

Supplement to the agenda for

Herefordshire schools forum

Friday 14 January 2022

9.30 am

online meeting

	Pages
6. MINUTES	3 - 22
7. SCHOOLS BUDGET 2022/23	23 - 28
Report of the recommendations of the budget working group	

Minutes of the meeting of Herefordshire schools forum held at online meeting on Friday 24 September 2021 at 9.30 am

Present: Mrs K Weston (Local Authority Maintained Primary School) (Vice-chairperson in the chair)

Mr D Bennett	Academies
Ms N Emmett	Academies
Ms N Gilbert	LA Special Schools
E Gwillim	16-19 Providers
Mr J Hedges	Primary Governors
Mr P Jennings	Academies
Mr S Kendrick	Local Authority Maintained Primary School (with Nursery)
Mr C Lewandowski	Trade Unions
Mrs R Lloyd	Early Years
Mr P Deneen	Trade Unions

Officers: Strategic Finance Manager

25. APOLOGIES FOR ABSENCE

Apologies were received from the following forum members: Julie Cohn, Alex Davies, Georgie Griffin, Martin Henton, Tim Knapp, Tracey Kneale, Sian Lines, Norman Moon.

Apologies were also noted from the assistant director, education development and skills, and from the head of additional needs.

26. NAMED SUBSTITUTES (IF ANY)

The attendance of the following substitutes was noted:

Lynn Johnson for Georgie Griffin

27. DECLARATIONS OF INTEREST

Paul Deneen and Chris Lewandowski declared interests in agenda item 5 as representatives of unions.

28. MINUTES

Resolved: that the minutes of the meeting held on 19 March 2021 be approved as a correct record.

29. NATIONAL FUNDING FORMULA UPDATE 2022/23 (Pages 5 - 20)

Behaviour Support Service

The principal educational psychologist attended for this item and set out the background to the proposed de-delegation for the behavioural service. Forum members heard that:

- the service was currently operating on a pay as you go model and this was not sustainable beyond 2022;
- two options would be set out in the consultation papers for schools, a base level service and an enhanced service;
- the base level service would offer 113 days free at point of use for LA maintained schools, to cover individual consultation work, one-to-one interventions with children and workshops to teach skills to staff that they could take back to their schools;
- if schools supported the higher level service this would allow for a modest expansion in the team and increase the number of free days available;
- a set of criteria would be produced to prioritise requests for support;
- academies would continue to purchase services on a traded basis;
- the nurture hubs were an initiative sitting between mainstream and specialist provision and, after an initial settling in period, it was hoped they would offer outreach services that would complement the services of the behaviour team;
- some specific projects would continue to be funded separately.

The strategic finance manager explained that de-delegation would deduct funds from LA maintained school budgets at source and that the behaviour support team was a service for which the DfE permitted de-delegation. The base level service would come at a cost of £4 per pupil while the higher level offer would cost around £5.50 per pupil. Special schools were not included but could buy in support as required. It was intended that the funding agreed through de-delegation would be matched from the high needs block.

In discussing the proposal forum members highlighted the importance of the service, particularly in light of the unknown impact of covid. The relationship with pupil referral unit services was queried and it was suggested that conversations should take place with the new head of the unit once he was in post.

Herefordshire schools budget 2022/23

The strategic finance manager gave a presentation on the projected schools budget for 22/23. The principles used were the same as in previous years, namely to fully fund the national funding formula, transfer funding to the high needs block to support the SEN protection scheme and aim to set a balanced high needs budget. If there was surplus funding the strategic finance manager proposed to add this to balances to top up the reserves.

A change in the way sparsity was calculated would result in 9 additional small primary schools benefitting from this factor. The expected growth fund allocation would cover these additional costs.

The chair of the budget working group commented that there had been a good discussion about the proposals at the recent working group meeting and that group members had recommended the draft consultation paper. The proposals regarding the de-delegation for behaviour support had been added after that meeting and would be discussed at the next meeting.

It was noted that the proposals on the high needs budget were provisional and would be finalised by March 2022. Any costs arising from the potential closure of the sixth form provision at Westfield special school would be considered once that decision had been taken. The projected outturn for the current financial year for the high needs budget was a £144k overspend.

Response to DfE consultation paper

The strategic finance manager explained that the introduction of the national funding formula had been positive for Herefordshire schools. The county was now the highest funded of its eleven statistical neighbours compared to 7th out of 11 ten years earlier. This improvement was largely due to the national funding formula.

The DfE consultation paper set out next stages of the journey to a nationally set funding formula. The strategic finance manager ran through the proposed Herefordshire response to the consultation and noted that the council would also contribute to the collective response from the f40 group.

Forum members discussed the proposed response. It was highlighted that the national funding formula used an area cost adjustment to reflect labour market costs across the country but outside of London teachers were on national pay scales. There were concerns that it was unfair to apply an uplift to some local authorities.

The strategic finance manager explained that most local authorities did not receive any uplift from the area cost adjustment and that most authorities in London now received less funding under the national funding formula. The area cost adjustment was an attempt to deal with a complex national picture by objective means. The strategic finance manager offered to discuss the matter further after the meeting.

It was proposed that following these discussions the response to the DfE be amended to include forum member's concerns about the use of an area cost adjustment for areas outside of London, with the final text to be agreed by the vice chairperson who was chair of the forum meeting on this occasion.

It was resolved that:

- a) **The initial budget proposals for 2022/23 for schools and high needs be approved for consultation with schools during the autumn term; and**
- b) **The Budget Working group's proposed response to the DfE consultation paper be approved for submission by the due date of 30 September, subject to further discussions regarding the Area Cost Adjustment with the final text to be agreed by the vice-chairperson.**

30. LOCAL MANAGEMENT OF SCHOOLS - SCHEME AMENDMENTS

The schools finance manager explained the changes required to the scheme. In discussing the changes forum members noted that five year forecasts would always include a number of unknowns, such as future rates of inflation and pay, but these longer term forecasts were nevertheless felt to be useful.

It was resolved that the following changes be approved to the scheme:

- a) **Revision to Para 2.3.1 (a) "Each school must submit a five-year budget forecast each year by 1 June. In exceptional circumstances this may be extended to 30 June on request; and**
- b) **4.9 Licensed Deficits and recovery plans – new paragraph 4.9b – " Schools must submit a recovery plan to the local authority when their revenue deficit rises above 5% at 31 March of any year. The 5% deficit threshold will apply when deficits are measured as at 31 March 2021.**

Only schools members were eligible to vote on this item.

31. ANNUAL REVIEW OF SCHOOLS FORUM MEMBERSHIP

Forum members received the outcome of the annual review of membership. It was noted that:

- the forum was required to review membership on a regular basis to ensure that representation by schools members broadly reflects the proportion of pupils in academies and local authority maintained schools; and
- analysis of the 2021 January School Census showed no significant change in proportionality and as a result no changes were proposed to the allocation of seats on the forum or the working group.

It was resolved that:

the outcome of the annual review of proportionality be noted and no changes made to allocations of seats on Herefordshire Schools Forum or the Budget Working Group.

32. DATES OF FUTURE MEETINGS AND WORK PROGRAMME

The dates of meetings for the 2021/22 academic year were noted as:

10 December 2021

14 January 2022

18 March 2022

15 July 2022

The draft work programme was noted as containing the standard regular items.

The clerk outlined that the DfE consultation document on the future of the funding formula included at Annexe B the proposed changes to the responsibilities of the schools forum under a hard national funding formula. There were still details to be worked through, notably in relation to SEN, but it was clear that the DfE still saw a role for a local forum.

The clerk explained that the term of office of current members of the forum had come to an end and that in light of the information in the DfE document it was proposed to proceed with recruitment for a new membership for the next 3 year term. The forum noted that the clerk would initiate recruitment procedures in October.

The meeting ended at 11.22 am

Chairperson

Herefordshire School
Funding proposals 2022-23

Schools Forum 24 Sept 21

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DfE National proposals for NFF 2022-23

- 3.2% national increase equivalent to 2.8% per pupil
- NFF core factors +3%
- Minimum per pupil funding levels +2% i.e.
 - Primary £4,265
 - Secondary £5,525
- Increases in sparsity +£10k
 - Primary at £55k, secondary £80k
 - Use of road distance so more Herefordshire schools will qualify
- NFF to use EAL factor & pupils qualify for 3 years
- National High Needs Budget +9.6%
- Herefordshire's growth funding now forecast at £0.6m

Herefordshire proposals for NFF 2022-23

- Fully fund at NFF values
- Growth fund not finalised, 10 places agreed for Fairfield and 30 places for Kingstone @ £182k
- Transfer funding to high needs block to fund SEN protection scheme
- Look to use any surplus to top up DSG reserves
- Aim for balanced high needs budget at +£2m
 - Independent special schools
 - Inflation on top-up funding
 - Get a fix on (net) Beacon College costs re Nov EFA
 - PRU extras for TLR Protection and split site working

Schools Block Strategy 2022-23 – slide 1

- Estimated allocations for the schools block based on an estimated 22,252 pupils
- DSG schools funding allocation £116,007,000
- Forecast growth funding £600,000
- Total Schools Block funding £116,607,000
- NFF cost 2022/23 £115,889,000
- Reserved for expected increase in FSM costs £101,000 in Oct 2021 census
- Available for allocation outside of NFF: £617,000

Schools Block Strategy 2022-23 slide 2

- Available for allocation outside of NFF: £617,000
- to: high needs support for schools: £435,000
- to: secondary basic need growth funding for Golden Valley £182,000
- Fully fund the road distance sparsity for 9 small primary schools and amount for increased school meal costs based on October 2021 census data
- New proposal for de-delegation to support the Behaviour service in the consultation
- Two year commitment to Budget software de-delegation as council due to extend the contract

High needs initial proposals 2022-23

- Current year forecast is +£144k overspend due to independent special schools (+£0.45m to date)
- Independent special schools +£0.75
- Increase in top-up tariffs +£0.6m
- ¹⁰• PRU support costs +£0.1m
- Growth in SEN protection scheme £0.05m
- Nurture groups £0.12m
- Beacon College/SEN places £0.45m
- Re-instate balances if possible £0.2m

Proposed response to DfE consultation

- Question 1: Do you agree that our aim should be that the directly applied NFF should include all pupil-led and school-led funding factors and that all funding distributed by the NFF should be allocated to schools on the basis of the hard formula, without further local adjustment through local formulae?

13 Yes

Proposed response to DfE consultation

- Question 2: Any comments on how we could reform premises funding during the transition to the directly applied NFF? e.g. PFI costs, exceptional circumstances, split sites
- PFI costs and the affordability gap in particular with its reliance on future inflation rates is extremely complex and future consultation is essential. At this stage it is not at all clear how the responsibility for the affordability gap can be split between the Local authority and the DfE whilst maintaining the link with RPIX inflation.
- There is a significant risk that the NFF will be distorted in unacceptable ways to deal with the few schools involved with PFI. It may be better to keep PFI outside the national formula until contracts expire.

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Proposed response to DfE consultation

Question 3: Do you agree with our proposal to use national, standardised criteria to allocate all aspects of growth and falling rolls funding? **Yes**

Question 4: Do you have any comments on our proposed approach to growth and falling rolls funding?

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Whilst agreeing with the proposal to use national standardised criteria we are concerned that no definition of significant growth is provided. Care must be taken to recognise that "significant" growth must relate to the size of the school(s) and that significance in rural areas may be much lower than what is regarded as significant in urban areas. Significance must in part relate to the unavailability of alternative places within easy travelling distances.

Proposed response to DfE consultation

- Question 5: Do you agree that, in 2023-24, each LA should be required to use each of the NFF factors (with the exception of any significantly reformed factors) in its local formulae?
- Yes
- Question 6: Do you agree that all LA formulae, except those that already 'mirroring' the NFF, should be required to move closer to the NFF from 2023-24, in order to smooth the transition to the hard NFF for schools?
- Yes
- Question 7: Do you agree that LA formulae factor values should move 10% closer to the NFF, compared with their distance from the NFF in 2022-23? If you do not agree, can you please explain why?
- Yes

Proposed response to DfE consultation

- Question 8: As we would not require LAs to move closer to the NFF if their local formulae were already very close to the NFF, do you have any comments on the appropriate threshold level?
- I'm not sure that local authorities should be allowed to exceed the NFF as this may cause transition problems in later years. DfE need to consider what LAs should be permitted to do with any unused School Block funding. In general 98% or 99% would seem an appropriate threshold.
- Question 9: Do you agree that the additional flexibility for LAs in the EAL factor, relating to how many years a pupil has been in the school system, should be removed from 2023-24?
- Yes

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Proposed response to DfE consultation

- Question 10: Do you agree that the additional flexibilities relating to the sparsity factor should remain in place for 2023-24?
- Yes
- Question 11: are there any comments you wish to make on the proposals we have made regarding ongoing central school services, including on whether in the future central school services funding could move to LGFS?
- it would seem sensible to move this funding into the Local Government Finance settlement and abolish the central school services block as it is a relatively small amount.
- Question 12: Do you agree with the proposal for a legacy grant to replace funding for unavoidable termination of employment and prudential borrowing costs?
- Not sure

Proposed response to DfE consultation

Question 13: How strongly do you feel that we should further investigate the possibility of moving maintained schools to being funded on an academic year basis?

- Strongly agree

Question 14: Are there any advantages or drawbacks to moving maintained schools to being funded on an academic year basis that you feel we should be aware of?

- This proposal was strongly supported by Herefordshire Schools Forum and the Budget Working Group on behalf of all schools.
- The only disadvantage will fall to the local authority that will have to work across both the "local government" financial year and the academic year resulting more year end processes for e.g. funding allocations for the periods April - August and September - March.

Proposed response to DfE consultation

- Question 15: Please provide any information that you consider we should take into account in assessing the equalities impact of the proposals for change.
- No additional comments beyond the DfE's assessment
- Question 16: Are there any further comments that you wish to make about our proposed move to complete the reforms to the NFF?
- 28 • Not sure that there should be a legacy grant paid in full to those authorities that have unavoidable termination of employment costs and prudential borrowing costs.
- These authorities have received the benefits of new school buildings from prudential borrowing and better retirement settlements for school staff which have been paid for in agreement with their school forums and schools by reducing funding to schools.

Proposed response to DfE consultation

Question 16 continued

- Authorities that have preferred to pass all their school funding to schools and not used school funding to pay for such benefits will now receive exactly the same national funding formula as all other local authorities, which is right and proper.
- However the government is proposing to fully fund these legacy costs which is unfair on local authorities that did not incur such costs. Without knowing the number of authorities and costs involved it is impossible to comment objectively but it would seem fairer that any such legacy grants were paid to meet 50% or 75% of the cost so that those authorities continue to pay a contribution towards the benefits they continue to receive.

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Meeting:	Schools Forum
Meeting date:	14 January 2022
Title of report:	Supplementary Report of the Budget Working Group
Report by:	Strategic Finance Manager

1. The report to the Schools Forum on the Schools Budget 2022/23 includes details of the final DSG settlement as published by government on 16 December 2021 and recommendations on allocations from the Local Authority. It does not include any comment from the Budget Working Group (BWG) referring only to the submission of this supplementary report from the Group.
2. The BWG met on 7 January 2022 and considered the proposals set out in the report to the forum. The BWG was in general supportive of the budget proposals. In addition the working group considered a proposal (see appendix) from the chair of SACRE for an increase in funding for 2022/23. The BWG's observations are as follows;

Transfer to the High Needs Block

3. The BWG noted the proposals for the 22/23 schools budget and that there had been a very low response rate to the consultation. This may reflect general satisfaction with the proposals but the pressures of Covid may also have reduced the response rate. It was explained that the purpose of the SEN protection scheme is to balance out fluctuations in the numbers of pupils in individual schools with EHCPs and to provide additional funding for those schools with higher numbers of pupils in receipt of top-up funding so that such schools are not financially disadvantaged. The number of EHCPs were now double the number of Statements that had been in place, despite applying robust processes to challenge referrals from schools.
4. In relation to the transfer from the schools block to the high needs block, the group supported the recommendation for a transfer of £507,224 which would require reduction in spend of £88k, increasing the cap of what schools must spend to £160 x NOR.

De-delegation for the Behaviour Support Service

5. The proposal for de-delegation for the Behaviour Support Service came about due to a lack of trading income from schools due to covid and without further financial support from de-delegation and the high needs block the service would have to cease from September 2022. It was recognized there were difficulties in operating a trading service with a small number of staff and that increasing costs to schools could result in a fall in take up. These services were unlikely to be available outside of the local authority if the service ceased.
6. The group discussed the proposals and it was noted that:
 - A previous attempt to integrate the service with Pupil Referral Service had not been successful but could be reconsidered in the future when Pupil Referral Service was robust enough to manage this;
 - The service had only been back in house for 6 months before covid hit so it was hard to judge the level of demand;
 - The service could be better advertised;

- There was support for sustaining the service for 2022/23 with a review ahead of any decision for 2023/24.
- The imminent publication of the DfE's SEND review could potentially make proposals for high needs services and that it would be premature to make permanent changes to the service that may have to be reversed later.

Proposal for an increase in SACRE funding

7. The current SACRE budget proposals for the central block funding for 2022/23 already included an increase to £6k per annum for SACRE and that the small additional increase of £120 for core activities could be accommodated. The working group was supportive of this.
8. The BWG were advised that the central block budget for 2022/23 is already fully committed for 2022/23 and this includes a proposed transfer of £75k to the high needs block. If the SACRE proposals for a support programme for teachers and pupils were to be implemented this would reduce the amount that could be transferred to the high needs block and savings would need to be found to compensate for this. The group considered there were other options to support the proposed SACRE activities. Two secondary headteachers agreed to speak with the chairperson of SACRE about arranging events at their schools which could be used as exemplars of an alternative approach.

The Budget Working Group recommends:

- a. a transfer of £507,224 from the high needs block which would require reduction in spend of £88k, increasing the cap of what schools must spend to £160 x NOR.
- b. Option A in relation to the behavior support service, namely de-delegation at £4 per pupil for one year only pending a more detailed review.
- c. that the central block funding be recommended as per the published report with the small £120 additional increase to the SACRE funding for core activities only.

Proposed requirement for income to run Herefordshire SACRE 2022 / 2023

Request for finances to run an effective SACRE in Herefordshire

I submit this request in two sections.

1. The core requirements for the effective running of SACRE
2. To enhance the capability of SACRE members and to reinstate a program of support for teachers and pupils in Herefordshire.

(1) Core requirements for the running of SACRE

Requirement for contract with RE Today 2022 / 2023 & Syllabus	£5,000
For additional meeting in summer term 2022	£500
National SACRE (NASACRE) membership 2022	£120
National SACRE membership 2023	£120
SACRE training programme (dependent on NASACRE membership)	£500

(2) Support programme for Teachers and pupils**Pupil's conference**

Facilitators / organisers	£2,000
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Expenses, including travel, refreshments and lunch for faith representatives	£250
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Schools project	£1,000
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SACRE is not just a legal requirement forced upon authorities because it is the law, it is about supporting our children and pupils in our county. It is about helping to educate them in the cultural differences of this diverse country.

We are one of the most diverse countries in the world. We are also one of the most liberal and it is incumbent upon us to develop our children's understanding of our diverse country within our diverse world. Our county, on the other hand, is not diverse and it is our duty to prepare our pupils for the increasingly diverse world that they will play their part in. Your SACRE can be a valuable resource for schools by helping to support and train teachers of RE. A resource of faith representatives, that can help our students develop an understanding of the various faiths and beliefs practiced in this country and around the world. It is a pupil's entitlement to be taught about cultural diversity. They are entitled to good RE delivery which includes an understanding of the cultural diversity of the people that they will meet in their lives. Religious education is not just about an understanding of our Gods. With an understanding of diverse faiths, how they pray and to what, coupled with an understanding of their history and geography, helps to cement relationships and prevent actions based on hatred and ignorance.

There are three things that we wish to see happen, involving our SACRE, over the coming three years. Training for SACRE members. An interaction day with primary pupils and an annual or biennial conference with senior students.

Beside our statutory directive of developing the RE syllabus every five years and compiling reports it is the role of an effective and supportive SACRE to:-

- Share ideas with teachers on how they can incorporate RE into any of their other classes, underpinning much of their teaching. Not in an evangelical way, but in a way that reinforces sound ethics.
- Encourage a platform for teachers of RE to share different ideas.
- Meet the children on many levels whether it be for prayers, for classroom workshops, or as qualified teachers of our subject.
- Visit schools and share our faiths with pupils.

- Hold conferences to impart the syllabus to teachers and give them ideas on content for exciting RE in their classrooms.

It is common for a proactive and effective SACRE to offer all this within their county.

When we look at what SACREs receive as funding from their councils, it ranges from £96,000 per annum to a sorry few that refuse to support their SACREs at all. Within this graph we are sadly very near the bottom.

The majority of our current funding, goes to our schools' advisors. RE Today. The remaining small sum is put towards the review and production of the new syllabus every 5 years.

Currently we are receiving £5,000 per annum This barely enables us to hold two meetings per year, which are held in the Autumn and Spring terms. We then have some seven to eight months between our Spring and Autumn meetings, when members lose momentum and ideas become lost due to the length of time. To run at a minimally acceptable level of SACRE we would like to reinstate the summer term meeting so that we can spend the time required to discuss and make decisions regarding our statutory requirements. Currently we are overrunning on our two meetings a year. We are unable to discuss considerations fully, thereby making decisions in a more rushed manner than we would like. We are finding it hard to retain our faith representatives, as they cannot see how they can be of any great benefit due to being unable to following through with interesting initiatives.

For us to hold a meeting this coming summer term we would require a further £500 to pay our schools advisor.

We were very fortunate the last time that the contract for School Advisors was at bidding stage that we were able to persuade RE Today to bid at half of their usual rate. This was a one off. No other RE Advisor was prepared to bid at the low level of money available. The reason that we are able to make some savings in this direction is that RE today share the information to a number of SACREs and we are effectively supported by another SACRE that has more reasonable funding. This was definitely a one off and we cannot expect this consideration in the future.

We need some training.

There are only three members of our current SACRE board who have ever received any training.

It is our proposal that we re-join NASACRE. This would enable us to attend their conferences and keep abreast of good practice within RE and within SACREs around the country. In this way it would enhance our ability to support our schools and would mean that we could access the zoom training programme, that has recently been developed, at a much-reduced cost.

- Current annual cost for NASACRE members is £120
- For two members to attend the annual SACRE conference. Usually these are around £110 per person, however the zoom conference in 2021 was at a much-reduced fee of £40 for two delegates and £60 for four.
- The current training series cost around £500 which covers the 10 sessions. This is for all SACRE members whose SACRE is a member of NASACRE

We would request that you consider

**Annual membership x2	£240
Conference delegates x2	£40
Training for all SACRE members	£500

** Due to time of receiving any agreed funds it would be useful for us to have 2023 membership ahead of time as we would be unable to take advantage of conference and training programme if continuance of funds is unavailable.

Schools project

We propose that we hold a pupil's day for primary children in Hereford. To be held at one of our senior schools. (We have been offered a school). This to be held on a Saturday in order that children can invite their parents to a fun day to meet those of various faiths living within our county. Interaction with the children by role play, music and dance and a 'worship experience'. Hopefully the cultural experience will include enjoying various foods used in ceremonies. This will enhance both the children's and parents understanding of those of faith in a non-evangelical way. If successful we propose that this is repeated every three years or so. Student teachers will be encouraged to be involved with the organisation and running of the event, which will help with their commitments.

We propose to run the idea in one our villages this coming summer to develop our thinking.

We require some funding for various elements, including food. For advertising and any other needed expenses that we have not itemised at this stage. This I would suggest should be in the region of £1,000 which would more than cover our ideas.

Schools conference and debate

We propose to hold conferences for pupils at key stage 4 in the Autumn term. Perhaps biennially at this stage, but would hope that it could be funded annually. These types of events have proved popular and invaluable to student who are approaching their exams, giving an opportunity for workshops and debates at a level which will enhance their understanding of comparative religion. The format is that pupils from different schools meet and work together throughout the day with workshops in the morning and a debate involving faith representatives in the afternoon. These are often run by RE Today at a cost of £1,000 per facilitator and usually involve 2 - 2 1/2 people. We also need to offer travel expenses to those faith representatives who attend and it is customary to offer a finger buffet style lunch. These are variable costs of course

We have been underfunding for many years and it is our sincere wish that we start to redress the balance.

Chairperson of Herefordshire SACRE
Venerable Tsultrim Tenzin Choesang

