

# Agenda

## Herefordshire schools forum

Date: **Friday 15 January 2021**

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Time: **9.30 am**

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Place: **online meeting**

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

For any further information please contact:

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If you would like help to understand this document, or would like it in another format or language, please call Sarah Buffrey, Governance Services on 01432 260176 or e-mail [sarah.buffrey@herefordshire.gov.uk](mailto:sarah.buffrey@herefordshire.gov.uk) in advance of the meeting.

# Agenda for the Meeting of the Herefordshire schools forum

## Membership

<b>Chairman</b>	Julie Cohn	Academy Special School Representative
<b>Vice-Chairman</b>	Kathy Weston	Local Authority Maintained Primary School
	David Bennett	Academies
	Christine Bryan	Academies
	Pat Burbidge	Archdiocese of Cardiff
	Alex Davies	Academies
	Nicki Emmett	Academies
	Nicki Gilbert	LA Special Schools
	Georgie Griffin	Secondary Governors
	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
	Sue Jenkins	Local Authority Maintained Primary School
	Paul Jennings	Academies
	Steve Kendrick	Local Authority Maintained Primary School (with Nursery)
	Tim Knapp	Academies
	Tracey Kneale	Local Authority Maintained Primary School
	Chris Lewandowski	Trade Unions
	Sian Lines	Diocese of Hereford
	Rose Lloyd	Early Years
	Norman Moon	Local Authority Maintained Primary Schools
	Paul Deneen	Trade Unions
	Kathy Weston	Local Authority Maintained Primary School

## Agenda

		Pages
1.	<p><b>APOLOGIES FOR ABSENCE</b></p> <p>To receive apologies for absence.</p>	
2.	<p><b>NAMED SUBSTITUTES (IF ANY)</b></p> <p>To receive any details of Members nominated to attend the meeting in place of a Member of the Forum.</p>	
3.	<p><b>DECLARATIONS OF INTEREST</b></p> <p>To receive any declarations of interest by Members in respect of items on the Agenda.</p>	
4.	<p><b>MINUTES</b></p> <p>To approve the minutes of the meeting held on 23 October 2020.</p>	5 - 20
5.	<p><b>SCHOOLS BUDGET 2021/22</b></p> <p>To agree final budget proposals for recommendation to the cabinet member for children and families for school budgets, central school services and early years within the Dedicated Schools Grant (DSG) for 2021/22.</p>	21 - 40
6.	<p><b>WHITECROSS PFI CONTRACT - TRIENNIAL REVIEW</b></p> <p>To review the financial position of the Whitecross PFI contract and inform Schools Forum of any necessary action.</p>	41 - 44
7.	<p><b>HIGH NEEDS REVISED MATRIX AND TARIFFS - IMPLEMENTATION PLAN</b></p> <p>To update Schools Forum on the implementation plan for the revised High Needs Matrix and to seek comments prior to consultation with schools and parent carer groups.</p>	45 - 56





## Minutes of the meeting of Herefordshire schools forum held at online meeting on Friday 23 October 2020 at 9.30 am

<b>Present:</b>	Mrs J Cohn (Academy Special School Representative) (Chairperson)	
	Ms C Bryan	Academies
	Mr P Burbidge	Archdiocese of Cardiff
	Mr T E Edwards	Local Authority Maintained Secondary School Governor
	Ms N Gilbert	LA Special Schools
	Mr J Hedges	Primary Governors
	Mrs S Jenkins	Local Authority Maintained Primary School
	Mr P Jennings	Academies
	Ms T Kneale	Local Authority Maintained Primary School
	Mr C Lewandowski	Trade Unions
	Mr P Deneen	Trade Unions

**In attendance:** Cllr Carole Gandy, chairperson children and families scrutiny committee

**Officers:** Director for children and families, Strategic Finance Manager and Head of Additional Needs, Childrens Wellbeing

### 1. ELECTION OF CHAIRPERSON

Mrs Julie Cohn was proposed and unanimously supported by members of the forum.

**Resolved: that Mrs Julie Cohn be elected chairperson of the Forum for the ensuing year.**

### 2. ELECTION OF VICE-CHAIRPERSON

Mrs Kathy Weston was proposed and unanimously supported by members of the forum.

**Resolved: that Mrs Kathy Weston be elected Vice-Chairperson of the Forum for the ensuing year.**

### 3. APOLOGIES FOR ABSENCE

Apologies were noted from the following forum members: Alex Davies, Nicki Emmett, Ed Gwillim, Kimberly Harley, Martin Henton, Steve Kendrick, Sian Lines, Rose Lloyd, Norman Moon, Rachel Rice and Kathy Weston.

Apologies were also received from the assistant director education development and skills.

### 4. NAMED SUBSTITUTES (IF ANY)

The following substitutes were noted:

Mr Trefor Edwards for Mrs Rachel Rice

## 5. DECLARATIONS OF INTEREST

Mr Lewandowski and Mr Deneen declared an interest in item 7 on the agenda as representatives of trades unions.

## 6. MINUTES

**Resolved: that the minutes of the meeting held on 10 July 2020 be approved as a correct record.**

## 7. LOCAL AND NATIONAL SCHOOL FUNDING UPDATE

The strategic finance manager gave a presentation on the key points to be covered in the annual consultation with schools. A copy of the presentation is attached to the minutes of the meeting. He explained that as in previous years the local authority would be in a position to fully fund the national funding formula rates for schools and choices would need to be made on how best to use the modest amount of remaining funding.

The chair of the budget working group provided feedback on discussions at the most recent meeting, the key points being that:

- An overspend in the high needs budget in 2019/20 had reduced Dedicated Schools Grant (DSG) balances;
- The group had discussed at some length the issues associated with families moving into the county needing specialist support and the pressure on high needs funding;
- The proposals in the consultation document were similar to previous years;
- Herefordshire Association of Secondary Heads (HASH) had long argued that the funding blocks within the DSG should be ring-fenced but the pressure on the high needs budget was understood;
- The working group was in agreement that the proposals in the consultation document were the right ones;
- The working group felt that the procedure for schools to submit requests for access to the growth fund needed to be clearer and would be discussing this at a future meeting, it was recognised that this was new and that the current applications to the fund had been dealt with on the back foot;
- The new requirement for local authority schools to maintain a list of related party transactions was similar to rules already in place for academies and the working group recommended that local authority schools seek to benefit from the experience of academies.

Forum members discussed the presentation and put questions to the strategic finance manager. It was noted that:

- There were around 30 primary schools in the county smaller than 100 pupils and the impact of the changes to incorporate the teachers pay and pension grants to the had been raised with the DfE;
- The additional costs of covid-19 had not been quantified but the f40 group of local authorities had lobbied the DfE regarding additional costs likely to be incurred and lost income, a response was awaited on whether the scheme which had been in place in the summer to meet additional premises factors would be extended;
- The council had no extra funds to put into schools and the regulations would not permit a transfer in any case;
- Current forecasts projected a £350k overspend in high needs for 20/21 which would move the reserves closer to zero;

- The growth fund was new to Herefordshire in 2019/20 and was intended to meet the revenue costs of long term expansion arising from factors such as increasing birth rates and housing growth;
- The education planning team would advise on areas where schools needed to increase published admission numbers, Kingstone Academy had moved to admit 120 and an offer had been made to Fairfield High School for a PAN of 100;
- Where growth funding was allocated this would be yearly until the new PAN applied to all year groups through the school;
- Section 106 contributions from housing developments was designed to address capital funding requirements for expanded accommodation;
- It was recognised that a clearer process was required and this would be developed through the schools capital programme and communicated to all schools;
- Increased demand for places in special schools was largely driven by an increase in pupils moving from mainstream into special schools but there were also some pupils moving in from out of the county;
- Further guidance was expected from the DfE on maintaining lists of related party transactions for local authority maintained schools and the strategic finance manager would write to effected schools after Christmas with more details.

**It was unanimously agreed:**

**That the Schools Forum, having considered the initial budget proposals for 2021/22 for schools and high needs, supports the council's annual budget consultation with schools.**

## **8. WORK PROGRAMME 2020/21**

The draft work programme was noted as containing the standard items including approval of the schools budget at the January meeting and the high needs budget in March.

It was proposed that an update on the solid roots group of projects be added to the work programme and brought to the March 2021 meeting.

The dates of remaining meetings for 2020/21 academic year were noted as:  
15 January 2021  
19 March 2021  
9 July 2021.

**The amended work programme was noted.**

## **9. CLOSING REMARKS**

The director for children and families commented on the difficulties caused by the coronavirus epidemic and paid tribute to the work of schools and officers. He reminded school and academy representatives to ensure that emergency contact details were up to date, including details of bubbles.

Forum members also expressed their gratitude for the hard work of everyone in challenging circumstances and thanked officers for continuing to progress work on the schools budget.

The meeting ended at 10.41 am

**Chairperson**





School funding update  
2021-22  
Schools Forum  
23<sup>rd</sup> October 2020

# School funding 2021/22

- All fully set out in our consultation paper
- Fully fund the National Funding Formula
- 3% uplift in NFF factors
- TPG/TPECG rolled into NFF - **no 100 NOR min**
- Increase in Minimum Per Pupil Funding level for primary schools from £3,750 to £4,000 (£4,180 after TPG/TPECG added)
- Increase in primary sparsity from max £26,000 to max £45,000 as first step for improving funding for small rural schools (**12 primary schools and 1 secondary on max funding**)
- MFG set at 2% to provide min increase for all

# Herefordshire approach 21/22

- We will fully fund NFF as in past years
- Growth funding reduced to £0.45m – and up to £0.24m will be allocated to growth in Golden Valley
- Estimate that £0.38m will be available after funding NFF & growth – option (a) is preferred :
  - a. Transfer £0.3m to HNB and £10/pupil extra to schools
  - b. Transfer £0.2m to HNB, allocate £20/pupil extra and reduce expenditure on SEN protection as cost of scheme is increasing.
  - c. Transfer £0.38m to High needs block in full to support SEN protection scheme and maybe increase balances
- Any comments re Budget consultation paper

# Consultation in autumn 2020

- Consult on **removing the reception uplift factor** which forecasts delayed reception intake between Oct and January census (27 pupils across 20 schools) but is not funded by DfE as grant paid on Oct pupil numbers.
- Consult on **reducing the claw-back percentage for locally maintained schools balances** from 25% down to 20%. Currently very generous and schools with such high balances are not spending their budget on current pupils. New rules to apply to balances as at 31<sup>st</sup> March 2022.

# Consultation in autumn 2020

- Consult on **de-delegation for Free School Meals entitlement** because the SLA hasn't worked as well as we expected.

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# High needs growth 2021/22

• complex needs places	£1.05m
• out-county/independent places	£0.5m
• special school and unit places	£0.175m
• tariffs A-C (+1%) D-F(+2.5%)	£0.125m
• Full year cost of nurture groups -tbc	£0.1m
<sup>10</sup> • Additional PRU places (x15)	£0.15
• hospital service costs	£0.05m
• Post-16 places	£0.1m
• <u>SEN protection scheme</u>	<u>£0.05</u>
<u>Total additional expenditure</u>	<u>£2.3m</u>

# HNB available funding 21/22

- Estimated grant increase is £2m
- Funding gap is £0.3m (minimum)
- For 20/21 Schools Forum agreed transfer of £0.2m to support extension of SEN protection scheme to high schools.
- SEN protection scheme cost rising
- Also concerned about increasing out-county placements and costs particularly re ASD
- High needs budgets needs further work with a further review at December's BWG

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# SEN Protection scheme

- Number of pupils with top-ups in mainstream increasing 381 in 18/19, 410 in 19/20 (+10%) and 427 pupils to date in 2020/21
- Scheme pays cost of £6,000 threshold to schools above a cap x NOR. Current cap agreed with Schools Forum is £150.
- 18 • Budget is £385k and spend expected at budget
- Secondaries now in scheme, transferred £100k from growth fund but cost to date is £125k
- Need cap at £160 to keep spend within budget in 2021/22 or preferably apply a variable cap (within a range e.g. 160-170) to ensure spend = budget



# High needs forecast 2020/21

- Overspend of £350k predicted for 20/21
- Includes complex needs forecast is a minimum £208k but may be greater and hence increase overspend forecast.
- 13 • DSG reserves are £0.63m and may reduce towards zero.
- We need to keep DSG reserves in surplus if at all possible

# Golden Valley growth Sept 21

- Education planning have advised that admissions over PAN will be required for Golden Valley in September 2021 and for future years as follows:
  - 30 over PAN at Kingstone i.e. 120
  - 10 over PAN at Fairfield i.e. 100
- <sup>18</sup>• This will require growth funding of 40 pupils at £4,404 per pupil = £176,160 ( AY basis)
- FY impact will differ as 5/12 + 7/12th
- Plus any additional supplement paid to schools above NFF.
- A contingency may be required to cover uncertainty

# Growth fund 20/21 - Update

- Growth agreed at Kingstone High at 45 over PAN
- Fairfield have asked for similar growth funding for 33 pupils over PAN for September 2020
- If we had known prior to the growth budget being allocated at Schools Forum in January, we would have done so. Now propose to act as follows;
- **Growth funding £55,522.50 (5/12<sup>th</sup> April 2021 – August 2021) to be paid as part of 2021/22 growth budget**
- **Growth funding of £77,731.50 (7/12<sup>th</sup> Sept 2020 – March 2021) & reduce DSG reserves by £66k.**

# Summary re Financial transparency for LA schools

DfE is to implement nine new proposals for increasing the transparency of locally maintained schools on a similar basis to academies. The only significant change will be:

<sup>20</sup> **Proposal 4a:** schools must append a list of Related Party Transactions (RPTs) to their response to the question in the Schools Financial Value Standard (SFVS) about their arrangements for managing RPTs. In addition, the CFO Assurance Statement, will disclose the number and value of RPTs.



<b>Meeting:</b>	<b>Schools Forum</b>
<b>Meeting date:</b>	<b>Friday, 15 January 2021</b>
<b>Title of report:</b>	<b>Schools Budget 2021/22</b>
<b>Report by:</b>	<b>Strategic Finance Manager</b>

## Classification

Open

## Decision type

This is not an executive decision.

## Wards affected

(All Wards);

## Purpose

To agree final budget proposals for recommendation to the cabinet member for children and families for school budgets, central school services and early years within the Dedicated Schools Grant (DSG) for 2021/22. The Budget Working Group (BWG) meets on 8 January 2021 and their proposals will be set out in a supplementary report.

## Recommendation(s)

That:

**That: The local implementation of the National Funding Formula (NFF) for 2021/22 as set out in the consultation document and recommendation (a) – (k) 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 £4,180 for primary schools and £5,415 for secondary schools, including the Minimum Funding Guarantee at 2% as follows:**

<b>1</b>	<b>Basic entitlement per pupil</b>	<b>Primary</b>	<b>£3,123</b>
<b>2</b>	<b>Basic entitlement per secondary pupil</b>	<b>Key Stage 3</b>	<b>£4,404</b>

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

3	Basic entitlement per secondary pupil	Key Stage 4	£4,963
4	Deprivation per free school meal	Primary	£460
5	Deprivation per free school meal	Secondary	£460
6	Deprivation per ever-6 free school meal	Primary	£575
7	Deprivation per ever-6 free school meal	Secondary	£840
8	Socio-economic deprivation Income Deprivation Affecting Children Index (IDACI)		
9	Band A	Primary	£620
10		Secondary	£865
11	Band B	Primary	£475
12		Secondary	£680
13	Band C	Primary	£445
14		Secondary	£630
15	Band D	Primary	£410
16		Secondary	£580
17	Band E	Primary	£260
18		Secondary	£415
19	Band F	Primary	£215
20		Secondary	£310
21	Band G	Primary	£0
22		Secondary	£0
23	Low prior attainment per pupil	Primary	£1,095
24		Secondary	£1,660
25	Lump Sum	Primary	£117,800
26		Secondary	£117,800
27	Looked after Children, primary and secondary	All	£0

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

28	Primary sparsity, on NFF taper basis , over 2 miles and less than an average year group size of 21.4 pupils	Primary	£45,000
29	Secondary sparsity, on NFF taper basis, over 3 miles and less than an average year group size of 120 pupils	Secondary	£70,000
30	English as additional language per primary pupil	Primary	£550
31	English as additional language per secondary pupil	Secondary	£1,485
32	Mobility	Primary	£900
33	Mobility	Secondary	£1,290
34	PFI contract	Secondary	£299,163
35	Business rates	All	At cost
36	Exceptional premises factor – Eastnor rent	Primary	£9,060
37	Exceptional factor – TPG/TPECG adjustment subject to Secretary of State approval	Primary	£27,000

**(b) Growth funding for basic need expansion in the Golden Valley be agreed at a total cost of £235k, as follows;**

**(i) Growth funding for basic need expansion at Kingstone High School, £75,715 for an additional 45 planned pupils for the summer term 2021**

**(ii) Growth funding be finalised for basic need expansion at Fairfield High School, £55,525 for an additional 33 planned pupils for the summer term 2021**

**(iii) Growth funding be finalised for basic need expansion at Kingstone High School, £77,070 for an additional 30 planned pupils in September 2021**

**(iv) Growth funding be finalised for basic need expansion at Fairfield High School, £25,690 for an additional 10 planned pupils in September 2021**

**(c) Transfer to high needs block to support the SEN protection scheme, £300k**

**(d) Additional £15 per pupil for primary and secondary schools at a cost of £117,158**

**(e) That any minor adjustments to the schools budget up to £5k, in order to comply with DfE submission requirements, be made to the funding allocated to the growth fund in order to provide a contingency.**

**(f) That the central services block be allocated as follows**

- (i) Statutory retained duties £369k**
- (ii) Schools Forum administration costs £15k**
- (iii) School admission costs £125k**
- (iv) National licences for schools £140k**
- (v) Additional funding for statutory duties for SEN casework team £25k**
- (vi) transfer SACRE funding to statutory duties £5k**
- (vii) Transfer to the high needs block £75k**

**(g) That local authority maintained school members, approve the de-delegation of funding in 2021/22, and advise the Cabinet member for children's and families for information, as follows**

- (i) trade union facilities for primary schools only be approved at £2.75 per pupil**
- (ii) school budgeting software licence at £405 per school**
- (iii) ethnic minority support at £1.12 per pupil plus £6.60 per Ever-6 Free school meals and £107 per English as an Additional Language first year pupil**
- (iv) school meals entitlement assessment at £1.25 per primary pupil and £0.94 per secondary pupil (Proposal A) for local authority schools**
- (v) trade union facilities for secondary schools only be provided for through a Service Level Agreement at £2.75 per pupil**
- (vi) that the statutory education services for non-academy schools be reduced by 50p per pupil and charged at £12 per pupil**

**(h) The early years funding formula for Herefordshire providers from April 2021 be as follows;**

- (i) Two year olds: £5.36 per hour**
- (ii) Three and four year olds: £4.08 per hour + £0.35 per hour for Early Years Pupil Premium eligible children + a rurality supplement per provider of £52 per week (pro-rata for providers that deliver less than 100 hours per week) paid for 38 weeks per year**
- (iii) Early years central expenditure be increased by 1.5% inflation**
- (iv) the Multi Agency Safeguarding Hub be supported to help and support to early years settings at a cost of £10,000 per annum**

**(j) to remove the reception uplift factor as proposed in the consultation paper**

**(k) to reduce the maximum percentage for permitted carry forward of school balances to 20% of the school allocation (including early years funding) from April 2021**

## **Alternative options**

1. Given School Forum's approval in October 2017, of the strategy to implement the NFF from 2018/19, it is unlikely there will be any substantial alternatives. There may be a number of possible variations which can be considered in detail by the Budget Working Group (BWG) on 8 January 2021, and any alternative proposals will be published in a supplementary report.



2. The Budget Working Group to consider alternatives on 8 January 2021. The BWG's views will be set out in the supplementary report to Schools Forum.

## Key considerations

3. The BWG will advise on any necessary amendments should changes to the proposed school budget, previously set out in the autumn schools budget consultation, be required. The DSG funding assumptions underlying the proposed budget are set out below.

4. The DSG 2021/22 settlement was announced on 17 December 2020. The recommendations in this report are based on the final DSG settlement of 22,238 pupils as follows;

### Schools Block

5. All DSG funding blocks are now funded on a formula basis. The recommendations in this report are based on an actual gross DSG (i.e. before recoupment but after deduction of academy and post-16 high needs places) of £140.17m. The BWG will consider the proposals in this report and will make additional recommendations as necessary.

### Schools Budget

6. The government published the National Funding Formula (NFF) in July 2020 and the autumn budget consultation with Herefordshire schools proposed implementing the national formula in full with a Minimum Funding Guarantee of 2% in order to pass through to schools the inflation increase allocated by government.

7. Consultation with schools assumed estimated allocations for the schools block based on an estimated 22,265 pupils and a 4% increase in primary and 2.86% secondary unit funding in the October 2020 census. Actual funding and pupil numbers are confirmed by the DfE in the December funding settlement and are set out below. Business rates have been frozen at the 2020/21 levels which, taken with rates adjustments, has released over £50,000. The growth fund is £22,000 more than expected.

#### Final DSG schools funding allocation

13,306 primary pupils at £4,594.36 each	£61,132,554
8,932 secondary pupils at £5,570.49 each	£49,752,831
Fixed costs at	£1,594,896
Growth Funding	£472,103
Total Schools Block funding	£112,952,386
National Funding Formula 2021/22	£112,290,382
Available for allocation outside of NFF:	£662,004
to: high needs support for schools:	£300,000
to additional school funding at £15/pupil	£117,158

to: secondary growth funding for Golden Valley	£235,000
surplus pending final rates allocation	£9,846

#### De-delegation

9. The BWG considered the outcome of the autumn schools' budget consultation at its meeting on 4 December and accepted the council's proposals to keep the delegation rate the same as 2020/21 for trade union facilities for primary schools, support for ethnic minority pupils and a modest inflation increase of £5 for the school budgeting software. Following a letter from the national trade unions, the BWG reviewed the consultation responses from local authority maintained secondary schools and considered there was no majority support for de-delegating the trade union facilities for secondary schools. Additionally due to a better settlement for the central services block it is intended to transfer the funding for SACRE to the central services block and reduce the charge for statutory education management functions by 50p per pupil.

10. The current SLA arrangements for checking free school meal eligibility have not been successful as there has been some confusion about which services are included in the SLA and not all schools have signed up. Free school meals eligibility is important for parents as entitlement checking cannot be compromised and for schools deprivation funding in the NFF and pupil premium grant are based on confirmed free meals numbers. The de-delegation proposals include both checking eligibility and the infant free meal checks for pupil premium grant purposes. Academies will be able to buy a Service Level Agreement from Hoople Ltd at the same cost.

11. It is proposed to revert back to the de-delegation funding arrangement for 2021/22 for local authority maintained schools. Two options A and B were offered to schools as follows;

- Proposal A: £1.25 per primary pupil and £0.94 per secondary pupil
- Proposal B: £11.50 per primary FSM pupil and £8.50 per secondary FSM pupil

Proposal A was supported by the responses to the consultation paper with 8 schools in favour and 4 against. Proposal B was supported by 5 schools in favour and 6 against. Following a discussion with the Budget Working Group on 4 December, the BWG supported proposal A. A service level agreement will be offered to academies at the same rates per pupil.

#### Growth fund

12. In 2020/21 Herefordshire received a formulaic share (£0.472m) of the national growth fund and this is expected to continue in future. The criteria for allocating growth funding to schools must be approved in advance in case basic need growth is required from September 2021. The criteria for use of the growth fund are:

- support growth in pre-16 pupil numbers to meet basic need
- support additional classes needed to meet the infant class size regulation
- meet the costs of new schools

13. The growth fund will be used to meet £235,000 of revenue costs in 2021/22 for planned pupil growth in the Golden Valley, agreed as Fairfield 10 pupils and Kingstone 30 pupils over PAN, as follows;

- |   |         |
|---|---------|
| • Fairfield High School summer term 2021        | £55,525 |
| • Kingstone High school summer term 2021        | £75,715 |
| • Kingstone High School autumn 2021/spring 2022 | £77,070 |

- Fairfield High Schools autumn 2021/spring 2022 £25,690
- Additional £10 per pupil autumn/spring x 40 pupils £ 233
- Contingency £ 767

### Teachers Pension Employer Contribution Grant/Teachers Pay Grant

- 14 Since the meeting in October Schools Forum has approved an application to the Secretary of State under the urgency procedures to include an additional funding factor into the national formula to make good any losses suffered by small primary schools from the absorption of the Teachers Pay Grant (TPG) and Teachers Pension Employer Contributions Grant (TPECG) into the National Funding Formula for 2021/22. The methodology adopted by the DfE did not include the minimum 100 pupils for small schools, which was included in the direct payment for both grants in 2020/21. For Herefordshire, the DfE's proposed safety net of using the MFG or minimum pupil funding levels did not apply. In order to protect those small schools who would not benefit from additional funding through the increase in sparsity funding the School Finance Manager sought agreement from forum members to apply to the DfE for permission to include an exceptional factor in the funding formula for 2021/22. The additional factor will cost £27k before application of the MFG and the cost can be found within the funding available.
15. Due to the deadline for submission of the disapplication request approval was sought using the urgency procedures in the constitution of the schools forum. Forum members were asked to submit their vote on the proposal electronically. Of the 23 forum seats occupied at the time, 16 members responded. Fifteen were in favour of the proposal with one abstention. This was above the quorum threshold of 10 and meant that more than half of the forum members were in favour of the proposal. A decision is expected from the Secretary of State prior to the date of the School Forum meeting.

### Central School Services Block

16. In addition to the statutory retained duties, formerly funded by Education Services Grant, the central schools block funds Schools Forum administration costs, school admission costs, national licence costs and the balance is used to support high needs. The table below sets out the proposals for 2021/22. The central block has increased from £693,000 in 2020/21 to £754,000 in 2021/22. Subject to the views of the BWG, it is proposed to add 2.5% inflation to the ESG statutory services element, to support the SEN casework team with £25k and the £75k balance to support the high needs block and to reduce the education management recharge to local authority schools by 50p down to £12 per pupil.

	2019/20	2021/22
ESG – statutory services	360	369
Schools Forum administration	12	15
School admissions	122	125
National licence costs	138.5	140
SEN casework team	0	25
SACRE – from school ESG charge	0	5
<u>Transfer to high needs</u>	<u>60.5</u>	<u>75</u>
<b>Total</b>	<b>693</b>	<b>754</b>

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

## Early Years

17. The government have announced a small increase in early years funding of 1.36% for three and four year old funding (from £4.38 to £4.44) and a 1.5% increase in two year old funding (from £5.28 to £5.36). As with previous inflationary increases allocated by DfE, it is proposed the funding rate for three and four year olds will increase in line with the inflation for 2021/22. In addition the early years formula underspent by £100k in 2019/20 and it is proposed to correct this by adding an additional 5p per hour (£100k) and 1.5p per hour to the deprivation supplement (£3k). Hence the Nursery Education Formula (NEF) for 2021-22 will be;

- Rurality supplement of £52 per week (pro-rata for less than 100 hours per week)
- Base hourly rate of £4.08 for 3 and 4 year olds
- Base hour rate of £5.36 for 2 year olds
- Deprivation supplement of 35p per hour for all Early Years Pupil Premium eligible childcare

18. The Multi Agency Safeguarding Hub are providing safeguarding services and checks for schools and early years providers and have asked for consideration be given to including early years providers in the Service Level Agreement. Due to the large number of settings and the relatively small sums involved for each provider, this would generate a significant amount of administration so it is preferable to fund the MASH costs for early years from the early years central spend. A fair amount is assessed as £10,000 pa based on 1/13th of the £131,000 MASH SLA costs as early years is effectively one year group of children compared with 13 complete year groups in schools

## High needs block

19. The schools consultation paper set out the known high needs cost pressures for the high needs block for 2021/22. An increase in Herefordshire's high needs allocation is expected of £2m i.e. a gross allocation of £19.8m compared with £17.8m in 2020/21 and the proposed budget shows a shortfall £0.3m. The council proposes to transfer £0.3m from the schools block to support the high needs budget in 2021/22 in order to set a balanced budget. The alternative is for a smaller transfer and that the SEN protection scheme is curtailed for schools.

20. Expenditure forecasts for 2020/21 indicate an overall overspend of up to £200k on high needs, including £152k on complex needs and it is possible that if additional placements are required this will increase to around £0.5m. Further complex needs growth of £0.5m in 2021/22 will require a budget of £3,350k i.e. an increase of £1.064m for 2021/22.

21. Placements in independent schools are forecast to overspend by £0.1m possibly rising to £0.2m if further placements are required. Further growth of £0.3m for 2021/22 will require a budget of £1.6m i.e. an increase of £0.5m for 2021/22. Investment in local provision for autism places will be investigated to help reduce future cost pressures.

22. The remaining £0.5m can be used to meet cost pressures in post-16 placements, top-up tariffs, full year costs of the nurture groups, inflation on tariffs and potential growth in post-16 places. Loss of income due to COVID-19 in particular will impact on the PRU and hospital services.

23. Consultation with schools strongly supported the initial proposals for the high needs budget for 2021/22 are:

- |  |         |
|--|---------|
| • growth in complex needs places                 | £1.05m  |
| • growth in out-county independent school places | £0.5m   |
| • Growth in special school and unit places       | £0.175m |

• Increases in tariffs A-C (1%) D-F(2.5%)	£0.125m
• Full year cost of nurture groups -tbc	£0.1m
• Additional PRU intervention places (x15)	£0.15m
• Additional hospital places at £5k for 0.5 place	£0.05
• Additional post-16 places	£0.1m
• Growth in SEN protection scheme	£0.05
• Total additional high needs expenditure 2021/22	£2.3m
• Less £0.3m contribution from growth fund	-£0.3m
• Additional high needs block funding for 2021/22	£2.0m

24. However, an updated forecast for the complex need expenditure in 2021/21 indicates that spend will be £0.5m less than the current budget due to a number pupils no longer qualifying for the complex needs funding. It is intended that a small increase of £0.2m is retained to provide for additional pupils requiring funding during the year as this has always been the case. It is proposed to vary the initial proposals as follows;

• Special school TPG 360 places at £660 each	£0.24m
• PRU/H3 TPG 90 places (65+25) at £660 each	£0.06m
• Support services –central teachers/indep schools TPG	£0.05m
• Extra SEN protection costs to keep cap at £150 x NOR	£0.075m
• MFG for special schools as per new tariffs	£0.1m
• Growth at Hampton Dene 8 places at £6k+£6k top up	£0.1m
• Beacon College – 13 new top ups at £8k	£0.1m
• Beacon College 27 new places at x £10k	£0.27m
• <u>Allocate balance of £30k to help implement new tariffs</u>	<u>£0.03m</u>

Total new expenditure £1.025m

Funded by

• To reduce the budget allocated to CNF by	-£0.85m
• Less £0.1m growth not required for post-16	-£0.1m
• Less transfer from Central Block	-£0.075m

The high needs budget still requires further work, for example to confirm with the DfE funding responsibilities for the new Beacon College which will open in September 2021. Provision has been made for the potential full year costs. A further £0.075m has been allocated to the SEN protection scheme that will permit the cap to continue to be set at £150 x number on roll and will ensure that qualifying schools continue to receive the same support as in 2020-21 – see below.

#### SEN protection scheme

25. There is a long-standing SEN protection scheme for primary schools which has been strongly supported in previous consultations. The scheme was extended to secondary schools in 2020/21 supported by a transfer of £0.2m from the schools block. The budget set for 2020/21 is £385,000 and current expenditure is “on budget” but expected to grow in 2021/22 due to increases in the number of pupils with top-up funding (there was a 10% increase in 2019/20). The scheme is hugely supported by schools and even with a continued transfer from the schools block, expenditure will need to be scaled back by setting a cap of £160 x number on roll will

apply for 2021/22. An alternative, is to permit a variable cap (within narrow approved limits) set so that expenditure can be tailored to meet budget.

26. The existing protection scheme provides a cap on the number of £6,000 high needs thresholds that any school must fund from within its own budget. The cap is currently set at £150 x the number on roll so that additional funding is provided from the high needs block to help schools where their threshold costs are in excess of the cap. The cap can be varied if necessary to reduce costs but this would offer a lower level of financial protection

27. For example, the threshold cap for school with 150 pupils on roll would be £150 x 150 pupils i.e. £22,500. If the school had 4 FTE high needs pupils then the SEN protection payment would be 4 x £6,000 less the cap of £22,500 i.e. a payment of £1,500. If the school had 3 FTE high needs pupils then no payment would be received because 3 x £6,000 is less than the cap.

28. The SEN protection scheme acts as an “insurance” scheme to ensure that those schools with higher than average numbers of high needs pupils are fairly funded for their threshold costs. The SEN notional budget is part of each school’s delegated budget and is paid from the Schools Block of the DSG.

29. Individual schools can attract a disproportionate number of children with EHC Plans and the school is required by law to admit them. It is therefore not likely that high needs pupils will be distributed proportionately across all schools. Where the number of children with ECHPs is very skewed this can have a significant impact on a school’s budget. The pattern of preference by parents of children with ECHPs can change quickly making financial planning difficult for the schools concerned. This has had an impact on a number of individual primary and secondary schools.

#### Transfers of funding from Schools Block to High Needs

30. Subject to achieving full funding of the National Funding Formula for schools, and after allocating growth funding, there are options for the use of the estimated £0.427m available funding from the schools block as follows:

(a) transfer £0.3m from the schools block to support the schools SEN protection scheme within the high needs block. This would provide for the continuation of the scheme with minimal changes for 2021/22 – the SEN protection scheme expenditure is currently forecast to spend “on-budget” at £0.385m per year and costs are likely to continue to increase for 2021/22 corresponding to increased numbers of pupils with high needs top-up funding. The cap in the SEN protection scheme can be maintained at £150 to ensure expenditure remains within the proposed budget. Additionally the extra funding from business rates and growth funding also allows additional funding to schools at approx. £15 per pupil.

(b) transfer the same as 2020/21 i.e. £0.2m from the schools block to support the SEN protection scheme and distribute the remaining £0.227m as additional funding to schools. This option will require reductions in the SEN protection scheme through an increase in the cap to £160.

31. Options (a) is the council’s preferred choice because Option (b) will require reductions in expenditure in the SEN protection scheme to help balance the high needs budget.

32. In order for Schools Forum to be fully informed in considering a request from the local authority to transfer funding from the schools block to the high needs block, DfE suggest the evidence presented to the schools forum should include:

- *Details of any previous movements between blocks, what pressures those movements covered, and why those transfers have (together with the increased high needs funding for 2020 to 2021 and future years) not been adequate to counter the new cost pressures;*

A transfer of £324k (0.3%) was agreed for 2018/19, a transfer of £215k (0.2%) was agreed for 2019/20 and a transfer of £300k (0.3%) was agreed for 2020/21 mainly to support the SEN protection scheme.

- *A full breakdown of the specific budget pressures that have led to the requirement for a transfer. This should include the changes in demand for special provision over the last three years, and how the local authority has met that demand by commissioning places in all sectors*

Budget pressures on the complex needs budget and out county placement budget are such that a £1m overspend was incurred in 2019/20. The high needs budget is forecast to overspend by £350k in 2020/21 and further provision of £2m has been made to provide for the costs arising from known pupils expected to receive placements in 2021/22. Without as funding transfer to the high needs block in 2021/22, the high needs budget will be £300k overspend. Herefordshire special schools are full. The new Beacon College Special Academy is planned for 50 places, aged from 16 to 19, with severe and complex learning difficulties and has been commissioned by the DfE and will open as part of the Barrs Court Academy Trust in September 2021 providing 50 Post-16 places.

- *It's particularly important that any changes in the provision for mainstream school pupils with high needs are highlighted so that those schools can understand both why a transfer of funds from the schools block might be needed, and how future transfers might be avoided.*

The funding transfer is necessary to avoid a high needs block deficit and to continue funding the high needs protection scheme which is judged as essential by primary schools in particular. Without the block transfer reductions would have to be made to the protection scheme, which the council considers would have a negative impact on inclusion and would further increase spend.

- *A strategic financial plan setting out how the local authority intends to bring high needs expenditure to levels that can be sustained within anticipated future high needs funding levels.*

The council considers that an appropriate level of funding to meet need is essential from the DfE to ensure a balanced high needs budget in future. A modest transfer will ensure as far as possible that Herefordshire does not incur a

The local authority should demonstrate an assessment and understanding of why the high needs costs will be at a level that exceeds the increased levels of high needs funding that all local authorities will receive in 2020 to 2021, and that can be anticipated in subsequent years, and that plans are in place to change the pattern of provision where this is necessary, as well as to achieve greater efficiency in other ways.

Herefordshire does not intend to spend at a level that exceeds high needs block funding allocated by DfE. Modest transfers from the schools block will be proposed when surplus funding is available over and above that required to fully implement the NFF in schools.

- *The schools forum can only give approval for a one-off transfer of funding out of the 2021 to 2022 schools block.*

This is clearly understood and with sufficient funding provided in DSG by DfE such transfers of funding from schools block to high needs would not be necessary.

- *The local authority should give details of whether the cost pressure is such that they would anticipate the need to seek schools forum approval for a transfer in subsequent years, if this is permitted, and how they are planning ahead to avoid such transfers in the longer term.*

Herefordshire does not intend to spend at a level that exceeds high needs block funding allocated by DfE. Modest transfers from the schools block will be proposed when surplus funding is available over and above that required to fully implement the NFF in schools.

- *As part of the review and planning process, the extent to which collaborative working is being developed as a means of securing suitable high needs placements at a cost that can be afforded.*

Collaborative working with the National Star College, based in Cheltenham, has secured local places at affordable cost. The National Star College is an independent specialist further education college for people with physical disabilities, acquired brain injuries and associated learning difficulties

- *We expect effective partnership between the local authority, those institutions offering special and alternative provision (including mainstream schools), and parents; and between the local authority and neighbouring authorities.*

Herefordshire works closely with its partner schools to effective high needs provision. The avoidance of a deficit to date is a result of this close working relationship with schools and providers.

- *Any contributions from health and social care budgets towards the cost of specialist places.*

Herefordshire Council has a section 75 agreement with the local CCG that provides for joint funding of pupils with complex needs on in a ratio of 3:3:1 from DSG, Social Care and health. Herefordshire's model is in line with national best practice.

- *How any additional high needs funding would be targeted to good and outstanding primary and secondary schools that provide an excellent education for a larger than average number of pupils with high needs, or to support the inclusion of children with special educational needs in mainstream schools.*

Herefordshire's SEN protection scheme is already seen by the DfE as good practice for supporting the inclusion of children with SEN in mainstream schools although we make no distinction between any school. The Herefordshire tariff matrix provides for the child's needs to be met in either their local mainstream school or a special school without any financial penalty. It is the child's needs that are funded not the establishment.



- *Examples of schools that illustrate how the local authority would support such inclusive practice are also useful.*

Herefordshire is intending to use the £100k set aside for preventive initiatives to support a number of schools on a nurture group basis to provide further support for children to attend their local school. Nurture groups are founded on evidence-based practices and offer a short-term, inclusive, focused intervention that works in the long term. Nurture groups are classes of between six and 12 children or young people in early years, primary or secondary settings supported by the whole staff group and parents. Each group is run by two members of staff. Children attend nurture groups but remain an active part of their main class group, spend appropriate times within the nurture group according to their need and typically return full time to their own class within two to four terms.

- *Details of the impact of the proposed transfer on individual schools' budgets as a result of the reduction in the available funding to be distributed through the local schools funding formula.*

No reduction will be made to the national funding formula for Herefordshire schools as it is the surplus above the NFF entitlement that is intended to be shared between schools and high needs. There is extremely unlikely that funding above the NFF will be retained by schools in the long term.

- *The extent to which schools more generally support the proposal, including details of the outcome of local school consultations, the options or proposals that were subject to consultation, how many schools agreed, disagreed or did not respond.*

The consultation with schools was very supportive of the proposal for a modest transfer from the schools block to high needs in order to fund the SEN protection scheme.

33. Herefordshire will not ask the Secretary of State, for approval to continue with a transfer that the school forum oppose. However Schools Forum will be asked to support the proposals in the consultation paper to reduce expenditure on the SEN protection scheme to ensure that the high needs budget for 2021/22 is a balanced budget in accordance with existing policy of ring fencing the separate DSG blocks.

34. Further detailed work will be undertaken with the Budget Working Group prior to final high needs budget plans being presented to Schools Forum in March 2021, prior to Cabinet member approval of the high needs budget for 2021/22.

### **Other proposed changes**

#### Reception Uplift Factor

35. It is proposed to remove the reception uplift factor from the National funding formula as this was a temporary measure put in place to provide continuity for some schools when the pupil census date changed from January to October. It provides a forecast of the number of reception pupils that might start school between October and January. It is unfunded by DfE as the Dedicated Schools Grant is funded on actual pupils on the October census and only used by 14 local authorities. It is not expected to form part of the national funding formula on a long term basis.

## Reducing the claw-back percentage

36. It is proposed to reduce the claw-back percentage for locally maintained schools balance balances from 25% down to 20%. The percentage is currently over generous and schools with such high balances are not spending their budget on current pupils. The 20% claw back will apply to balances as at 31<sup>st</sup> March 2022 i.e. at the end of the 2021/22 financial year.

37. Local authority maintained school balances are currently 16% of school budget allocations and LA school total balances haven't changed in recent years. As at March 2020, 19 out of 61 LA maintained schools have balances between 20% and 25%. Balances are as follows;

March 2017	£8.1m
March 2018	£8.7m
March 2019	£9.5m
March 2020	£9.4m

## Community impact

38. The government's national funding formula determines the allocation of funding to schools and the DSG is essential in helping the council achieve its priority to keep children and young people safe and give them a great start in life. The school funding formula must meet the national requirements of the DfE. Within these national guidelines the funding is targeted to support the achievement of improved outcomes for all Herefordshire pupils in accordance with a carefully considered strategy that is subject to annual consultation with schools and governors.

39. Governing bodies of schools are responsible for decisions to commit expenditure according to meet pupils' individual needs. Funding for Looked after Children is no longer included in the national funding formula and is now fully included in the pupil premium plus grant for Looked after Children. The pupil premium plus is £2,300 per qualifying pupil and will be better targeted to provide help to Looked after Children. Schools are asked to report termly how they have spent the Pupil Premium Plus and what the impact is on learning. During 2019/20 pupil premium funded 757 'interventions' (across 238 children) and 47% had the expected impact on progress, 5% had less than expected impact on progress (and payments were stopped), 7% had more than expected impact on progress and 41% of interventions have not yet been measured (i.e. still too early to measure)

## Environmental Impact

40. This is a consultation with Schools Forum on school and high needs funding and will have no direct environmental impacts. School governing bodies and trustees are responsible for deciding on expenditure and they will be encouraged to minimise waste and resource use in line with the Council's Environmental Policy

## Equality duty

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

42. 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.

43. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. As this is a decision to implement the government's national funding formula for schools, we do not believe that it will have an impact on our equality duty.

## **Resource implications**

44. The recommendations, if agreed, aim to set the high needs provision within the available funding whilst if necessary to meet need by permitting expenditure in excess of budget to be drawn down from the forecast DSG balances of £0.4m. Additional DSG high needs funding of £2m has been allocated by DfE for 2021/22 in recognition by government of the cost pressures within the high needs block. Herefordshire will retain the current practice of ring fencing the DSG blocks and allocating spend accordingly, the only exception being to ask schools forum to approve a £0.3m block transfer to ensure the SEN protection scheme remains fit for purpose. The DSG grant income is noted within the council's Medium Term Financial Strategy but is not included in the council's forward financial planning. DSG is planned jointly with Schools Forum

## **Legal implications**

45. The Schools Forum Regulations 2012 provides that School Forums generally have a consultative role. However, there are situations in which they have decision-making powers, as detailed in Regulation 10. The Regulations state that the council must consult the Schools Forum annually in connection with amendments to the school funding formula, for which voting is restricted by the exclusion of non- school members except for Private, Voluntary, Independent representatives. Voting on de-delegation and the education functions for maintained schools is restricted to maintained school members only.

46. The decision making powers of Schools Forum are limited, as detailed in the Education and Skills Funding Agency guidance sheet 'School Forum Powers and Responsibilities' published in September 2017

## **Risk management**

47. The BWG reviews proposals in detail prior to making recommendations to the Schools Forum. This two stage process helps to 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.

## **Consultees**

48. All maintained schools and academies in Herefordshire have been consulted on the final budget proposals for 2021/22. 18 responses were received prior to the 30 November 2020 deadline. This is a poor response rate of 21% from the 93 mainstream schools, including academies, and the four special schools. Previously School Forum has taken a low response rate to mean that schools are broadly in favour of the national funding formula and de-delegation proposals given the support of the Budget Working Group.

49. The Budget Working Group were consulted at their meeting on 4 December and will have a further opportunity at their January meeting to make set out further comments and advice to the forum which would be reported in a supplemental document.

50. In discussion with the BWG, members noted that:

- The view of HASH remained that ideally the funding blocks should be ring fenced but it was recognised that the knock on effect of reduced funding for SEN would be significant;
- At the request of the unions the question had been specifically put as to whether secondary schools wished to maintain the current SLA arrangements or move to de-delegate this funding, the majority of responses favoured continuing with the SLA;
- The survey had offered a choice between charging schools for FSM administration based on number of pupils receiving meals or on total pupil numbers, responses slightly favoured charging on total numbers and the BWG supported progressing on that basis;
- The majority of responses to the survey supported reducing the clawback percentage from 25 to 20%, there would be a process for schools to make an exceptional case to retain a higher balance;
- The proposed transfer of £0.3m to the high needs block was supported;
- The significant growth in FSM numbers was noted – this was a national issue and a response was awaited from the DfE, the increased figures would have implications for pupil premium funding.

51. The Budget Working Group broadly supported the report, pending confirmation of the DSG, and would make any final recommendations to Schools Forum at its meeting on 8 January 2021.

52. Table of responses received from 9 primaries, 7 secondary and 2 special schools as follows

Question number	Question Topic	Yes	No
Q1	Options for use of any surplus funding after implementing the national formula values:		
	a) It is proposed to implement the national funding formula values in 2021/22.	17	0
	b) It is proposed to no longer use the reception uplift factor within the national funding formula for 2021/22	17	0
	c) Share the national growth fund (within the schools block) £0.62m as follows:		
	i) Transfer £0.3m from the schools block to fund the SEN protection scheme expenditure in 2021/22	16	1
	ii) Transfer £0.08m from the schools block to fund the an additional £10 per pupil over and above the NFF in 2021/22	16	0
	iii) Reserve £0.24m for pupil growth funding to meet basic need in the Golden Valley	13	2

	d) Do you accept that without support from the schools block growth fund then the SEN protection scheme for schools with higher than average numbers of high needs pupils must be curtailed.	12	3																																																							
Q2	<p>It is estimated that Herefordshire will receive an additional £2.0m grant for high needs.</p> <p>Placements in independent schools are forecast to overspend by £0.1m possibly rising to £0.2m if further placements are necessary. Further growth of £0.3m for 2021/22 will require a budget of £1.6m i.e. an increase of £0.5m for 2021/22. Investment in local provision for autism places will be investigated to help reduce future cost pressure.</p> <p>The remaining £0.5m can be used to meet cost pressures in post-16 placements, top-up tariffs, full year costs of the nurture groups and inflation on mostly tariffs D-F and potential growth in post-16 places and loss of income due to COVID in particular will impact on the PRU and hospitals services.)</p> <table border="0"> <tr> <td>a)</td> <td>Growth in complex needs places</td> <td>£1.05m</td> <td>17</td> <td></td> </tr> <tr> <td>b)</td> <td>Growth in out-county independent school places</td> <td>£0.5m</td> <td>13</td> <td></td> </tr> <tr> <td>c)</td> <td>Growth in special school and unit places</td> <td>£0.175m</td> <td>17</td> <td></td> </tr> <tr> <td>d)</td> <td>Full year cost of nurture groups</td> <td>£0.1m</td> <td>16</td> <td></td> </tr> <tr> <td>e)</td> <td>Increases in tariffs A-C (+1%) and D-F (+2.5%)</td> <td>£0.125m</td> <td>17</td> <td></td> </tr> <tr> <td>f)</td> <td>Additional 15 intervention places for the PRU</td> <td>£0.15m</td> <td>17</td> <td></td> </tr> <tr> <td>g)</td> <td>Additional post-16 places</td> <td>£0.1m</td> <td>16</td> <td></td> </tr> <tr> <td>h)</td> <td>Growth in SEN protection scheme</td> <td>£0.05m</td> <td>17</td> <td></td> </tr> <tr> <td>i)</td> <td>Growth in hospital places at £5k for 0.5 place</td> <td>£0.05m</td> <td>16</td> <td></td> </tr> <tr> <td>j)</td> <td>Less contribution from growth fund schools block</td> <td>-£0.3m</td> <td>15</td> <td>1</td> </tr> <tr> <td>k)</td> <td>Balance high needs budget with additional income</td> <td>£2.0m</td> <td>15</td> <td>1</td> </tr> </table>	a)	Growth in complex needs places	£1.05m	17		b)	Growth in out-county independent school places	£0.5m	13		c)	Growth in special school and unit places	£0.175m	17		d)	Full year cost of nurture groups	£0.1m	16		e)	Increases in tariffs A-C (+1%) and D-F (+2.5%)	£0.125m	17		f)	Additional 15 intervention places for the PRU	£0.15m	17		g)	Additional post-16 places	£0.1m	16		h)	Growth in SEN protection scheme	£0.05m	17		i)	Growth in hospital places at £5k for 0.5 place	£0.05m	16		j)	Less contribution from growth fund schools block	-£0.3m	15	1	k)	Balance high needs budget with additional income	£2.0m	15	1		
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k)	Balance high needs budget with additional income	£2.0m	15	1																																																						
Q3	<p>As in previous years, it is proposed that the following services should be de-delegated for local authority maintained schools:</p> <p>a) trade union facilities - primary only – de-delegated at a cost of £2.75 per primary pupil for teaching unions</p>	11	2																																																							

	<p>b) ethnic minority support – secondary and primary</p> <p>Charged at £1.12 per pupil, £6.60 per Ever-6 FSM pupil and £107 per EAL first year pupil.</p> <p>c) school budgeting software licence estimated at £405 per school</p> <p>d) new for 2020/21 - free school meals entitlement to be de-delegated at either</p> <p>A) £1.25 per primary pupil and £0.94 per secondary pupil; or</p> <p>B) £11.50 per primary FSM pupil and £8.50 per secondary FSM pupil</p> <p>e) statutory education services provided by the council to non-academy schools to continue at £12.50 per pupil.</p> <p>f) trade union facilities – secondary only</p> <p>A) de-delegated at a reduced cost of £2.75 per secondary pupil for teaching unions; or</p> <p>B) service level agreement at £2.75 per secondary pupil for teaching unions</p>	<p>15</p> <p>14</p> <p>8</p> <p>5</p> <p>11</p> <p>1</p> <p>2</p>	<p>0</p> <p>0</p> <p>4</p> <p>6</p> <p>0</p> <p></p> <p></p>
Q4	It is proposed to reduce the claw-back percentage for locally maintained schools balances from 25% down to 20%. The percentage is currently over generous and schools with such high balances are not spending their budget on current pupils. The 20% claw back will apply to balances as at 31 March 2022 i.e. at the end of the 2021/22 financial year.	11	4

53. The consultation results overwhelmingly support the schools budget proposals in question 1 as set out in the consultation paper. There were comments about the essential nature of the SEN protection scheme. The high needs budget was universally supported mostly in its entirety with some “NO”s against additional spend on out-county special school placements. However given that Herefordshire special schools and full and the statutory requirement to meet need there is simply no alternative. The De-delegation proposals in question 3 were largely supported although the choice of funding model for free school meals assessment is very close. Overall the proposal to reduce the balance clawback percentage is supported. The BWG has met twice on 4 December and 8 January to consider the consultation responses and the budget proposals in detail. The BWG’s comments are set out in the supplementary report. All schools will be advised of School Forum’s final budget recommendations.

## Appendices

National school funding formula 2021/22 – consultation for Herefordshire schools

## Background papers

None identified

**Please include a glossary of terms, abbreviations and acronyms used in this report.**

BWG	Budget Working Group (of Schools Forum)
CAMHS	Children and Adolescent Mental Health Service
DSG	Dedicated Schools Grant
DfE	Department for Education
EHCP	Education Health Care Plan
ESFA	Education and Skills Funding Agency
MASH	Multi Agency Safeguarding Hub
MFG	Minimum Funding Guarantee – a funding mechanism by DfE to provide a funding protection mechanism to smooth budget losses over a number of years
PRU	Pupil Referral Unit
H3	Home and Hospital Teaching Team (Hub, Home, Hospital)
SEN	Special Education Needs
SEND	Special Education Needs and Disability







<b>Meeting:</b>	<b>Herefordshire schools forum</b>
<b>Meeting date:</b>	<b>Friday 15 January 2021</b>
<b>Title of report:</b>	<b>Whitecross PFI contract - triennial review</b>
<b>Report by:</b>	<b>Director of Children and Families</b>

## Classification

Open

## Decision type

This is not an executive decision

## Wards affected

Kings Acre;

## Purpose

To review the financial position of the Whitecross PFI contract and inform Schools Forum of any necessary action.

## Recommendation(s)

That:

- (a) **The council's existing contribution of £928,350 pa be continued until the next triennial review in Autumn 2023**

## Alternative options

1. Alternatives might be

- to reduce the council's contribution from April 2021 budget by £156,000 pa from April 2021 so that the sinking fund has a zero balance at the end of the contract. However this is an unnecessary risk because if inflation increases in the final ten years of the contract then the funding will have to be reinstated and potentially increased. Inflation cannot be forecast accurately over this ten year time span.

- the most prudent and financially safest approach is to maintain the current payments to the sinking fund giving the opportunity reduce the council's contribution in full in the final year or two of the contract subject to the value of the sinking fund. The existing payments are fully budgeted in the council's medium term financial strategy (MTFS).

## Key considerations

2. The Whitecross PFI contract financial control model has been updated and reviewed based on the current planning assumptions of the Office of Budget Responsibility (OBR). Using their forecast for Retail Price Index (RPIX) is 3% and expected school budget increases of 1.5% in the financial control model, there is an estimated surplus of £1.2m in the sinking fund at the end of the contract in May 2031.
3. RPIX is currently around 2.5% although the OBR have not updated their forecast since April 2019, and a more realistic estimate of school budget increases (which determine the school's contribution) is 2.5%. Sensitivity analysis indicates that continuing to use the OBR RPIX forecast of 3% and increasing the school contribution to 2.5% increases the sinking fund surplus at contract end approximately £1.6m.
4. The financial planning provides for the maximum surplus on the sinking fund in 2023/24 at approx. £1.7m and thereafter it reduces down to zero as costs become greater than income.
5. The council proposes leaving the budget contributions as they are at £928,350 until the next review in autumn 2023 which corresponds to a value of £1.9m in the sinking fund. If inflation rates remain at the current 2.5%/3% and the school contribution at 2.5% pa then there will be the opportunity in autumn 2023 to consider the financial model and determine the best option in light of the inflation rate at that time.
6. It should be noted that the government have indicated that the RPIX index of inflation will be withdrawn in 2030 and the final few years of the PFI contract will have to use the Consumer Prices Index (CPI) inflation index. The contract will need to be revised in agreement with the PFI provider at the time RPIX index is withdrawn.

## Community impact

7. The financial review of the Whitecross PFI contract has no community impact.

## Environmental Impact

8. The financial review of the Whitecross PFI contract has no environmental impact.

## 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 public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. As this is a decision on back office functions, we do not believe that it will have an impact on our equality duty.

## Resource implications

11. There is no impact on the financial resources required to fund the Whitecross PFI contract. However this may change at the next triennial review in autumn 2023

## Legal implications

12. There are no direct legal implications arising from this report.

## Risk management

13. The greatest risk to the Whitecross PFI contract has always been if inflation increases above the current forecast of 3%. We can protect against this by maximising the value in the sinking fund by maintaining the current payments. The financial affordability of any potential expansion of the school will need careful investigation prior to any potential increase in the number of places provided.

## Consultees

Headteacher, Whitecross school

## Appendices

None

## Background papers

Whitecross PFI financial control model

## Please include a glossary of terms, abbreviations and acronyms used in this report.

OBR	The Office for Budget Responsibility (OBR) is a non-departmental public body funded by the UK Treasury, established by the UK government to provide independent economic forecasts and independent analysis of the public finances.
PFI	Private Finance Initiative
RPIX	Retail Prices Index (excluding mortgage interest) of inflation
CPI	Consumer Prices Index of inflation

## Sinking Fund

A **sinking fund** is a **fund** containing money set aside or saved to pay off a debt or bond. A company that issues debt will need to pay that debt off in the future, and the **sinking fund** helps to soften the hardship of a large outlay of revenue



<b>Meeting:</b>	<b>Herefordshire schools forum</b>
<b>Meeting date:</b>	<b>Friday 15 January 2021</b>
<b>Title of report:</b>	<b>High needs revised matrix and tariffs - Implementation plan</b>
<b>Report by:</b>	<b>Director of Children and Families</b>

## Classification

Open

## Decision type

This is not an executive decision

## Wards affected

(All Wards);

## Purpose

To update Schools Forum on the implementation plan for the revised High Needs Matrix and to seek comments prior to consultation with schools and parent carer groups

## Recommendation(s)

That:

- (a) **Schools forum endorses the implementation plan for consultation with schools and parent carer groups (subject to any comments made); and**
- (b) **The Budget Working Group be asked to consider the responses to the consultation and any necessary financial adjustments; and**
- (c) **A finalised implementation plan and tariff values be considered by Schools Forum at the meeting in March.**

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## Alternative options

1. Schools Forum could choose not to support the consultation. In this case the local authority would then have to determine whether to proceed with the consultation or to amend the implementation plan and re-present to the forum. Other options for the implementation plan were considered, for example to move all children to the new tariff model at annual review rather than at phase transfer and rejected due to staffing implications. Further realistic alternatives may suggested during the consultation.
2. A more fundamental alternative would be to do nothing and soldier on with the existing system. However that would result in the current defects in the system still being present and continuing to be used.
3. Another option would be to implement a different system for distributing resource. However, having investigated those systems used by other councils, they would not adhere to the principles we originally and continue to set out.

## Key considerations

### Background

4. The High Needs Matrix (HNM) is the method by which funding is calculated to support children and young people with Education, Health and Care Plans (EHCPs) in Herefordshire. It is also used to determine funding for some without EHCPs who have comparable level of need, but have not been assessed for an EHCP. Typically, the latter group is where the funding award is likely to be time-limited and in the first instance, an EHCP might not be necessary. It was intended the HNM would be reviewed following its introduction in 2014. Collaborative work has been undertaken with a broad range of colleagues, parents and schools to review the HNM so that it accurately reflects the needs of the vast majority of children and young people with SEND in Herefordshire.
5. Areas for improvement were identified by the working group, which included:
  - Double counting of behaviours associated within both the autism and social, emotional and mental health columns of the matrix
  - The possible representation of learning difficulties as both specific and general.
  - Insufficient recognition of medical and physical needs at the severe end of need resulting in too many children and young people with the most complex needs requiring to be exceptions from the matrix and hence individual decisions made about their level of funding.
  - The descriptions of need lacked sufficient detail and were too ambiguous to allow the user to be clear as to how the needs of a child should be scored.
  - The need for more consistent increments between tariff boundaries.
6. The revised HNM addresses the issues raised previously and has been tested both by the Special Educational Needs (SEN) Team and a number of schools (including special schools), to test its usability, robustness and to ensure that it is representative of each child's needs and therefore the resource required to meet those needs. Moderation of the

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revised HNM alongside the initial version was undertaken to ensure it was appropriate in gauging the level of need of children and young people.

7. Financial testing indicates that the total expenditure using the revised HNM is broadly comparable to the existing arrangements; it is expected to be largely cost neutral.

#### Current Funding Levels and Tariff Boundaries

8. The current funding levels and tariff boundaries applicable for financial year 2020/21 are set out in Appendix 1.
9. When the finer graded tariff levels (A1 – F4) were introduced by the Local Authority in 2017, these were applied in all schools. However, due to the constraints required by the Minimum Funding Guarantee (MFG), each pupil in special schools has continued to be paid the top of the tariff band pending the revision of the HNM.
10. The original HNM was designed so that the same need would be funded at the same level, irrespective of school type (e.g., mainstream or specialist). The design of the new matrix is intended to maintain this principle.
11. The Local Authority is required to apply the MFG to special schools, however as new pupils arrive at the school, the guarantee provided reduces because pupils are placed on their actual band rather than necessarily being at the top of the band (see appendix 1). The financial modelling has included the inflation allowance which has reduced the disparities in special school funding however further work needs to be carried out to minimise changes in funding and to identify the cost of the provision described in Education, Health and Care Plans in order to ensure that adequate budget provision is made. This is in line with the Council's duty to meet a child's SEN.
12. Moderation and testing confirms that the existing structure of tariff boundaries in place remain appropriate; although the values attached to these may change marginally following consultation and final budget planning.
13. The following fundamental principles will continue to be applied to the new matrix
  - a. All pupils should be funded at the same level irrespective of the setting they attend (e.g., mainstream or specialist).
  - b. We seek to minimise the impact of funding changes for individual settings; transitional arrangements will be applied.
  - c. Funding levels should be split as evenly as is possible across the tariffs to avoid substantial jumps between levels where there is only a small change in need..
  - d. Tariff levels should be sustainable within the High Needs Grant provided by Central Government.
14. The following table sets out the financial modelling based on a sample of pupils with tariffs D- F. Work is in hand to increase the sample from Brookfield school to provide a more representative sample and the tariffs will be reviewed and recalculated if necessary. The Minimum Funding Guarantee (MFG) will ensure that any shortfall in funding for a special school will be made good and provision for additional funding has

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been included in the proposed high needs budget. It may be possible to provide additional budget to further reduce any budget shortfall. This will be progressed further after the consultation with the Budget Working Group (BWG) in March as part of the consideration of the overall high needs budget.

School	Number in sample	Existing funding £'000	Proposed funding £'000	Difference £'000
Barrs Court	81	1,029	1,022	-7
Blackmarston	40	486	472	-14
Brookfield	19	183	172	-11
Westfield	30	366	386	+20
Mainstream	60	489	565	+77

### Proposals

15. From 1 April 2021 the new proposals will ensure that;

- All new Education Health Care (EHC) Plans will have funding allocated using the updated tariff levels, including those for children and young people attending specialist settings.
- All children and young people reaching 'phase transfer' points of Reception, Year 5 and Year 11 will be moved to the revised HNM with the appropriate tariff levels applied.
- All EHC Plans will be moved to the new funding matrix within five years.
- All non EHC Plan Top Up Funding applications will be allocated funding using revised HNM.

16. The next steps following schools forum are as follows;

- a. Further work to be carried out to determine the impact upon special schools.
- b. Final proposals and timescales to be delivered to BWG on 8 January 2021.
- c. Consultations to be undertaken, including with parents and carers.
- d. Confirmed proposals Budget Working Group on 5 March 2021 and Schools Forum 19 March 2021.
- e. Approval by Cabinet Member Children and Families.

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## Illustrative Calculations for Funding from April 2021

17. Appendix 1 sets out illustrative funding values for each tariff which will be part of the consultation with schools and parental groups and subject to any necessary minor adjustments following consultations will be effective from 1 April 2021.

## **Community impact**

18. The revised HNM will support the high needs budget to meet the needs of pupils with SEND within the DSG funding allocated to the council. The proposals will ensure the HNM is appropriate in gauging the level of need of children and young people and that pupils are funded at the same level irrespective of the setting they attend
19. These services contribute to delivery of the following ambitions in the adopted County Plan for 2020-2024:  
  
Community
  - a. Ensure all children are healthy, safe and inspired to achieve;
  - b. Protect and improve the lives of vulnerable people.
20. These services also support the pledges set out in the Children and Young Peoples Plan 2019-2024 in:
  - a. Keeping children and young people safe;
  - b. Improving children and young people's health and wellbeing;
  - c. Helping ALL children and young people succeed.
21. The funding provided through the HNM for SEND will be made to care experienced children and care leavers in the same way as to all other children eligible for funding through the HNM, irrespective of other funding provided to support the education of care experienced children.
22. The term 'corporate parent' means the collective responsibility of the council, elected members, employees, and partner agencies, for providing the best possible care and safeguarding for children who are looked after by the council. Being a good corporate parent means we should: accept responsibility for children in the council's care; make their needs a priority; and seek for them the same outcomes any good parent would want for their own children.
23. Corporate parenting responsibilities are not confined to elected members. All officers share the responsibility to promote the needs of looked after children. Key responsibilities of all officers are: to promote the life chances of looked after children and care leavers in their area of responsibility; and to consider the impact of decision making on looked after children and care leavers.

## **Environmental Impact**

24. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability,

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achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.

25. Whilst this is a decision primarily on funding and will have minimal environmental impacts, consideration has been made to minimise waste and resource use in line with the Council's Environmental Policy.

## Equality duty

26. 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.
27. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. It remains a fundamental principle of the revised HNM that children and young people with special educational needs attract the same level of funding irrespective of the setting they attend. This principle should support parents (or YP themselves who are over 16 years of age) to express a preference for either mainstream or specialist settings (subject to their child meeting the entry criteria for the provision).
28. 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. The intention of the HNM is to reduce educational disadvantage and promote educational progress for children and young people with the protected characteristic of disability when compared to non-disabled peers. The HNM covers the full range of SEND as defined by the SEND Code of Practice, 2015.
29. Where a decision is likely to result in detrimental impact on any group with a protected characteristic it must be justified objectively. This means that attempts to mitigate the harm need to be explored. If the harm cannot be avoided, the decision maker must balance this detrimental impact against the strength of legitimate public need to pursue the service change. The removal of the autism column from the original matrix has been considered in relation to any detrimental impact. However, the principle of the funding is to make provision to mitigate the impact of the special educational need. This SEN is best considered in terms of identifiable behaviours rather than particular diagnoses. The behaviours associated with the autism spectrum that impact on educational progress (in its widest sense) have been considered and the working group, which included the Chair of the local branch of the National Autistic Society, agreed that the other columns of the

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HNM (mainly the SEMH and speech, language and communication columns) covered all of those associated behaviours.

## Resource implications

30. Dedicated Schools Grant provides the funding for the high needs tariffs from within the high needs block. The final high needs budget for 2021/22 will be considered in detail by the Budget Working Group on 4 March 2021 and final budget proposals will be considered by Schools Forum on 19 March 2021. Final approval of school forum's recommended high needs budget will be by the Cabinet Member immediately afterwards.
31. The final tariff proposals for 2021/22 will be considered by the Budget Working Group following consultation and will be within the existing allocated high needs budget for 2020/21 plus any additional inflationary increase and implementation costs, for example to meet the minimum funding Guarantee as recommended to the cabinet member later in March.
32. There are no resource implications in carrying out the consultation as it will be dealt with as an operational matter within existing budgets.

## Legal implications

33. 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. The council must consult the schools forum annually regarding a number of schools budget functions including the following:-
  - Amendments to the school funding formula
  - Arrangements for the education of pupils with SEN, in particular the places to be commissioned by the council and schools and the arrangements for top-up funding
  - Arrangements for the use of PRUs and places to be commissioned by the council and schools and arrangements for paying the top-up funding
  - Administrative arrangements for the allocation of central government grants paid to schools via the council.
34. It is also good practice for the council to inform schools forum of proposals for central spend on the high needs block provision.
35. 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 under the Children and Families Act 2014.
36. 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 the provision for pupils with high needs in both special and maintained schools
37. Changes to the high needs funding provision could leave the council open to legal challenge through judicial review, ombudsman complaint or appeal to the Special Education Needs and disability Tribunal if children, young people or their families are of the view that 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,

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the council must secure the specified education provision. Therefore the council must comply with its statutory duties in this regard.

## **Risk management**

38. As these proposals are to be consulted upon no analysis of risk has yet been carried out.
39. The BWG will review the proposals in detail and consider feedback received prior to making recommendations to the Schools Forum. This two stage process helps ensure greater scrutiny of 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.

## **Consultees**

40. Consultation will be undertaken with the following groups and organisations following consideration of the proposals by Schools Forum;
  - a. All Herefordshire schools and colleges
  - b. All parent and carer groups representing children with SEND

## **Appendices**

Appendix 1 - current funding levels and tariff boundaries applicable for financial year 2020/21

Appendix 2 - Revised High Needs Matrix applicable from 1 April 2021

## **Background papers**

Statistical and Financial modelling analysis to determine “best fit” revised tariff funding

**Please include a glossary of terms, abbreviations and acronyms used in this report.**

BWG Budget Working Group (of Schools Forum)

DSG Dedicated Schools Grant

DfE Department for Education

EHCP Education Health Care Plan

ESFA Education and Skills Funding Agency

HNM High Needs Matrix

PRU Pupil Referral Unit

SEN Special Education Needs

SEND Special Education Needs and Disability

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## High Needs tariff Values – Current and proposed April 2021

Assessment Points	Tariff	Funding as at April 2020	Including inflation increase in April 2021	Percentage increase
		£	£	%
0 - 9	Local Offer	0	0	0%
10-14	A1	696	708	1.7%
15 - 19	A2	1,392	1,404	0.9%
20 - 24	B1	2,400	2,424	1.0%
25 - 29	B2	3,420	3,456	1.1%
30 - 34	C1	4,020	4,056	0.9%
35 - 39	C2	4,620	4,668	1.0%
40 - 44	C3	5,220	5,268	0.9%
45 - 49	C4	5,820	5,880	1.0%
50 - 54	D1	6,900	7,800	13.0%
55 - 59	D2	7,812	9,048	15.8%
60 - 64	D3	8,724	10,296	18.0%
65 - 69	D4	9,624	11,556	20.1%
70 - 74	E1	10,620	12,804	20.6%
74 - 79	E2	11,616	14,052	21.0%

<b>80 - 84</b>	<b>E3</b>	<b>12,600</b>	<b>15,300</b>	<b>21.4%</b>
<b>85 - 89</b>	<b>E4</b>	<b>13,596</b>	<b>16,548</b>	<b>21.7%</b>
<b>90 - 94</b>	<b>F1</b>	<b>14,724</b>	<b>17,796</b>	<b>20.9%</b>
<b>95 - 99</b>	<b>F2</b>	<b>15,864</b>	<b>19,056</b>	<b>20.1%</b>
<b>100 - 104</b>	<b>F3</b>	<b>16,992</b>	<b>20,304</b>	<b>19.5%</b>
<b>105 - 109</b>	<b>F4</b>	<b>18,120</b>	<b>21,552</b>	<b>18.9%</b>

2014 SEND Code of Practice Primary Areas of SEN											
Tariff points	Sensory and Physical				Communication and Interaction		Social, Emotional and Mental Health			Cognition and Learning (only score in 1 of these columns)	
	Physical disability	Medical Condition	Hearing (signing captured in speech and language)	Vision	Speech and Language	ASD	Emotional Wellbeing	Social Behaviour	Learning Behaviour	Cognitive Ability	Specific Learning Difficulty
Needs within this section to be met within £6k delegated budget.	Needs within this section to be met within £6k delegated budget. Please refer to Graduated Approach to SEND document.										
2	No needs in this area, physical development within normal levels. CYP shows poor fine and/or gross co-ordination skills.	No needs in this area. General health within normal levels. CYP may need support with administration of regular medication in school.	Hearing within normal limits. Mild loss of hearing (e.g. conductive or unilateral loss). Can hear clear voice without aids/amplification. Mild hearing loss, managed effectively with assistive technology.	Vision within normal range, including when corrected by glasses 6/6-6/12	Language communication skills within average levels or above. Mild speech sound disorder/articulation difficulty.	Herefordshire Council recognises children with diagnoses of Autism Spectrum Disorder.  The behaviours associated with this condition are described in other columns e.g. social communication within speech and language/social behaviour and rigid learning behaviours in SEMH	No significant needs in this area. 2-4 times per week: • displays inappropriate emotions and responses • lacks empathy with others • appears miserable • has mood swings • unsettled by change	No significant needs in this area. 2-4 times per week: • has poor interactions with other CYP • disrespectful to staff or property • seeks attention inappropriately • unable to wait for rewards	No significant needs in this area. 2-4 times per week: • gets distracted from tasks • inattentive to staff • shows poor organisation skills • does not work well in a group	Cognitive abilities within broad average levels and National Curriculum attainments average or close to average. CYP presents with some learning delay, shows some difficulties with conceptual understanding, in one or more areas of the core curriculum and attainments are more than 1 year below average school age.	Literacy and numeracy within broad average levels and in line with expectation given the CYP's history of schooling. Some difficulty with reading/spelling of high frequency words and the acquisition of phonic skills.
4	Mild physical disability e.g. absent digits, mild diplegia, CYP is independently mobile without the use of aids etc. but requires assistance for some school routines/self-help skills, toileting and feeding/travel.		Moderate hearing loss which may be severe in some frequencies. Uses post aural aids, non-verbal cues for communication and/or uses FM system.	Mild impairment. 6/12 - 6/18 (LogMAR 0.3 – 0.48) Reads N12 print. Mild bilateral field loss or adapted to monocular vision. Independent mobility Wears patch 1-2 hours daily.	CYP has severe language delay or moderate language disorder or CYP has a moderate speech sound disorder.				Mild learning difficulties. Needs differentiated work and support with conceptual understanding, and reasoning across the core curriculum. In the low range on standardised assessments of cognitive ability, or pupil presents with a very uneven profile of cognitive abilities that requires a balance of small group and additional adult support.	Uneven profile of skills in core areas. Some difficulties with spelling and reading high frequency words. Unrecognisable spelling of phonic alternatives. Reading 3-4 years behind chronological age in spite of specialised advice to support and remediate difficulties over a [period of more than two years.	
8	Moderate physical disability. CYP is mobile with the use of walking aids. May require level access and/or supervision or assistance on stairs, sight guiding etc. CYP needs daily specialist programme for co-ordination skills.	CYP needs daily adult support with health care regimes.		Moderate impairment, needs some work modified. 6/18 – 6/36 (LogMAR 0.5 – 0.78) Moderate bi-lateral field loss Independent mobility in familiar areas. Moderate level of specialist equipment required.	Severe language and/or speech sound disorder/limited language. Uses mix of speech and augmented communication systems. May use signing as aid to communication.		At least once per day: • displays inappropriate emotions and responses (anger/aggression) • shows little empathy with others • unhappy, withdrawn, disengaged • mood swings • upset by change • demonstrates low self-esteem	At least once per day: • poor interaction with other CYP • disrespectful to staff or property • seeks attention inappropriately or unable to wait for rewards • sensory needs impact upon engagement with peers at unstructured (e.g. busy communal areas)	At least once per day: • distracted from tasks • inattentive to staff • rigid behaviours • disorganised and lacking equipment • finds group learning difficult • unwilling to attempt tasks/take risks in learning • unable to independently engage in learning due to PD or LD, e.g. working memory	Very uneven profile of skills. Difficulty in all literacy based subjects. Severe difficulties with HF words. Reading 5 or more years behind chronological age. CYP exhibits emotional barriers to learning as a consequence of their difficulties. Severe difficulties in accessing any written material and often severe emotional barriers to engaging with learning.	
12	Severe physical disability CYP needs access to wheelchair for movement either independent with chair or adult support. Visual impairment requires use of a cane. CYP requires specialist seating and possible other specialist equipment. Dependent on assistive technology and/or support for most curriculum access, e.g. alternative to handwriting.	CYP needs high level supervision, monitoring/emergency medication for medical needs.	Severe hearing loss, needs aids and FM system for curriculum access.	Severe impairment 6/36 – 6/60 (LogMAR 0.8 – 1.00) Registered Sight Impaired (partially sighted). May require short term specialist support and training for mobility and independent living skills. Significant level of specialist equipment required.		In most lessons: • shows inappropriate emotional responses • anxieties or self-esteem are a significant barrier to engaging in the curriculum • distressed by change/transition/sensory needs • displays obsessive or repetitive behaviours	In most lessons: • poor interactions with other CYP • disrespectful to staff or property and physically aggressive • exhibits intense responses to everyday tasks • poor social integration due to SLD/PD/low self-esteem/anxiety/behaviours/inability to interpret social interactions	In most lessons: • distracted from tasks • inattentive to staff • disorganised and lacking equipment • finds group learning difficult • unable to wait for rewards • limited ability to engage in learning due to SLD/PD	Moderate learning difficulties, showing significant delay in reasoning skills and experiencing learning difficulties across all areas of the curriculum. Extremely low range on standardised assessments of cognitive ability and requires an individualised curriculum and substantial individual adult support.		
16	Profound condition Powered wheelchair or dependent on assistance for mobility. Non-weight bearing – requires use of hoisting. Staff require regular moving and handling training. Dependent on assistance for most personal care needs, e.g. toilet, dressing, eating and drinking.	Specialist health care support required e.g. tracheostomy, gastrostomy, pressure care, multi-agency joint working required.	Profound hearing loss. Very limited functional hearing for speech despite aids. Uses post-aural cochlear implants plus FM system.	Profound impairment: Less than 6/60 (LogMAR 1.02) Registered SSI (Blind) alternative/tactile methods of text access (e.g. Braille) Needs on-going specialist support and training for independent living skills High level of specialist equipment required	Severely limited language or nonverbal uses alternative communication systems to make needs/choices known. Signing as first language. BSL user, needs communicator.	In every lesson: • shows inappropriate emotional responses • behaviours, including self-harming • behaviour is severely withdrawn, or obsessional • lacks of understanding of dangers due to SLD/PD, vulnerable in the community.	In every lesson: • shows only minimal respect for adults and peers • intimidates and readily resorts to physical aggression • socially isolated due to PMLD/PD • sexualised behaviour requiring consistent supervision	In every lesson: • finds it very difficult to cope learning situations as an individual or as part of a group • removes self from classroom • completely disengaged from curriculum and shows very little interest in school work at all • unable to independently engage in the curriculum due to PMLD, medical condition or physical disability • sensory behaviours prevent sustained engagement in the curriculum • oppositional • avoidant of demands/difficult to direct/rigid behaviours prevent engagement in the curriculum	Severe learning difficulties and global delay, affecting self-help and independence skills throughout school. Functions at a level that requires specialised interventions and adaptations to the curriculum. Attainments at P Levels for majority of school career.		

