodation limitations, the agreed (lower) effective PAN for that year will be used instead of the official PAN. This is likely to increase the number of pupils funded as growth.

### **2 Additional classes within PAN**

In order to comply with the apparent intention of new DFE guidance it is proposed that growth funding is provided from Sept 2024 where:

- a school has previously increased PAN but the leaving group did not exceed the old PAN (we see this as deferred growth)

Eg infant school increased PAN from 30 to 60 in Sept 2020 but admitted only 25 pupils in September 2021 (below 30). If 60 pupils were admitted in Sept 2024 (replacing the leaving group of 25) 30 would be funded as growth, and thus the school would be funded for growth for three years (the same as the number of year groups) in total

- school has recently reduced PAN, with the support/agreement of the LA and is now exceeding the new PAN

We would treat as growth provided that the reduced PAN had operated for three years or more, and that there were not places available in other schools within the local area. The intention of the three year restriction is to avoid schools seeking routinely to gain growth funding by means of frequent changes in PAN which are not expected to be sustained

- school has not changed PAN, but requires an additional class to accommodate growth in demand in the local area (ie there are insufficient spaces in suitable alternative schools)

We are currently seeking clarification as to whether this third scenario falls within the revised DfE criteria and propose to fund only if DfE confirms that it does. Subject to DfE confirmation, where there is an increase in numbers between leaving and entering group such that an additional class is required if the school is not to adopt vertical grouping (or if the school already adopts vertical grouping but would still need an additional class), we would fund the additional children over that threshold –provided that the number of classes required had not previously been reduced within the previous two academic years. The two year restriction is aimed at avoiding the situation where a school with regular fluctuations in class numbers is regularly double funded for classes ie as growth in the year the numbers go up and then a year later by lagged funding if numbers fall again. We propose to fund this category at a reduced rate (pro rata basic entitlement only) if allowed, reflecting that this is not planned growth.

### **3 Resources allocations for new classes (primary sector only)**

£8,000 per new class is allocated for classroom resources. For the avoidance of doubt this only applies where a school is asked to provide additional places such that the number of classes is increased. Additional resources funding is not provided for small increases in PAN. This applies to bulge classes and to permanent expansions (whether increases in PAN or extensions of age range). For the avoidance of doubt, it does not apply to any new classes funded within PAN under section 2.

A further £8,000 for resources will normally be allocated where an existing year 2 bulge class moves into year 3.

Where one bulge class leaves in July and another is admitted in September, no additional resources funding will be allocated.

Where a school is expanded permanently, the resources allocation given will be based on the number of additional classes created, excluding any bulge classes which have already received resources allocations.

Resources allocations are provided whether the additional classes are funded through growing schools fund or through use of average pupil numbers.

Where a school expands by half a class a year (eg PAN 45 to PAN 60, or infant school expanding to PAN 15 primary school), resources funding will be allocated in alternate years only.

#### **4 Funding for protected vacancies in bulge classes or following permanent expansion (primary sector only)**

Where a primary school is asked to increase PAN, or exceed PAN temporarily, in any year group by ten or more, vacancies in the relevant year group may attract funding. Where due, vacancy funding will be calculated up to the next multiple of 30 for each year group (except where old or new PAN implies vertical grouping). For schools with PAN=15, vacancies will be calculated against year groups of 15.

For extra infant classes resulting from expansions starting before September 2019, the protected vacancy funding would be at the basic entitlement rate less de-delegation and central services levy. For academies it is the basic entitlement rate less £15.93 per pupil. For expansions starting after September 2019, vacancy funding would be at 90% of basic entitlement less the same deductions.

For extra junior classes resulting from expansions starting before September 2019, the rate would be 95% of the basic entitlement rate less deductions as above. For extra junior classes resulting from expansions starting after September 2019, the rate would be 90% of basic entitlement rate less deductions as above. Vacancies would only be funded at key stage 2 where an additional class was necessary to avoid class sizes exceeding 34. Protected funding would normally last for three years for a year R bulge class and four years for a bulge class/permanent expansion first admitted at year 3. It would not automatically follow through from key stage 1 into key stage 2, although Schools Forum has previously approved an exception for schools within the 20% most deprived by FSM and which have ten or more vacancies in key stage 2 bulge classes. In these schools, key stage 2 vacancies above the first ten are funded. We recommend that this special arrangement continues.

If a school has a PAN of 15, eligible vacancies will be calculated against 15 in any year group.

Where a bulge class already exists at 1 April, continued vacancy funding would only be payable from September if the class was actually still required in September or if it appeared at the end of May that pupil numbers were such that the bulge class would still be required in September.

Vacancy funding is not available where the school exceeds PAN without the support of the council. Sometimes an expansion may be approved or supported on the specific understanding that vacancy funding will not be made available.

Where a school increases PAN permanently, vacancy funding would be given for three consecutive years' intakes in total, including any bulge year groups admitted immediately before the change in PAN. So, for example, a school admitting one bulge class immediately prior to an increase in PAN would receive vacancy funding for the bulge class and then for the first two intakes following the PAN increase. A school admitting three bulge classes immediately before an increase in PAN would receive no vacancy funding for the first year group admitted after the increase in PAN. Vacancy funding in a primary school which increases PAN at year R would apply only to the infant year groups.

Again, the proposed arrangements are the same as in 2023/24.

When calculating the number of vacancies to be funded in a year group, pupils in SEN centre places are ignored if the SEN centre places are over and above the normal PAN.

The LA will reserve the right to review vacancy funding if it becomes clear that an additional class is no longer required and at that point the school has not committed to employ a specific teacher, or if the additional class does not actually exist.

## **5 Missing year groups or diseconomies of scale funding for schools expanding age range**

Maintained schools receive £12,500 per academic year per missing year group and academies/free schools receive £13,500 per academic year per missing year group. This is the equivalent of the DfE's "diseconomies of scale" grant for wholly new schools. Free schools will only receive this funding from the LA if they are established to meet basic need following a competition run by the LA. The ESFA will provide this funding to other free schools directly. The lower rate for maintained schools reflects the additional LA support normally available free to maintained schools.

PAN 15 primary schools will receive diseconomies funding at half rate, reflecting their smaller size when the expansion is complete.

## **6 Infant or junior school expanding to become primary school**

£4,000 to be provided for supply cover/other support for a key stage lead for the new key stage, for curriculum preparation, in the term before year 3 (former infant school) or year R (former junior school) is admitted.

**Annex B Growing schools requiring funding on estimated pupil numbers in 2024/25**

School	New year New year	Places	Est cost of group group if full (7 month)£
Hatchlands Primary School	6	60	159,000
Westvale Park Primary Academy	4	60	153,000
Meadowcroft Community Infant School	3	30	80,000
St Peter and St Paul CE Primary School	5	30	73,000
Heathside Walton	9	180	638,000



**Item 8**  
**Surrey Schools Forum**

**9 January 2024**

**For support**

**Lead officer: David Green**

**Final proposals for Surrey mainstream schools funding formula for 2024/25, including disapplication requests and post 16 mainstream SEND place funding**

**Summary**

As usual, the LA needs to adjust the values of formula factors and (where necessary) the levels of ceilings on per pupil gains, now that final DSG allocations and school level data are available, in order to ensure that the 2024/25 formula is affordable within available resources. The Forum is asked to consider the LAs proposals for setting final formula rates and ceiling levels for 2024/25, plus related issues.

**Background**

The table below shows how Surrey's final 2024/25 schools block DSG compares to the October estimate (after the reduction to correct for DfE's overestimate of pupil numbers) and to the 2023/24 value (including mainstream schools additional grant).

**Summary of schools block DSG 2023/24-2024/25**

Mainstream NFF DSG	2023/24 (incl MSAG) £m	2024/25 (Oct 2023) £m	2024/25 (Dec 2023) £m	Final 2024/25 less 2023/24 £m
NFF core funding	806.806	822.051	823.584	16.778
Premises at historic cost (Inc rates)	7.124	8.507	8.507	1.383
Growth fund DfE alloc	5.935	5.935	4.611	-1.324
<b>DFE NFF DSG</b>	<b>819.865</b>	<b>836.493</b>	<b>836.702</b>	<b>16.837</b>
Less proposed transfer to high needs	-7.929		-8.367	-0.438
Less proposed growth fund	-3.789		-2.786	0.824
<b>To allocate through formula</b>	<b>808.147</b>		<b>825.549</b>	<b>17.402</b>

The NFF increase is an average increase in core funding of 1.9% per pupil for both primary and secondary pupils, before increases in premises costs (largely business rates and split site funding) and a reduction in growth funding, due to lower year on year pupil number growth. DfE funding rates are mostly increasing by 1.4%, and the higher increase in Surrey reflects a "catch up" of funding for previous increases in additional need.

## Changes in the level of additional need

The table below shows that measured incidence of low prior attainment in the primary sector, and of EAL in both sectors, has increased between 2023/24 and 2024/25. This means that the level of additional need Surrey pays for is greater than the level which is funded by DfE, and accordingly Surrey needs to set funding rates and/or ceiling levels lower than estimated in the September consultation as amended in October. (This has always been a risk, but until 2023/24 was not generally an issue in practice).

### Summary of changes in additional need 2022/23-2023/24-2024/25

	Primary			Secondary		
% of pupils funded for specified need	2022/23 (Oct 2021)	2023/24 (Oct 2022)	2024/25 (Oct 2023)	2022/23 (Oct 2021)	2023/24 (Oct 2022)	2024/25 (Oct 2023)
FSM	13.11%	14.13%	14.11%	11.29%	12.83%	13.98%
FSM6 (ever 6 FSM)	14.14%	14.70%	14.43%	14.88%	15.34%	15.43%
Low prior attainment	21.50%	<b>21.98%</b>	<b>23.43%</b>	18.80%	18.92%	18.93%
EAL3	8.37%	<b>9.65%</b>	<b>10.55%</b>	1.60%	<b>2.46%</b>	<b>2.99%</b>

The estimated cost of funding additional need in this way in 2024/25 is around £2.4m. This means that Surrey would not have been able to fund schools at full NFF even without the proposed transfer of 1% of school funding to high needs block. DfE has yet to respond to Surrey's block transfer request, but proposals in this paper largely assume DfE approval.

### Options for formula factors for 2024/25

In the autumn consultation it was estimated that after the proposed block transfer Surrey would be able to fund 98.67% of NFF factor rates (subject to variations to protect the lump sum). Schools were consulted on two options for meeting any shortfall:

- a small reduction in funding rates (to 98.5% of NFF) with any greater cost increases offset by using a ceiling on large per pupil gains (LA preference)
- use of a ceiling to offset all cost increases (which would mean slightly higher funding rates).

While the former received majority support, there was significant minority support for a larger reduction in funding rates, to allow a higher ceiling on gains (not then recommended by the LA).

The Forum deferred a recommendation as to how any shortfall would be met, until the impact of data update on individual schools could be seen.

Officers are now asking the Forum to consider two options:

- the previous recommendation of funding rates at 98.5% of NFF
- an alternative option whereby funding rates are set slightly lower (98.4% of NFF), and the ceiling on gains can be set higher.

Both options would leave minimum funding guarantee at 0.5% (providing some inflation increase for all schools), would deliver the minimum per pupil (funding) level in full, and

would preserve the lump sum above NFF, as supported in the consultation (with correspondingly lower basic entitlement rates). Both options assume use of £0.4m surplus growth fund (see item 7 above).

The table below shows the impact of the two options described above and the number of schools on MFG and ceiling under each. For comparison, the impact of not using a ceiling is also shown (but not recommended).

	98.5% NFF and ceiling (base case)	Lower funding rates and higher ceiling	No ceiling
Formula factors % of NFF (apart from lump sum change)	98.5%	98.40%	98.30%
Minimum funding guarantee	0.50%	0.50%	0.50%
Ceiling on gains	3.69%	5.01%	n/a
Pri Schools on MFG alone	44	45	47
Pri Schools on ceiling	61	34	0
Pri Schs on MPPL alone	72	73	74
Pri Schs on MPPL+ MFG	6	6	6
Sec Schs on MFG alone	4	8	8
Sec Schools on ceiling	1	0	0
Sec schools on MPPL	3	3	3
% of schools on MFG/ceiling	32.49%	26.05%	17.09%
% of schools on ceiling	17.37%	9.52%	0.00%

It can be seen that the option with reduced funding rates means that 45% fewer primary schools are subject to ceiling deductions, which means that the funding reductions are spread more widely across schools. For schools which are on minimum funding guarantee or MPPL under all options the choice makes no difference. Annex A provides further information on the impact of a ceiling, but in summary, in 2024/25 (though not necessarily always):

- \* the proportion of small primary schools which are subject to a ceiling is higher than the corresponding proportion for all primary schools
- \* many schools which are subject to a ceiling in 2024/25 were also subject to a ceiling in 2023/24
- \* for some schools the ceiling represents a significant percentage reduction compared to NFF.

A ceiling always applies equally to funding increases due to changes in need (eg increased EAL) or due to changes in the formula (eg split site in 2024/25).

Annex B summarises percentage gains for schools under the options discussed here.

Note that final funding rates are still dependent on data issues (notably in respect of business rates and disapplications).

The equalities impact of the proposed options has been considered, and the impact is seen as inconclusive.

The Forum is asked which of the illustrated options it wishes to recommend. (The final decision must be made by the LA).

**Reserve proposal should transfer to high needs block not be approved by DfE.**

Should the proposed transfer to high needs block not be approved by DfE, it is proposed to set the units of resource slightly lower than NFF (est 99.75%), and not to use a ceiling. However, we would hope that the disapplication is approved, as it is an important component of the safety valve agreement.

**Proposed 2023/24 disapplication: Cranleigh primary school**

Cranleigh primary school, which is shortly to convert to a sponsored academy, has given notice to give up its second site from the end of December. The LA therefore proposes to withdraw split site funding (currently £20,000 pa) from that date. That would be a change to current year budget share, and as such requires DfE approval of a “disapplication” request. The Forum is asked to support the proposal.

The same school also has an SEN centre funded for ten places, with no pupils on roll since February 2023. The LA and school have already agreed to cease place funding from September 2024, but the LA is considering backdating the change to September 2023. As place funding is part of the budget share this would also require a disapplication request to DfE. The Forum is asked to support such a request.

**Place Funding for post 16 SEND mainstream places (excluding SEN centres)**

Historically, mainstream sixth forms were allocated element 2 place funding at £6,000 each for a designated number of high needs places. A few years ago, Surrey agreed with schools to take advantage of new flexibilities to cease this arrangement and instead to fund £6,000 per post 16 pupil receiving high needs top up, “in year” based on the October census. That arrangement was supported by schools, but as a local arrangement ought to be periodically reviewed. It is proposed that it should continue, as it means that funding can be targeted to present pupils when the number of such pupils in individual schools can vary considerably from year to year. This cost would continue to be met from the high needs block.

**Action requested of the Forum**

To recommend one of the proposed formula funding options (higher formula factors and lower ceiling or lower formula factors and higher ceiling)

To support the proposed reserve proposal, if required.

To support the proposed disapplication requests

To support the continuation of local place funding arrangements for post 16 mainstream SEND places

### Annex A to item 8: Further data on the impact of a ceiling, particularly on small primary schools

The table below compares the number of small primary schools subject to a ceiling deduction under each of the options considered above.

	98.5% NFF and ceiling	Reduced NFF, higher ceiling	% (98.5% NFF)	% (reduced NFF)
Number of primary schools < 100 pupils on ceiling	14	9	45.16%	29.03%
Number of primary schools < 215 pupils on ceiling	46	27	35.66%	20.93%
Number of primary schools on ceiling	61	34	20.40%	11.37%

The table below shows the scale of ceiling deductions from primary schools under the two options considered above

Number of schools with ceiling deductions	98.5% NFF and ceiling	Reduced NFF and higher ceiling
Pri ceiling > 1% of budget	37	22
Pri ceiling > 2% of budget	23	12
pri ceiling > 3% of budget	14	5
pri ceiling > 4% of budget	5	4
pri ceiling > 5% of budget	4	3
pri ceiling > 6% of budget	2	2
pri ceiling > 7% of budget	1	1

No secondary school has a ceiling exceeding 2% of budget under either option.

Note that within the five schools with the largest ceiling deductions, there are two where sparsity funding has shown a large increase because of large falls in pupil numbers (fewer pupils means higher sparsity funding, because it is based on a pupil number shortfall model). We may wish to consider whether to apply for a variation in minimum funding guarantee for these schools in a future year if pupil numbers recover, otherwise sparsity funding will be preserved as an average sum per pupil as pupil numbers increase.

For two other schools a large part of the increase is due to the change to the national split site funding formula factor.

Of 22 primary schools facing ceiling deductions of 1% or more, 18 had ceiling deductions in 2023/24

NB Analysis has concentrated on primary schools, as few secondary schools are subject to ceiling deductions, reflecting their larger size which means overall year on year variation in data is often smaller. By contrast, turnover of one year group in a small primary school can have a major impact on the mix of pupil characteristics within the school, and thus on funding levels.

**Annex B to item 8 Summary percentage year on year gains for primary and secondary schools under the options described in the paper (MFG baseline per pupil, after MFG and ceiling)**

The table shows the numbers of schools with various year on year gains under the options described.

Per pupil gains	Primary 98.5% NFF and ceiling	Primary Reduced NFF/higher ceiling	Secondary 98.5% NFF and ceiling	Secondary Reduced NFF/higher ceiling
More than 6%				
More than 5%	1*	35	1*	
More than 4%	1*	50	1*	1*
More than 3%	83	78	6	5
More than 2%	115	114	18	16
More than 1%	228	223	50	47

Percentages are based on the MFG baseline (which excludes lump sum and sparsity funding). Actual percentage increases (as % of whole budget) will be smaller.

\*New school, exempt from ceiling

## Item 9

### Surrey Schools Forum

9 January 2024

For support (part) and approval (of central expenditure)

Lead officer: Carol Savedra

## Outcome of early years funding consultation, including approval of central spend

### Summary

This paper summarises the financial aspects of changes to early years entitlements for 2024/25. The Forum is asked to approve proposed levels of central expenditure on early years for 2024/25, proposed levels of early intervention fund and the basis for setting hourly rates for providers. Final hourly rates for providers will be set later, when updated takeup data is available. The paper covers both existing entitlements and the new entitlements starting in April 2024 and September 2024.

Proposals were subject to consultation with providers during the autumn term. The funding consultation was well received with a total of 132 responses compared to 84 last year. All proposals were supported by the sector and the majority of comments were positive. A summary of questions and responses is provided as Annex 1 and a full analysis will be shared separately.

### Principles for Early Years Funding 2024/2025

This financial year represents a period of significant change due to the Expansion of Early Years Entitlement as described below.



In March 2023 Government announced new Early Years and childcare entitlements to be phased in between September 2023 and September 2026.

- September 2023 – Early Years Supplementary Funding to significantly increase the hourly rate paid to Early Years providers to deliver existing Early Years Funded Entitlements. These covered the period from September 2023 to end of March 2024.



- April 2024 – New entitlement for children aged 2 years (from the term after their 2<sup>nd</sup> birthday) of working parents for 15 hours of funded provision for 38 weeks per year. This entitlement is in addition to the existing entitlement for disadvantaged 2 year olds (FEET).
- September 2024 – New entitlement for children aged from 9 months (from the term after they become 9 months) of working parents for 15 hours of funded provision for 38 weeks per year.
- September 2025 – Early Years funded entitlement for children of working parents from the age of 9 months to three years increased to 30 hours per week for 38 weeks per year.
- September 2026 – Wraparound provision in every community for school age children between 8am and 6pm. Please note that there is DfE implementation funding allocated to each LA including revenue and capital funding between 2023 to 2026 but that the expectation is that the ongoing costs of this provision will be parent funded and not funded from DSG. Wraparound expansion although a statutory duty is therefore not within the purview of Schools Forum.

### Summary of funding for 2023/24 and provisional funding for 2024/25 and 2025/26

Early Years Block			
Financial Year	2023/24	2024/25	2025/26
Budget	£84.6 million	£132 million (est)	£184 million (est)

DFE Hourly Rates Paid to Surrey £/hr	2023/24	2023/24 With EYSG	2024/25
3 and 4 year olds	5.81	6.40	6.77
2 year olds	6.87	9.79	9.61
Under twos	n/a	n/a	13.04
Maintained Nursery Schools supplement	5.17	5.47	6.05

This expansion will have a significant impact on the overall Early Years Block and requires us to agree on what position we will take on how we treat and distribute the funding and associated supplements. The fast pace of change and the way in which information and guidance has been published by DfE has meant that some changes have needed to be made to the proposals since the last Schools Forum and since the consultation was published as new information has come to light.

We have committed to publishing indicative rates at the earliest opportunity. This is essential for the sector so that they can engage with the expansion and work with SCC in order to ensure that we have sufficient places to meet the needs of Surrey families. This needs to be very carefully managed and we expect to be able to publish indicative rates at the end of January 2024 with clear commitment to providers that they will be paid at **no less than** those rates but that it might be higher, to be confirmed in March 2024.

It should be noted that while Surrey will be expected to fund providers on a termly count basis for all entitlements, for at least 2024/25 whilst the new entitlements are being embedded, funding for Surrey will be calculated by DfE using 2 different methods:

- 3 and 4 year olds will be funded to Surrey according to January census as usual
- FEET funded 2 year olds will be funded to Surrey according to January census as usual
- New entitlements will be funded to Surrey according to termly head-count.

There is no indication as to what will happen to the funding count after the implementation period.

It should be noted that there is a potential risk that if in future DfE decide to fund according to how existing entitlements are calculated, using January census, If January takeup is lower than termly average then Surrey might need to reduce hourly rates to contain costs within funding received from DfE.

### **Funding proposals.**

#### **3 and 4 year olds - Rate from DfE £6.77/hr**

We propose to continue to fund providers in line with the DfE increase in funding. That is to say that we will continue to retain 5% of this budget and that deprivation will continue to be linked to EYPP criteria and funded at a rate of £2.81 per hour. We propose to pass on an additional 3p per hour in the basic hourly rate which we estimate should remove the recurring historic underspend.

When we consulted with the sector we proposed an allocation to the Early Intervention Fund (EIF) at a rate of 5.7% of total funding. However now that we have received the funding rates from DfE we would like to amend the proposal to an allocation of 5%. The reason for this is that due to the increase in funding rates from DfE and with consideration for the fact that entitlements are not changing for this cohort we would like to prioritise maintaining a higher hourly rate to support financial sustainability for the sector. The actual level of funding for EIF will not decrease.

We propose that funding for free school meals provision for entitled 3-4 year olds in state maintained schools should continue to be linked to the mainstream school free meals funding rate.

*Please see Centrally Retained Funds below*

#### **2 year olds – Rate from DfE £9.61/hr**

For the first time we will have 2 cohorts of 2 year olds accessing entitlements according to 2 different eligibility criteria, i.e.

Disadvantaged 2 year olds (FEET) and 2 year olds of working parents.

We propose to fund both cohorts at the same basic hourly rate. We were not permitted to retain any of the Early Years Supplementary Funding and had previously chosen to pass through 100% of FEET funding. For this reason the hourly rate payable to providers will reduce in April as we propose to retain 5% centrally and to create a dedicated EIF budget to support children with additional needs. *Please see end of year*

*consultation responses for EIF.* Providers were informed that this was likely to be the case and we recognise the need to ensure that the hourly rate is kept as high as possible. It is important to note that the population of funded 2 year olds will initially be skewed with a disproportionate number being identified as disadvantaged. Although not all FEET children will meet the criteria for EYPP we estimate that around 50% will. This compares to approximately 14% of the 3 – 4 year old population. For this reason we propose that the deprivation finding be allocated at a rate of £1 per hour, linked to EYPP criteria, to make this affordable whilst continuing to target support for the most vulnerable families. This will continue to be reviewed as the cohort balances over the next few years.

Funding for free school meal provision for entitled 2 year olds in state maintained schools would continue to be linked to the mainstream school free meals funding rate.

Previously we have provided a small EIF budget for FEET children of £215k from Centrally Retained Funds. We propose to create a dedicated EIF budget for entitled 2 year olds at a rate of 3% of total 2 year old funding, to be reviewed annually as we better understand levels of demand, particularly for the new cohort.

### **9 months to 2 year olds – Rate from DfE £13.04/hr**

This new entitlement will begin part way through the financial year, from September 2024. This is problematic due to the way in which DfE pay us compared to how we fund providers. DfE will pay us for 7/12 of the year which equates to 22 weeks out of 38 weeks of the academic year. We pay providers for 25 weeks between September and the financial year. This represents a disparity of just over 10%. If we create an hourly rate in line with the other entitlements and pay for the 25 weeks we will technically be retaining more than the prescribed maximum of 5% of the DfE hourly rate for under 2 year olds. This would require us to make a technical disapplication to operate outside of the regulations, even though we would still be passing on 95% of funding. We have requested clarification from DfE as we must assume that this is the same for all LAs.

We propose to fund Disadvantage in line with the 2 year olds at a rate of £1 per hour and linked to EYPP criteria.

We propose to create a dedicated EIF budget for eligible under 2 year olds at 1% of total funding for under twos, to be reviewed as we gain further understanding of demand.

### **Maintained Nursery School Supplementary Funding (3-4 year olds only)**

Maintained nursery school additional funding will remain (with an increase in hourly rate) in 2024/25 and the same basis of allocation is proposed as in 2023/24 (except that the supplement for teacher pay and pensions will increase) i.e.

- Fund business rates at estimated actual cost (less community focused space)
- Fund split site allocation for Guildford Nursery
- Fund teacher pay and pension supplement (at an increased hourly rate, estimated at 63p/hr compared to 33p in 2023/24) For maintained nursery schools, DfE has included the additional funding for the 2024/25 teacher pension

cost increase within the maintained nursery schools supplementary funding rate, rather than the basic hourly LA funding rate

Divide the remainder equally between the four maintained nursery schools.

### **Teachers pay and pension supplement (3-4 year olds only)**

In 2023/24 an additional 27p/hr was paid as a “quality supplement” to maintained and academy providers employing teachers in the teacher pension scheme. This was in lieu of the former teacher pay and pension grants which were assimilated into DSG in 2023/24

For 2024/25 DfE has included a 5p increase in the hourly rate paid to LAs, to cover the former teacher pay additional grant introduced in Sept 2023 plus the additional cost of the 5% increase in employer contributions to the teacher pension scheme from April 2024. Once again the LA proposes to recognise the purpose of the additional funding, by distributing it to maintained and academy schools which employ nursery teachers who are in the teacher pension scheme and for whom the cost increases are unavoidable. This is estimated to support a 27p increase in the teacher pay and pension supplement for these providers (subject to reviewing the proportion of hours taken up in state provision). Separate arrangements apply to maintained nursery schools (see above).

### **Centrally Retained Funds**

In 2023/2024 Centrally Retained Funds for 3 and 4 year olds were approximately £3,890,555. Please note that we have not previously retained any funds from the 2 year old budget .

These funds are used to fund the necessary infrastructure to support the Early Years sector in Surrey.

All Local Authorities are permitted to retain up to 5% of the gross funding. This budget is used to fund the following teams which support the Early Years sector, make all the payments, ensure that Surrey and all providers are compliant with statutory requirements and ensure that there are sufficient places for Surrey families.

- Early Years Commissioning Team
- Early Year Educational Effectiveness Team
- Early Years SEND Team
- Early Years SEND, Education and EY Team (distributing EIF)
- Early Years Funding Team
- Contributions to other teams including Safeguarding, data and analysis etc

We also currently provide a budget for Early Intervention Fund for 2 year olds and a small budget for expenses for the Early Years Phase Council.

**The projected total of Centrally Retained Funds for 2024/2025 is estimated to be £6,592,780 – an increase of £2,702,780.**

These additional funds will be used to increase the staffing of the Early Years Teams to manage the development and implementation of the new entitlements. It will also be invested to create new transformational activity to support our collective priorities to support our most vulnerable children and families and to provide the support that our schools and settings are telling us that they need. The design and development of the

new posts and projects has been carried out through the Early Years Implementation Board with partnership engagement from the maintained and Private and Voluntary sectors as well as our professional internal and external partners. The new team structures and the recruitment to the new posts are subject to cabinet approval in February 2024.

**It should be noted that DfE have indicated that once the new entitlements have been embedded they are proposing to cap centrally retained funds at 3%. For this reason we have limited our permanent commitment to 3% of current budgets, with a 10% contingency, to be reviewed as budget grows.**

Remaining Centrally Retained Funds will be used for implementation of the new provision with a focus on:

- Sufficiency grants including both revenue and capital packages for schools and settings to develop additional places.
- Workforce development and training
- Safeguarding and quality development of provision for 2s and under
- Language and communication development
- Transitions

**DfE Implementation grant funding**

	2023/24	2024/25	2025/26
EY Revenue Funding	£205,115	£-	£-
Wraparound Revenue	£22,013	£1,520,072	£705,933
Capital Funding for both EY and Wraparound		£1,755,053	

**Recommendations**

That the Forum approves the proposed central expenditure for all early years age groups

That the Forum supports the proposals for early years formula funding rates (including supplements and maintained nursery schools supplementary grant) and for early intervention fund

**Annex 1 to item 9 Summary of consultation questions, responses and main comments**

**1. Do you support the central retention of 5% of Early Years DSG?**

	<b>3 and 4 year olds</b>	<b>2 year olds</b>	<b>Under 2 year olds</b>
<b>Yes</b>	56.8%	53%	39.4%
<b>No</b>	24.2%	28%	28%
<b>No views</b>	19%	19%	32.6%

**Comments**

We rely on the Early Years Teams, they are always a considerable help. We do not want to lose them!

As a private setting these teams are invaluable to us and ensure we are compliant and that families are being fully supported.

**2. Do you agree that there should be a further increase of an estimated 3p/hr in the basic rate for three and four year olds, over and above the DfE increase in order to eliminate the historic recurrent underspend?**

	<b>3 and 4 year olds</b>
<b>Yes</b>	91.7%
<b>No</b>	2.3%
<b>No views</b>	6%

**Comments**

Yes, rates are impossible - not keeping up with min wage/salaries/pensions/training and the demands put on nurseries. Change wording to Free Funding - parents are feeling that they are not receiving what they are entitled to with the 'free' funding

It is still not enough to bring into line with actual costs. I will be better off refusing to take funding.

**3. Do you support the proposed levels of funding in relation to deprivation?**

Option	3 and 4 year olds (£2.81)	2 year olds (£1)	Under 2 year olds (£1)
Yes	73.5%	68.2%	57.6%
No	6.8%	12.1%	10.6%
No views	19.7%	19.7%	31.8%

**Comments**

I agree that the number of FEET children would make the deprivation funding enormous if this was matched to the 3 and 4 year olds and the higher rate received for the 2 year olds helps cover this.

Seems too little however I understand the budgeting needs

**4. Do you support the proposed proportion of funding allocated to Early Intervention Funding (EIF)?**

	3 and 4 year olds (5.7%)	2 year olds (3%)	Under 2 year olds (1%)
Yes	64.4%	57.6%	47.7%
No	15.2%	21.2%	14.4%
No views	20.4%	21.2%	37.9%

**Comments**

We feel really well supported through EIF, and without this additional money, we wouldn't be able to meet the needs of the huge number of SEND children in our setting, so for our setting, this is the better use of the funds as we benefit well

This is crucial funding which should not be lowered.

**Do you support the proposal to maintain the same principles for maintained nursery school supplementary funding allocation? That is to deduct the business rates costs, deduct split site allowance and then divide the balance equally.**

Yes	22%
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No	9%
No views	69%

**Comments**

A portion of this should be based on numbers of children per school before splitting 4 ways.

Why should nurseries get a higher rate than childminders when we are all governed by OFSTED and implement the EYFS?



## Item 10

### Surrey Schools Forum

9 January 2024

For discussion and support

Lead officer: Julia Katherine

### **Three proposals to support Early Intervention and Inclusion and ‘waiting well’ for delayed Education Health Care Needs Assessments (EHCNAs).**

#### **Summary**

The LA proposes to implement three ways of supporting schools with additional costs to enable early intervention and to support where statutory assessments have been delayed. Funding will be time-limited to enable schools to ensure that children’s needs continue to be met.

The first of these proposals represents an opportunity for the LA to trial and evaluate the impact of early intervention funding, which has met with approval in principle from the Education Reference Group, Early Intervention Steering Group and EHCP Timeliness Reference Group. The second and third proposals are made in recognition that there have been delays to EHCNAs and to ensure that schools are not financially disadvantaged and that the needs of children and young people under assessment are met and monitored whilst awaiting assessment.

1. Education Inclusion and Intervention Funding (EIIIF) to meet needs at the earliest opportunity when transitioning from Early Years (Year group -1) to Reception.
2. Delayed assessment funding to enable continuing support for children and young people awaiting EHCNAs.
3. Additional funding to maintain the current additional input from the STIP service.

#### **Proposal 1. Education Inclusion and Intervention Funding (EIIIF) to meet needs at the earliest opportunity when transitioning from Early Years (Year group -1) to Reception.**

It is proposed that funding will be allocated to schools supporting children in Year R who require support that is over and above Ordinarily Available Provision and who have previously been accessing mid-range Early Inclusion Funding (Early Years Funding Block). Data from Early Years and Admissions will identify schools which may benefit from this funding. Where allocated, it will enable schools to put in place provision for a **group of children** (minimum of 3) who require similar additional support. This will be made available as a pilot, in order to evaluate the outcomes.

Final costs will be impacted by the allocation of schools for September 2024 but based on c.500 children currently accessing the highest level of Universal + and lowest level of Targeted EIF funding.

The concept of EIIF was built on previous explorations of allocating additional funding to schools with a high level of children requiring SEN Support, to enable schools to put in timely support to meet children's needs, without the need for a statutory assessment and EHCP. We have proposed a pilot scheme that will run from April 2024 to August 2025 which enables impact to be evaluated over an academic year and to align with school finances.

Funding will be provided for cohorts of children who may be eligible for other forms of support i.e., Year R Language and Communication programme. Dependent on pupil development through the year and the effectiveness of how funding is utilised, some pupils may receive continued support into Year 1. Funding would be for a maximum of 2 years.

All decisions will be moderated by a Service Manager and Assistant Director.

### **Impact and outcomes:**

The intended impact is to

- ensure that children are receiving the 'right support at the right time'
- reduce demand for Year group –1 and Year R EHCNAs
- support delivery of strategic priorities within Early Intervention and Inclusion, EHCP Recovery, IAN Strategy and Inclusion Strategy
- meet our performance criteria related to the Safety Valve Agreement 3.1 "develop and embed local initiatives that provide information, advice, and support early help and appropriately, promoting inclusion, improving outcomes, and avoiding the escalation of needs"

### **Financial implications**

Financial implications for the fiscal year 2024/25 will be in the region of £375k

### **Proposal 2. Delayed assessment funding to enable continuing support for children and young people.**

It is recognised that some schools may require additional funding to retrospectively fund support which would otherwise have been met by an EHCP. The impact of this has been particularly felt by schools due to the delays in assessment which is being addressed by the Recovery Plan. Eligibility for this scheme will be subject to agreement between Education and Inclusion Service Manager and AD which will ensure equality countywide. Funding will be offered proportionate to the additional support which has been provided. This minimises risk and allows us to target funding to the schools which have experienced the greatest impact. It also provides an estimated budget envelope for the funding allocation in this financial year.

Eligible schools will be determined through analysis of data held by Inclusion and Additional Needs in collaboration with Schools Finance. Any payment made will

be proportionate to the length of the delays and we intend to make payments in this financial year 2024 as the delays to EHC Needs Assessments are predicted to be managed down by May 2024.

Decisions will be informed by the following factors.

- Proportionality of EHCNAs which are delayed to the size of the school and the percentage of pupils already at SEND Support
- Length of delay
- Whether the school is currently carrying over significant levels of financial reserves

We are identifying which schools are likely to be in scope for this funding and will communicate directly with them in due course.

### **Proposal 3: Additional funding to maintain the current additional input from the STIP service.**

The STIP service is currently providing additional support to schools where EHCNAs are delayed and ensuring that all children and young people with additional needs continue to be well supported while their assessment is underway. So far in the autumn term 2023, they have spent 83 hours discussing pupils who have waited more than 20 weeks for an Education, Health and Care Needs Assessment, and 106 meetings with SENCOs have taken place. This input has been valued by schools and has enabled consistent monitoring of changing or escalating needs including, where appropriate updating SEND Support Arrangements. This offer is being made without charge to school currently but is not sustainable without additional finances to increase the workforce on an interim basis. If we are unable to increase capacity to maintain this 'waiting well' support, there will be an impact on the core and traded offer which we know is strongly valued by schools.

#### **Financial implications:**

To appoint one additional STIP per quadrant will be in the region of £250k for one year.

#### **Recommendations**

The Forum is asked to support the above proposals.

**Item 11 (a)**  
**Surrey Schools Forum**  
**9 January 2024**  
**For decision**  
**Lead officer: David Green**

**Proposed Central Schools Services Block budgets 2024/25**

**Background**

The Central Schools Services Block (CSSB) funds a range of services within the former Schools Block, including those funded prior to April 2017 by the former Retained Education Services Grant (ESG), but not including funding de-delegated or levied sums from individual schools' budgets. These services are statutory responsibilities of the LA both for maintained schools and academies, and there is no expectation that this funding is delegated to schools. The Forum has the right of approval of expenditure from the central schools services block (except payments to the DfE for licences and subscriptions). The LA has the right of appeal to the Secretary of State if the Forum refuses.

The value of Surrey's central schools services block funding allocation (excluding historic commitments) has increased by £0.200m in 2024/25. The CSSB also includes a "historic commitment" allocation of £445,232 in 2023/24, which reduces by £89,046 in 2024/25 and is expected to continue to reduce by 20% a year.

The 2023/24 budgets and proposed 2024/25 budgets for the central schools services block are shown in the table below.

**Table of CSSB budgets (actual and proposed)**

	2023/24 £000s	2024/25 £000s
<b>Services</b>		
Admissions service team costs and overheads	1,753	1,862
Admissions service team: funding from historic commitments**		34
Admissions appeals: community schools	212	240
Devolved admissions appeals funding	230	230
Schools Forum running costs	26	26
Copyright licences (sum charged by DfE-allow 5% inflation as no data is yet available on 2024/25 costs)	903	948
EYES support/Children Missing Education	<u>238</u>	<u>238</u>
Total excluding former retained ESG functions	3,362	3,578
<b>Former Retained ESG functions (DSG funded part)</b>		
Education welfare (Part)	1,395	1,395
Education welfare: funding from historic commitments**	320	287
Asset management	52	52
Contribution to statutory/ regulatory duties (for all schools)		
IT,	165	165
SACRE	15	15
Head of service/other leadership (part)	165	165
Partnership role incl school relationships (part)	165	165
Finance (Schools Funding service budgets)	162	181

Phase council supply cover	30	30
Total former retained ESG services	<b>2,469</b>	<b>2,456</b>
Teachers' pay and pension funding for centrally employed teachers (assimilated former grant)	557	557
Historic commitments funding delegated to schools (net)*	125	
Independent chair for Surrey Education Partnership**		16
Groupcall for NMI monitoring (contribution)**		18
<b>Total proposed commitment against CSSB</b>	<b>6,513</b>	<b>6,625</b>
<b>Total CSSB allocation</b>	<b>6,513</b>	<b>6,625</b>

Funding for the increased cost of teacher pension contributions for centrally employed teachers, which was provided by separate grants in 2020/21, has been included in the CSSB since April 2021 and is shown separately above.

\*For 2023/24, in order to increase equity between school sectors and to speed up transition to the NFF, the LA proposed (and the Forum supported) to reduce the sum delegated to schools from historic commitments DSG to £125,000 and to remove it entirely in 2024/25.

\*\*These are non delegated categories funded by/proposed to be funded by historic commitments DSG.

### **Estimated total cost of former Retained ESG services**

Prior to April 2017 the DfE allocated Retained ESG funding to local authorities at £15/pupil (a flat rate nationally), as a contribution to the cost of a range of statutory services which the LA had to provide on behalf of all schools and to the overall cost of managing the school system. Retained ESG funding was transferred into DSG in 2017/18, but the requirement on the LA to provide the services has not changed and indeed individual LAs may spend more or less on these services. Surrey then spent (and still spends) far more than £15/head on these services, but the amount requested from DSG over the years has increased only in line with the available CSSB DSG funding, apart from the use of historic commitments to support specific initiatives, as above. The additional costs of former retained ESG services were and will continue to be met from council tax.

### **Recommendation**

That the Forum approves the proposed expenditure from the central schools Services block.

(This is a decision for all members of Schools Forum)

David Green

## **Item 11 (b)**

### **Surrey Schools Forum**

#### **For decision**

**Lead officer: David Green**

### **Maintained schools' budget deductions ("Central services levy") for 2024/25**

#### **Background and proposals**

The local authority (LA) has a number of responsibilities for maintained schools which until September 2017 were funded by Education Services Grant (ESG)(General Duties). This grant was also paid directly by the ESFA to academies as these responsibilities transfer to academies or Multi Academy Trusts (MAT).

Following the withdrawal of ESG, DfE regulations were amended to permit LAs to recover these costs by budget deduction from their maintained schools. The deduction must be a sum per pupil (or a sum per place for maintained special schools and pupil referral units) and must apply to all sectors. It is known in Surrey as the "central services levy", to distinguish it from "de-delegation" which applies to some other services, and which covers only maintained primary and secondary schools. The deduction ceases as schools convert to academy status and the LA's responsibilities then pass to the academies. Most Multi Academy Trusts (MATs) recover similar costs via a top-slice on individual academies within their trust.

Maintained school representatives on the Schools Forum have the right of approval of the levy. The local authority has the right of appeal to the Secretary of State if the Forum refuses.

Annexes A and B show the functions for which the LA is permitted to levy maintained schools. Annex C shows the proposed deductions for 2024/25 compared to the initial proposals for 2023/24.

The central services levy deduction cannot apply to maintained nursery schools.

The proposed deduction has been divided into two components:

- £35.98 for services other than school improvement. This is the same rate as in 2023/24 and indeed 2019/20). However, following a review of these services, we may need to ask for a small increase in the per pupil rate deduction in future years;
- £6.50 contribution to the cost of statutory school improvement, the same level as in 2023/24 and 2022/23. In Surrey, these services are primarily delivered through Schools Alliance for Excellence (SAfE). Part of the costs have been met from

general fund since DFE deleted the former schools improvement monitoring and brokering grant

Funding for additional (ie non statutory) school improvement support for maintained primary schools, which was included in 2023/24 at £8.75/pupil, has already been approved for 2024/25 under de-delegation, at the same rate per pupil as in 2023/24.

**Recommendation**

That representatives of maintained primary, secondary and special schools and PRUs approve a levy on those sectors of:

- £35.98 per pupil/place, for central services to maintained schools other than school improvement
- £6.50 per pupil/place for statutory school improvement services,

David Green

## **Annex A to item 11b LA Responsibilities for Maintained Schools within the scope of the central services levy (except school improvement)**

### Financial monitoring and administration

- Payment of funding tranches to maintained schools
- Ensuring proper monitoring of schools' expenditure and accounting on schools and council systems, reconciliation of Local Bank Accounts, external audit liaison. (Includes Consistent Financial Reporting (CFR) functions (Sec 44 of the 2002 Act))
- Promoting strong financial management – via maintenance of Scheme for Financing Schools, Finance Manual, bulletins, support on CFR etc;
- Validating budget plans and assisting schools in deficit

### HR

- Undertaking statutory HR responsibilities in respect of schools where SCC is the employer and supporting other maintained schools in meeting their HR employment and education legal responsibilities.
- Supporting schools with their statutory and good employment practice obligations in relation to HR issues arising from the safeguarding of children and young people.
- Developing and maintaining effective partnerships with unions and professional associations on matters relating to schools

### Governance

- SCC fulfils its statutory obligations with regard to the governance of its maintained schools. Surrey governing bodies operate effectively and individual governors have the opportunity to be well informed of their roles and responsibilities.
- An accurate Surrey governor database is maintained.
- Chairs of Governors, individual members of governing bodies and clerks of SCC schools have access to up to date guidance and support via Governor Update, website, helpdesk, email alerts and access to training and development opportunities.
- Two Chairs of Governors liaison and briefing meetings are provided per term. Clerks' Briefings are organised on a termly basis (traded service).
- Additional Skills Governors are recruited, trained, and deployed to schools

### Monitoring national curriculum assessment

The LA has statutory obligations relating to assessment for maintained schools as directed by the Standards & Testing Agency (STA). These include:

#### National Curriculum Assessment



- responsibilities for monitoring of key stage tests in maintained primary schools and other education settings
- Support for new and experienced Year 6 teachers so that they understand STA requirements.
- Quality assurance procedures are in place and data submitted to the DfE is accurate and consistent with national standards.
- Statutory guidance and DfE updates are disseminated and shared with schools

#### ICT (data collection and analysis)

- Facilitating data transfer including data storage. Management & assistance with statutory data collections for maintained schools (e.g. Consistent Financial Reporting, pupil census etc)
- Support to schools to ensure accurate data – and therefore accurate funding entitlements to schools

#### Teachers pensions administration

- Provision of accurate information to the Teachers Pensions Agency thereby ensuring accurate deductions are made and accounted for and pension entitlements are protected.
- Resolving queries and tracking staff as they enter and leave the scheme.

#### Schools' risk management

- \* Compliance with duties under the Health and Safety at Work Act.
  - School model policies, authoritative guidance, templates and checklists and topic specific information
  - Updates on regulatory and legislation changes via School Bulletin and SRM Health & Safety newsletter
  - Unlimited access to telephone and email support
  - Planning and approving visits using the dedicated school visits and journeys website EVOLVE
  - Incident, accident and near miss reporting using OSHENS online system
  - Support with accident investigations following any incident reportable to the Health and Safety Executive
  - General health, safety and fire advice
  - Radiation Protection Advisor (RPA) for secondary schools
  - Membership of Consortium of Local Education Authorities for the Provision of Science Services (CLEAPSS)
  - Guidance and on-site support for moving and handling young people with disabilities

## Facilities management

- Ensuring schools are complying with statutory health & safety obligations where the LA is the ultimate employer and supporting all maintained schools, as partners in education
- Providing web site, helpdesk, briefings to heads and email support ensuring up to date advice and intervention
- Tree stock located on maintained schools' premises are inspected under a cyclical three year inspection programme

## Basic Need Capital & asset management

- General landlord duties for all maintained schools; responsibilities under School Premises Regulations 2012 to ensure school buildings have appropriate facilities, the ability to sustain appropriate loads, safe escape routes, water, lighting, heating & ventilation to required standards. Management of asbestos risks.
- Management of individual maintained schools' capital projects.

## Redundancy costs in maintained schools

- Costs of redundancies (teaching and support staff) in Surrey maintained schools.

## Other

- Provision of information on maintained schools to or at request of government departments
- Investigation and resolution of complaints relating to maintained schools.
- Overheads relating to the above services and ensuring payments are made in respect of taxation, national insurance and pension contributions.

## **Annex B to item 11b Proposed statutory school improvement duties for which central services levy deductions are proposed**

### **Statutory school improvement work**

- Risk assess all maintained schools through scrutiny of information, a school Key Skills Needs Analysis and a programme of 'check-up' visits to schools
- Support and challenge schools causing concern and at risk – currently SAfE supports 40 S&C schools
- Broker support from good and outstanding schools to those at risk
- Proactively support schools due to be inspected – currently SAfE has a programme of support for infant, junior and primary schools due to be inspected
- Support schools through inspections
- Support maintained schools with recruitment of headteachers
- Provide advice and guidance to all schools
- Provide support to schools on improving outcomes for the most vulnerable pupils including disadvantaged pupils
- Ensure a rich and relevant programme of support for schools is in place (though the programme is not funded through the grant)

**Annex C to item 11b Table of Budgets for statutory LA services to be funded from the central services levy**

	2023/24 Levy reported to Schools Forum 8 Dec 2022 (£000s)	2024/25  Estimated levy (£000s)
<b>Statutory/regulatory duties</b>		
Finance	251	257
Governance	60	60
HR	215	161
Monitoring national curriculum assessment	94	94
ICT (mainly data collection)		
Teachers pensions admin	229	229
Facilities management (incl trees)	87	47
Schools risk management (part -not all DSG funded)	203	203
<b>Asset management</b>		
Basic need capital projects, asset management, site surveys, commissioning etc		
Property schools basic need and SEND	520	372
<b>New redundancy costs</b> in maintained schools	470	470
<b>Total required (except school improvement)</b>	<b>2,129</b>	<b>1,893</b>
Reduction to find	<b>-257</b>	<b>-137</b>
<b>Estimated levy at £35.98 per pupil</b>	<b>1,872</b>	<b>1,756</b>
Estimated pupil numbers (based on estimated Oct 2022 /Oct 2023 census less allowance for future academy conversions)	52,022	48,809
Estimated levy for statutory school improvement (based on £6.50 per pupil and the same pupil numbers as above)	338	317

## Proposed Central Schools Services Block budgets 2024/25

### Background

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Teachers' pay and pension funding for centrally employed teachers

(assimilated former grant)	557	557
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### **Estimated total cost of former Retained ESG services**

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### **Recommendation**

That the Forum approves the proposed expenditure from the central schools Services block.

(This is a decision for all members of Schools Forum)

David Green

## **Item 12**

### **Surrey Schools Forum**

**9 January 2024**

**For information**

**Lead officers: Julia Katherine – Director, Education & Lifelong Learning  
Jim Nunns – Assistant Director, Inclusion and Additional Needs (NW)**

**For discussion and support**

**To resource 24 locality Nurture Hubs (12 in Primary Phase & 12 in Secondary Phase) to support early intervention and more help for pupils with Social, Emotional and Mental Health (SEMH) needs and provide outreach to locality schools.**

#### **Summary**

Following the review of Nurture Groups (x4) in Primary Phase and Learning Support Units in Secondary Phase (x7) the LA proposes to expand Locality Nurture Hubs (LNH) across the county, to provide a greater level of support for pupils with SEMH needs. It is anticipated this revised and enhanced provision will start from September 2024 for both Primary and Secondary Phase.

The 24 (12 in Primary and 12 in Secondary) provisions are designed to provide targeted and early intervention for pupils with SEMH needs, to promote successful engagement and learning. Preventing needs escalating in order to reduce suspension and exclusion, along with reducing the need for statutory assessment and specialist provision (where appropriate) is in scope.

The proposed commissioning of the provision described is well aligned with the Inclusion Innovation Working Group priorities (subgroup 2 – Emotional Wellbeing and Distressed Behaviour), where it has been agreed to develop Nurturing approaches across the county with Mental Health Improvement Funding (funding agreed to train 100 schools in the Nurturing Schools programme over two academic years 2023/24 and 2024/25).

#### **Locality Nurture Hubs in Context**

Growing SEMH needs are being evidenced in Surrey, particularly at Key Stage 1 (ages 5 to 7). From 2018/19 to 2021/22 there was an almost 50% increase in new EHCPs for primary aged children with SEMH needs (from 416 to 618). KS1 exclusions and suspensions data shows increasing rates in 2022/23 for all needs and SEMH needs. Persistent absence has increased for NCY 1 and 2 in 2021/22 and 2022/23 - to 16% in 2021/22 and 16.8% in 2022/23. It is this evidence of unmet SEMH needs in primary phase children that is driving Surrey's investment in innovative early help interventions.

Nurture Groups and Locality Nurture Hubs are the two highest level of need tiers of a graduated approach to nurture and represents the children and young people who may require support beyond what the school and the nurturing approach alone can give them. This might be children who need therapy following a family bereavement or trauma, or children who have additional needs and disabilities (AN&D) and need additional funded support.

### **Proposal 1 - Primary Locality Nurture Hubs**

Each Primary Locality Nurture Hub will be a suitable space integrated within a mainstream Primary school which provides a small, secure and reliable environment for up to 8 children who have social and emotional barriers to learning which are impacting on their progress and would benefit from the opportunity to re-experience pre-school nurture from caring adults. Placement in a Hub will entail an extensive, holistic, triaged access process, with children able to attend for around 2.5/3 hours per day and remain for up to 4 terms, before return to their class with a supported gradual transition back.

Locality Nurture Hub host schools will provide a flexible model that acknowledges whilst it is preferable for children to remain included within their own school, there may be circumstances where it is in the best interest of a child from a local school to attend the group.

12 Primary Locality Nurture Hubs will provide a network of expertise and support, to promote and develop our nurturing approaches across the county. To address the current inequality of provision at least one hub will be located in each borough. Locality Nurture Hubs will also be utilised to support groups for parents around nurture approaches as part of the Service Level Agreement (SLA). The SLA is being coproduced with stakeholders including User Voice, Family Voice, School Leaders and STIPS to ensure the service model provides high level provision that meets stakeholder needs as well as commissioning intentions.

#### **Impact and outcomes:**

- ensure that children are receiving the 'right support at the right time'.
- reduce demand for EHCNAs in KS1 and into KS2
- support delivery of strategic priorities within Early Intervention and Inclusion, EHCP Recovery, IAN Strategy and Inclusion Strategy
- meet our performance criteria related to the Safety valve Agreement 3.1 Develop and embed local initiatives that provide information, advice, and support early help and appropriately, promoting inclusion, improving outcomes, and avoiding the escalation of needs.
- Reduce suspension and Permanent exclusion.
- Reduce number of pupils subject to Emotionally Based School Non-attendance.
- Support locality schools to develop nurturing approaches.
- Pupils accessing provision, academic progress and outcomes improve
- Provide parents with a support network and opportunity to learn about nurturing approaches.
- Reduce the need for specialist placements (centre, specialist schools – maintained and NMI)

### **Proposal 2 - Secondary Locality Nurture Hubs**

The secondary Locality Nurture Hubs service model will be based upon a continuation of the primary Locality Nurture Hub support. The secondary phase provision service



model will be coproduced with partners with Emotionally Based School Non-attendance (EBSNA) in scope as well as developing nurturing approaches across the county.

As with primary phase provision, the 12 secondary Locality Nurture Hubs will provide a network of expertise and support, to promote and develop our nurturing approaches across the county. To address the current inequality of provision at least one Hub will be located in each borough. Secondary Locality Nurture Hubs will also be utilised to provide support groups for parents around nurture approaches as part of the SLA.

#### Impact and **outcomes:**

- ensure that children are receiving the 'right support at the right time'.
- reduce demand for EHCNAs in KS3.
- support delivery of strategic priorities within Early Intervention and Inclusion, EHCP Recovery, IAN Strategy and Inclusion Strategy.
- meet our performance criteria related to the Safety valve Agreement 3.1 Develop and embed local initiatives that provide information, advice, and support early help and appropriately, promoting inclusion, improving outcomes, and avoiding the escalation of needs.
- Reduce suspension and PEX.
- Reduce number of pupils subject to EBSNA.
- Support locality schools to develop nurturing approaches.
- Pupils accessing provision make academic progress and outcomes improve.
- Provide parents with a support network and opportunity to learn about nurturing approaches.
- Reduce the need for specialist placements (centre, specialist schools – maintained and NMI).

#### **Financial implications**

- The current funding for x4 commissioned Nurture provision is £143k (full year).
- The current funding for x7 commissioned Learning Support provisions is: £289k (full year)

The proposed funding to commission 12 Locality Nurture hubs in primary phase is:

- Part year (September 2024 to March 2025) @ 7/12 = £403k
- Full year = £690k

The proposed funding to commission 12 Locality Nurture hubs in secondary phase is:

- Part year (September 2024 to March 2025) @ 7/12 = £403k
- Full year = £690k

Combined budget overview:

- Part year (September 2024 to March 2025) @ 7/12 = £806k
- Full year = £1,380k

Increased funding required:

- Part year (September 2024 to March 2025) £553k
- Full year = £945k

The proposal is for a 5-year commitment to support continuity of staffing and school business planning, subject to commissioned schools delivering against the 'service level agreement'.

### **Recommendation**

That the Forum supports the proposals

**Item 13**  
**Surrey Schools Forum**  
**9 January 2024**  
**For information**  
**Lead officer: David Green**

### **Arrangements for payment of government grants to schools for 2024/25**

The LA is expected to consult the Schools Forum annually on the administrative arrangements for central government grants. However, most central government grants allocated to schools (other than Dedicated Schools Grant) are allocated on the basis that the LA passes on to individual maintained schools the sums specified by the DfE. The LA therefore has no discretion as to how the grants are allocated. Academies usually receive the corresponding grants directly from DfE.

The LA role is therefore to advise the schools of the school level allocations of individual grants (which is normally done by adding them into the first monthly funding transaction report following notification by DfE) and where appropriate to pass on a corresponding cash allocation. Conditions of the use of grants by maintained schools are usually published by DfE and schools are expected to comply with that guidance.

Occasionally the LA has some discretion over allocations (as for example with teacher pay additional grant to special schools and pupil referral units for September 2023-March 2024 and for the grants to support Homes for Ukraine pupils and Afghan refugees in bridging hotels). There may also be specific requirements to consult schools or the Schools Forum prior to distribution of specific grants,

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

The Forum is invited to discuss the arrangements if it sees the need.

