



August 12, 2020

Impact of Covid-19 on school and education funding

Dear Mr Goldman

I hope you are well and managing to navigate your way around the Covid-19 pandemic. I'm sure it has been, and continues to be, a major challenge for the Department for Education.

These are unprecedented times and you have our continued support as you try to work through all of the issues and return schools to some sort of normality.

The f40 group thought it would be beneficial to share with you some of the concerns and feedback we have received during recent weeks, from both local authorities and schools, relating to extra costs and funding pressures during the pandemic.

We appreciate that you are likely to be updating guidance for schools on claiming additional expenses in the coming weeks and thought our insight might be useful.

While the original guidance produced by the DfE was very helpful in the early stages, things have moved on significantly. We have found a number of areas where more clarity is required and where one set of rules cannot apply to all.

Our insight is as follows:

1. Existing issues are exacerbated

f40 is made up of 42 local authorities who are among the lowest funded for education in England.

Our members have expressed concern that existing pressures within the school system, such as lack of funding, insufficient resources for special needs, the need for early intervention, and the impact of MPPFL on rural and small schools and those supporting pupils with greater levels of additional need in low funded areas, have been further challenged by the coronavirus.

Covid-19 has focused a sharp lens on issues that already existed. This is particularly the case with High Needs funding.

In many ways, our members are less able to cope with the additional demands of the pandemic than better-funded schools, further highlighting the need for fairer distribution of budgets.

Similarly, with Early Years, while the inflationary 8p increase in funding this year was welcomed, this was the first increase in funding for a number of years. The sector is under immense strain. The loss of private income to Early Years providers has left the future of many in doubt, which could result in a severe lack of places for children.

While some Early Years providers have been able to apply for grants, others have not been eligible. Without financial help, they may close.

Suggestion: f40 believes short and long-term funding and support measures need to be in place to support schools, the High Needs Block and Early Years.

Clarity as to the department's view on the future of the maintained nursery school sector would also be useful.

2. Clarity of guidance

There was confusion around which additional costs schools and local authorities could reclaim during the pandemic.

For example, it is unclear whether Maintained Nursery Schools were eligible to claim for extra expenses as there was no mention of them in the guidance.

Requests for clarification, either directly with the EFSA or through conversations with Regional Schools Commissioners have thrown up similar contradictions, such as whether extra staffing costs can be reclaimed and how they are recorded and recouped.

Suggestion: We believe schools and local authorities need more clarity on the process for reclaiming expenses in any future claim window, and more recognition of the breadth of extra costs they are facing. One size does not fit all.

3. Breadth of additional costs

The current guidelines have been in place since the beginning of lockdown and, while helpful at the time, they have been superseded by changes to guidance and the length of school closures. We now have the benefit of hindsight and can better understand widespread extra costs, as well as extraordinary costs that may only be relevant to some.

f40 believes that schools should be as flexible as possible in their approach to extra expenditure and should be maximising on areas where they can make savings.

However, there are extra costs that all schools are facing, which we believe they should receive financial support with, such as:

- Additional deep, preventative cleaning
- Extra water usage for hand washing
- Providing hand sanitiser
- Displaying floor stickers and signage
- Using large quantities of PPE in special schools
- Subscription to E-learning platforms

There have also been many exceptional costs, such as:

- Posting of homework to pupils for one school amounted to £7,500
- A small school with only one set of toilets had to hire portable toilets to aid social distancing
- Providing mobile phones to teachers to enable them to carry out wellbeing/safeguarding calls with pupils – especially vulnerable pupils.

Schools and local authorities have experienced a number of funding pressures in recent weeks, but everyone is agreed that these issues will be magnified when schools return in September. The true financial cost of the pandemic to schools may not become clear until next year.

Suggestion: f40 believes schools should not be worse off due to the coronavirus and should receive financial support with extra costs that are common to all.

Suggestion: We believe allowance should be given for schools to recoup extraordinary expenses that may be specific to their situation. At the end of the financial year(s), it should become clearer whether there is a need for any schools to pay back funds.

4. Additional teaching costs

A number of schools have incurred additional teaching costs as a result of the pandemic. The current guidelines do not stipulate whether extra teaching costs will be met.

While many schools have been able to operate a rota system, either internally or with neighbouring schools, to provide on-going teaching to vulnerable children and children of key workers, we know of several instances where this has not been possible.

There are a number of instances where teachers had to work through their Easter and half-term holidays and have been unable to take time off later in the term to compensate, as suggested by the Department for Education.

Special schools, for example, provide specialist care and have not been able to rotate with others for two reasons:

- 1) They were open during the Easter holidays and half-term. Some staff were unable to take holidays and were unable to take time off in lieu during term time as they were required to support the number of small bubbles of children.
- 2) In some cases, pupils with special needs required support from staff they knew well.

Most schools have had reduced numbers of teaching staff, either because of sickness or because some teachers have been shielding, which has put more strain on those teachers available to work.

As a result, the rota system, has not always been a practical option. In some cases, schools have had to rely heavily on the use of supply teachers. The use of supply teachers has added pressure to the budgets of some of the lowest funded schools, with some reporting that their annual budget for supply costs have been spent within the first term.

For low funded schools, many of the staffing flexibilities have been removed in recent years to ensure schools remain viable. The use of teaching assistants in some cases is limited to support named children through an EHCP. Some schools do not even have a supply budget, with the headteacher often having to provide cover (on top of what may already be a regular class commitment).

Many teachers have worked additional hours to set up E-learning platforms for pupils, while continuing to provide homework and ongoing support. This requirement has increased with year groups returning, as in many cases a full teaching establishment has been necessary to cover the returning year groups.

Many support staff required to work in the holidays are on term-time only contracts. They have not been budgeted for or paid during the holidays – but were still needed when the

schools were open (e.g. admin/finance/reception and teaching assistants for pupils with EHCPs who were counted as vulnerable.)

All of this has led to additional staffing costs for many schools, which they are now struggling to meet.

Suggestion: f40 believes schools should be able to recoup extra staffing costs where they can show exceptional circumstances, where a rota system could not be utilised, and where staff could not be compensated with time off.

5. Loss of income

The greatest financial concern for many schools has been the loss of income caused by the pandemic. As schools closed, so did many of their private income streams.

Many schools within f40's member authorities struggle financially and rely heavily on private income, such as from breakfast and after school clubs and the hiring out of facilities, to help fund core education delivery.

The DfE has actively encouraged schools to create private income initiatives like these, but those schools that have are now among the hardest hit.

In many cases, while their private income has stopped, some costs have continued. For example, staff who run the breakfast club may have a second contract within the school, so may not be eligible for furlough, and the school must continue to pay their salaries.

And despite school astro-turf pitches and sports facilities being unavailable for hire, some schools may have to continue paying for their leases. This has placed a greater burden on budgets.

Suggestion: f40 believes the DfE should support schools who have lost income by agreeing to subsidise a percentage of it – for example, funding 75% of lost income. This would be in line with the approach taken with local authorities.

6. Catch-up grant

f40 welcomes the Government's £1bn Coronavirus catch-up grant – with £650m going directly to schools and £350m for a tutoring programme.

However, we believe more information and clarity is needed on how the grant will be distributed and how it is to be used in the months ahead.

Concerns have been raised about the long-term loss of funding through the Year 7 catch up, with any gains received through the National Funding Formula being eroded in meeting this loss in revenue. Special schools have raised particular concerns as, depending on need type, this could represent a substantial loss.

f40 believes SEND pupils will remain vulnerable unless a needs-based funding formula is introduced at the earliest opportunity.

Suggestion: The introduction of a needs-led funding formula for High Needs that protects the funding made available through the year 7 catch up grant.

Suggestion: Additional High Needs funding provided to schools to assist with additional pupil need (eg emotional support) as a result of the pandemic. This is especially important

for pupils in special schools with higher needs which have been exacerbated by the pandemic.

7. September return

a. Allowing a phased return

Many local authorities and school leaders believe that when children return to school in September, a number of issues will arise that may require additional support and discretion.

For example, while it is desirable to have all children back in school at the earliest opportunity, there are going to be instances where it is not practical or safe, such as with special schools.

Suggestion: Schools should be encouraged to bring all of their pupils back to school in September at the earliest opportunity but understanding and discretion should be used where particular challenges arise. Schools should be permitted to use phased returns if they can demonstrate the benefits to both staff and pupils.

b. Reassurance to parents

Some parents are understandably concerned about their children returning to school and f40 believes schools, local authorities and the DfE should provide reassurance to encourage all children to attend – rather than threats of prosecution.

c. Early intervention

Many local authorities and school leaders believe there will be a spike in special educational needs and exclusions when schools return in September. The pandemic and school closure will have had an adverse impact on many children, who may require short-term funding and support to assist them.

While some local authorities are expecting the number of EHCP applications to rise, we do not believe this is necessarily the answer to the expected increase in short-term issues. Rather than increasing the number of EHCPs, we believe early intervention programmes should be available to restore emotional well-being and provide additional support where needed.

Local authorities can play a key role in this bringing together large numbers of schools along with other key associated services such as social care. The importance of the role local authorities play has been highlighted during this current crisis and has demonstrated the impact they can have working closely with their local schools and families.

Suggestion: Early intervention funding, over and above the £1bn catch-up grant, should be provided, where needed, to ensure additional emotional and learning support can be accessed – reducing the likelihood of children needing EHCPs and to help children progress.

d. School transport

Many concerns have been raised by local authorities about how school transport will be managed when schools return in September.

Keeping children socially distanced on buses will be near impossible. It will also be extremely difficult for local authorities to timetable the additional school transport required.

While local transport authorities welcome the £40 million funding package dedicated for transport during the autumn term, it is still unclear how children will be able to arrive at school by public transport on time, due to the double running of routes and additional transport arrangements required to cover multiple destinations.

Suggestion: f40 believes local authorities should be given more guidance and clarity on how the £40 million funding package will ensure children are able to travel to school while social distancing measures remain in place.

Conclusion

Thank you for taking the time to read the insight we have gathered during recent weeks. We hope you find it useful and would be only too happy to discuss it in more detail if you wish.

Don't hesitate to contact either myself or Karen Westcott, Secretary of the f40 group, if you feel a call would be beneficial.

Kind regards

James McInnes
Chairman
F40
07961 275814

cc. Karen Westcott
07545 210067