

Agenda

Herefordshire schools forum

Date: **Friday 15 March 2019**

Time: **9.30 am**

Place: **The Council Chamber - The Shire Hall, St. Peter's Square, Hereford, HR1 2HX**

Notes: Please note the time, date and venue of the meeting.

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Agenda for the Meeting of the Herefordshire schools forum

Membership

Chairman	Andy Evans	Mainstream Academies
Vice-Chairman	Julie Cohn	Academy Special School Representative
	Sian Bailey	LA Maintained Special Schools
	Christine Bryan	Academies
	Pat Burbidge	Archdiocese of Cardiff
	Steven Fisher	Academies
	Edward Gwillim	16-19 Providers
	Kimberly Harley	PRU management committee
	Joe Hedges	Primary Governors
	Martin Henton	LA Maintained Secondary Schools
	Ali Jackson	Early Years Representative
	Paul Jennings	Academies
	Steve Kendrick	Local Authority Maintained Primary School (with Nursery)
	Tim Knapp	Academies
	Chris Lewandowski	Trade Unions
	Sian Lines	Church of England
	Rose Lloyd	Early Years
	Norman Moon	LA Maintained Primary Schools
	Paul Deneen	Trade Unions
	Julie Rees	Local Authority Maintained Primary School
	Rachel Rice	Secondary Governors

Agenda

	Pages
1. APOLOGIES FOR ABSENCE To receive apologies for absence.	
2. NAMED SUBSTITUTES (IF ANY) To receive any details of Members nominated to attend the meeting in place of a Member of the Forum.	
3. DECLARATIONS OF INTEREST To receive any declarations of interest by Members in respect of items on the Agenda.	
4. MINUTES To approve and sign the minutes of the meeting held on 22 January 2019.	5 - 12
5. HIGH NEEDS BUDGET 2019/20 To review the Dedicated Schools Grant high needs budget for 2019/20 and recommend to the cabinet member children and families any necessary adjustments in the Pupil Referral Service charges to schools and SEN support services to schools.	13 - 24
6. WORK PROGRAMME AND DATES OF FUTURE MEETINGS To consider the planned work programme and confirm dates of future meetings.	25 - 30



**Minutes of the meeting of Herefordshire schools forum held at
The Council Chamber – The Shire Hall, St Peter’s Square,
Hereford, HR1 2HX on Tuesday 22 January 2019 at 9:30am**

Present: Mr A Evans (Mainstream Academies) (Chairman)

Ms C Bryan	Academies
Mr S Fisher	Academies
Mr J Hedges	Primary Governors
Mr M Henton	LA Maintained Secondary Schools
Mr T Knapp	Academies
Mr C Lewandowski	Trade Unions
Mrs S Lines	Church of England
Mr N Moon	LA Maintained Primary Schools
Mr P Deneen	Trade Unions
Mrs J Rees	Local Authority Maintained Primary School
Ms R Rice	Secondary Governors

In attendance: Councillors CA Gandy

**Officers: Lisa Fraser, Assistant Director Education Development and Skills
Malcolm Green, Strategic Finance Manager (SFM)
Les Knight, Head of Additional Needs (HAN)**

20. APOLOGIES FOR ABSENCE

Apologies were noted from: Mrs S Bailey, Mr E Gwillim, Ms K Harley, Mr S Kendrick and Mrs R Lloyd.

21. NAMED SUBSTITUTES (IF ANY)

None.

22. DECLARATIONS OF INTEREST

None.

23. MINUTES

The SFM updated the forum that contact had been made with the offices of both Herefordshire MPs with a view to their meeting with members of the forum. As neither MP was able to attend the planned January or March meetings of the forum, a letter would be sent to them setting out the key matters the forum wished to raise and requesting that they suggest alternative dates for a separate session.

Resolved: that the minutes of the meeting held on 19 October 2018 be approved as a correct record and signed by the chair.

24. SCHOOLS BUDGET 2019/20

The SFM introduced the report. Key points noted were:

- the Budget Working Group considered the report on 11 January 2019 and did not make any additional or alternative recommendations;
- primary schools had indicated that they valued the SEN protection scheme and the proposed transfer of £112k ensured that the current cap remained for 2019/20;
- additional funding for high needs had been allocated by the government after the consultation with schools had been carried out, the additional funding of £375k for each of 2018/19 and 2019/20 was welcome and had been incorporated into the high needs block projections shown at paragraph 17 of the report;
- there was no indication whether there would be similar additional funding for future years but the one off allocation reduced the possibility of the LA needing to top slice school budgets to meet a deficit in the high needs block, current projections showed a positive balance figure through to 2021/22;
- if demand continued to increase or the funding from the DfE changed substantially then the forecasts would be revised, it was agreed that the high needs block be kept under annual review to ensure sensible budget setting;
- the detail of the high needs budget for 2019/20 would be brought to the March forum meeting with revised forecasts, rising numbers continued to be a concern.

The SFM summarised the recommendations before the forum:

- recommendation (a) fully implemented the national funding formula (NFF) values at a total cost of £100.2m;
- recommendation (b) made additional allocations relating to the expected surplus of £0.3m reflecting the outcome of consultation with schools in the autumn term, this resulted in an additional £10 per pupil on top of the NFF values, an increase to the Minimum Funding Guarantee (MFG) to ensure this was passed to all schools and a transfer of £112k to the high needs block to support the primary SEN protection scheme;
- recommendation (c) allocated additional surplus funds that had not been projected on a broadly equal share between allocating to schools and supporting high needs, this resulted in a further £5 per pupil, an increase in the MFG to the maximum permitted 0.5% to ensure this was passed to all schools and a further transfer to the high needs block of £103k to support the increase in special school places;
- recommendation (d) was a technical matter setting the protected funding level so that the government's 0.5% increase on 2017/18 baselines would be passed on to all schools;
- recommendation (e) set out the allocation of the central schools services block, which included a transfer of £56k surplus funds in this block to the high needs block;
- recommendation (f) related to early years block funding, as the funding received from the government was unchanged no changes were proposed to the early years funding formula, the pass through percentage would be 97.5%;
- recommendation (g) related to de-delegated services for LA maintained schools, the only significant change from the previous year was the transfer of free school meals administration to a service level agreement which would reduce the need for multiple small invoices to be sent to schools.

In discussion of the report the following points were noted:

- Herefordshire had not previously benefitted from pupil growth funding as it was a long time since a new school had been created. The DfE had moved to allocating

growth funding on a formulaic basis so it was expected that Herefordshire would receive this funding in future but the amount it would receive each year was uncertain.

- The additional capital funding set out by the government in the 2018 Budget had not yet been allocated. It was anticipated that more information would be available before the end of the financial year and as soon as the LA received the funds it would pass these on to maintained schools.
- A static budget for education psychology and apparent reduction in budget for the SEN assessment team were raised as a concern. However, the HAN confirmed that the current level of demand, while creating pressures, was being managed within the budgets set. The reduction in the SEN assessment team resulted from the loss of interim staff working on the transition of statements to EHC plans and should not be seen as a reduction in the service since that work was now complete and staffing levels returned to the period prior to the EHC conversions. Predicting the level of future demand remained challenging.
- Work continued with secondary schools to reshape the PRU service. This work still needed to take place even in light of the additional high needs funding received.
- The broad strategy remained to delegate as much funding to schools as possible while ensuring the high needs block was sustainable. The LA would aim to pass on the NFF values to schools with any extra dependent on demands elsewhere.
- The Budget Working Group (BWG) considered the report on 11 January 2019 and did not make any additional or alternative recommendations. The chair of the BWG commented that the group welcomed the additional funding and agreed with the proposal to share the additional funds between schools and the high needs block. Previous concerns about propping up the high needs block with transfers from other blocks remained but the pressure on the high needs block had been recognised by the group.
- De-delegation related to budget deductions at source for central services provided by the LA to maintained schools. The current de-delegations had been in place for some years. The trade union facility amount for primary schools reduced for 2018/19. The only change proposed for 2019/20 was the introduction of a service level agreement for free school meals administration. Academies would be invoiced for services.
- A member of the forum suggested that schools should be given the choice whether to have the services rather than de-delegate. Service level agreements gave schools the choice to opt in or source their services elsewhere. It was noted that the response to the consultation was significantly in favour of the de-delegations proposed, although the total number of responses was disappointingly low. It was agreed that the BWG be asked to review the de-delegations ahead of the next budget consultation to assess if schools were getting best value and what the impact would be of a move to another model such as service level agreements. The LA was required to consult schools every year and all members of the forum were asked to encourage schools to respond.

Resolved that:

The local implementation of the National Funding Formula (NFF) for 2019/20 as set out in the consultation document and recommendations (a)-(f) as below, be

approved for recommendation to the Cabinet member for children and families as follows;

(a) The final school funding values be agreed, subject to a minimum total funding per pupil of £3,500 for primary schools and £4,800 for secondary schools, including the adoption of the NFF sparsity taper, as follows:

1.	Basic entitlement per pupil	Primary	£2,747
2.	Basic entitlement per secondary pupil	Key stage 3	£3,863
3.	Basic entitlement per secondary pupil	Key stage 4	£4,386
4.	Deprivation per free school meals	Primary	£440
5.	Deprivation per free school meals	Secondary	£440
6.	Deprivation per ever-6 free school meals	Primary	£540
7.	Deprivation per ever-6 free school meals	Secondary	£785
8.	Socio-economic deprivation Income Deprivation Affecting Children Index (IDACI)		
9.	Band A (3% of pupils)	Primary	£575
10.		Secondary	£810
11.	Band B (8% of pupils)	Primary	£420
12.		Secondary	£600
13.	Band C (7% of pupils)	Primary	£390
14.		Secondary	£560
15.	Band D (8% of pupils)	Primary	£360
16.		Secondary	£515
17.	Band E (9% of pupils)	Primary	£240
18.		Secondary	£390
19.	Band F (10% of pupils)	Primary	£200
20.		Secondary	£290
21.	Band G (55% of pupils)	Primary	£0
22.		Secondary	£0

23.	Low prior attainment per pupil	Primary	£1,022
24.	Low prior attainment per pupil	Secondary	£1,550
25.	Lump Sum	Primary	£110,000
26.	Lump Sum	Secondary	£110,000
27.	Looked After Children, primary and secondary		£0
28.	Primary sparsity, on a NFF taper basis, over 2 miles and less than an average year group size of 21.4 pupils		£15,625
29.	Secondary sparsity, on a NFF taper basis, over 3 miles and less than an average year group size of 120 pupils		£40,625
30.	English as additional language per primary pupil (year 1 basis)		£515
31.	English as additional language per secondary pupil (year 1 basis)		£1,385
32.	PFI contract		£286,824
33.	Business rates		£1,224,807
34.	Exceptional premises factor (Eastnor)		£8,764

(b) the options as supported in the schools' consultation paper be agreed at a cost of £281k, as follows;

- (i) Funding of £10 per pupil additional to the national funding formula as set out in (a) above be recommended
- (ii) That the Minimum Funding Guarantee be set at 0.33% to ensure those schools on the guarantee also receive the £10 per pupil additional funding as in (b)(i) above be recommended
- (iii) The transfer of £112,000 equivalent to 0.12% of the total schools block to the high needs block for 2019/20 to help fund the primary Special Educational Needs (SEN) protection scheme and ensure the current cap of 130 pupils continues for 2019/20 be recommended

(c) The additional funding within the schools block of £197k be allocated as follows;

- (i) An additional £5 per pupil for primary and high schools and a further increase 0.17% in the MFG i.e. a total of the maximum permitted 0.5%.

- (ii) **An additional £103,000, equivalent to a further 0.10%, be transferred to the high needs block in support of the increase in special school places**

(d) the protected funding level be adopted in order to pass through to all schools the government's 0.5% increase this year on 2017/18 baselines;

(e) The central school services block be used to fund the former Education Services Grant retained duties (£360k), national licences for schools (£131k), Schools Forum (£12k) and admissions (£132k – reduced by £10k) and the remaining £56k is transferred to the high needs block for 2019/20;

(f) For the early years block:

- (i) **There is no change in the early years funding formula for providers in Herefordshire**
- (ii) **Central expenditure of £335k for early consultants and NEF payment costs be approved for 2019/20**
- (iii) **The pass through percentage to 3 and 4 year old providers be approved at 97.5%**

(g) local authority maintained school members of Schools Forum, approve the de-delegation in 2019/20 of funding, and advise the Cabinet member for children and families for information, as follows;

- (i) **trade union facilities (primary schools only) at £2.90 per pupil**
- (ii) **ethnic minority support at £1.12 per pupil plus £6.60 per "Ever 6" free school meals (Ever-6 FSM) plus £107 per English as an additional language (first year only) pupil**
- (iii) **software licence costs for financial planning at £350 per school**
- (iv) **education functions for local authority maintained schools at £13.50 per pupil**
- (v) **that the free school meals administration be transferred to a service level agreement through the schools portal from April 2019.**

(NB restrictions were applied to voting as follows:

Only representatives of LA maintained schools, academies and early years providers were eligible to vote on recommendations (a) to (f). All were supported unanimously.

Only representatives of LA maintained schools were eligible to vote on recommendation (g). The recommendation was supported on the majority with 4 votes in favour and 1 abstention.)

25. ANY OTHER BUSINESS

Vacancies for parent governor co-optees to children and young people scrutiny committee

The chair of the children and young people scrutiny committee reminded forum members that there was a vacancy for a primary school governor and a secondary school governor to be co-optees onto the scrutiny committee. Forum members were asked to consider if they knew of any parent governors who might be interested in these roles. The chair was happy to meet informally with anyone who wanted more information.

The assistant director education development and skills agreed to circulate information to governing bodies.

Future of Schools Forums

In response to a query, the SFM confirmed that the government had not published any further information about the future role of schools forums. Primary legislation to put in place the hard national funding formula would clarify the role of the forum but there was no indication as to if and when this legislation would come forward.

The meeting ended at 10.19 am

Chairman



Meeting:	Schools Forum
Meeting date:	Friday 15 March 2019
Title of report:	High Needs Budget 2019/20
Report by:	Strategic Finance Manager

Classification

Open

Decision type

This is not an executive decision

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Wards affected

(all Wards)

Purpose and summary

To review the Dedicated Schools Grant high needs budget for 2019/20 and recommend to the cabinet member children and families any necessary adjustments in the Pupil Referral Service charges to schools and SEN support services to schools.

The report sets out the expected financial position for Herefordshire high needs budgets and expenditure for the three years from 2019/20. Dedicated Schools Grant for 2020/21 onwards will be determined by government following the Comprehensive Spending Review. This report recommends a number of actions to ensure that the high needs funding allocation is spent as effectively as possible whilst recognising the absolute duty to ensure that pupils needs are met as required by Section 42 of the Children and Families Act 2014. The views of schools forum are sought on the proposed budget plan prior to seeking cabinet member approval. The available high needs budget for 2019/20 will be set at £13.4m after deductions passported directly to academies and post-16 providers by the Education and Skills Funding Agency. This allows for flexibility to meet additional unexpected costs and a prudent increase in DSG balances in the short term.

Recommendation(s)

That: having regard to the views of the Budget Working Group, the high needs budget plan be approved for recommendation to the cabinet member for children and families as follows:

- (a) the Pupil Referral Unit be funded as set out below**
 - (i) 80 places for the period April 2019 to August 2019 comprising 50 places for permanently excluded pupils and 30 discretionary managed move/ intervention places**
 - (ii) 50 places for new and existing permanently excluded pupils for the period September 2019 to March 2020 and thereafter 50 places annually**
 - (iii) 15 places for discretionary managed move/intervention for existing pupils for the period September 2019 to August 2020**
 - (iv) 15 discretionary intervention places for new pupils to be charged at cost to the school purchasing the place until August 2020 and thereafter 30 discretionary places annually to be charged at cost to the school purchasing the place**
 - (v) savings on a phased basis of £30,000 in 2019/20, a further £100,000 in 2020/21 and a final £70,000 in 2021/22 be approved**
 - (vi) An intervention fund be approved on a phased basis of £50,000 from September 2019 in 2019/20, £125,000 in 2020/21 and £175,000 in 2021/22 for use by the In-year fair access panel, or similar, to support schools with meeting the needs of students following consultation with the Herefordshire Association of Secondary Headteachers (HASH)**
 - (vii) An increase of £1,000 in the PRU top-up fee to £6,700 for all students from September 2019**
- (b) budget efficiencies and increased charges to schools in the SEN support services to a total of £110,000 be approved from April 2019, a further budget efficiency of £40,000 from April 2020 and a final budget efficiency of £50,000 in April 2021;**
- (c) an income budget of £100,000 be set for the high needs contingency in expectation of an equivalent saving in Complex Need Funding for 2019/20; and**
- (d) the high needs budget including the amendments as above be approved as set out in Appendix 1**

Alternative options

1. No amendments to the high needs top-up tariffs are proposed. Proposals for significant changes in the operation of the Pupil Referral Service are currently being developed in conjunction with secondary schools. These changes will focus Dedicated Schools Grant high needs block spending on meeting the council's statutory responsibility for permanently excluded pupils and provide for school spending to be targeted to meet the costs of discretionary intervention places. Once finalised these new proposals will be phased in from September 2019. Some changes are proposed to the centrally provided SEN support services by re-modelling the services to either provide the support services more efficiently or inviting schools to purchase services directly.
2. Schools Forum and headteachers will be able to propose alternative options as this work progresses

Key considerations

Further information on the subject of this report is available from
Malcolm Green, email: malcolm.green@herefordshire.gov.uk

3. Nationally many local authorities have incurred a deficit on their high needs block expenditure; Herefordshire is one of very few that has not although we are experiencing the same growth numbers of pupils with Education Health Care (EHC) plans.
4. Schools Forum agreed at the January meeting to support high needs expenditure, particularly the expenditure on the Special Educational Needs primary protection scheme and the increase in special school places, by transferring £215,000 from the schools block to high needs, this is equivalent to 0.2% of the schools block. This transfer was funded by Herefordshire's share of the national growth fund and it is important to note that mainstream schools in Herefordshire received national funding formula budgets plus an additional £15 per pupil. The transfer from the schools block ensures that the primary SEN protection scheme will continue in 2019/20 and further consideration will be given to finding the budget to permit the inclusion of secondary schools within the scheme as the cost is relatively modest at £63,000 compared to the £300,000 cost for primary schools.
5. The Secretary of State announced an additional £350m funding for high needs nationally, split between £125m in 2018/19, £125m in 2019/20 and £100m capital to create more specialist places in mainstream and special schools. Additional revenue funding of £0.38m will be received by Herefordshire in 2018/19 and 2019/20. No commitment has been made by government to baseline this additional funding for future years as education spending from 2020/21, including the high needs block, will be determined by the outcome of the government's comprehensive spending review.
6. Following an independent report, proposals for re-structuring the funding arrangements for the Pupil Referral Service are being developed with the Herefordshire Association of Headteachers for implementation from September 2019. Although the final details remain to be fully specified, the broad detail for funding the PRU have been established based around the council maintaining full responsibility for funding places for permanently excluded pupils and secondary schools becoming responsible for non-permanent intervention funding.
7. It is proposed that DSG will fund 50 permanent places annually at £10,000 per place and an enhanced top-up fee of £6,700 from September 2019 i.e. £1,000 more than the current top-up fee of £5,700. The additional £1,000 will help the PRU improve the education offer to students by improving quality and performance. The changes will be phased in from September 2019 for all new entrants to the PRU. It is envisaged that full year savings of £200,000 will be achieved by September 2020 and that an intervention support fund of £175,000 will be available to the In-year fair access panel, or similar such group, to help support school interventions. Savings in 2019/20 and 2020/21 are expected to be pro-rata with any additional part-year costs met from DSG balances.
8. The new budget for the PRU will be phased in to take account of the implementation from September 2019 and September 2020 as set out in the table below

	April – August 2019/20	Sept- March 2019/20	Total (Average) 2019/20*	April – August 2020/21	Sept- March 2020/21	Total (Average) 2020/21*
Funded Places - P/Ex	50	50	50	50	50	50
Discretionary	30	15	21.25	15	0	6.25

P/ex funded top-ups at £5,700	46.9		19.54			
Discretionary funded top-ups at £5,700	28.1		11.71			
P/Ex top-ups at £6,700		46.9	27.36	46.9	46.9	46.9
Discretionary top-ups at £6,700		14.1	8.23	14.1	0	5.88

*averages are 5/12 April–August plus 7/12 Sept–March

	£'000	£'000	£'000	£'000	£'000	£'000
Place funding – P/Ex	208.3	291.7	500	208.3	291.7	500
Place funding - Disc	125	87.5	212.5	87.5	0	87.5
Top-up funding P/Ex at 75/80 th occupancy	111.4	183.3	294.7	130.9	183.3	314.2
Top-up funding Disc at 75/80 th occupancy	66.8	55.1	121.9	39.4	0	39.4
Total Funding proposed			1,129.1			941.1
Current funding 80 places +75 top-ups at £5,700			1,227.5			1227.5
Reduction in guaranteed funding			98.4			286.4
Flexibility fund			50			125
Shortfall from charges			48.4			161.4

9. Efficiencies of £110,000 for 2019/20 have been identified in the SEN Support services budget as follows;
- Identifying other funding streams to continue existing service provision
 - Reducing some services whilst ensuring that the service level is at least the statutory minimum
 - some existing vacancy savings

Further information on the subject of this report is available from
Malcolm Green, email: malcolm.green@herefordshire.gov.uk

10. The Complex Need Funding agreement between the council and the Clinical Commissioning Group has underspent in recent years, and although the funding agreement cannot be easily amended, it is envisaged that the CNF will again underspend in 2019/20. As such the council must allocate the full funding for the agreement but it is suggested that a modest underspend of £100,000 is pre-empted in the high needs contingency
11. Additional growth is required to provide for increased costs as follows
- | | |
|--|----------|
| • identified post-16 growth in high needs top-ups | £150,000 |
| • forecast increased spend on independent special schools particularly as Herefordshire special schools are full | £200,000 |
| • growth in special school places | £50,000 |
12. At the initial PRU joint planning seminar with secondary headteachers it was identified that early intervention is fundamental in reducing demand for high needs services and the difficulty is in funding the existing level of services for current pupils whilst identifying additional funding to address early intervention initiatives. Proposals will be brought forward to use a modest amount of DSG balances to spend on early intervention work by potentially extending the current early years speech and language (solid roots) initiative
13. All of these additional costs and savings are included in the forecast high needs expenditure model set out in paragraph 19.
14. The Budget Working Group considered the draft report to Schools Forum at their meeting on 1 March 2019 and supported the recommendations in the draft report subject to more detail on the planned savings in the SEN support services. The detail of the proposed efficiencies in the central services can now be released and is set out below:
- a. Funding for the Looked After Children (LAC) teacher to be from the LAC pupil premium grant (£25,000)
 - b. DSG grant supporting the work of the Behaviour Support team, to be phased out over two years (£18,000)
 - c. Redefining and reducing the roles of the social exclusions officer (£20,000)
 - d. Reducing the cost of business support administration from the council to better reflect the reduced number of DSG funded staff (£10,000)
 - e. Reduce the complex casework support to school delivered by the Principal Education Psychologist to 40%/60% from the planned 50%/50% ratio (£7,500)
 - f. Vacancy savings in the Hearing Impaired and Visually Impaired teams and not re-recruiting a discrete specialist for physical difficulties (£30,000)

Community impact

15. The recommendations will change the service to be better for pupils in the future as it is intended that the service will be better able to meet the needs of schools and vulnerable pupils. The proposals for the Pupil Referral Service are focused upon the council fully funding its responsibilities for permanently excluded pupils and for schools to fund their responsibilities for pupil support and intervention prior to exclusion. In addition, the council is prepared to support schools in this intervention role by using DSG to improve the choices and options faced by pupils and their parents.

16. SEN support services will be refocused to ensure that support services to schools are provided within the funding available and that schools, if they wish for a higher level of support will be able to use their delegated funding to purchase additional services to support pupils.

Equality duty

17. Under section 149 of the Equality Act 2010, the ‘general duty’ on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
18. The Equality Act 2010 established a positive obligation on local authorities to promote equality and to reduce discrimination in relation to any of the nine “protected characteristic” (age; disability; gender reassignment; pregnancy and maternity; marriage and civil partnership; race; religion or belief; sex; and sexual orientation). In particular, the council must have ‘due regard’ to the public sector equality duty when taking any decisions on service changes, for example the recommendations will not necessarily increase or reduce the number of places but may change the nature of the places purchased by schools to more precisely meet pupil needs.

Resource implications

19. The forecast for the high needs expenditure is set out in the table below;

Funding	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
DSG High Needs Block	14,576	15,223	14,843	14,843
Schools Block transfer	324	215	0	0
Central services Block transfer	0	56	0	0
Assumed continued DfE extra funding			380	380
Less EFA deductions at source	(2,195)	(2,087)	(2,087)	(2,087)
Available HNB	12,705	13,407	13,136	13,136

Funding	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
Forecast Spend	12,375			
Add back one-off underspends from 2018/19 Early Years	300			
CNF – rebate on old pupil	95			
CNF –underspend 18/19	253			
Underlying level of spend	13,023	13,023	13,283	13,568
Add growth	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
Post-16		150	175	200
Independent Specials		200	200	200
Special school places		50	50	50
Less Savings				
PRU		(30)	(100)	(70)
SEN support Services		(110)	(40)	(50)
Forecast Spend	13,023	13,283	13,568	13,898
(Under)/Over	(330)	(124)	432	762
DSG uncommitted reserves B/Fwd	1,195	1,900	2,024	1,592
add under/overspend	330	124	(432)	(762)
add extra DfE income	375			
DSG C/Fwd	1,900	2,024	1,592	830

Further information on the subject of this report is available from
Malcolm Green, email: malcolm.green@herefordshire.gov.uk

20. The financial forecast shows that without a continued annual transfer from the schools block from financial year 2020/21 the high needs block will overspend and the DSG reserves are reduced accordingly. On current projections DSG reserves are forecast to remain in surplus until 2021/22 although thereafter much will depend on future numbers of pupils requiring additional high needs funding and places.
21. Dedicated Schools Grant fully funds the high needs block.

Legal implications

22. This is a key decision which can be taken by the Cabinet Member under the provisions set out in section 3.3.15(i) of section 3 of the council's constitution. Schools Forum is consulted in an advisory capacity.
23. The council must consult the schools forum annually regarding a number of schools budget functions including the following:-
 - Amendments to the school funding formula
 - Arrangement for the education of pupils with SEN, in particular the places to be commissioned by the council and schools and the arrangements for paying top-up funding
 - Arrangements for the use of PRUs and places to be commissioned by the council and schools and arrangements for paying top up funding
 - Administrative arrangements for the allocation of central government grants paid to schools via the council.

It is also good practice for the council to inform the schools forum of proposals for central spend on High Needs block provision.

24. The council has statutory duties to deliver provision for children and young people with high needs which includes special educational needs and disabilities from early years to age 25.
25. The DSG is a ring fenced grant from the DfE, the majority of which is used to fund individual school budgets in maintained schools, academies and free schools. This includes provision for pupils with high needs in both special and maintained schools.
26. Changes to the high needs funding provision could leave the council open to legal challenge, through ombudsman complaint or appeal to the Special Education Needs and Disability Tribunal if children, young people or their families feel that the required specialist provision is not being met. Section 42 Children and Families Act 2014 provides that where a council maintains an EHC plan for a child or young person, the council must secure the specified educational provision. Therefore the council must comply with this statutory duty.

Risk management

27. The BWG reviews proposals in detail prior to making recommendations to the Schools Forum. This two stage process helps ensure greater scrutiny of budget proposals and mitigate against any risks that may be identified. Any identified risks will be monitored and managed by the Children and Families directorate jointly with Schools Forum. Specifically a financial risk assessment will be prepared for discussion with the BWG.

Consultees

28. All schools have been consulted on the proposals as part of the autumn schools budget consultation and the responses were reported to Schools Forum in January 2019. For convenience, the following table sets out the responses to the high needs questions. There will be further discussions with HASH about the criteria for the use of the intervention fund for placing secondary aged pupils with the Pupil Referral Service. The Budget Working Group were consulted on 1 March 2019 and their comments are included in paragraph 14 above.

Question Number	Question Topic	Yes	No
D(i)	High needs – reduction in complex needs budget by £50,000	3	10
D(ii)	High needs – confirm reduction in primary schools protection as agreed by Schools Forum in March 2018	4	8
D(iii)	High needs – reduction in statutory PRU places by £220,000	5	7
D(iv)	High needs – reduction in SEN support services by £200,000	7	6

Appendices

High Needs budget for 2019/20.

Background papers

None identified

High Needs Budget 2019/20

Cost Centre Description	Total 2018/19	add	Total 2019/20	Comment
	£	£	£	
C03017 Excluded Pupils	265000	-155,000	110,000	As per DSG forecast
C03008 Special School Places	-1550000	-50,000	-1,600,000	5 additional places at £10k each
C03037 Hospital & Home Teaching Team	-292116	-19,884	-312,000	Expected increase on pupil numbers
C03126 Complex Communication Team	-111447	-103	-111,550	
C03018 Equalities	-242437	49,537	-192,900	SEN support saving 50K
C03124 Learning and Communication Team	-10811	-189	-11,000	
C03124 SEN Advisor	-93747	99,747	6,000	Savings in central support services generally £100k - detail to be reallocated
C03027 Behaviour Support Team	-18000	10,000	-8,000	Savings phased in over two years
C03030 Fees To Independent Schools	-500000	-200,000	-700,000	add £200k to meet increase demand
C03031 High Needs investment	50000		0	
C03031 PRU Places - 50 P/Ex Y9&10	-595000		-500,000	50 p/ex places
C03031 PRU places - 15 Y11			-110,000	15 discretionary places 19/20 only
C03031 PRU support fund	0	-175,000	-175,000	PRU support fund
C03035 Physical & Sensory Team	-437523	23	-437,500	
C03049 Additional Needs Business Support	-88522	522	-88,000	
C03050 Additional Needs Management	-117633	133	-117,500	
C03404 Sen Services - DSG	-192894	-106	-193,000	
C03032 Complex Needs Solutions	-1497250		-1,497,250	Predicted £100 underspend part taken in advance - in contingency
C03471 High Needs Post 16 Top Ups	-1100000	-150,000	-1,250,000	Estimated £1.1m for 2017/18
C03462 High Needs School Top Ups	-1933000	200	-1,932,800	reduce down a touch
C03463 High Needs Special Top Ups	-3136000	-35,000	-3,171,000	add extra top ups for 3 places
C03464 High needs Unit Top Ups	-234183	-3,817	-238,000	add overspend
C03470 High Needs Managed Moves	-5000		-5,000	
C03473 High Needs SEN Protection	-300000		-300,000	As per actual costs
C03474 High Needs Units Places	-240000		-240,000	DfE regs set cost per place at £6k
C03472 High Needs PRU top ups 50 x £6,700	-333000		-335,000	£50k pa savings in new PRU contract
C03472 15 x £6,700 disc			-100,500	
C03101 High Needs Early Years	-90000	-85,000	-175,000	as per forecast
C03469 High Needs contingency	86562	13,438	100,000	CNS predicted saving taken in advance
C03029 Inter Authority Recoupment	20000		-30,000	relect actual income
Schools Block surplus budget	324000		215,000	agreed by School Forum
High Needs Block	-12373000		-13,400,000	



Meeting:	Schools Forum
Meeting date:	Friday 15 March 2019
Title of report:	Work programme and dates for future meetings
Report by:	Clerk to Herefordshire Schools Forum

Classification

Open

Decision type

This is not an executive decision.

Wards affected

(All Wards);

Purpose and summary

To confirm scheduled dates for meetings of the Schools Forum to the end of the summer term 2020 and to consider the Forum's work programme for that period.

The schools forum needs to develop a manageable work programme to ensure that it operates efficiently and has sufficient information and time to properly consider the issues placed before it. A clear work programme will ensure that members of the forum and presenting officers know the pieces of work to be considered at each meeting and can prepare appropriately. It will also help to ensure that decisions are made at the appropriate time to meet external deadlines set by the Department for Education and others.

Recommendation(s)

- (a) the dates for meetings of the schools forum to the end of the summer term 2020 as set out in paragraph 7 of this report be agreed; and
- (b) the work programme for the schools forum to the end of the summer term 2020 as set out in appendix A be agreed, subject to any amendments the forum wishes to make.

Alternative options

1. The forum could choose not to establish a work programme and rely on items being presented on an ad hoc basis for consideration at each meeting. This is not recommended as it could lead to the workload being spread unevenly across the year and to decisions not being taken in time to meet internal and external deadlines.

Key considerations

2. It is for the schools forum to determine its work programme to reflect the priorities and challenges of Herefordshire schools and settings. The forum needs to ensure that it fulfils its statutory role in relation to the implementation of the national schools funding formula and provides timely advice to the Local Authority on issues relating to the management of the schools budget.
3. In considering the draft work programme, the forum should be mindful of the key milestones during the financial and academic year and the decisions that surround these. Fixed deadlines, particularly those set externally by the Department for Education and others, must be taken into account.
4. In addition to the statutory items it is required to be consulted on, the forum may wish to undertake or be requested to undertake research and consultation on issues relating to the management of schools budgets including:
 - a. the national schools funding formulas;
 - b. ways for schools to use funds more effectively or efficiently;
 - c. arrangements for the education of pupils with special educational needs;
 - d. arrangements for the use of pupil referral units and the education of children otherwise than at school; and
 - e. arrangements for early years education.

Any such pieces of work should have a clearly defined remit and desired outcome and be appropriately resourced.

5. The budget working group is a permanent advisory sub-group of the forum which provides additional consideration of, and recommendations regarding, key budgetary options and related issues. In addition to the standard budgetary items the forum may refer other items for consideration by the budget working group or establish specific task and finish groups as it deems necessary. Items referred to any sub-group of the forum should be added to the work programme with a clear indication of when the sub-group is expected to report back to the forum.
6. Following a request by forum members, a workshop session has been arranged to take place at 11am on Friday 21 June 2019. The session will discuss how Herefordshire schools are managing the transition to the national school funding formula, the key challenges that lie ahead for our schools and how the county's MPs can help in representing Herefordshire schools at the national level. Jesse Norman MP has provisionally agreed to attend the workshop. The Budget Working Group will produce a short briefing covering the key issues. The Schools Forum is requested to give a steer as to the areas this should focus on.

7. The schools forum is required to meet at least four times a year. It is proposed that the following dates be set, each to start at 9:30am unless otherwise agreed:

Friday 21 June 2019
Friday 26 October 2019
Friday 17 January 2020
Friday 13 March 2020
Friday 10 July 2020

Community impact

8. The items considered and decisions made by the forum should have regard to what matters to schools and settings in Herefordshire and how the forum can best contribute to managing the current changing and challenging financial circumstances

Equality duty

9. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
10. The Equality Act 2010 established a positive obligation on local authorities to promote equality and to reduce discrimination in relation to any of the nine 'protected characteristics' (age; disability; gender reassignment; pregnancy and maternity; marriage and civil partnership; race; religion or belief; sex; and sexual orientation). In particular, the council must have 'due regard' to the public sector equality duty when taking any decisions on service changes.
11. Any potential detrimental impact on vulnerable pupils will be managed by school governing bodies prioritising vulnerable pupils within the school's grant income.

Resource Implications

12. A budget of £12,000 has been allocated for administering the schools forum and associated activities for the 2019/20 financial year. This is funded from the dedicated schools grant received from central government and includes a modest budget for the commissioning of expert advice and reviews.

Legal implications

13. The schools forum is established by virtue of S74A of the School Standards and Framework Act 1998 (as amended by the Education Act 2002). The Schools Forums (England) Regulations 2012 prescribe the functions of the forum and the duties of the local authority to consult with the forum on school funding issues. The Education Funding Agency provides a

summary of powers and responsibilities of schools forums which includes decisions it can make on proposals put forward by the local authority.

Risk management

14. Approval of the recommendations will help to ensure that the forum fulfils its statutory functions and that the council complies with its statutory duty to consult the forum as specified in the regulations. Failure to approve the recommendations (or suitable alternatives) may lead to the forum not having adequate time and information to make recommendations, which would require the council to make decisions in the absence of guidance from the schools forum. This could lead to action by the DfE or decisions being taken which are not in the best interests of, or supported by, schools and settings.

Consultees

15. The draft work programme takes account of regulatory requirements and external deadlines.
16. The approved work programme will be a live document, with changes and additions reported to the forum via a regular item on the agenda of the meeting.

Appendices

Appendix A - Draft work programme 2019/20

Background papers

None identified

SCHOOLS FORUM WORK PROGRAMME 2019/20

21 June 2019	<i>Forum meeting to be followed by private workshop</i>
National Funding Formula Update	To receive any updates on funding arrangements and looking ahead to 2020/21 budget consultation.
Review of de-delegation arrangements	To receive feedback from the Budget Working Group on a review of de-delegation arrangements and to recommend options for inclusions in the 2020/21 budget consultation.
Update on 'Solid Roots' projects funded from early years underspend	To receive feedback from the Budget Working Group on progress of the projects being funded from the 2-year-old underspend
Annual review of membership	To review the membership of the Schools Forum to ensure proportionality.
Budget Working Group	To receive a report on the activities of the Budget Working Group not covered elsewhere on the agenda. (recurring item)
25 October 2019	
Appointments	To appoint a chairman and vice-chairman for the Forum. To appoint a chairman for the Budget Working Group
Herefordshire schools budget 2020/21	To receive proposals for consultation on the 2020/21 schools budget and high needs budget 2020/21.
Budget Working Group	To receive a report on the activities of the Budget Working Group not covered elsewhere on the agenda. (recurring item)
Work programme 2019/20	To review the work programme and identify any additional items the forum wishes to consider.
17 January 2020	
Dedicated Schools Grant settlement	To receive a report on the DSG settlement and consider proposed schools budget 2020/21 (subject to DfE national formula).
Budget Working Group	To receive a report on the activities of the Budget Working Group not covered elsewhere on the agenda. (recurring item)
13 March 2020	
High needs budget proposals 2020/21	To consider proposals for the allocation of the high needs funding block for 2020/21 (subject to DfE national formula).
Budget Working Group	To receive a report on the activities of the Budget Working Group not covered elsewhere on the agenda. (recurring item)

10 July 2020	
National Funding Formula Update	To receive any updates on funding arrangements.
Annual review of membership	To review the membership of the Schools Forum to ensure proportionality.
Herefordshire Schools Forum Constitution	To review the constitution of the Herefordshire Schools Forum to ensure that it remains aligned with regulations, guidance and good practice.
Budget Working Group	To receive a report on the activities of the Budget Working Group not covered elsewhere on the agenda. (recurring item)
Work programme and meeting dates 2020/21	To approve the work programme and scheduled of meeting dates for the forum for 2020/21.