

INDIVIDUAL SCHOOLS BUDGET (ISB) FUNDING REDUCTIONS 2024/2025

As part of the Council's requirement to find significant budget savings for 2024/25 discussions were held with the Schools Budget Forum 11th January 2024. A figure of £2.1 Million was initially proposed following receipt of the settlement in December.

However, savings of £116k had been identified due to additional funding for School Meals, and an updated position was put forward in the Schools Budget Forum on Tuesday 23rd January for schools to find savings of £1.99 million, which equates to a 3.9% reduction across schools funding, excluding the LRB funding schools receive.

Proposal to find the required savings of £1.99 million

Apply a 3.9% reduction to each individual schools' formula funding to achieve a £1.99 million savings figure overall.

This 3.9% reduction is being applied after inflationary increases from April 2024 have been factored in for energy, pay award and general inflation, as well as changes included for pupil numbers, and represents a real-terms reduction to funding.

Reduction per school

Primary sector

Reductions per school range from £22,850 to £86,157. Mean reduction is £51,850.

Secondary / Special / 3-16 sectors

Reductions per school range from £177,712 to £232,481. Mean reduction is £200,514.

This proposal to reduce schools funding was **not approved** by the Schools Budget Forum on Tuesday 23rd January.

However, the method of finding the 3.9% savings by reducing each individual schools' funding by 3.9% **was approved** by the Schools Budget Forum as a fair and equitable distribution of the funding reduction.

Consultation with all schools took place for two weeks between Friday 28th January 2024 and Thursday 8th February 2024. (See below for consultation paper and risk assessment)

A joint response between the Headteacher and Chair of Governors was requested to be provided from each school.

At the end of the consultation period for the proposal to **Reduce Schools Formula Funding by an equal share of 3.9% per school**; 22 schools (96%) completed questionnaires were submitted to the local authority, and the summary of the responses is shown below:

a) Do you support the proposal to reduce funding to schools from April 2024 by £1.99 Million?

Yes	8%
No	88%
No Strong Feeling	0%
No Reply	4%

b) If school funding is to be reduced by £1.99 Million, do you agree that a 3.9% reduction per school is the fairest method to achieve this saving?

Yes	44%
No	48%
No Strong Feeling	4%
No Reply	4%

LA Comments

No alternative methods for achieving the required £1.99 million savings from schools funding were suggested in the consultation responses. The proposed methodology of applying 3.9% to all schools' budgets, excluding LRB funding, is consistent with the approach taken to apply reductions to schools' budgets in 23/24 and was supported by all Schools Budget Forum members except one. The alternative method discussed with Schools Budget Forum is based on pupil numbers, which would disproportionately take less funding from Greenfield Special School with all other schools losing more funding to compensate. The proposed model of applying 3.9% to all schools' budgets was considered the most equitable model to apply the funding reductions.

c) Do you agree with the risk assessment detailed in Appendix 2 regarding the reduction of schools funding?

Yes	66%
No	22%
No Strong Feeling	8%
No Reply	4%

LA Comments

There is broad support for the Risk Assessment provided but a number of responses identify that there are additional risks that have not been reflected as the Risk Assessment focuses on budget setting and curriculum delivery but the following risks have not been reflected; impact on standards, impact on the RARS strategy, impact on health & safety due to staff ratios decreasing, impact on staff wellbeing and morale.

The Risk Assessment has been updated below to reflect these additional risks identified through the consultation responses. The overall impact and likelihood scores remain the same, but the narrative now reflects the wider context of the risks and potential impacts.

d) How will the school manage the proposed budget reductions?

The following information was provided on how schools would manage the proposed budget reduction:

Uncertain at this time. Likely to result in the school making staff redundant.
With great difficulty. Standards cannot be maintained, as further cuts will result in job losses with a question mark over the delivery of the required broad curriculum 3-16. I also have grave concerns around the safeguarding and statutory provision for health and safety of learners and staff, which will have a direct impact on the safeguarding of our school community.
Have not received budget as of yet. We will review all cost centres and have a provisional plan to reduce staffing, but it won't achieve the projected reductions. We will work with our peer schools and the LA to effect whatever budget reductions can be appropriately done.
We are not confident that we are able to manage the proposed budget reduction in the timescale given on top of the significant budget cuts schools were tasked with making last year. We will go through each cost centre carefully, but staffing has already been reduced and the comparatively fewer numbers of teaching staff compared to the size of the school was noted in the recent inspection. Lots of the interventions for our most vulnerable learners would be lost. Previously we have worked on a tapering effect with officers to reduce the impact of cuts in one year.
In Greenfield the majority of our funding is linked to pupils' level of need (banding) and therefore most of the budget is spent on staffing to meet those needs. The finance committee have met and have decided that we will not and cannot reduce staffing levels as this would mean that pupils' needs will not be met, which in turn would compromise pupil and staff safety. As a school we will do our best to make savings elsewhere such as not completing any non-essential maintenance on the building, buying non-essential resources and funding non-statutory training. It is difficult to predict staffing costs when planning for the next academic year as we don't know what level of staffing the new pupils will require until they are with us in school. The finance committee have agreed that we will monitor the budget carefully and will contact the LA if we believe that Greenfield school is at risk of going into deficit. The finance committee have also stated that they would prefer Greenfield to go into a deficit rather than cutting staffing levels that would put pupils at risk.

Possibly not replacing staff who are retiring, which will result in large class sizes, with no class support.
Reduced repairs and maintenance budget, which will have a negative long-term result on the upkeep of the school building.
Very difficult to set a 3-year plan with no extra funding coming in, especially when the school is already on a skeleton staff.

Due to previous budget cuts, increases in costs to energy supplies; the financial budget would be unable to sustain current staffing or remedies to the building if cuts were imposed.
This would then compromise the standards at Caedraw, and the Curriculum offer would be placed at a lower standard for pupils. Ultimately safeguarding of pupils will be affected with decreased staffing levels.

Schools will probably have to reduce staffing and some provision in place as well as a reduction in resources available to pupils.

Staffing levels would need to be reduced which would have a direct impact on the following:
Reduction in pupil standards
Reduction in pupil progress
Effective roll out of CfW
Reduction in curriculum experiences
Safety of pupils due to staff:pupil ratios

Reducing the various budget lines to the minimum spend over which the governing body has control, such as Capitation, Repairs & Maintenance etc.
Increase of class sizes and reduction in support staff / leadership time

Redundancies.
Reductions in release time for strategic work for senior leaders and ALNCo.
Reduction in budgets for provision for pupils such as capitation, school trips, etc – taking away the richness of experiences for pupils, if not able to cover through parental contribution.

Please note the comments here apply to 2c & 2d.
The school already has a PLD in place as part of its MTFP. The projected out turn for 23/24 is more positive than the revised budget but further efficiencies will likely be required and the MTFP will be further reviewed.
The RA does not fully identify the risks the school will face.
Given the need for likely staff reductions there may well be an impact on standards and therefore progress e.g. pupil to staff ratios. Health and Safety for staff and learners could also feature, particularly in a setting such as Goetre where ALN needs are very high. In turn this could have an impact of staff wellbeing leading to potential retention and recruitment which is already a challenge at the school.

We will see staff redundancies at school. This is in addition to not replacing an LSA who retired at Christmas and also not replacing retiring DRA's. We will also consider not being part of the music SLA. Additional money will also be reduced in our budget for buildings maintenance and capitation. This will impact on the appearance of the building and the provision we have on offer for the children.

Reduce staffing
Reduce capitation
Reduce investment in buildings

Reducing the various budget lines to the minimum spend over which the governing body has control, such as Capitation, Repairs & Maintenance etc.
Consider redundancy

We will face significant pressure in complying with WG class size requirements and those also required by health and safety regarding room capacities, as if we are in a position where we need to lose a teacher then the class sizes won't fit in the rooms we have in some cases and we won't have all classes under 30. We will aim to avoid this situation in the hope of numbers increasing due to residential developments but won't be certain until we meet as a committee and explore all options.

Look at reducing staffing if needed.

Definite redundancies

Almost 100% certainty of redundancies resulting in staff shortages in relation to staff pupil ratios.

I feel there's literally no point in filling it in because nothing will change the situation

The reduction in budgets will mean a loss of many interventions which will affect the most vulnerable learners at a time where needs are greater than we have ever seen before. A reduction of 3.9%, while smaller than many Local Authorities, provides significant challenge to leaders, considering inflationary pressures and the challenges associated with additional learning needs. There is a real danger that the greater expectations that will fall on a smaller number of staff could result in recruitment and retention problems, especially with regards learning support. When schools are being expected to do more and more, it seems the wrong time to provide them with less and less.

LA Comments

Schools are currently reviewing updated budgets for 24/25 and will be asked to advise the local authority before the end of the Spring Term if a deficit budget is likely to be required in 24/25 and a provisional budget with initial savings proposals.

As part of any budget reduction proposals schools should also complete a risk assessment to ensure the risks from each saving can be identified and assessed as well as agreeing any appropriate mitigation measures to manage the risks and reduce negative impacts.

The impact on school budgets, staffing, curriculum delivery will be able to be assessed further by the local authority once each school has considered their own budgets and savings proposals. The impact on standards will need to be monitored as schools reconfigure their delivery of teaching & learning in accordance with budget reductions.

e) Do you have any additional comments regarding the proposal?

The following additional comments were made regarding the proposal:

The reduction in funding will adversely affect the education this school can provide to the most vulnerable pupils
We want to acknowledge the consultation with budget forum has been excellent, as has the work of authority officers. We also recognise the situation the LA faces is not what it wishes, and largely determined by cuts from central government. The budget cuts will not support the LA's RARS strategy and may result in lower educational standards and outcomes. The budget cuts will have an adverse effect on pupil and staff wellbeing, with potentially fewer staff and interventions to address ever more complex and widespread mental health and other challenges. Recruitment and retention of staff will become more difficult, and staff absence may well increase due to greater stress and workload. Safeguarding the school community, including the health safety of the school, will be more difficult as there may be greater expectations placed on fewer staff.
The finance committee note that the LRB funding has been protected. We feel strongly that Greenfield funding should also be protected as we are working in difficult conditions with some of the most vulnerable children in Merthyr Tydfil. However, we would not want other schools to take a larger cut to protect our funding.
We cannot continually balance budgets without this having a negative effect on raising standards.
This should not be allowed at any costs
It is going to be difficult for schools to keep managing budget cuts year on year. The cut to budgets last year was difficult to manage and resulted in a reduction in staffing. There is a growing need to support pupils with ALN and the current financial situation is going to make this difficult.

The impact of reducing each of the budget lines spend to a minimum will stop any opportunity to vire money from one account to another, to meet unforeseen demand during the financial year e.g. for a significant repair or to provide staff cover for a child requiring additional support not planned for etc. If such events occur the governing body finance committee will carefully consider the appropriate action to take prior to committing to such expenditure in order to maintain the agreed budget. Reduction in budget will have a direct impact on standards of provision that a school can provide which in turn will have a direct impact on standards of teaching and learning, it will also have a negative impact on staff well-being due to increased workload coupled with a reduction in resources.

The risks go beyond the provision of budget and curriculum – the impact on supporting the needs of learners is a considerable risk for schools. The risks for schools that have already set a deficit budget and recovery plan are high and would result in further cuts to provision. – There are risks to what schools are able to provide under the universal learning provision, and what they can provide at school level at additional learning provision level.

Is MTCBC seeking to maximise efficiencies across schools e.g. subscriptions and licensing costs by collective bargaining/purchase e.g. Evolve, Myconcern, AssessNet, Agresso, Edukey.

The reduction of our school budget is a huge concern. The demand on our staff is already huge due to the increase of ALN needs across the school. With bigger class sizes and less staff, we are going to struggle to deliver the LA's RARs strategy and support the learning of our pupils. There will be a greater demand on school staff, this will impact on their wellbeing with potential greater sickness absence. We already rely on staff goodwill, but these cuts will have a bigger impact on workload.

No risk assessment in relation to impact on standards.

Fair funding – teacher actual salaries not average

It must be recognised that the impact of reducing each of the budget line spend to a minimum there will not be any opportunity to vire money from one account to another, to meet unforeseen demand during the financial year e.g. for a significant repair or to provide staff cover for a child requiring additional support not planned for. If such events occur the governing body finance committee will need to carefully consider the appropriate action to take prior to committing to such expenditure to maintain the agreed budget.

Repeated, significant budget cuts and severely compromising our ability to best meet the needs of our children. This is particularly pertinent when requests for additional ALN funding are so frequently rejected, and we are told to meet the need from our current funding. When this is being continually reduced, we find ourselves in a position where we are struggling to meet the need, which has the potential to cause catastrophic issues for the LA further down the line.

The written statement on 7th Feb regarding additional funding for local govt specifically mentions teachers' pay. What will this mean for schools now? Perhaps the 3.9% cut should exclude teachers' pay???

Grants are essential to the picture. School cannot set a budget without this information. Perhaps with it going to LA rather than CSC will mean the information will be cascaded to schools quicker than in the past?

No Risk Assessment relating to the impact on standards! There will be a significant impact on standards in our school based on the proposed reductions.

Insufficient support for pupils will impact on standards and outcomes. Staff morale will be affected. Not sustainable in the long term. Each school will be disadvantaged to deliver the Curriculum as expected.

The consultation with budget forum has been excellent and the situation that the LA finds itself in is, by no means, of its own making but the reduction to the schools' budget will not support the LA's RARS strategy and could result in lower standards across all schools.

LA Comments

As above, the Risk Assessment has been updated for the consultation feedback but the impact on individual schools needs to be considered further by each school when planning budgets for 24/25 and over the MTFP.

Schools should complete their own risk assessments to ensure the risks from each budget saving they put forward are identified and assessed, as well as agreeing any appropriate mitigation measures to manage the risks and reduce negative impacts.

The alternative method for applying the reductions based on pupil numbers, would disproportionately take less funding from Greenfield Special School with all other schools losing more funding to compensate. The proposed model of applying 3.9% to all schools' budgets was considered the most equitable to apply the funding reductions across all schools, although it is acknowledged this doesn't provide any protection to Greenfield Special School, whereas LRB classes in mainstream school have been protected from the funding reductions.

Work is currently ongoing with the Procurement Department to identify cost savings opportunities for schools including use of Hope (Findel Education) for education supplies and a review of other savings options including potential joint procurement opportunities. Following a presentation to the Heads Conference in January, Procurement officers have been visiting schools during January/February to discuss their non-salary expenditure and opportunities for savings.

The current formula funding is based on Average Teacher Salaries across each school sector rather than being based on Actual Teacher Salaries. It has been agreed with the Schools Budget Forum to review this further. Any change would result in winners/losers across the system as the overall funding would remain the same, however, it would be a fairer funding model as currently schools with cheaper staff benefit at the cost of those with more expensive staff. The challenge may be managing the potential impact caused by the funding changes and the potential need for a period of transition. The earliest these changes could be considered is April 2025.

Teachers Pay award has been included in the schools' formula funding at 4% from September 2024. The increased superannuation rate has also been fully funded to schools. Any variations to the actual pay award agreed will need to be considered further in year.

Grants are now being provided to the local authority to distribute rather than via the regional consortia. This will mean that more timely notification to schools of grant allocations for the financial year will be made.

ISB Funding Reductions – Risk Assessment of proposals for 2024/2025 (Amended following consultation)

Funding Reduction Proposal	Value £000s	Identified Risks / Negative Consequences / Barriers (Cause of the risk and what the impact would be if it occurred)	Assessment of Risk			Action(s) to Mitigate Risk(s)	Responsible Person
			Impact (1 to 5)	Likelihood (1 to 5)	Risk Score (Impact x Likelihood)		
<p>% reduction to school budget share</p> <p>Apply a 3.9% reduction to each individual schools’ formula funding to achieve the £1,987,728 savings required.</p> <p>This is being applied after inflationary increases from April 2024 have been factored in for energy, pay award and general inflation, as well as increases/decreases included for pupil number changes, and represents a real-terms reduction to funding.</p> <p>Reduction per school <u>Primary sector</u> Reductions per school range from £22,850 to £86,157</p> <p>Mean reduction is £51,850.</p> <p><u>Secondary / Special / 3-16 sectors</u> Reductions per school range from £177,712 to £232,481</p> <p>Mean reduction is £200,514.</p>	1,988k	<p>As a consequence of the 3% funding reductions in 23/24 58% of schools were at risk of a deficit budget over their 3-year MTFPs to 25/26.</p> <p>Applying this additional reduction of 3.9% in 24/25 requires all schools to make further savings than already anticipated, with over 80% of schools at risk of being in a deficit budget during the next 3-year MTFP 24/25 to 26/27</p> <p>Staff reductions and redundancies will be required in schools to achieve the level of savings required.</p> <p>There is a significant risk that schools will be unable to set balanced budgets in 24/25 and will require a recovery plan to deliver a sustainable budget / curriculum over the medium-term.</p> <p>There is also a risk that some schools may be unable to deliver</p>	4	5	20	<p>Schools need to identify a reduction in expenditure from April 2024 onwards to offset the 3.9% reductions within a balanced budget and 3-year MTFP.</p> <p>Where staff reductions are required these need to take place by no later than September 2024 as part of a balanced budget and MTFP.</p> <p>Once the impact is assessed by each school any implications for staffing levels needs to be discussed with HR officers asap so that any redundancy processes can be managed appropriately.</p> <p>Any schools that need to set a deficit budget will need to consider a recovery plan over the 3-year MTFP and will be provided with further support for this process by the LMS & Resources Manager.</p>	<p>Headteacher / Chair of Governors / Chair of Finance Committee</p> <p>Supported by SSOs / LMS Manager / Head of Service</p>

		<p>a recovery plan to balance their budgets over the medium-term or may not be able to deliver an appropriate curriculum.</p> <p>Following consultation with schools the additional risks have been identified for inclusion in this Risk Assessment;</p> <p>By reducing staffing levels to achieve a balanced budget there is a risk that there will be</p> <ul style="list-style-type: none"> i. a negative impact on standards, ii. a negative impact on delivering RARS iii. increased H&S risks due to lower ratios / increased class sizes, iv. negative impacts on staff wellbeing and morale 				<p>As part of any budget reduction proposals schools should complete a risk assessment to ensure the risks from each saving can be identified and assessed as well as agreeing any appropriate mitigation measures to manage the risks and reduce negative impacts.</p>	
TOTAL ISB Funding Reductions	1,988k						

Risk Assessment Criteria

<u>MEASURES OF IMPACT</u>			
Impact Score	Description	Example Detail Description	
5	Major (Catastrophic)	Failure to provide an adequate mandatory service, resulting in the Council becoming a failing Authority leading to potential intervention; or resulting in a death	
4	High (Critical)	Failure to provide an adequate mandatory service/poor mandatory service performance	
		Death	
		Failure to deliver the Council's Priorities (Corporate and Single Integrated Plan)	
		Failure to address the Council's Corporate Risks	
		Emergency service disruption 1+ day, or mandatory service disruption 5+ days	
		Significant adverse national publicity	
		Litigation almost certain and difficult to defend	
		Financial loss/overspend in excess of £250,000	
		Breaches of law punishable by imprisonment	
		Long term major public health/environmental incident (1 year +)	
3	Moderate	Significant reduction in mandatory service/Unsatisfactory mandatory service performance	
		Failure to provide an adequate discretionary service/poor discretionary service performance	
		Extensive, permanent injuries; long term sickness	
		Mandatory service disruption 3-5 days, or discretionary service disruption 5+ days	

		Adverse national publicity or significant adverse local publicity	
		Litigation to be expected	
		Financial loss/overspend between £50,000 and £250,000	
		Breaches of law punishable by fines only	
		Medium term major public health/environmental incident (months up to 1 year)	
2	Minor	Marginal reduction in mandatory service/satisfactory mandatory service performance	
		Significant reduction in discretionary service/unsatisfactory discretionary service performance	
		Medical treatment required – long term injury	
		Mandatory service disruption 1-2 days, or discretionary service disruption 3-5 days	
		Minor adverse local publicity	
		High potential for complaint, litigation possible	
		Financial loss/overspend under £50,000	
		Breaches of regulations/standards	
		Short term public health/environmental incident (weeks)	
1	Insignificant	No reduction in mandatory service/good mandatory service performance	
		Marginal reduction in discretionary service/satisfactory discretionary service performance	
		No injuries beyond “first aid “ level	
		No significant disruption to mandatory service, or discretionary service disruption 1-2 days	
		Unlikely to cause any adverse publicity	
		Unlikely to cause complaint/litigation	
		Breaches of local procedures/standards	

		Environmental incident with no lasting detrimental effect e.g. noise, fumes	
<u>MEASURES OF LIKELIHOOD</u>			
Likelihood Score	Description	Probability of occurring	Example Detail Description
5	Certain/Almost Certain	90% - 100%	Certain to occur/Almost certain to occur
4	Probable	60% - 90%	Very likely but not certain to occur
3	Possible	40% - 60%	May or may not occur
2	Unlikely	10% - 40%	Unlikely to occur
1	Very Low/Rare	0% - 10%	Very unlikely to occur but not impossible

RISK MATRIX

Impact	Major (Catastrophic)	5	5	10	15	20	25
	High (Critical)	4	4	8	12	16	20
	Moderate	3	3	6	9	12	15
	Minor	2	2	4	6	8	10
	Insignificant	1	1	2	3	4	5
			1	2	3	4	5
			Very Low/ Rare	Unlikely	Possible	Probable	Certain/ Almost Certain
			Likelihood				

Colour Coding	Risk	Risk Score
	Major (Catastrophic)	20 - 25
	High (Critical)	12 - 16
	Moderate	8 - 10
	Minor	4 - 6
	Insignificant	1 - 3

**MERTHYR TYDFIL COUNTY BOROUGH COUNCIL
LEARNING DEPARTMENT**

CONSULTATION QUESTIONNAIRE:

FRIDAY 26th JANUARY 2024 – THURSDAY 8th FEBRUARY 2024

LRB FUNDING CHANGES & INDIVIDUAL SCHOOLS BUDGET (ISB) FUNDING REDUCTIONS 2024/2025

Name	:	_____
Position	:	_____
School	:	_____
Signed Headteacher	:	_____
Chair of Governors	:	_____

Please note that only 1 response per school is required following discussion between the Headteacher and Chair of Governors.

**LRB FUNDING REVIEW &
INDIVIDUAL SCHOOLS BUDGET (ISB) FUNDING REDUCTIONS 2024/2025**

1. LRB FUNDING REVIEW

a) Do you support the eight proposed changes to LRB Funding from April 2024 following the outcome of the review as per Appendix 1?

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>	NO STRONG FEELING	<input type="checkbox"/>
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b) Are there any items of the proposal that you disagree with?

c) Do you have any additional comments regarding the proposal?

2. REDUCTION OF FORMULA FUNDING

A budget saving of £2.1 Million is required to be found from schools' formula funding in the next financial year 2024/25.

£116k of this has been identified as an efficiency saving in the School Meals SLA due to the increased rate of UPFSM grant from Welsh Government.

The remaining £1.99 Million (£1,987,728) is proposed to be found by reducing every school's funding allocation by 3.9%.

This reduction is being applied after inflationary increases from April 2024 have been factored in for energy, pay award and general inflation, as well as increases/decreases included for pupil number changes and represents a real-terms reduction to funding.

a) Do you support the proposal to reduce funding to schools from April 2024 by £1.99 Million?

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>	NO STRONG FEELING	<input type="checkbox"/>
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b) If school funding is to be reduced by £1.99 Million, do you agree that a 3.9% reduction per school is the fairest method to achieve this saving?

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>	NO STRONG FEELING	<input type="checkbox"/>
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c) Do you agree with the risk assessment detailed in Appendix 2 regarding the reduction of schools funding?

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>	NO STRONG FEELING	<input type="checkbox"/>
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d) How will the school manage the proposed budget reductions?

e) Do you have any additional comments regarding the proposal?

**PLEASE RETURN TO: Joanna Lewis, LMS & Resources Manager,
joanna.lewis@merthyr.gov.uk**

Appendix 1

LRB Funding Review - December 2023

As agreed with the Schools Budget Forum the local authority has reviewed the funding of the Learning Resource Bases (LRBs) providing specialist places in mainstream schools, in order to make recommendations regarding the appropriateness of the funding model. Meetings were held with Headteachers of LRBs, senior colleagues from ALN and School Planning & Resources to discuss the current funding of LRBs and cost pressures in the system.

The following changes to the funding of LRBs have been recommended.

1. Staff sickness cover

Current funding £792 per annum per LRB class.

Proposal: Increase amount delegated to schools to approx. £1,200 per LRB class and top slice budget to use as a central pooled budget to manage a sickness insurance mutual fund on behalf of schools.

LA to pay all cover invoices submitted by schools from day 1 and submit claims to insurance company as required.

2. PPA cover

There is currently no funding provided to backfill for another member of staff to be in the classroom to maintain ratios during PPA.

Proposal: Provide 38 * ½ day LSA cover per LRB class

3. Other Staff cover (Not for sickness or PPA cover)

No funding currently provided.

Proposal: Provide funding for

- 6 * ½ day cover for each LRB for staff to undertake termly LRB meetings, moderation, and training.
- A ½ day per pupil per annum for IDPs. Funding at capacity limits per class but provide a top sliced allocation for additional in year demands over and above capacity.

4. Resources/Equipment

Current funding £1,667 per annum per LRB class.

Proposal: Increase to £2,750 per annum per LRB class for classroom & pupil resources inc. PECS etc., IT equipment, furniture, sensory equipment.

5. Repairs & Maintenance

Schools note additional cost pressures due to breakages/damage by pupils. No funding currently provided.

Proposal: Allocate £500 per LRB class for repairs arising from pupils' behaviour.

This to be managed as a mutual fund via a top sliced allocation in the ISB. Schools to submit applications for funding to support works arising from LRB pupils causing damage etc.

6. Funding model for LSAs / DRAs

For classes with 2 LSAs in the ratio: Current funding is for 1 LSA @ 90% (top of grade 3) + 10% HLTA (top of grade 5) and 1 LSA @ 100% (top of grade 3).

For classes with 1 LSA this is currently funded @ 100% Grade 3

Any additional LSAs funded via Additional Support where class oversubscribed / outside of ratios are funded @ 100% LSA rate – top of grade 3.

LSAs included in ratios are currently funded through formula for 32.5 Hrs

LSAs funded from Additional Support are currently funded 27.5 hrs

Proposal:

Continue to fund LSAs @ Grade 3 based on top of grade 3

Continue to fund 10% HLTA @ Grade 5

For classes with 1 LSA funded in formula include 10% HLTA funding @ top of grade 5

Continue to fund LSAs in class 32.5 hrs

Fund AS LSAs 30 Hrs instead of 27.5 Hrs (AS budget)

Fund 1 DRA per LRB class @ grade 1 for 1 hr per day

7. Senior management/ALNCo allowance

Demands on senior mgmt. / ALNCo staff time arising from managing the LRB and dealing with pupil or class issues that arise.

The value for any allocation is difficult to quantify and so a notional allocation is required that recognises there is a resource implication to the school from accommodating an LRB. No funding is currently allocated for this in Primary schools.

An allocation of £10k has been provided to secondary school LRB due to historic complexities of managing the single LRB that dealt with multiple pupils needs and had challenging circumstances regarding staffing the provision.

Proposal:

£3k allocation per primary LRB class

£5k allocation per secondary LRB class – reduced from £10k in recognition of an improving context with two LRBs across sector instead of one, better mix of pupils in LRBs, improved management arrangements and better-quality T&L provision in the class.

8. AWPU funding model for Afon Taf LRB

Discussion regarding potential model to recognise smaller classes required for LRB pupils being integrated into mainstream.

Additional information regarding core subject class sizes for LRB pupils has been considered so that these can be compared to the class sizes included in the AWPU (Age Weighted Pupil Unit) funding currently provided in the Formula.

Fair model agreed to amend the AWPU for LRB pupils as below:

AWPU for LRB pupils = AWPU for mainstream pupil in KS3 / 4 * (Class size funded in formula / English class size of LRB pupil)

e.g., class size funded at KS4 is 17.5 PTR. If class size of LRB pupil in mainstream is 14 then the AWPU for the KS4 LRB pupil will be increased by a factor of 1.25 i.e., 17.5 / 14 = 1.25

Proposal: Amend AWPU funding for LRB pupils to
 AWPU for LRB pupil in KS3 / 4 * (Class size funded in formula / English class size of LRB pupil)

TABLE SUMMARY OF LRB FUNDING REVIEW RECOMMENDATIONS

	Additional Funding per class	Total Additional Funding
Staff sickness cover	£408 per class	£6,113
PPA cover	£2,728 per class	£40,914
Other cover	£938 per class	£14,069
Resources / Equipment	£1,082 per class	£16,236
R&M	£500 per class	£7,500
HLTA 10%	£547 per class (where required)	£3,282
DRAs	£3,595 per class	£53,925
Senior Mgmt / ALNCo	£3,000 per primary class £5,000 saving per secondary class	£29,000
AWPU funding Afon Taf	£18,883	£18,883
Total Growth		£189,923
Average increase per class		£12,661
Growth as % of current LRB Funding		10.84%

ISB Funding Reductions – Risk Assessment of proposals for 2024/2025 (Original)

Funding Reduction Proposal	Value £000s	Identified Risks / Negative Consequences / Barriers (Cause of the risk and what the impact would be if it occurred)	Assessment of Risk			Action(s) to Mitigate Risk(s)	Responsible Person
			Impact (1 to 5)	Likelihood (1 to 5)	Risk Score (Impact x Likelihood)		
<p>% reduction to school budget share</p> <p>Apply a 3.9% reduction to each individual schools' formula funding to achieve the £1,987,728 savings required.</p> <p>This is being applied after inflationary increases from April 2024 have been factored in for energy, pay award and general inflation, as well as increases/decreases included for pupil number changes, and represents a real-terms reduction to funding.</p> <p>Reduction per school <u>Primary sector</u> Reductions per school range from £22,850 to £86,157</p> <p>Mean reduction is £51,850.</p> <p><u>Secondary / Special / 3-16 sectors</u> Reductions per school range from £177,712 to £232,481</p> <p>Mean reduction is £200,514.</p>	1,988k	<p>As a consequence of the 3% funding reductions in 23/24 58% of schools were at risk of a deficit budget over their 3-year MTFPs to 25/26.</p> <p>Applying this additional reduction of 3.9% in 24/25 requires all schools to make further savings than already anticipated, with over 80% of schools at risk of being in a deficit budget during the next 3-year MTFP 24/25 to 26/27</p> <p>Staff reductions and redundancies will be required in schools to achieve the level of savings required.</p> <p>There is a significant risk that schools will be unable to set balanced budgets in 24/25 and will require a recovery plan to deliver a sustainable budget / curriculum over the medium-term.</p> <p>There is also a risk that some schools may be unable to deliver</p>	4	5	20	<p>Schools need to identify a reduction in expenditure from April 2024 onwards to offset the 3.9% reductions within a balanced budget and 3-year MTFP.</p> <p>Where staff reductions are required these need to take place by no later than September 2024 as part of a balanced budget and MTFP.</p> <p>Once the impact is assessed by each school any implications for staffing levels needs to be discussed with HR officers asap so that any redundancy processes can be managed appropriately.</p> <p>Any schools that need to set a deficit budget will need to consider a recovery plan over the 3-year MTFP and will be provided with further support for this process by the LMS & Resources Manager.</p>	<p>Headteacher / Chair of Governors / Chair of Finance Committee</p> <p>Supported by SSOs / LMS Manager / Head of Service</p>

		a recovery plan to balance their budgets over the medium-term or may not be able to deliver an appropriate curriculum.					
TOTAL ISB Funding Reductions	1,988k						

Risk Assessment Criteria

<u>MEASURES OF IMPACT</u>			
Impact Score	Description	Example Detail Description	
5	Major (Catastrophic)	Failure to provide an adequate mandatory service, resulting in the Council becoming a failing Authority leading to potential intervention; or resulting in a death	
4	High (Critical)	Failure to provide an adequate mandatory service/poor mandatory service performance	
		Death	
		Failure to deliver the Council's Priorities (Corporate and Single Integrated Plan)	
		Failure to address the Council's Corporate Risks	
		Emergency service disruption 1+ day, or mandatory service disruption 5+ days	
		Significant adverse national publicity	
		Litigation almost certain and difficult to defend	
		Financial loss/overspend in excess of £250,000	
		Breaches of law punishable by imprisonment	
Long term major public health/environmental incident (1 year +)			

3	Moderate	Significant reduction in mandatory service/Unsatisfactory mandatory service performance	
		Failure to provide an adequate discretionary service/poor discretionary service performance	
		Extensive, permanent injuries; long term sickness	
		Mandatory service disruption 3-5 days, or discretionary service disruption 5+ days	
		Adverse national publicity or significant adverse local publicity	
		Litigation to be expected	
		Financial loss/overspend between £50,000 and £250,000	
		Breaches of law punishable by fines only	
		Medium term major public health/environmental incident (months up to 1 year)	
2	Minor	Marginal reduction in mandatory service/satisfactory mandatory service performance	
		Significant reduction in discretionary service/unsatisfactory discretionary service performance	
		Medical treatment required – long term injury	
		Mandatory service disruption 1-2 days, or discretionary service disruption 3-5 days	
		Minor adverse local publicity	
		High potential for complaint, litigation possible	
		Financial loss/overspend under £50,000	
		Breaches of regulations/standards	
Short term public health/environmental incident (weeks)			
1	Insignificant	No reduction in mandatory service/good mandatory service performance	

		Marginal reduction in discretionary service/satisfactory discretionary service performance	
		No injuries beyond “first aid “ level	
		No significant disruption to mandatory service, or discretionary service disruption 1-2 days	
		Unlikely to cause any adverse publicity	
		Unlikely to cause complaint/litigation	
		Breaches of local procedures/standards	
		Environmental incident with no lasting detrimental effect e.g. noise, fumes	
<u>MEASURES OF LIKELIHOOD</u>			
Likelihood Score	Description	Probability of occurring	Example Detail Description
5	Certain/Almost Certain	90% - 100%	Certain to occur/Almost certain to occur
4	Probable	60% - 90%	Very likely but not certain to occur
3	Possible	40% - 60%	May or may not occur
2	Unlikely	10% - 40%	Unlikely to occur
1	Very Low/Rare	0% - 10%	Very unlikely to occur but not impossible

RISK MATRIX

Impact	Major (Catastrophic)	5	5	10	15	20	25
	High (Critical)	4	4	8	12	16	20
	Moderate	3	3	6	9	12	15
	Minor	2	2	4	6	8	10
	Insignificant	1	1	2	3	4	5
			1	2	3	4	5
			Very Low/ Rare	Unlikely	Possible	Probable	Certain/ Almost Certain
			Likelihood				

Colour Coding	Risk	Risk Score
	Major (Catastrophic)	20 - 25
	High (Critical)	12 - 16
	Moderate	8 - 10
	Minor	4 - 6
	Insignificant	1 - 3