



Schools Forum

**Wednesday, 26 February 2025 4.00 p.m.
Civic Suite, Town Hall, Runcorn**

S. Young

Chief Executive

COMMITTEE MEMBERSHIP

*Please contact Ann Jones - Tel: 0151 511 8276 or email:
ann.jones@halton.gov.uk for further information.
The next meeting of the Committee is 11 June 2025*

**ITEMS TO BE DEALT WITH
IN THE PRESENCE OF THE PRESS AND PUBLIC**

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▪ 11 June 2025	
▪ 15 October 2025	
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In accordance with the Health and Safety at Work Act the Council is required to notify those attending meetings of the fire evacuation procedures. A copy has previously been circulated to Members and instructions are located in all rooms within the Civic block.

SCHOOLS FORUM

At a meeting of the Schools Forum on Wednesday, 22 January 2025 at The Board Room - Municipal Building, Widnes

Present: Councillor T. McInerney (Observer)
 A. Jones, Democratic Services, HBC
 N. Shafiq, Financial Management, HBC
 Z. Fearon, Children's Services, HBC
 B. Holmes, Education, Inclusion and Provision
 G. Bradbury, Financial Management, HBC
 N. Hunt, (Chair) Pupil Referral Unit Representative
 J. Wilson, Secondary Governor Representative
 J. Jardine, All Through School Representative
 M. Tudor, Secondary Academy Representative
 M. Deeney, Secondary Academy Representative
 J. O'Connor, PVI Representative
 J. Coughlan, Primary Representative - Infant School
 J. Thompson, Community Special Schools Representative
 A. Sheppard, VA Schools Representative
 B. Barton, 16-19 Provision Representative
 S. Ainsworth, Special Academy Schools Representative

Also in attendance: Two members of the public

Action

SCF14 APOLOGIES FOR ABSENCE

Apologies were received from Karl Landrum – Primary Schools with a Nursery, Michelle Slingsby – Primary Academies, Russell Houghton – Primary Governor, Cathy Liku – Community Nursery Schools, Kathryn Evans – Secondary Academy with a 6th Form and Joanne Robertson – Small Primary Schools.

SCF15 MINUTES

A correction was required as follows:

SCF11 – Excess Schools Balances – fifth paragraph from the top of page 3 should read: “*recommended 5% for secondary and 8% for primary*”

Other than this the minutes from the meeting held on 16 October 2024, were agreed as a correct record.

SCF16 DSG AND SCHOOLS' FUNDING FOR 2025-26

The Forum considered a report from the Director of Finance, which gave the Dedicated Schools Grant (DSG) funding settlement for 2025-26 and the implications of this for individual Halton schools budgets.

The DSG for 2025-26 was £168.551m, which was broken down as follows, with the current year's final figures shown in brackets for context):

Schools Block	£117.883m	(£111.188)m
Central Schools Services Block	£ 0.765m	(£ 0.751)m
High Needs Block	£ 29.267m	(£ 27.079)m
Early Years Block	£ 20.686m	(£ 15.114)m

It was noted that this was an overall increase of £14.419m, from the £154.133m allocated for 2024-25. Further, from the 2025-26 allocation an estimated £3.806m will be recouped by the Department for Education (DfE), from the High Needs Block. This was for academies and other educational establishments for the commissioned High Needs Place funding and would reduce the High Needs Block allocation to £25.451m.

The report provided explanations on the allocations for each of the above Blocks. The final National Funding Formula (NFF) factor values were illustrated in appendix A.

The Forum was requested to support the continuation of the NFF methods, principles and rules for mainstream primary and secondary school funding allocations and de-delegation for 2025-26, after taking note of the mitigation proposals outlined in paragraph 3.4 (a, b, c and d) to address the funding shortfall of £179,488, explained in paragraph 3.3. The de-delegation proposals were outlined in paragraph 3.6, and the Forum was asked to consider de-delegation for Contingencies, Free School Meals eligibility checking; and staff costs supply cover.

Forum Members were also requested to agree the level of Minimum Funding Guarantee (MFG) to be applied to the Schools Block funding formula for 2025-26. The rationale for the recommended rate of 0% was explained in paragraphs 3.4 and 3.5.

Representatives discussed the proposal to reduce the basic primary per pupil factor which was recommended by officers as being the least disruptive to schools (option d). It

was felt that this was preferable to reducing lump sums, which would affect smaller schools more. During discussions the following comments/concerns were made:

- It was disappointing not to have the individual schools budget breakdown information which had been shared with the Forum previously, so that comparisons could be made with previous years;
- A shortfall in funding like this has not happened for many years in Halton, so some Representatives present had not seen this before. It was understood however that the deficit situation had to be shared with the Forum so that a decision could be made on how this amount would be clawed back;
- Overall pupil numbers in primary and secondary schools had reduced and were continuing to do so. So some schools would be affected more than others, due to losing funding from reducing numbers and now having reduced funding due to this deficit situation; and
- It was disappointing to see that the Pupil Premium Grants had only been increased for Early Years.

In response to concerns over not sharing the individual schools' budgets at the meeting, Officers advised that the timeline for the submission of the Authority Proforma Tool (APT) was today, and therefore the Forum was being asked to agree the NFF in principle, so that the submission could be made following the meeting. It was also explained that if the recommended clawback method was rejected today in favour of a different one, the individual schools figures would change, so it was prudent to wait until the decision of the Forum was made.

Those eligible Representative of the Forum voted for option (d) to recover the shortfall – to reduce the basic primary per pupil factor, in line with the recommendation. They also agreed that a 0% MFG be applied to the Schools Block funding formula. In relation to the de-delegated funds, maintained Representatives voted to agree those funds proposed.

RESOLVED: That Schools Forum

- 1) note the report;
- 2) supports the continuation of the National Funding Formula (NFF) methods, principles and rules for mainstream primary and secondary school funding allocations and de-delegation for 2025-26, noting the

mitigation proposals; and

- 3) agrees the level of Minimum Funding Guarantee (MFG) at 0% to be applied to the Schools Block funding formula for 2025-26.

Meeting ended at 5.10 p.m.

REPORT TO:	Schools Forum
DATE:	26th February 2025
REPORTING OFFICER:	Operational Director - Finance
PORTFOLIO:	Children, Young People & Finance
SUBJECT:	Schools' Funding Update for 2025-26
WARDS:	Borough-wide

1.0 PURPOSE OF THE REPORT

To report to Schools Forum the latest developments surrounding the mainstream school budget funding model for 2025-26, following submission to Education & Skills Funding Agency (ESFA).

2.0 RECOMMENDATIONS

- 2.1 That the report is noted.
- 2.2 That Schools Forum supports the transfer of a small amount of funding from Schools Block to Central Schools Support Services block, to facilitate continuity of funding for the joint-use sports facility at Ormiston Bolingbroke Academy, as discussed in **section 3.5**.

3.0 SUPPORTING INFORMATION

REVISED SCHOOL BUDGETS

- 3.1 At the Schools Forum meeting of 22nd January 2025, members agreed a 2025-26 funding model, based in its essentials on National Funding Formula, but with small reductions on the basic per pupil formula values (£16.15 deducted from primary per pupil, £20.51 from KS3 and KS4 per pupil). This reduced slightly the overall funding for the roughly half of schools that were not at funding floor and protected by the Minimum Funding Guarantee.
- 3.2 The overall funding formula also consisted of funding elements for the Private Finance Initiative at The Grange, and the joint-use sports facility at Ormiston Bolingbroke Academy. Both these elements were included at 2024-25 levels plus inflation; unfortunately both of these were subject to challenge by the ESFA.
- 3.3 The first element of challenge was that LAs are now only able to inflate PFI project costs year-on-year by a centrally-determined price index, which for 2025-26 will be a mere 2.3%. Consequently, there is now

some 'freed-up' funding which can be recirculated generally across schools. In the interests of consistency, therefore, we will be partially reversing the per pupil funding rate reductions, reducing the £16.15 and £20.51 deductions to £10.88 and £13.82, respectively. This will not affect funding for the MFG-protected schools, but other schools' allocations will slightly increase, by an average of £1,000.

- 3.4 Of perhaps greater consequence is that the Department for Education has now decided that if existing joint-use agreements involve the use of council-owned premises, irrespective of whether they are staffed by school employees and/or with running costs incurred by schools, we cannot include them as a formula factor, even if, like ourselves, we have been doing so for many years (and the DfE has agreed to this for that time). Ironically because this has been an agreed part of the Halton funding formula, a large part of the funding is actually now protected by the Minimum Funding Guarantee. We were seeking to cover costs of £182,327 (24/25 levels plus the 2.3% RPI inflator), and £101,380 of this is protected by MFG. This still leaves a funding shortfall for the school, though, of £80,947. We have seen communications suggesting that other Local Authorities have also been inconvenienced by this sudden and abrupt policy change.
- 3.5 We recognise that such a shortfall is prejudicial to the school, and compromises the viability of the existing arrangement, which is intended to run through to 2035. Our proposed solution therefore is that we action a Block Transfer of the equivalent amount, £80,947, from Schools Block to Central Services Support Block, from where we can then transfer the funding directly to school as a one-off lump sum. Block Transfers may be agreed by Schools Forum up to the value of 0.5% of whole DSG (this amount represents 0.07%, and is therefore well within scope).
- 3.6 Members are advised that the reduction of the Schools Block funding quantum by £80,947 has provisionally been reflected in the revised formula values discussed in **section 3.3**.

Central Schools Services Block

- 3.7 Initial Central Schools Services Block allocation for 2025-26 was confirmed as £765,250, an increase of £13,970 on 2024-25. Assuming the Block Transfer is upheld, this will be revised to £846,197, and will be allocated as overleaf. The unallocated contingency will be evaluated in-year (it is not a massively significant figure, proportionately) and will likely be used as an offset to developing High Needs costs pressures (Schools Forum will be updated once a decision has been made):

Teachers Panel	£19,460
Copyright Licences	£141,339
Premature	
Retirements/Redundancy	£540,524
Staffing including safeguarding post	£276,491
Income for safeguarding post	-£50,160
Central Recharges	£124,319
Exclusions Income	-£160,500
Inter-Authority Income	-£272,335
Contingency	£146,112
Joint-use top-up	£80,947
	<hr/>
	£846,197

4.0 POLICY IMPLICATIONS

The requested revisions to the local formula agreed at the 22nd January session of Schools Forum are compliant with the national funding guidance, and the block transfer request is within the powers of Forum to determine.

5.0 FINANCIAL IMPLICATIONS

- 5.1 If the Block Transfer is not supported, equivalent funding would then be retained in Schools Block, and circulated generally across schools. The hosting school, Ormiston Bolingbroke Academy, would suffer a serious shortfall in year-on-year funding, with the joint-use arrangement itself imperilled.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Improving Health, Promoting Wellbeing and Supporting Greater Independence

Borough-wide healthy living initiatives would be impacted if the joint-use sports facility arrangement was forced to close.

6.2 Building a Strong, Sustainable Local Economy

None.

6.3 Supporting Children, Young People and Families

It is essential that schools and education support services receive sufficient funding to allow them to support all children and young people.

6.4 Tackling Inequality and Helping Those Who Are Most in Need

None.

6.5 Working Towards a Greener Future

None.

6.6 Valuing and Appreciating Halton and Our Community

None.

7.0 RISK ANALYSIS

7.1 We need to comply with the regulations, otherwise we would have a formula imposed on us. Not only would this affect allocations in 2025-26, it would modify the baseline for future year protections.

8.0 EQUALITY AND DIVERSITY ISSUES

7.1 None

9.0 CLIMATE CHANGE IMPLICATIONS

9.1 The Local Authority must discharge its statutory responsibilities in relation to all schools and settings.

10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

10.1 None under the meaning of the Act.

REPORT TO:	School's Forum
DATE:	26 th February 2025
REPORTING OFFICER:	Executive Director Children's Services
PORTFOLIO:	Children, Young People & Families
SUBJECT:	Early Years Special Educational Needs inclusion funding (SENIF)
WARD(S)	Borough Wide

1.0 **PURPOSE OF THE REPORT**

1.1 This report sets out details of a proposed change to Early Years 'top up funding'. Top up funding is the current funding model used to provide additional financial support to children with special education needs and disabilities (SEND) to access their Funded Early Years Entitlements (FEYE).

1.2 This report will set out the limitations of the 'top up funding' process and propose a revised model which will meet the statutory requirement for local authorities to provide special educational needs inclusion funding (SENIF). The new model will refocus SEND support on high quality provision using the graduated approach, and strengthen support for lower level SEN needs to help reduce unnecessary applications for EHCP assessment.

1.3 The proposal meets the objectives of HBC Children and Young People Plan priority areas, as follows;
Priority 3 Improve SEND provision
Priority 4 Increase number of children attending schools graded good or outstanding and improve attainment outcomes at all key stages
Priority 6 Improve attendance at School, College and in the Early Years settings including sufficiency of places
Priority 9 Improve access to positive opportunities

2.0 **RECOMMENDATION: That**

- 1) the report be noted; and
- 2) the Board approves the Strategy.

3.0 **SUPPORTING INFORMATION**

Background

- 3.1 All early years providers have the opportunity each term to apply for additional 'Top-up funding' to help children with SEND to access their Early Years education. The funding is awarded in the form of additional hours, to supplement children's FEYE, and can be claimed up to receipt of Education, Health and Care Plan (EHCP) for children who meet this criteria.
- 3.2 To access funding providers need to evidence the need for additional support above and beyond what cannot be met through ordinarily available provision and quality first teaching strategies. This is evidenced at application by submitting a completed application form, two reviewed SEN support plans, a detailed costed provision plan, parent views and other supporting evidence including development tracking and reports from external professionals if available. On average applications are between 50 - 80 pages long.
- 3.3 The Top up funding Panel sits each term to review applications and agree or decline funding. When funding is agreed by the panel, an additional number of 'top up' hours evidenced in the costing plan are funded for the academic year from the date of panel or until the end of the summer term before the child attends school. When funding is declined the provider has an opportunity to reapply at the next panel the following term. On average 25 applications are considered at each panel

Rationale for change

- 4.0 The process and terms and conditions of the top up funding have not been reviewed in recent years. The limitations of current top up funding arrangements have become increasingly apparent and alternative options considered due to:
- 4.1 Statutory local authority funding guidance 2025 to 2026, has been updated in line with government childcare reform policy. The guidance sets out the legal obligation for LA's to provide SENIF to eligible children from 9 months old, this is in addition to other statutory operational practices which are not in place in the current top up system. These operational practices highlighted in the guidance in appendix 1, will need to be adopted within a new SENIF funding policy which will ensure Halton Borough Council (HBC) is meeting statutory obligations and will provide clarity and transparency to the proposed model around the terms and conditions of the funding.
- 4.2 Last academic year September 2023 - July 2024, 75 applications were considered by the panel for additional top up funding, 48 children went on to receive funding. This is far less than the 93 children referred into specialist teaching and advisory service in 2024, and significantly less than the 151 children recorded on SEN

support or undergoing statutory assessment at May headcount 2024 (Appendix 2). This indicates large number of providers are not accessing local authority support for children with SEND.

- 4.3 HBC data shows that 62 children were put on SEN support within the first term of Reception who were not recorded on SEN support in Nursery 2. This highlights an area of concern around early identification of emerging SEND needs and ability to follow the graduated approach. This suggests that funding alone would be ineffective and the provision of practical advice and support needs to be considered alongside funding within a new model.
- 4.4 An increasing number of families are experiencing settings reporting that they cannot meet need due to lack of funding. Funding is currently set at £8.50 per hour for PVI settings and £12.50 per hour for maintained Nursery schools and classes. This has not been reviewed in recent years and does not take account of increased employers costs. In addition, payment in hours is not a statutory requirement and misleads the focus of support for both parents and providers, taking the focus off quality of provision and directing it towards one-to-one support which is not necessary for the majority of children at a SEND support level.
- 4.5 There is very little guidance underpinning the top up funding process, including completing applications and costing plans, the panel decision making process and expectations of use of funding. As a result, unclear 'rules' around top up funding are inconsistently referred to and statutory guidance is not being met. The over reliance on paperwork submitted without clear guidance, limits the panels ability to fully understand the needs of the child and to be able to benchmark decisions when awarding or declining funding. This has resulted in inconsistent panel decisions, an increase in declined or deferred funding decisions and no follow up support for children or providers to understand the impact of the funding.
- 4.6 There is currently no transition funding to support children immediately where SEN needs are evident. This can disadvantage children who can go without financial support for up to half of the academic year depending on the date they start with the provider. For example a child starting a setting in September would not have the required evidence for the October panel and so the application could not be considered until February panel at the earliest.
- 4.7 Providers have expressed concern that top up funding given in hours is not enough to have an effective impact for the child, some awarded as little as 1.5 hours per week. Providers consider it easier to get an assessment for EHCP than be awarded top up funding, citing more realistic funding outcomes through EHCP route as a reason to apply (Appendix 3). This suggests access to funding may be a contributing factor to Early Years submitting the highest

number of EHCP applications across the education sector.

4.8

In February and November 2024 a consultation was held with Schools and Early Years providers about Top up funding processes, a total of 25 providers contributed to the consultation (Appendix 3). 100% of respondents expressed dissatisfaction with the current processes. The main reasons cited included;

- Unclear guidance on completing applications and inconsistent panel decisions
- Application process is lengthy and ineffective use of SENCO's time
- Children declined funding due to minor administrative errors
- Funding based on hours is confusing for parents and insufficient to enhance ratios to have any real impact on supporting the child e.g. awarding 1.5 hours per week
- Termly panels and requirement for 2 reviewed support plans leave children without support for unreasonable periods of time.
- Staff report it is easier to get an assessment for EHCP than top up funding with more realistic funding outcomes through EHCP route

Preparation

5.0

A revised budget for SENIF has been modelled in accordance with Early years entitlements: local authority funding operational guide 2025 to 2026 (DFE;2024) which sets out clearer guidance around SENIF to ensure the funding system supports the continued rollout of the new entitlements and delivery of the existing entitlements. As advised within the guidance, the revised budget has considered the number of children with SEN in the local area, their level of need and the use of Section 251 data as a tool to compare different local authorities, including our statistical neighbours, expenditure on SENIFs. The budget has been modelled (appendix 4) will be brought to Schools forum on 26th February 2025.

5.1

Research has been undertaken into SEND funding models and Early Years team structures in other local authorities. This has involved meetings, reviewing paperwork and sitting on an Early Years inclusion panel to fully understand the processes and consideration to Halton's needs. This research informed the proposed model of funding and link to wider SEND support from Halton Early Years team.

The proposed model

6.0

The proposed new funding model for Halton will be based on other LA funding models and monthly panel meetings. The exact cost set within each band will be decided once a budget has been agreed,

and then reviewed periodically throughout the year to ensure the model has been budgeted correctly and no children are disadvantaged.

The proposed model links the banding system to the level of need descriptors which moves us away from a set hours formula and is more consistent with other local authority processes.

- 6.1 The banding system focuses on an incremental approach and will link funding to practical support offered from the revised roles within the Early Years Team, leading into support from specialist teaching and advisory service (STAS) at the highest band for complex needs. The revised Quality Improvement Officers role and newly developed role of the Early Years Intervention Officers will help implement and model effective strategies and provide advice and challenge to help providers to follow the graduated approach. The new roles will enable HBC to monitor the impact of funding and reinforce the advice given by specialist teachers and EP which should reduce the demands on their teams.
- 6.2 The level of need descriptors within each band system will provide transparency in panel decision making, reducing inconsistencies. The banding system also creates flexibility in the provision for a transition grant, offering immediate support to children and early intervention, this means children are not disadvantaged by the time of year they join the setting.
- 6.3 A SENIF policy will be developed around the terms and conditions underpinning SENIF. This will provide clarity around purpose, eligibility, expectations of use of funding and accountability of impact. This will ensure that HBC is meeting requirements of the statutory guidance and protect against unfounded rules being applied to the funding, such as a link between awarding SENIF intended for lower level emerging SEND to implications for other funding.

7.0 **POLICY IMPLICATIONS**

7.1 **Early years entitlements: local authority funding operational guide 2025 to 2026**

(Education and skills funding agency; 24)

[Early years entitlements: local authority funding operational guide 2025 to 2026 - GOV.UK](#)

All local authorities are required to have a SENIF for all children eligible for the entitlements and who have SEN, regardless of the number of hours taken. These funds are intended to support local authorities to work with providers to recognise and support the low-level and emerging needs of individual children with SEN who are taking up the entitlements. These funds also support local authorities to undertake their responsibilities to strategically

commission SEN services as required under the Children and Families Act 2014.

7.2 **Special educational needs and disability code of practice: 0 to 25 years Statutory guidance for organisations which work with and support children and young people who have special educational needs or disabilities**

[SEND Code of Practice January 2015.pdf](#)

Providers must have arrangements in place to support children with SEN or disabilities. These arrangements should include a clear approach to identifying and responding to SEN. The benefits of early identification are widely recognised – identifying need at the earliest point, and then making effective provision, improves long-term outcomes for children

Local authorities must ensure that all providers they fund in the maintained, private, voluntary and independent sectors are aware of the requirement on them to have regard to the SEN Code of Practice and to meet the needs of children with SEN and disabilities. When securing funded early education for two-, three- and four-year-olds local authorities should promote equality and inclusion for children with disabilities or SEN. This includes removing barriers that prevent children accessing early education and working with parents to give each child support to fulfil their potential

8.0 **FINANCIAL IMPLICATIONS**

8.1 A budget has been modelled to demonstrate that given the provisional 25-26 Early Years Block settlement, Halton Borough Council (HBC) should be able to pass on to all settings in all age groups the year-on-year hourly rate increases, and using the current central retention percentages, HBC would have a SENIF 'pot' that is a 20% increase on current year.

9.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES** [\(click here for list of priorities\)](#)

9.1 **Improving Health, Promoting Wellbeing and Supporting Greater Independence**

Raising children's achievements through access to early years childcare provision will have a positive impact on the emotional health and wellbeing of challenging pupils and students. Access to quality provision also plays a key role in the early development of language and communication skills which are essential to future learning, vocabulary development and access to the wider curriculum and developing and maintaining relationships. Working in an integrated way across education, health and care offers timely support and intervention to families who need it most.

9.2 **Building a Strong, Sustainable Local Economy**

Early Years providers support both families and the economy by delivering the government funded early years entitlements which enables parents to work and provides employment opportunities including apprenticeships through the local college.

9.3 **Supporting Children, Young People and Families**

Children's experiences, relationships and surroundings in their earliest years fundamentally shape their future. The ambition for children with special educational needs and disabilities is the same for all children, that they achieve well in their early years and fulfil their potential.

Identifying need at the earliest point and offering timely support for children, parents and carers to access services is essential and can improve long term outcomes for children.

9.4 **Tackling Inequality and Helping Those Who Are Most In Need**

Research shows that accessing a high quality early years provision is good for all children and especially beneficial for children facing disadvantage and adversity.

Early years practitioners play a crucial role in providing an inclusive curriculum, to give every child the best possible chance to thrive, learn well, and be healthy and happy throughout childhood and beyond.

9.5 **Working Towards a Greener Future**

None

9.6 **Valuing and Appreciating Halton and Our Community**

Attending a School or Early Years setting can help support children and families to develop a sense of belonging within their community.

10.0 **RISK ANALYSIS**

10.1 Continuing with the current top up funding process presents a high level of risk that children will not receive the support they need early enough and therefore will have negative impact on their outcomes and life chances.

There is also a high risk that council will not meet their statutory requirements with regards to SENIF.

There is a high risk that unnecessary EHCP applications will be continue to be made to access funding and support.

11.0 **EQUALITY AND DIVERSITY ISSUES**

11.1 SENIF funding promotes equality and diversity for children with SEND. Early years providers are vital to helping all children access their education within inclusive environments. Providers need to access advice, support and where appropriate challenge to help them develop high quality provision and a curriculum that is highly ambitious and truly inclusive for all children. Early identification of needs, appropriate support, together with high aspirations, can help ensure that children who have SEN or disabilities can achieve well and make a successful transition into adulthood.

12.0 **CLIMATE CHANGE IMPLICATIONS**

12.1 None

13.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

13.1 **Special educational needs and disability code of practice: 0 to 25 years Statutory guidance for organisations which work with and support children and young people who have special educational needs or disabilities**

[SEND Code of Practice January 2015.pdf](#)

Early years entitlements: local authority funding operational guide 2025 to 2026

(Education and skills funding agency; 24)

[Early years entitlements: local authority funding operational guide 2025 to 2026 - GOV.UK](#)

Early years foundation stage (EYFS) statutory framework

[Early years foundation stage \(EYFS\) statutory framework - GOV.UK](#)

Appendix 1

Early years entitlements: local authority funding operational guide 2025 to 2026

(Education and skills funding agency; 24)

[Early years entitlements: local authority funding operational guide 2025 to 2026 - GOV.UK](#)

Highlighted are guidance to add to SENIF guidance policy

1.2 Monitoring and compliance

However, following the expansion of the early years entitlements, we are exploring changes to this tool and plan to publish an updated version containing the 2024 to 2025 planned budget s251 data in early 2025. In the meantime, we will publish a simplified tool containing the raw data provided by local authorities as part of their s251 returns for 2024 to 2025 to provide information to support local authorities with their business planning

6. Special educational needs inclusion fund (SENIF)

All local authorities are required to have a SENIF for all children eligible for the entitlements and who have SEN, **regardless of the number of hours taken**

These funds are intended to support local authorities to work with providers to recognise and support the **low-level and emerging needs of individual children** with SEN who are taking up the entitlements.

SENIFs should apply to **children attending settings in the relevant local authority area**, regardless of where they live.

Local authorities should consult with early years providers to set the value of their local SENIF.

Sources of funding

Local authorities should establish their SENIFs using funding from the early years block and/or the high needs block of their DSG allocation. Although local arrangements will vary, local authorities should consider the right balance to strike in drawing from these 2 blocks of funding, taking into account the particular pressures on high needs and early years budgets locally and the 96% pass-through requirement.

Funding allocation

local authorities should publish details on how their SENIF will be used to support their early years SEN cohort. These details should include how providers can access funding, the eligibility criteria for the fund, the planned value of the fund at the start of the financial year, and the process for allocating the fund to providers. Local

authorities should ensure that their local offer is accessible for all providers and families of eligible children.

Local authorities should endeavour to distribute funding to providers in a timely manner such that the positive impact of funding can be felt by the child as soon as possible. SENIF funding should be used to support eligible children to access the entitlements and ensure settings are inclusive and supporting individual children's needs; funding can be used in a variety of ways to meet this policy intent, and could, for example, include training, specialist resources and funding for staffing.

Local authorities should review and understand how SENIFs are used by providers, in particular to understand how they support eligible children to access the entitlements. This could include implementing an audit process to ensure funding is delivering against local objectives.

Appendix 2

Number of top up funding applications academic year September 2023 – July 2024

Panel	Number of applications	Funding agreed	Funding declined	Decision deferred
Autumn 23	26	10	8	8
February 24	25	12	1	12
June 24	24	9	12	3
Total	75	31	21	23

2024 STAS EYFS referrals (children in EY setting)	
January	11
February	8
March	6
April	4
May	15
June	7
July	5
August	1
September	5
October	13
November	6
December	12
Total	93

Early Years Headcount 2024

Early Years - SEN Summary													
Headcount - Current Number of Children*							Headcount - Current % of Children*						
Funding Type	No SEN	SEN Support	Undergoing Stat Ass	EHCP	Unknown	Grand Total	Funding Type	No SEN	SEN Support	Undergoing Stat Ass	EHCP	Unknown	Any SEN Stage
9 Months To 23 Months	531	1	0	0	2	534	9 Months To 23 Months	99.4%	0.2%	0.0%	0.0%	0.4%	0.2%
2 Year Old Funding	856	30	0	3	5	894	2 Year Old Funding	95.7%	3.5%	0.0%	0.3%	0.6%	3.7%
3 & 4 Year Old Funding	1183	42	19	19	15	1278	3 & 4 Year Old Funding	92.6%	3.6%	1.5%	1.5%	1.3%	6.3%
All Funded Children	2547	71	8	15	24	2665	All Funded Children	95.6%	2.8%	0.3%	0.6%	0.9%	3.5%
*Numbers recorded on Synergy 24th January 2025													
Headcount - Number of Children - May 2024							Headcount - % of Children - May 2024						
Funding Type	No SEN	SEN Support	Undergoing Stat Ass	EHCP	Unknown	Grand Total	Funding Type	No SEN	SEN Support	Undergoing Stat Ass	EHCP	Unknown	Any SEN Stage
2 Year Old Funding	870	30	1	0	6	907	2 Year Old Funding	95.9%	3.3%	0.1%	0.0%	0.7%	3.4%
3 & 4 Year Old Funding	1731	89	31	53	27	1933	3 & 4 Year Old Funding	89.5%	4.6%	1.6%	2.7%	1.4%	8.9%

Number of children in Reception on SEN support Autumn term 2024 compared to N2 Summer term 2024

	Children in Cohort	Children on SEN Support	% Cohort on SEN Support
Summer Term 2024 (N2)	1273	62	4.87%
Autumn Term 2024 (Rec)	1281	124	9.68%

Appendix 3

Early Years SENCO Workshop - Top up funding consultation

Wednesday 7th February 2024

Session aims:

- To gain early years setting views on the current TUF process
- To collate EY setting views on suggested improvements

Attendance: 23 of Halton's early years SENCO's/early years practitioners attended the session. This included representation from maintained and private and voluntary sector. No childminders attended the session.

The session was facilitated by STAS and Early Years Team

The current process:

Positives:

- Staff reported that they could not identify any positives regarding the current process
- They do feel supported by some local authority staff on what information is required to complete paperwork

Areas for development:

- Increase frequency of panels
- Cant submit request until two cycles of A-P-D-R (despite level of need being obvious). This impacts early intervention and ability to support child.
- Staff report it is easier to get an assessment for EHCP than DTUF
- Hours awarded are not sufficient or consistent
- Funding in hours causes confusion and frustration for parents and settings
- Settings cannot recruit staff to provide additional support when given such low funding hours e.g. 1.5 hours per week
- Completion of paperwork is extremely lengthy and isn't worth completing for the restricted award. Settings feel they get more realistic funding outcomes through EHCP route
- Panel decisions are inconsistent
- Settings would prefer a 'banded' system like schools. This would mean they could collate additional funding to recruit and spread interventions across day. This would reduce impact of 1:1 over reliance

EY Setting proposal:

- Increase frequency of panels to match schools ability to apply for TUF

- Reduce repetitiveness and time to complete paperwork
- Consider using 'banding' formula (like schools DTUF)
- Enable earlier requests for DTUF when family have been supported by agencies prior to starting at nursery e.g. social care/virtual school, Portage/SEN Support Practitioners/ early help/health services

Second round of consultation November 2024 open for 4 weeks

How easy is the current top up system to access?

Rating 1.

How has top up funding helped you to support children with SEND?

We didn't get accepted

How much impact has top up funding had on helping children with SEND to access their Early Years Education?

Rating 1.

What are the main barriers with the current top up funding system?

Being told the dates too close to the cut off date, or not being told the dates at all.

What changes can be made to improve the current system?.

List of dates for the year, training on how to complete the forms

It is very difficult to navigate the hours system and manage parental expectations of support with small numbers of hours being given. I have given some feedback to the Early Years Team Lead in person about this and explained that if you only have a couple of children, it is not possible to employ someone or use a ratio-ed member of staff to give children individual support if they only get a few hours per week. Last year it was easier when we had a higher amount of hours given to children and could group hours together, at present we have 5 hours for a morning child and 5 for an afternoon in 2yo rooms at one setting. In real terms, the cost of a member of staff at our settings to deliver this child's particular support works out approximately half the hourly rate for TUF. This is very difficult when managing financial support and directing of staff to deliver this support.

We have a challenge at our Nursery Schools whereby we have 1:13 ratios in 3-4s as we are teacher led. Our 2yo provision our ratios are much smaller 1:5 and often the need for further support happens when a child moves from this provision to the larger ratio. In these transitions, we see that the requirement for support for these more complex children significantly increase on the higher ratio with more group times and structured routines.

As a Nursery school, we do not have the same funding as Primary School early years settings which, considering this teacher ratio, is a challenge for us to navigate with all of our SEND services. I appreciate that the panel would treat all settings as the same but this, and the higher ratios in 3-4s, would perhaps provide some context as to our reason for application at this transitional point.

It would also be helpful to get some clarification about children's hours, for example, if a

child was to be given an amount of funding on the basis they attend 15 hours but then increase, do we then need to reapply? I was asked to reapply to TUF for a child recently to verify the hours they receive - I didn't feel that this was a good use of my time after only doing this a few months previous. I think that in cases where all the necessary information hasn't been received by the panel in order to pay for a longer period of time, perhaps an informal catch up or a way of discussing with someone would be more time efficient for SENCOs rather than re-doing the paperwork once again.

I think a banding system would be better for parents and staff to navigate. This would bring Halton in line with other local authorities and the EHCP process for schools.

Perhaps a small guide for applications would be good for people with some hints for how best to present the paperwork and what to include/what not to include, this would ensure that SENCO's are using their time efficiently and not gathering/scanning/sending paperwork that isn't necessary.

Recently the EHCP Co-ordinators ran a drop in session, I wonder if this could be useful for TUF with some examples of applications? I recently had a meeting and talked through application process with the Early Years Team Lead and it was really helpful but I wonder if a drop in would be a good idea for other Sencos to discuss, too.

	LA Funding Rate	PTE	Funding	Proposed Setting Funding Rate	PTE	Funding		2024-25 budget		2024-25 revised EY Block
Under-2s	£11.60	843.76	£5,578,942	£11.15	843.76	£5,362,517	96.12%	£1,975,990	273.38	£2,058,860
2 year old offer (Disadvantaged)	£8.52	396.49	£1,925,515	£8.23	396.49	£1,859,974	96.60%	£1,908,713	423.34	£1,853,195
2 year old offer (Working parents)	£8.52	774.63	£3,761,914	£8.23	774.63	£3,633,867	96.60%	£2,432,759	539.57	£2,332,981
3 & 4 Universal Entitlement	£5.97	1611.33	£5,483,195	£5.44	1611.33	£4,996,412	91.12%	£7,644,957	1700.73	£5,253,581
3 & 4 Extended Offer	£5.97	851.72	£2,898,318	£5.44	851.72	£2,641,013	91.12%		883.51	£2,776,948
3 & 4 Deprivation Supplement				£0.17	2463.05	£238,670	2.85%	£250,413		
3 & 4 Quality Supplement				£0.14	2463.05	£196,551	2.35%	£206,222		
			<u>£19,647,884</u>			<u>£18,929,004</u>				<u>£14,275,565</u>
Early Years Pupil Premium: 3 & 4	£1.00	406.15	£231,506	£1.00	406.15	£231,506		£179,277	462.53	£157,424
Early Years Pupil Premium: 2	£1.00	206.78	£117,865	£1.00	206.78	£117,865		£104,354	269.23	£80,148
Early Years Pupil Premium: Under 2	£1.00	18.61	£10,608	£1.00	18.61	£10,608		£6,260	13.46	£6,260
			<u>£359,979</u>			<u>£359,978</u>				<u>£243,832</u>
Disability Access Funding: 3 & 4	£938.00	108	£101,304	£938.00	108	£101,304		£85,540	94	£85,540
Disability Access Funding: 2	£938.00	35	£32,830	£938.00	35	£32,830		£30,030	33	£30,030
Disability Access Funding: Under-2	£938.00	10	£9,380	£938.00	10	£9,380		£8,190	9	£8,190
			<u>£143,514</u>			<u>£143,514</u>				<u>£123,760</u>
Maintained Nursery School Supplementary	£5.27	178	£534,695	£5.27	178	£534,694		£473,420	179	£470,775
Central Item: Contingency (3 & 4)						£14,247		£16,851		
Central Item: Contingency (2 Disadvantaged)						£4,910		£5,936		
Central Item: Contingency (2 Working parents)						£9,592		£7,566		
Central Item: Contingency (Under 2s)						£47,414	<u>£76,162</u>	£20,589	<u>£50,942</u>	
Central Item: Centrally Retained (3 & 4)						£209,538		£210,641		
Central Item: Centrally Retained (2 Disadvantaged)						£48,138		£49,467		
Central Item: Centrally Retained (2 Working parents)						£94,048		£63,049		
Central Item: Centrally Retained (Under 2s)						£139,474	<u>£491,198</u>	£51,471	<u>£374,629</u>	
Central Item: SENIF (3 & 4)						£83,815		£84,257		
Central Item: SENIF (2 Disadvantaged)						£13,479		£13,851		
Central Item: SENIF (2 Working parents)						£26,333		£17,654		
Central Item: SENIF (Under 2s)						£27,895	<u>£151,522</u>	£10,294	<u>£126,055</u>	
EARLY YEARS BLOCK			<u>£20,686,072</u>			<u>£20,686,072</u>		<u>£15,857,751</u>		<u>£15,113,932</u>
Pass-through Rate						97.50%		97.50%		

Dedicated schools grant: Indicative 2025 to 2026 Early years block allocations		Hourly rate for 3 and 4 year old entitlements (£ / hr)	Hourly rate for 2 year old entitlement (£ / hr)	Hourly rate for under 2s entitlement (£ / hr)
		[A]	[F]	[N]
		202	Camden	9.23
203	Greenwich	7.87	11.68	16.04
204	Hackney	7.99	11.51	15.79
205	Hammersmith and Fulham	8.87	11.98	16.58
206	Islington	8.60	11.85	16.37
207	Kensington and Chelsea	8.72	11.88	16.29
208	Lambeth	8.07	11.61	15.95
209	Lewisham	7.52	11.04	15.06
210	Southwark	7.91	11.48	15.80
211	Tower Hamlets	8.91	11.79	16.28
212	Wandsworth	8.01	11.55	15.82
213	Westminster	8.77	12.43	17.44
301	Barking and Dagenham	6.48	9.41	12.83
302	Barnet	7.00	9.99	13.66
303	Bexley	6.76	9.77	13.26
304	Brent	6.80	9.77	13.32
305	Bromley	6.68	9.67	13.11
306	Croydon	7.08	10.49	14.34
307	Ealing	6.99	9.98	13.61
308	Enfield	6.93	10.10	13.91
309	Haringey	6.77	10.23	14.10
310	Harrow	6.85	9.69	13.15
311	Havering	6.40	9.17	12.45
312	Hillingdon	6.81	9.85	13.40
313	Hounslow	7.00	10.15	13.86
314	Kingston upon Thames	7.10	10.09	13.74
315	Merton	7.08	10.29	13.99
316	Newham	6.74	9.62	13.22
317	Redbridge	6.49	9.30	12.62
318	Richmond upon Thames	7.14	10.08	13.65
319	Sutton	7.06	10.25	13.94
320	Waltham Forest	6.52	9.28	12.66
330	Birmingham	6.20	9.00	12.36
331	Coventry	5.93	8.59	11.72
332	Dudley	5.71	8.09	11.01
333	Sandwell	6.01	8.84	12.07
334	Solihull	5.77	8.26	11.23
335	Walsall	5.81	8.38	11.45
336	Wolverhampton	6.00	8.56	11.70
340	Knowsley	5.86	8.54	11.65
341	Liverpool	5.86	8.58	11.75
342	St. Helens	5.76	8.41	11.48
343	Sefton	5.71	7.95	10.82
344	Wirral	5.77	8.28	11.32
350	Bolton	5.85	8.38	11.42
351	Bury	5.71	8.14	11.06
352	Manchester	6.12	8.83	12.07
353	Oldham	5.92	8.43	11.50
354	Rochdale	5.85	8.39	11.43

355	Salford	5.94	8.50	11.58
356	Stockport	5.71	7.86	10.66
357	Tameside	5.91	8.34	11.36
358	Trafford	5.71	8.03	10.88
359	Wigan	5.83	8.20	11.15
370	Barnsley	5.71	8.01	10.89
371	Doncaster	5.71	8.20	11.17
372	Rotherham	5.71	8.15	11.12
373	Sheffield	5.80	8.26	11.29
380	Bradford	5.78	8.35	11.43
381	Calderdale	5.71	7.94	10.79
382	Kirklees	5.71	7.93	10.77
383	Leeds	5.82	8.44	11.50
384	Wakefield	5.71	8.19	11.16
390	Gateshead	5.71	7.94	10.79
391	Newcastle upon Tyne	5.84	8.25	11.26
392	North Tyneside	5.71	7.76	10.53
393	South Tyneside	5.71	8.07	10.98
394	Sunderland	5.71	8.11	11.04
800	Bath and North East Somerset	5.94	8.35	11.33
801	Bristol, City of	6.12	8.75	11.99
802	North Somerset	5.84	8.26	11.19
803	South Gloucestershire	5.89	8.36	11.31
805	Hartlepool	5.90	8.28	11.27
806	Middlesbrough	5.91	8.47	11.58
807	Redcar and Cleveland	5.75	8.06	10.95
808	Stockton-on-Tees	5.71	7.98	10.84
810	Kingston upon Hull, City of	5.71	8.23	11.22
811	East Riding of Yorkshire	5.71	7.62	10.31
812	North East Lincolnshire	5.71	8.11	11.06
813	North Lincolnshire	5.71	7.84	10.64
815	North Yorkshire	5.71	7.74	10.48
816	York	5.71	7.91	10.72
821	Luton	6.10	8.63	11.76
822	Bedford	6.04	8.48	11.52
823	Central Bedfordshire	5.78	8.11	10.98
825	Buckinghamshire	6.44	9.16	12.46
826	Milton Keynes	6.36	8.85	12.01
830	Derbyshire	5.71	7.75	10.51
831	Derby	5.94	8.43	11.51
838	Dorset	5.71	7.72	10.44
839	Bournemouth, Christchurch and Poole	5.84	8.36	11.34
840	County Durham	5.71	7.98	10.85
841	Darlington	5.71	8.09	11.02
845	East Sussex	5.97	8.56	11.63
846	Brighton and Hove	6.10	9.62	13.10
850	Hampshire	6.16	8.48	11.49
851	Portsmouth	6.40	9.36	12.76
852	Southampton	6.62	9.34	12.74
855	Leicestershire	5.71	7.53	10.18
856	Leicester	5.74	8.27	11.27
857	Rutland	5.71	7.23	9.76
860	Staffordshire	5.71	7.94	10.77

861	Stoke-on-Trent	5.90	8.35	11.38
865	Wiltshire	5.71	7.76	10.48
866	Swindon	5.87	8.33	11.32
867	Bracknell Forest	6.73	9.80	13.24
868	Windsor and Maidenhead	6.73	9.45	12.80
869	West Berkshire	6.49	9.06	12.30
870	Reading	6.86	10.02	13.76
871	Slough	6.95	10.08	13.76
872	Wokingham	6.53	9.27	12.54
873	Cambridgeshire	6.06	8.40	11.38
874	Peterborough	6.24	8.81	12.01
876	Halton	5.97	8.52	11.60
877	Warrington	5.76	8.05	10.94
878	Devon	5.71	7.68	10.39
879	Plymouth	5.87	8.37	11.39
880	Torbay	5.93	8.50	11.58
881	Essex	5.87	8.20	11.11
882	Southend-on-Sea	5.88	8.40	11.43
883	Thurrock	6.13	8.75	11.89
884	Herefordshire, County of	5.71	7.44	10.07
885	Worcestershire	5.71	7.71	10.45
886	Kent	5.99	8.33	11.31
887	Medway	5.79	8.20	11.15
888	Lancashire	5.71	7.83	10.63
889	Blackburn with Darwen	5.71	8.14	11.08
890	Blackpool	5.86	8.40	11.46
891	Nottinghamshire	5.71	7.86	10.66
892	Nottingham	5.94	8.62	11.78
893	Shropshire	5.71	7.55	10.23
894	Telford and Wrekin	5.71	8.03	10.92
895	Cheshire East	5.71	7.74	10.48
896	Cheshire West and Chester	5.71	7.97	10.81
908	Cornwall	5.71	7.72	10.46
916	Gloucestershire	5.71	7.94	10.75
919	Hertfordshire	6.25	8.99	12.19
921	Isle of Wight	5.86	8.22	11.15
925	Lincolnshire	5.71	7.81	10.58
926	Norfolk	5.71	7.94	10.78
929	Northumberland	5.71	7.72	10.47
931	Oxfordshire	6.00	8.38	11.35
933	Somerset	5.71	7.72	10.46
935	Suffolk	5.72	7.95	10.78
936	Surrey	7.08	10.01	13.62
937	Warwickshire	5.83	8.08	10.95
938	West Sussex	6.38	8.93	12.11
940	North Northamptonshire	5.71	8.00	10.86
941	West Northamptonshire	5.71	8.04	10.90
942	Cumberland	5.71	7.57	10.26
943	Westmorland and Furness	5.71	7.49	10.13

ENGLAND		6.14	8.65	11.54
North West		5.81	8.24	11.02

Of National	97.23%	98.50%	100.52%
Of NW	102.75%	103.40%	105.26%
Rank (of 151)	61	60	60

REPORT TO:	Schools Forum
DATE:	26th February 2025
REPORTING OFFICER:	Operational Director – Finance
PORTFOLIO:	Children, Young People & Families
SUBJECT:	DSG Early Years Block 2025-26
WARD(S)	Borough wide

1.0 PURPOSE OF THE REPORT

To update and seek Schools Forum recommendations on the Dedicated Schools Grant (DSG) 2025-26 for Early Years.

2.0 RECOMMENDATION

That Schools Forum note and comment on the 2025-26 hourly rates and supplements for the Early Years Formula, applicable from the 1st April 2025.

3.0 SUPPORTING INFORMATION

3.1 Dedicated Schools Grant (DSG) settlement

The 2025-26 DSG settlement was announced on 18th December 2024, allocating Halton a total of £168.551m. This is broken down as £117.833m for the Schools Block, £0.765m for the Central Schools Services Block, £29.267m for the High Needs Block, and £20.686m for the Early Years Block.

For CSSB, we see an increase of £0.014m to the 2024-25 budget, in spite of the year-on-year 20% reduction in historic commitment funding and the main driver (pupil numbers) being 341 fewer. This is because the unit of funding has increased by 4.3%, from £41.27 to £43.05.

High Needs Block, before deductions for place funding recoupment, is an increase from 2024-25 of £2.188m (+8%)

Further expansion of the support programme (to a 30-hour entitlement) for 2-year olds and under 2-two year olds, as well as hourly funding rate increases of between 3.3% and 4.1%, are together responsible for an increase in the Early Years block, compared to the funding after assimilating the January 2024 census, of £5.572m.

Schools Forum approved the Schools Block allocations and mainstream school funding formula unit values at its meeting of 22nd January 2025, with Early Years, High Needs and Central Schools Support Services to be considered at this meeting, 26th February 2025.

3.2 Early Years Block

The DSG announcement has provided an indicative Early Years allocation which includes the up-to-date hourly rates to be used in Halton's determination of the under 2, 2, 3 and 4 year old early education funding entitlement to Maintained Nursery Schools, Nursery Classes, and Private Voluntary and Independent (PVI) settings including Childminders.

The 2025-26 allocation remains indicative until after the January 2025 early years headcount has been collated, validated and used by the DfE to inform Halton's actual Early Years Block allocation, expected to be confirmed in July 2025.

The indicative allocation for 2025-26 is £20.686m which is £5.572m greater than 2024-25; this reflects the national changes to enhance the 2 year old offer and further develop the new under-2s offer. This indicative amount *may* subsequently decrease in line with the current demographic trends (last years' summer reduction was around £440K). Forum should be reassured that, in this event, this should not cause any financial burden on the Early Years DSG position - as there will be a corresponding reduction in funding allocated to providers due to their decreased pupil numbers on roll (funding being issued termly based on **actual** activity).

The indicative rates and component DSG allocations are provided within the table below:

<i>Funding Stream</i>	<i>Hourly Rate (Rate)</i>	<i>Nos.</i>	<i>Total Indicative Funding</i>	<i>Hourly Rate Variance to 2024-25</i>
Universal Entitlement: 3 & 4 year olds	£5.97	1611.3 3	£5,483,195	£0.25
Extended Offer: 3 & 4 year olds	£5.97	851.72	£2,898,318	£0.25
Disadvantaged: 2 year olds	£8.52	396.49	£1,925,515	£0.32
Working parents: 2 year olds	£8.52	774.63	£3,761,914	£0.32
Under-2 year olds	£11.60	843.76	£5,578,942	£0.42
Early Years Pupil Premium: 3 & 4 year olds	£1.00	406.15	£231,506	£0.32
Early Years Pupil Premium: 2 year olds	£1.00	206.78	£117,865	£0.32
Early Years Pupil Premium: Under-2 year olds	£1.00	18.61	£10,608	£0.32
Disability Access Fund: 3 & 4 year olds	£938.00	108	£101,304	£28.00
Disability Access Fund: 2 year olds	£938.00	35	£32,830	£28.00
Disability Access Fund: Under-2 year olds	£938.00	10	£9,380	£28.00
Maintained Nursery School supplementary	£5.27	178	£534,695	£0.63

£20,686,072

The 2025-26 hourly rates position Halton as around 60th in funding rankings nationally, with two-year olds at 98.50% of national average, and 3s and 4s at 97.2% of national average. Under-2 year old rates are just a touch over national average, at 100.5%.

Demonstrating possible geographical inequalities, Halton is above the North West average funding level at all ranges (102.8% for 3s & 4s, 103.4% for 2-year olds, and 105.3% for under-2s).

The LA recognises the budgetary pressures our settings are under – which prevailing funding levels don't help with – and is keen to maximise the proportion of funding directly passported to providers. Our proposals are based on passing on ALL of the year-on-year funding increases at each age range, with an overall passporting level of 1.5% above requirement.

In other words, we are proposing to take the funding rates agreed for 2024-25, following consultation with settings, and ratification by Schools Forum, and adding the in-year funding increases to each.

Proposed allocation by percentage across the funding elements, and indicative funding totals as a consequence are shown below:

Funding Stream	LA Retention	Base Rate	Deprivation	Quality	SENIF	Contingency
Under 2 year olds	2.38%	96.12%	N/A	N/A	0.50%	1%
2 year olds	2.40%	96.60%	N/A	N/A	0.70%	0.30%
3 & 4 Year Olds	2.48%	91.12%	2.85%	2.35%	1%	0.20%

Funding Stream	LA Retention	Base Rate	Deprivation	Quality	SENIF	Contingency	TOTAL
Under 2 year olds	£139,474	£5,362,517	N/A	N/A	£27,895	£47,414	£5,577,300
2 year olds	£142,186	£5,493,841	N/A	N/A	£39,812	£14,502	£5,690,341
3 & 4 Year Olds	£209,538	£7,637,425	£238,670	£196,551	£83,815	£14,247	£8,380,246
	£491,198	£18,493,783	£238,670	£196,551	£151,522	£76,163	£19,647,887

Schools Forum is requested to comment on the hourly rates and supplements to be applied to the 2025-26 Early Years Single Funding Formula (EYSFF) determinations for all providers, as follows:

Halton's Proposed Funding Rates

	Base Rate	Deprivation Rate	Quality Rate
3 and 4 year olds	£5.44	£0.17*	£0.14
2 year olds	£8.23	N/A	N/A
Under-2 year olds	£11.15	N/A	N/A

*average

Actual deprivation allocations will vary by postcode analysis, and quality additions are assessed individually.

The pass-through rate under this methodology remains at 97.5%, comfortably above the revised national 2025-26 *de minimis* requirement of 96% (increased from 95%, with an ultimate target in future years of 97%).

Funding retained for allocations under SENIF (Special Educational Needs Inclusion Fund) assessment is calculated at £151,522, an increase on 2024/25 of approximately 20%. The Authority is committed to applying a new methodology for assessment, outlined later in this report in **section 3.3**. The financial effect of this will be reviewed on an ongoing basis, but is expected to be affordable within this funding envelope.

3.3 Other Early Years Funding

It is also proposed to passport the full Maintained Nursery Supplementary grant directly to maintained nursery schools. Early Years Pupil premium across the age ranges, and Disability Access Funding will be paid to schools termly based on qualifying numbers.

New SENIF process

A proposed new methodology for SENIF has been tabled earlier on this evening's agenda, in the report 'Early Years Special Educational Needs Inclusion Funding (SENIF)'. The operation of this will be evaluated over the course of the year; the notional allocation for this, increased by 20% compared to 2024-25, is predicted to be sufficient to accommodate the change in practice.

4.0 POLICY IMPLICATIONS

Consistent with policy to maximise direct funding of settings. Compliant with national retention guidance.

5.0 FINANCIAL IMPLICATIONS

5.1 The financial aspects outlined throughout this paper have been developed in accordance with statutory financial regulations, and individual operational guidance relevant to the Dedicated Schools Grant (DSG) requirements.

5.2 The proposals included within this paper are all funded from within the available Dedicated Schools Grant (DSG) block allocations provided for 2025-26, and represent a proposal for full use of those allocations.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Improving Health, Promoting Wellbeing and Supporting Greater Independence

To ensure that in Halton children and young people are safeguarded, healthy and happy, and receive their entitlement of high-quality services that are sensitive to need, inclusive and accessible to all.

6.2 Building a Strong, Sustainable Local Economy

To create an economically prosperous Borough that encourages investment, entrepreneurship, enterprise and business growth, and improves the education, skills and employment prospects of our residents and workforce, so they may share in all the opportunities Halton affords.

6.3 Supporting Children, Young People and Families

Ensure that in Halton, children and young people are safeguarded, healthy and happy, and receive their entitlement of high quality services which are sensitive to need,

inclusive and accessible to all.

- 6.4 **Tackling Inequality and Helping Those Who Are Most in Need**
More refined targeting of SENIF will improve inclusion and reduce inequalities.

- 6.5 **Working Towards a Greener Future**
None

- 6.6 **Valuing and Appreciating Halton and Our Community**
None

7.0 **RISK ANALYSIS**

- 7.1 Failure to comply with the statutory financial regulations and operational guidance relevant to Dedicated Schools Grant (DSG) requirements, could result in formal intervention by the Department for Education (DfE).

8.0 **EQUALITY AND DIVERSITY ISSUES**

- 8.1 The Local Authority must discharge its statutory responsibilities in relation to all schools and settings.

- 9.0 **CLIMATE CHANGE IMPLICATIONS**
None

10.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

- 10.1 Background papers and further information, including the statutory guidance that has informed this report, can be obtained via Gov.uk

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For any enquiries contact Naheem.Shafiq@halton.gov.uk.

REPORT TO:	Schools Forum
DATE:	26th February 2025
REPORTING OFFICER:	Operational Director – Finance
PORTFOLIO:	Children, Young People & Families
SUBJECT:	DSG High Needs Block 2025-26
WARD(S)	Borough wide

1.0 PURPOSE OF THE REPORT

To update Schools Forum on the relevant Dedicated Schools Grant (DSG) allocation for High Needs, and to seek views on how the Local Authority intends to use this funding across the range of high needs activities for financial year 2025-26, including for schools. Halton schools' High Needs elements will be notified alongside mainstream and pre-school budget elements on or before 28th February 2025, in accordance with the national guidance.

2.0 RECOMMENDATION

That the contents of this report are noted.

3.0 SUPPORTING INFORMATION

3.1 Dedicated Schools Grant (DSG) settlement

The 2025-26 DSG settlement was announced on 18th December 2024 allocating Halton a total of £168.551m, which is broken down as £117.833m for the Schools Block, £0.765m for the Central Schools Services Block, £29.267m for the High Needs Block, and £20.686m for the Early Years Block.

3.2 High Needs Block

The High Needs Block allocation has been announced as £29.267m, before Academy and Further Education (FE) recoupment, but including the deduction in respect of net exports of SEND children being educated in other areas.

Academy and FE recoupment will be £3.806m for the per place funding element deductions, as identified by the DfE published allocations. No intra-block transfer additions have been applied this year (for the first time, Schools Block faced a small shortfall). For 2025-26 Halton therefore has £25.461m for distribution to specialist providers, and to contribute to supporting the ongoing cost pressures being faced by the High Needs block.

This allocation represents at the high level an increase of 8% in annual funding, within which both inflationary pressures and increases in demand, must be accommodated.

Schools' Forum is requested to note the funding rates to be applied to the High Needs block allocations on the basis of 'place plus' (top-up) funding for specialist provision including Mainstream SEND Units.

Mainstream Schools with Resource Units - Funding 2025-26

Mainstream units (resource bases) are funded on a 'place plus' basis where the Place funding element is set at £6,000 per occupied place and £11,000 for unoccupied places. The occupied rate is less, as it is expected that the children being supported in the special units will also be on roll at the school, and therefore also included in the main school formula funding allocation (so-called *notional* funding). The actual amount of funding each child will attract through the mainstream funding formula will vary with individual characteristics, but it is reasonable to assume that at least some of the additional factors will be triggered (Free school meal entitlement, postcode deprivation, low attainment), above and beyond the basic per pupil amount, meaning that each will generate at least the £5,000 difference.

The 'plus' element is the top-up funding provided for occupied places, and is subject to Forum approval. LA recommendations are as per the table below:

School / Academy	Unit	2024-25 rounded	2025-26 rounded	2025-26 Uplift
Primary		£	£	%
Weston Point	EBD	5,537	5,648	2%
Halton Lodge	SEMH	12,475	12,725	2%
The Brow*	KS 1 Assessment	3,282	3,348	2%
The Brow*	KS2 SPL	0	7,272	
Woodside	EBD	4,478	4,568	2%
Woodside	KS1 SEMH	7,129	7,272	2%
Beechwood	SEMH	7,129	7,272	2%
Kingsway Academy (Simms Cross)	KS1/2 ASD	4,956	5,055	2%
Kingsway Academy	KS1/2 ASD	7,129	7,272	2%
Oakfield	KS 1 Assessment	4,491	4,430	2%
Oakfield	KS2 SPL		7,272	
Oakfield	KS1 SLCN	7,129	7,272	2%
Oakfield	KS2 SLCN	7,129	7,272	2%
Palace Fields	SPL		7,272	
The Grange	KS1/2 ASD	6,374	6,501	2%
Astmoor	KS1 SEMH	7,129	7,272	2%
Astmoor	KS2 SEMH	7,129	7,272	2%
St Basil's*	EYFS Assessment	7,129	7,272	2%
St Basil's	EY/KS 1 Assessment	7,129	7,272	2%
Victoria Road	KS1 SEMH	7,129	7,272	2%
Victoria Road	KS2 SEMH	7,129	7,272	2%
Westfield	KS1 SLCN	7,129	7,272	2%
Westfield	KS2 SLCN	7,129	7,272	2%

Secondary

The Grange	KS3/4 ASD	10,283	10,489	2%
Sts. Peter & Paul	KS3/4 ASD	8,942	9,121	2%
Sts. Peter & Paul*	KS3 ASD (Oratory)	9,592	9,784	2%
Sts. Peter & Paul**	KS4 ASD	9,592	9,784	2%

* expected operational during 2025/26

**expected operational during 2026/27

Special Schools and Pupil Referral Unit (PRU)

Special Schools and PRUs are funded on a place plus basis where the Place funding element is set at £11,000 per place, whether occupied or unoccupied (as there is no mainstream funding element to differentiate). For Special Schools the *plus* element is the top-up funding provided for occupied places only and is based on a Banding system which recognises the severity of SEND and associated support requirements, in accordance with the individual pupils' Education Health and Care Plans (EHCP). The top-up banding values vary per school, recognising the differing running costs at each.

The PRU top up value is intended to contribute to all running costs, including vocational courses for pupils. Where schools and academies commission any places directly with the PRU, then they are responsible for funding the top-up element.

Plus (top-up) Funding per Special School and PRU:

School	Banding	2024-25	2025-26	2025-26 Uplift
		£	£	%
Ashley	Level 1	8,267	8,432	2%
	Level 2	11,020	11,240	2%
	Level 3	16,554	16,885	2%
Chesnut Lodge	Level 1	11,023	11,243	2%
	Level 2	13,210	13,474	2%
	Level 3	16,641	16,974	2%
Brookfields	Level 1	6,737	6,872	2%
	Level 2	10,179	10,383	2%
	Level 3	17,142	17,485	2%
Cavendish	Level 1	8,435	8,604	2%
	Level 2	11,063	11,284	2%
	Level 3	16,483	16,813	2%
The Bridge - PRU	Level 1	16,822	17,158	2%

For transparency, all Special Schools and the PRU will be provided with confirmation of their 2025-26 budget allocations with an individual notification highlighting all funding factors, values, termly payment profile, and ESFA recoupment where applicable.

Further Education (FE) Element 3 Top-Up Funding

The High Needs DSG statutory guidance stipulates that the Local Authority must treat FE establishments fairly and consistently when making arrangements to fund young

people with high needs.

As with other top-up elements, Halton proposes to apply a 2% uplift to FE element 3 funding with effect from April 2025.

Schools' Forum is therefore requested to support the uplift for 2025-26 as outlined above.

These allocations, and consequent budgetary totals, are illustrated in more detail in **Appendix A**, attached.

4.0 POLICY IMPLICATIONS

High Needs pressures will impact on the Delivering Best Value programme.

5.0 FINANCIAL IMPLICATIONS

5.1 The financial aspects outlined throughout this paper have been developed in accordance with statutory financial regulations, and operational guidance relevant to the Dedicated Schools Grant (DSG) requirements.

5.2 The proposals included within this paper are intended to be funded from within the available DSG High Needs block allocation provided for 2025/26. As we have seen, this is a planned uplift figure from 2024/25. Recognition of this, and appreciation of schools' inflationary costs, is the rationale for applying a 2% percentage increase to all top-up rates, as well as addressing the anomalous situation with several resource base provisions currently receiving only place-based funding.

5.3 Projected costs for all anticipated demands on High Needs funding, as shown in **Appendix A**, total to a gross estimate of £38.737m, a substantial amount in excess of gross High Needs allocation of £29.267m. Significant expansions in numbers and specifications of resource bases, increasing numbers and costs of out-of-borough provision, increases in numbers and value of EHCP (Education & Health Care Plan) assessments are all contributory factors in generating an initial forecast shortfall of £9.47m.

5.4 Maintaining all top-up figures at 2024/25 levels i.e. not applying a 2% uplift, would reduce the initial shortfall by £241k, from £9,470,512 to £9,229,682, and not now applying top-ups to those bases not currently in receipt would reduce it by a further £223K. Clearly such strategies would need to form part of a far greater package of measures to have any real significance.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Improving Health, Promoting Wellbeing and Supporting Greater Independence

To ensure that in Halton children and young people are safeguarded, healthy and happy, and receive their entitlement of high quality services that are sensitive to need, inclusive and accessible to all.

6.2 Building a Strong, Sustainable Local Economy

To create an economically prosperous Borough that encourages investment, entrepreneurship, enterprise and business growth, and improves the education, skills and employment prospects of our residents and workforce so they can share in all the opportunities Halton affords.

6.3 Supporting Children, Young People and Families

It is essential that sufficient funding is available to support all children and young people, irrespective of their level of need.

6.4 Tackling Inequality and Helping Those Who Are Most in Need

High Needs budgets are key to improving outcomes for those children in greatest need.

6.5 Working Towards a Greener Future

None

6.6 Valuing and Appreciating Halton and Our Community

None

7.0 RISK ANALYSIS

Failure to comply with the statutory financial regulations and operational guidance relevant to Dedicated Schools Grant (DSG) requirements could result in formal intervention by the Department for Education (DfE).

8.0 EQUALITY AND DIVERSITY ISSUES

The Local Authority must discharge its statutory responsibilities in relation to all schools and settings.

9.0 CLIMATE CHANGE IMPLICATIONS

None.

10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

- 10.1 Background papers and further information, including the statutory guidance that has informed this report, can be obtained via Gov.uk

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Appendix A High Needs Commitments 2025-26

			2025/26 GROSS BUDGET	
Resource Units	<i>Primary</i>			
	Weston Point (A)	EBD	£93,184	
	Halton Lodge (A)	SEMH	£112,350	
	The Brow (M) 1	KS1 Assessment	£126,526	
	The Brow (M) 2	KS2 SPL	£228,105	
	Woodside (M) 1	EBD	£95,112	
	Woodside (M) 2	KS1 SEMH	£92,904	
	Beechwood (M)	SEMH	£106,176	
	Kingsway (A) 1	KS1/2 ASD	£265,320	
	Kingsway (A) 2	KS1/2 ASD	£157,357	
	Oakfield (M) 1	KS1 Assessment	£74,067	
	Oakfield (M) 2	KS2 SPL	£159,264	
	Oakfield (M) 3	KS1 SLCN	£106,176	
	Oakfield (M) 4	KS2 SLCN	£113,567	
	Palace Fields (A)	SPL	£132,720	
	The Grange (A)	KS1/2 ASD	£312,525	
	Astmoor (M) (1)	KS1 SEMH	£106,176	
	Astmoor (M) (2)	KS2 SEMH	£106,176	
	St Basil's (M) 1	EYFS Assessment	£123,186	
	St Basil's (M) 2	EY/KS1 Assessment	£113,951	
	Victoria Road (M) 1	KS1 SEMH	£116,031	
	Victoria Road (M) 2	KS2 SEMH	£109,937	
	Westfield (M) 1	KS1 SLCN	£125,886	
	Westfield (M) 2	KS2 SLCN	£111,679	
	<i>Secondary</i>			
	The Grange (A)	KS3/4 ASD	£263,824	
	Sts Peter & Paul (M) 1	KS3/4 ASD	£60,484	
	Sts Peter & Paul (M) 2	KS3 (Oratory) ASD	£134,909	
	Sts Peter & Paul (M) 3	KS4 ASD (Sept 26)	£0	
				£3,547,592

Special Schools	Ashley (M)	L1	£1,554,560
		L2	£444,800
		L3	£752,895
	Chesnut Lodge (M)	L1	£311,402
		L2	£318,162
		L3	£1,700,440
	Chesnut Lodge (M)	Exceptional	£0
	Brookfields (A)	L1	£160,848
		L2	£1,389,895
		L3	£1,623,645
	Cavendish (A)	L1	£450,892
		L2	£1,158,768
		L3	£890,016
	Cavendish (A)	Exceptional	£51,000
Raise (F)		£954,360	
Ashley	Individual Pupils	£29,570	
Chesnut Lodge	Individual Pupils	£68,419	
Brookfields	Individual Pupils	£25,523	
Cavendish	Individual Pupils	£109,235	
			£11,994,430

Pupil Referral Units	The Bridge	L1	£2,787,642
	The Bridge	Exceptional	£48,348

EHCP Top-Ups	Primary (Maintained)		£2,413,075
	Secondary (Maintained)		£152,992
	Primary (Academy)		£1,015,200
	Secondary (Academy)		£1,310,438

Other	Out of Borough Placements		£9,227,983
	Post-16 Further Education Colleges		£3,893,744
	Therapy		£20,400
	SEN Support Services		£2,280,293
	Support for Inclusion		£45,492

TOTAL EXPECTED HIGH NEEDS COMMITMENTS 2025/26			£38,737,629
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REPORT TO:	Schools Forum
DATE:	26 th February 2025
REPORTING OFFICER:	Operational Director – Finance
PORTFOLIO:	Children, Young People & Families
SUBJECT:	DSG Forecast Outturn for 2024-25
WARD(S)	Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To report the Dedicated Schools Grant forecast outturn for 2024-25.

2.0 RECOMMENDATION: That

2.1 The report is noted.

3.0 SUPPORTING INFORMATION

3.1 Grant settlement

The finalised Dedicated Schools Grant allocation for 2024-25 is £154,132,652, following revisions to Central Schools Services and Early Years blocks:

Schools Block	£111,188,230
CSSB	£ 751,280
Early Years Block	£ 15,113,932
High Needs Block	£ 27,079,210

Of this, £58,637,374 is recouped from the Schools Block for direct funding of mainstream Academies, and an estimated £3,305,167 recouped from the High Needs Block for academies and further education. These figures are based on the latest (November) DSG settlement update provided by the DfE.

3.2 Schools Block

There was no block transfer in current years against the High Needs Block, meaning the balance of £111,188,230 was fully devolved to mainstream primary and secondary schools and academies through the local funding formula.

We are mirroring the National Funding Formula (NFF) factors and criteria, as well as the NFF cash values for all formula components.

3.3 Central Schools Services Block (CSSB)

The CSSB of £751,280 is currently forecast to budget in respect to the central services supported by this block.

3.4 Early Years Block

The Early Years Block of £15,113,932 is currently forecast to budget and is subject to future variation based on termly headcount data.

3.5 High Needs Block

The High Needs block allocation of £27,079,210 is reduced by FE recoupment of £3,305,167 and the balance of £23,774,043 is insufficient to meet the total estimated expenditure required for 2024-25.

The recurring areas of pressure are as a result of increasing volumes of children referred for Education Health and Care Plans (EHCPs) and associated costs.

We are currently facing an in-year deficit of £5,352,067 within the High Needs Block. The main areas that are overspending are:

	Budget	Forecast	Variance
Top-up funding	£10,455,348	£13,211,393	-£2,756,045
INMSS	£ 6,363,210	£ 8,877,983	-£2,514,773
Inter-Authority	£ 603,990	£ 685,239	-£ 81,249

3.6 DSG Balances

Taking into account the deficit brought forward from 2023-24 of £5,348,546 and anticipating the ongoing pressures specifically faced by the High Needs Block forecasting an in-year deficit of £5,352,067, the cumulative forecast deficit by the end of 2024-25 (31st March 2025) is £10,700,613.

The accumulating deficit has resulted in Halton being included in tranche 3 of the DfE intervention 'Delivering Better Value (DBV) in High Needs where work is currently in progress to develop a realistic and robust recovery plan that will require the approval of the DfE.

4.0 POLICY IMPLICATIONS

None

5.0 FINANCIAL IMPLICATIONS

5.1 Further savings and reducing overspends are essential to getting back to a balanced DSG position.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Improving Health, Promoting Wellbeing and Supporting Greater Independence

None

6.2 Building a Strong, Sustainable Local Economy

None.

6.3 Supporting Children, Young People and Families

It is essential that schools and education support services receive sufficient funding to allow them to support all children and young people.

6.4 Tackling Inequality and Helping Those Who Are Most in Need

The High Needs budgets – those under greatest pressure – are key to improving outcomes for those greatest in need.

6.5 Working Towards a Greener Future

None.

6.6 Valuing and Appreciating Halton and Our Community

None.

7.0 RISK ANALYSIS

7.1 Continued overspending against DSG will impede plans to change and improve services and provision.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 The Local Authority must discharge its statutory responsibilities in relation to all schools and settings.

9.0 CLIMATE CHANGE IMPLICATIONS

9.1 None

10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

10.1 None under the meaning of the Act.