

School funding 2021-22: Consultation document

September 2020

**Closing date for responses
Friday 16 October 2020**

Introduction

1. From the beginning of the financial year 2017-18 the government phased in a national funding formula for Early Years (EY) and the following year for the Schools Block (SB), High Needs (HN) and the Central Services Schools Block (CSSB). In 2021-22 the phased implementation of these funding formulas will continue. This document seeks views of schools, academies and free schools on several proposals in respect of the SB, CSS and HN Blocks, specifically:
 - The value of the minimum funding guarantee, it is proposed to set this at +0.5 per cent;
 - Possible changes to the growth fund if the grant is insufficient to cover projected planned growth in primary and high schools in September 2021;
 - De-delegation of funding (maintained schools only);
 - Various matters relating to the central services schools' block and historic commitments; and
 - Maintaining a transfer from the schools to the high needs block of 0.5 per cent, approximately £1.3m.
2. Responses should be made using the on-line survey and should be completed by **FRIDAY 16th October**.
<https://www.surveymonkey.co.uk/r/schoolfunding2021-22>
3. Please note the consultation document and the financial impact of these changes were modelled based on 2020-21 data and provisional block grant announcements made in July. Similarly, school level illustrations of the NFF available on COLLECT are based on 2019 data. Allocations for 2021-22 will use October 2020 information.

Decision Making Timetable

4. To take account of the DfE and Council democratic decision-making timetables, the intention is to report the findings of the consultation to the Schools Forum in **November** and seek their views on the MFG. We will also ask the Forum for decisions at that meeting on de-delegation, central budgets and the Schools Block to High Needs Block transfer. This will enable Cabinet to make decisions at its meetings in November and December rather than in January, which should enable us to notify schools of their allocations before February half term.

Schools Block (SB)

5. In July the government published its proposals for school funding for 2021-22. A copy of the operational guidance for Local Authorities (LAs) and ministerial announcements can be found [here](https://www.gov.uk/government/publications/pre-16-schools-funding-local-authority-guidance-for-2021-to-2022).
<https://www.gov.uk/government/publications/pre-16-schools-funding-local-authority-guidance-for-2021-to-2022>
6. The main points related to mainstream schools are:
 - School baselines and the NFF will be adjusted to reflect the inclusion of the teachers' pay (TPG) and teachers' pension employers' pension contribution (TPECG) grants into the Schools Block. School baselines will be adjusted by the grants allocated to each school in 2019-20 and the NFF basic entitlement factors by £180 per primary and £265 per secondary pupil. The provisional total transferred into the Schools Block baselines was £11.8m, 4.53 per cent of the SB. For this reason, the age weighted pupil unit for primary, KS3 and 4 have a cash increase of 9 per cent;
 - Schools that are attracting their core NFF allocations will see an increase of **3 per cent** to the formula's core factors; local increases in funding for those at the NFF may be slightly affected by affordability, for example, of the MFG and SB transfer, if agreed;
 - The minimum funding per-pupil levels will be set at £4,180 for primary schools; £5,215 for KS3 and £5,715 at KS4, we expect only a small number of schools, if any, will be funded at these levels;
 - LAs may set the minimum funding guarantee between +0.5 to +2.0 per cent;
 - LAs will be able to use a cap on gains in their local formulae to fund the MFG, in-year growth in pupil numbers and the SB to High Needs transfer;
 - The free school meals factor will be increased by inflation, 1.6 per cent, as it is intended to broadly reflect actual costs. Premises funding will continue to be allocated at local authority level based on actual allocations to schools in 2020-21 with a 1.56 per cent increase for the PFI factor only;
 - The IDACI factor now uses the 2019 deprivation data for small geographical areas of approximately 1,500 households. To avoid a reduction in funding nationally allocated through IDACI the bands now cover up to 37.5% of areas and the funding for Bands B to D have been increased by more than 3 per cent;
 - The Low Prior Attainment Factor will use 2019 data as a proxy for 2020 due to no data being available for the EYFSP or KS2 reading, writing and maths assessments;
 - The government will continue to move towards a formulaic approach to funding in-year growth rather than on historic spend. LAs can lose up to 0.5 per cent of this Schools Block Allocation, in the case of Ealing approximately up to £1.3m; and
 - The government intends to consult this year on the next steps towards a hard NFF where school allocations are determined nationally.

Funding Formula for pupils in R to Year 11

7. Over the last three years, the Schools Forum has agreed to adopt the structure of the NFF. Due to the funding floor, minimum funding guarantee (MFG), HN transfer and phasing in of gains under the formula the values of some deprivation and low prior attainment factors were set below the NFF values. The structure of the National Funding Formula (NFF) and the cash values proposed for Ealing are set out in **Annex 1**. The values shown for the NFF have been increased by Ealing's area cost adjustment (ACA) of 1.14614. This reflects the higher salary costs in schools and cost of living in the area. In 2021-22 it is intended to continue to move towards the NFF rates. To do this, we consider that the MFG should be set at +0.5 per cent. Should the NFF not be fully affordable, we will make the adjustment on the deprivation and the low prior attainment factors, as we did in the current year.

Minimum Funding per Pupil

8. In 2021-22 the government has set the minimum funding per-pupil levels at £4,180 for primary schools; £5,215 for KS3 and £5,715 at KS4. Last year no schools were funded at the minimum pupil levels and we expect only a very small number of schools, if any, to be funded at these levels in 2021-22.

Minimum Funding Guarantee (MFG) and Caps on Gains

9. The MFG is set by the Council following consultation with schools and the Schools Forum. For the current financial year, the Forum agreed to set the MFG at +0.5 per cent. In 2021-22 this can be set between +0.5 and +2.0 per cent. The impact of the MFG is that it caps funding to those schools that do not receive MFG. **Annex 2** illustrates that had a 2 per cent MFG been applied in the current year, it would have cost other schools £0.485m. As the adjustment would have been made to the low prior attainment factors, as agreed by the forum, the reduction would have particularly affected those schools with the highest levels of low prior attainment the most. Some of the schools that would receive more funding under a higher MFG are already funded well above their NFF allocation. Most of the others are small schools or schools that have expanded numbers.
10. Against this background and consistent with our policy of moving towards the NFF values for the FSM and deprivation factors, it is proposed to implement a +0.5 per cent MFG. **Annex 2** illustrates the impact of a +2.0 and 0.5 per cent MFG using 2020-21 pupil data for those schools that received MFG protection in the current year. To ensure that the allocations to schools are affordable, if necessary, as in the current year we intend to adjust the low prior attainment factors and capping or scaling back on gains in the formula.

Growth Fund

11. For the last two years the government has been moving towards a formulaic approach to allocating funding for pupil growth rather than using levels set by each LA. Due to the protections limiting the losses to each LA, we have had enough funding each year to fund growth in full. Growth in September for totally new schools building up their numbers has to be funded through the formula and for other schools we fund from an explicit growth fund. As in previous years, should the funding provided be insufficient we are consulting on two approaches to funding explicit growth:

- Option 1: Maintain the rules of explicit growth fund, i.e. £60,100 per primary and £78,800 per secondary additional form of entry. This may require a top slice of the SB by further capping gains under the formula, or
- Option 2: Scaling back allocations to what can be afforded from the growth fund allocation.

12. It should be noted that at the summer term 2020 meeting of the Forum, it was agreed that part of the DSG reserves carried forward could be used, if necessary, to support the values of the growth fund. This may limit any need to top-slice other factors (Option 1) or the extent of any scaling back that may need to be applied (Option 2). We will update the Forum at its November meeting. We welcome feedback from schools on these two options.

De-delegated services

13. In the case of maintained schools, the Schools Forum may agree to de-delegate from school budget shares funding for a range of services. The amount de-delegated is deducted from school budget shares before these are allocated to schools. In Ealing, only a small number of services are de-delegated. In the case of maintained primary schools, de-delegation totalled £500,700 and £82,700 for high schools. The de-delegated services for the current year are show in **Table 1** below. De-delegation for support for under-performing ethnic minority groups was specifically to help fund the Ealing Learning Partnership (ELP) “no-learner left behind project” for one year only due to a reduction in grant funding through the historic commitments grant.

Table 1:

De-delegation in 2020-21 - Maintained Schools only					
Pupil Nos.	Primary 27,198		High 8,127		Total
	Per Pupil	De-delegation	Per Pupil	De-delegation	
Contingencies	£3.90	£106,072	£3.90	£31,695	£137,768
Free school meals eligibility	£1.72	£46,781	£1.72	£13,978	£60,759
Staff costs supply cover	£3.88	£105,528	£2.72	£22,105	£127,634
Behaviour support services	£7.07	£192,290	£0.00	£0	£192,290
Support to underperforming ethnic minority groups and bilingual learners	£1.84	£50,044	£1.84	£14,954	£64,998
Total De-delegation	£18.41	£500,715	£10.18	£82,733	£583,448

14. A summary of each service is set out below. De-delegation is not an option for special schools, nursery schools or PRUs. Where de-delegation has been agreed for maintained primary and secondary schools, LAs may offer the service on a buy-back basis to those schools and academies in their area which are not covered by de-delegation. Decisions made to de-delegate must be made each year.
15. Schools Forum members for primary and secondary maintained schools must decide separately for each phase whether the service should be provided centrally, and the decision will apply to all maintained mainstream schools in that phase.
16. For 2021-22, the Forum will vote on de-delegation at its meeting in November or January 2021 and we would welcome your views on de-delegation:
17. The **contingency** is a small safety net to be applied in year where a school has exceptional cost pressures that cannot be met from the school's own budget share or balances brought forward. Examples include significant rate re-valuations and exceptional support required for pupils without special needs placed through the fair access protocol.
18. The **Primary Behaviour Service (PBS)** works to prevent exclusion of Ealing's primary school children, providing assessment and intervention for children presenting with Emotional, Social and Mental Health Difficulties, their families and schools. It is proposed to increase the de-delegation rate by inflation, 1.6 per cent.
19. De-delegation of funding for **free school meals eligibility checking** offers the benefit of managing an on-line application system accessible by schools and parent/carers, that checks eligibility via the DfE's access to the benefits agency's database and confirms, in most cases, whether a child is eligible. This service is not directly available to schools and the DfE only allow Local Authorities access by their agreement with the Benefits Agency. It is proposed to increase the pupil rate by inflation, 1.6 per cent.
20. **Trade union facility time** covers recognised teaching, headteacher, support and premises staff union representatives in maintained schools.
21. Schools should note that no funding is de-delegated for licences/subscriptions. Licences paid by DfE from a top slice of central funding these are:
 - Christian Copyright Licensing International (CCLI)
 - Copyright Licensing Agency (CLA)
 - Education Recording Agency (ERA)
 - Filmbank Distributors Ltd. (for the PVSL)
 - Mechanical Copyright Protection Society (MCPS)
 - Motion Picture Licensing Company (MPLC)
 - Newspaper Licensing Authority (NLA)
 - Performing Rights Society (PRS)
 - Phonographic Performance Limited (PPL)
 - Schools Printed Music Licence (SPML)

Education functions in respect of maintained schools Annex 3

22. For the current financial year, the Schools Forum agreed to top-slice £27 per pupil for functions in respect of **maintained schools**. This amount per pupil is deducted from school budget shares after the formula and MFG have been applied. The table below provides a breakdown of the total by area. The amount agreed by the Forum was less than the full year equivalent figure agreed in 2017-18 of £38.37. Multi-academy trusts (MAT) make similar types of deductions for services provided by MATs in respect of schools in their trusts. It is proposed to increase the rate by inflation to £27.50.

Table 2: Education Functions in respect of maintained schools agreed for 2020-21

Maintained Schools	Full Year Budget	Per Pupil	Proposed 2021-22 Rates
Statutory & Regulatory duties	£0.748	£21.16	£21.55
Education Welfare, Inspection of Registers	£0.066	£1.86	£1.90
Central Support Services	£0	£0.00	£0.00
Asset Management	£0.141	£3.98	£4.05
Premature Retirement & Redundancy	£0	£0.00	£0.00
Monitoring National Curriculum Assessments	£0	£0.00	£0.00
Total Primary and High	£0.955	£27.00	£27.50

Redetermination of budget shares: Risk Protection Arrangements (RPA)

23. Since April 2020 maintained schools have been able to join the RPA arrangements that operates as an alternative to insurance. For 2021-22, where all maintained primary and/secondary schools join the RPA the LA may de-delegate this funding and this will be at the rate per pupil set by the DfE (currently £18 per pupil/place for special schools and PRUs). The rate for 2021-22 will be set in the autumn term. Where schools join themselves and in the case of the PRUs and special schools, the LA will redetermine budget shares to adjust for the RPA. The LA needs to do this as the DfE has indicated that the RPA will be deducted from LAs DSG. Schools are asked to note these arrangements.

Summary Schools Block Questions

24. To inform our decision making we would welcome comments from schools on the following points given the direction of travel towards a “hard” national funding formula:

Question 1:

Do you support an MFG of +0.5 per cent in Ealing’s funding formula noting that an MFG above this figure will reduce the maximum gain under the formula and move schools already above the NFF further away from the NFF?

Question 2:

Should the DfE allocation to the LA for in-year pupil growth be insufficient which option do you prefer:

- **Option 1: Maintain the current rules of the fund by top slicing the SB by adjusting the MFG to below +0.5 per cent and tighten the cap on gains, or**
- **Option 2: Scale back the allocation to schools to what is affordable within the allocation?**

Question 3: (Maintained Schools only)

Do you support de-delegation of?

- **School contingencies at the current rate**
- **Primary Behaviour support services at the current rate per pupil or with an inflation increase of 1.6 per cent on the current rate**
- **Free school meals eligibility checking at the current rate or with an inflation increase of 1.6 per cent on the current rate**
- **Trade union facilities time at the current rates**

Question 4: (Maintained schools only)

Do you support continuing to fund education functions at the rates set out in the table 1, amounting to £27.50 per pupil If not, what items or adjustments do you consider should be met from school budgets?

The central school services block

25. The central school services block (CSSB) was introduced in 2018 to fund local authorities for the statutory duties that they hold for both maintained schools and academies. The CSSB brings together:

- funding previously allocated through the retained duties element of the Education Services Grant (ESG)
- funding for ongoing central functions, such as admissions, previously top-sliced from the schools’ block
- Residual funding for historic commitments, previously top-sliced from the schools’ block

26. **Annex 4** provides further information on LA duties in respect of all schools. In 2016 the DfE transferred into the DSG funding for LA retained duties in respect of all maintained and free schools and academies. In the case of Ealing this amounted to £0.745m and the forum agreed to passport this funding to the LA. It is intended to seek to retain the CSSB allocated by the DfE in 2021-22.

27. Table 3 below shows the 2020-21 allocations for CSSB items and the 2017-18 baseline and reductions in grant over the past four years. These services relate to all schools and academies. There will be a further 2.5 per cent reduction applied to the CSSB formula allocation in 2021-21 giving a total provisional block figure of £1.977m. The intention is to seek School Forum approval to passport the Central Schools Services allocation to the LA at the allocated amount, £1.977m and for the LA to manage within that total.

Table 3: CSSB 2020-21 and details of reductions made to CSSB over four years

Section 251 Statement Line Number	2020-21 £m	Comments
1.4.2 School admissions	0.684	Includes main round and in-year admissions
1.4.3 Servicing of schools forums	-	
1.4.4 Termination of employment costs	-	
1.4.5 Carbon reduction commitment allowances	-	
1.4.6 Capital expenditure from revenue (CERA)	-	
1.4.7 Prudential borrowing costs	-	
1.4.8 Fees to non-maintained independent schools. Education element of LAC Placements	0.345	This covers the education element of any LAC placements at such schools agreed by placement panels
1.4.9 Equal pay - back pay	-	
1.4.12 Exceptions agreed by Secretary of State	-	
1.4.13 Other Items	0.254	Including copyright licences paid centrally as calculated by DFE all sectors.
1.5.1 Other Specific Grants	-	
Total of items 1.4.2 to 1.5.1	1.283	
Retained Duties 2020-21	0.745	
Total CSSB (excl historic commitments)	2.028	
Baseline CSSB 2017-18	2017-18 £m	
2017-18 Baseline for items 1.4.2 to 1.5.1	1.401	
Retained duties (see above)	0.745	Retained Duties Annex 4 for definition of items
Total baseline	2.146	
Reductions on CSSB		
2018-19	0.027	
2019-20	0.053	
2020-21	0.038	
2021-22	0.051	
Estimated Total 2021-22	1.977	

Historic Commitments

28. In addition to the CSSB, the LA receives funding from the DfE for historic commitments agreed by the Schools Forum in previous years. These are reviewed and voted on each year by the Forum. Any savings on historic commitments may be applied to HN pressures. In the current year the government began to reduce funding for historic commitments by 20 per cent and it has announced that it will do the same again in 2021-22, a further reduction of £187,200. This means that historic commitment funding will have reduced from £1.170m to £0.749m a reduction of £0.422m The figures agreed for the current year are shown in Table 4.
29. For the current year, the reduction in funding was met by reducing funding for the LAC teaching service by £0.109m to £0.036m and ceasing funding for the traveller's education service/ethnic minority pupils. In respect of the LAC teaching service officers were asked to find other funding sources including the LAC pupil premium. To offset the loss of funding for ethnic minority pupils, the Forum agreed to de-delegate £65,000 towards supporting the leadership of the no-learner left behind project for one year and from 2021-22 the project be funded by the Ealing Learning Partnership (ELP).
30. As funding for historic commitments is going to be ceased totally in the next few years, for 2021-22 it is proposed to maintain funding on services and take the saving on the transfer to the High Needs Budget and treat it as part of the deficit recovery plan. This would leave £419,800 remaining as a transfer to high needs in 2021-22.

Table 4: Historic Commitments

Service	2020-21 £m	Comments
SAFE Supportive Action for Families in Ealing	0.219	2016/17 value £0.437m. A considerable proportion of the children and young people supported through the service have High Needs. It was agreed to transfer £0.2185m to High Needs from 2017-18. SAFE offers a service below the threshold of social care to 1,528 children in a year with a proportionately high number of referrals made to ECIRS by schools being referred to the service. Outcomes for the service are good with very low number of re-referrals and families and young people feeding back two years after intervention positively around the impact the service has had on their lives.
Parenting Service - Interventions in families with children who have challenging behaviour.	0.074	2016-17 value £0.148m. Again, a sizeable proportion of the children of these families do have high needs and it was agreed to transfer £0.074m to the High Needs Block.
LAC teaching service	0.036	2016/17 value £0.290m. At GCSE LAC pupils in Ealing usually do better than most LAC pupils nationally, though they are one of the most disadvantaged groups in Ealing. The purpose of the LAC teaching team is to work with children to raise attainment further.
Historic Commitment savings transferred to High Needs	0.607	DfE guidance allows savings on the historic commitments to be applied to High Needs pressures which was agreed by the Forum for 2018-19. Not to agree this would reduce the HN budget by this amount.
Total	0.936	

Next Steps on CSSB

31. Decisions on centrally retained funding will be made by the Schools Forum at its meeting in November. **Annex 5** summarises sets out the decision-making powers of the Forum.

Central Schools Services Block Questions

Question 5:

Do you support allocating to the LA the allocation it receives from the government for the Central Schools Services Block?

Question 6:

Do you support continuing the funding of historic commitments allocated to the LA a total of £748,800?

Question 7:

Do you support making the reduction in the historic commitments funding provided by the government by reducing the savings transferred to High Needs Block from £607,000 to £419,800?

High Needs Block

32. Last year the government began to phase in a national funding formula for High Needs. Ealing loses under the formula if this was implemented in full. For 2020-21 the government announced an increase in the funding floor of 8 per cent with those LAs gaining under the formula being allowed to receive up to 17 per cent more. Ealing was be funded at the funding floor. In July the DfE published provisional High Needs Block allocations for 2021-22 and again Ealing will be at the funding floor increase of 8 per cent. The provisional allocation is £63.7m, though we expect this to be lower when the import and export adjustments are made on the latest data for of the £6,000 per place funding mainly for children and young people educated in other LA areas. The cash growth is estimated to be in the region of £4.8m if growth in the import/export adjustments are similar to the current year.
33. With regard to the rolling in of the teachers' pay and pension grants, in the case of special schools this will be reflected in adjustments to the top-up values. In the case of ARPs, as pupils are funded through the mainstream formula where the AWPU values will be increased to reflect the rolling in of these two grants, the top-up values do not need to be adjusted.

Growth Pressures

34. The additional funding allocated to High Needs will help reduce the overspend but does not consider future growth pressures. For these reasons, the Schools Forum will be requested to continue to agree a transfer from the schools block for 2020-21. The transfer requested is 0.5 per cent, estimated to be £1,300,000.

35. Following investment by the Council of £4.650m in-year, the overspend in high needs in 2020-21 was £5.3m. After applying one off reserves, this was reduced to £3.065m. Deficits in the DSG are carried forward to the following financial year and the LA is responsible for working with schools and other stakeholders to manage spending and reduce the deficit, known as a deficit recovery plan. In the current year the net overspend is projected to be similar to 2020-21 after the application of one-off reserves. This gives a projected cumulative deficit of £6.130m by the end of 2020-21 which is more than the growth in the High Needs Block for 2021-22.
36. The growth in EHCP Plans and budget pressure is a national and local issue. Growth in Ealing has been slightly lower than the London and England averages over the past three years (30 per cent compared to 36 per cent). The table below outlines the overall growth in EHCP in Ealing, London, and Nationally

Table 5: Growth in EHCPs

SEN2 as a January	Ealing	London	England
2017	2,055	48,554	287,290
2018	2,200	53,975	319,819
2019	2,551	59,672	353,995
2020	2,679	65,853	390,109
Change	624	17,299	102,819
	30.4%	35.6%	35.8%

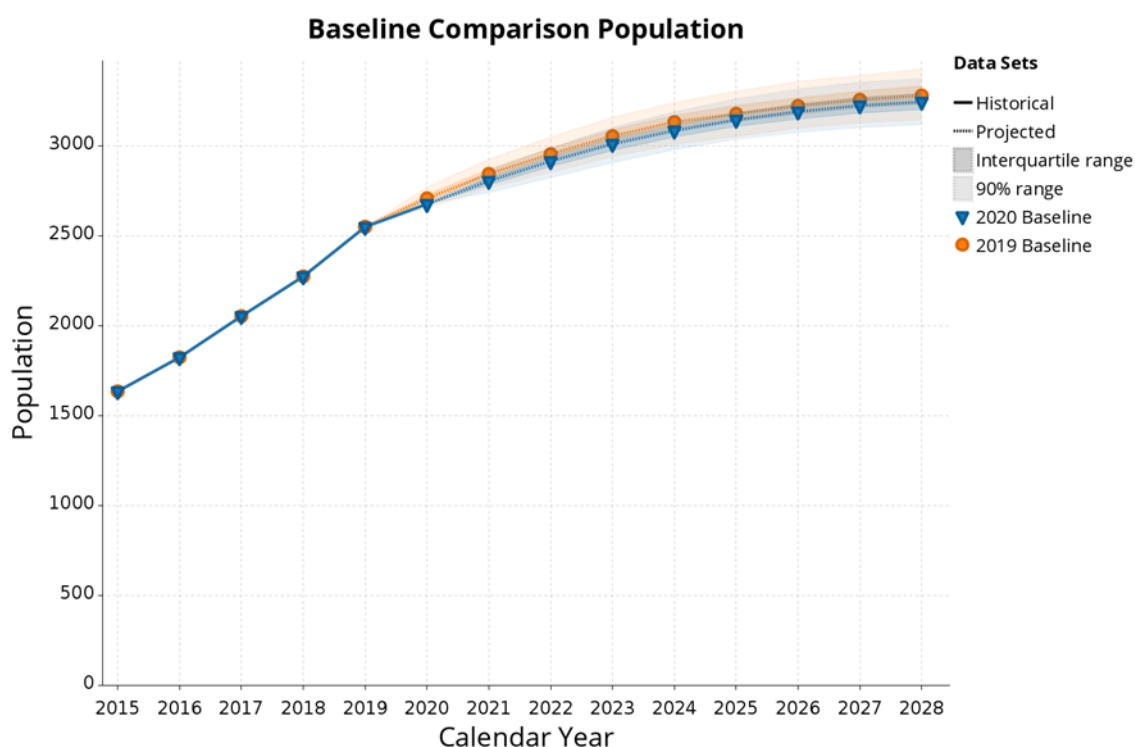
37. OfSTED commented favourably on evidence that Ealing identifies need early. A higher proportion of plans have been issued for Under 5s and in the primary sector, though this generates a long term spend pressure. 22 per cent of plans are now issued to post 16 students, although this is lower than nationally (28 per cent). Table 6 shows the per cent of EHCP by age group

Table 6: EHCPs by age

Age Group	Ealing	London	England
Under 5	4.4%	4.5%	3.9%
5 to 10	42.2%	35.4%	33.0%
11 to 15	31.4%	33.1%	35.3%
16 to 19	16.1%	20.1%	21.3%
20 to 25	5.9%	7.0%	6.5%

38. The LA has commissioned an independent analysis of demand, needs and costs in the medium to long term from an organisation called Mastadon C (Data Analytics). The below graph outlines the estimated number of ECHPs up to 2028

Graph 1 Mastadon C Projected number of ECHPs to 2028



39. The largest growth areas are ASD, SEMH, and SLCN. These updated 2020 projections are slightly lower than the 2019 model due to a higher number of plans ceased in 2019 than projected, but still shows significant ongoing growth in EHCPs. Table 7 below shows total EHCP projections to 2023.

Table 7: Projected EHCP numbers

Year	Lower confidence interval	Projected number of EHCP median (Mastadon C)	Upper confidence interval
2020 Actual		2,679	
2021 Projection	2,742	2,806	2,864
2022 Projection	2,826	2,916	2,990
2023 Projection	2,908	3,012	3,104

40. The latest figure (2,803 plans as at 1st June) indicates that the January 2021 figure is likely to be towards the upper end of this projection range. This is due to a high number of requests for assessment despite COVID 19, with 194 plans agreed during 2020 so far and 247 in progress as at 1st June 2020.

SEND transformation programme - All Age Disability (AAD) Strategy

41. In view of the challenges faced for the LA and Schools Forum on working together to address as far as possible the DSG deficit and to improve the provision for children and young people with SEND, the council has committed to invest £0.872m to pilot initiatives and support transformation of LA services over an 18-month period. This investment covered aspects of following services:
 - SEN Assessment and review;
 - Placement and provision development, planning and commissioning;
 - Transition to adults services; and
 - Digital Strategy
42. The programme of work began in Autumn 2019, with the additional being staff recruited to deliver this. The workstreams will include:
43. Early Intervention to enable children and young people and providers to access resources and expertise to meet SEN Support needs and improve outcomes to reduce the need for EHCP.
44. Developing practice to build trust and improve relationships with parents and carers which will include whole staff training and a review of capacity and structures
45. Increasing capacity to focus on Annual Reviews to improve transition planning between phases, including the small number who transition to Adults Social Care. Identifying where cost can be reduced, or in some cases increased to support children and young people to meet their outcomes
46. 16 to 25-year-olds – improve and monitor outcomes, decrease costs and future growth, through improved commissioning arrangements, working with providers to develop provision, and with young people and their parents/carers to prepare for adulthood
47. Strengthening decision making and allocation of resources, consistency and transparency
48. Developing a more robust demand and financial model over multiple years to effectively plan provision
49. Proactive review of those accessing travel assistance to increase levels of independence
50. The LA will continue with its successful initiatives, including:
51. Additionally Resourced Provision (ARP), capacity continues to increase, reducing numbers in high cost provision in both mainstream and specialist placements.
52. Reviewing entry and exit criteria of ARPs following a review of their funding arrangements to ensure it is equitable.
53. The programme to date has been successful in reducing, avoiding, and containing costs through improving the LA's approach to annual review and

funding negotiations. Working with Further Education providers and Schools, to support children and young people to make progress towards the outcomes set out in their EHCP.

Summary of High Needs block questions

Question 8:

Do you support retaining the transfer of 0.5 per cent of the schools' budget into High Needs, equivalent to approximately £25 per pupil across schools and academies? If you don't support this, what other actions would you suggest helping manage pressures in 2021-22?

Comparison of Ealing's 2020-21 Factor Values with 2021-22 NFF Rates including ACA								Annex 1
Factor	Ealing Values 2020-21		NFF Rates 2021-22 inc ACA		Increase NFF Rates minus Ealing Rates			
	Primary per pupil	High per pupil	Primary per pupil	High per pupil	Primary	Percent	High	Percent
	A	B	C	D	C-A		D-B	
Primary (Years R-6)	£3,274.52	£0.00	£3,579.40	£0.00	£304.87	9%		
Key Stage 3 (Years 7-9)		£4,605.19		£5,047.60			£442.41	10%
Key Stage 4 (Years 10-11)		£5,227.54		£5,688.29			£460.75	9%
FSM	£515.76	£515.76	£527.22	£527.22	£11.46	2%	£11.46	2%
FSM6	£641.84	£934.10	£659.03	£962.76	£17.19	3%	£28.65	3%
IDACI Band A	£687.68	£962.76	£710.61	£991.41	£22.93	3%	£28.65	3%
IDACI Band B	£498.57	£716.34	£544.42	£779.38	£45.85	9%	£63.04	9%
IDACI Band C	£464.19	£664.76	£510.03	£722.07	£45.84	10%	£57.31	9%
IDACI Band D	£429.80	£613.18	£469.92	£664.76	£40.12	9%	£51.58	8%
IDACI Band E	£286.54	£464.19	£298.00	£475.65	£11.46	4%	£11.46	2%
IDACI Band F	£240.69	£343.84	£246.42	£355.30	£5.73	2%	£11.46	3%
4) English as an Additional Language (EAL)	£613.18	£1,650.44	£630.38	£1,702.02	£17.19	3%	£51.58	3%
Mobility	£1,002.87	£1,432.68	£1,031.53	£1,478.52	£28.65	3%	£45.85	3%
Primary Low Attainment	£1,136.00	£1,717.33	£1,255.02	£1,902.59	£119.02	10%	£185.26	11%
	Per School	Per School	Per School					
Lump Sum	£131,118.42	£131,118.42	£135,015.29	£135,015.29	£3,896.88	3%	£3,896.88	3%
Notes								
1. All rates shown include the Area Cost Adjustment (ACA) for Ealing								
ACA for Ealing is 1.14614								
2. AWPU figures for 2021-22 includes TPG and TPECG hence big cash increase in values								
3. In 2020-21 Ealing Low Prior Attainment adjusted to take account of NFF affordability								

Minimum Funding Guarantee (MFG)

54. The table below illustrates the impact of a 2 per cent or 0.5 per cent MFG using the current year's data and funding values. The actual figures for 2021-22 will be affected by updates to factor values and pupil data.
55. The illustration shows that a higher MFG set at 2.0 per cent is estimated to cost £0.485m more than an MFG set at 0.5 per cent. A lower MFG moves schools closer to the NFF.
56. A small number of schools receive significant amounts of MFG and have high MFG funding levels per pupil. This reflects higher per pupil funding levels for small schools in Ealing's own formula at the time the NFF started to be phased in than in the NFF. Some of these schools have since been expanded. In other cases, higher funding levels are due to the consolidation into school funding of Excellence in Cities and other specific grants in 2011-12. We are not able to set a differential rate for the MFG.

Illustration of the effects of MFG set at 2.0 and 0.5 per cent

Annex 2

School Name	NOR	20-21 MFG Unit Value	19-20 MFG Unit Value	Per cent MFG adjustment @2%	20-21 MFG Adjustment @2%	Per cent MFG adjustment @ 0.5%	20-21 MFG Adjustment @ 0.5%	Difference
					A		B	A - B
Total					£1,120,004		£634,311	£485,693
East Acton Primary School	250.00	£4,697.57	£4,646.32	0.90%	£10,420.48		£0.00	£10,420.48
Beaconsfield Primary and Nurs	366.00	£4,552.01	£4,479.37	0.38%	£6,204.30		£0.00	£6,204.30
Drayton Green Primary School	347.00	£4,408.03	£4,945.73	12.87%	£220,905.50	11.37%	£195,162.98	£25,742.52
Allenby Primary School	223.00	£4,523.44	£4,705.01	5.86%	£61,474.60	4.36%	£45,736.34	£15,738.26
Fielding Primary School	832.00	£3,641.69	£3,690.86	3.33%	£102,325.89	1.83%	£56,263.96	£46,061.92
Havelock Primary School and N	387.00	£4,702.01	£4,616.17	0.14%	£2,507.26		£0.00	£2,507.26
Little Ealing Primary School	623.00	£3,729.32	£3,678.79	0.63%	£14,359.12		£0.00	£14,359.12
Oaklands Primary School	445.00	£3,979.04	£3,953.60	1.36%	£23,866.57		£0.00	£23,866.57
Stanhope Primary School	369.00	£4,243.42	£4,210.25	1.21%	£18,833.21		£0.00	£18,833.21
Wolf Fields Primary School	319.00	£4,648.84	£4,581.50	0.53%	£7,749.08		£0.00	£7,749.08
Montpelier Primary School	631.00	£3,877.18	£3,842.49	1.10%	£26,601.18		£0.00	£26,601.18
Vicar's Green Primary School	415.00	£4,184.16	£4,289.18	4.45%	£79,186.41	2.95%	£52,486.24	£26,700.17
St Anselm's Catholic Primary S	210.00	£4,226.46	£4,254.39	2.66%	£23,733.38	1.16%	£10,332.06	£13,401.32
Villiers High School	1,152.00	£6,614.75	£6,543.74	0.91%	£68,968.17		£0.00	£68,968.17
Elthorne Park High School	1,178.00	£5,546.83	£5,459.92	0.41%	£26,263.18		£0.00	£26,263.18
St Mary's Church of England Pr	187.50	£4,194.72	£4,208.79	2.33%	£18,421.45	0.83%	£6,584.23	£11,837.23
Ark Byron Primary Academy	334.00	£3,978.74	£3,982.77	2.10%	£27,949.99	0.60%	£7,996.33	£19,953.65
Dormers Wells High School	1,191.00	£6,559.85	£6,744.22	4.73%	£380,234.03	3.23%	£259,748.49	£120,485.54

Education Functions: LA responsibilities held for maintained schools only

(References in brackets are to the relevant schedule in the funding regulations)

Statutory and regulatory duties

- Functions of LA related to best value and provision of advice to governing bodies in procuring goods and services (Sch 2, 58)
- Budgeting and accounting functions relating to maintained schools (Sch 2, 74)
- Authorisation and monitoring of expenditure in respect of schools which do not have delegated budgets, and related financial administration (Sch 2, 59)
- Monitoring of compliance with requirements in relation to the scheme for financing schools and the provision of community facilities by governing bodies (Sch 2, 60)
- Internal audit and other tasks related to the local authority's chief finance officer's responsibilities under Section 151 of LGA 1972 for maintained schools (Sch 2, 61)
- Functions made under Section 44 of the 2002 Act (Consistent Financial Reporting) (Sch 2, 62)
- Investigations of employees or potential employees, with or without remuneration to work at or for schools under the direct management of the headteacher or governing body (Sch 2, 63)
- Functions related to local government pensions and administration of teachers' pensions in relation to staff working at maintained schools under the direct management of the headteacher or governing body (Sch 2, 64)
- Retrospective membership of pension schemes where it would not be appropriate to expect a school to meet the cost (Sch 2, 77)
- HR duties, including: advice to schools on the management of staff, pay alterations, conditions of service and composition or organisation of staff (Sch 2, 65); determination of conditions of service for non-teaching staff (Sch 2, 66); appointment or dismissal of employee functions (Sch 2, 66)
- Consultation costs relating to staffing (Sch 2, 68)
- Compliance with duties under Health and Safety at Work Act (Sch 2, 69)
- Provision of information to or at the request of the Crown relating to schools (Sch 2, 70)
- School companies (Sch 2, 71)
- Functions under the Equality Act 2010 (Sch 2, 72)
- Establish and maintaining computer systems, including data storage (Sch 2, 73)
- Appointment of governors and payment of governor expenses (Sch 2, 74)

Education welfare

- Inspection of attendance registers (Sch 2, 80)

Asset management

- General landlord duties for all maintained schools (Sch 2, 78a & b (section 542(2)) Education Act 1996; School Premises Regulations 2012) to ensure that school buildings have:
 - appropriate facilities for pupils and staff (including medical and accommodation)
 - the ability to sustain appropriate loads
 - reasonable weather resistance
 - safe escape routes
 - appropriate acoustic levels
 - lighting, heating and ventilation which meets the required standards
 - adequate water supplies and drainage
 - playing fields of the appropriate standards
- General health and safety duty as an employer for employees and others who may be affected (Health and Safety at Work etc. Act 1974)
- Management of the risk from asbestos in community school buildings (Control of Asbestos Regulations 2012)

Central support services

- Clothing grants (Sch 2, 54)
- Provision of tuition in music, or on other music-related activities (Sch 2, 55)
- Visual, creative and performing arts (Sch 2, 56)
- Outdoor education centres (but not centres mainly for the provision of organised games, swimming or athletics) (Sch 2, 57)

Premature retirement and redundancy

- Dismissal or premature retirement when costs cannot be charged to maintained schools (Sch 2, 79)

Monitoring national curriculum assessment

- Monitoring of National Curriculum assessments (Sch 2, 76)

Therapies

- This is now covered in the high needs section of the regulations and does not require schools forum approval

Central Schools Services Block: Responsibilities held for all schools

(References in brackets are to the relevant schedule in the funding regulations)

Statutory and regulatory duties

- Director of children's services and personal staff for director (Sch 2, 15a)
- Planning for the education service as a whole (Sch 2, 15b)
- Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 2, 22)
- Authorisation and monitoring of expenditure not met from schools' budget shares (Sch 2, 15c)
- Formulation and review of local authority schools funding formula (Sch 2, 15d)
- Internal audit and other tasks related to the local authority's chief finance officer's responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Sch 2, 15e)
- Consultation costs relating to non-staffing issues (Sch 2, 19)
- Plans involving collaboration with other LA services or public or voluntary bodies (Sch 2, 15f)
- Standing Advisory Committees for Religious Education (SACREs) (Sch 2, 17)
- Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 2, 21)

Education welfare

- Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20)
- School attendance (Sch 2, 16)
- Responsibilities regarding the employment of children (Sch 2, 18)

Asset management

- Management of the LA's capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Sch 2, 14a)
- General landlord duties for all buildings owned by the local authority, including those leased to academies (Sch 2, 14b)

Other ongoing duties

- Licences negotiated centrally by the Secretary of State for all publicly funded schools (Sch 2, 8); this does not require schools forum approval
- Admissions (Sch 2, 9)
- Places in independent schools for non-SEN pupils (Sch 2, 10)
- Remission of boarding fees at maintained schools and academies (Sch 2, 11)
- Servicing of schools forums (Sch 2, 12)
- Back-pay for equal pay claims (Sch 2, 13)
- Writing to parents of year 9 pupils about schools with an atypical age of admission, such as UTCs and studio schools, within a reasonable travelling distance (Sch 2, 23)

Historic commitments

- Capital expenditure funded from revenue (Sch 2, 1)
- Prudential borrowing costs (Sch 2, 2(a))
- Termination of employment costs (Sch 2, 2(b))
- Contribution to combined budgets (Sch 2, 2(c))

Schools forum approvals for centrally held funding

A number of the services that are covered by funding that is held centrally are subject to a limitation of no new commitments or increases in expenditure from 2020 to 2021.

This limit does not apply to admissions or the servicing of schools forums. Schools forum approval is required each year to confirm the amounts on each line. When using centrally held funding, local authorities must treat maintained schools and academies on an equivalent basis.

The following sections set out the level of approval required for each centrally retained service.

Schools forum approval is not required (although they should be consulted)

- high needs block provision
- central licences negotiated by the Secretary of State
- funding of brought forward deficits

Schools forum approval is required on a line-by-line basis

- funding to enable all schools to meet the infant class size requirement
- back pay for equal pay claims
- remission of boarding fees at maintained schools and academies
- places in independent schools for non-SEN pupils
- admissions
- servicing of schools forum
- contribution to responsibilities that local authorities hold for all schools
- contribution to responsibilities that local authorities hold for maintained schools (voted on by relevant maintained school members of the forum only)
- de-delegated services from the schools block (voted on by the relevant maintained school members of the forum only)

Schools forum approval is required

- central early years block provision
- any movement of funding out of the schools block

Schools forum approval is required on a line-by-line basis – the budget cannot exceed the value agreed in the previous funding period, and no new commitments can be entered into

- capital expenditure funded from revenue
- projects must have been planned and decided on prior to April 2013; no new projects can be charged
- details of the remaining costs should be presented
- contribution to combined budgets

- where the schools forum agreed prior to April 2013 a contribution from the schools budget to services which would otherwise be funded from other sources
- existing termination of employment costs
- costs for specific individuals must have been approved prior to April 2013; no new redundancy costs can be charged
- prudential borrowing costs
- the commitment must have been approved prior to April 2013
- details of the remaining costs should be presented
- SEN transport where the schools forum agreed prior to April 2013 a contribution from the schools budget (this is now treated as part of the high needs block but still requires schools forum approval as a historic commitment)

Schools forum approval is required on a line-by-line basis, including approval of the criteria for allocating funds to schools

- funding for significant pre-16 pupil growth, including new schools set up to meet basic need, whether maintained or academy
- funding for good or outstanding schools with falling rolls where growth in pupil numbers is expected within three years