

Meeting of:	Cabinet
Date of Meeting:	Thursday, 17 July 2025
Relevant Scrutiny Committee:	Start Well Scrutiny Committee
Report Title:	New Charging Policy for Out of County Pupils Attending Ysgol Y Deri
Purpose of Report:	To seek Cabinet approval to implement a new charging policy for out of County pupils attending Ysgol y Deri with effect from September 2025
Report Owner:	Cabinet Member for Education, Arts and the Welsh Language
Responsible Officer:	Director of Learning and Skills
Elected Member and Officer Consultation:	<p>Head of ALN and Wellbeing</p> <p>Head of Strategy, Community Learning and Resources</p> <p>Operational Manager Strategy and Resources</p> <p>Head of Finance/Section 151 Officer</p> <p>Operational Manager Accountancy</p>
Policy Framework:	This is a matter for Executive decision by Cabinet.
<p>Executive Summary:</p> <ul style="list-style-type: none"> • This report outlines the proposed new charging structure for out of County pupils at Ysgol Y Deri from September 2025. • The current charges for Ysgol Y Deri rely on an outdated method of categorisation based on whether a pupil has autism, physical medical needs or moderate learning difficulties. • The proposed charging structure would ensure that the cost for out of County pupils accurately reflect the actual cost of educating the pupils and brings charges in line with the provisions of the special school funding formula. • Ysgol Y Deri is funded via a formula based on pupil bandings (Bands A to E), where the formula funding of each band is based on the level of need each pupil requires in terms of teaching and LSA ratios, therapies and resources. • Aligning the charges for out of County pupils with the special school funding formula will ensure that charges are reflective of the actual cost per pupil. 	

Recommendation

1. That Cabinet approves the new charging policy for out of County pupils at Ysgol Y Deri from September 2025.

Reason for Recommendation

1. To ensure that the charges for out of County pupils at Ysgol Y Deri reflect the cost of the service, linking charges to the special school funding formula.

1. Background

- 1.1 The current recoupment charges for out of County pupil placements at Ysgol Y Deri are based on the diagnosed condition of each pupil and charges vary on whether a pupil has autism, physical medical needs or moderate learning difficulties. This historic charging policy originates from a time prior to the opening of Ysgol Y Deri, when there were three separate special schools in the Vale of Glamorgan that accommodated different pupils based on their diagnosed condition.
- 1.2 Following the establishment of Ysgol Y Deri, pupils with a variety of diagnosed conditions are now educated at one school.
- 1.3 The Ysgol Y Deri funding formula was reviewed in 2016/17, and a new formula was implemented in April 2017. This new formula provides funding to the school based on each pupil's level of need rather than their diagnosed condition. Pupils are assigned to bands, in categories (Bands A to Band E) which vary based on the level of support and relevant teaching and LSA ratios required for each pupil. This new formula recognises that the level of support required by each pupil is not always driven by a pupil's diagnosed condition.
- 1.4 As the historic charging policy for out of County pupils is based on pupil condition, rather than the special schools funding formula banding system, the charges to other Local Authorities are not always reflective of the actual cost of each pupil to the Council. Some charges are more than the formula cost per pupil, whereas some charges are less.
- 1.5 In order to align the charging policy for Ysgol Y Deri, with the cost of each pupil per the funding formula, it is proposed that a new charging policy is introduced from September 2025.

2. Key Issues for Consideration

- 2.1 The Education (Areas to which Pupils and Students Belong) Regulations 1996, the Wales amendment 2009 and The Education (Inter-Authority recoupment) Regulations 1994, give Local Authorities the power to charge for pupils placed in special schools that belong to other Local Authorities.

- 2.2** There are currently 21 pupils attending Ysgol Y Deri that reside in other Local Authorities. 14 belong to Cardiff Council and the remaining 7 belong to Bridgend, Caerphilly, Newport, and Rhondda Cynon Taf.
- 2.3** There are 3 primary and 18 secondary aged out of County pupils attending Ysgol Y Deri, with a higher proportion of pupils being in the older year groups. Implementation of this new charging policy would result in a clear auditable methodology for charging which can be traced back to the funding formula for the school.
- 2.4** The proposed charges are calculated based on a variable cost per pupil, which will be linked to the special school funding formula banding system, a proportion of the fixed costs allocated within the special school funding formula and an admin fee based on 5% of the lowest charge.
- 2.5** The following table identifies the proposed charging structure proposed from September 2025. The pupil banding column reflects the pupil banding allocation within the special school funding formula. The fixed cost charge is based on the elements in the special school formula which are not pupil led, divided by the number of pupils at the school. The admin fee is based on 5% of the lowest charge.

Proposed charges	Pupil Banding	Fixed Cost	Admin Fee	Annual Charge 2025/26	Charge per term
Band A	£14,308.38	£3,098.75	£870.36	£18,277	£6,093
Band B	£14,308.38	£3,098.75	£870.36	£18,277	£6,093
Band C	£34,649.91	£3,098.75	£870.36	£38,619	£12,873
Band D	£46,838.53	£3,098.75	£870.36	£50,808	£16,936
Band E	£77,310.09	£3,098.75	£870.36	£81,279	£27,093

- 2.6** It is proposed that each financial year the charges will be updated to reflect each year's new special school funding formula.
- 2.7** In addition to the current revenue charges for placements at Ysgol Y Deri, some Local Authorities are also charged a capital value of £13,114 per pupil which was directed into the Schools Investment Strategy Fund. This capital charge was to ensure that other Local Authorities had contributed to the building cost of Ysgol Y Deri.
- 2.8** Not all Local Authorities are charged this annual capital fee. For the 2025/26 financial year, the capital fee was charged to pupils from Bridgend, Caerphilly, Newport, and Rhondda Cynon Taf.
- 2.9** Cardiff has never paid an annual capital fee per pupil, as the Local Authority donated a lump sum to the capital project.
- 2.10** It is proposed that this capital fee is now ceased from September 2025.

- 2.11** Local Authorities were written to in June 2025 to advise of the proposed new charging policy, subject to Cabinet decision.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

3.1 The Vale of Glamorgan Council is committed to being a welcoming and supportive place for all residents, and the Council promises to continue working together with communities and partners to deliver these goals for the benefit of everyone. We have set out an ambitious programme of work to deliver our vision of Strong Communities with a Bright Future and to achieve five objectives.

3.2 The proposed change in funding arrangements would support 3 of the 5 objectives:

- Giving everyone a good start in life
- Supporting and protecting those who need us
- Being the best Council we can be.

3.3 The Well-being of Future Generations Act 2015 (“the 2015 Act”) requires the Council to think about the long-term impact of their decisions, to work better with people, communities and each other and to prevent persistent problems such as poverty, health inequalities and climate change. To make sure we are all working towards the same purpose, the 2015 Act puts in place seven well-being goals on the Council. The 2015 Act makes it clear the listed public bodies must work to achieve all of the goals, not just one or two, these being:

- A prosperous Wales
- A resilient Wales
- A healthier Wales
- A more equal Wales
- A Wales of cohesive communities
- A Wales of vibrant culture and Welsh Language
- A globally responsible Wales

3.4 This proposed change in funding arrangements would contribute to achieving the wellbeing goals by:

- Ensuring a more efficient financial model for ALN management in the Vale of Glamorgan.
- Ensuring a more equitable distribution of specialist resources.

3.5 The 2015 Act sets out five ways of working needed for the Council to achieve the seven well-being goals, these being:

- The importance of balancing short-term needs with the needs to safeguard the ability to also meet long-term needs.

- Considering how the Council's objectives impact upon each of the wellbeing goals listed above.
- The importance of involving people with an interest in achieving the well-being goals and ensuring that those people reflect the diversity of the area which the Council services.
- Acting in collaboration with other persons and organisations that could help the Council meet its wellbeing objectives.
- Acting to prevent problems occurring or getting worse.

4. Climate Change and Nature Implications

- 4.1** 1.2 There are no climate change and nature implications arising as a result of this report.

5. Resources and Legal Considerations

Financial

- 5.1** The purpose of the new charging policy is not to generate additional income but to ensure that Local Authorities are charged the actual cost of their pupils attending Ysgol y Deri.
- 5.2** The new charging policy will be directly linked with the pupil banding system within the special school's funding formula.
- 5.3** Charging for pupils based on their banding category, will result in increased charges for some pupils and decreased charges for others.
- 5.4** The overall net increase in revenue income for the 2025/26 financial year is estimated at £25,000, which is subject to pupil banding which can differentiate if a pupils' needs should change from one year to the next.
- 5.5** The capital fee charged to some Local Authorities towards the building cost of Ysgol Y Deri will cease from September 2025. In the 2024/25 financial year, £67k was charged to other Local Authorities in respect of capital charges, which was transferred into the schools' investment strategy reserve.
- 5.6** The out of County pupil population at Y Deri is decreasing each year as other Local Authorities have invested in their own provision and school spaces in Ysgol Y Deri are being fully utilised by Vale of Glamorgan pupils. It is envisaged that recoupment income will continue to reduce each year based on the current out of County population which can primarily be found in the older school age groups.

Employment

- 5.7** There are no matters in this report relating to employment.

Legal (Including Equalities)

- 5.8** The Council is committed to meeting the requirements of the Additional Learning Needs and Education Tribunal Act 2018 (ALNET Act 2018) in transforming expectations and outcomes for children and young people with additional learning needs (ALN). This provides a new statutory framework for supporting children with additional learning needs (ALN) and is accompanied by a mandatory Code which makes sure that the new system has a set of clear, legally enforceable parameters within which Local Authorities, schools, further education colleges and health services responsible for the delivery of services to children and young people with ALN must act. The aim of the new approach, as stated in the Code is as follows: To support the creation of a fully inclusive education system where all learners are given the opportunity to succeed and have access to an education that meets their needs and enables them to participate in, benefit from, and enjoy learning.
- 5.9** The Education (areas to which Pupils and Students Belong) Regulations 1996 and The Education (Inter-Authority Recoupment) Regulations 1994 allow Local Authorities to charge for pupils in special schools belonging to other Local Authorities.
- 5.10** Section 13A(3) of the Education Act 1996 states that a Local Authority in Wales must ensure that their relevant education functions and their relevant training functions are exercised by the Authority with a view to promoting high standards and the fulfilment of learning potential by every person to whom the subsection applies, including those who are of compulsory school age or are below school age and are registered as pupils at schools maintained by the Authority.

(3) The Well-being of Future Generations (Wales) Act 2015

- 5.11** The Well-being of Future Generations (Wales) Act 2015 ('the 2015 Act') sets out new ways of working – of planning and making decisions – for Local Authorities and other public bodies it lists. The aim is that, by improving these things, the overall well-being of Wales will be better improved by the things public bodies collectively do. The Act and the statutory guidance make it clear that Local Authorities must, in the course of their corporate planning and their delivery against those plans:
- balance short term needs against the ability to meet long term needs;
 - think about the impact their objectives have on other organisations' objectives, and on the well-being of Wales, in an integrated way;
 - involve in those processes people who reflect the diversity of the population they serve;
 - work together collaboratively with other organisations to better meet each other's objectives; and
 - deploy their resources to prevent problems from getting worse or from occurring in the first place.

5.12 The statutory guidance, for organisations subject to the Act, sets out the expectations for how the duties should be met: <https://gov.wales/well-being-of-future-generations-wales>

5.13 The Act itself is available to view online:
<https://www.legislation.gov.uk/anaw/2015/2/contents/enacted>

(4) Equalities Act 2010

5.14 The Council has to satisfy its public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties Council's must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics.

(5) The Equality Act (Authorities subject to a duty regarding Socio economic Inequalities) (Wales) Regulations 2021

5.15 On the 10 and 11 March 2021 respectively, the Equality Act (Authorities subject to a duty regarding Socio-economic Inequalities) (Wales) Regulations 2021 (SI 2021/295) and the Equality Act 2010 (Commencement No 15) (Wales) Order 2021 (SI 2021/298) were made, and the 'socio-economic' inequality duty under the Equality Act 2010 and make public bodies subject to the duty.

5.16 A commencement order and regulations were made concerning the coming into force of the public sector duty regarding socio-economic inequalities, as follows:

- *The Equality Act 2010 (Commencement No 15) (Wales) Order 2021 (SI 2021/298)* was made on 11 March 2021 brought section 1 (that is, the socio-economic inequality duty) and section 3 (enforcement for the purposes of section 1) of the Equality Act 2010 into force on 31 March 2021
- *The Equality Act (Authorities subject to a duty regarding Socio-economic Inequalities) (Wales) Regulations 2021 (SI 2021/295)* were made on 10 March 2021 and came into force on 30 March 2021. The Regulations make specific Welsh public bodies subject to the socio-economic inequality duty when the duty is brought into force under the above Order.

5.17 The Socio-economic duty places a duty on the Council, as a public sector organisation in Wales, to consider how it might help reduce the inequalities associated with socio-economic disadvantage when strategic decisions are made, including decision which would include deciding priorities and setting objectives, such as:

- Strategic directive and intent.
- Strategies developed at Regional Partnership Boards and Public Service Boards which impact on a public body's functions.
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans).
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy).

- Changes to and development of public services.
- Strategic financial planning.
- Major procurement and commissioning decisions.
- Strategic policy development.

5.18 When making a decision or reviewing a previously made strategic decision made about how to exercise their functions, the Council must show that it has had 'due regard' (giving weight to a particular issue in proportion to its relevance) to the desirability of exercising them in a way that is designed to reduce the inequalities of outcome which result from socio-economic disadvantage. Those subject to the duty includes government ministers and departments, Local Authorities, and NHS bodies.

6. Background Papers

None.