

Agenda

Herefordshire schools forum

Date: **Friday 19 March 2021**

Time: **9.30 am**

Place: **online meeting**

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

For any further information please contact:

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Agenda for the Meeting of the Herefordshire schools forum

Membership

Chairman	Julie Cohn	Academy Special School Representative
Vice-Chairman	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. APOLOGIES FOR ABSENCE To receive apologies for absence.	
2. NAMED SUBSTITUTES (IF ANY) To receive any details of Members nominated to attend the meeting in place of a Member of the Forum.	
3. DECLARATIONS OF INTEREST To receive any declarations of interest by Members in respect of items on the Agenda.	
4. MINUTES To approve and sign the minutes of the meeting held on 15 January 2021.	5 - 20
5. HIGH NEEDS BUDGET 2021/22 To consult on the Dedicated Schools Grant (DSG) high needs budget for 2021/22 prior to recommending to the Cabinet Member for Children and Families for approval; and To consult on the implementation plan for the improvements to the high needs matrix and the associated revisions to the tariff funding from 2021 following consultation with schools and parent/carers groups.	21 - 66
6. UPDATE ON SOLID ROOTS PROGRAMME To review delivery of projects under the Solid Roots Programme.	To Follow



Minutes of the meeting of Herefordshire schools forum held as online meeting on Friday 15 January 2021 at 9.30 am

Present:	Mrs J Cohn (Academy Special School Representative) (Chairperson)
	Mrs K Weston (Local Authority Maintained Primary School) (Vice-chairperson)
	Mr D Bennett Academies
	Ms C Bryan Academies
	Mr P Burbidge Archdiocese of Cardiff
	Mr A Davies Academies
	Ms N Emmett Academies
	Ms N Gilbert LA Special Schools
	Mr E Gwillim 16-19 Providers
	Mr J Hedges Primary Governors
	Mr M Henton LA Maintained Secondary Schools
	Mrs S Jenkins Local Authority Maintained Primary School
	Mr P Jennings Academies
	Mr S Kendrick Local Authority Maintained Primary School (with Nursery)
	Mr T Knapp Academies
	Ms T Kneale Local Authority Maintained Primary School
	Mr C Lewandowski Trade Unions
	Mrs R Lloyd Early Years
	Mr N Moon Local Authority Maintained Primary Schools
	Mr P Deneen Trade Unions
	Mrs K Weston Local Authority Maintained Primary School

In attendance: Cllr Carole Gandy, Felicity Norman and Diana Toynbee

Officers: Strategic Finance Manager, Head of Additional Needs and Assistant Director Education Development and Skills

10. APOLOGIES FOR ABSENCE

Apologies were received from the following forum members: Georgie Griffin, Ali Jackson, Sian Lines.

11. NAMED SUBSTITUTES (IF ANY)

The attendance of the following substitutes was noted:

Andy Gosling for Georgie Griffin
Andrew Teale for Sian Lines

12. DECLARATIONS OF INTEREST

Tim Knapp declared an interest in agenda item 6 as the headteacher of Whitecross Hereford High School.

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

13. MINUTES

Resolved: that the minutes of the meeting held on 23 October 2020 be approved as a correct record.

14. SCHOOLS BUDGET 2021/22 (Pages 9 - 16)

The strategic finance manager (SFM) presented the report and outlined the proposed schools budget based on the confirmed Dedicated Schools Grant allocation from the Department for Education (DfE). A copy of the slides used in the presentation are attached to the minutes of the meeting.

The SFM highlighted that the proposals were largely the same as those set out in the consultation paper shared with schools in the Autumn Term. However the final settlement was better than expected and as a result the allocations proposed an improved amount to schools. The underlying approach remained to fully fund the national funding formula levels for schools and to share any surplus funding between schools and the high needs block to support the SEN protection scheme. The Budget Working Group had been fully involved in drawing up the proposals and had endorsed the recommendations set out in the agenda papers.

The SFM had submitted a request to the Secretary of State for approval of an exceptional factor to pay additional monies to six small schools who would lose out on the consolidation of the teachers' pay grant and teachers' pension grant. A response was still awaited. The Budget Working Group had recommended that while use of the exceptional factor was the preferred way forward, in the event that approval was not received the £27k allocated for this factor should be distributed to all schools by increasing the per pupil amount.

An inflationary allowance of 1.5% had been received for the early years' block which was not expected. Taken together with an adjustment for a regular underspend in part of the early years block this allowed for an improvement in the offer to the nursery education funding to settings. There was also an allocation of £10k funding to the MASH to provide support to early years settings.

The allocations of the central services block were largely as set out in the consultation paper. An allocation of £25k into SEN casework was proposed, which would help to support the implementation of the amended high needs matrix which would be discussed later on the agenda.

The high needs budget was in a slightly more positive position than it had been recently. An increase of £2.1m in the high needs block allocation had been received and the latest forecasts of the complex needs funding showed a lower demand for additional funding than had been expected. It was not yet clear whether the council would need to fund the new Beacon College so an allocation had been set aside.

The chair of the Budget Working Group thanked the SFM for his work on the proposals and also thanked members of the working group for their contributions. He highlighted that there had been a number of interesting and robust discussions on the key points during the working group meetings and that it was refreshing to have a small amount of good news to share regarding the budget proposals. The working group were happy to commend the recommendations put to the forum in the agenda papers.

It was resolved 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:

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

(l) In the event that approval is not received the basic entitlement per primary and secondary pupil be increased by £2 a pupil and the growth fund allocation in recommendation (b) be reduced to £234k.

(NB restrictions were applied to voting as follows:

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

Only representatives of LA maintained schools were eligible to vote on recommendation (g). This was further restricted to LA primary school representatives for part (i) and LA secondary school representatives for part (v).)

Decision by Secretary of State

Following the meeting it was confirmed that the request to include the exceptional factor listed as item 37 in part (a) of the decision had been rejected. The contingency set out in part (l) of the decision will therefore be taken forward.

15. WHITECROSS PFI CONTRACT - TRIENNIAL REVIEW

The strategic finance manager presented the findings of the triennial review of the Whitecross PFI contract. It was noted that the level of inflation had generally been below the 2.5% included in the finance model. Should inflation continue at its current low rate through to the end of the contract then the council would be able to cease paying into the sinking fund a year or two earlier than planned. The contract was felt to be working well and no changes were proposed for the next three year period.

In response to a query the SFM explained that in the event Whitecross School was expanded any building work undertaken through the PFI contract would be expensive and the council would need to consider carefully how to proceed. The headteacher confirmed that the school was aware of the costs to the council of any kind of expansion. While some very informal conversations had taken place around possible future expansion this had not proceeded further at this stage.

It was resolved that:

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

16. HIGH NEEDS REVISED MATRIX AND TARIFFS - IMPLEMENTATION PLAN

The head of additional needs (HAN) presented the implementation plan for the revised high needs matrix and tariffs and explained that this would be subject to consultation with schools and parent carer groups. The results of the consultation would be brought back to the budget working group and from there to the March meeting of the schools forum.

The HAN reported that a considerable amount of work had gone into the changes and it was important to differentiate between the matrix itself, which had been revised for some

time, and the table of tariffs which are the values attached to the number of points generated by that wording. The revision sought to address double counting of scores and give greater recognition to the high level of medical and physical needs of some children. The revised matrix would cover the vast majority of children so fewer exceptional decisions would need to be made.

The revisions to the wording in the matrix had been carried out with a working group which had a wide range of stakeholders represented. Since that work had been completed a moderation exercise had taken place to make sure that individual children did not receive big changes to their financial packages and that individual schools did not have wide fluctuations between the old and new arrangements. The principles set out at the start of the review included an aim that children and young people should be funded at the same level irrespective of the setting they attended. A lot of work had been undertaken to try and smooth out changes for individual settings while still adhering to that principle.

The new arrangements would be phased in over five years. From April 2021 all new education health and care plans would be based on the new matrix and tariff. Existing plans would be moved to the new system as pupils reached points of phase transfer.

Forum members noted that there would likely be some fluctuations for individual schools but they should be relatively small in an overall budget. The representative of LA special schools highlighted that the tariff system was the only means of increased income for special schools as there was no year on year increase in the basic per pupil funding. The SFM explained that the council was restricted by the national funding formula which fixed the per pupil figure of £10k. Feedback had been sent to the DfE that it was about time the figure was increased but the DfE were waiting for the conclusion of the national SEN review. It was hoped that the outcome of the review would be published before the end of the Spring Term 2021. The SFM explained that the council had allocated greater inflationary increases on the tariffs which were most relevant to special schools in recognition of the increase in costs such as staffing for special schools.

It was resolved 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.**

17. EARLY YEARS FUNDING

The chair introduced an additional item of business. The forum heard from one of the early years representatives regarding problems with the NEF payments for the Spring Term 2021.

Forum members noted that current guidance was that the funding was to be on actual children attending on a head count, which was difficult given that many families were keeping their children away from settings during the lockdown. New guidance had just been issued that settings would be able to apply for funding for children for whom they had a space even if they weren't attending but many settings had already cut back on their availability and staffing because children were not coming in. It was a challenge to balance costs with keeping sufficient places open for those parents wanting them and ensuring settings were viable for the future.

The SFM confirmed that the council was aware of the difficulties and was in dialogue with the DfE. Further information and guidance was expected. Funding for the autumn term had been based on the figures from the previous year and it was possible that a similar arrangement would be put in place for this term. If children were not recorded on the census then the council did not receive the funding in its DSG to pass through to settings.

The assistant director education development and skills confirmed that the council had taken a decision to provide some additional support to nurseries and that details of this would be announced shortly. It was recognised that information needed to be communicated to providers as soon as possible.

The meeting ended at 10.42 am

Chairperson

School Forum
15 January 2021
School Budget 2021/22

Autumn budget consultation

- Fully fund schools at National Funding Formula
- £620k estimated as available allocated as:
 - Golden Valley growth £240k
 - £10 per pupil extra £80k
 - Transfer to high needs £300k
- Delete reception uplift factor
- Reduce clawback % for LA schools to 20%
- **Budget recommendations to Forum are as per consultation or better throughout**

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Schools Forum Proposals

- Fully fund schools at National Funding Formula
- £652k surplus allocated as:
 - Golden Valley growth £235k **BETTER**
 - **£15 per pupil extra** £117k **BETTER**
 - **£300k to HNB re SEN Protection scheme**
 - **Includes £27k for TPG/TPECG protection 6 schools (still waiting for SoS decision - expect next week)**
- Delete reception uplift factor
- Reduce clawback % for LA schools to 20%
- De-delegation – as per consultation FSM Option A
- **Reduce Education Man'gt Charge by 50p to £12**

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Early Years Block

Consultation no change to early years formula

34YO is £3.97/hr+£51/week rurality (pro-rata <100hrs) +£0.33/hr deprivation for EYPP pupils

- 2YO is £5.28/hr

Recommendation for approx 2.5% increase

- ¹⁸• 34YO is £4.08/hr+£52/week rurality (pro-rata <100hrs) + £0.35/hr for EYPP pupils
- 2YO is £5.36/hr
- Need to inform EY settings

£10k for EY MASH support from central EY spend

Forum Recommendations

Central Block

All £'000	Consult	Schools Forum
ESG Retained	360	369
Forum Admin	15	15
Admissions	125	125
^{£1} National licences	140	140
SEN Casework	0	25
SACRE	0	5
Transfer to HNB	83	75
TOTAL	713	754

High Needs Budget 2021/22

- Major revamp of budget as CNF £1m less
- Settlement as expected – actually £2.1m extra
- Re-allocated as follows
 - £0.35m for TPG/TPECG
 - £0.1m growth for primary LCC unit
 - £0.37m Beacon College (to be confirmed)
 - £0.08m SEN protection scheme
 - £0.13m new tariffs & MFG Special schools
 - £0.1m unallocated
- Final proposals to come back to March meeting

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PFI Contract - Triennial Review

- 10 years of contract remains
- Annual cost to council £928k
- Max value of sinking fund £1.9m in 2024
- Realistic estimates of inflation and school contribution gives final sinking fund of £1.6m
- Rather than reduce annual budget preferable to reduce budget in final years of contract – as provides cover for higher inflation
- All in order for another three years



Title of report: High Needs Budget 2021/22

Meeting: Schools Forum

Meeting date: Friday, 19 March 2021

Report by: Strategic Finance Manager

Classification

Open

Decision type

This is not an executive decision

Wards affected

(All Wards)

Purpose

To consult on the Dedicated Schools Grant (DSG) high needs budget for 2021/22 prior to recommending to the Cabinet Member for Children and Families for approval.

To consult on the implementation plan for the improvements to the high needs matrix and the associated revisions to the tariff funding from 2021 following consultation with schools and parent/carer groups.

Recommendation(s)

That:

- 1. a balanced high needs budget for 2021/22 be recommended to the Cabinet Member for approval as follows;**
 - (a) Complex needs funding £2,285,745;**
 - (b) Independent special schools £1,650,000;**
 - (c) Special school top-up funding £3,549,650;**
 - (d) Special school commissioned places £1,643,000;**
 - (e) Post-16 top-up funding £1,500,000**
 - (f) High needs contingency £0;**

- (g) **Mainstream school top-up funding £2,147,525;**
 - (h) **Nurture provision, from September 2021 £116,667;**
 - (i) **SEN protection scheme for primary and secondary schools £435,000;**
 - (j) **H3 Home, Hospital and Hub £432,500;**
 - (k) **Autism and Language units top-up funding £362,432;**
 - (l) **Pupil Referral Unit support fund £100,000;**
 - (m) **Early years top-up funding £175,000;**
 - (n) **Autism and Language Units commissioned places £336,000;**
 - (o) **Pupil Referral Service top-up funding 65 pupils at £6,700 for the summer term and 40 pupils at £9,048 for autumn and spring terms i.e. total top-up funding £392,578**
 - (p) **Pupil Referral Service commissioned places at 65 summer term and 50 autumn and spring £562,500;**
 - (q) **SEN support services**
 - (i) **Additional Needs Management £203,750;**
 - (ii) **Complex Learning Communications £111,550;**
 - (iii) **Equalities team –inclusion £263,937;**
 - (iv) **Hearing Impaired Team £407,500;**
 - (v) **Managed moves £5,000;**
 - (vi) **Business support £73,000;**
 - (vii) **DSG Services £125,900;**
 - (r) **Charges and income**
 - (i) **Excluded pupils (AWPU)/ Hospital -£176,000;**
 - (ii) **Local authority recoupment -£200,000;**
 - (iii) **Transfer from schools block -£300,000;**
 - (iv) **Transfer from Central services block -£75,000.**
 - (s) **Teachers Pay and Pension Grant allocations £367,000**
 - (t) **Beacon College top-up funding for 13 new pupils £101,400**
 - (u) **funding for a maximum 20 places for Beacon College be provided at a cost of £200,000 as agreed with the Department for Education;**
 - (v) **and the remaining £70,000 provisionally reserved for Beacon College place funding be allocated for out-county independent special school places**
2. **the school financial contribution to the SEN threshold costs within the SEN protection scheme be limited to £150 x the number on roll as at the October 2020 census for the financial year 2021/22**
 3. **The implementation timetable for the new high needs matrix be approved as follows;**

- The revised high needs matrix be adopted from April 2021
 - 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 6 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.
4. The new tariff values be applied to post-16 contracts for the new academic year with effect from 1st August 2021
5. The new tariff values be approved as below from 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%

Assessment Points	Tariff	Funding as at April 2020	Including inflation increase in April 2021	Percentage increase
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%
80 - 84	E3	12,600	15,300	21.4%
85 - 89	E4	13,596	16,548	21.7%
90 - 94	F1	14,724	17,796	20.9%
95 - 99	F2	15,864	19,056	20.1%
100 - 104	F3	16,992	20,304	19.5%
105 - 109	F4	18,120	21,552	18.9%

6. As presented to the Budget Working Group on 5th March, the funding originally identified to provide for the Minimum Funding Guarantee for special schools (£100k) and to smooth the introduction of the new tariff funding proposals (£52k) is better allocated as follows;
- to avoid the minimum funding guarantee for special schools by adding 3% on the tariffs D-F as set out in recommendation 5 above at a cost of £80,000;
 - that additional funding of £11,000 be allocated for PRU top-ups to ensure that the PRU is fully funded for top-up D2;
 - That an addition £108 is added to tariff C4 at a cost of £11,000, to reduce the funding differential between tariff C4 and tariff D1;
 - that the remaining £50,000 of funding be added to the out county special school.

Alternative options

- The Budget Working Group supported high needs budget proposals and the proposed new tariffs set out in the consultation paper and accepted the proposals to add an additional 3% onto tariffs D-F to avoid having to implement the Minimum Funding guarantee for special schools. Following an update from representatives of Barrs Court School on funding discussions with the DfE for Beacon College, BWG supported the transfer of the £70,000 from funding Beacon College places to independent out-county places. BWG had no amendments to make to the proposed high needs budget at their meeting on 5 March 2021. Any amendments would need to have regard to available funding, relevant regulations and the local authority's statutory duties in supporting children and young people with high needs. It should be noted that the Budget Working

Group has considered the proposals set out in this report and not suggested any improvements.

Key considerations

2. The report sets out the forecast overspend of £0.5m on high needs in 2020/21 due in its entirety to an overspend of £0.5m on the independent out of county schools budget; the resulting reduction in DSG reserves is from £0.6m to £0.1m. The Department for Education (DfE) has allocated £17.019m which is a £1.82m increase in the high needs block compared with the final 2020/21 high needs allocation, which was reduced in year to take account of place adjustments for Herefordshire & Ludlow FE College.
3. The high needs budget for 2021/22 ensures that grant income and expenditure are matched. Maintaining a surplus in the high needs budget will depend very much on containing expenditure at or near budget for the complex needs funding and out county independent special schools expenditure streams. The Budget Working Group will monitor the financial position closely throughout the year.
4. This report proposes a high needs budget for 2021/22 to ensure that the high needs funding allocation is spent as effectively as possible whilst recognising the absolute duty to ensure that pupils needs are met as required by Section 42 of the Children and Families Act 2014. The views of Schools Forum are sought on the proposed budget plan prior to seeking cabinet member approval. The high needs budget for 2021/22 will be set at £17.319m after the transfer of £0.3m from the schools block and deductions passported directly to academies and post-16 providers by the Education and Skills Funding Agency.

High needs budget

5. The schools consultation paper set out the known high needs cost pressures for the high needs block for 2021/22 and was based on an increase of £2m in the net high needs allocation. Schools Forum agreed a transfer £0.3m from the schools block and £0.75m from the central services block in order to continue sufficient funding for the SEN protection scheme.
6. The consultation with schools included growth in the complex needs budget of £1.05m. However, an updated forecast for 2021/21 indicates that spend will be less than the current budget due to a reduced number of pupils. It is proposed to vary the initial proposals by re-allocating as follows;
 - Special school TPG 360 places at £660 each £0.24m
 - PRU/H3 TPG 90 places (65+25) at £660 each x5/12 £0.025m
 - PRU /H3 TPG 75 places (50+25) at £660 each x7/12 £0.030m
 - 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	£1.02m

7. Advice has been received that the maximum number of places within the PRU should be limited to 50 due to building limitations. It is proposed to limit the PRU budget to 50 places from September 2021.
8. Provision has been made for the potential full year costs at the new Beacon College which will open in September 2021. However we still await confirmation from DfE regarding funding arrangements.
9. 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.
10. 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 the funding transfer from the schools block and the additional £0.075m will allow the continuation of the existing funding cap of £150 x number on roll to apply in 2021/22.
11. 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.
12. 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.

High Needs Matrix

13. The High Needs Matrix (HNM) is the method used to calculate funding to support:
 - a. Children and young people with Education, Health and Care Plans (EHCPs) in Herefordshire.
 - b. Some children and young people without EHCPs who have a similar level of need, but have not been assessed for an EHCP.

14. Usually, funding for the second group is time-limited and in the first instance, an EHCP might not be necessary.
15. It was intended the HNM would be reviewed following its introduction in 2014.
16. Herefordshire Council has worked 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.
17. The HNM is used to calculate funding by professionals, who look at the descriptions of a range of special educational needs and disabilities, and select the one that best describes the child's difficulties. Each of these descriptors is awarded a score which can be seen in the left hand column of the HNM. The scores are added and the total corresponds to an amount of funding to be allocated.
18. Areas for improvement were identified by the working group, which included:
 - Behaviours associated with autism and social, emotional and mental health were 'counted' twice as they appeared in two columns of the matrix
 - There wasn't a clear distinction between some descriptions of specific and general learning difficulties.
 - The description of some severe medical and physical needs were not clear or detailed enough to recognise how complex the needs might be. This meant that the matrix could not be used to calculate funding for too many children and young people and decision were being made on an individual basis.
 - The descriptions of need weren't detailed and were too ambiguous which meant people using the HNM were not clear how to score the needs of a child.
 - The funding levels (known as tariff boundaries) were not spread out consistently.
19. The revised HNM addresses these issues. It has been tested both by the Special Educational Needs (SEN) Team and a number of schools (including special schools), for its usability, robustness and to ensure that it represents each child's needs and therefore the funding required to meet those needs. Comparison of the revised HNM alongside the original version was undertaken to ensure it gave a similar funding and that it reflected the level of need.
20. 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. An additional sample of a further 28 pupils from the Brookfield school has analysed and indicates that based on the whole sample of 47 pupils, which is now much more representative of the 90 pupils at Brookfield, when the new tariff values are applied the school will overall gain a small amount and as such there is no need to adjust the tariff values from the consultation paper.
21. The new tariff values for bands D1-F4 will apply to very few students in the post-16 further education sector. These students are generally assessed within bands A-C or

are in need of more specialist provision at an Independent Specialist Provider. Funding is contracted with Independent Specialist Providers on an individual basis according to need. Given that the payments to post-16 providers have been contractually agreed for the current academic year, the new tariffs will be applied in the new academic year from 1st August 2021. Any small increase in cost will be contained within the post-16 high needs budget.

22. The consultation paper is set out in Appendix 2 and the new improved high needs tariff matrix is set out in Appendix 3. The current funding levels and tariff boundaries applicable for financial year 2021/22 are set out in Appendix 4 and the consultation questionnaire is Appendix 5.

23. The Budget Working Group (BWG) received a presentation on the 5 March 2021 summarising the current budget position, the proposed high needs budget for 2021/22 and the final proposals for the high needs matrix. The presentation is set out in Appendix 1.

24. Key points highlighted included:

- An expected overspend for 2020/21 of approximately £0.5m, mainly due to overspends on out county independent special school places;
- A consequent reduction in uncommitted balances from £0.6m to £0.1m which leaves an increasingly small reserve;
- Budget proposals were much as consulted on in the Autumn, but updated for the reallocation of the £1m provisionally put aside for complex needs growth;
- The proposed budget was balanced, but vulnerable to unexpected additional costs such as growth in out county independent special school places.
- Adjustments to tariffs D-F following the inclusion of additional pupils in the sample from Brookfield and in particular to avoid the special schools MFG
- Adjustments to the Beacon College place budget following funding agreement with the DfE for Herefordshire Council to underwrite up to 20 places at the college if these places were unfilled.
- Nine primary schools will benefit from the DfE's consultation proposals to use road distance in the sparsity calculation rather than the previous straight line distance. All schools receiving sparsity payments will benefit from the DfE's consultation proposal to increase the sparsity allocation by £10,000 from April 2022

25. In discussion of the presentation and proposed budget, the BWG noted that

- Concerns had previously been expressed about the balance of provision in the current PRU model and coverage of the curriculum, it was proposed to pull back to a centre-based offer with less offsite provision;
- The covid pandemic had resulted in a smaller number of pupils in year 10 at the PRU, this provided an opportunity to recalibrate the offer;
- The proposals for high needs tariffs would be discussed with special school heads at a forthcoming meeting, the proposals had been carefully considered so that no school would lose out;
- Creating additional special school places was a medium term project as at present demand was growing faster than additional places could be brought online, as a

result there was a risk that demand for out of county independent and non-maintained school places could grow;

- It was hoped that the cost differences for the Language and Communication Centre at Hampton Dene Primary School would reduce once modelling work was complete but in any case the minimum funding guarantee would apply to existing pupils to ensure that the school continued to receive the same level of funding;
- There was concern that the significant gap in funding between tariffs C4 and D1 might encourage schools to press for a D1 tariff to secure extra funding and it was a principle set out at the start of this work not to have large gaps between the tariffs;
- The new tariffs would apply from April 2021 under the existing points, the new matrix would be rolled out over a 5 year period as new plans were put in place and at points of transition;
- The council had agreed with the DfE to underwrite 20 places at the new Beacon College at a cost of £200,000, demand for places was expected to be well above this and the remaining £70,000 allocated to out county independent special school places
- The contingency now sat at zero which was a significant reduction from previous years.

26. The BWG were advised that the funding originally identified in the consultation to provide for the Minimum Funding Guarantee for special schools (£100k) and to smooth the introduction of the new tariff funding proposals (£52k) would be better re-allocated to:

- add 3% on the tariffs D-F at a cost of £80,000 to avoid the minimum funding guarantee for special schools;
- provide additional funding for PRU top-ups to ensure that the PRU was fully funded for top-up D2 at a cost of £11,000;
- add £108 to tariff C4 at a cost of £11,000, to reduce the funding differential between tariff C4 and tariff D1;
- the remaining £50,000 to be added to budget for out county special school places.

27. In discussion of the revised proposals, the budget working group supported the re-allocation as proposed by the council but queried how much of a difference £108 would make in closing the gap between tariffs C4 and D1. It was explained that it was intended to close the gap further in future years but at present this was all that could be allocated.

28. It was noted that the high needs budget involved a lot of complex detail and was under stress due to the pandemic and the unknowns arising from the DfE SEND review, the outcome of which was expected shortly.

29. The BWG supported the proposals set out in the draft paper to schools forum with the amendments set out above and were content for the budget proposals to be considered at the next meeting of the schools forum on 19 March.

Community impact

30. The recommendations will provide a high needs budget for 2021/22 that continues to meet the needs of pupils within the DSG funding allocated to the council. The proposals for nurture provision will improve the service for those schools and vulnerable pupils that participate in the initial scheme. Subject to review and impact, it is intended that nurture provision will be expanded in future years as funding permits in order to improve the services offered to vulnerable pupils.

31. 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.

32. These services also support the pledges set out in the Children and Young Peoples Plan 2019-2024 in:

- c. Keeping children and young people safe;
- d. Improving children and young people's health and wellbeing;
- e. Helping ALL children and young people succeed.

Environmental Impact

33. 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

34. 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.

35. The Equality Act 2010 established a positive obligation on local authorities to promote equality and to reduce discrimination in relations 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, for example the provision of nurture provision to meet pupil needs.

Resource implications

36. The recommended high needs budget for 2021/22 has been constructed so that income and expenditure are balanced. The forecast overspend of £0.5m in 2020/21 will reduce DSG balances from an uncommitted £0.6m to £0.1m which allows no flexibility to meet additional unexpected costs without Dedicated Schools Grant slipping into a deficit.

37. High needs budgets for future years will depend on the DSG funding allocated by the DfE.

Legal implications

38. Schools Forum is being consulted on the high needs budget prior to 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.

39. 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.

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

40. 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.

41. 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

42. Changes to the high needs funding provision could leave the council open to legal challenge, through ombudsman complaint or appeal to the Special Education Needs and Disability Tribunal if children, young people or their families feel that specialist provision is not being met. Section 42 Children and Families Act 2014 provides that where a council maintains an EHC plan for a child or young person, the council must secure the specified education provision. Therefore the council must comply with this statutory duty.

Risk management

43. The BWG reviews all proposals in detail prior to making recommendations to the Schools Forum. This two stage process helps ensure greater scrutiny of budget proposals and mitigate against any risks that may be identified. Any identified risks will be monitored and managed by the Childrens and Families directorate jointly with Schools Forum. Specifically financial risk will be managed throughout the year with the BWG.

44. The government has changed the conditions of grant for the Dedicated Schools Grant so that the council would be required to seek permission from the Secretary of State should it wish to fund a DSG deficit from the council's general funds. Effectively this change in regulations transfers responsibility for DSG deficits to the Department for Education (DfE) and absolves the council of any contribution. Further information on the new deficit recovery process is expected from the DfE in due course, possibly included as part of the forthcoming SEND review report. Although local authorities will continue to have to seek approval for DSG recovery plans from the DfE, it is not at all clear how a deficit might be recovered if it is not from increased high needs block grant from DfE.

45. The investment in nurture provision is a longer term preventative measure which attempts to mitigate demand for higher cost provision and keep the high needs costs within the available budget. The use of such preventative measures was supported by the BWG and also by schools as set out in Q2 (g) in the responses below.

Consultees

46. All schools have been consulted on the proposals as part of the autumn schools budget consultation and the responses were reported to Schools Forum in January 2021. For convenience, the following table sets out the responses to the high needs questions. The Budget Working Group were consulted on 5 March 2021 and their comments are included in paragraphs 24-29 above.

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

Question number	Question Topic	Yes	No
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>		
	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	16	
	g) Additional post-16 places £0.1m	17	
	h) Growth in SEN protection scheme £0.05m	16	1
	i) Growth in hospital places at £5k for 0.5 place £0.05m	15	1
	j) Less contribution from growth fund schools block -£0.3m		
	k) Balance high needs budget with additional income £2.0m		

HNM Q1	<p>Do you agree that the fundamental principles will continue to be applied to the new matrix? The principles are:</p> <ul style="list-style-type: none"> • All pupils should be funded at the same level irrespective of the setting they attend (e.g., mainstream or specialist). • We seek to minimise the impact of funding changes for individual settings; transitional arrangements will be applied. • 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. <p>Tariff levels should be sustainable within the High Needs Grant provided by Central Government.</p>		
HNM Q2	<p>Do you support the improvements to the high needs matrix as follows</p> <ul style="list-style-type: none"> • Behaviours and difficulties associated with autism are recognised in the social, emotional and mental health and language and communication columns of the matrix • Clearer distinction of learning difficulties as either specific or general. • Fewer decisions will need to be made as exceptions about levels of funding needed as there is improved recognition of medical and physical needs at the severe end of need. • Improved descriptions of need will allow the user to be clear as to how the needs of a child should be scored. <p>It provides more consistent increments/steps between tariff boundaries</p>		
HNMQ3	<p>Do you agree with the timescale to introduce these proposals from 1st April 2021:</p> <ul style="list-style-type: none"> • 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 6 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. 		

HNMQ4	Do you agree with the inflation increases applied to Tariffs A-F i.e. 1% for tariffs A-C and 2.5% for tariffs D - F		
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48. 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 are full and the statutory requirement to meet need there is simply no alternative.
49. No responses were received to the high needs matrix consultation by the closing date and so it was agreed with the Budget Working Group to extend the closing date until 18th March and give schools and parent groups a second opportunity to respond.

Appendices

Appendix 1 High Needs Budget presentation to Budget Working Group 5th March 2021

Appendix 2 High Needs matrix consultation paper

Appendix 3 New improved High Needs matrix

Appendix 4 Proposed High Needs tariff values from April 2021

Appendix 5 High Needs consultation response paper

Appendix 6 High Needs Budget and amendments to consultation paper to improve the tariff funding for April 2021

Background papers

None identified

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

PRU Pupil Referral Unit

H3 Home and Hospital Teaching Team (Hub, Home, Hospital)

SEN Special Education Needs

SEND Special Education Needs and Disability

High Needs Budget
2021-22
Budget Working Group
5 March 2021

High Needs Block 2020/21

- Forecast overspend of around £0.5m which will carry forward into 2021/22 solely due to independent out county places
- Overspend will reduce available DSG balances from £0.6m to £0.1m but HNB budget is balanced for 2021/22 with the assumption that spending on out county places does not increase by more than 2% inflation after TPG/TPECG costs.

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Recap - HNB Consultation in Autumn 2020

- Growth in complex needs places £1.05m
- Growth in out-county school places £0.5m
- Growth in special school and units £0.175m
- Full year cost of nurture groups £0.1m
- 39 Increases in tariffs A-C and D-F £0.125m
- 15 extra traded places for the PRU £0.15m
- Additional post-16 places £0.1m
- Growth in SEN protection scheme £0.05m
- More hospital places at £5k £0.05m
- for 0.5 place

£1m less CNF adjustment January 2021

- Special school TPG 360 x £660 £0.24m
- PRU/H3 TPG 90/75 places £0.055m
- Support services –central TPG £0.05m
- Extra SEN protection costs £0.075m
- ⁴⁰• MFG re special school new tariffs £0.1m
- Growth at Hampton Dene 8 x £12k £0.1m
- Beacon College – new top ups £0.1m
- Beacon College 27 new places £0.27m
- Help implement new tariffs £0.03m

High Needs Block available DSG 2021/22

• High Needs DSG grant 21/22	£20.113m
• Less deducted at source by DfE	
• 153 pre-16 special school places	-£1.530m
• 46 post-16 special school places	-£0.460m
41 • FE places and Independents	-£1.0920m
• 2 Post-16 place	-£0.012m
• Total Deductions	-£3.094m
• High Needs Block Grant (net)	£17.019m

High Needs Budget 2021/22 –final adjusts

- Reduction in PRU places to 40 P/Ex & 10 traded from Autumn term 2021. 65 for summer term.
- Increase in out county places of £550k
- Views on choice between £52k to smooth new tariff implementation or extra for out county places (and add in the £100k on special schools MFG)
- Maintain PRU support fund due to continued COVID support for lack of trading income
- Increase in SEN protection budget
- No inflation for SEN support services

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Choices for high needs tariffs 21/22

- MFG budget of £100k and the extra £52k to smooth new tariff implementation or extra for out county places

1. As per consultation proposals – no extra funding

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	sample	pro-rata for whole school
• School		
• Barrs Court	-£7,212	-£10,818
• Blackmarston	-£13,916	-£27,832
• Brookfield	-£1,204	-£2,305
• Westfield	+£20,104	+£41,548
• Mainstream	+£76,800	+£76,800

Choices for high needs tariffs 21/22

Impact of upto £152k extra to smooth new tariff implementation or extra for out county places

2. Add 3% to tariffs D-F ensures no losses

	sample	pro-rata for whole school
• School		
• Barrs Court	+£8,112	+£12k
• Blackmarston	+£240	+£0.5k
• Brookfield	+£9,972	+£19k
• Westfield	+£31,764	+£60K
• Mainstream	+£93,768	+£93k

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Adding £80k i.e.3% to tariffs D-F ensures all schools gain and so avoids the MFG entirely. This would permit £50k to be added to out-county places

MFG for SEND resource bases 2021/22

- The new tariffs will apply to the resource bases at Hampton Dene and Bishops from April 2021. MFG will apply and is within current budget
- Hampton Dene 46 pupils
1 x A, 8 x B, 29 x C, 8 x D current cost £266k
new tariffs cost is £228k Difference £38k
- Bishops 5 pupils
2 x B, 2 x C, 1 x D current cost £28k new cost £25k
Difference is £3k
- MFG will ensure existing pupils receive same funding.
New pupils will transfer to new tariffs and new matrix.

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Revised high needs tariffs 21/22 - sample

- C4 £5,880 – 101 pupils **widens gap from C to D**
- D1 was £7,800 revised £8,040
- D2 was £9,048 revised £9,324
- D4 was £11,556 revised £11,892
- E1 was £12,804 revised £13,188
- E4 was £16,548 now £17,052
- F1 was £17,796 revised £18,336
- F4 was £21,552 revised £22,200

Extra cost for PRU top-ups $40 \times £271 = £11k$

Extra cost of £108 on C4 to narrow gap is £11,100

Proposed HN Budget 2021/22 increase

• Complex Needs	£2,285,745	+0k
• Independent schools	£1,650,000	+550k
• Spl schl top-ups+matrix	£3,549,650	+65k
• Post-16 top-ups	£1,500,000	+0k
• HNB contingency	£0	-105k
• Special school places	£1,643,000	+50k
• school top-ups	£2,147,525	+60k
• Nurture groups	£116,667	+0k
• Protection scheme all schools	£435,000	+50k
• Hospital & home teaching	£432,500	+50k

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High Needs Budget 2020/21

increase

• Unit top-ups	£362,432	+75k
• PRU support fund	£100,000	+25k
• Early years top-ups	£175,000	+0k
• Unit places	£336,000	+54k
• PRU top-ups	£392,578	+16k
• PRU places	£562,500	+0k
• Teachers Pay/Pension Grant	£367,000	+367k
• Beacon College 27 places	£270,000	+270k
• MFG Special schools	£100,000	+100k
• Beacon College 13 new top-ups	£101,400	+101k

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SEN Support Services Budget 2021/22

• Additional Needs Mangt	£203,750	+0k
• Complex/Learning Comms	£111,550	+0k
• Equalities team - inclusion	£263,937	+0k
• Behaviour Outreach (now ended)	£0	-9k
• Physical & Sensory team	£407,500	+0k
• Managed Moves	£5,000	+0k
• Business Support	£73,000	+0k
• DSG Services (savings)	£125,900	+0k

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Charges and Income 2021/22

- Excluded pupils/Hospital £176,000 -139k
- Other LA recoupment £200,000 +0k
- Transfer from Schools Block £300,000 +0k
- Transfer from Central Block £75,000 +11k
- Need views on whether we use MFG £100k + extra tariff £52k to support the high needs matrix implementation
- post-16 impact contained in budget as few pupils
- use balance (£50k) to add extra to out county
- see comments re Beacon College

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CAVEATS - UNCERTAINTIES

- Recoupment income is always uncertain as depends on individual pupil movements between counties.
- Hospital recharges are fundamental to high needs budget – we need to find a way for H3 to be responsible for charging and keeping the income.
- PRU under new proposals keeps the £7k initial charge as income.
- HC agreed to underwrite 20 places at Beacon College so at least spare £70k maybe more

Important work streams 2021/22

- Implement nurture provision and review success and future impact
- Implement improved high needs tariff
- DfE SEND review is expected to fundamentally change long term high needs arrangements – consider implications when review available
- Implement reduced places in PRU and continue to keep under review the implications of reduced trading for secondary intervention places due to Covid.

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Next Steps

- 19th March – Schools Forum
- 31st March – Cabinet Member approval
- DfE SEND review – fundamental change to the current high needs arrangements is expected but unknown publication date.
- Becoming urgent if major change is to be planned for April 2022.

Sparsity Consultation for NFF 2022/23

- Proposal to add £10,000 onto current sparsity values of primary £45k and secondary £70k
- Propose to replace straight line measurements with road distance
- ⁵⁴• 9 more primary schools become eligible; 5 receive £42k-£55k, 3 £19k-£21k, 1 at £6k
- Welcome – further improvements
 - travel time by applying average speed to roads
 - Long term average/entitlement not dependent on today's pupil numbers/location

Improved High Needs Matrix Proposals – April 2021 – Consultation

Consultation with all Herefordshire schools and colleges and parent and carer groups representing children with SEND. Consultation closes 1st March 2021.

All RESPONSES to HNMConsultation@Herefordshire.gov.uk by 3rd March 2021.

Summary

1. The High Needs Matrix (HNM) is the method used to calculate funding to support:
 - Children and young people with Education, Health and Care Plans (EHCPs) in Herefordshire.
 - Some children and young people without EHCPs who have a similar level of need, but have not been assessed for an EHCP.

Usually, funding for the second group is 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.

Herefordshire Council has worked 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.

The HNM is used to calculate funding by professionals, who look at the descriptions of a range of special educational needs and disabilities, and select the one that best describes the child's difficulties. Each of these descriptors is awarded a score which can be seen in the left hand column of the HNM. The scores are added and the total corresponds to an amount of funding to be allocated.

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 - Behaviours associated with autism and social, emotional and mental health were 'counted' twice as they appeared in two columns of the matrix
 - There wasn't a clear distinction between some descriptions of specific and general learning difficulties.
 - The description of some severe medical and physical needs were not clear or detailed enough to recognise how complex the needs might be. This meant that the matrix could not be used to calculate funding for too many children and young people and decision were being made on an individual basis.
 - The descriptions of need weren't detailed and were too ambiguous which meant people using the HNM were not clear how to score the needs of a child.
 - The funding levels (known as tariff boundaries) were not spread out consistently.

3. The revised HNM addresses these issues. It has been tested both by the Special Educational Needs (SEN) Team and a number of schools (including special schools), for its usability, robustness and to ensure that it represents each child's needs and therefore the funding required to meet those needs. Comparison of the revised HNM alongside the original version was undertaken to ensure it gave a similar funding and that it reflected the level of need.
4. 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.
5. The new high needs tariff matrix is set out in Appendix 1

Current Funding Levels and Tariff Boundaries

6. The current funding levels and tariff boundaries applicable for financial year 2020/21 are set out in Appendix 2.
7. In 2017, the local authority introduced the finer graded tariff levels (A1 – F4) to allow more recognition of the differing complexity of needs within a funding band. These were applied in all schools. However, the local authority had to pay regard to the Department for Education's guidance to ensure that no school would suffer financially due to the changes. This is called the Minimum Funding Guarantee (MFG). For this reason, pupils in special schools have continued to be paid the top of the relevant tariff band pending this revision of the HNM.
8. 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.
9. 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. Moderation and testing confirms that the existing structure of tariff boundaries in place remains appropriate; although the values attached to these may change marginally following consultation and final budget planning.
10. The following fundamental principles will continue to be applied to the new matrix
 - All pupils should be funded at the same level irrespective of the setting they attend (e.g., mainstream or specialist). The funding should reflect a child's need, not where they are educated.
 - We seek to minimise the impact of funding changes for individual settings; transitional arrangements will be applied.
 - Funding levels should be split as evenly as is possible across the tariffs to avoid substantial jumps between one tariff and the next, where this represents only a small change in need.
 - Tariff levels should be sustainable within the High Needs Grant provided by Central Government.

Illustrative Calculations for Funding from April 2021

11. Appendix 2 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.

Proposals

12. 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 6 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.

Following consultation, final proposals will be presented to Schools Forum on 19 March 2021 and thereafter to the Cabinet Member Children and Families for formal approval and implementation.

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.		

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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%

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

<ul style="list-style-type: none"> Improved descriptions of need will allow the user to be clear as to how the needs of a child should be scored. It provides more consistent increments/steps between tariff boundaries 	<input type="checkbox"/>	<input type="checkbox"/>
Additional comments		
<p>Q3. Do you agree with the timescale to introduce these proposals from 1st April 2021:</p> <ul style="list-style-type: none"> 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 6 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. 	<p>Agree</p> <input type="checkbox"/>	<p>Disagree</p> <input type="checkbox"/>
Additional comments		
<p>Q4. Do you agree with the inflation increases applied to Tariffs A-F i.e. 1% for tariffs A-C and 2.5% for tariffs D - F</p>	<p>Agree</p> <input type="checkbox"/>	<p>Disagree</p> <input type="checkbox"/>
Additional comments		
<p>Q5. Do you agree that special schools should be supported by the Minimum Funding Guarantee to ensure that they do not lose any money in their budgets?</p>	<p>Agree</p> <input type="checkbox"/>	<p>Disagree</p> <input type="checkbox"/>
Additional comments		

Name

School/Group

Date.....

Please return to HNMConsultation@herefordshire.gov.uk
by 12 noon on 3rd March 2021.

