

22 January 2025

2025-26 SCHOOLS FUNDING ARRANGEMENTS CONSULTATION RESPONSES

Report of the Director of Finance & Public Value and Interim Director of Children and Young Peoples Futures

RECOMMENDATIONS

It is recommended that Schools Forum:

- a) Specifically approve the proposals for schools funding (in line with the results of the consultation):
 - i. to set the Minimum Funding Guarantee (MFG) to at 0%
 - ii. to bridge any funding gap in the following order:
 - a. Reduced AWPU by up the allowed maximum of 2.5%.
 - b. Reduced all other factors by up the allowed maximum of 2.5%.

All to Vote

- b) Specifically approve the proposal to transfer 0.5% between blocks for 2025-26, to secure the Safety Valve agreement and implement plans to manage the high needs funding sustainably and meet the needs of children and young people earlier and in the right place.

All to Vote

- c) Vote on the Inclusion proposal based on the consultation responses. That Schools Forum note that the partnership, including the Authority and Devon Schools, now has to decide how we address the levels of exclusion in Devon going forward.

All to Vote

- d) Specifically approve the de-delegation of the services listed in Section 6.1 in line with the results of the consultation. The mainstream maintained schools' representatives of Schools Forum will be required to vote on each service (unless there is unanimous agreement to vote on all services together), with Primary and Secondary voting separately.

Vote: Maintained primary representatives.

Vote: Maintained secondary representatives.

- e) Specifically approve the funding of the following central services (in line with the consultation):
 - i. Emotional, Psychological & Social Wellbeing Services
 - ii. School Admissions

All to Vote

- f) That Schools Forum consider the SFG proposal in Section 8.3 and vote on how to fund the Phase Associations for 2025-26.

All to Vote

- g) Specifically approve the proposal to submit a disapplication request for exceptional circumstances relating to school premises for 2025-26.

All to Vote

1. Consultation 2025-26.

1.1. The consultation documents for [Schools Funding Arrangements 2025-26](#) were published on the Devon County website and 3 online drop-in sessions were held. All schools were invited to respond to the proposals contained within the document by 10th December 2024.

1.2. This report should be read in conjunction with the [consultation documents](#).

1.3. The outcomes strive to deliver the fairest distribution of funding for the majority of schools whilst keeping within both the funding envelope and adhering to the NFF guidance.

2. Responses.

- 2.1. 202 out of 351 individual schools (58% of all schools submitted responses to the consultation and these represent almost 52,400 pupils. This is a significant increase from the 33% of schools who submitted responses in the previous year.

Participants - Individual school responses	Academy Primary	Academy Secondary	Total Academy	Maintained Primary	Maintained Secondary	Total maintained	Total Schools
Number of schools	116	20	136	64	2	66	202
Number of schools %	57%	10%	67%	32%	1%	33%	100%
NOR	18,361	19,189	37,550	12,379	2,461	14,840	52,390
NOR %	35%	37%	72%	23%	5%	28%	100%

3. Schools Funding Questions.

- 3.1. A majority of schools agreed with the first three questions.

3.2. Question 1 - Minimum Funding Guarantee (MFG)

Do you agree with Devon's decision to set the MFG at 0% for 2025-26?

	Academy Primary	Academy Secondary	Total Academy	Maintained Primary	Maintained Secondary	Total maintained	Total Schools
Individual Schools:							
Agree	73	19	92	60	2	62	154
Disagree	0	0	0	2	0	2	2
Neither agree nor disagree	43	1	44	2	0	2	46
Total	116	20	136	64	2	66	202
Individual Schools %:							
Agree	36%	9%	45%	30%	1%	31%	76%
Disagree	0%	0%	0%	1%	0%	1%	1%
Neither agree nor disagree	22%	0%	22%	1%	0%	1%	23%
Total	58%	9%	67%	32%	1%	33%	100%

3.3. Question 2 - Excess funding available

Do you agree in principle with Devon's decision to distribute any unallocated funding in the following order?

- Go towards the amount being transferred to the high needs block up to a maximum of 0.5% **Provided Question 4 is agreed.**
- Increase AEN factors by up to the allowed maximum of 2.5%.
- Increase all other factors up to the allowed maximum of 2.5%.
- Increase the MFG up to a maximum of 0.5% per 2025-26 guidance.

	Academy Primary	Academy Secondary	Total Academy	Maintained Primary	Maintained Secondary	Total maintained	Total Schools
Individual Schools:							
Agree	45	4	49	45	2	47	96
Disagree	63	14	77	16	0	16	93
Neither agree nor disagree	8	2	10	3	0	3	13
Total	116	20	136	64	2	66	202
Individual Schools %:							
Agree	23%	2%	25%	22%	1%	23%	48%
Disagree	31%	7%	38%	8%	0%	8%	46%
Neither agree nor disagree	4%	1%	5%	1%	0%	1%	6%
Total	58%	10%	68%	31%	1%	32%	100%

3.4. Funding confirmation has been received from the DfE since the consultation was held and Devon Schools do not have excess funding available to be allocated in 2025-26. As such we no longer require Schools Forum to vote on Question 2.

3.5. Question 3 - A funding gap

Do you agree in principle with Devon's decision to bridge any funding gap in the following order?

- i. Reduced AWPU by up the allowed maximum of 2.5%.
- ii. Reduced all other factors by up the allowed maximum of 2.5%.

	Academy Primary	Academy Secondary	Total Academy	Maintained Primary	Maintained Secondary	Total maintained	Total Schools
Individual Schools:							
Agree	50	7	57	35	1	36	93
Disagree	34	12	46	15	1	16	62
Neither agree nor disagree	32	1	33	14	0	14	47
Total	116	20	136	64	2	66	202
Individual Schools %:							
Agree	26%	3%	29%	17%	0%	17%	46%
Disagree	18%	6%	24%	7%	0%	7%	31%
Neither agree nor disagree	16%	0%	16%	7%	0%	7%	23%
Total	60%	9%	69%	31%	0%	31%	100%

3.6. Funding confirmation has been received from the DfE since the consultation was held and as expected, Devon Schools have a funding gap in 2025-26.

4. Movement between Blocks.

4.1. A majority of 82% disagreed with question 4.

4.2. Question 4 - Movements into Another Block

Do you agree to a 0.5% transfer between Schools Block and High Needs Block in 2025-26 to protect the commitment made to the DfE as part of the Safety Valve agreement?

	Academy Primary	Academy Secondary	Total Academy	Maintained Primary	Maintained Secondary	Total maintained	Total Schools
Individual Schools:							
Agree	0	0	0	25	0	25	25
Disagree	108	19	127	35	2	37	164
Neither agree nor disagree	8	1	9	4	0	4	13
Total	116	20	136	64	2	66	202
Individual Schools %:							
Agree	0%	0%	0%	12%	0%	12%	12%
Disagree	55%	9%	64%	17%	1%	18%	82%
Neither agree nor disagree	4%	0%	4%	2%	0%	2%	6%
Total	59%	9%	68%	31%	1%	32%	100%

4.3. The proposal supports the vision and commitments articulated in the [Local Area SEND Strategy](#) so children and young people have the opportunity to thrive with access to the right support in the right place at the right time. Devon is looking to invest further in a support offer for schools that generates the equivalent system savings rather than applying the block transfer directly to the Schools Forum. The 0.5% block transfer will specifically be allocated to delivering the Local Area's strategic commitment to 'build inclusive communities' and safety valve condition to 'focus on improving early intervention through strengthened universal and targeted support'. This includes investment in a collection of functions to have the greatest impact.

- 4.4. The proposal to transfer 0.5% takes into account the dependencies of the [Devon safety valve agreement](#). Part of the on-going transformation and change programme necessitates fresh approaches to all elements of our financial management and control including those that impact schools. Our broader ambitions relating to collaboration, inclusive learning communities, practice development and increased accountability of our partner agencies with and within our education settings means that we are resetting our relationships. This new relationship will be supported with Devon's Inclusion and Learning Strategy that will be published in the Spring term.
- 4.5. Should the decision remain to reject a transfer the Council will pursue the request with the DfE via a disapplication to obtain a transfer up to 0.5%, based on safety valve intervention programme and our strategy to sustainably manage our high needs funding into the future. – Against.
- 4.6. Schools Finance Group (SFG) acknowledged the depth of feeling expressed during the consultation regarding the proposal to transfer 0.5% between blocks for 2025-26. While not endorsing the proposal, SFG recognises its role in securing the Safety Valve agreement and supporting efforts to manage high needs funding sustainably, ensuring the needs of children and young people are met earlier and in the right place.
- 4.7. SFG requested that a clear outline of the impact of the outcome of the Schools Forum vote is shared with Schools Forum members to support them to make an informed decision on the block transfer:
- Number of Schools Impacted.
 - 101 out of 351 schools will see no impact on their budgets of a 0.5% transfer between Schools Block and High Needs Block.
 - Impact on the safety valve.
 - The 0.5% transfer is part of Devon's safety valve intervention programme and while there is a risk that Schools Forum not voting for the transfer puts the safety valve at risk, we are unable to quantify the extent of that risk.
 - Transferring less than 0.5%
 - Schools Forum could agree to transfer less than the 0.5%. The Council will still pursue a disapplication request of 0.5% as this is what is currently specified in Devon's safety valve agreement.
 - Impact on High Needs budgets
 - If the 0.5% is not transferred that leaves a shortfall in the High Needs Block/Safety Valve. Budgets will need to be reworked and there is a risk that some of these High Needs budget reductions could fall on areas where schools currently receive funding/benefits from.

5. Inclusion

5.1. A majority of 97% disagreed with question 5.

5.2. Question 5 - Inclusion

Do you agree to a levy on exclusions of £21,000 per exclusion to create an incentive to develop inclusive learning communities?

	Academy Primary	Academy Secondary	Total Academy	Maintained Primary	Maintained Secondary	Total maintained	Total Schools
Individual Schools:							
Agree	0	0	0	5	0	5	5
Disagree	116	20	136	56	2	58	194
Neither agree nor disagree	0	0	0	3	0	3	3
Total	116	20	136	64	2	66	202
Individual Schools %:							
Agree	0%	0%	0%	2%	0%	2%	2%
Disagree	58%	10%	68%	28%	1%	29%	97%
Neither agree nor disagree	0%	0%	0%	1%	0%	1%	1%
Total	58%	10%	68%	31%	1%	32%	100%

5.3. The consultation responses show an overwhelming rejection of the proposal. The partnership, including the Authority and Devon's Schools, now has to decide how we address the levels of exclusion in Devon going forward.

5.4. SFG recommended a vote at Schools Forum to decide the next steps, based on the consultation responses, which indicate an overwhelming rejection of the proposal. Furthermore, SFG suggests initiating a collaborative process involving the Authority, Devon Schools, and key stakeholders to develop a clear and actionable framework for what inclusion should look like in Devon, addressing the ongoing issue of exclusion.

6. Delegation and De-delegation.

6.1. A majority of maintained primary schools and a majority of maintained secondary schools opted to keeping all the services funded through de-delegation. See [Appendix A](#) for details:

- Social Emotional & Mental Health Support Team
- Ethnically Diverse Education Achievement Service: EAL
- Ethnically Diverse Education Achievement Service: GRT
- Copyrights, Licences and Subscriptions
- Trade Union Facilitation
- Jury Service and Magistrate Support
- Maternity Service
- Schools Contingency & Exceptional Events
- School Effectiveness

6.2. De-delegation applies to mainstream, maintained schools only and is not an option for academies, special schools, nurseries or PRUs, but where de-delegation has been agreed for maintained primary and secondary schools, it is the Department's presumption that the Local Authority will offer the service on a buy-back basis to those schools and academies in their area which are not covered by the de-delegation.

7. Central Services - Emotional, Psychological & Social Wellbeing Services and School Admissions.

7.1. A majority of schools voted to keeping funding the following central services (see [Appendix B](#) for details):

- Emotional, Psychological & Social Wellbeing Services
- Schools Admissions

8. Central Services - Phase Associations

8.1. A narrow majority of schools voted for funding to remain in school budgets, for Phase Associations to no longer centrally funded and to instead be reliant upon a subscription model invoicing individual schools and trusts directly.

	Academy Primary	Academy Secondary	Total Academy	Maintained Primary	Maintained Secondary	Total maintained	Total Schools
Individual Schools:							
Maintain Phase Association funding for 2025-26	33	4	37	25	1	26	63
As Option 1, but for a 3-year term	8	6	14	20	0	20	34
Monies remain in schools budgets	75	10	85	19	1	20	105
Total	116	20	136	64	2	66	202
Individual Schools %:							
Maintain Phase Association funding for 2025-26	17%	2%	19%	12%	0%	12%	31%
As Option 1, but for a 3-year term	4%	3%	7%	10%	0%	10%	17%
Monies remain in schools budgets	38%	5%	43%	9%	0%	9%	52%
Total	59%	10%	69%	31%	0%	31%	100%

8.2. Top slice funding of £270,000 is currently allocated to the Phase Associations and ultimately to Devon Schools Leadership Services (DSL) CIO.

8.3. SFG discussed, to help schools more fully understand the unintended consequences, for schools and the LA, should phase associations no longer be funded in the current format. SFG proposed that, given the inconclusive consultation response, no change is made in 2025-26, and further consideration of this issue be invited during the 2026 consultation. This would provide an opportunity to consider the wider impact of the Phase Associations no longer being centrally funded.

9. Disapplication request - exceptional circumstances relating to school premises.

9.1. Schools Forum is expected to vote on disapplication requests relating to exceptional circumstances.

9.2. As in previous years Devon has submitted a disapplication application request to use exceptional circumstances relating to school premises to allocate funding through the NFF to schools that incur exceptional costs relating to dual use sports facilities, rent and other exceptional premises cost as per the [guidance](#).

9.3. These schools have been receiving this funding for many years and rely on it to fund their exceptional costs. We have been in contact with those schools who may qualify directly.

10. Recommendations

It is recommended that Schools Forum:

- a) Specifically approve the proposals for schools funding for Schools Forum consideration (in line with the results of the consultation):
 - i. to set the Minimum Funding Guarantee (MFG) to at 0%
 - ii. to bridge the funding gap in the following order:
 - a. Reduced AWPU by up the allowed maximum of 2.5%.
 - b. Reduced all other factors by up the allowed maximum of 2.5%.

All to Vote

b) Specifically approve the proposal to transfer 0.5% between blocks for 2025-26, to secure the Safety Valve agreement and implement plans to manage the high needs funding sustainably and meet the needs of children and young people earlier and in the right place.

All to Vote

c) Vote on the Inclusion proposal based on the consultation responses. That Schools Forum note that the partnership, including the Authority and Devon Schools, now has to decide how we address the levels of exclusion in Devon going forward.

All to Vote

d) Specifically approve the de-delegation of the services listed in Section 6.1 in line with the results of the consultation. The mainstream maintained schools' representatives of Schools Forum will be required to vote on each service (unless there is unanimous agreement to vote on all services together), with Primary and Secondary voting separately.

Vote: Maintained primary representatives

Vote: Maintained secondary representatives

e) Specifically approve the funding of the central services (in line with the consultation):

- i. Emotional, Psychological & Social Wellbeing Services
- ii. School Admissions

All to Vote

f) Consider the SFG proposal in Section 8.3 and vote on how to fund the Phase Associations for 2025-26.

All to Vote

g) Specifically approve the proposal to submit a disapplication request for exceptional circumstances relating to school premises for 2025-26.

All to Vote

Angie Sinclair
Director of Finance & Public Value

Julian Wooster
Interim Director of Children's and Young People's Futures

Please ask for: Adrian Fox
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22 January 2025

Appendix A

1. Delegation and De-delegation

1.1. Social Emotional & Mental Health Support Team (Behaviour Support) (Maintained schools only):

	Maintained Primary	Maintained Secondary	Total maintained
Individual Schools:			
Option 1 - De-delegate	46	1	47
Option 2 - Monies remain in schools' budgets	18	1	19
Total	64	2	66
Individual Schools %:			
Option 1 - De-delegate	69%	2%	71%
Option 2 - Monies remain in schools' budgets	27%	2%	29%
Total	96%	4%	100%

1.2. Ethnically Diverse Education Achievement Service (formerly EMTAS): EAL (Maintained schools only):

	Maintained Primary	Maintained Secondary	Total maintained
Individual Schools:			
Option 1 - De-delegate	49	1	50
Option 2 - Monies remain in schools' budgets	15	1	16
Total	64	2	66
Individual Schools %:			
Option 1 - De-delegate	74%	2%	76%
Option 2 - Monies remain in schools' budgets	22%	2%	24%
Total	96%	4%	100%

1.3. 3. Ethnically Diverse Education Achievement Service (formerly EMTAS): GRTS (Maintained schools only):

	Maintained Primary	Maintained Secondary	Total maintained
Individual Schools:			
Option 1 - De-delegate	47	1	48
Option 2 - Monies remain in schools' budgets	17	1	18
Total	64	2	66
Individual Schools %:			
Option 1 - De-delegate	71%	2%	73%
Option 2 - Monies remain in schools' budgets	25%	2%	27%
Total	96%	4%	100%

1.4. Copyrights, Licences and Subscriptions:

	Maintained Primary	Maintained Secondary	Total maintained
Individual Schools:			
Option 1 - De-delegate	61	2	63
Option 2 - Monies remain in schools' budgets	3	0	3
Total	64	2	66
Individual Schools %:			
Option 1 - De-delegate	92%	3%	95%
Option 2 - Monies remain in schools' budgets	5%	0%	5%
Total	97%	3%	100%

1.5. Trade Union Facilitation (Maintained schools only):

	Maintained Primary	Maintained Secondary	Total maintained
Individual Schools:			
Option 1 - De-delegate	60	2	62
Option 2 - Monies remain in schools' budgets	4	0	4
Total	64	2	66
Individual Schools %:			
Option 1 - De-delegate	91%	3%	94%
Option 2 - Monies remain in schools' budgets	6%	0%	6%
Total	97%	3%	100%

1.6. Jury Service and Magistrate Support (Maintained schools only):

	Maintained Primary	Maintained Secondary	Total maintained
Individual Schools:			
Option 1 - De-delegate	59	2	61
Option 2 - Monies remain in schools' budgets	5	0	5
Total	64	2	66
Individual Schools %:			
Option 1 - De-delegate	89%	3%	92%
Option 2 - Monies remain in schools' budgets	8%	0%	8%
Total	97%	3%	100%

1.7. Maternity Service (Maintained schools only):

	Maintained Primary	Maintained Secondary	Total maintained
Individual Schools:			
Option 1 - De-delegate	64	2	66
Option 2 - Monies remain in schools' budgets	0	0	0
Total	64	2	66
Individual Schools %:			
Option 1 - De-delegate	97%	3%	100%
Option 2 - Monies remain in schools' budgets	0%	0%	0%
Total	97%	3%	100%

**1.8. Contingency (Schools Support Panel) & Exceptional Events
(Maintained Schools Only):**

	Maintained Primary	Maintained Secondary	Total maintained
Individual Schools:			
Option 1 - De-delegate	61	1	62
Option 2 - Monies remain in schools' budgets	3	1	4
Total	64	2	66
Individual Schools %:			
Option 1 - De-delegate	92%	2%	94%
Option 2 - Monies remain in schools' budgets	4%	2%	6%
Total	96%	4%	100%

1.9. School Effectiveness

	Maintained Primary	Maintained Secondary	Total maintained
Individual Schools:			
Option 1 - De-delegate	60	2	62
Option 2 - Monies remain in schools' budgets	4	0	4
Total	64	2	66
Individual Schools %:			
Option 1 - De-delegate	91%	3%	94%
Option 2 - Monies remain in schools' budgets	6%	0%	6%
Total	97%	3%	100%

2. Central Services

2.1. Emotional, Psychological & Social Wellbeing Services

	Academy Primary	Academy Secondary	Total Academy	Maintained Primary	Maintained Secondary	Total maintained	Total Schools
Individual Schools:							
Option 1 - De-delegate	53	10	63	56	2	58	121
Option 2 - Monies remain in schools' budgets	63	10	73	8	0	8	81
Total	116	20	136	64	2	66	202
Individual Schools %:							
Option 1 - De-delegate	26%	5%	31%	28%	1%	29%	60%
Option 2 - Monies remain in schools' budgets	31%	5%	36%	4%	0%	4%	40%
Total	57%	10%	67%	32%	1%	33%	100%

2.2. Phase Association

	Academy Primary	Academy Secondary	Total Academy	Maintained Primary	Maintained Secondary	Total maintained	Total Schools
Individual Schools:							
Option 1 - Maintain Phase Association funding for 2025-26	33	4	37	25	1	26	63
Option 2 - As Option 1, but for a 3-year term (2025-26 to 2027-28)	8	6	14	20	0	20	34
Option 3 - Monies remain in schools' budgets	75	10	85	19	1	20	105
Total	116	20	136	64	2	66	202
Individual Schools %:							
Option 1 - Maintain Phase Association funding for 2025-26	17%	2%	19%	12%	0%	12%	31%
Option 2 - As Option 1, but for a 3-year term (2025-26 to 2027-28)	4%	3%	7%	10%	0%	10%	17%
Option 3 - Monies remain in schools' budgets	38%	5%	43%	9%	0%	9%	52%
Total	59%	10%	69%	31%	0%	31%	100%

2.3. Schools Admissions

	Academy Primary	Academy Secondary	Total Academy	Maintained Primary	Maintained Secondary	Total maintained	Total Schools
Individual Schools:							
Option 1 - De-delegate	65	15	80	63	2	65	145
Option 2 - Monies remain in schools' budgets	51	5	56	1	0	1	57
Total	116	20	136	64	2	66	202
Individual Schools %:							
Option 1 - De-delegate	32%	8%	40%	31%	1%	32%	72%
Option 2 - Monies remain in schools' budgets	25%	3%	28%	0%	0%	0%	28%
Total	57%	11%	68%	31%	1%	32%	100%