



Schools Forum

Report title: Updates from DFE

Date: 15th October 2020

Key decision: No.

Item number: 5

Outline and recommendations

The purpose of this report is to provide Schools Forum with the appropriate funding related updates since July 2020.

Schools Forum is asked to note the contents of this report –this is an information only item.

Timeline of engagement and decision-making

This report is for information and discussion

Summary

- 1 During the summer break Lewisham Council has received a series of information relating to schools funding. This report provides some key headline information arising from this information including
 - DSG 2021/22 Partial Settlement (main item of the report)
 - Provisional values for each of the DSG funding blocks
 - Including streamlining of the Teachers Pay and Pensions Grants
 - Ceasation of the Catch up year 7 Grant
 - Pay award expectations
 - Covid Grant Claim - Schools – for 2020/21 only
 - Covid Catch Up Grant. For 2020/21 only
 - PE and Sports Grant 2020/21
 - Pupil premium 2020/21

Dedicated Schools Grant - Background

- 2 In line with prior years, the DfE publishes what is known as the “partial settlement” of the Dedicated Schools Grant based on the National Funding Formula. The settlement is identified as a “per pupil” figure, plus any baseline adjustments. The Early Years data has not been revised at this stage and is shown in this document for completeness only. The same applies to the Growth Fund which is part of the Schools Block. The Growth Fund is based on comparison of growth in Super Output Areas.
- 3 The DSG will be finalised shortly before Christmas based on this partial settlement adjusted for pupil data returns including the Schools Census and High Needs Returns.

DSG 2021/22 Partial Settlement

- 4 Table 1 below shows the headline position based on the partial settlement data.

Table 1	Schools Block	CSSB	High Needs	Subtotal		EY		DSG total
	£m	£m	£m	£m		£m		£m
2020/21	212.135	4.645	55.586	272.365		23.914		296.279
2021/22	225.322	4.107	60.759	290.188		23.914		314.102
Growth not confirmed added for comparison	0.962			0.962				
2021/22 amended	226.284	4.107	60.759	291.150		23.914		315.064
Net increase	14.150	-0.537	5.173	18.785		0.000		18.785
% increase	6.7%	-11.6%	9.3%	6.9%		0.0%		6.3%
Less Streamlined Grants								
Teachers Pensions/Pay	-9.206		-0.6689	-9.875		-0.056		-9.930
Year 7 Catch Up	-0.116		0.036	-0.080				-0.080
Total	-9.321	0.000	-0.633	-9.954		-0.056		-10.010
Revised Net increase	4.828	-0.537	4.540	8.831		-0.056		8.775
% increase net of Streamlining Grants	2%	-12%	8%	3%		0%		3%

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DSG -Schools Block

- 5 The table shows that overall the Schools Block has increased by £14m. At this stage the funding for the “Growth Fund” which is a sub-component of the Schools Block is not known, however for completeness the 2020/21 figures has been assumed. For this reason, the value of the growth fund remains a risk.
- 6 Funding for the Schools Block is based on funding per pupil for primary and secondary age pupils. The table below shows the settlement for Lewisham relative to other inner london councils. The ranking is also relative to the national picture which confirms our funding as the 12th highest in the country for primary schools and now 10th highest for secondary schools.

Schools Block

		2020/21				2021/22				Movement	
		Primary	Rank	Secondary	Rank	Primary	Rank	Secondary	Rank	Primary	Secondary
202	Camden	£5,485.88	6	£7,057.78	7	5810.98	6.00	7534.37	7	£325.10	£476.59
204	Hackney	£6,018.44	2	£8,011.35	1	6356.11	2.00	8501.48	1	£337.67	£490.13
205	Hammersmith and Fulham	£5,311.43	10	£7,128.01	6	5623.17	10.00	7597.57	6	£311.74	£469.56
309	Haringey	£5,100.53	13	£6,985.20	8	5416.94	13.00	7465.40	8	£316.41	£480.20
206	Islington	£5,396.22	9	£7,131.58	5	5717.05	9.00	7628.94	5	£320.83	£497.36
207	Kensington and Chelsea	£5,447.07	8	£6,868.80	10	5796.82	8.00	7339.90	11	£349.75	£471.10
208	Lambeth	£5,573.43	4	£7,530.92	4	5893.62	4.00	8004.63	4	£320.19	£473.71
209	Lewisham	£5,125.27	12	£6,859.10	12	5461.72	12.00	7370.79	10	£336.45	£511.69
316	Newham	£5,554.07	5	£6,860.42	11	5884.29	5.00	7318.96	13	£330.22	£458.54
210	Southwark	£5,637.62	3	£7,873.97	3	5970.45	3.00	8369.95	3	£332.83	£495.98
211	Tower Hamlets	£6,027.70	1	£7,999.76	2	6371.20	1.00	8482.73	2	£343.50	£482.97
212	Wandsworth	£5,146.51	11	£6,530.95	14	5467.71	11.00	6993.22	14	£321.20	£462.27
213	Westminster	£5,470.85	7	£6,960.06	9	5797.66	7.00	7433.29	9	£326.81	£473.23
203	Greenwich	£5,012.07	14	£6,811.21	13	5330.67	14.00	7334.51	12	£318.60	£523.30

- 7 Schools Forum will also note that of this £14m, £9.2m is actually the streamlining of teachers’ pensions and pay grant. It should however be noted that this figure is circa £665k lower than we currently receive; the reason being that the DfE has transferred the majority of the grant via AWPU but some has been used to increase the per pupil rating for which we would not qualify.
- 8 Please further note that the Year 7 Catch up grant has now ceased and will become a pressure on the 15 schools who received this funding.
- 9 The overall increase therefore on the schools block is just over 2%
- 10 At the time of writing the final position for the teachers pay award for 2020/21 academic year is not confirmed. There has been some recognition in the news that an average 3.1% increase has been awarded. The final agreement will not be known until at least the autumn term. A further point to note is that the pay award is likely to commence at an uplift of circa 5.5% to 2.5% (lowest to highest). the School Teachers Pay Review body has recommended the following :
- A 5.5% uplift to the minimum of the MPR (Main Pay Range)
 - A 2.75% uplift to the minima and maximum of all other pay ranges and allowances
 - That advisory pay points are reintroduced on the MPR and UPR scales

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(proposed levels for these pay points can be found in the annex of the STRB report)

- 11 The government announcement also makes it clear that the intention is that the pay award will be funded from within the existing budgets. Each school will be affected differently depending on the make up of their teaching staff, proportion of funding spent of staff and coupled with the distribution of funding based on the movement in their pupil numbers.
- 12 It is anticipated that the increase in funding will support most but not all of the pressure for those schools with staffing at circa 75% of their budget.

DSG - Central Services to Schools Block

- 13 The central services to schools block (CSSB) is made up of two elements. The first element supports ongoing cost such as admissions services, attendance and welfare etc. The remainder supports historic budgets including supporting pensions contributions for school based early retirements (Historic commitments), contribution to the High Needs Block and contribution to Council support services.
- 14 The table below shows the provisional position for the CSSB based on current pupil numbers and recognises a further reduction of £537k. Schools Forum will recall a reduction of £775k already in this years budget. The Executive Director for CYP will explore options not just for the current reduction in 2020/21 and proposed 2021/22 but more importantly from a longer term perspective. It is important that Schools Forum is mindful of this pressure as the services support schools.

Table 2	pupil led	pupil numbers	Total	historic baseline	Total
2020/21 Baseline	£41.15	35,964	1,479,919	3,164,710	4,644,629
2021/22	£43.80	35,964	1,575,367	2,531,768	4,107,135
Movement	£2.65	0	95,448	-632,942	-537,494

- 15 It should be noted that the small increase in central funding will also need to support any streamlined effect of the teachers pension and pay grants from 1st April 2021.

DSG -High Needs Block

- 16 Based on the provisional allocations, there is an expectation that the high needs block should increase by circa £5m. This figure could change as a consequence of movement in pupil numbers or something known as “import/export adjustment”. The import export adjustment is a movement to the overall DSG settlement that takes into consideration the number of SEN placements made in other boroughs relative to those from other boroughs being placed in Lewisham.
- 17 It should also be noted that this figure incorporates any streamlining of grants for both the pension and teachers pay.
- 18 This is welcomed news, but is unlikely to fully fund the pressure on the high needs block arising from both increase in SEND (Education Health Care Plans) numbers, high levels of needs and price pressure.
- 19 Elsewhere on this agenda is an update on high needs spend - mitigation plan

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DSG - Early Years Block

- 20 No update has been received with regards the EY block for 2021/22. However, as described in the DSG 2020/21 update report, there has been an overall reduction on Early Years numbers which is likely to have a downward impact on the 2021/22 settlement. Whilst some of the reduction is net neutral, e.g reduction in numbers would be offset with reduction in cost, there will be an impact on the value that is held back for deprivation, inclusion fund and central funding. More detailed information will be provided once we have the final settlement figures in December.

Covid Catch Up Premium Grant

- 21 The government has announced £1 billion of funding to support children and young people to catch up. This includes a one-off universal £650 million catch-up premium for the 2020 to 2021 academic year to ensure that schools have the support they need to help all pupils make up for lost teaching time. Funding is primarily to support disadvantaged and vulnerable groups. In addition to the universal catch-up premium, DfE has announced a £350 million National Tutoring Programme to provide additional, targeted support for those children and young people who need the most help.
- 22 **Covid Catch Eligibility** The £650 million of universal catch-up premium funding will be available for all state-funded mainstream and special schools, and alternative provision. It will cover:
- primary, secondary and all through local authority-maintained schools, academies and free schools
 - local authority-maintained special schools
 - special academies and free schools
 - special schools not maintained by a local authority
 - pupil referral units
 - alternative provision (AP) academies and free schools
 - local authority-maintained hospital schools and academies
 - independent special school
- 23 Funding will be provided to local authorities for pupils with education, health and care (EHC) plans who are educated in independent special schools based on the number of such pupils in their area.
- 24 **Funding allocation** - Schools' allocations will be calculated on a per pupil basis, providing each mainstream school with a total of £80 for each pupil in years reception through to 11.
- 25 Special, AP and hospital schools will be provided with £240 for each place for the 2020 to 2021 academic year.
- 26 This means a typical primary school of 200 pupils will receive £16,000 while a typical secondary school of 1,000 pupils will receive £80,000.
- 27 **Payments** This funding will be provided in 3 tranches.

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- 1 An initial part payment in autumn 2020, based on the latest available data on pupils in mainstream schools and high needs place numbers in special, AP, hospital schools and special schools not maintained by a local authority.
- 2 A second grant payment in early 2021, based on updated pupil and place data. For mainstream schools, using the 4 to 15 pupil headcount from the October 2020 census.

For special, AP and hospital schools

- 2019 to 2020 academic year place numbers from the published local authority 2019 to 2020 financial year budget returns for local authority-maintained schools
- the published high needs place numbers for the 2020 to 2021 academic year for academies and special schools not maintained by a local authority

The second grant payment will also take account of the initial part payment made in autumn 2020 so that schools will receive a total of £46.67 per pupil or £140 per place across the first 2 payment rounds.

- 3 A further £33.33 per pupil or £100 per place will be paid during the summer term 2021.
- 28 Though funding has been calculated on a per pupil or per place basis, schools should use the sum available to them as a single total from which to prioritise support for pupils according to their need.
- 29 As the catch-up premium has been designed to mitigate the effects of the unique disruption caused by coronavirus (COVID-19), the grant will only be available for the 2020 to 2021 academic year. It will not be added to schools' baselines in calculating future years' funding allocations.
- 30 **Use of funds** -Schools should use this funding for specific activities to support their pupils to catch up for lost teaching over the previous months, in line with the guidance on [curriculum expectations for the next academic year](#).

Schools have the flexibility to spend their funding in the best way for their cohort and circumstances.

- 31 To support schools to make the best use of this funding, the Education Endowment Foundation (EEF) has published a [support guide for schools](#) with evidence-based approaches to catch up for all students. Schools should use this document to help them direct their additional funding in the most effective way. This could include, for example:
 - small group or one-to-one tuition (particularly through the National Tutoring Programme)
 - summer programmes to help re-engage pupils or extra teaching capacity from September

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- 32 **Covid Premium - National Tutoring Programme.** In addition to the £650m shown above the DfE has launched the National Tutoring Programme which is supported by a further £350m

PE and Sports Grant

- 33 The DfE has confirmed its intention to continue with the PE and Sports Grant for the academic year 2020/21. A national figure of £320m has been confirmed which is broadly in line with the current funding levels. On this basis each primary phase schools receives £16k lump sum plus £10 per pupil. The pupil numbers are expected to be based on January 2020 census.

Pupil Premium

- 34 Allocations for Pupil Premium have now been confirmed

The PPG per-pupil rate for 2020 to 2021 is as follows:

Disadvantaged pupils	Pupil premium per pupil	Increase on 2019/20
Pupils in year groups reception to year 6 recorded as Ever 6 free school meals (FSM)	£1,345	£25
Pupils in years 7 to 11 recorded as Ever 6 FSM	£955	£20
Looked-after children (LAC) defined in the Children Act 1989 as one who is in the care of, or provided with accommodation by, an English local authority	£2,345	£45
Children who have ceased to be looked after by a local authority in England and Wales because of adoption, a special guardianship order, or child arrangements order (previously known as a residence order)	£2,345	£45
Service children	Service premium per pupil	
Pupils in year groups reception to year 11 recorded as Ever 6 service child or in receipt of a child pension from the Ministry of Defence	£310	£10

- 35 The table shows that for each criteria there has been an increase. However overall there is a reduction of circa £240k recognizing the reduction in eligibility.

Teachers' Pension and Pay Grant

- 36 The grant is an academic year grant as such the figures for April to August are confirmed. These grants are expected to continue in their current format for September 2020 to March 2021. Allocations will be announced later in the autumn term for the remainder of the financial year. For 2021/22 financial year these grants will be streamlined into the DSG as explained above under DSG Schools Block. The guidance suggests that maintained schools will be aligned to funding per the financial year, whilst academies will continue to receive funding until the academic year 2020/21. This therefore suggests that the APT calculations for academy schools will be adjusted accordingly prior to funding transfer to academy schools.
- 37 Funding for Teachers Pay attracts £55.95 for primary and £82.34 for secondary for a full 12 month period.
- 38 With regards to SEND provision, the funding is contained within the High Needs Uplift.

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- 39 With regards Early Years and post 16 provision, the DfE has yet to advise how the funding will be allocated to LA/Providers.
- 40 It should however be noted that the funding for teachers' pension and pay grant has not increased in real terms. Following the increase in teachers' pay over the last few years including the 2020 uplift the baseline on which the liability will be calculated will clearly increase creating a drift.

Covid Grant Claim

- 41 The DfE confirmed the eligibility criteria for schools to apply for COVID Grant. Various sessions were held with schools to support the process. The claims process required schools to submit on the basis of actual spend incurred.
- 42 The claim did not support schools within year surplus positions or loss of income as an impact of COVID.
- 43 At the time of writing, Lewisham has been advised of 21 schools being approved for funding at a total value of £250k. The DfE is currently reviewing further applications and will advise in due course.

Financial implications

- 44 At this stage there are no direct financial implications arising from this report. The report does however highlight potential risks for schools and the LA in terms of funding receivable relative to spend profile.

Legal implications

- 45 At this stage there are no specific legal implications arising from this report.

Equalities implications

- 46 At this stage there are no direct implications arising from this report, Equalities impact will need to be considered as Lewisham progresses options towards mitigating an overspend position on the high needs block.

Climate change and environmental implications

- 47 Not applicable

Crime and disorder implications

- 48 Not applicable

Health and wellbeing implications

- 49 Not applicable

Report author and contact

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