

**SURREY COUNTY COUNCIL****CABINET****DATE: 29 NOVEMBER 2022****REPORT OF CABINET MEMBER: CLARE CURRAN, CABINET MEMBER FOR EDUCATION AND LEARNING****LEAD OFFICER: RACHAEL WARDELL, EXECUTIVE DIRECTOR OF CHILDREN, FAMILIES AND LIFELONG LEARNING****SUBJECT: SURREY SCHOOLS & EARLY YEARS FUNDING 2023-24****ORGANISATION STRATEGY PRIORITY AREA: GROWING A SUSTAINABLE ECONOMY SO EVERYONE CAN BENEFIT****Purpose of the Report:**

The funding of all Surrey schools (including academies) and the free entitlement to early years nursery provision is provided from the council's allocation of Dedicated Schools Grant (DSG). Each local authority is required to consult on and maintain local formula arrangements to allocate DSG to mainstream schools and early years providers.

This report sets out the recommended funding formula for Surrey mainstream schools in 2023/24 and also proposes the principles to be adopted in the funding of early years in 2023/24.

The Safety Valve agreement includes a 1% block transfer from the Schools' block DSG to the High Needs block in each year of the five-year term of the agreement. Although schools do not have formal approval over the request, the Council are required to consult and share the outcome with the Secretary of State.

This report proposes funding arrangements for schools and relates to the organisational strategy and priority to grow a sustainable economy.

**Recommendations:**

It is recommended that Cabinet approve the proposals below, namely that:

1. The Council implement the Department for Education's (DfE) recommended Minimum Per Pupil Level in full;
2. The Schools Forum's formula recommendations for schools and early years funding as set out in Annex 3, be approved; and the decisions in Annex 4 implemented
3. The transfer of 1.0% (estimated at £7.8m) from the Schools' block DSG to the High Needs DSG (subject to approval by Secretary of State).
4. Authority is delegated to the Director of Education and Lifelong Learning in consultation with the Executive Director of Children, Families and Lifelong Learning and the Cabinet Member for Education and Learning to:

- a. approve amendments to the funding rates in the schools and early years formulae as appropriate following receipt of the DSG settlement and DfE pupil data in December 2022. This is to ensure that total allocations to schools under this formula remain affordable within the council's DSG settlement.
- b. determine the use of the former "combined services" funding, estimated at £445,000 for 2023/24, following consultation with Schools Forum where appropriate.
- c. approve changes to funding arrangements for pupils with Education Health and Care Plans (EHCPs) placed in mainstream schools. Work is underway to design a new framework to be implemented for the academic year 2023/2024, subject to consultation.
- d. agree 2022/23 one-off exceptional funding allocations for Special Schools

#### Reason for Recommendations:

To comply with DfE regulations requiring formal council approval of the local funding formula for Surrey's early years settings, primary and secondary schools.

#### Executive Summary:

#### BACKGROUND

1 Dedicated Schools Grant (DSG) funding is provided to the LA in four blocks covering:

- Schools
- Schools' Central Services
- High Needs: special educational needs and disabilities (SEND)
- Early Years

The services provided within these blocks and indicative 2023/24 funding are summarised below. Final funding allocations for 2023/24 will be published in December 2022 and will take into account pupil number changes between October 2021 and October 2022. Figures included are therefore indicative until final funding allocations are released.

a) **Schools £776.9m** (*indicative 2023/24 based on October 2021 pupil numbers and excluding growing schools' allocation*)

The Schools' block provides the funding for pupils aged 4-15 in all Surrey's mainstream schools, including academies. Individual schools' budgets are allocated on the basis of a formula currently determined locally, albeit within DfE parameters.

The DfE is phasing in a national funding formula (NFF) for schools. Local authorities are expected to manage this transition by adjusting their own local formulae in the direction of the NFF. In 2022/23, Surrey's formula factors are close to the NFF. The main exception is that the lump sums were set slightly higher than the NFF and the basic entitlement rates correspondingly lower, to offer a little protection to small schools.

b) **Schools' Central Services £6.4m** (2023/24 indicative)

This block funds local authorities for their strategic Education responsibilities for all schools (including academies). These responsibilities include whole service planning and leadership, school admissions, management of the capital programme, education welfare, and management of schools' formula funding. This is £0.035m more than the 2022/23 grant.

c) **High Needs SEND £208.6m** (2023/24 indicative)

The High Needs block funds pupils with special educational needs and disabilities (SEND). It funds Surrey's special schools, SEND centres in mainstream schools, alternative provision including pupil referral units (PRUs), post 16 SEND provision and education for those pupils with complex or severe needs requiring support in a non-maintained or independent special school (NMI). It provides additional funding to primary and secondary schools for pupils with Education Health and Care Plans (EHCPs). It also funds specialist support services (e.g. physical and sensory support, speech & language therapies).

d) **Early Years £79.5m** (provisional 2022/23 allocation)

The Early Years block funds nursery education for two, three and four year olds in maintained schools, maintained nurseries, academies and private, voluntary and independent (PVI) settings. Funding for three – four year olds is expected to be £75.1m in 2022/23, with £4.4m provided for two year olds. Funding is based on consecutive January counts so final figures will not be published until summer 2023. No indicative allocation has been published for 2023/24.

### Focus of this report

- 2 This report concentrates on Cabinet decisions relating to schools funding and early years. It does not address pupil premium or sixth form funding as these are central government allocations, distributed to schools via formula mechanisms determined by the DfE. Budgets for services funded by the High Needs and Central Schools Services blocks are subject to a separate Cabinet Report in line with the council's budgeting process.

### Schools Forum

- 3 The Schools' Forum is a statutory body which must be consulted on the allocation of DSG. Membership is prescribed by regulations, and comprises head teachers, governors, academy representatives and 'non-school' representatives from early years providers, diocesan bodies, teaching unions, post-16 providers and representatives of families whose children have additional needs (Family Voice in Surrey). The Forum has a largely consultative role but has decision making powers in specific areas, including the transfer of funding from the Schools' block. Voting on some issues is restricted to members in the affected sector. For example, academies cannot vote on issues relating to maintained schools only.

## SCHOOLS FUNDING

- 4 All mainstream schools (maintained schools and academies) are funded from the Schools' block of the DSG. Funding is allocated to Surrey schools using a local formula that is reviewed annually by the council. Annex 1 details the funding allocated to each funding factor in 2022/23.
- 5 In 2023/24 the DfE is increasing schools funding nationally by £1.5 bn, of which £0.570bn is for 'SEND' and the remainder for mainstream schools. This is the second year of a three-year increase in schools funding announced in autumn 2021. Minimum (average) per pupil funding levels (MPPL) are being increased from £4,265 per primary pupil to £4,405 and from £5,525 per secondary pupil to £5,715 in 2023/24. These minimum funding levels are mandatory at local level, although the government has consulted on circumstances in which the Secretary of State may allow the per pupil levels to be reduced. These changes are estimated to mean an increase, to Surrey, of £13.7m in NFF schools funding and £9.2m in high needs block funding in 2023/24, before the impact of changes in pupil numbers but after assimilation of Schools Supplementary Grant (a separate grant allocated to mainstream schools in 2022/23 which is being merged into DSG in 2023/24).
- 6 Since 2020 the DfE has no longer allowed LAs to meet overspends on DSG budgets from the General Fund. In Surrey this currently affects the high needs block as this has a cumulative and annual deficit. This change increases the pressure to reduce the high needs overspend within DSG. The High Needs DSG deficit is likely to be around £92m by 31 March 2023. The SEND transformation programme aims to reduce costs whilst providing excellent SEND services. The programme is on track with continued action to reduce costs in future years. In order to ensure stability of the Council's balance sheet, the High Needs block deficit has been matched by a General Fund reserve. Surrey has entered into a "safety valve" agreement whereby the DfE will contribute towards the cost of the high needs deficit, alongside contributions from the general fund reserve and from schools (see paragraph .12 below).
- 7 The DfE is continuing to phase in a National Funding Formula (NFF) to replace the individual school funding formulae of 150 local authorities. The government has recently restated its intention to move to a "direct" national funding formula for schools, meaning no local discretion over formula factors and has implemented changes which limit the extent by which LA formula factors may differ from the NFF.
- 8 Local authorities are expected to manage a smooth transition to the NFF that avoids unnecessary turbulence at individual school level by amending their local formula over time.
- 9 During 2022/23 the LA received specific grant to distribute to schools to support pupils in attendance on the Homes for Ukraine scheme. This grant is unrelated to DSG and there is currently no indication any such grant will be paid in 23/24. Further announcements will be monitored and communicated to schools as appropriate should this change.

### Consultation with Surrey schools on changes from April 2023

- 10 In July 2022, the DfE published its NFF funding rates and provisional allocations for 2023/24. During September 2022 all Surrey primary and secondary schools (including academies) were consulted on a number of options for the 2023/24 local schools funding formula.
- 11 The key issues for schools to consider were:
- i. The local schools' funding formula - including the transfer of 1.0% of the total Schools budget (estimated at £7.8m) to the high needs block to support the safety valve agreement
  - ii. De-delegated services: the services for which maintained schools would consider an automatic deduction from their school's budget

#### A. The local schools' funding formula

- 12 Schools were consulted on a number of proposed changes to the local formula. Annex 2 summarises the responses of schools and the Schools Forum to the consultation.
- 13 Council has already approved the Safety Valve agreement under which 1% of Schools Block funding is to be transferred to high needs block annually in each year of the agreement (2023/24 - 2027/28). However, the transfer still requires annual approval by Secretary of State and therefore Cabinet is asked to approve a proposed set of formula factors, plus a "reserve" set, to be used only if the transfer proposal is rejected by Secretary of State.

It should be noted that:

- Schools' Forum recognised the importance of the safety valve agreement, but had expressed concerns that the proposed transfer of 1.0% (estimated at £7.8m) from schools' budgets to high needs (SEND) budget was unaffordable in the current climate and their feedback will be shared with disapplication request.
- Those schools which receive additional funding to comply with the minimum per pupil level requirement (31% of schools in 2022/23) will not see a lower increase in funding as a result of the proposed transfer to high needs block. Therefore, the cost of the transfer would be borne by the remaining schools

#### Other Schools Funding issues

- 14 Schools' views were sought on a number of other issues as follows:

a) Minimum Funding Guarantee (MFG).

The MFG protects schools that might otherwise see a fall in average funding per pupil and can be set at a range between +0% and +0.5% by local authorities in 2023/24 (2022/23: 0.5% to +2%). In 2022/23 Surrey adopted a 2.0% MFG (the highest permissible). For 2023/24, Surrey is proposing an 0.5% MFG, whether or not the proposed transfer from Schools Block to High Needs Block is approved. This means that schools on MFG do not contribute to the cost of the block transfer.

b) Adoption of NFF funding rates

In 2022/23 Surrey formula funding rates were generally set at 0.2% above NFF rates (except that the lump sum was set slightly higher than that and the basic entitlement slightly lower, in order to protect small schools).

In 2023/24 schools were asked to choose between two sets of funding rates, which differed in the proportion of funding growth allocated through deprivation factors. A small majority supported the option with the higher deprivation funding (see Annex 2) and this is being recommended. Schools were also asked if they would support the use of NFF formula factors modified for a higher lump sum, should the proposed transfer from schools block to high needs block not be approved. Schools supported this 'reserve proposal' In 2023/24.

c) Ceiling on per pupil gains

The local authority is allowed to impose a ceiling on per pupil funding gains, so that schools which would see large per pupil gains do not see those gains in full. In 2021/22, Surrey could deliver NFF factors without a ceiling, but in 2022/23 Surrey adopted a ceiling of 3.9% in order to deliver NFF factors against a large increase in deprivation. Schools supported the use of a ceiling in 2023/24 if it is necessary in order to deliver the proposed funding rates (as set out in annex 5) if there is a large increase in the cost of additional needs when October 2022 data is available. The alternative would be to reduce formula funding rates to all schools. Schools agreed that any ceiling (on large per pupil gains) should be set at such a level as to minimise the impact on small schools.

d) Level of the lump sum

In 2022/23 Surrey increased the lump sum factor for both primary and secondary schools by 3.0%, in line with the national increase in funding rates, even though Surrey's lump sum was already higher than the NFF lump sum. The LA proposed, and schools supported, an increase in lump sums in line with the increase in other formula factors in 2023/24 in order to assist small schools.

e) Other changes

A few minor changes were proposed and supported

- 15 Annex 3 summarises the recommendations of the Schools' Forum. Decisions made by the Schools' Forum are listed in Annex 4. The Surrey schools funding formula factors and their proposed provisional values for 2023/24 are set out in Annex 5.

Within the Central Schools Services block there is a sum estimated at £445,000 in 2023/24, which is the residue of a larger sum which was originally devolved to schools to support local confederations/partnerships and additional school improvement work. As this is not part of the NFF Schools Budget, there is no legal requirement to delegate this to schools. However, schools have received this (or equivalent) funding through the funding formula, annually since 2017/18, and over and above the NFF, in a way intended to reflect as closely as possible the former devolved allocations. It is proposed that the use of this sum in 2023/24 is agreed by the Director of Education and Lifelong Learning in consultation with the Executive Director

for Children, Families and Lifelong Learning and the Cabinet Member for Education and Learning, following further discussion with the Schools' Forum, in order to retain maximum flexibility to target this sum as required.

### **B. De-delegated services**

- 16 The Schools' Forum can agree on behalf of all Surrey maintained primary and secondary schools to automatically deduct funding from individual maintained schools' budgets to provide specific services. These include behaviour support, ESS SIMS licences, free school meals eligibility checking and Trade Union Facility time. Prior to this decision – which must be made annually – all schools are consulted. All such proposals received majority support from schools and were agreed by the Schools' Forum. The outcome of schools' responses and the Forum's decisions are summarised in Annex 2 and 4 respectively. De-delegation arrangements are not permitted to be introduced for academies or special schools, and thus will cease in time as all schools convert to academies.

The Schools' Forum may also agree to deduct funding from maintained schools to fund statutory school improvement, for which the LA received a separate grant up to 2022/23. In 2023/24 the LA asked for a deduction of £12.65 per pupil (2022/23: £6.50) which is estimated to raise around £0.6m. The increase is due to the loss of grant. This proposal was not supported by a majority of maintained schools. Schools' Forum recognised schools' concerns at the proposed level of deductions, and deferred a decision pending further discussions on different levels of deductions from maintained schools. Should Schools Forum not agree adequate funding, this would be an additional pressure on general fund.

### **C. SEND funding in mainstream schools**

- 17 Officers are currently working with a group of mainstream school headteachers to develop an improved and more flexible framework for distributing funding for high needs SEND pupils in mainstream schools. It is anticipated that schools will be consulted on detailed proposals during the second half of the autumn term. Subject to sufficient support from schools, it is proposed that the changes would be implemented from September 2023. The proposals should be affordable within existing budgets. It is proposed that a decision on implementation is delegated to the Director of Education and Lifelong Learning in consultation with the Executive Director and the Cabinet Member for Education and Learning.

### **EARLY YEARS**

- 18 Local authorities receive funding (currently estimated to be £75.1m in 2022/23) from the DfE for free nursery entitlement for three and four year olds through the Early Years block of the DSG. The DfE funds local authorities for three and four year olds on the basis of an hourly rate and requires local authorities to fund providers via a formula. The council consulted providers during September on changes to early years funding for 2023/24.
- 19 DfE has not yet announced the hourly rates which it will pay to LAs for early years provision in 2023/24. Rates for 2023/24 are expected to be announced in November 2022.

- 20 Early years providers must be funded on a termly count whereas the DfE normally funds local authorities using the average of successive January counts (i.e. annual counts). Thus, the termly variation in take-up is a budget risk.
- 21 Local authorities can retain up to 5% of the Early Years funding for 3-4 year olds centrally in 2023/24 (the same level as retained by Surrey in 2022/23) if approved by the Schools' Forum.; The remainder must be passed on to individual providers. Following general support from the sector, the Forum has agreed that in 2023/24 the local authority could retain 5% of the Early Years grant for 3-4 year olds to manage the sector and support providers which includes a sum to continue a separate SEN inclusion fund for two year olds.
- 22 Following majority support from early years providers in the September funding consultation, Schools Forum also supported use of the whole of any increase in DfE funding rates for three and four year olds to increase the basic hourly rate to providers, plus a further 6p/hr increase reflecting historic underspends. Additionally, funding rates for free meals provision for eligible children in maintained and academy nurseries will be linked to the schools NFF free meals rate, simplifying the process of setting the future funding rate.
- 23 There is a separate DfE grant allocation for two year olds (estimated to be £4.4m in 22/23). The council has funded providers for two year olds at the DfE hourly rate. It is recommended that the whole of this budget continues to be passed onto providers. However, as historically this budget has been overspent, because termly take up exceeds the average of the January census count, as outlined above it may be prudent not to increase the provider rate in 2023/24 by the full amount of any increase in DfE funding rates.

#### **FINE-TUNING OF SCHOOLS' AND EARLY YEARS FORMULAE FOLLOWING DSG SETTLEMENT**

- 24 At this stage, proposed formula values can only be provisional as school formula funding allocations must be based on pupil numbers and characteristics data collected in the October 2022 pupil census – data which is unavailable to local authorities until mid-December 2022. The DfE therefore enables local authorities to fine-tune our proposed formula values by 20 January 2023, to ensure the formula is affordable within the funding settlement. In particular, there is a risk that the current situation with the cost-of-living crisis may mean an increase in the number of pupils qualifying for deprivation funding.
- 25 Fine-tuning of the formulae at that time will be considered by the Director of Education and Lifelong Learning in consultation with the Cabinet Member for Education and Learning.

#### **SPECIAL SCHOOLS**

- 26 Special schools are funded from High Needs DSG, on a per pupil basis. Currently, each school receives:

- £10,000 for every place, this is known as 'place funding' as set out by the DfE;
  - an additional sum per place in lieu of the former teachers' pay and pensions grant;
  - an additional amount per pupil, based on the needs of the pupil as determined by the Special Schools banding matrix.
- Funding rates for special schools and pupil referral units are normally reviewed annually, taking into account inflation pressures on schools (in particular cost of pay increases) and overall pressures on the high needs budget.

### **Additional inflation allocation for special schools and PRUs for 2022/23**

- 27 The pay increase for Surrey support staff in 2022/23 was higher than anticipated when schools' budgets were set, due to the increase in inflation rates from spring 2022. The increase particularly affected special schools, which spend a higher proportion of their budget on support staff on lower grades, and to a smaller extent pupil referral units. Unlike mainstream schools, where inflation was funded through the NFF and schools supplementary grant, the level of inflation provision for special schools and PRUs is a local decision. In order to provide some mitigation against the estimated cost of the increase over and above the 2% for which schools were advised to budget in February/March, it is proposed to make a one-off allocation of £1.0m from unspent non-high needs block DSG to assist special schools and PRUs to meet the extra cost. Any continuing funding for 2023/24 would then need to be considered as part of budget discussions for 2023/24.

### **Consultation:**

- 28 Following receipt of the DfE's updated guidance and illustrative funding for 2023/24 in late July 2022, a Schools Funding Consultation paper was distributed to all schools in early September detailing options for the funding of Surrey schools in 2023/24. A total of 114 schools submitted responses by the deadline, representing 29% of schools, a decrease compared to last year's response rate of 49.6%. Schools' collective responses and comments were discussed at the Surrey Schools Forum on 6 October when recommendations / decisions were made. These are set out in this report.
- 29 A separate consultation was undertaken with early years providers. Responses were received from 64 early years providers (23 state schools and 41 private, voluntary and independent providers) with majority support for all proposals, responses are shown in Annex 6. Accordingly, they are all recommended by Schools Forum for approval by Cabinet.
- 30 The Cabinet Members for Education and Lifelong Learning and Finance and Resources were engaged regularly as the Safety Valve proposals were in development between December 2021 and March 2022. The CFLL Select Committee was briefed on the Safety Valve agreement on 07/04/2022, and received an update as part of the Additional Needs and Disabilities Strategy and Transformation item on 04/10/2022. The new Cabinet Members were

provided a briefing on the Safety Valve agreement on 21/10/2022 and the Member Budget Task Group on 07/11/2022.

#### **Risk Management and Implications:**

- 31 Schools are funded by DSG. Primary and Secondary schools are funded from the Schools block within DSG, with the High Needs block funding special schools.
- 32 Schools' financial challenges and reduced funding to local authorities to intervene in weak schools are creating risks that more schools may accumulate deficits and also be judged inadequate by OFSTED. Challenging budgets may lead to a reduction in the quality of provision. Inadequate schools are forced to convert to sponsored academies, leaving any accumulated deficits as a cost to the council.

#### **Financial and Value for Money Implications:**

- 33 In line with Surrey's Safety Valve agreement the latest 2022/23 High Need Block (HNB) DSG forecast is an overspend of £26m. This would result in a c£92m cumulative HNB DSG overspend at the end of the year. The SEND transformation programme on track to contain the overspend as planned.
- 34 Schools are expected to operate within the funding provided. Where an individual maintained school faces financial problems, the local authority can approve a licensed deficit and will expect the school to develop a recovery plan for repayment in a specified term – usually from one to three years. If a maintained school became financially unviable then the council would be required to step in to address issues. This could involve a review of the school's management and/or a review of wider educational provision in the area. Schools are subject to regular monitoring and the local funding formula is reviewed on an annual basis to assess scope for potential amendments within DfE controls.
- 35 As at 1 October 2022, a total of 186 schools have converted to academy status (133 primary, 38 secondary and 12 special and three alternative provision academies) and there are eight free schools in Surrey. Responsibility for the financial viability of academies and free schools lies with the Government's Education & Skills Funding Agency (ESFA) rather than the county council.

#### **Section 151 Officer Commentary:**

- 36 Although significant progress has been made to improve the Council's financial position, the financial environment remains challenging. The UK is experiencing the highest levels of inflation for decades, putting significant pressure on the cost of delivering our services. Coupled with continued increasing demand and fixed Government funding this requires an increased focus on financial management to ensure we can continue to deliver services within available funding. In addition to these immediate challenges, the medium-term financial outlook beyond 2022/23 remains uncertain. With no clarity on central government funding in the medium term, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority in order to ensure stable provision of services in the medium term.

- 37 As such, the Section 151 Officer supports the Schools and Early Years funding proposals for 2023/24.

**Legal Implications – Monitoring Officer:**

- 38 The School and Early Years Finance (England) Regulations 2022 set out the process that must be followed by the local authority for consulting on and maintaining the local formula arrangements to allocate funding to mainstream schools and early years providers. The Schools Revenue Funding Operational Guide published by the Education and Skills Funding Agency provides additional guidance.
- 39 The process has been followed and the local authority has carried out a consultation on the proposal which is in accordance with statutory requirements. Such consultation involved those directly affected by the changes together with relevant representative groups.
- 40 There is a clear expectation in public law that the Cabinet should give due regard to the responses to the consultation before considering the recommendations put before Cabinet. The responses to the consultation will need to be conscientiously taken into account when Cabinet makes a decision.
- 41 The best value duty is contained in s3 of the Local Government Act 1999 as a result of which the Council is under a duty to make arrangements to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness. The relevant guidance states that Councils should consider overall value, including economic, environmental and social value when reviewing service provision.
- 42 The public sector equality duty (Section 149 of the Equality Act 2010) applies to the decision to be made by Cabinet in this report. There is a requirement when deciding upon the recommendations to have due regard to the need to advance equality of opportunity for people with protected characteristics, foster good relations between such groups, and eliminate any unlawful discrimination. These matters are dealt with in the equalities paragraphs of the report and in the attached equalities impact assessment.

**Equalities and Diversity:**

- 43 Equality Impact Assessments (EIA) have been completed and set out in Annex 7.

**Other Implications:**

- 44 The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

**Area assessed:**

Corporate Parenting/Looked After Children

**Direct Implications:**

DfE no longer allow us to provide formula funding for Looked After Children as of 2023/24. To mitigate this looked after children receive additional funding via the pupil premium plus, the value of which was increased between 2017/18 and 2018/19 from £1,900 to £2,300.

Safeguarding responsibilities for vulnerable children and adults

No significant implications arising from this report

Environmental sustainability

No significant implications arising from this report

Compliance against net-zero emissions target and future climate compatibility/resilience

No significant implications arising from this report.

Public Health

No significant implications arising from this report

<b>What Happens Next:</b>
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The next steps are as follows:

Schools' Funding Formula

- 45 The DfE will provide local authorities with updated pupil data at school level during December 2022 and confirm the council's DSG funding. The council may then make fine-tuning adjustments to its schools' funding formula to ensure it is deliverable within the updated funding, by 20 January 2023.
- 46 Surrey maintained schools will receive their individual schools budgets from the council by the end of February 2023. Academies will be notified of their funding separately by the Education and Skills Funding Agency (ESFA). This will be based on the council's funding formula.

Early Years funding formula

- 47 If approved by the Cabinet, the hourly rates will be subject to fine-tuning if necessary, to ensure affordability following receipt of census data and published by 31 March 2023.

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**Report Author:**

Liz Mills, - Director, Education and, Lifelong Learning, 020 8541 9907

**Consulted:**

Leigh Whitehouse, Executive Director of Resources

The Surrey Schools Forum

All Surrey schools – via the Schools Funding Consultation, issued September 2022

All Surrey early years providers (for the early years funding changes)

**Annexes:**

Annex 1 Allocation of Schools Funding Across Formula Factors

Annex 2 Responses to Surrey Schools' Funding Consultation September 2022

Annex 3 Recommendations of Schools Forum

Annex 4 Schools Forum Decisions

Annex 5 Proposed Surrey Schools Funding Formula Factors 2023/24

Annex 6 Responses to Early Years Consultation September 2022

Annex 7 Equalities Impact Assessment

**Sources/background papers:**

The National Funding Formula for Schools and High Needs. Policy document. Department for Education, Sept 2017

The National Funding Formula for Schools and High Needs 2023/24. Department for Education, July 2022

2022/23 Schools revenue funding. Operational Guide. DfE July 2022.

The School & Early Years Finance (England) Regulations 2022

The Education Act 2002

The Education Act 2011

The Schools Standards & Framework Act 1998

Schools' Funding Consultation: Proposals for Changes in 2023/24  
Surrey County Council, September 2022

Early Years Entitlements: Local Authority Funding of Providers, Operational Guide  
2022/23, Department for Education November 2021

The Dedicated Schools Grant conditions of grant, DfE January 2022

## Annex 1

### **ALLOCATION OF SCHOOLS FUNDING ACROSS FORMULA FACTORS**

The table below lists the funding allocated to the schools funding formula factors in 2022/23 and the recommended allocations for 2023/24 based on Oct 2021 pupil numbers and characteristics

	Allocated to Surrey schools 2022/23	Recommended allocations to Surrey schools (with 1% transfer to high needs block) 2023/24
	£m	£m
Basic Entitlement	594.9	618.9
Deprivation funding	32.0	34.8
Lump sum (flat rate)	47.2	49.0
Low prior attainment (SEND indicator)	42.5	42.9
Looked after children	0.2	0
English as an Additional Language	6.0	6.0
Split site funding	0.5	0.5
Rates, rent and other premises factors	6.2	6.2
Pupil mobility	0.4	0.4
Sparsity	0.2	0.2
Additional funding to reach minimum per pupil level (MPPL) (new factor)	8.4	7.3
Minimum Funding Guarantee	4.0	3.7
Ceiling deduction	-0.3	0
Total	<b>742.2</b>	<b>769.9</b>
Growing schools	<b>3.8</b>	<b>TBC</b>
Transfer to high needs block		<b>7.8</b>
NFF schools block	<b>746.0</b>	

**Annex 2**

**SURREY SCHOOLS’ FUNDING CONSULTATION**

**September 2022**

114 Surrey schools responded to the consultation by the deadline, comprising 29% of all schools. Not all schools responded to every question.

The views of schools and the recommendations of Schools Forum are set out below.

Where the Schools Forum has decision making powers, this is indicated by ‘D’.

Schools expressing no views are excluded.

Those question numbers asking for comments only are excluded from this summary table. A summary of comments will be made available to Cabinet members.

Questions	Schools’ views		Schools Forum recommendation / decision (D)	Officer Recommendation to Cabinet
	Yes	No		
7 Do you support the transfer of 1% of the schools block allocation to the high needs block in 2023/24, in order to support the implementation of the safety valve agreement which secures additional funding towards the historic high needs deficit? (Section C1)	49	61		Implement
8 Of the proposals listed in section C2 for the 2023/24 formula do you think Proposal A better meets the need of Surrey schools? (Section C2.1)  Or proposal B?  *=mainstream schools (proposal doesn’t affect special schools)	57 (50*)  40		Proposal A	Proposal A
9 Do you support the proposed “reserve” proposals for minimum funding guarantee and formula factors, if no block transfer is approved ? (i.e. basically full NFF)	71	25	Yes	Yes, if necessary
10 Do you agree that a ceiling on per pupil gains should be used only if necessary to maintain the proposed MFG and funding rates?	89	18	Yes	Yes

		Schools' views		Schools Forum recommendation / decision (D)	Officer Recommendation to Cabinet
		Yes	No		
11	Do you agree that any ceiling should be set at such a level as to minimise the impact on small schools?	99	10	Yes	Yes
14	(Maintained schools only) Do you support the deduction of £12.65 per pupil/place from maintained schools' budgets (an increase of £6.15/pupil compared to 2022/23) in order to maintain statutory school improvement services to Surrey LA maintained schools? (section C3)	22	31	Defer(D)	
15	(Maintained schools only) Do you support continued deduction of £8.75/pupil from the budget of maintained schools, to fund additional school improvement support such as that described (in the consultation paper)?	29	21	Defer(D)	
16	De-Delegation of funds from maintained schools' budgets Do you support...?: <u>Primary schools only:</u> a) Behaviour support b) Capita SIMS licences c) Teaching Association time d) Other special staff costs e) Free school meals eligibility checking f) Traveller support <u>Secondary schools only:</u> b) Capita SIMS licences c) Teaching Association time d) Other special staff costs e) Free school meals eligibility checking	38 42 35 31 46 39  3 2 2 2	8 4 7 8 3 9  0 1 1 1	Yes (D) Yes (D) Yes (D) Yes (D) Yes (D) Yes (D)  Yes (D) Yes (D) Yes (D) Yes (D)	Yes Yes Yes Yes Yes Yes  Yes Yes Yes Yes

The Forum supported the majority views of schools except for Q14 and Q15 (both of which are for Forum decision), where the Forum deferred a decision pending further discussions.

NOTE Q1-6 simply asked for details of the respondents. Q12 was not considered because it was required only in the event that Q10 was not supported.

## Annex 3

### **RECOMMENDATIONS TO CABINET**

1. That the Cabinet approve the following formula recommendations from the Schools Forum:

#### Schools Formula Funding

- a) The minimum funding guarantee (MFG) for schools should be set at 0.5% (the maximum permissible) and the minimum per pupil funding delivered in full.
- b) Formula funding factor rates should increase by 0.88%, and deprivation rates by 2.75% (and thus deprivation rates increase by 1.9% more than other funding rates, in line with the NFF).
- c) Full NFF rates should be adopted in the event that a transfer to high needs block is not approved (although this is seen to be unlikely).
- d) That lump sum funding should be increased by the same percentage as other formula factors.
- e) That a ceiling (maximum limit) on per pupil funding gains is used only if necessary to deliver the above increases, and that if needed it should be set at such a level as to avoid disproportionate disadvantage to small schools.

#### Early Years Funding

- f) Any increase in DfE funding for early years provision for two year olds should be passed on to providers, but in setting the hourly rate paid to providers, the council should have regard to the need to contain costs within the available funding. This means increasing the hourly rate by a smaller sum than the increase in the DfE rate.
- g) All of any increase in the DfE hourly funding rate for three and four year olds should be used to increase the basic hourly rate for providers, plus a further increase (estimated at 6p) reflecting historic underspend.
- h) That funding for free meals provision in maintained and academy nurseries should be linked to the funding rate for free school meals in the mainstream schools NFF.
- i) That the additional funding provided by DfE for maintained nursery schools should continue to be passed on in full to maintained nursery schools, on the same basis as in 2022/23.

## Annex 4

### **SCHOOLS FORUM DECISIONS**

At its meeting on 6 October 2022, the Schools Forum made the following decisions:

#### Schools Funding

1. That specific services are approved for automatic de-delegation from maintained primary and secondary schools' budgets.

#### Early Years

2. That the local authority may retain 5% of the Early Years Dedicated Schools Grant for 3-4 year olds to manage the sector, support providers and secure the supply of places; and to continue the SEND inclusion fund for 2 year olds. This is the maximum sum which the LA is allowed to retain, rather than to pass on to individual providers.

## Annex 5

### PROPOSED SURREY SCHOOLS' FUNDING FORMULA FACTORS 2023/24

The table lists the proposed values of the Surrey formula factors for 2023/24, based on Option A, with a transfer of £7.8m to the high needs block: These will require review in December when October 2022 pupil numbers and characteristics are known.

	2022/23 values		2023/24 provisional values (with block transfer)	
	Primary £	Secondary £	Primary £	Secondary £
<b>Basic entitlement per pupil</b>				
• Key stages 1 & 2	3,395.46	-	3,534.24	-
• Key stage 3		4,789.01	-	4,979.45
• Key stage 4		5,398.45		5,613.07
<b>Deprivation:</b>				
Per pupil on free school meals	496.98	496.98	500.23	500.23
Per "Ever 6" FSM pupil	638.59	914.65	734.71	1073.41
Per pupil in IDACI band F <sup>1</sup>	233.79	338.37	239.69	349.11
Per pupil in IDACI band E	286.90	449.39	291.80	463.76
Per pupil in IDACI band D	446.33	629.15	458.55	646.13
Per pupil in IDACI band C	488.82	687.31	500.23	708.66
Per pupil in IDACI band B	520.70	740.18	531.50	760.77
Per pupil in IDACI band A	680.10	941.09	698.24	969.20
<b>Lump sum per school</b>	131,168	137,744	136,241	142,874
<b>Low prior attainment:</b>				
Per low attainer based on Foundation Stage Profile	1,194.86		1,203.68	
Per secondary pupil scoring below level 4 in either maths or English or both at key stage 2		1,808.15		1,823.75
<b>Per Looked After Child</b>	396	396		
<b>English as an Additional Language:</b>				
Per pupil with EAL in school system less than 3 years	597.43	1,617.82	604.45	1,630.96
<b>Pupil mobility:</b>				
Per mobile child above 6% of roll	978.09	1,406.34	984.83	1,417.32
<b>Sparsity lump sum</b>	58,157	84,592	58,673	85,352
<b>Minimum per pupil funding level</b>	4,265	5,525	4,405	5,715

Notes

1 *IDACI Income deprivation affecting children index (Bands defined by DfE)*

In addition, schools will also receive funding for rates at actual costs. A small minority of schools will also receive funding for split sites or exceptional rents. These are calculated individually for each school, based on actual costs.

Formula funding for looked after children is no longer allowed in 2023/24.

The provisional amounts above are likely to require amendment once the outcome of the October 2022 pupil census is known in December, to ensure they are still affordable within the available funding.

Note: Basic Entitlement, Ever 6 FSM deprivation and lump sum factors include an increase for the assimilation of Schools Supplementary grant in addition to the 0.8% increase and the further 1.9% increase in deprivation factors between 2022/23 and 2023/24.

## Annex 6

### EARLY YEARS FORMULA CONSULTATION

September 2022

There were 64 responses: 41 from private providers and 23 from maintained schools and academies with nursery classes (including maintained nursery schools)

	Yes	No	Yes	No
Do you agree that 100% of the DfE funding for 2-year-olds should continue to be passed on to providers through the hourly rate?	56	3	87.5%	4.7%
Do you support the proposals for setting the 2 year old hourly rate, in order to ensure that the budget for 2 year olds can break even while maximising the opportunity for children to take up the 2 year old offer?	64	0	100.0%	0.0%
Do you agree that the whole of any increase in the DfE hourly funding rate for 3–4-year-olds should be used to increase the hourly rate to providers?	48	4	75.0%	6.3%
Do you agree that there should be a further increase of 6p/hr in the basic rate over and above the DfE increase?	63	1	98.5%	1.5%
Do you agree that the current basis and level of deprivation funding should be maintained	59	2	93.2%	3.1%
Do you support maintaining the Early Intervention Fund (EIF) at the current level for the next financial year?	58	5	90.1%	7.8%
Do you support the continued retention of 5% of funding for 3–4-year-olds to administer the funding and provide support to the sector?	48	15	75.0%	23.4%
Do you support the continued provision of an Inclusion Fund for 2 year olds, funded from the 5% centrally retained funds for three and four year olds?	46	11	71.9%	17.2%
Do you support linking the funding rate for free meals provision for entitled pupils in state-maintained nursery schools and classes to the national funding formula rate for free meals in primary schools?	55	4	74.3%	5.4%

Note: percentages shown are percentages of those providers offering an answer to the question. They do not add up to 100% because some providers selected “no views”.

## ANNEX 7 EQUALITY IMPACT ASSESSMENT

### SCHOOLS FUNDING FORMULA 2023/24: IMPACT OF MAIN FORMULA FUNDING DECISIONS

#### 1. Explaining the matter being assessed

Question	Answer
<p><b>What policy, function or service change are you assessing?</b></p>	<p>Changes to the schools funding formula 2023/24. The main proposals being considered are</p> <ul style="list-style-type: none"> <li>(a) to set the level of the minimum funding guarantee for schools where the average increase in funding per pupil from 2022/23 to 2023/24 is small, at the highest level permitted by legislation (0.5%),</li> <li>(b) to make a small increase in the level of the lump sum factor, even though that would mean it remains higher than the national funding formula (NFF) lump sum</li> <li>(c) to increase deprivation funding factors by a higher proportion than other funding factors, in line with changes to the government’s national funding formula. In the NFF deprivation funding factors have increased by an extra 1.9% over and above other factors.</li> <li>(d) to impose a ceiling, or limit on the maximum average per pupil increase received by schools</li> </ul> <p>The proposals affect HOW funding is distributed and not how much in total is distributed. The total is constrained by government funding allocations, legislation, and the existing high needs “safety valve” agreement with the DfE.</p> <p>Note: there are other proposals in this Cabinet paper which have not been subjected to a full assessment. The note at the end of this annex explains why they are not considered to disadvantage protected groups.</p>
<p><b>Why does this EIA need to be completed?</b></p>	<p>The four issues described above are the main factors to be considered in setting the mainstream schools funding formula. Neither is directly linked to the incidence of protected characteristics, and none are targeted at specific service changes. However, it is possible that any or all of the choices could have a disproportionate impact on schools with a high incidence of pupils in protected groups. Legally the management of budget shares is delegated to individual schools. Thus it is for individual schools to decide how to deploy their resources and in so doing to have regards to the needs of protected groups. But in allocating funds to schools we recognise that their spending decisions are affected by the total funding available.</p>

Question	Answer
<b>Who is affected by the proposals outlined above?</b>	Schools and pupils and staff in schools. The proposals will affect the level of funding of individual schools
<b>How does your service proposal support the outcomes in <u>the Community Vision for Surrey 2030</u>?</b>	Everyone benefits from education, skills and employment opportunities which help them succeed in life
<b>Are there any specific geographies in Surrey where this will make an impact?</b> (Delete the ones that don't apply)	<ul style="list-style-type: none"> <li>• County-wide</li> </ul>
<b>Briefly list what evidence you have gathered on the impact of your proposals</b>	<p>We have estimated funding allocations at individual school level using a range of scenarios and have compared them with data on incidence of ethnic minorities (as a proxy for race), children with special educational needs and disabilities (as a proxy for disability) and pupils eligible for free school meals (as a proxy for deprivation) and with DfE data on staff characteristics. The data which we have used is largely taken from the school census or from DfE data sets e.g. workforce census. We do not have data on the incidence in schools of most of the other protected characteristics.</p> <p>We consulted all individual mainstream schools in September 2022 via a consultation paper and we provided illustrations of impact to individual schools. There were 114 responses to the consultation paper (29% of eligible schools). The estimates of impact are based on historic data, and the actual impact in 2023/24 will depend on Oct 2022 census data, still being collected.</p>

## 2. Service Users / Residents

There are 10 protected characteristics to consider in your proposal. These are:

1. Age including younger and older people
2. Disability
3. Gender reassignment
4. Pregnancy and maternity
5. Race including ethnic or national origins, colour or nationality
6. Religion or belief including lack of belief
7. Sex
8. Sexual orientation
9. Marriage/civil partnerships
10. Carers protected by association

Though not included in the Equality Act 2010, Surrey County Council recognises that socio-economic disadvantage is a significant contributor to inequality across the County and therefore regards this as an additional factor.

Therefore, if relevant, you will need to include information on this. Please **refer to the EIA guidance** if you are unclear as to what this is.

Age

Question	Answer
<b>What information (data) do you have on affected service users/residents with this characteristic?</b>	All of these proposals affect children between the ages of 4-16 only. The funding can only be allocated by reference to this age group.
<b>Impacts</b> (Delete as applicable)	Neither

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
None	N/a	n/a	N/a	N/a

**Question**

**What other changes is the council planning/already in place that may affect the same groups of residents?**

**Answer**

None known which are specifically relevant to schools

**Are there any dependencies decisions makers need to be aware of**

**Question** **Answer**  
**Any negative impacts that cannot be mitigated? Please identify impact and explain why** N/a

Disability

Question	Answer															
<p><b>What information (data) do you have on affected service users/residents with this characteristic?</b></p>	<p>We do not hold data on disability as such for school children. We have considered data on special educational needs as the nearest proxy we hold.</p> <p><b>Minimum funding guarantee</b></p> <p>The table below shows the proportion of primary and secondary schools with different levels of SEND which were on minimum funding guarantee in 2022/23.</p> <p>Proportion of schools receiving additional funding under the minimum funding guarantee in 2022/23</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Primary</th> <th style="text-align: center;">Secondary</th> </tr> </thead> <tbody> <tr> <td>all schools</td> <td style="text-align: center;">27.76%</td> <td style="text-align: center;">16.07%</td> </tr> <tr> <td>Above average for EHCPs</td> <td style="text-align: center;">33.33%</td> <td style="text-align: center;">21.33%</td> </tr> <tr> <td>Above upper quartile for EHCPs</td> <td style="text-align: center;">41.33%</td> <td style="text-align: center;">28.57%</td> </tr> <tr> <td>Top 10% for EHCPs</td> <td style="text-align: center;">41.4%</td> <td style="text-align: center;">28.57%</td> </tr> </tbody> </table>		Primary	Secondary	all schools	27.76%	16.07%	Above average for EHCPs	33.33%	21.33%	Above upper quartile for EHCPs	41.33%	28.57%	Top 10% for EHCPs	41.4%	28.57%
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Question	Answer				
		Primary		Secondary	
	Above average for %SEN	34.00%		21.43%	
	Above upper quartile for %SEN	44.00%		28.57%	
	Top10% for %SEN	41.38%		28.57%	
	<p>This suggests that a higher proportion of schools with high levels of SEND benefit from the minimum funding guarantee and therefore will benefit from the proposal to set the minimum funding guarantee at the highest permissible level.</p>				
	<p><b>Increasing the lump sum</b></p>				
	<p>The table below summarises the impact of increasing the lump sum, compared to reducing it towards the NFF level with a corresponding increase in per pupil funding.</p>				
	% gaining 0.1% or 0.05% of budget from lump sum increase	Primary Gain>0.1%	Secondary Gain >0.1%	Primary gain >0.05%	Secondary gain >0.05%
	all schools	19.73%	0%	33.44%	8.93%
	Above average for EHCPs	12.00%	0%	27.33%	14.29%
	Above upper quartile for EHCPs	13.51%	0%	22.97%	21.43%
	Above average for %SEN	11.33%	0%	27.33%	14.29%
	Above upper quartile for %SEN	13.51%	0%	25.68%	21.43%

Question	Answer
	<p>This data shows that in general primary schools with a high incidence of SEN benefit less than others from an increase in the lump sum, whereas the reverse applies for secondary schools. However, the possible negative impact on primary schools must be considered against the need to maintain the viability of small schools and a school presence in rural communities. An increase in the lump sum is the only way in which the council can assist small schools within the constraints of the schools funding legislation. The increase proposed is similar to the increase proposed for other formula factors, it is just that it maintains the Surrey lump sum at a higher level than would be provided under the national funding formula. Maintaining the viability of small schools will maintain opportunities for children with SEND and disabilities to be educated locally. There is a legal presumption against the closure of rural schools.</p> <p><b>Increasing deprivation funding by 1.9% rather than a lower sum</b></p> <p>The table below summarises the estimated impact of increasing deprivation funding by an extra 1.9% (in line with the NFF) rather than by half of that. The impact is small; the difference is less than 0.1% of budget for all schools.</p>

Question	Answer																										
	<p>Proportion of schools estimated to benefit in 2023/24 by more than 0.05% of budget from passing on the full 1.9% additional increase in deprivation funding factors</p> <table border="1" data-bbox="622 400 1825 901"> <thead> <tr> <th></th> <th>Primary</th> <th>Secondary</th> </tr> </thead> <tbody> <tr> <td>all schools</td> <td>0.33%</td> <td>0%</td> </tr> <tr> <td>Above average for EHCPs</td> <td>0.67%</td> <td>0%</td> </tr> <tr> <td>Above upper quartile for EHCPs</td> <td>0%</td> <td>0%</td> </tr> <tr> <td>Top 10% for EHCPs</td> <td>0%</td> <td>0%</td> </tr> <tr> <td>Above average for %SEN</td> <td>0.67%</td> <td>0%</td> </tr> <tr> <td>Above upper quartile for %SEN</td> <td>0%</td> <td>0%</td> </tr> <tr> <td>Top10% for %SEN</td> <td>0%</td> <td>0%</td> </tr> </tbody> </table> <p>No school gains more than 0.05% of budget by using the higher deprivation factors in full rather than only in part. Therefore, it is concluded that the proposed increase in deprivation funding is of minor effect.</p> <p><b>Using a ceiling on per pupil gains</b></p> <p>The table below shows the proportion of schools subject to a ceiling on gains in 2022/23. The pattern in 2023/24 cannot be ascertained yet and may well be different. A ceiling on gains will generally disadvantage those schools with an increase in measured additional need from year to year. These need not be schools with overall highest need, although in 2022/23 the proportion of schools with</p>				Primary	Secondary	all schools	0.33%	0%	Above average for EHCPs	0.67%	0%	Above upper quartile for EHCPs	0%	0%	Top 10% for EHCPs	0%	0%	Above average for %SEN	0.67%	0%	Above upper quartile for %SEN	0%	0%	Top10% for %SEN	0%	0%
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Question	Answer																													
	<p>above average incidence of EHCPs/SEND on ceiling was higher than the proportion for schools as a whole.</p> <table border="1" data-bbox="584 399 2150 1187"> <thead> <tr> <th></th> <th>Primary</th> <th>Secondary</th> </tr> </thead> <tbody> <tr> <td>all schools</td> <td>15.38%</td> <td>7.14%</td> </tr> <tr> <td>Above average for EHCPs</td> <td>16.67%</td> <td>14.29%</td> </tr> <tr> <td>Above upper quartile for EHCPs</td> <td>18.67%</td> <td>21.43%</td> </tr> <tr> <td>Top 10% for EHCPs</td> <td>20.69%</td> <td>14.29%</td> </tr> <tr> <td></td> <td>Primary</td> <td>Secondary</td> </tr> <tr> <td>Above average for %SEN</td> <td>16.00%</td> <td>10.71%</td> </tr> <tr> <td>Above upper quartile for %SEN</td> <td>18.67%</td> <td>21.43%</td> </tr> <tr> <td>Top 10% for %SEN</td> <td>20.69%</td> <td>42.86%</td> </tr> </tbody> </table>				Primary	Secondary	all schools	15.38%	7.14%	Above average for EHCPs	16.67%	14.29%	Above upper quartile for EHCPs	18.67%	21.43%	Top 10% for EHCPs	20.69%	14.29%		Primary	Secondary	Above average for %SEN	16.00%	10.71%	Above upper quartile for %SEN	18.67%	21.43%	Top 10% for %SEN	20.69%	42.86%
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<b>Impacts</b> (Delete as applicable)	Proposed changes to minimum funding guarantee are in general beneficial to schools with high incidence of SEND Proposed changes to the lump sum are beneficial to small schools; the incidence of SEN in small secondary schools is higher than for the sector as a whole but for small primary schools it is lower. The difference between the two deprivation funding options																													

Question	Answer
	considered is negligible. In 2022/23, the proportion of “high SEND” schools subject to a ceiling deduction was higher than for schools as a whole, but that need not be true in all years i.e. it is not an automatic consequence of using a ceiling.

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
As above	As above	<p>Negative impacts of lump sum increase in primary schools will be accepted given the need to maintain the viability of small schools and the limited tools available for this purpose within the funding legislation.</p> <p>Impact of using a ceiling, and its level, will need to be carefully considered as it may have disproportionate impact on protected groups.</p>	n/a	N/a

**Question**

**What other changes is the council planning/already in place that may affect the same groups of residents?**

**Are there any dependencies decisions makers need to be aware of**

**Answer**

None known at present

**Question**

**Any negative impacts that cannot be mitigated? Please identify impact and explain why**

**Answer**

As above. There may be negative impacts at school level for individual schools. It will be for individual schools to avoid negative impacts on individuals.

Gender reassignment

Question	Answer
<b>What information (data) do you have on affected service users/residents with this characteristic?</b>	This data is not available for school pupils
<b>Impacts</b> (Delete as applicable)	Unknown

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
None	N/a	n/a	N/a	N/a

**Question**

**Answer**

What other changes is the council planning/already in place that may affect the same groups of residents?

N/a.

Are there any dependencies decisions makers need to be aware of

**Question**

**Answer**

Any negative impacts that cannot be mitigated? Please identify impact and explain why

N/a

Pregnancy/maternity

Question	Answer
What information (data) do you have on affected service users/residents with this characteristic?	N/a (school pupils)
Impacts (Delete as applicable)	N/a

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
None	N/a	n/a	N/a	N/a

**Question**

**Answer**

What other changes is the council planning/already in place that may affect the same groups of residents?

N/a.

Are there any dependencies decisions makers need to be aware of

**Question**

**Answer**

**Any negative impacts that cannot be mitigated? Please identify impact and explain why**

N/a

Race including ethnic or national origins, colour or nationality

Question	Answer	Primary	Secondary
<b>What information (data) do you have on affected service users/residents with this characteristic?</b>	<b>Minimum funding guarantee</b>		
	The table below shows the proportion of schools receiving additional funding under the Minimum Funding Guarantee in 2022/23		
	All schools	27.76%	16.07%
	Schools with:	29.33%	25.00%
	above average non British	24.00%	35.71%
above upper quartile non British	31.00%	42.86%	
top 10% non British	The table shows that the proportion of schools with above average incidence of non British ethnicity benefiting from the minimum funding guarantee is higher than the proportion of all schools thus benefiting.		
<b>Increase in lump sum</b>			

Question	Answer				
	<p>The table below shows the proportion of schools gaining funding from an increase in lump sum, rather than reducing it to the NFF level (with a corresponding increase in per pupil funding).</p>				
	<p>% gaining &gt;0.1% or &gt;0.05% of budget from higher lump sum</p>	<p>Primary gain &gt;0.1%</p>	<p>Secondary gain &gt;0.1%</p>	<p>Primary gain &gt;0.05%</p>	<p>Secondary gain &gt;0.05%</p>
	<p>all schools</p>	<p>19.73%</p>	<p>0%</p>	<p>33.44%</p>	
	<p>above average non British</p>	<p>9.33%</p>	<p>0%</p>	<p>20.00%</p>	
	<p>above upper quartile non British</p>	<p>6.76%</p>	<p>0%</p>	<p>17.57%</p>	
	<p>This data shows that in general primary and secondary schools with a high incidence of ethnic minorities benefit less than others from an increase in the lump sum. However, the possible negative impact has to be considered against the need to maintain the viability of small schools and a school presence in rural communities. An increase in the lump sum is the only way in which the council can assist small schools within the constraints of schools funding legislation. The increase proposed is similar to the increase proposed for other formula factors, just that it maintains the Surrey lump sum at a higher level than would be provided under the national funding formula. Maintaining the viability of small schools will maintain opportunities for children to be educated locally irrespective of race and ethnic origin. There is a legal presumption against the closure of rural schools.</p>				
	<p><b>Increasing deprivation funding by 1.9% rather than by a lower sum</b></p>				

Question	Answer																							
	<p>The table below summarises the estimated impact of increasing deprivation funding by an extra 1.9% (in line with the NFF) rather than by half of that. The impact is small; the difference is less than 0.1% of budget for all schools.</p> <p>Proportion of schools estimated to benefit in 2023/24 by more than 0.05% of budget from passing on the full 1.9% additional increase in deprivation funding factors.</p> <table border="1" data-bbox="439 560 1809 783"> <thead> <tr> <th></th> <th>Primary</th> <th>Secondary</th> </tr> </thead> <tbody> <tr> <td>all schools</td> <td>0.33%</td> <td>0%</td> </tr> <tr> <td>Above average for % non British</td> <td>0.67%</td> <td>0%</td> </tr> <tr> <td>Above upper quartile for % non British</td> <td>1.35%</td> <td>0%</td> </tr> </tbody> </table> <p>No school gains more than 0.05% of budget by using the higher deprivation factors in full rather than only in part. Therefore conclude that the proposed increase in deprivation funding is of minor effect.</p> <p><b>Using a ceiling on large per pupil gains</b></p> <p>The table below shows the proportion of schools subject to a ceiling on gains in 2022/23. The pattern in 2023/24 cannot be ascertained yet and may well be different. A ceiling on gains will generally disadvantage those schools with an increase in measured additional need from year to year. These need not be schools with overall highest need.</p> <table border="1" data-bbox="439 1142 1809 1302"> <thead> <tr> <th></th> <th>Primary</th> <th>Secondary</th> </tr> </thead> <tbody> <tr> <td>all schools</td> <td>15.38%</td> <td>7.14%</td> </tr> <tr> <td>Above average% non British</td> <td>10.67%</td> <td>7.14%</td> </tr> </tbody> </table>				Primary	Secondary	all schools	0.33%	0%	Above average for % non British	0.67%	0%	Above upper quartile for % non British	1.35%	0%		Primary	Secondary	all schools	15.38%	7.14%	Above average% non British	10.67%	7.14%
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Question	Answer			
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;">Above upper quartile % non British</td> <td style="width: 30%; text-align: center;">12.00%</td> <td style="width: 30%; text-align: center;">0%</td> </tr> </table> <p>So schools with high incidence of ethnic minorities were less likely to be subject to a ceiling on gains than schools as a whole (which is generally consistent with them being more likely to be on minimum funding guarantee).</p>	Above upper quartile % non British	12.00%	0%
Above upper quartile % non British	12.00%	0%		
<b>Impacts</b> (Delete as applicable)	Proposed changes to minimum funding guarantee are in general beneficial to schools with higher incidence of ethnic minorities (on the basis of available data) whereas proposed increases to the level of lump sum are not. Use of a ceiling on gains does not disproportionately disadvantage schools with high incidence of ethnic minorities. The impact of changes in the level of deprivation funding is very small. A ceiling on gains does not relatively disadvantage these schools.			

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
As above	As above	It is proposed that the possible negative impacts (of the lump sum changes) are accepted in view of the need to maintain the viability of small schools and the limited alternative options		

**Question****Answer**

What other changes is the council planning/already in place that may affect the same groups of residents?

N/a

Are there any dependencies decisions makers need to be aware of

**Question****Answer**

Any negative impacts that cannot be mitigated? Please identify impact and explain why

As above

Religion including belief or lack of belief

Question	Answer											
<p>What information (data) do you have on affected service users/residents with this characteristic?</p>	<p>We do not hold data on individual pupils' religion. However, we have looked at the relative impact on faith schools (all of which are Christian -Anglican or Roman Catholic).</p> <p>Proportion of schools on minimum funding guarantee</p> <table border="1" data-bbox="600 1082 2136 1214"> <thead> <tr> <th data-bbox="600 1082 1115 1145"></th> <th data-bbox="1115 1082 1621 1145">Primary</th> <th data-bbox="1621 1082 2136 1145">Secondary</th> </tr> </thead> <tbody> <tr> <td data-bbox="600 1145 1115 1177">All schools</td> <td data-bbox="1115 1145 1621 1177">27.76%</td> <td data-bbox="1621 1145 2136 1177">16.07%</td> </tr> <tr> <td data-bbox="600 1177 1115 1214">Church schools</td> <td data-bbox="1115 1177 1621 1214">27.10%</td> <td data-bbox="1621 1177 2136 1214">9.09% (one school)</td> </tr> </tbody> </table>				Primary	Secondary	All schools	27.76%	16.07%	Church schools	27.10%	9.09% (one school)
	Primary	Secondary										
All schools	27.76%	16.07%										
Church schools	27.10%	9.09% (one school)										

Question	Answer																												
	<p data-bbox="600 309 2107 371"><b>Therefore the proposal to maximise the level of the minimum funding guarantee does not appreciably disadvantage Church schools .</b></p> <p data-bbox="600 405 860 435"><b>Increase in lump sum</b></p> <p data-bbox="600 469 2096 531"><b>Table below shows the proportion of schools benefiting from the proposed increase in lump sum, relative to using the NFF lump sum</b></p> <table border="1" data-bbox="600 564 2136 719"> <thead> <tr> <th data-bbox="600 564 907 655">% gaining &gt;0.1% or &gt;0.05% of budget from higher lump sum</th> <th data-bbox="907 564 1214 595">Primary gain&gt;0.1%</th> <th data-bbox="1214 564 1520 595">Secondary gain&gt;0.1%</th> <th data-bbox="1520 564 1827 595">Primary gain &gt;0.05%</th> <th data-bbox="1827 564 2136 595">Secondary gain&gt;0.05%</th> </tr> </thead> <tbody> <tr> <td data-bbox="600 655 907 686"><b>All schools</b></td> <td data-bbox="907 655 1214 686"><b>19.73%</b></td> <td data-bbox="1214 655 1520 686"><b>0%</b></td> <td data-bbox="1520 655 1827 686"><b>33.44%</b></td> <td data-bbox="1827 655 2136 686"><b>8.93%</b></td> </tr> <tr> <td data-bbox="600 686 907 719"><b>Church schools</b></td> <td data-bbox="907 686 1214 719"><b>25.23%</b></td> <td data-bbox="1214 686 1520 719"><b>0%</b></td> <td data-bbox="1520 686 1827 719"><b>40.19%</b></td> <td data-bbox="1827 686 2136 719"><b>18.18%</b></td> </tr> </tbody> </table> <p data-bbox="600 727 2101 790"><b>A higher proportion of Church schools gains from using a higher lump sum, largely reflecting the large number of small rural Church schools.</b></p> <p data-bbox="600 823 1420 853"><b>Increasing deprivation funding by 1.9%, rather than by a lower sum</b></p> <p data-bbox="600 887 2123 987">No church primary or secondary school gains or loses more than 0.5% of budget as a result of passing on the NFF deprivation increase in full, rather than scaling it back. Therefore it is concluded that the proposal has no significant impact on this category of schools.</p> <p data-bbox="600 1021 1066 1051"><b>Using a ceiling on large per pupil gains</b></p> <p data-bbox="600 1085 2067 1185">The table below shows the proportion of schools subject to a ceiling on gains in 2022/23. The pattern in 2023/24 cannot be ascertained yet and may well be different. A ceiling on gains will generally disadvantage those schools with an increase in measured additional need from year to year. These need not be schools with overall highest need.</p> <table border="1" data-bbox="600 1219 2136 1310"> <thead> <tr> <th data-bbox="600 1219 1111 1249">% on ceiling</th> <th data-bbox="1111 1219 1621 1249">Primary</th> <th data-bbox="1621 1219 2136 1249">Secondary</th> </tr> </thead> <tbody> <tr> <td data-bbox="600 1249 1111 1279">All schools</td> <td data-bbox="1111 1249 1621 1279">15.38%</td> <td data-bbox="1621 1249 2136 1279">15.89%</td> </tr> <tr> <td data-bbox="600 1279 1111 1310">Church schools</td> <td data-bbox="1111 1279 1621 1310">7.14%</td> <td data-bbox="1621 1279 2136 1310">9.09%</td> </tr> </tbody> </table>					% gaining >0.1% or >0.05% of budget from higher lump sum	Primary gain>0.1%	Secondary gain>0.1%	Primary gain >0.05%	Secondary gain>0.05%	<b>All schools</b>	<b>19.73%</b>	<b>0%</b>	<b>33.44%</b>	<b>8.93%</b>	<b>Church schools</b>	<b>25.23%</b>	<b>0%</b>	<b>40.19%</b>	<b>18.18%</b>	% on ceiling	Primary	Secondary	All schools	15.38%	15.89%	Church schools	7.14%	9.09%
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Church schools	7.14%	9.09%																											

Question	Answer
	In 2022/23 a much smaller proportion of church schools were subject to a ceiling deduction, so on that basis a ceiling deduction does not disproportionately disadvantage those schools.
<b>Impacts</b> (Delete as applicable)	The impact of the proposals on the Church school sector is variable: they benefit less from a higher minimum funding guarantee than schools as a whole, but gain more from the proposed increase in the lump sum factor.

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
As above	As above	No further action to be taken	N/a	N/a

**Question****Answer**

**What other changes is the council planning/already in place that may affect the same groups of residents?**

n/a.

**Are there any dependencies decisions makers need to be aware of**

**Question****Answer**

**Any negative impacts that cannot be mitigated? Please identify impact and explain why**

n/a.

## Sex

Question	Answer
<b>What information (data) do you have on affected service users/residents with this characteristic?</b>	We have two single sex mainstream secondary schools (one for boys and one for girls). They are both relatively large schools with low incidence of additional needs and thus the impact of the proposed changes is similar for both of them.
<b>Impacts</b> (Delete as applicable)	N/a

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
None	N/a	n/a	N/a	N/a

**Question**

**Answer**

What other changes is the council planning/already in place that may affect the same groups of residents?

N/a.

Are there any dependencies decisions makers need to be aware of

**Question**

**Answer**

Any negative impacts that cannot be mitigated? Please identify impact and explain why

N/a

Sexual orientation

Question	Answer
<b>What information (data) do you have on affected service users/residents with this characteristic?</b>	Data not held on school pupils
<b>Impacts</b> (Delete as applicable)	N/a

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
None	N/a	n/a	N/a	N/a

**Question**

**Answer**

**What other changes is the council planning/already in place that may affect the same groups of residents?**

n/a.

**Are there any dependencies decisions makers need to be aware of**

**Question****Answer**

**Any negative impacts that cannot be mitigated? Please identify impact and explain why**

n/a

Marriage/civil partnership

<b>Question</b>	<b>Answer</b>
<b>What information (data) do you have on affected service users/residents with this characteristic?</b>	Not relevant as proposals only concern school pupils
<b>Impacts</b> (Delete as applicable)	N/a

<b>Impacts identified</b>	<b>Supporting evidence</b>	<b>How will you maximise positive/minimise negative impacts?</b>	<b>When will this be implemented by?</b>	<b>Owner</b>
None	N/a	n/a	N/a	N/a

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
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**Question**

**Answer**

What other changes is the council planning/already in place that may affect the same groups of residents? n/a

Are there any dependencies decisions makers need to be aware of

**Question**

**Answer**

Any negative impacts that cannot be mitigated? Please identify impact and explain why n/a

Carers (protected by association)

Question	Answer
<p><b>What information (data) do you have on affected service users/residents with this characteristic?</b></p>	<p>Some school pupils will be carers, but we do not have any data on how many there are.</p>

Question	Answer
Impacts (Delete as applicable)	N/a

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
None	N/a	n/a	N/a	N/a

Question	Answer
What other changes is the council planning/already in place that may affect the same groups of residents?	N/a
Are there any dependencies decisions makers need to be aware of	

Question	Answer
Any negative impacts that cannot be mitigated? Please identify impact and explain why	N/a

## Economic deprivation

Question	Answer															
<p><b>What information (data) do you have on affected service users/residents with this characteristic?</b></p>	<p><b>Minimum funding guarantee</b></p> <p>The table below shows that in general schools with high incidence of deprivation (as measured by eligibility for free school meals (FSM) were more likely to be on minimum funding guarantee in 2022/23 and thus to benefit from a higher level of minimum funding guarantee.</p> <table border="1" data-bbox="607 598 1653 909"> <thead> <tr> <th data-bbox="607 598 1310 662">Schools on Minimum Funding Guarantee</th> <th data-bbox="1310 635 1512 662">Primary</th> <th data-bbox="1512 635 1653 662">Secondary</th> </tr> </thead> <tbody> <tr> <td data-bbox="607 694 1310 726">all schools</td> <td data-bbox="1310 694 1512 726">27.76%</td> <td data-bbox="1512 694 1653 726">16.07%</td> </tr> <tr> <td data-bbox="607 758 1310 790">Above average FSM deprivation</td> <td data-bbox="1310 758 1512 790">34.67%</td> <td data-bbox="1512 758 1653 790">21.43%</td> </tr> <tr> <td data-bbox="607 821 1310 853">Above upper quartile FSM deprivation</td> <td data-bbox="1310 821 1512 853">49.33%</td> <td data-bbox="1512 821 1653 853">28.57%</td> </tr> <tr> <td data-bbox="607 885 1310 917">top 10% deprivation</td> <td data-bbox="1310 885 1512 917">62.10%</td> <td data-bbox="1512 885 1653 917">42.86%</td> </tr> </tbody> </table> <p><b>Increasing lump sum</b></p> <p>The table below shows the proportion of schools with high incidence of economic deprivation which would benefit from an increase in the lump sum, rather than reducing it to the NFF level, with a corresponding increase in per pupil funding. In this case the proportion of high deprivation primary schools gaining is lower than the proportion of all primary schools gaining, but the reverse applies to secondary schools. This reflects the fact that a number of smaller secondary schools have relatively high incidence of deprivation.</p>	Schools on Minimum Funding Guarantee	Primary	Secondary	all schools	27.76%	16.07%	Above average FSM deprivation	34.67%	21.43%	Above upper quartile FSM deprivation	49.33%	28.57%	top 10% deprivation	62.10%	42.86%
Schools on Minimum Funding Guarantee	Primary	Secondary														
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Above average FSM deprivation	34.67%	21.43%														
Above upper quartile FSM deprivation	49.33%	28.57%														
top 10% deprivation	62.10%	42.86%														

Question	Answer				
	Primary schools gain >0.1%	Secondary schools gain >0.1%	Primary schools gain >0.05%	Secondary schools gain >0.05%	
	% of schools gaining from lump sum protection)				
all schools	19.73%	0%	33.44%	8.93%	
Above average for deprivation	12.16%	0%	28.00%	10.71%	
Above upper quartile for deprivation	12.67%	0%	24.32%	21.43%	
	<b>Increasing deprivation funding by 1.9% rather than by a lower amount</b>				
	Proportion of schools estimated to benefit in 2023/24 by more than 0.05% of budget from passing on the full 1.9% additional increase in deprivation funding factors.				
		Primary		Secondary	
all schools		0.33%		0%	
Above average for FSM deprivation		0.67%		0%	

Question	Answer												
	<p data-bbox="607 308 2123 435">Above upper quartile for FSM deprivation 1.35% 0%</p> <p data-bbox="607 368 2123 435">No school gains more than 0.05% of budget by using the higher deprivation factors in full rather than only in part. Therefore conclude that the proposed increase in deprivation funding is of minor effect.</p> <p data-bbox="607 523 1350 555"><b>Using a ceiling deduction for schools with high per pupil gains</b></p> <p data-bbox="607 587 1671 619">The table below shows the proportion of schools subject to a ceiling deduction in 2022/23</p> <table border="1" data-bbox="607 643 2123 858"> <thead> <tr> <th></th> <th>Primary</th> <th>Secondary</th> </tr> </thead> <tbody> <tr> <td>all schools</td> <td>15.38%</td> <td>7.14%</td> </tr> <tr> <td>Above average% FSM</td> <td>19.33%</td> <td>10.71%</td> </tr> <tr> <td>Above upper quartile % FSM</td> <td>22.67%</td> <td>21.43%</td> </tr> </tbody> </table> <p data-bbox="607 991 2123 1054">Schools with high levels of deprivation were more likely to be on a ceiling deduction in 2022/23. This may recognise that one of the main causes of an increase in per pupil funding in 2022/23 was increased deprivation.</p>		Primary	Secondary	all schools	15.38%	7.14%	Above average% FSM	19.33%	10.71%	Above upper quartile % FSM	22.67%	21.43%
	Primary	Secondary											
all schools	15.38%	7.14%											
Above average% FSM	19.33%	10.71%											
Above upper quartile % FSM	22.67%	21.43%											
<p data-bbox="203 1177 304 1209"><b>Impacts</b></p> <p data-bbox="203 1233 472 1265">(Delete as applicable)</p>	<p data-bbox="607 1153 2134 1297">Again the proposal to set the minimum funding guarantee as high as possible is generally beneficial to schools with above average incidence of deprivation. The proposal to increase the lump sum is relatively beneficial to deprived secondary schools, but not to deprived primary schools. The impact of the proposed change to deprivation funding is minimal. Applying a ceiling on gains disadvantaged high deprivation schools in 2022/23, but need not always do so.</p>												

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
Inconclusive	As above	Negative impacts will need to be accepted in order to assist small schools. However, care will be needed in determining an appropriate level of ceiling deduction, if used.	N/a	N/a

**Question**

**Answer**

**What other changes is the council planning/already in place that may affect the same groups of residents?**

None known affecting schools in 2023/24

**Are there any dependencies decisions makers need to be aware of**

**Question**

**Answer**

**Any negative impacts that cannot be mitigated? Please identify impact and explain why**

As above

3. Staff

Age

Question	Answer
<b>What information (data) do you have on affected service users/residents with this characteristic?</b>	<p>Some evidence on teacher ages is available from the DfE workforce survey. NB many of the staff affected work in academies, for which the council does not hold staffing data, hence the reliance on DfE data. For teachers we considered the incidence of teachers over 50 and under 30 in schools which benefited from the minimum funding guarantee, from an increase in the lump sum, from increased deprivation funding, and those which lost out due to use of a ceiling on gains. The impact was inconclusive, although there is some suggestion that schools with a higher proportion of older teaching staff may be disadvantaged by use of a ceiling and from a higher lump sum.</p> <p>Corresponding data is not published for support staff and so a similar analysis was not possible for support staff.</p>

**Minimum funding guarantee**

Table below shows the proportion of schools on minimum funding guarantee in 2022/23

	primary	secondary
All schools	27.76%	16.07%
Above average incidence teachers aged over 50	28.00%	14.29%
Above upper quartile teachers aged over 50	29.33%	28.57%
Top 10% teachers aged over 50	20.70%	14.29%
Above average incidence teachers aged under 30	28.00%	17.86%
Above upper quartile teachers aged under 30	28.00%	21.43%
Top 10% teachers aged under 30	27.60%	0.00%

**Increase in lump sum**

Table below shows the proportion of schools benefiting from an increase in lump sum

	Primary	Secondary	Primary	Secondary
	Gain>0.1%	Gain>0.1%	Gain>0.05%	Gain>0.05%
All schools	19.73%	0.00%	33.44%	8.93%
Above average incidence teachers aged over 50	22.67%	0.00%	39.33%	10.71%
Above upper quartile teachers aged over 50	32.00%	0.00%	49.33%	7.14%
Above average incidence teachers aged under 30	14.00%	0.00%	24.67%	3.57%
Above upper quartile teachers aged under 30	12.00%	0.00%	20.00%	7.14%
<b>Increasing deprivation funding by 1.9% (rather than by a lower amount)</b>				
Proportion of schools estimated to benefit in 2023/24 by more than 0.05% of budget from passing on the full 1.9% additional increase in deprivation funding factors.				
	Primary		Secondary	
all schools	0.33%		0%	
Above average for teachers over 50	0.67%		0%	
Above upper quartile for teachers over 50	0%		0%	
Above average for teachers under 30	0.67%		0%	
Above upper quartile for teachers under 30	1.33%		0%	

	<b>Using a ceiling on large per pupil gains</b>		
		Primary	Secondary
	all schools	15.38%	7.14%
	Above average incidence teachers over 50	18.00%	3.57%
	Above upper quartile teachers over 50	22.67%	7.14%
	Above average incidence teachers under 30	12.00%	3.57%
	Above upper quartile incidence teachers under 30	8.00%	7.14%
<b>Impacts</b> (Delete as applicable)	There is a potential impact in that changes in funding levels may affect scope for promotion or create needs for redundancies (which may disproportionately affect staff in some age groups, e.g. recent starters) and the distribution of funding may affect which, and how many, schools will be affected. Decisions as to which staff are affected would be a matter for individual schools.		

<b>Impacts identified</b>	<b>Supporting evidence</b>	<b>How will you maximise positive/minimise negative impacts?</b>	<b>When will this be implemented by?</b>	<b>Owner</b>
Inconclusive	Workforce survey evidence for teacher	n/a	n/a	n/a

### Disability

Question	Answer
What information (data) do you have on affected service users/residents with this characteristic?	This data is not held centrally for school staff.
<b>Impacts</b> (Delete as applicable)	There is a potential impact in that changes in funding levels may affect scope for promotion or create needs for redundancies. Decisions as to which staff are affected would be a matter for individual schools.

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
Unable to identify -insufficient data held	N/a	N/a	n/a	n/a

**Gender reassignment**

Question	Answer
<p><b>What information (data) do you have on affected service users/residents with this characteristic?</b></p>	<p>This data is not held for school staff.</p>
<p><b>Impacts</b> (Delete as applicable)</p>	<p>There is no reason to think that staff with this protected characteristic will be disproportionately affected by the proposals, although it would be for individual schools to ensure that specific individuals were not disadvantaged.</p>

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
<p>Unable to identify-insufficient data</p>	<p>N/a</p>	<p>n/a</p>	<p>n/a</p>	

**Pregnancy/maternity**

Question	Answer
<p><b>What information (data) do you have on affected service users/residents with this characteristic?</b></p>	<p>This data is not held for school staff.</p>
<p><b>Impacts</b> (Delete as applicable)</p>	<p>There is a potential impact in that changes in funding levels may affect scope for promotion or create needs for redundancies. Decisions as to which staff are affected would be a matter for individual schools.</p>

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
<p>Insufficient data to identify impact</p>	<p>N/a</p>	<p>n/a</p>	<p>n/a</p>	<p>n/a</p>

**Race, including ethnicity or national origin, colour or nationality**

Question	Answer
<b>What information (data) do you have on affected service users/residents with this characteristic?</b>	Limited data is available for school staff from the DfE workforce census  There is a potential impact in that changes in funding levels may affect scope for promotion or create needs for redundancies. Decisions as to which staff are affected would be a matter for individual schools.

Impacts (Delete as applicable)	Minimum funding guarantee		
	Proportion of schools on minimum funding guarantee in 2022/23		
		Primary	Secondary
	All schools	27.76%	16.07%
	Schools with		
	Above average incidence of ethnic minority teachers	27.33%	14.29%
	Above upper quartile incidence of ethnic minority teachers	28.00%	14.29%
	Top 10% for incidence of ethnic minority teachers	37.90%	28.57%
	Above average incidence of ethnic minority support staff	26.67%	17.86%
	Above upper quartile incidence of ethnic minority support staff	24.00%	14.29%
	Top 10% for incidence of ethnic minority support staff	31.00%	28.57%

### Minimum funding guarantee

The table below shows that in general a higher proportion of schools with the highest levels of ethnic minority staff were likely to be on minimum funding guarantee in 2022/23, but otherwise there was no link.

#### Proportion of schools on minimum funding guarantee in 2022/23

Primary      Secondary

All schools	27.76%	16.07%
Schools with		
Above average incidence of ethnic minority teachers	27.33%	14.29%
Above upper quartile incidence of ethnic minority teachers	28.00%	14.29%
Top 10% for incidence of ethnic minority teachers	37.90%	28.57%
Above average incidence of ethnic minority support staff	26.67%	17.86%
Above upper quartile incidence of ethnic minority support staff	24.00%	14.29%
Top 10% for incidence of ethnic minority support staff	31.00%	28.57%

**Lump sum**

The table below shows that the impact on schools with higher incidence of ethnic minority staff of increasing the lump sum is inconclusive.

	Primary gain>0.1%	Secondary gain>0.1%	Primary gain>0.05%	Secondary gain>0.05%
all schools	19.73%	0%	33.44%	8.93%
Above average for ethnic minority teachers	12.67%	0%	26.43%	10.71%
Above upper quartile for ethnic min teachers	16.72%	0%	32.43%	14.29%
Top 10% for ethnic min teachers	20.69%	0%	44.83%	0%
Above average for ethnic minority support staff	14.00%	0%	26.00%	7.14%
Above upper quartile for ethnic min support staff	13.33%	0%	22.67%	7.14%
Top 10% for ethnic minority support staff	13.79%	0%	20.69%	14.29%

**Increasing deprivation funding by 1.9% rather than a lower sum**

Proportion of schools estimated to benefit in 2023/24 by more than 0.05% of budget from passing on the full 1.9% additional increase in deprivation funding factors.

	Primary	Secondary
all schools	0.33%	0%
Above average for ethnic minority teachers	0.67%	0%
Above upper quartile for ethnic minority teachers	1.33%	0%
Above average for ethnic minority support staff	0%	0%
Above upper quartile for ethnic minority support staff	0%	0%
<p>No school gains more than 0.05% of budget by using the higher deprivation factors in full rather than only in part. Therefore conclude that the proposed increase in deprivation funding is of minor effect on schools with high incidence of ethnic minority staff.</p>		
<p><b>Using a ceiling deduction on large gains</b></p>		
<p>The table below shows the proportion of schools subject to a ceiling deduction in 2022/23. Again it is concluded that there is no evidence of consistent disadvantage to schools with high incidence of ethnic minority staff.</p>		

Question	Answer	Primary	Secondary
	all schools	15.38%	7.14%
	Above average incidence ethnic minority teachers	12.67%	10.71%
	Above upper quartile % ethnic minority teachers	17.33%	14.29%
	Top 10% ethnic minority teachers	20.69%	0%
	Above average incidence ethnic minority support staff	10.67%	7.14%
	Above upper quartile incidence ethnic minority support staff	12.00%	7.14%
	Top 10% ethnic minority support staff	6.90%	0%

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
What impacts have you identified?	Generally inconclusive	n/a	n/a	n/a

<b>Question</b>	<b>Answer</b>
<b>What other changes is the council planning/already in place that may affect the same groups of residents?</b>	n/a
<b>Are there any dependencies decisions makers need to be aware of</b>	

<b>Question</b>	<b>Answer</b>
<b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b>	n/a

**Religion or belief, including lack of belief**

<b>Question</b>	<b>Answer</b>
<b>What information (data) do you have on affected service users/residents with this characteristic?</b>	This data is not held for school staff.
<b>Impacts</b> (Delete as applicable)	n/a

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
Unable to identify as no data held	n/a	n/a	n/a	n/a

**Sex**

Question	Answer
<b>What information (data) do you have on affected service users/residents with this characteristic?</b>	This data is not held for school staff (the workforce census does not show it for all schools)
<b>Impacts</b> (Delete as applicable)	There is a potential impact in that changes in funding levels may affect scope for promotion or create needs for redundancies. Decisions as to which staff are affected would be a matter for individual schools.

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
Insufficient data	n/a	n/a	n/a	n/a

**Sexual Orientation**

Question	Answer
<p><b>What information (data) do you have on affected service users/residents with this characteristic?</b></p>	<p>This data is not held for school staff.</p>
<p><b>Impacts</b> (Delete as applicable)</p>	<p>There is a potential impact in that changes in funding levels may affect scope for promotion or create needs for redundancies. Decisions as to which staff are affected would be a matter for individual schools.</p>

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
<p>Unable to identify impact as no data is available</p>	<p>n/a</p>	<p>n/a</p>	<p>n/a</p>	<p>n/a</p>

**Marriage and civil partnerships**

Question	Answer
<p><b>What information (data) do you have on affected service users/residents with this characteristic?</b></p>	<p>This data is not held for school staff.</p>
<p><b>Impacts</b> (Delete as applicable)</p>	<p>There is a potential impact in that changes in funding levels may affect scope for promotion or create needs for redundancies. Decisions as to which staff are affected would be a matter for individual schools.</p>

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
<p>Unable to identify as insufficient data held</p>	<p>n/a</p>	<p>n/a</p>	<p>n/a</p>	<p>n/a</p>

**Carers (protected by association)**

Question	Answer
<b>What information (data) do you have on affected service users/residents with this characteristic?</b>	This data is not held for school staff.
<b>Impacts</b> (Delete as applicable)	There is a potential impact in that changes in funding levels may affect scope for promotion or create needs for redundancies. Decisions as to which staff are affected would be a matter for individual schools.

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
Unable to identify specific impacts as no data is held	m/a	n/a	n/a	n/a

**Socio-economic disadvantage**

Question	Answer
<p><b>What information (data) do you have on affected service users/residents with this characteristic?</b></p>	<p>This data is not held for school staff.</p>
<p><b>Impacts</b> (Delete as applicable)</p>	<p>There is a potential impact in that changes in funding levels may affect scope for promotion or create needs for redundancies. Decisions as to which staff are affected would be a matter for individual schools.</p>

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
Insufficient data held	N/a	n/a	n/a	n/a

#### 4. Amendments to the proposals

CHANGE	REASON FOR CHANGE
None yet	

#### 5. Recommendation

Based your assessment, please indicate which course of action you are recommending to decision makers. You should explain your recommendation below.

Outcome Number	Description	Tick
Outcome One	<b>No major change to the policy/service/function required.</b>	
Outcome Two	<b>Adjust the policy/service/function</b> to remove barriers identified by the EIA or better advance equality. Are you satisfied that the proposed adjustments will remove the barriers you identified?	
Outcome Three	<p><b>Continue the policy/service/function</b> despite potential for negative impact or missed opportunities to advance equality identified. You will need to make sure the EIA clearly sets out the justifications for continuing with it. You need to consider whether there are:</p> <ul style="list-style-type: none"> <li>• Sufficient plans to stop or minimise the negative impact</li> <li>• Mitigating actions for any remaining negative impacts plans to monitor the actual impact.</li> </ul>	x

<b>Outcome Four</b>	<p><b>Stop and rethink</b> the policy when the EIA shows actual or potential unlawful discrimination</p> <p>(For guidance on what is unlawful discrimination, refer to the <a href="#">Equality and Human Rights Commission’s guidance and Codes of Practice on the Equality Act</a> concerning employment, goods and services and equal pay).</p>	
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<b>Question</b>	<b>Answer</b>
<b>Confirmation and explanation of recommended outcome</b>	<p>This EIA considers several linked decisions. None have a direct impact on services to individual pupils but collectively they may have an indirect impact based on the overall budget allocated to each school. The proposed changes to the level of the minimum funding guarantee are in general beneficial to those schools with a high incidence of those protected groups for which data is available. The proposed increase in lump sum is generally not beneficial to such schools, but is still recommended as it is the only mechanism available within the available funding formula factors, to support small schools not meeting the DfE sparsity criteria, and thus support provision of education in rural communities. The impact of the proposed changes in deprivation funding appears to be negligible. The impact of using a ceiling on large per pupil gains is variable, and will need to be considered carefully when the calculations are updated for Oct 2022 pupil data in December/January.</p>

## 6a. Version control

Version Number	Purpose/Change	Author	Date
0.1	Original	David Green	20 Oct 2022

The above provides historical data about each update made to the Equality Impact Assessment.

Please do include the name of the author, date and notes about changes made – so that you are able to refer back to what changes have been made throughout this iterative process.

For further information, please see the EIA Guidance document on version control.

## 6b. Approval

Approved by*	Date approved
Head of Service – Liz Mills	01/11/2022
Executive Director - Rachael Wardell	01/11/2022
Cabinet Member- Clare Curran	01/11/2022
Directorate Equality Group – Liz Mills	01/11/2022

<b>EIA Author</b>	
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[\\*Secure approval from the appropriate level of management based on nature of issue and scale of change being assessed.](#)

6c. EIA Team

<b>Name</b>	<b>Job Title</b>	<b>Organisation</b>	<b>Team Role</b>
David Green	Senior Finance Business Partner	Surrey County Council (Resources)	Author

If you would like this information in large print, Braille, on CD or in another language please contact us on:

Tel: 03456 009 009

Textphone (via Text Relay): 18001 03456 009 009

SMS: 07860 053 465

Email: [contactcentre@surreycc.gov.uk](mailto:contactcentre@surreycc.gov.uk)

**Note: equalities consideration for other schools funding proposals in this paper****Transfer of funding from schools block to high needs block**

Impact not considered, as the transfer formed part of the “safety valve” agreement, which has already been approved by the County Council, and thus is not a new policy choice.

**De-delegation of specified services**

Impact not considered, as no changes are proposed to the services being de-delegated, apart from the deletion of the primary schools contingency, which has been unused for several years. As it has been unused, it is impossible to demonstrate any impact on protected groups of deleting it.

**Changes to mainstream SEND funding**

No detailed proposals are included within this paper. This largely concerns a single group (children with SEND) often linked to protected characteristics (disability).

**Changes to early years funding**

The proposals here do not represent any change in general policy or any change in the balance between universal and targeted services and therefore there should be negligible impact on protected groups.