

Agenda

Herefordshire Schools Forum

Date: **Friday 20 October 2023**

Time: **9.30 am**

Place: **virtual meeting platform**

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

Chairperson	Kathy Weston	Local Authority Maintained Primary School
Vice-chairperson	Alison Banner	LA Maintained Secondary School
	David Bennett	Academies
	Beverley Blower	PRU - Management Committee
	Dan Brearey	LA Maintained Primary School
	Christine Bryan	Academies
	Alex Davies	Academies (primary)
	Paul Deneen	Trade Unions
	Nicki Emmett	Academies
	Richard Foster	Academies (primary)
	Nicki Gilbert	LA Special Schools
	Andy Gosling	Secondary Governors
	Georgie Griffin	Primary Governors
	Edward Gwillim	16-19 Providers
	Sue Jenkins	Local Authority Maintained Primary School
	Paul Jennings	Academies
	Steve Kendrick	Local Authority Maintained Primary School (with Nursery)
	Tim Knapp	Academies
	Chris Lewandowski	Trade Unions
	Sian Lines	Diocese of Hereford
	Rose Lloyd	Early Years
	Sheila Taylor	Academy Special Schools

Agenda

	Pages
1. ELECTION OF CHAIRPERSON To elect a chairperson for the ensuring year.	
2. ELECTION OF VICE-CHAIRPERSON To elect a vice-chairperson for the ensuing year.	
3. APOLOGIES FOR ABSENCE To receive apologies for absence.	
4. NAMED SUBSTITUTES (IF ANY) To receive any details of Members nominated to attend the meeting in place of a Member of the Forum.	
5. DECLARATIONS OF INTEREST To receive any declarations of interest by Members in respect of items on the Agenda.	
6. MINUTES To approve and sign the minutes of the meeting held on 14 July 2023.	5 - 8
7. LOCAL AND NATIONAL SCHOOLS FUNDING UPDATE To seek the views of the forum on local and national school funding issues, including the recommendations of the budget working group (BWG) on the Herefordshire schools budget 2024/25 including schools consultation paper.	9 - 22
8. WORK PROGRAMME 2023/24 To review dates of meetings and the work programme for 2023/24 and identify any additional items the forum wishes to consider.	23 - 24
9. DATE OF NEXT MEETING Friday 19 January 2024, 9:30am.	



Minutes of the meeting of Herefordshire Schools Forum held at virtual meeting platform on Friday 14 July 2023 at 9.30 am

Present: Councillor Mrs K Weston (Local Authority Maintained Primary School)
(Chairperson)

Mr D Brearey	LA Maintained Primary School
Mr A Davies	Academies (primary)
Mr P Deneen	Trade Unions
Ms N Emmett	Academies
Mr R Foster	Academies (primary)
Ms N Gilbert	LA Special Schools
Mrs G Griffin	Primary Governors
Mr E Gwillim	16-19 Providers
Mr P Jennings	Academies
Mr C Lewandowski	Trade Unions
Mrs R Lloyd	Early Years

In attendance:

Officers: Strategic Finance Manager, Head of Learning and Achievement and Head of Additional Needs

75. APOLOGIES FOR ABSENCE

No apologies were received from members of the forum.

76. NAMED SUBSTITUTES (IF ANY)

No named substitutes.

77. DECLARATIONS OF INTEREST

There were no declarations of interest.

78. MINUTES

The Strategic Finance Manager (SFM) gave an update on the communication with MPs.

F40 Invited Herefordshire MPs to a briefing in Westminster on 11 July. Currently no feedback had been received on this briefing. **Update: The secretary of the f40 group has informed the SFM this meeting has been postponed and will now be taking place on Tuesday, 12 September 2023. A reminder will be sent to MPs ahead of the briefing.**

It was arranged for the Chief Executive of Herefordshire Council to discuss education concerns with the permanent secretary of the DFE at the recent Local Government Association (LGA) Conference.

The SFM also attended an F40 finance group where the F40's ask on additional SEND revenue funding and capital funding for additional places was finalised prior to sending to the DfE for consideration in HM Treasury's October expenditure statement.

It was resolved that: The minutes of the meeting held on 17 March 2023 be approved as a correct record.

79. UPDATE ON SCHOOLS FUNDING ISSUES

The SFM provided an update on the response published from the DfE on the consultation for the national funding formula 2024/25. 105 local authorities now mirror the national funding formula with Herefordshire being one of those authorities.

It was reported that there are relatively few changes that will impact Herefordshire schools for the 2024-25 financial year. The exceptional circumstances funding element used to fund the renting of Eastnor Primary School will continue for another year and changes to split site payments will not apply to Herefordshire as the factor is not used.

DfE intends to take the opportunity to simplify the arrangements particularly for PFI and Building Schools for the Future but has not yet started any consultation.

The growth fund will continue but we will be required to use the DfE National Funding Formula criteria in allocating to schools. It is thought this would not make any material difference to us.

The funding for 2024/25 has not yet been announced.

There have been significant changes to the early years funding and the rates in September will be increasing from April.

- Three and four year old rates up 6.77%
- Two-year-old funding rates will be going up by 27.7%

The percentage increases seem high but are still less than expected compared with the average funding increase.

The government have announced the teachers' pay settlement at 6.5%. It is thought that this will be funded by half new money and half of it will be from existing school budgets.

Action: A budget consultation paper will be prepared and will be brought back to Schools Forum in October.

80. REPORT ON ACTIVITY OF THE BUDGET WORKING GROUP

The Chair invited the SFM to update the forum on the activity of the Budget Working Group (BWG).

It was highlighted the minutes from the BWG meeting held on 16 June were circulated to all members.

Items of significant interest raised were:

- The outturn for 2022/23 was £733,000 overspend which increases the high needs deficit to just over £1 million. It was noted the overspend was less than the previous year.
- Autism resource bases will be coming on stream in September, the local authority is grateful to all the schools who have stepped up to take on these bases.

- A way forward was agreed to support training for the counselling service offered by Orelton Primary School so that it will become self-supporting in the future.
- Changes to the high needs matrix were discussed so that it better reflects the needs of pupils with autistic spectrum disorders and associated challenging disorders.

The chair of the working group thanked members of the group for their contributions and also the SFM for his support and advice. He noted the challenge of keeping children at the heart of what we do while also keeping the budget under control. The chair of the forum echoed these comments and thanked the chair of the working group for their work.

A query was raised in regard to the autism bases. There was concern that parents had yet to receive details on what the settings will look like and what they will provide. In particular one parent had queried what would happen after key stage 1. Concerns were also flagged about autistic pupils in inappropriate settings and the difficulties this created for both the pupils in terms of accessing education and for staff in schools not able to meet the child's needs.

The Head of Additional Needs explained that a lot of work had taken place in a short time to set up the new bases and that legal processes needed to be completed before information could be widely shared. She acknowledged that this had meant communications had not gone out in the way the local authority would have liked. No formal decisions had been taken on an expansion into key stage 2 but the schools concerned were interested to explore this.

The local authority continues to work on sufficiency plans given the increasing numbers of pupils with SEND. This mirrors the national picture. The new autism units will ease the pressure but will not solve the problem. A clearer provision map would be helpful and is something the local authority will work on. Work has taken place in the background to set up framework agreements to support future development. The Head of Additional Needs noted that Herefordshire was a very inclusive area and praised schools for their willingness to support pupils in mainstream schools.

With regard to the high needs matrix changes, it was highlighted that not all special school heads had been consulted and that there were some concerns about the impact of the changes. It was clarified that discussions had taken place with the schools most likely to be affected and agreed it would be helpful to review the expectations of consultation for significant changes to funding mechanisms at the next Budget Working Group.

81. ANNUAL REVIEW OF SCHOOLS FORUM MEMBERSHIP

The clerk to the Schools Forum presented the report.

A review of the membership for the Schools Forum had been undertaken, using the 2023 January School Census results, which showed no significant shift in the distribution of pupils between academies and local authority maintained schools. Therefore no changes to the allocation of seats were recommended for either the Forum or the Budget Working Group.

It was noted that further academy conversions would impact on the representation of seats and therefore this would be monitored and brought back to the Forum next year.

A query was made around the representation for Special Schools. It was confirmed that these were treated differently and that the review only took in to account mainstream schools.

Resolved: That, as a result of the Annual Review of the Schools Forum Membership, no changes were identified and the Membership would remain the same.

82. DATES OF MEETINGS AND WORK PROGRAMME FOR 2023/24

The proposed meeting dates for the forum for 2023/24 were noted. No objections were raised.

- Friday 20 October 2023, 9:30am
- Friday 19 January 2024, 9:30am
- Friday 15 March 2024. 9:30am
- Friday 12 July 2024, 9:30am

The Chairperson thanked all those in attendance. Special thanks were given to; David Bennett who was stepping down from the Forum as he is leaving his post and thanked him for his contributions on both the forum and the working group; Paul Jennings on his continued work on the Budget Working Group and SFM for keeping the forum very well informed.

The Chairperson noted it was the Clerk, Sarah Buffrey's last meeting and shared her personal thanks for all her support, hard work, knowledge and efficiency she has brought to the forum and wished her all the best in her future work. Members of the forum endorsed the chair's comments.

The meeting ended at 10:50.

Chairperson

**Title of report: Local and National Schools Funding Update****Meeting: Herefordshire Schools Forum****Meeting date: Friday 20 October 2023****Report by: Strategic Finance Manager****Classification**

Open

Decision type

This is not an executive decision

Wards affected

(All Wards);

Purpose

To seek the views of the forum on local and national school funding issues, including the recommendations of the budget working group (BWG) on the Herefordshire schools budget 2024/25 including schools consultation paper.

Recommendation(s)**That:**

- a) **the initial budget proposals for 2024/25 for schools and high needs be approved for consultation with schools during the autumn term.**
- b) **Consideration be given to whether the consultation be revised following the October DfE school budget update.**

Alternative options

1. Alternative options will be fully considered by the BWG prior to formulating final budget recommendations for consideration by Schools Forum in January 2024. At this stage only a preliminary view has been sought in order to determine how the budget proposals can be developed further. The high needs budget will require further detailed work following the expected DfE funding announcement in mid-December 2023 and recommendations will be agreed by School Forum in March 2024 prior to a formal decision by the Cabinet member for Children's and Families.

Key considerations

2. The DfE first published the 2024-25 NFF in July 2023. Following the discovery of a technical error made by officials during the initial calculations, an update was made to the schools NFF in October 2023. This paragraph reflects that update. The technical error was due to incorrect processing of pupil numbers in the initial calculations. This error meant that the overall cost of the schools NFF was underestimated, and incorrect factor values were published in July.

3. This update contains the new, correct, factor values (note: only the FSM factor is unchanged at £490), as follows;

Primary basic entitlement	£3,562
KS3 basic entitlement	£5,022
KS4 basic entitlement	£5,661
Primary Minimum Per Pupil funding	£4,610
Secondary Minimum Per Pupil funding	£5,995
Primary and Secondary FSM	£490
Primary FSM6	£820
Secondary FSM6	£1,200
Low Prior Attainment Primary	£1,170
Low Prior Attainment Secondary	£1,775
English as Additional Language Primary	£590
English as Additional Language Secondary	£1,585
Mobility Primary Mobility	£960
Secondary Mobility	£1,380
Primary and Secondary Lump Sum	£134,400
Sparsity Primary sparsity	£57,100
Secondary sparsity	£83,000
Premises Split sites	£80,600
IDACI A Primary/Secondary	£680/£945
IDACI B Primary /Secondary	£515/£740
IDACI C Primary/Secondary	£485/£690
IDACI D Primary/Secondary	£445/£630
IDACI E Primary/Secondary	£285/£450
IDACI F Primary/Secondary	£235/£340

4. No other changes have been made to the structure of the NFF, or the rules governing the local formulae, since July. The total amount of funding in the core schools budget (which includes funding through the schools NFF, high needs NFF, and CSSB) will remain at £59.6 billion in 2024-25. The high needs NFF and CSSB are unaffected by this update.

5. Schools Week report that “the DfE told schools in July that funding through the mainstream schools national funding formula “is increasing by 2.7 per cent per pupil in 2024-25”. The updated guidance states the rise will be just 1.9 per cent. The government’s prediction for the minimum per-pupil funding for secondary schools has been revised down by £55. At primary

level it's down £45. Based on these figures, the average secondary school would be £57,970 worse-off than predicted in July, and the average primary would be £12,420 worse off"

6. This consultation paper sets out the expected financial settlement for Herefordshire schools for 2024/25 and proposes to continue to implement the national funding values as set by government. There continues to be many unknowns e.g. inflation, energy prices and funding re pay awards which will make setting a balanced budget difficult for schools this year.
7. The government funding announcement announced in July 2023 sets out the key items nationally, which are as follows;
8. Funding through the mainstream schools national funding formula (NFF) is increasing by 2.7% per pupil in 2024/25, compared to 2023/24. Taken together with the funding increases seen in 2023/24, this means that funding through the schools NFF will be 8.5% higher per pupil in 2024/25, compared to 2022/23.
9. The schools NFF continues to distribute this fairly, based on the needs of schools and their pupil cohorts. The main features in 2024/25 are:
 - i. introducing a formulaic approach to allocating split sites funding. This ensures that split sites funding will be provided on a consistent basis across the country.
 - ii. The core factors in the schools NFF (such as the basic entitlement, and the lump sum that all schools attract) will increase by 2.4%.
 - iii. Through the minimum per pupil funding levels, every primary school will receive at least £4,655 per pupil, and every secondary school at least £6,050.
 - iv. The funding floor will ensure that every school will attract at least 0.5% more pupil-led funding per pupil, compared to its 2023/24 allocation.
 - v. Rolling the 2023/24 mainstream schools additional grant (MSAG) into the schools NFF ensuring that this additional funding forms an on-going part of schools' core budgets. Appropriate adjustments have been made to NFF factor values and baselines to reflect this.
10. 2023/24 was the first year of transition to the direct schools NFF – with the end point being a system in which, to ensure full fairness and consistency in funding, every mainstream school in England is funded through the same national formula without adjustment through local funding formulae. Following a successful first year of transition, DfE will continue with the same approach to tightening in 2024/25. As in 2023/24, local authorities will only be allowed to use NFF factors in their local formulae, and must use all NFF factors, except any locally determined premises factors. Local authorities will also be required to move their local formulae factors 10% closer to the NFF values, compared to where they were in 2023-24, unless they are already mirroring the NFF.
11. Herefordshire's approach to school funding for 2024/25 will be as follows;
 - i. Seek to fund schools at the National Funding Formula values
 - ii. To fund schools at the maximum permitted Minimum Funding Guarantee of 0.5%
 - iii. To use the school block transfer process to fund the SEN Protection Scheme within the maximum value of £653k which Schools Forum can agree without the Secretary of State's permission.
 - iv. To agree a realistic budget for the SEN Protection scheme with Schools Forum in March 2024 within the constraints of the 0.5% block transfer and an appropriate mix of

reduced spending and additional funding from the high needs block. This will require some compromises

- v. Within the high needs block, fund cost increases in independent schools, manageable increases for top-up tariffs particularly for special schools and in particular to provide the full year funding for the newly established autism resource bases
 - vi. To use the DfE high needs block funding allocation to set a balanced budget for high needs and avoid the DSG deficit escalating. Inevitably this will require some difficult compromises as the DfE funding allocation is unlikely to be sufficient to meet cost pressures.
12. Compared to most local authorities nationally Herefordshire has a small, but growing high needs deficit at £1m. DfE has provisionally allocated £26.8m for high needs in 2024/25, an increase of approx £1.15m, equivalent to an increase of +4.5%. The initial aim is to set a balanced high needs budget and provide for a comparable 2.7% per pupil increase in top-up tariffs and special school places. Further work on the high needs budget will be undertaken during the autumn and spring terms with the Budget Working Group.
13. National growth funding, is expected to be £0.5m and £0.2m has been reserved to fund basic need secondary school growth in the Golden Valley planning area (10 places at Fairfield and 30 places at Kingstone as originally agreed for September 2021/22). However early indications suggest that not all this year's planned pupil growth has materialised as expected.

Community impact

14. Increasingly school and high needs funding is directed by government and the council can only allocate funding given by government. School governing bodies retain the responsibility to spend the school budget on meeting pupil needs. Schools, colleges and post-16 providers and potentially parents will need to be consulted on any changes to the high needs services.

Environmental Impact

15. 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

16. 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.

17. 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. In relation to school finance it is the responsibility of individual governing bodies to commit expenditure according to individual pupil need. Changes in high needs provision will require consultation with users and further advice from legal services will be sought should this be necessary. However the decisions of the school forum should have regard to this duty and the potential implications of any decisions made.

Resource implications

18. The schools budget is fully funded by Dedicated Schools Grant (DSG). At this stage the financial assessment is indicative only pending the final DSG announcement by government in mid-December 2023.

Legal implications

19. The Schools Forum is a decision making and consultative body in relation to matters concerning schools' budgets as defined in the School and Early Years Finance Regulations (2018) and the School Forums (England) Regulations 2010
20. The School and Early Years Finance (England) Regulations 2018 determine those matters on which the council must or may consult Schools Forum and those in respect of which the Schools Forum can make decisions. These Regulations make provision for the financial arrangements of councils in relations to the funding of schools.
21. The proposals within this consultation are governed by the Schools Finance Regulations and are in accordance with the annual schools' budget setting process which form part of the overall Council's budget position. The proposals within the consultation complies with the legal requirements in this regard.

Risk management

22. As the budget proposals are only indicative at this stage, the full risk analysis has not yet been undertaken.

Consultees

23. No consultation has yet been undertaken with schools, early years providers or service users. Consultation with schools on the schools budget will follow after School Forum's views have been included in the consultation paper.
24. The BWG will be consulted on 13 October 2023 regarding the schools budget consultation and Schools Forum will be informed of all comments at the meeting.
25. BWG will consider the budget proposals further after the budget consultation with schools has been completed and the DfE have announced final DSG allocations in December 2023.

Background papers

Appendix 1 – Herefordshire school budget consultation

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

NATIONAL SCHOOL FUNDING FORMULA 2024/25

CONSULTATION FOR HEREFORDSHIRE SCHOOLS SUBJECT to DFE BUDGET ERROR UPDATES

1.0 SUMMARY

- 1.1 This consultation paper sets out the expected financial settlement for Herefordshire schools for 2024/25 and proposes to continue to implement the national funding values as set by government. There continues to be many unknowns e.g. inflation, energy prices and funding re pay awards which will make setting a balanced budget difficult for schools this year.
- 1.2 The government funding announcement announced in July 2023 sets out the key items nationally, which are as follows;
- 1.3 Funding through the mainstream schools national funding formula (NFF) is increasing by 2.7% per pupil in 2024-25, compared to 2023-24. Taken together with the funding increases seen in 2023-24, this means that funding through the schools NFF will be 8.5% higher per pupil in 2024-25, compared to 2022-23.
- 1.4 The schools NFF continues to distribute this fairly, based on the needs of schools and their pupil cohorts. The main features in 2024-25 are:
- introducing a formulaic approach to allocating split sites funding. This ensures that split sites funding will be provided on a consistent basis across the country.
 - The core factors in the schools NFF (such as the basic entitlement, and the lump sum that all schools attract) will increase by 2.4%.
 - Through the minimum per pupil funding levels, every primary school will receive at least £4,655 per pupil, and every secondary school at least £6,050.
 - The funding floor will ensure that every school will attract at least 0.5% more pupil-led funding per pupil, compared to its 2023-24 allocation.
 - Rolling the 2023-24 mainstream schools additional grant (MSAG) into the schools NFF ensuring that this additional funding forms an on-going part of schools' core budgets. Appropriate adjustments have been made to NFF factor values and baselines to reflect this.
- 1.5 2023-24 was the first year of transition to the direct schools NFF – with the end point being a system in which, to ensure full fairness and consistency in funding, every mainstream school in England is funded through the same national formula without adjustment through local funding formulae. Following a successful first year of transition, DfE will continue with the same approach to tightening in 2024-25. As in 2023-24, local authorities will only be allowed to use NFF factors in their local formulae, and must use all NFF factors, except any locally determined premises factors. Local authorities will also be required to move their local formulae factors 10% closer to the NFF values, compared to where they were in 2023-24, unless they are already mirroring the NFF.

1.6 Herefordshire's approach to school funding for 2024/25 will be as follows;

- Seek to fund schools at the National Funding Formula values
- To fund schools at the maximum permitted Minimum Funding Guarantee of 0.5%
- To use the school block transfer process to fund the SEN Protection Scheme within the maximum value of £653k which Schools Forum can agree without the Secretary of State's permission.
- To agree a realistic budget for the SEN Protection scheme with Schools Forum in March 2024 within the constraints of the 0.5% block transfer and an appropriate mix of reduced spending and additional funding from the high needs block. This will require some compromises
- Within the high needs block, fund cost increases in independent schools, manageable increases for top-up tariffs particularly for special schools and in particular to provide the full year funding for the newly established autism resource bases
- To use the DfE high needs block funding allocation to set a balanced budget for high needs and avoid the DSG deficit escalating. Inevitably this will require some difficult compromises as the DfE funding allocation is unlikely to be sufficient to meet cost pressures.

1.7 Compared to most local authorities nationally Herefordshire has a small, but growing high needs deficit at £1m. DfE has provisionally allocated £26.8m for high needs in 2024/25, an increase of approx £1.15m, equivalent to an increase of +4.5%. The initial aim is to set a balanced high needs budget and provide for a comparable 2.7% per pupil increase in top-up tariffs and special school places. Further work on the high needs budget will be undertaken during the autumn and spring terms with the Budget Working Group.

1.8 National growth funding, is expected to be £0.5m and £0.2m has been reserved to fund basic need secondary school growth in the Golden Valley planning area (10 places at Fairfield and 30 places at Kingstone as originally agreed in 2021/22). However early indications suggest that not all this year's planned pupil growth has materialised as expected.

2.0 SCHOOLS BLOCK STRATEGY 2024/25

2.1 Estimated allocations for the schools block based on an estimated 22,430 pupils (primary 13,088 and secondary 9,342) as follows:

Estimated DSG schools funding allocation	£130,126,000
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National Funding Formula 2024/25	£130,126,000
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Available for allocation to SEN Protection scheme:

Funding available from 15% gains cap in NFF:	£353,000
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Additional Growth Funding estimated	£500,000
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To: secondary growth funding for Golden Valley	£200,000
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To: SEN Protection scheme	£300,000
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2.2 Final Dedicated Schools Grant allocations will not be available until mid-December and National Funding Formula allocations will be finalised with the BWG and School Forum in January 2024.

3.0 HIGH NEEDS BLOCK STRATEGY 2024/25

3.1 Provisional Dedicated Schools Grant (DSG) allocations for 2024/25 have been published by government and indicate an increase in Herefordshire's high needs allocation of £1.15m i.e. a gross allocation of £26.832m compared with a final allocation of £25.683m in 2023/24, although in-year adjustments for FE college placements make comparisons across years difficult.

3.2 The additional £1.15m is provisionally allocated as follows;

- £0.2m out-county independent schools and Complex Needs
- £0.2m inflation on tariffs A - F
- £0.5m full year effect for new autism places from September 2023
- £0.05m matched funding for behaviour support service
- £0.15m for SEN Protection scheme
- £0.06m Expansion of VI team to prevent out-county placements at £60kpa.

3.3 The SEN protection scheme was expanded to include secondary schools in 2020/21 and was supported by a transfer of £0.6m from the schools block in 2023/24. The cost of the scheme continues to grow each year and the scheme is hugely supported by schools. However the cost of the scheme is at the limit that Schools Forum can approve without reference to the Secretary of State and expenditure is forecast to grow further in 2024/25. Compromises on expenditure will inevitably be necessary

3.4 The Initial budget for 2024/25 suggests the National Funding Formula is affordable with a MFG at 0.5% and some capping of school gains could provide up to £200k which when taken together with a £150k contribution from the HNB and an expected surplus of £300k from the schools growth fund will provide a budget of around £650k for the SEN protection scheme such that significant reductions in spend may not necessary.

3.5

Further detailed work will be undertaken on the high needs budget during the autumn term, and an initial budget plan will be shared with the Budget Working Group in December 2023. The final high needs budget plan will be agreed with the Budget Working Group and Schools Forum in March 2024.

4.0 EARLY YEARS BLOCK

4.1 No information has been published by DfE for the early years block for 2024/25. Any inflationary increase for early years settings will be dependent on the final DSG settlement when published in December 2023.

5.0 CENTRAL SCHOOL SERVICES BLOCK

5.1 The central block is expected to increase slightly from £810k to £850k. Small inflationary increases are proposed as follows. In addition to the statutory retained duties formerly funded by Education Services Grant (£390k), funding allocations will be Schools Forum administration costs (£20k), school admission costs (£154k including an extra £13k to cover the costs of appeals), national licence costs (£157k), SACRE (£10k), SEN Casework (£28k) and a transfer to high needs (£90k).

6.0 NATIONAL FUNDING FORMULA – HEREFORDSHIRE PROPOSALS

6.1 Herefordshire's school funding proposals for 2024/25 are to adopt the national funding formula values in full as follows:

- a) Basic Entitlement per pupil (2023/24 NFF factor values for comparison):
 - i. Primary KS1/2 - £3,597 (£3,394)
 - ii. Secondary KS3 - £5,072 (£4,785)
 - iii. Secondary KS4 - £5,717 (£5,393)

- b) Low prior attainment (low cost, high incidence special education needs)
 - i. Primary funding per pupil £1,185 (£1,155)
 - ii. Secondary funding per pupil £1,790 (£1,750)

- c) Free School Meals per pupil
 - i. Primary £490 (£480)
 - ii. Secondary £490 (£480)

- d) Deprivation per Ever-6 Free Meal pupil
 - i. Primary £830 (£705)
 - ii. Secondary £1,210 (£1,030)

- e) Socio-economic deprivation Income Deprivation Affecting Children Index (IDACI)
 - Band A (2.5% LSOAs) primary £685 (£670) secondary £950 (£930)
 - Band B (5%) primary £520 (£510) secondary £750 (£730)
 - Band C (5%) primary £490 (£480) secondary £695 (£680)
 - Band D (5%) primary £450 (£440) secondary £635 (£620)
 - Band E (10%) primary £285 (£280) secondary £455 (£445)
 - Band F (10%) primary £235 (£230) secondary £345 (£335)
 - Band G (62.5%) primary £0 secondary £0

- f) English as Additional Language (EAL3) for all eligible pupils within last three years
 - i. Primary £595 (£580)
 - ii. Secondary £1,605 (£1,565)

- g) Lump sums – Primary and Secondary £135,700 (£128,000)

- g) Sparsity
 - i. Tapered lump sum of £57,700 (£56,300) for qualifying primary schools with an average year group size of 21.4
 - ii. Tapered lump sum of £83,900 (£81,900) for qualifying secondary schools with an average year group size of 120 pupil
- h) Business Rates – no change, funded at cost with a presumed 3% RPI increase. The council will continue to participate in the DfE’s scheme for business rates payments to be paid centrally by the DfE in Whitehall.
- i) Looked After Children – £0 as funding has been transferred to the pupil premium grant
- j) Mobility – Primary per pupil £970 (£945) Secondary per pupil £1,395 (£1,360) above a threshold of 6% pupil turnover
- k) Exceptional premises factor – increased by 2.4% inflation to £9,785 (£9,556) to meet rent costs for Eastnor Primary School subject to DfE approval
- l) PFI factor – increased by 5% to £353,992 (£336,808 to comply with PFI contract which uses the RPI(X) as at February 2024. Forecast RPIX at OECD CPI forecast + 1%.
- m) Minimum per pupil funding level – April 2024
 - (i) Secondary £6,050 per pupil (£5,715)
 - (ii) Primary £4,655 per pupil (£4,405)
- (n) The Minimum funding guarantee (MFG) can be set between 0.0% and 0.5%. Herefordshire will aim to set the MFG at the maximum 0.5%.
- (o) Split site factor – the new autism resource base at Hampton Dene Primary is expected to qualify for £81,400 under the DfE’s new national split site factor.

SEN Protection Scheme

- 6.2 Expenditure in 2024-25 is estimated at £800k allowing for some growth in EHCPs and the existing scheme cap of £175 x NOR i.e. payments only made above this value. There are three realistic options for the SEN protection scheme for 2024-25, e.g.

Option A: Transfer to high needs block of £400k

Reduce the NFF funding allocation to those schools not on the Minimum Funding Guarantee by 0.15%. This would reduce payments by 50% e.g. a large primary receiving £65k in 2023-24 would receive £55k in 2024-25. The advantage of this option is that the £400k comprises of the £250k growth fund surplus and the £150k cost of the MFG, which will reduce in the long-run. Although the implementation of the “Hard” NFF formula by DfE

will see any savings from the reducing MFG reverting to DfE and not Herefordshire schools.

Option B: transfer to high needs of the maximum permitted 0.5% i.e. £653k

This option would require a reduction to the NFF allocation of 0.4% to those schools not on the MFG. The addition of up to a further £150k from the high needs budget might be possible to avoid significant reductions to schools in SEN Protection payments and permit the cap to be set at around £180xNOR. This option provides for continued growth in top-up payments to schools and is consistent with previous decisions by Schools Forum to agree to the maximum transfer to high needs without seeking approval of the Secretary of State. The funding allocated from then high needs budget will be determined by Schools Forum at the March 2024 meeting. This is the council's preferred option.

De-delegation proposals

6.3 De-delegation and Education Management proposals for locally maintained schools by a small inflation allowance (2.4%) as follows;

- computer licences for the school budgeting software to increase to £430 from £420;
- Free school meals eligibility checking, primary to increase to £1.34 per pupil (from £1.31) and secondary to increase to £1.01 per pupil (from £0.99)
- Support for underperforming ethnic minority groups and bilingual learners to provide EAL services for initial assessments, YR observations and follow-up advisory and monitoring visits funded by de-delegation costs as follows;
 - Increase per pupil amount to £1.20 from £1.17
 - increase per Ever6 FSM pupil to £7.09 from £6.93
 - change to EAL 3 year factor at £37.38 per pupil from £36.50
- A small increase to Trade union facilities agreement by 5p to £2.70 per primary pupil to reflect expected cost pressures.
- Education Management – a small increase to £12.80 from £12.50 for local authority maintained schools.
- School Improvement Services at £6.15 per pupil (small increase from £6) to include
 - Headteacher support
 - Ofsted/School Improvement support
 - General education management advice and support
- Contingencies at £1.02 per pupil (increased from £1) to fund unexpected costs such as pupil census errors, unavoidable redundancies from small school closures and costs from Employment Tribunals

6.3 New de-delegation proposals

- Behaviour support services – a £1 increase on the current £4 per pupil for primary schools (with a corresponding SLA at £5/pupil for primary academies) and a matched budget increase of £12,500 from HNB subject to review by the BWG in December 2023 – required to fund a modest increase in behaviour support in primary schools to reduce demand/need for nurture groups, resource bases and ultimately out-county places

- The Health and Safety team in Herefordshire Council is proposing that all maintained schools are signed up to Membership of CLEAPSS (the Consortium of Local Education Authorities for the Provision of Science Services). The most cost effective way of doing this is to deduct the membership fee, currently 16p per pupil between the ages of 5 and 19, from delegated budgets and join the consortium as a Local Authority. Schools can also purchase membership of CLEAPSS directly for between 25-33p per pupil, but the discounted rate can only be given if all maintained schools in the LA agree to the deduction and are signed up through Herefordshire Council. Once the LA is a member of CLEAPSS, other schools in Herefordshire would also be able to sign up to CLEAPSS through the LA at a discounted rate.
- CLEAPSS provides a wide range of resources for Primary and Secondary schools covering Science, D&T and Art lessons. Resources include access to the CLEAPSS telephone and email helpline, model risk assessments, advice on equipment and facilities, Hazards and Recipe sheets, HSE recognised guidance and standards, and accredited CPD. CLEAPSS membership is recommended by both the HSE and DfE. The majority of Local Authorities in England, Wales and Northern Ireland are already members of CLEAPSS.

7.0 TIMESCALES

7.1 The budget process and expected timeline is:

- Consultation commences w/c 23 October after Schools Forum and closes 12 noon Friday 17 November 2023.
- Draft National Funding Formula allocations will be issued to schools based on forecast pupil numbers and a MFG at 0.5% with capping and scaling to provide sufficient funding for the SEN Protection scheme of £653k i.e. the maximum permitted schools block transfer to high needs without applying to the Secretary of State.
- Schools Forum meets on 19 January 2024 to consider the recommended funding values to be submitted to the Education Funding Agency by 26 January 2024.
- Final budgets issued to locally maintained schools by 28th February 2024
- Education Funding Agency to issue budgets to academies for academic year 2024/25.

8.0 CONSULTATION RESPONSES BY 17th November 2023

8.1 A separate consultation form is attached and must be returned to School.funding@herefordshire.gov.uk by 12 noon on 17th November 2023 in order that your views can be considered by the Budget Working Group on 1st December 2023 and Schools Forum at their meeting on 19th January 2024.

8.2 Please respond to this consultation as all views are important and do contribute towards the budget decision which aims to achieve the best possible schools budget for Herefordshire within the funding allocated by government.

9.0 FURTHER INFORMATION

9.1 If you have any questions regarding the detailed content of this consultation paper or the draft allocation for your school (distributed separately), please contact either Malcolm Green, Schools Finance Manager (malcolm.green@herefordshire.gov.uk) or any member of the Budget Working Group as follows;

Primary

Mr S Kendrick, Ashfield Park
Mrs K Weston, Our Lady's
Mr R Foster, Lugwardine

Secondary

Mr P Jennings, Fairfield (Chairman)
Mrs C Bryan, John Kyrle
Mr S Robertson, Aylestone
Mrs N Emmett, Fairfield

9.2 Others contributing to the development of these budget proposals included Mrs S Williams, Barrs Court representing special schools and Mrs R Lloyd, representing early years.

SCHOOLS FORUM WORK PROGRAMME 2023/24

20 October 2023	
Appointments	To appoint a chairperson and vice-chairperson for the Forum. To appoint a chairperson for the Budget Working Group if required
Local and National Schools Funding Update	To seek the view of the forum on local and national school funding issues, including any recommendations of the budget working group.
Work programme 2023/24	To review the work programme and identify any additional items the forum wishes to consider.
19 January 2024	
Dedicated Schools Grant settlement	To receive a report on the DSG settlement and consider proposed schools budget 2024/25 (subject to DfE national formula).
Whitecross PFI	To receive the results of the 3 yearly review of the Whitecross PFI Scheme <i>(Reference minute 201 of forum meeting 13 March 2015).</i>
Budget Working Group	To receive a report on the activities of the Budget Working Group not covered elsewhere on the agenda. (recurring item)
15 March 2024	
High needs budget proposals 2023/24	To consider proposals for the allocation of the high needs funding block for 2024/25 (subject to DfE national formula).
Budget Working Group	To receive a report on the activities of the Budget Working Group not covered elsewhere on the agenda. (recurring item)
12 July 2024	
Local and National Schools Funding Update	To receive any updates on funding arrangements.
Annual review of membership	To review the membership of the Schools Forum to ensure proportionality.
Dates of meetings and Work programme 2024/25	To approve dates for meetings and the work programme for the forum for 2024/25 academic year
Budget Working Group	To receive a report on the activities of the Budget Working Group not covered elsewhere on the agenda. (recurring item)

