

# Minutes - Sheffield Education Funding Forum

3.00-5.00pm, 26 February 2025 at Learn Sheffield

Chair: Keith Crawshaw

## Schools Forum Members:

### **Primary Heads Representatives**

- Nigel Brooke-Smith (Greystones)
- Helen Kenyon (Pipworth)
- Chris Holder (Lowfield)

### **Primary Governors**

- Alison Warner (Grenoside)

### **Secondary Head**

- Linda Gooden (King Edward VII)

### **Non-school Members**

- Stephen Betts, Learn Sheffield
- Andy Krabbendam, Faith Sector (Clifford All Saints)
- Fiona Hawksley/Lisa Smith, Trade Unions
- Karen Simpkin, Early Years providers (Sunflower Children's Centre)
- Sarah Le-Good/James Smythe, 16-19 Sector (Sheffield College)

### **Academies**

- Ann Allen (Chorus Education Trust)
- Keith Crawshaw (Sheffield South East Trust)
- Jim Dugmore (Peak Edge Academy Trust)
- Neil Miley (Mercia Learning Trust)
- Morag Somerville (Steel City Schools Partnership)
- Nevine Towers (Diocese of Sheffield Academy Trust)

### **Special Academies**

- Joel Hardwick (Nexus Multi-academy Trust)

### **Special Schools**

- Aileen Hosty/Laura Rzepinski (Bents Green)
- 1 x vacant seat

### **PRU**

- Rhona Dodds/Alan Richards (Sheffield Inclusion Centre)

**Apologies:** Stephen Betts, Rhona Dodds/Alan Richards, Chris Holder, Helen Kenyon, Sarah Le-Good/James Smythe, Laura Rzepinski, Morag Somerville, Lisa Smith, Alison Warner

**Also in attendance:** Cllr Dale, Chair of the Education, Children and Families Policy Committee; Amanda Murray, EY, Education and Skills (notes); Mark Sheikh, Head of Service, Resourcing and Business Planning

**Presenters:** Jacky Beatson, Resourcing Manager; Stephen Bull, Strategic Insurance Manager; Helen Mansfield, Resourcing Manager

**Observers:** N/A

## **1. Welcome, apologies and declarations of interest**

- New members were welcomed, and apologies were noted as per above.
- No declarations of interest were made.

- It was noted that it was Alison Warner and Nigel Brooke-Smith's last meeting as their Forum terms are ending and the Chair thanked them for their valuable contributions to the Forum.
- To ensure representation remains proportionate, we need to replace one maintained primary representative and increase the academy representation by one member.

## 2. Previous meeting minutes/matters arising

The minutes were agreed as a true and accurate record. The following matters arising were raised:

### Split Site Funding

Members are invited to contact Jacky Beatson ([jacky.beatson@sheffield.gov.uk](mailto:jacky.beatson@sheffield.gov.uk)) if they require further clarification.

### Early Years Letter to Secretary of State

We have now sent a follow up letter requesting a more specific response to our concerns raised.

### Early Years Outturn Funding 2023-24

This item was discussed in more detail at the Early Years Working Group to explain that the overspend is due to how the head counts are calculated.

### Falling Rolls and Growth - Application of Reserves

Mark Sheikh responded to Jim Dugmore's enquiry and the policy will be updated and brought back to the June Forum meeting.

## 3. Services to Schools - Insurance

Stephen Bull presented the two insurance options for 2025-26 as per Paper 3 and highlighted the following key points:

- One significant difference is that the DfE's Risk Protection Arrangements (RPA) do not provide cover for new build works.
- Only maintained schools are eligible to participate in the scheme.
- The arrangements are based on a one-year extension, but a three-year fixed rate would give more certainty in future.
- The decision will be binding for all eligible schools.

**Maintained school Forum representatives confirmed** that they are happy to continue with the Zurich option for a further year.

## 4. SEND Top-up and Locality Funding Update

Mark Sheikh summarised Paper 4:

- We are making good progress with retrospectively banding existing Education, Health and Care Plans (EHCPs) using the new resource allocation system (RAS), as well as banding all new plans.
- We have made an additional budget allocation of £5m.
- Top-up, SEND and Exceptional Needs funding equates to a tentative sum of £14m.
- We are working with the Advisory Group and our next step is to consider the SEN support needs of children who do not have EHCPs, and funds will be set aside for when a school requires financial help to provide this support.
- A further update will be provided to the June Forum.

**The Forum noted the update** – the proposed next steps and strategic approach.

## 5. Funded Early Learning (FEL) rate and allocation 2025/26

Jacky Beatson summarised the allocation outlined in Paper 5.

- The overall allocation for 2025/26 is £83.09m.
- The allowance for all working parents of children under the age of five will increase from 15 hours to 30 hours as of 1 September 2025.
- The table at section 1.2 shows the funding – an increase of £24.6m for 2025/26 (or 42%). However, it should be noted that these figures are subject to actual participation.
- The pass-through requirement for local authorities has increased from 95% to 96%. Sheffield will pass through 96% of 3- & 4-year-old funding.
- Sheffield will pass-through 99% of under 2-year-old and 2-year-old funding.
- The table at 3.1 shows the hourly rates paid to Sheffield.
- 3.2 shows Sheffield's ranking compared to other local authorities which is affected by the Early Years National Funding Formula and socio-economic factors. Our latest letter to the Secretary of State emphasises that our income is low compared to other local authorities.
- Additional funding to reflect increases to teachers' pay from September 2024 has been rolled into the 3-and-4-year-old and maintained nursery schools' funding rates.
- The table at 5.1 shows the recommended hourly base rates payable to the early years sector for 2025/26.
- Sheffield expects to receive £453k, for the maintained nursery schools (MNS) grant, for the two stand-alone maintained nurseries.
- The Early Years Pupil Premium funding rate is set nationally at £1.00 per hour with an increase of 32p for 2025/26 (annual total of £570).
- Disability Access Funding has increased by £22 per pupil (from £910 per year in 2024/25).

### Forum members:

- a) **Noted** the overall early years income allocation of £83.09m to Sheffield for 2025/26.
- b) **Noted** the allowance from 1<sup>st</sup> September 2025 of 30 hours increased from 15 hours for all eligible working parents of pupils under the age of 5 years old.
- c) **Noted and approved** recommendations of the Early Years Working Group to agree the pass-through rate and increase the base rates as follows:

- Pay eligible **under 2-year-olds** of working parents **£10.73** per hour.
- To increase the funding for 2-year-olds for both eligible working parents and those receiving additional support (formerly known as the **2-year-old** disadvantaged entitlement) to **£7.88** per hour.
- Increase the hourly base rate funding for **3-&4-year-olds** to **£5.32**.
- Deprivation funding will stay unchanged at the rate of £0.44 for all eligible pupils and is funded across all age ranges.

Additional discussion was had regarding the revised statutory guidance which has recently been released:

- The Department for Education (DfE) has provided further clarification on what providers are permitted to charge for which is very specific. They can charge for a meal, but it must be voluntary, and an alternative must be offered (e.g. a packed lunch). The guidance is due to be implemented at the beginning of April.
- We therefore need to work through the practicalities – for example storage of lunches – as soon as possible and work with providers to manage this.
- Karen Simpkin reported that she is receiving a large number of phone calls from the sector – colleagues are reviewing feasibility and viability of their businesses.
- Other local authorities are also finding the guidance to be contentious. Jacky is attending a DfE webinar w/c 3 March and will share our concerns.
- It was also raised that the breakfast clubs are not cost-effective, and that wraparound is not always the best option.

### **Actions**

- Karen to provide case studies to show the impact of the various cost increases on different types of nurseries.
- The Working Group to meet as soon as possible to discuss the implications of the new guidance.
- All Forum members to forward details of their concerns/case studies to Cllr Dale by the middle of w/c 3 March.
- Cllr Dale to write to MPs and the Secretary of State.

## **6. High Needs Block Funding 2025/26**

Mark Sheikh presented Paper 6 to the Forum for information only. Key points summarised as follows:

- The High Needs Block (HNB) will be in a deficit position for the first time in 2025/26 and we will bring back a Deficit Management Plan to the Forum in June.
- The funding allocations for the Sheffield Inclusion Centre and Home Education have increased in line with the guidance.
- 450 integrated resource (IR) places are being funded as well as new places. The base funding has increased by 2%.
- The growth fund provision has been reduced to £4m.
- The transfer from the Schools Block will now be £1.37m.
- A new financial provision has been established to support pupils being excluded from school from day six.

- The table at section 1.1 shows the £11.8m estimated deficit at the end of the next financial year.
- We need to review all HNB spending and aim to balance over a 2 to 3-year period.
- The funding does not keep pace with demand – it is not sensitive to pupil numbers - and other authorities are also facing a deficit.
- We will prioritise anything that will help reform the system and are therefore still investing in special educational needs and disabilities (SEND) support and top-up funding.

Helen Mansfield added that:

- The guidance states the minimum funding increase should be set at 0%.
- There will be an additional £4.6k per pupil in special schools and no additional funding for EHCPs or IRs.
- IRs are funded differently for maintained schools (12/12ths) and academies (5/12ths of 2024/25 and 7/12ths of 2025/26).
- The Split Site funding has increased £10k to £60k.
- There is pressure on alternative provision as well.
- Where possible, we aim to provide support in mainstream settings.
- The table at 4.8 shows the funding for special school and IR places.
- The Sheffield Inclusion Centre funding is being proposed and estimated at £5m.
- We are working with the College to increase provision in post-16.
- We have received three additional grants this year and had to consult on distribution. We received three responses and have distributed these in line with the allocation from the DfE. The additional grants are:
  - Teachers' Pension Employer Grant 2024.
  - Teachers' Pay Additional Grant 2024/2025.
  - Core School Budget Grant.
- The appendices outline the total requirements for special schools and IRs.

Forum discussion clarified the Split Site funding compared to mainstream:

- The amount is higher than for mainstream schools as special schools are often smaller. Also, there is more discretion in the HNB.
- The mainstream formula is different and changed to a maximum of £81k for multiple sites, up to a maximum of three sites (£54k Lump Sum, up to £27k distance).
- The Minimum Funding Guarantee only protects against a year-on-year change, in £ per pupil terms, to help manage any reduction in funding.
- The national guidelines are rigid but mainstream schools do receive a tapered amount to cover distance up to £27k. However, some special schools can be at a greater distance apart.
- No further changes are anticipated to Split Site funding for mainstream.

The Forum **noted**:

- The overall arrangements and 2025/26 budget requirements for pupils and students with high needs.
- The overall HNB deficit in 2025/26 and plans to produce a deficit management plan.

- The 2% Minimum Funding Guarantee (MFG) for special schools, integrated resources and the Sheffield Inclusion Centre (SIC) against the financial year 2024/2025.
- The increase in the split site funding for special schools and the SIC from £50k in 2024/2026 to £60K per school for 2025/2026.
- The distribution of three additional grants following consultation.
- The £4m provision being made for growth in the specialist sector, including additional places in special schools from September, pre- and post-16 growth in places.
- The continuation of the £1.37m transfer from the Schools Block to locality funding.

## 7. School Budgets Allocation 2025/26

Jacky Beatson highlighted key points from Paper 7:

- The overall Individual School Budget is £490m – an increase of £36m including rolled-in grants of £26m.
- The £ per pupil average for primary and secondary is £6,537 – an increase of 2.3%.
- The minimum funding levels are £4,955 for primary and £6,465 for secondary.
- The DfE is continuing to transition towards the National Funding Formula (NFF) ensuring that all local authorities move at least 10% closer.
- There has been a reduction of £0.4m in Growth funding.
- The redirection of funds to the High Needs Block continues but at a reduced rate of £1.37m.
- Pupil Premium rates have not yet been published.
- £389k of Historic Commitments in the Central Services Schools Block have been funded by the Council.
- There are no changes to de-delegated budgets.
- The principles and approach that continue to be used to calculate the 2025/26 budget were agreed at the December Forum meeting. These include ensuring stability for all schools, supporting small schools, re-aligning Social Deprivation factors as closely as possible with the NFF and continuing to re-align all factors to meet the thresholds.

Further discussion around Falling Rolls concluded that the policy is reviewed annually in June and there are strict eligibility criteria. Our £200k fund was previously earmarked.

### The Forum:

- **Approved** the 2025/26 budget for primary and secondary schools set at £490m as per Appendix 1.
- **Noted** the growth funding total allocation of £1.2m to fund both growth and falling rolls. (£1m growth £200k falling rolls).
- **Noted** the changes that had been required since the detailed guidance had been received since the Forum meeting in December and approved the transfer of £1.37m from the Schools Block to the High Needs Block.
- **Noted** the de-delegated budgets of £1.94m and for maintained schools to agree de-delegation of £0.558m of services as per Appendix 2.
- **Noted and agreed** the contribution to the Central School Services Block budget.

## 8. Forum Attendance

The Chair asked members to note the analysis of attendance detailed in Paper 8 and consider how attendance at meetings can be maximised.

### Actions

- Members to put forward any suggestions and give further consideration at the June meeting when reviewing membership.
- Amanda to clarify guidance on deputies when reviewing the Constitution document.

## 9. PFI Expiry Update

- This item was tabled as a late request to provide an update on the progress of the expiry project.
- Members welcomed the additional capacity for the project and recognise Jim Watkin's work to date. However, there is much more work to be done – more information regarding timescale and guidance is required.
- It would be helpful if Commercial Services could attend the next meeting.

## 10. AOB

None raised.

**Date of next meeting:** 24 June 2025, 3.00-5.00pm, online via Teams