

## **AGENDA ITEM 8**

### **REPORT TO SCHOOLS FORUM**

**11 OCTOBER 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. 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. That consultation focused further on the detail of the implementation of the direct NFF.
2. 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.
3. The DfE launched a consultation on 4 July 2022 on proposed changes to the early years formula funding to local authorities. Many of the proposals in the consultation deal with updating the data sets behind the early years national funding formulas for 2, 3 and 4 year-olds to local authorities.

### **SUMMARY OF THE CONSULTATIONS**

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

4. 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. This closed on 9<sup>th</sup> September 2022.
5. This consultation focused 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.
6. 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 considered 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.

7. The consultation also set 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.
8. 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.
9. Finally, DfE set out proposals on how the funding cycle should operate in the direct NFF. A key consideration was how they can support schools' budget planning, by giving them early indication of future funding levels.
10. There were 33 questions in total and the response that the council provided can be found at Appendix A of the report.
11. The outcome of the consultation is not yet know but I will report this to the Forum once it is published.

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

12. This green paper set 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 Governments 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.
13. 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.
14. There were 22 questions associated with this consultation and the consultation ran until the 22<sup>nd</sup> July 2022. SBC SEND service responded to this consultation.
15. The outcome of the consultation is not yet know but I will report this to the Forum once it is published.

### **Early Years**

16. In 2017, DfE extended the free entitlement to childcare for three- and four-year-olds from 15 to 30 hours a week, to provide working parents with further support with the cost of childcare. At the same time, they launched the Early Years National Funding Formula (EYNFF), to ensure that funding for three- and four-year-olds would be distributed fairly and transparently to local authorities (LAs) across the country.
17. Many of the datasets which underpin the formulae and which we use to reflect geographical cost variation are not up to date. It is important that they remain current, to ensure the funding system can be fair, effective and responsive to changing levels of need across different areas, with targeted investment towards

those areas where it will do the most good. DfE are therefore planning to update the formulae for the 2023-24 financial year and will continue to do so annually thereafter.

18. This consultation document made a number of proposals regarding the early years funding formulae for the 2023-24 financial year – in particular, the DfE are proposing to update the data which underpins the formulae, as well as some adjustments to the different factors within the formulae to ensure that they are continuing to direct funding where it is most needed.
19. The consultation document is split into five sections covering the following:
  - *Section 1 focuses on the early years national funding formula (EYNFF) for the universal and additional entitlements for 3- and 4-year-olds and sets out the updates that they are proposing to make. This also includes proposals for mainstreaming the currently separate teachers' pay and pensions grants into the EYNFF.*
  - *Section 2 then sets out their proposals regarding the formula for the 2-year-old entitlement in a similar manner.*
  - *Section 3 sets out proposals for year-to-year protections which they intend to include in order to mitigate the impact and ensure that local authorities can manage the changes at a local level. For 2023-24, they propose to set the year-to-year protections at +1% meaning every local authority sees an increase in their hourly funding rate in 2023-24.*
  - *Section 4 sets out the overall illustrative impact that these reforms will have on funding rates for local authorities in 2023-24.*
  - *Section 5 of the consultation document sets out proposals to reform maintained nursery school (MNS) supplementary funding in 2023-24. This also includes their proposed approach to rolling the teachers' pay and pensions grants into MNS supplementary funding.*

The consultation document can be found via the following link:

[Early years funding formulae - Department for Education - Citizen Space](#)

20. The Department for Education (DfE) early years consultation ran from 4 July 2022 to 16 September 2022.
21. There were 15 questions in total and the response that the council provided can be found at Appendix B of the report.
22. The outcome of the consultation is not yet known but I will report this to the Forum once it is published.

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