

SCHOOLS' FORUM SCHOOL BUDGETS WORKING GROUP AND HIGH NEEDS WORKING GROUP – COMBINED MEETING

DRAFT Notes of the Combined Meeting of the School Budgets Working Group and the High Needs Group held via Microsoft Teams on 9 February 2022, 1.00pm.

Present: Richard Aindow (Special School Academies), Huw Davies (Primary Academy), Rachel Field (West Maintained Primary), Daniel Hinton (Special Schools), Chris McAree (North Secondary Academy), John McAuley (RC Diocese), Ian Nicol (South Maintained Primary), Vanessa O’Dea (CE Diocese), Jennifer Rowlands (West Maintained Secondary – representing Tom Hailwood), Alan Rutter (Teachers’ Associations and Forum Chair), David Spruce (North Maintained Primary), Cathy Styles (South Maintained Primary and Chair, High Needs), Christian Thersby (Carlisle College), Ruth Webster (South Maintained Primary), Kris Williams (North Secondary Academy)
Dan Barton (LA), Susan Milburn (LA), Amanda Chew (LA), Kerry Anderson (LA), Nicola Shiels (LA)

Apologies: Lisa Balderstone (PRUs), Steven Holmes (South Secondary Academy), David Nattrass (North Maintained Primary), Cllr Sue Sanderson (Lead Member – Schools & Learning)

1. Exclusion of Press and Public

It was agreed that all items would be considered in the public domain.

2. Declarations of Interest

Alan Rutter – Item 4, Teachers’ Pension Scheme Indexation.

3. Notes of Previous Meeting

The notes of the combined meeting of the School Budgets and SEN Working Groups held on 20 September 2021 were agreed as an accurate record.

4. Teachers’ Pension Scheme Indexation

At the Schools Forum meeting in January, members had been alerted to an issue relating to the Teachers’ Pension Scheme. Kerry Anderson, HR Business Partner for Education & Skills joined the meeting for this item.

In November 2021 the joint teaching trade unions had written to Local Authorities, school and academy trust governing boards and academy trust Chief Executive Officers in relation to an issue for teachers and school leaders due to the 2021-22 pay freeze.

The trade unions had highlighted that due to the pay freeze there was a negative impact on the pension for all teachers and school leaders who had no pay progression due to some of the regulations in the teacher’s pension scheme (TPS) which meant that there would be no indexation triggered and would negatively impact the calculation for “best consecutive three years in 10”.

This was a national issue and trade unions had asked the Department for Education (DfE) to review the regulations to resolve this issue for the future but, if DfE did not

agree to review the regulations that would not resolve the issue for the current year. DfE and the Local Government Association (LGA) were going to be issuing some advice on the matter, but they had indicated that the advice would not be issued until the end of February at the earliest which meant that any action taken from the advice would need to be processed within a tight timescale.

The trade unions had asked for a £1 recruitment and retention payment to be made to all teachers and school leaders who had had no pay progression in 2021-22. However, the pay and conditions document did not allow for a recruitment and retention payment to be made to school leaders. Some local authorities had already acted on this but some were waiting for the advice from DfE and LGA.

Cumbria County Council was recommending that Cumbrian Schools pay a one-off £1 payment by 31 March 2022 to all teachers and school leaders who had had no pay progression in 2021-22 so that TPS indexation could be triggered.

Discussions had taken place with trade unions to agree that this would only apply to those that were potentially affected by the non-indexation. This would be any school teachers or leaders who had had no pay progression in 2021-22. Should the one-off £1 payment to all teachers and school leaders who had had no pay progression in 2021-22 be agreed, individual schools would need to identify eligible staff and instruct their payroll provider to make the £1 payment before the end of the financial year.

Members of the combined working groups considered four options:

Option 1 – A one-off recruitment and retention payment of £1 to be paid by 31 March 2022 to all teachers and school leaders who had not had any pay progression in 2021/22.

Option 2 – As option 1 but with the payment to be recouped in 2022/23 depending on pay increases for that period.

Option 3 – A one-off recruitment and retention payment to all teachers and an “other payment” of £1 to all school leaders to be paid by 31 March 2022. This would resolve the non-indexation issue but would cost marginally more.

Option 4 – No payment until DfE/LGA advice is given at the end of February.

The County Council's preferred option was Option 1; this was also the one recommended by trade unions.

Following a vote on each of the options (1 – 14 for, 0 against; 2 – 0 for; 3 – 0 for and; 4 – 0 for), the Schools Forum Combined Working Groups recommended that Option 1 – to pay a one-off £1 payment to all teachers and school leaders in Cumbrian Schools at the top of their pay range or those that had had no pay progression through the pay range in 2021-22 by 31 March 2022 be approved.

An update for the weekly comms to schools would be prepared and shared with CASH and PHA. It was also suggested that a communication be sent to payroll providers to ask them to also liaise with schools.

5. **Notional SEN Transitional Funding**

A report asking the SEN Working Group to consider how mainstream schools and academies with higher-than-average levels of pupils with EHCPs could continue to be supported by the High Needs Block when the transitional protection following the removal of the Targeted SEN funding and restoration of the notional SEN threshold of £6,000 ended on 31 March 2023 was presented.

Members of the group were asked to suggest ideas and options that could be modelled before being presented to the full Forum for consideration.

In February 2021 a joint meeting of the Budget and SEN working groups considered the implications of reinstating the first £6,000 of support in schools for high needs pupils. As the cost of doing this was estimated to be c£2.000m it had also been agreed to model the impact of removing the Targeted SEN funding.

The modelling presented to Schools Forum in June 2021 indicated that in 2021-22 the part year impact of removing the Targeted SEN funding from 1 September 2021 would result in a net saving to the High Needs Block of £946 but 99 schools would be worse off under this arrangement. In order to protect those schools, ensure that they would be no worse off and bring them back to their original position from 1 September 2021 to 31 March 2022 there would be a cost of £0.378m. The full year impact of the modelling indicated that the net cost would be £0.075m, 93 schools would be worse off and transitional protection of £0.603m would be required to restore them to their original position.

In June 2021 the Schools Forum consulted with mainstream schools and academies seeking views on the length of time transitional protection that should be in place. The outcome was that Schools Forum agreed to apply the transitional protection in full until 31 March 2023. At the same time the Schools Forum committed to explore ways in which those more inclusive schools that had been more adversely affected by the changes could continue to be protected beyond March 2023.

A letter addressed to the Chair of Schools Forum from Headteachers representing a number of schools with Resourced Provision (RP) units that had been adversely impacted by the changes was received on 20 January 2022 requesting that the Schools Forum reconsider the decision to remove the Targeted SEN funding or at least consider other means of support in its place.

Work to finalise the actual EHCP top-up budgets for individual mainstream schools and academies for 2022-23 was ongoing and final budgets would not be available until 28 February 2022, therefore, at this stage it was not possible at this stage to calculate the actual transitional protection required for 2022-23. It was however expected that, based on the rising number of pupils with EHCPs in mainstream schools, the cost of transitional protection would be significantly higher than that previously modelled which had been based on 2021-22 levels.

DfE guidance stated that local authorities could provide additional funding outside of the main funding formula on a fair and consistent basis, especially where the number of their pupils with SEND and/or high needs could not be reflected adequately in the funding they received through the local formula. There should be a defined criteria and formula so that additional funds were only targeted to a minority of schools which

had particular challenges because of their disproportionate number of pupils with SEND or high needs.

Data showed that 138 (45%) schools were in receipt of Targeted SEN funding in 2021-22 before it was withdrawn with effect from 1 September 2021 and 93 (30%) schools attracted transitional protection which represented significantly more than the expected minority of schools per the DfE guidance.

Currently, mainstream schools funded the first £6,000 of SEN support costs from their own budget share and the local authority provided top-up funding based on a standard hourly rate of £650 pa based on the number of support hours identified in an EHCP. Schools with RP units were funded at £10,000 per place (£4,000 through the school funding formula and £6,000 through the High Needs Block) and in addition, like all other mainstream schools they also received top-up funding at £650 per hour for support costs above the £6,000 SEN threshold. The minimum level of top-up funding for pupils in RP units was Band 4 which equated to at least £5,695.

The SEN Working Group were asked to put forward suggestions about how those more inclusive schools that had been adversely affected by the changes introduced from 1 September 2021 could continue to be supported beyond March 2023 when the transitional protection would end. The ideas and options put forward would be considered for potential modelling although it was noted that any proposals that were put forward should ideally be cost neutral to the High Needs Block given the significant pressures on the budget.

The group commented on the report and offered options for modelling; discussion included the following:

- Other LAs had been contacted, 20 had responded and of those, 10 had no discretionary funding at all.
- Modelling could be done on restoring the targeted SEN, with a lower threshold/amount available; number of EHCP's in a school x £6000 then compared to notional SEN budget.
- This was a challenging and significant problem with other announcements expected that would impact on schools so need to be careful not to impact further.
- Decision was taken to address the issues related to the notional SEN but it was important not to mask the consequences of the decision. Until issues that had arisen were addressed, there would always be cases where the funding doesn't work therefore making acceptable for those schools that were less inclusive to continue in that way.
- Raise EHCP threshold then look at amount?
- If this issue is resolved, does it simply not just create another one elsewhere?
- Could the funding transferred from the Schools Block to the HNB be used instead on a case-by-case basis? In theory, yes, but earmarked for other projects.
- A few other LAs had had their HNB deficits written off – could Cumbria near that position? Noted that this would bring a very high degree of additional scrutiny which probably would not allow some of the innovative work being developed and considered.
- Whatever agree to do, must be transparent.
- Consider proportions, impact on small schools – schools with fewer pupils, percentage of overall budget, greater impact.

- Should there not be a desire to maintain pupils where they are, with the expertise to meet the needs of the children?
- 2023 SEND Review – could include recommendations that will impact on schools.
- Resourced Provision Schools – look at the level of need of child within the EHCP; if a school builds a reputation for inclusivity and have more children on SEN register, many of whom don't have increased funding, this places a strain on those schools.
- Consider RP properly.
- Modelling of top-up threshold likely to lead to increased spending; have to have a more conservative view.
- If can ensure that bandings are correct, should be able to reduce the number of children moving away from mainstream.
- Ensure that schools are effectively aligned to services – early intervention, specialist advisory teachers, etc. Make sure that schools know what is available.

The group felt that it would be worthwhile to consider and model a number of the suggestions:

- Restore targeted SEN, lower threshold/amount available
- New thresholds and amounts based on type or size of school
- New set of EHCP top up bandings thresholds
- Alternative ways to consider RP places – treating separately to pupils in mainstream places with and EHCP
- Levels of EHCPs within schools/notional SEN proportion

Modelling would then be presented at the next working group meeting for discussion.

6. Date of Next Meeting

The next scheduled date for meetings of the working groups is Friday, 20 May 2022. The meeting would begin and 9.30am and details of venue/Microsoft Teams would be confirmed closer to the date.

7. Any Other Business

None.

E&S/NS
March 2022