

**AGENDA ITEM 7**

**REPORT TO  
SCHOOLS FORUM**

**28 JUNE 2022**

**DFE UPDATES AND CONSULTATIONS UPDATE REPORT**

**SUMMARY**

The paper provides an overview of a number of recent consultations undertaken and released by the Department for Education (DfE).

**RECOMMENDATION**

1. It is recommended that Schools Forum notes the report.

**BACKGROUND**

1. In July 2021 the DfE published a consultation document entitled 'Fair school funding for all: completing our reforms to the National Funding Formula (NFF)'. This consultation outlined the DfE's plan to start moving to a school level national funding formula from 2023/24. The results of this consultation are presented for information.
2. Following on from the results of the 'Fair school funding for all: completing our reforms to the National Funding Formula' as detailed above, on the 7<sup>th</sup> June the Government published the next National Funding Consultation. This current consultation focuses further on the detail of the implementation of the direct NFF.
3. SEND Review: Right Support, Right Place, Right Time. The SEND Review is a Department for Education Green Paper and consultation on the SEND and alternative provision (AP) system in England, presented to Parliament by the Secretary of State for Education Nadhim Zahawi on 29 March 2022.

**SUMMARY OF THE CONSULTATIONS**

**Completing the reforms to the National Funding Formula - Government consultation response.**

4. In late March 2022, DfE published its response to its consultation on next steps to a hard or direct NFF, by which the government will directly determine individual school funding. As expected, most of the DfE's proposals will be implemented, although there are some areas in which further development will be required and a second stage consultation paper will set out detailed proposals in those areas. See sections 9 to 17 of this report for further details.
5. As set out in the initial consultation on the NFF, DfE's intention since the introduction of the NFF has been to move in time to a funding system in which all individual schools' funding allocations are set directly by the national formula without substantial further local adjustment. The consultation sought views on what

a fully delivered direct NFF should look like and for the next steps to be taken to ensure a smooth transition towards this.

6. The full outcome of the consultation can be found online by following the link; [Completing the reforms to the National Funding Formula - government consultation response \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/consultations/completing-the-reforms-to-the-national-funding-formula)
7. The key outcomes from the consultation include:

Completing the NFF reforms:

- The Department will move to allocate funding for all mainstream schools according to a single, national formula.
- The Government will bring forward the relevant legislation to achieve this change when parliamentary time allows.

Transition to the direct NFF - From 2023-24, the Department will require:

- LAs to use all, and only, NFF factors in their local formulae.
- All local formulae factors to move at least 10% closer to the NFF, except where local formulae are already “mirroring” the NFF.
- LAs to use the NFF definition for the English as an Additional Language (EAL) factor (although flexibility over the sparsity factor methodology will remain in 2023-24).
- The approach to transition in subsequent years will depend on the impact in the first year.

Next steps for improving the schools NFF: Over the coming year, the Department will:

- Consult on an approach to the split sites factor and to the PFI factor in the NFF
  - In the second stage consultation, include proposals for the revised growth and falling rolls factor – and some options which would allow a degree of local flexibility.
  - In the second stage consultation, include proposals for an exceptional circumstances factor.
8. With regards to the transition to the direct National Funding Formula,
    - Stockton currently uses the NFF factors in its formula.
    - All factors with the exception of the Lump Sum, Sparsity and AWPU are currently aligned with the NFF factor values due to affordability. Across the medium term these will move closer to the direct NFF in line with Government requirements. However, it isn't clear how the convergence rules would operate in respect of transfers of funding out of the schools block, which would necessitate a reduction in formula factors relative to the NFF.

- Stockton uses EAL3 which is currently in alignment with the NFF.

### **Implementing the Direct National Funding Formula Government consultation**

9. On the 7<sup>th</sup> June 2022 DfE launched a second consultation covering the increased hardening of the National Fair Funding formula. This most recent consultation on the move to a hard NFF for mainstream schools requires responses by 9<sup>th</sup> September 2022.
10. This current consultation focuses further on the detail of the implementation of the direct NFF. It does not restate DfE's broad proposals for reform, which are outlined in the first consultation and the response.
11. In this consultation, they set out proposals for the continuation of two current elements of funding for special educational needs (SEN), and for alternative provision, but consider how these would need to change in operation as we move to the direct NFF: first, continuing to have some flexibility within the funding system to move funding to local authorities' high needs allocations (and correspondingly adjust mainstream schools' NFF allocations); and second, the determination of notional budgets for mainstream schools' SEN and disability support, within their direct NFF allocations.
12. The consultation also sets out proposals for how funding for schools experiencing significant growth in pupil numbers, or falling rolls, could operate under a direct NFF. DfE are proposing a system which retains some local flexibility to determine how this funding is allocated, to achieve much greater fairness, simplicity and predictability.
13. When the direct NFF is introduced, the minimum funding guarantee and the NFF funding floor will effectively merge into one single funding protection mechanism – which DfE will continue to refer to as the minimum funding guarantee. In this consultation they set out a proposal on how this will operate.
14. Finally, DfE set out proposals on how the funding cycle should operate in the direct NFF – that is, the regular timescales for gathering data to calculate funding allocations, and then confirming these allocations to schools. A key consideration here is how they can support schools' budget planning, by giving them early indication of future funding levels.

Below is the link to the consultation document.

[Implementing the direct national funding formula - government consultation \(education.gov.uk\)](https://www.gov.uk/government/consultations/implementing-the-direct-national-funding-formula-gov-uk)

15. There are 33 questions in total and these can be found at Appendix A of the report.
16. To further support schools and local authorities' planning, in Annex A (page 50) of the document in the link above, DfE set out a forward timeline of upcoming activity related to the direct NFF. This includes their plans to reform the operation of some funding factors in order to prepare for the direct NFF; further explanation of how local authorities' funding formulae will move gradually closer to the NFF in the transitional phase; and planned legislative changes.
17. Stockton Council will provide a response in its own right but maintained and Academy Trust are also encouraged to respond to this consultation. Closing date for the consultation is 9<sup>th</sup> September 2022.

## **SEND Review: Right Support, Right Place, Right Time**

18. This green paper sets out proposals to ensure that every child and young person has their needs identified quickly and met more consistently, with support determined by their needs, not by where they live. The Government's proposals respond to the need to restore families' trust and confidence in an inclusive education system with excellent mainstream provision that puts children and young people first; and the need to create a system that is financially sustainable and built for long-term success.
19. The Government are proposing to establish a single national SEND and alternative provision system that sets clear standards for the provision that children and young people should expect to receive, and the processes that should be in place to access it.
20. The Green Paper can be accessed via the following link; [SEND Review - right support, right place, right time - government consultation on the SEND and alternative provision system in England \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/consultations/2017/07/17/SEND-review-right-support-right-place-right-time)
21. The Green Paper identifies three key challenges facing the SEND system;
  - Challenge 1: outcomes for children and young people with SEN or in alternative provision are poor.
  - Challenge 2: navigating the SEND system and AP is not a positive experience for children, young people and their families.
  - Challenge 3: despite unprecedented investment, the system is not delivering value for money for children, young people and families.
22. The Government have identified that there is a need to deliver greater national consistency in the support that should be made available, how it should be accessed and how it should be funded. A system where decision-making is based on the needs of children and young people, not on location. This must be underpinned by strong co-production and accountability at every level, and improved data collection to give a timely picture of how the system is performing so that issues can be addressed promptly. This green paper sets out the plan for how this will deliver a more inclusive SEND system.
23. The core proposals of the paper include the following;

### **Chapter 2: A single national SEND and AP system**

- Establish a national SEND and AP system setting nationally consistent standards for every stage of a child's journey across education, health and care.
- Review and update the SEND Code of Practice to ensure it reflects the new national standards to promote nationally consistent systems, processes and provision.
- Establish new statutory local SEND partnerships, bringing together education, health, and care partners with local government to produce a local inclusion plan setting out how each area will meet the national standards.
- Introduce a standardised and digitised Education Health and Care Plan process and template to minimise bureaucracy and deliver consistency.
- Support parents and carers to express an informed preference for a suitable placement by providing a tailored list of settings, drawn from the local inclusion plan, including mainstream, specialist, and independent settings, that are appropriate to meet the child or young person's needs.

- Streamline the redress process, making it easier to resolve disputes earlier, whilst retaining the tribunal for the most challenging cases, including mandatory mediation before an appeal to tribunal.

### **Chapter 3: Excellent provision from early years to adulthood**

- Invest an additional £1bn in 2022-23 alone for children and young people with complex needs as part of a £7 billion increase in our total investment in schools' budgets by 2024-25, compared to 2021-22.
- Consult on a new SENCo National Professional Qualification for school SENCos, and increase the number of staff with an accredited Level 3 SENCo qualification in early years settings.
- Commission analysis to better understand the support that children and young people with special educational needs and disabilities need from the health workforce so that there is a clear focus on special educational needs and disabilities in health workforce planning.
- Improve mainstream provision, building on the ambitious Schools White Paper, through teacher training and a 'what works' evidence programme.
- Fund more than 10,000 additional respite placements through an investment of £30m, alongside £82m to create a network of family hubs, to improve wraparound support for families.
- Invest £2.6bn, over the next three years, to deliver new places and improve existing provision for children and young people with SEND or who require AP.
- Set out a clear timeline that, by 2030, all children will benefit from being taught in a family of schools, with their school, including special and alternative provision, in a strong multi-academy trust (MAT), or with plans to join or form one.
- Invest £18m over the next three years to build capacity in the Supported Internships Programme, and improve transitions at further education by introducing Common Transfer Files alongside piloting the roll out of adjustment passports.

### **Chapter 4: A reformed and integrated role for AP**

- Make alternative provision an integral part of local special educational needs and disabilities systems by requiring the new local special educational needs and disabilities partnerships to plan and deliver an alternative provision service focused on early intervention.
- Give alternative provision schools funding stability to deliver a service focused on early intervention by requiring local authorities to create and distribute an alternative provision-specific budget.
- Build system capacity to deliver the vision through plans for all alternative provision schools to be in a strong multi-academy trust, to deliver evidence-led services based on best practice, and open new alternative provision free schools where needed.
- Develop a bespoke performance framework for alternative provision which sets robust standards focused on progress, re-integration into mainstream education or sustainable post-16 destinations .
- Deliver greater oversight and transparency of pupil movements including placements into and out of alternative provision.

- Launch a call for evidence, before the summer, on the use of unregistered provision to investigate existing practice.

### **Chapter 5: System roles, accountabilities and funding reform**

- Deliver clarity in roles and responsibilities with every partner having a clear role to play, and being equipped with the levers to fulfil their responsibilities.
- Equip the DfE's new Regions Group to hold local authorities and MATs to account for delivery through new funding agreements between local government and the DfE.
- Provide statutory guidance to Integrated Care Boards to set out clearly how statutory responsibilities for SEND should be discharged.
- Introduce new inclusion dashboards for 0-25 provision, offering a timely, transparent picture of how the system is performing at a local and national level across education, health and care.
- Introduce a national framework of banding and price tariffs for funding, matched to levels of need and types of provision set out in the national standards.
- Work with Ofsted/Care Quality Commission on their plan to deliver an updated Local Area SEND Inspection Framework with a focus on arrangements and experience for children and young people, to be implemented in 2023.

### **Chapter 6: Delivering change for children and families**

- Invest an additional £300m through the Safety Valve Programme and £85m in the Delivering Better Value programme, over the next three years, to support those LAs with the biggest deficits; including Surrey County Council
- The SEND and AP Directorate within DfE will work with parent groups, system leaders from across education, health and care and the Department of Health and Social Care to develop the national special educational needs and disabilities standards.
- Support delivery through a £70m SEND and AP change programme to both test and refine key proposals and support local systems to manage local improvement
- Publish a national SEND and AP delivery plan setting out how and by whom change will be implemented.
- Establish a new National SEND Delivery Board to bring together relevant government departments with national delivery partners including parents, carers and representatives of local government, education, health and care to hold partners to account for the timely implementation of proposals.

24. There are 22 questions associated with this consultation and these can be found at Appendix B of the report. The consultation runs until 22<sup>nd</sup> July 2022.

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