

## **Minutes of the meeting of Herefordshire schools forum held at online meeting on Friday 13 January 2023 at 9.30 am**

**Present:** Councillor Mrs K Weston (Local Authority Maintained Primary School) (Chairperson)  
Ms A Banner (LA maintained secondary schools) (Vice-chairperson)

Mr D Bennett	Academies
Mr A Davies	Academies
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
Mrs S Jenkins	Local Authority Maintained Primary School
Mr P Jennings	Academies
Mr T Knapp	Academies
Ms T Kneale	Local Authority Maintained Primary School
Mr C Lewandowski	Trade Unions
Mrs R Lloyd	Early Years
Ms S Taylor	Academy Special Schools
Mr A Teale	Diocese of Hereford

**In attendance:** Cllr Diana Toynbee, cabinet member, children and families

**Officers:** Service Director, Education, Skills and Learning, Strategic Finance Manager and Head of Additional Needs

### **62. APOLOGIES FOR ABSENCE**

Apologies were received from Steve Kendrick and Sian Lines.

### **63. NAMED SUBSTITUTES (IF ANY)**

Andrew Teale attended as substitute for Sian Lines.

### **64. DECLARATIONS OF INTEREST**

There were no declarations of interest.

### **65. MINUTES**

It was resolved that:

**the minutes of the meeting held on 7 October 2022 be approved as a correct record.**

### **66. SCHOOLS BUDGET 2023/24 (Pages 7 - 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 DSG allocation was insufficient to fully fund the national funding formula values, but a School Additional Grant was to be distributed in addition to the main funding formula. The details of this additional grant had not been confirmed at the time of the meeting but it was expected to operate in a similar way to the additional grant issued for 2022/23.

Schools continued to express support for the SEN protection scheme which provides additional funding for schools when they have greater than average numbers of pupils with high needs. The budget proposals included a transfer from the schools block to the high needs block to support the continuation of the SEN protection scheme.

The chair of the Budget Working Group thanked the SFM for his work on the proposals. He highlighted the key points discussed during the working group meeting, that the funding situation was less than ideal and the proposed option C had quickly been identified as the preferred approach. Progressing any of the alternative options would have a negative impact on the SEN protection scheme.

The proposals had also been shared at a school leader's webinar on 10 January. No objections had been raised to the approach recommended by the local authority and budget working group.

Forum members discussed the proposed budget and noted that the number of pupils in specialist settings was growing and that a longer term strategy was in place. The outcome of the local authority's bid for a new SEN free school was still unknown. In the interim the local authority was trying to provide additional capacity in existing schools.

**It was resolved that:**

**Due to insufficient funding within the Dedicated Schools Grant the National Funding Formula (NFF) factors for 2023/24 be reduced by 1% as included in the recommendations 1. (a) – (n) as below, and be recommended to the Cabinet member for children and families for decision as follows;**

**1. The final school funding values be agreed, subject to a minimum total funding per pupil of £4,405 for primary schools and £5,715 for secondary schools, including the Minimum Funding Guarantee at 0.5% as follows:**

**(a) Basic entitlement per pupil Primary £3,361, basic entitlement per secondary pupil Key Stage 3 £4,738 and basic entitlement per secondary pupil Key Stage 4 £5,340**

**(b) Deprivation per free school meal Primary £475.50 Deprivation per free school meal Secondary £475.50**

**(c) Deprivation per ever-6 free school meal Primary £697.95, Deprivation per ever-6 free school meal Secondary £1,019.70**

**(d) Socio-economic deprivation Income Deprivation Affecting Children Index (IDACI)**

**(i) Band A Primary £663.30 Secondary £920.70**

- (ii) Band B Primary £504.90 Secondary £722.70**
- (iii) Band C Primary £475.20 Secondary £673.20**
- (iv) Band D Primary £435.60 Secondary £613.80**
- (v) Band E Primary £277.20 Secondary £440.55**
- (vi) Band F Primary £227.70 Secondary £331.65**
- (vii) Band G Primary £0 Secondary £0**

**(e) Low prior attainment per pupil Primary £1,143.45, per pupil Secondary £1,732.50**

**(f) Lump Sum Primary £126,720, Secondary £126,720**

**(g) Primary sparsity, on NFF taper basis, over 2 miles and less than an average year group size of 21.4 pupils Primary £56,018.50**

**(h) Secondary sparsity, on NFF taper basis, over 3 miles and less than an average year group size of 120 pupils Secondary £81,081 using the updated DfE actual road distance measure**

**(i) English as additional language (EAL3) per primary pupil Primary £574.20  
English as additional language per secondary pupil Secondary £1,549.35**

**(j) Mobility Primary £935.55 Mobility Secondary £1,346.40**

**(l) PFI contract Secondary £336,104**

**(m) Exceptional premises factor – Eastnor rent Primary £9,556**

**(n) Business rates: At the indicative cost of £1,292,043 as determined by the Education and Skills Funding Agency and 2021/22 funding in arrears for Marlbrook primary school of £21,964.77**

**2. Additional growth funding of £187,250 for 2023/24 be approved for recommendation to the Cabinet member for children and families as follows;**

**(a) Growth funding for basic need expansion at Kingstone High School, £140,437.50 (summer term £56,700, autumn & spring £83,737.50) for the financial year 2023/24 for an additional 30 planned pupils**

**(b) Growth funding for basic need expansion at Fairfield High School, £46,812.50 (summer term £18,900, autumn & spring £27,912.50) for the financial year 2023/24 for an additional 10 planned pupils**

**3. Transfer to high needs block to support the SEN protection scheme, £616,000 be approved by Schools Forum and to set the school funding cap at £170 x**

**Number on Roll for 2023/24 allowing £50,000 growth in 2023-24 subject to further consideration of the funding cap at the March meeting of Schools Forum.**

**4. That prior to submission to the DfE, any minor adjustments to the schools budget up to £5k required to comply with the regulations, be made to the funding allocated to the growth fund to provide a contingency.**

**5. That Schools Forum approve an inflationary increase for the central support services funding for 2023/24, and advise the Cabinet member for children and families for information, as follows**

**(a) Statutory retained duties £387k**

**(b) Schools Forum administration costs £19.5k**

**(c) School admission costs £135.6k**

**(d) National licences for schools £153k**

**(e) Additional funding for statutory duties for SEN casework team £27k**

**(f) SACRE funding for statutory duties £8,120**

**(g) Transfer to the high needs block £80k**

**6. That local authority maintained school members, approve an increase of 1.9% in the de-delegation of funding in 2023/24, and advise the Cabinet member for children and families for information, as follows**

**(a) trade union facilities for primary schools only be approved at £2.65 per pupil**

**(b) trade union facilities for secondary schools only be provided for through a Service Level Agreement at £2.65 per pupil**

**(c) school budgeting software licence at £422.89 per school**

**(d) ethnic minority support at £1.17 per pupil plus £6.93 per Ever-6 Free school meals and £36.68 per English as an Additional Language three years (EAL3)**

**(e) school meals entitlement assessment at £1.31 per primary pupil and £0.99 per secondary pupil (for local authority schools)**

**(f) behaviour support service at £4.08 per pupil to provide £38,300 income**

**(g) school improvement services be newly de-delegated at £6 per pupil**

**(h) contingencies be newly de-delegated at £1 per pupil**

**(i) the statutory education services for non-academy schools be charged at £12.48 per pupil**

**7. The early years funding formula for Herefordshire providers from April 2023 be increased by the inflationary increase provided by DfE and approved for recommendation to the Cabinet member for children and families as follows;**

**(a) Two year olds: £5.63 per hour**

**(b) Three and four year olds: £4.48 per hour + a deprivation supplement of £0.38 per hour for Early Years Pupil Premium eligible children + a rurality supplement per provider of £57 per week (pro-rata for providers that deliver less than 100 hours per week) paid for 38 weeks per year**

**(c) Early years central expenditure be increased by 5.4% inflation £393,000 for NEF contract payments, Early years consultants and MASH support for early years settings.**

**8. The Schools Budget be approved for recommendation to the Cabinet member for children and families as follows;**

**(a). A balanced schools budget be approved for 2023/24; and**

**(b). the unusable reserve for the DSG deficit reserves of £275,319 be carried forward to financial year 2024/25 adjusted by any under or overspend in DSG at year end in March 2023.**

*(Restrictions were applied to voting as follows:*

*Only representatives of LA maintained schools, academies and early years providers were eligible to vote on recommendations 1 to 5 inclusive and recommendations 7 and 8.*

*Only representatives of LA maintained schools were eligible to vote on recommendation 6.)*

*Tim Knapp left the meeting at 10:19am*

## **67. DEDICATED SCHOOLS GRANT - DEFICIT MANAGEMENT PLAN (Pages 17 - 18)**

The strategic finance manager (SFM) presented the Dedicated Schools Grant deficit management plan. Forum members heard that the deficit was currently small and solely attributed to overspend in recent years in the high needs block. The deficit management plan set out the history of how the deficit had occurred and the actions proposed to reduce spending and recover the deficit. The main theme of the proposals is about providing more in-county provision to avoid as far as possible expensive out county places for pupils with special educational needs.

The plan had been shared with the budget working group who had endorsed the proposals.

The government has extended the statutory accounts override to March 2026 which permits the DSG deficit to be carried forward for a further three years without requiring the council to fund the deficit.

Forum members heard that the local authority had applied what it had learnt from the successful bid to establish Beacon College to its application for a new free school. The bid sought to establish a new school with around 80 place for pupils aged 2-16 with co-morbid learning difficulties and autism. As a free school, the school would be part of a MAT and an open competition would be held to select the provider. If approved, the new school would likely take around 4 years to design, build and open. If the new school was

not approved, additional places could be provided but it would be a more fragmented approach and there was currently insufficient capital funding to deliver the scale of places needed.

Forum members highlighted the importance of education, health and care plan reviews being completed promptly when children transferred school. Staff absence had a significant impact in the previous year but this had been addressed and reviews were now on target for this year. Performance was being monitored closely to make sure the improvements were sustained.

**It was resolved that:**

**the DSG Deficit Management Plan is recommended to the Director of Children Services for submission to the Department for Education.**

**68. LOCAL MANAGEMENT OF SCHOOLS - SCHEME AMENDMENT (Pages 19 - 20)**

The strategic finance manager (SFM) presented a report on proposed amendments to the local management of schools scheme to reflect advice from the Department for Education (DfE) that schools are not permitted to transfer revenue monies to capital in advance of spend. A new category for committed balances would be created and this would be excluded from the 20% clawback criteria. Governing bodies would need to provide evidence from minutes of any transfers to the local authority each year.

No objections to the proposed changes had been received following publication in the Spotlight magazine to schools.

**It was resolved that:**

**Local authority maintained school members approve the amendment to the Local Management of Schools Scheme, as set out in the report.**

*(Voting on this item was restricted to local authority school members only).*

The meeting ended at 10.36 am

**Chairperson**

Schools Forum  
13 January 2023  
School Funding 23-24

7

# Background to School Budget report

- DSG published on 16 December 2022
- Schools Block £123.2m
- 18 fewer pupils and £79k less grant

## But compared with autumn consultation

- FSM pupils +564 (+4.3%) +£333k
- EAL pupils +245 (+26%) +£211k
- Minimum Funding Guarantee +£291k
- No capping of NFF winners +£252k
- Less savings on other factors -£181k
- Net cost increase +£906k

**No money for full NFF or High Needs transfer**



# School Budget 2023-24

## Three options considered by BWG

- A: trim NFF by 0.26%; No SEN protection
- B: trim NFF by 0.5%; Smaller SEN scheme
  - Quarter to half sized SEN protection scheme funded by £214k transfer to high needs and possible £200k contribution from high needs block dependent on budget availability as determined by Schools Forum in March
- C: trim NFF by 1%; SEN Protection scheme continues in 23-24 much as 22-23.

## Option C is the preferred option of HC and BWG

- Forecast spend of SEN Protection in 22-23 is £700k and at least £750k for 23-24

# School Additional Grant 2023-24

- Schools will receive £4.15m in addition to the NFF in 2023-24 i.e. +25% on £3.3m in 22-23
- Details not yet confirmed but applying +25% to 22-23 per pupil values would give +£120 primary, +£170 KS3 and +£190 KS4
- By comparison Option C – continuing with the SEN protection scheme would give schools a net increase similar to 22-23
- **i.e. Total 23-24 grant is £4.15m less transfer to high needs £0.616 = £3.53m compared with £3.3m in 22-23 and remains up by +7%.**

10

# SEN Protection Scheme - Reminder

- Hugely supported by schools in previous years
- Funds the extra £6,000 threshold costs for SEN pupils for schools with greater than average (2.7%) of high needs pupils who receive top-ups
- 9 high and 44 primary schools receive funding
  - max primary is £72,900 for 21.6 pupils (6%)
  - max high is £71,200 for 25.9 pupils (4.9%)
- Without the scheme the impact on the most inclusive schools will be significant
- **Now at the maximum 0.5% transfer to high needs that Schools Forum can approve. We will need properly considered changes for 24-25 in any case.**
- **Need to take time to consider carefully**

# Budget Working Group

- Separate report circulated to Forum
- Discussed in detail the three options
- Supported Option C i.e. the full transfer to the high needs block as the continuation of existing practice for the last 5 years
- Considers to abolish the scheme would be counter productive and lead significant increase in the DSG deficit
- Have supported the SEN protection scheme since its inception in 2014
- Update on the nurture group project – pleased and would like to see it extended if funds permit

12

# Summary of Recommendations today

## Rec 1

The recommendation is for Option C i.e.

- 1% reduction to NFF
- 0.5% transfer to the high needs block
- £616,000 to fund the SEN protection scheme same as now
- Supported by Budget Working Group on 6 Jan
- And Schools Leadership Conference on 10 Jan

## Rec 2

- Continuation of growth fund for Basic need 30 places for Kingstone High and 10 places for Fairfield Year 4 of 5.

## Rec 3

- Transfer of 0.5% i.e. £616k to High needs for continuation of the SEN protection scheme

# Recommendations to Schools Forum

## Rec 4

- Authorise minor adjustments up to £5k to balance budget

## Rec5

- Inflationary increase 1.9% on central services block

## Rec 6 – LA school members vote only

- De-delegation proposals for LA schools – small increase apart from new items for £6 per pupil school improvement and £1 for contingencies e.g. ET tribunal costs. Much reduced from consultation proposals

## Rec 7

- Early Years – uplift by inflationary increase given by DfE i.e.
- 5.64% increase on 3 and 4 year old NEF
- 1.01% increase on 2 year old NEF
- 5.64% increase on central costs

# Recommendations to Schools Forum

## Rec 8

- Balanced budget be approved for 23-24 i.e. spend = income
- Unusable DSG reserve of £275,319 deficit be carried forward – this is required by Secretary of state - but auditors have asked for evidence in the past.

51

- High needs budget is agenda item for March Forum
- Lots of detail set out in the report
- Supported by BWG
- Any questions – before we proceed to take the recommendations





# DSG Deficit Management Plan

- Herefordshire slipped into deficit by £275k in March 22
- Plan requested by DfE
- BWG has discussed and broadly content with the plan
- Schools Forum invited to comment
- Government has extended the statutory accounts override to March 2026 which permits the DSG deficit to be carried forward for a further three years without requiring the council to fund the deficit
- The Deficit plan in the appendix sets out the history of how we got to a deficit and the actions proposed to reduce spending to recover the deficit.
- The proposals are largely about providing more in-county provision to avoid as far as possible expensive out county places

17

MINUTE ITEM 67

# DSG Deficit Management Plan

The Proposed plan provides for

- Increased training for mainstream schools re autism
- new places in primary and secondary autism hubs – hopefully from September 2023 if at all possible
- More places in Herefordshire special schools – depends on capital funding but not a quick solution
- Capital bid submitted to DfE – awaiting outcome
- Development and extension of Nurture hubs in primary schools
- Implementing DfE SEND Review proposals
- More staff in SEN assessment team
- Long term planning via the SEND capital strategy
- Better links with NHS and social care to meet children's needs and SEND strategy Board to discuss the plan

18

# Local Management Scheme

- DfE have advised that transfers to capital is not permitted prior to spend
- We need to use a new balance category for committed balances and exclude from the 20% clawback criteria
- The recommended scheme change makes clear that its is only uncommitted balances in excess of the 20% that are subject to clawback
- Governors will be required to minute any transfer to uncommitted balances and let us know each year prior to year end
- Only LA school members of forum can vote

19

MINUTE ITEM 68

