

LANCASHIRE SCHOOLS FORUM

The meeting scheduled for Tuesday 24 March 2020 has been cancelled, to be replaced by decision making using the Forum's Urgent Business Procedure.

Further information will be provided about how you can let us know your views on the matters to be considered.

A G E N D A

1. Attendance and Apologies for Absence

No longer required.

2. Substitute Members

No longer required.

3. Forum Membership (Enclosure)

To note the Forum membership report.

4. Minutes of the Last Meeting held on 14 January 2020 (Enclosure)

To agree the minutes of the last meeting held on 14 January 2020.

5. Matters Arising

To consider any matters arising from the minutes of the meeting held on 14 January 2020 that are not covered elsewhere on the agenda.

6. Apprenticeship Levy Update (To Follow)

The presentation by the apprenticeship levy team updating members on Schools Apprenticeship Levy issues has been postponed.

A briefing paper will be circulated separately.

7. Recommendations from the Schools Block Working Group (Enclosure)

To consider the recommendations from the Schools Block Working Group held on 10 March 2020.

8. Recommendations from the High Needs Block Working Group (Enclosure)

To consider the recommendations from the High Needs Block Working Group held on 5 March 2020.

9. Recommendations from the Early Years Block Working Group (Enclosure)

To consider the recommendations from the Early Years Block Working Group held 25 February 2020

10. Recommendations from Chair's Working Group (Enclosure)

A background paper is attached. The recommendations from the Chair's Working Group which will be obtained electronically and made available to the Forum in due course.

11. Forum Correspondence (Enclosure)

To consider the forum related correspondence received since the last Schools Forum meeting.

12. Urgent Business (Enclosure)

To note decisions taken since the last meeting, using the Forum's urgent business procedure.

13. Any Other Business

To consider any other items of Forum business.

14. Date of Future Meetings

To note that the next scheduled Forum meeting will be held at 10.00am Thursday 2 July 2020 at County Hall, Preston, subject to Covid-19 implications.

Lancashire Schools Forum meeting of 24 March 2020 at County Hall, Preston

Executive Summary

1. Attendance and Apologies for Absence and 2. Substitute Members

To note attendance and apologies for absence and welcome any substitute members.

3. Forum Membership

To note the Forum membership changes since the last meeting.

4. Minutes of the Last Meeting and 5. Matters Arising

To agree the minutes of the last meeting held on 14 January 2020 and any matters arising.

6. Apprenticeship Levy Update

The presentation by the apprenticeship levy team updating members on Schools Apprenticeship Levy issues has been postponed.

A briefing paper will be circulated separately.

7. Recommendations from the Schools Block Working Group

To consider the recommendations from the Schools Block Working Group held on 10 March 2020

i. Schools Block Budget

This report provided an update on the finalisation of the Schools Budget 2020/21, other government funding announcements for 2020/21 and on early information about possible school funding developments in 2021/22 and beyond.

The Working Group:

- a) Noted the information provided;*
- b) Asked to be kept informed of future developments.*

ii. School Resource Management Adviser (SRMA)

This report provided an update and the latest SRMA developments, including reports from SMRA visits in Lancashire and the published ESFA report on the School Resource Management Adviser Pilot evaluation.

The Working Group:

Noted the report.

iii. Inclusion Hub Funding

This report provided information on the methodology for distributing Inclusion Hub funding to districts in 2020/21, which included a pupil numbers and deprivation factor.

The Working Group:

- a) Noted the report;*
- b) Asked that information be requested in relation to the primary inclusion hub impact and any secondary sector developments.*

iv. *High Needs Block Provision Task and Finish Group Report*

A brief verbal update was provided for the working group, which indicated that work on the Task and Finish Group work themes was continuing, with many tasks now embedded in ongoing county council processes.

The Working Group:

- a) *Noted the information provided.*
- b) *Welcomed the work that was continuing around the HNB T&F group themes as part of the ongoing work of the county council.*

v. *Embedding System Leadership*

This report provided information about 'Defining a new relationship with schools - Embedding System Leadership'.

The Working Group:

- a) *Noted the information provided.*
- b) *Asked that a link to the new website be circulated to members.*

The Forum are asked to ratify the Working groups recommendations.

8. Recommendations from the High Needs Block Working Group

To consider the recommendations from the High Needs Block Working Group held on 5 March 2020.

i. *High Needs Commissioned Places*

Following comments received in the last Schools Budget setting round, the LA has been reviewing the communication process around commissioned place numbers.

The Working Group:

- a) *Welcomed the proposed earlier communication process around commissioned places.*

ii. *High Needs Block Funding*

This report provided an update on the finalisation of the Schools Budget 2020/21, other government funding announcements for 2020/21 and on early information about possible high needs funding developments in 2021/22 and beyond.

The Working Group:

- a) *Noted the information provided.*

iii. *Developing the Approach and Provision for Children and Young People with Special Educational Needs and Disabilities*

The LCC Cabinet approved a number of recommendations arising from a report titled 'Developing the Approach and Provision for Children and Young People with Special Educational Needs and Disabilities'. The role of the Forum and the HNB Working Group were formally set out in the strategy.

The Working Group:

- a) *Noted the report;*
- b) *Welcomed the formal strategy agreed by Cabinet and the identified links to the Schools Forum and High Needs Block Working Group which are set out in the Funding and Governance section of the Special Educational Needs and Disability Sufficiency Strategy 2019 – 2024;*
- c) *Welcomed the additional places being offered in the Lancaster area, but also asked that the use of the former Skerton High School site be considered as a possible location to provide additional high needs places in the area;*
- d) *Asked what plans the county council may have for the Broadfield School site, if the school moved into the former Hameldon School premises;*
- e) *Enquired about the responses from mainstream schools to the request for expressions of interest to develop special educational needs units and asked for any further information around the funding of such units;*
- f) *Acknowledged that Inclusion Service colleagues were tied up with preparations for the OfSTED inspection so were unable to attend the March HNB meeting, but asked if the service could ensure representation at future meetings, and wondered if there was a possibility of someone being available at the Schools Forum meeting on 24 March 2020 to respond to the queries raised.*

iv. High Needs Block Provision Task and Finish Group Report

A brief verbal update was provided for the working group, which indicated that work on the Task and Finish Group work themes was continuing, with many tasks now embedded in ongoing county council processes.

The Working Group:

- a) *Noted the information provided.*
- b) *Welcomed the work that was continuing around the HNB T&F group themes as part of the ongoing work of the county council;*
- c) *Asked if it were possible for the Schools Forum to receive a brief update on 24 March around the specific T&F group themes and the involvement of Forum members;*

v. Embedding System Leadership

This report provided information about 'Defining a new relationship with schools - Embedding System Leadership'.

The Working Group:

- a) *Noted the report;*
- b) *Supported the educational vision behind the developments and the information provided at events throughout the county;*
- c) *Commented that it may have been preferable to host combined Headteacher and CoG events to ensure representatives from a school received an identical message;*
- d) *Acknowledged that there would always be uncertainties around any transition to a revised system/service offer;*
- e) *Welcomed the involvement of cross sector school representatives on the Steering Group and the intention to introduce a newsletter and website to aid communication of key issues;*
- f) *Requested that the names of the Steering Group representatives be published so that schools knew who to contact if they had queries or comments to feed into the process;*

- g) *Commented that there was a perception that schools buying into the SSG would be subsidising the cost of the networks for schools that chose not to buy SSG from Lancashire;*
- h) *Asked if information could be provided around the financial aspects of the new networks and the SSG offer;*
- i) *Asked if someone would be available to attend the Schools Forum on 24 March to respond to the queries raised.*

The Forum are asked to ratify the Working groups recommendations.

9. Recommendations from the Early Years Block Working Group

To consider the recommendations from the Early Years Block Working Group held on 25 February 2020.

i. SEN Inclusion Fund

As requested at the last Working Group, updated SEN Inclusion Fund information had been re-circulated.

The Working Group:

- a) *Noted the information.*

ii. Supplementary Claims Process for Maintained Settings

Following discussion at the last meeting, arrangements have been made to introduce a second supplementary payment opportunity for maintained settings from 2020/21.

The Working Group:

- a) *Noted the information.*

iii. Early Years Block Funding

This report provided an update on the finalisation of the Schools Budget 2020/21, other government funding announcements for 2020/21 and on early information about possible early years funding developments in 2021/22 and beyond.

The Working Group:

- a) *Noted the report and the final 2020/21 financial year funding decisions;*
- b) *Recommended that future communications about EY funding rates highlighted that deprivation supplements continued to be paid in addition to base rates.*

iv. Future of Maintained Nursery Schools

Information was provided in connection with a report presented to the LCC Cabinet about the future of maintained nursery schools.

The Working Group:

- a) *Noted the report.*

v. *Payments for Social Services Supported Children*

An update report on progress to revise procedures for payments for social services supported children, was presented.

The Working Group:

- a) *Noted the report;*
- b) *Welcomed the proposed introduction of the revised proforma and funding arrangements for social services supported children.*

vi. *Local Government Association (LGA) Early Years Peer Review*

A Local Government Association (LGA) Early Years Peer Review has been arranged in Lancashire on the 24th-27th March 2020. The Peer Review Team undertake a number of visits, meetings and focus groups with key groups/individuals.

The Working Group:

- a) *Noted the report;*
- b) *Relevant members were encouraged to participate in the peer Review process*

vii. *EY Sustain*

The Chair provided a brief update on 'ey sustain' a registered charity with funds to provide free financial and business consultancy to Early Years settings in Lancashire in the private, voluntary and independent sector.

The Working Group:

- a) *Noted the report.*
- b) *Requested that a copy of the NDNA document be forwarded to members.*

The Forum are asked to ratify the Working groups recommendations.

10. Recommendations from Chair's Working Group

A background paper is attached. The recommendations from the Chair's Working Group which will be obtained electronically and made available to the Forum in due course.

11. Forum Correspondence

To consider the Forum related correspondence received since the last meeting.

12. Urgent Business

To note decisions taken since the last meeting, using the Forum's urgent business procedure.

13. Any Other Business

To consider any other items of Forum business.

14. Date of Future Meetings

To note that the next scheduled Forum meeting will be held at 10.00am Thursday 2 July 2020 at County Hall, Preston, subject to Covid-19 implications.

LANCASHIRE SCHOOLS FORUM

Date of meeting 24 March 2020

Item No 3

Title: Forum Membership

Executive Summary

This report summarises the changes to the Forum membership since the last meeting.

Forum Decision Required

The Forum is asked to:

- a) Note the report and information about the annual membership review;**
- b) Thank Brendan Hassett for his contribution to the Forum.**

Individual members are asked to consider volunteering as Brendan's replacement on the BT Lancashire Services - Schools' Focus Group.

Individual members are asked to respond to the membership review communication if they have not already done so.

Background

This report provides information on Forum membership issues that have arisen since the last Forum meeting. Details are provided below.

i. Primary School Headteacher Representative

Brendan Hassett, Headteacher of Carter's Charity Primary School has recently resigned from the Forum, as he has just taken up a role as an Ofsted Inspector.

The county council will make arrangements to appoint a replacement primary school Headteacher, as part of the Forum annual membership review.

Brendan was also one of the Schools Forum representatives on the BT Lancashire Services - Schools' Focus Group. This group provides a direct link to BT Lancashire Services officers to discuss ICT or Payroll & Recruitment Services related issues.

The Forum will wish to thank Brendan for his contribution to the Forum.

Individual members are asked to consider volunteering as Brendan's replacement on the BT Lancashire Services - Schools' Focus Group.

ii. Schools Forum Annual Membership Review for September 2020

The Schools Forum regulations require that the balance of Forum membership is kept under review to ensure that the number of primary, secondary and academy members are reflective of the pupil population at these schools.

The current membership breakdown for these categories is:

- Primary schools 22 representatives;
- Secondary schools 12 representatives;
- Academies 6 representatives.

The January 2020 pupil data has been requested to calculate if any alternation to the membership split is needed, and if the numbers are received in time, the assessment will be reported to the meeting, including any known academy conversions.

The Forum's Operational Arrangements also include the following section in relation to the schools membership arrangements:

"A minimum of 10% of schools members of the Forum shall be re-elected each year. If this has not occurred through normal turnover, then, in the first instance, the LA shall contact annually all existing schools members to ascertain if individuals wish to continue to serve on the Forum. In the event that more than 90% of the schools members wish to continue, appointment date and term of office will be taken into account, and if necessary lots will be drawn to identify which members are no longer able to serve on the Forum."

All schools members of the Forum have been contacted to ascertain if members wish to continue on the Forum in September 2020. Responses are requested by requested by Friday

3 April 2020, so that any necessary appointments and elections can take place in the summer term 2020.

The Forum are asked to note the annual membership review.

Individual members are asked to respond to the membership review communication if they have not already done so.

LANCASHIRE SCHOOLS FORUM

MINUTES OF THE MEETING HELD AT 10:00 A.M. ON TUESDAY, 14 JANUARY 2020 AT THE EXCHANGE, COUNTY HALL, PRESTON

Present:

Schools Members:**Primary School Governors**

Ian Ball
 Stephen Booth (Vice-chair)
 Gerard Collins
 Eleanor Hick
 Lesley Millard
 Michelle O'Neill
 Robert Waring

Primary School Headteachers

Cathryn Antwis
 Daniel Ballard
 Sarah Barton
 Jenny Birkin
 Neil Gurman
 Brendan Hassett
 Deanne Marsh
 Lucy Sutton

Secondary School Governors

Janice Astley
 Brian Rollo
 Lorimer Russell-Hayes

Secondary School Headteachers

Steve Campbell
 Jan Marshall

Academy Governor

Helen Dicker
 Chris McConnachie
 Louise Shaw

Academy Principal/Headteacher

Gaynor Gorman
 Alan Porteous

Alternative Provision Academy**Special School Academy****Special School Governor**

Laura Brennan

Special School Headteacher

Peter Higham
 Shaun Jukes (Chair)

Short Stay Governor

Sandra Thornberry

Short Stay Headteacher

Christine Mitchell (sub for Anne Kyle)

Nursery School Headteacher

Jan Holmes

Nursery School Governor

Thelma Cullen

Members:**Early Years - PVI**

Sharon Alexander
 Anne Peet
 Philippa Perks (sub for Peter Hindle)

Observers

Nicola Bowering (Unison sub for Mark Evans)
 Liz Laverty (ASCL)
 Les Ridings (
 Karen Stephens (NAHT sub for David Fann)
 Sam Ud-din (LASGB)

Other Voting Members

CC Anne Cheetham

Observers - Members of the Public

Kathleen Cooper
 CC Jennifer Mein

In attendance: Helen Belden
Paul Bonser
Sarah Callaghan
Matthew Dexter
Andrew Good
Christine Hurford
Neil Rogerson
Kevin Smith

For Item

Sarah Callaghan, Director of Education and Skills, was welcomed to her first Forum meeting.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from: Chris Bagguley, Sandra Blight, Mark Evans, David Fann, Rosie Fearn, Peter Hindle, Mark Jackson, Angela Johnstone, Anne Kyle, Louise Martin, Laurence Upton, Tim Warren and Jill Wright.

2. SUBSTITUTE MEMBERS

The following substitute members attended this meeting of the Forum:

- Karen Stephens, Headteacher of Upholland Roby Mill CE Primary school attended in place of Dave Fann for the NAHT;
- Nicola Bowering attended for Mark Evans on behalf of Unison;
- Phillippa Perks attended for Peter Hindle, representing Early Years PVI Providers;
- Christine Mitchel attended on behalf of Anne Kyle for PRUs.

The Forum:

- a) **Welcomed the substitute members.**

3. FORUM MEMBERSHIP

A report was presented setting out the Forum membership changes since the last meeting.

The following members had resigned from the Forum

- Angela Holdsworth, from Tor View Specialist Learning Community;
- Ken Wales, Methodist Church/Free Churches Representative;
- Michelle Howard from the Lancashire Colleges.

The following new members have joined the Forum:

- Louise Parrish is the new Tor View representative, replacing Angela.
- Jonathan Walker, a governor at Chorley St James' Church of England Primary School has been appointed as the new Primary School Governor. This appointment was following an election took place in the autumn term 2019 to determine which of 3 primary school governor nominees should be appointed to the Forum. 49 votes were cast in the election process, representing an 11% turnout. Jonathan received 30 votes (61%).

The Forum:

- a) **Noted the report;**
- b) **Thanked Angela Holdsworth, Michelle Howard and Ken Wales for their contribution to the Forum;**

c) Welcomed Louise Parrish and Jonathan Walker to the Forum.

4. MINUTES OF THE LAST MEETING

The minutes of the last meeting held on 17 October 2019 were agreed as a correct record.

5. MATTERS ARISING

There were no matters arising from the minutes of the meeting held on 17 October 2019.

6. CONSIDERATION OF THE SCHOOLS BUDGET 2020/21

a) Schools Budget 2019/20

b) Recommendations from the Forum Chair's Group Budget Meeting

c) Formal Forum Decisions relating to the Schools Budget 2019/20

The Forum consider the 3 Schools Budget sub items as a single report.

A report was presented setting out information about the Schools Budget for 2020/21. This included information from the original report to the Forum and subsequent information from the Chair's Working Group meeting held on 9 January 2020. The overall DSG allocations were provided as set out in the table below and the report provided further details on how the funding blocks were calculated using the DfE's national funding formulae.

Forecast DSG Income 2020/21	£m's
Schools Block	781.518
High Needs Block	135.479
Early Years Block	80.468
Central Schools Services Block	6.387
Gross Total forecast DSG Income	1,003.852
Total deductions for direct high needs payments made by the ESFA	-7.880
Net Total forecast DSG Income	995.972

An initial estimated of the Schools Budget 2020/21 was also provided, as set out in the table below:

Forecast DSG Expenditure 2020/21	£m's
Schools Block	779.518
High Needs Block	127.137
Early Years Block	82.468
Central Schools Services Block	6.387
Additional High Needs places to be paid direct by ESFA	0.462
Total forecast DSG Expenditure	995.972

In aggregate terms the 2020/21 Gross DSG allocation is some £55m higher than that received in 2019/20. This increase is due to:

- The increased £2.6b funding nationally made available by Government, including £700m for HNB;
- The increased £66m nationally for the Early Years Block;
- An increase in the numbers of pupils in the Lancashire calculations of all funding blocks compared to 2019/20.

Further information on the 2020/21 budget proposals were presented to the meeting:

Schools Block 2020/21

The Forum previously agreed that the Government's NFF methodology should be used to make allocations to schools and academies from 2018/19.

2020/21 NFF changes include:

- Mandatory Minimum Pupil Funding levels (£5,000 per pupil for secondary; 3,750 per pupil for primary)
- 4% increase in most factor values;
- Formulaic mobility factor allocations

Modelling follows Schools Block recommendations of an MFG of +1.84% with no cap on gains. The NFF can be implemented in full as the local formula and leaves circa £2m of headroom (0.26% of the Schools Block, from the Growth allocation). Following consultation with schools, the Schools Block, recommended that headroom be transferred to support pressures in the other funding Blocks in 2020/21.

In connection with the Growth Funding, it was noted that the policy agreed by Schools Forum in January 2019 provided that schools are funded at the relevant Minimum Pupil Funding (MPF) rate contained in the National Funding Formula (NFF). It was therefore proposed that new Growth Fund allocations from April 2020 are paid at the new NFF MPF rates:

- Primary £3,750 per pupil;
- Secondary £5,000 per pupil.

High Needs Block (HNB) 2020/21

DfE announcements provide an extra £700m nationally for HNB in 2020/21 and Lancashire's share equates to circa £17m additional funding. Modelling of the additional HNB funding suggests that the forecast growth in expenditure from April 2020 can be covered and a similar level of increase to funding rates as that applying to the Schools Block rates can be afforded.

Details of these uplifts included:

Weighted Pupil Numbers (WPN)

- WPN rates across all school and FE settings to be increased by 5%
 - 4% similar to Schools Block NFF 20/21 uplift
 - plus 1% similarly received by mainstream schools in the 2 year NFF implementation 18/19 & 19/20
- Rate from April 2020 will be £4,305

Special Schools Specific

- School Specific realigned to be more equitable and transparent
 - on a total basis equating to circa 5%

PRUs

- Rate for School Specific allocations uplifted by 4%
- Rate for Excluded Pupils, Medical and Other pupils uplifted by 4%, in line with NFF rates

Hospital Education

- As per HNB WG recommendations Hospital Education budget increased to £858k
- Commissioned Places 2020/21

It was noted that HNB proposals incorporated place numbers as per the report to HNB WG.

In connection with HNB in future years, no confirmation from DfE had been received about any additional HNB allocations. HNB projects would continue locally to ensure that best use is being made of the High Needs resources available and minimise as far as possible the current future years forecasted overspends, now revised down to £25m by 2023/24.

Early Years Block (EYB) 2020/21

2020/21 allocations for 2, 3 and 4 years olds increased had by 8p per hour by DfE, although it was noted that Lancashire still receives the lowest allocation of EYNFF nationally (along with about 1/3 of LAs).

There remains considerable strain on the sector as cost pressures increase (particularly wage costs). It was therefore proposed to transfer all the £2m headroom from Schools Block to EYB.

This would provide for one year only:

- support to enable the increase in Government funding for 2 year olds to be passed on in full, currently the 2 year old base rate is subsidised by the 3&4 year funding in 2019/20;
- an local increase to the 3&4 year old base rates of an additional 8p per hour, in addition to that provided by the increased Government funding;
- an increased of £200k to the SEN Inclusion Fund from April 2020, to provide a higher budget to support early years pupils with high needs.

Proposals would provide the following rates for 2020/21:

- 2 Year Old Base rate- £5.08 per hour (compared to £5.00 in 2019/20);
- 3&4 Year Old Base rate- £4.29 per hour (compared to £4.13 in 2019/20);
- SEN Inclusion Fund of £500k;
- Other elements of the Early Years formula remain unchanged from 2019/20 Early Years Block.

Central Schools Services Block (CSSB)

Information was presented setting out CSSB proposals for 2020/21

	Central School Services Block 2019/20	Central School Services Block 2020/21	Variance
	£m	£m	£m
ESG Retained Duties	2.591	2.591	-
Overheads	0.244	0.262	0.018
Copyright Licence	0.937	0.960	0.023
Pupil Access (Admissions)	0.937	0.937	-
School Forum	0.188	0.188	-
Early Intervention	0.350	0.350	-
PFI - Sixth Form	0.684	0.859	0.175
Prudential Borrowing	0.240	0.240	-

Total CSSB	6.170	6.387	0.216
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The Forum have made considerable reductions to the CSSB Combined Budgets over recent years, in accordance with DfE requirements.

For 2020/21, Working Groups recommended continuation of 2019/20 allocations:

- MASH (£150k);
- Emotional Health and Wellbeing Service (200k).

In 2019/20, Forum reduced expenditure in part by ceasing a contribution to Domestic Abuse support as part of the DfE requirements. Subsequent to the Working Group meetings, correspondence was received from the Police and Crime Commissioner for Lancashire, asking that the contribution be reconsidered.

The report also contained information around commission services proposals from April 2020.

<u>Commissioned Services</u>	Approved Budget 2019/20	High Needs Budget	Early Years Budget	Central School Services Block	Total	Variance
	£m	£m	£m	£m	£m	£m
PFI - Special	1.181	1.176	-	-	1.176	(0.005)
Commissioned Alternative Provision services	2.000	1.000	-	-	1.000	(1.000)
Hospital Provision	0.714	0.858	-	-	0.858	0.144
Out County - Specialist provision places	15.097	16.000	-	-	16.000	0.903
Out County - Mainstream / academies places	1.374	1.410	-	-	1.410	0.036
SEND Specialised Equipment	0.447	0.447	-	-	0.447	-
SEND Inclusion Projects	1.047	0.747	0.500	-	1.247	0.200
SEND Teachers & Support	4.264	3.464	-	-	3.464	(0.800)
Multi Agency Development	0.075	0.075	-	-	0.075	-
Support for Vulnerable Pupils - SI	0.908	0.899	-	-	0.899	(0.009)
Overheads	1.668	1.651	-	-	1.651	(0.017)
Total Commissioned Services	28.775	27.727	0.500	-	28.227	(0.548)

DSG Balances

Contextual information was provided showing the DSG reserve position across recent years

Year end	DSG Reserve	In year movement
31.03.15	£27.94m	
31.03.16	£20.15m	-£7.79m
31.03.17	£20.69m	£0.54m
31.03.18	£14.40m	-£6.29m
31.03.19	£12.74m	-£1.66m

The forecast 2019/20 overspend is up to £3.6m.

Forum members gave careful consideration to the Dedicated Schools Grant (DSG) allocations and the budget proposals for each of the 4 funding blocks, including the correspondence from the Police and Crime Commissioner for Lancashire. Some concern was expressed around the level of balances remaining in the DSG reserve, but members felt it was appropriate to allocate all the additional DSG income to schools, rather than bolster reserves.

The Forum:

- a) Noted the report, including the 2020/21 Dedicated Schools Grant (DSG) allocations and the budget proposals for each of the 4 funding blocks;
- b) Noted the information from the Forum Chair's Group meeting on 9 January 2020;
- c) Noted the correspondence from the Police and Crime Commissioner for Lancashire;
- d) Voted on the 2019/20 Schools Budget Proposals, as follows:

Unanimously supported the 2020/21 Schools Block proposals:

- Set a 2020/21 MFG of +1.84% with no cap on gains ;
- Confirm the transfer of Schools Block headroom of circa £2m (0.26% of the Schools Block) once the National Funding Formula (NFF) methodology has been implemented in full as the local formula, to support Early Years Block;
- Confirm the use of the relevant 2020/21 Minimum Pupil Funding (MPF) rates contained in the NFF for any new Growth Fund allocations from April 2020:
 - Primary £3,750 per pupil;
 - Secondary £5,000 per pupil.

Unanimously supported the 2020/21 High Needs Block proposals:

- Support the increased HNB allocation being utilised to cover the forecast growth in High Needs expenditure from April 2020;
- Support the increase in HNB expenditure to broadly match uplifts in the maintained sector , including:
 - Increasing the Weighted Pupil Numbers (WPN) rate by 5% to £4,305;
 - School Specific realigned to be more equitable and transparent on a total basis equating to circa 5%;
 - Uplift the PRU School Specific rate by 4%;
 - Uplift the PRU Excluded Pupils, Medical and Other pupils rates in line with NFF rates;
 - Increase the Hospital Education budget to £858k.

Unanimously supported the 2020/21 Early Years Block proposals:

- Support the passporting of increased Government 2020/21 allocations for 2, 3 and 4 years olds by increasing base rates by 8p per hour;

- **Support the transfer of all the £2m Schools Block Headroom to the Early Years Block, to provide:**
 - support to enable the increase in Government funding for 2 year olds to be passed on in full, currently the 2 year old base rate is subsidised by the 3&4 year funding in 2019/20;
 - an additional local increase to the 3&4 year old base rates of 8p per hour, in addition to that provided by the increased Government funding;
 - an increased of £200k to the SEN Inclusion Fund from April 2020, to provide a higher budget to support early years pupils with high needs.

Unanimously supported the 2020/21 Central School Services Block proposals:

- **Note the correspondence from the Police and Crime Commissioner for Lancashire in connection with the Domestic Abuse service;**
 - **Acknowledge the value of the Domestic Abuse service;**
 - **Note the DfE requirements in Regulations and Operation Guidance relating to Dedicated Schools Grant (DSG) 'historic commitments' funding;**
 - **Agree the allocation of DSG Combined Budgets as follows:**
 - **MASH - £150k;**
 - **Emotional Health and Wellbeing Service - £200k;**
- e) **Unanimously supported the Dedicated Schools Grant Reserve underwriting the uncertainties around the 2020/21 DSG Schools Budget, across Schools Block, High Needs Block, Early Years Block and CSSB.**
- f) **Unanimously approved the budget lines requiring Forum agreement, as set out below:**

Function	LA proposals 2020/21	Proposed Expenditure: 2020/21 £m
Consultation on Formula Changes		
<ul style="list-style-type: none"> • Proposals around possible changes to the discretionary payment elements in the EYNFF were the subject of consultation with the all providers in the autumn term. 	In accordance with the majority of consultation responses, the Forum meeting of 17 October 2019 agreed that that no changes to the 2020/21 EYNFF should be made. Final EYNFF proposals are contained in Schools Budget 2020/21 report	
<ul style="list-style-type: none"> • Adjustments to the notional SEN calculation were subject to consultation in the autumn term 	Consultation responses are provided in the Forum papers, and in accordance with responses and recommendations from the Schools Block, the notional SEN is changed to remove the Basic Pupil elements from the calculation in the Schools Budget 2020/21	
De-delegation for mainstream schools	LA proposals for: <ul style="list-style-type: none"> • Schools in financial difficulty; 	

	<ul style="list-style-type: none"> • Museum service (primary only); • Staff Costs Public duties/Suspensions; • Primary Inclusion Hubs <p>Approved by the Schools Forum on 17 October 2019</p>	
Movement of up to headroom from the schools block to other blocks	<p>Consultation responses are provided in the Forum papers, and in accordance with responses and recommendations from the Schools Block, proposals to transfer headroom from Schools Block are built into the Schools Budget 2020/21.</p> <p>Arrangements to transfer the headroom to the Early Years Block are subject to confirmation as part of the final proposals for the Schools Budget 2020/21</p>	2.000
Contracts (where the LA is entering a contract to be funded from the schools budget)	No Proposals at this time	
Financial issues relating to:		
<ul style="list-style-type: none"> • arrangements for pupils with special educational needs, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding 	Proposals contained in the High Needs Block Working Group recommendations for Forum report for 14 January 2020	
<ul style="list-style-type: none"> • arrangements for use of pupil referral units and the education of children otherwise than at school, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding 	Proposals contained in the High Needs Block Working Group recommendations for Forum report for 14 January 2020	
<ul style="list-style-type: none"> • arrangements for early years provision 	Proposals contained in the Early Years Block Working Group recommendations for Forum report for 14 January 2020. Central funding level presented as part of the Schools Budget 2020/21 report	0.500
<ul style="list-style-type: none"> • administration arrangements for the 	No Proposals at this time beyond passporting DfE allocations to schools	

allocation of central government grants		
Minimum funding guarantee (MFG)	Consultation responses on MFG and capping are provided in the Forum papers, and in accordance with responses and recommendations from the Schools Block, the MFG and capping levels mirror those in the NFF and are set at an MFG of +1.84% with no cap on gains in the Schools 2020/21	
General Duties for maintained schools Contribution to responsibilities that local authorities hold for maintained schools	No Proposals at this time	
Central spend on and the criteria for allocating funding from:		
<ul style="list-style-type: none"> funding for significant pre-16 pupil growth, including new schools set up to meet basic need, whether maintained or academy 	<p>Policy previously agreed by the Schools Forum. Proposal to increase the growth fund unit values in line with increased NFF Minimum Pupil Funding levels for 2020/21</p> <p>Final budget proposals are contained in the Schools Budget 2020/21 report</p>	2.000
<ul style="list-style-type: none"> funding for good or outstanding schools with falling rolls where growth in pupil numbers is expected within three years 	No Proposals at this time	-
Central spend on:		
<ul style="list-style-type: none"> early years block provision funding to enable all schools to meet the infant class size requirement 	No Proposals at this time	
<ul style="list-style-type: none"> back-pay for equal pay claims 	No Proposals at this time	
<ul style="list-style-type: none"> remission of boarding fees at maintained schools and academies 	No Proposals at this time	

<ul style="list-style-type: none"> places in independent schools for non-SEN pupils 	No Proposals at this time	
<ul style="list-style-type: none"> admissions 	Final budget proposals are contained in the Schools Budget 2020/21 report	0.937
<ul style="list-style-type: none"> servicing of schools forum 	Final budget proposals are contained in the Schools Budget 2020/21 report	0.188
<ul style="list-style-type: none"> Contribution to responsibilities that local authorities hold for all schools 	No Proposals at this time	
Central spend on:		
<ul style="list-style-type: none"> capital expenditure funded from revenue: projects must have been planned and decided on prior to April 2013 so no new projects can be charged 	No Proposals at this time	
<ul style="list-style-type: none"> contribution to combined budgets: this is where the schools forum agreed prior to April 2013 a contribution from the schools budget to services which would otherwise be funded from other sources 	Final combined budget proposals are contained in the Schools Budget 2020/21 report	0.350
<ul style="list-style-type: none"> existing termination of employment costs (costs for specific individuals must have been approved prior to April 2013 so no new redundancy costs can be charged) 	No Proposals at this time	
<ul style="list-style-type: none"> prudential borrowing costs – the commitment must have been approved prior to April 2013 	Final prudential borrowing proposals are contained in the Schools Budget 2020/21 report	0.240
Central spend on:		
<ul style="list-style-type: none"> high needs block provision 	2020/21 funding level presented as part of the Schools Budget setting proposals	27.727
<ul style="list-style-type: none"> central licences negotiated by the Secretary of State 	2020/21 funding level presented as part of the Schools Budget setting proposals	0.960
Carry forward a deficit on central expenditure to the next	No Proposals at this time	

year to be funded from the schools budget		
Any brought forward deficit on de-delegated services which is to be met by the overall schools budget.	No Proposals at this time	

7. RECOMMENDATIONS FROM THE SCHOOLS BLOCK WORKING GROUP

A report was presented setting out the recommendations from the Schools Block Working Group held on 10 December 2019.

i. School Block Funding 2020/21 and local modelling

Information was provided about Government school funding announcements, which indicated that £2.6b of additional funding will be available in nationally in 2020/21. The report also included information on local modelling and school level data.

The Working Group:

- a) *Noted the report and the uncertainties surrounding the 2020/21 School budget setting process.*

Information and recommendations from this report had been incorporated in the Schools Budget 2020/21 report.

ii. Consultation on the Schools Block Funding Formula 2020/21 and Possible Transfer to the High Needs and Early Years Block

At the Schools Forum meeting in October 2019, members supported the issuing of a consultation to seek views on areas of local discretion available in the 2020/21 school funding arrangements. This report provided information on the consultation responses and comments.

The Working Group:

- a) *Noted the report and the school consultation responses and comments;*
- b) *Recommended that the Forum support the 3 proposals set out in the consultation:*
 - *That the MFG and capping levels in the 2020/21 Lancashire Schools Block formula should mirror those in the NFF and be set at an MFG of +1.84% with no cap on gains;*
 - *That any headroom available in the Schools Block, once the NFF methodology has been implemented, should be transferred to support pressures in the High Needs Block and the Early Years Block in 2020/21;*
 - *that notional SEN is changed to remove the Basic Pupil elements from the calculation.*
- c) *Noted that the Schools Block transfer proposal was at this stage in principle only, as final details of any headroom availability and the pressures and priorities on other funding blocks could only be finalised when 2020/21 DSG allocations were confirmed by the DfE.*

Information and recommendations from this report had been incorporated in the Schools Budget 2020/21 report.

iii. School Resource Management Advisers

The DfE/ESFA are taking an increasing interest in the financial position of maintained schools and Local Authorities, and are promoting a wide range of tools to support schools to maximise the use of resources and funding. As part of this process, the ESFA have made available a School Resource Management Adviser (SRMA) to work with maintained schools in Lancashire

Objectives for the SRMA visit is to work collaboratively the LA and the school, providing peer-to-peer support to develop strategies to eliminate or prevent a deficit and consider different ways schools could make the best use of their resources.

Following discussions a small number of Lancashire schools were identified to receive a SRMA visit, at dates towards the end of November and early December.

Feedback from a school that had received a SMRA visit was that the process had been a positive one, although it was noted that no final reports had been prepared from Lancashire visits, so it was too early to comment on the overall value of the process.

Members asked to be kept informed about the process and requested sight of the final reports, subject to any confidentiality issues.

The Working Group:

- a) Noted the report;*
- b) Asked to be kept informed about the SRMA process and requested sight of the final reports, subject to any confidentiality issues*

Subsequent to the Working Group, final school and LA level reports had been received from the SRMA, and it was intended that further information would be presented to the next working group.

The Forum:

- a) Noted the report;***
- b) Ratified the Working Group's recommendations.***

iv. Split Site Policy Update

Since the last meeting two issues have arisen in connection with the split sites policy, including:

- Split Site Appeal
- Additional Split Site Application

The Working Group:

- a) Noted the report;*
- b) Supported the application of the split site policy in the cases received.*

The Forum:

- a) Noted the report;***
- b) Ratified the Working Group's recommendations.***

v. *High Needs Block Provision Task and Finish Group Report*

The Working Group had received regular verbal updates about the work of the County Council's High Needs Block Task and Finish Group. This report provided an update around 7 projects that will be initiated to look at the key recommendations from the report and to develop proposals. The financial context would also be considered in the light of the increased HNB allocations.

The Working Group:

- a) *Noted the report and the supplementary information provided at the meeting;*
- b) *Asked that volunteers to act as school project sponsors be considered alongside any nominations from High Needs Block working group and existing partnership Board representatives.*

Since the Working Group meeting, volunteers from Schools Block and High Needs Block have come forward and are being reviewed.

The Forum:

- a) ***Noted the report;***
- b) ***Ratified the Working Group's recommendations.***

vi. *Historic Commitments Combined Budget Funding 2020/21*

Members considered funding announcements for 2020/21 in connection with Historic Commitments Combined Budgets.

The Working Group:

- a) *Noted the report;*
- b) *Recommend to the Forum that the 2019/20 DSG allocation levels continue from April 2020 for MASH and the Emotional Health and Wellbeing Service.*

Information and recommendations from this report had been incorporated in the Schools Budget 2020/21 report, including the correspondence from the Police and Crime Commissioner.

vii. ***School Teaching and Support Staff Supply Reimbursement Scheme***

The report provides information on the School Teaching and Support Staff Supply Reimbursement Scheme.

The Working Group:

- a) *Noted the report;*
- b) *Supported the option to increase both premiums and reimbursement rates in line with forecast pay increases, which are currently estimated at 3% for teaching staff and 2% for support staff.*

The Forum:

- a) ***Noted the report;***
- b) ***Ratified the Working Group's recommendations.***

viii. Healthy Pupil Capital Fund Update

The Healthy Pupil Capital Fund is intended to improve children's and young people's physical and mental health by improving and increasing availability to facilities for physical activity, healthy eating, mental health and wellbeing and medical conditions. Information was provided about the use of this funding in Lancashire.

Funding had been allocated across 5 building projects in Lancashire.

The Working Group:

- a) *Noted the report;*
- b) *Requested that the Director responsible for the Healthy Pupil Capital Fund be invited to the Schools Forum.*

After the Working Group meeting, the relevant Director has been contacted in connection with the Forum request but it was noted that the 2018/19 funding had been allocated and no new funding had been notified. Officers had agreed with the Primary Heads in Lancashire (PHiL) that schools would be consulted around the future use of the Healthy Pupil Capital Fund if additional allocations were received.

It was confirmed that funding allocations had been agreed through the LCC Capital Board and Cabinet and were compliant with the Healthy Pupil Capital Fund Conditions of Grant.

Members indicated that they did not necessarily disagree with the way this funding has been utilised but felt the consultation and communication around the allocation had caused frustration from schools.

The Forum:

- a) *Noted the report and the further information provided;*
- b) *Requested that officers consider how best to improve consultation and communication processes if future funding of this kind was made available.*
- c) *Requested that the Conditions of Grant be made available to members.*

ix. Academies advertising on the LCC Vacancy site

BTLS are currently making the necessary arrangements to implement this decision to allow academies to access the LCC vacancy site.

The Working Group:

- a) *Noted the report*

At the Forum meeting it was reported that work on implementing the decision is nearing completion and the charge for academies would be equivalent to that charged to maintained schools that did not buy the BTLS payroll service. A formal notification would be included in the HR bulletin to schools to confirm the availability of the service.

Officers asked to be informed if this delay caused any immediate issues to academies.

The Forum

- a) Noted the report and the further information provided.***

x. *Teachers Pensions Grant Supplementary Claims*

Information about submitting Teachers Pensions Grant Supplementary Claims was to be shared with all schools on the portal.

The Working Group:

- a) Noted the report*

It was noted that a number of Lancashire mainstream schools had successfully submitted supplementary claims, assisted by the information provided, and a few were in direct contact with DfE to resolve outstanding queries, as the 17th January 2020 deadline approached.

A separate claims round for special schools and PRUS was expected to open in April 2020 and further details would be provided once available.

The Forum

- a) Noted the report and the further information provided.***

8. RECOMMENDATIONS FROM THE HIGH NEEDS BLOCK WORKING GROUP

A report was presented setting out the recommendations from the High Needs Block Working Group held on 3 December 2019.

i. High Needs Block Funding 2020/21

Information was provided about Government funding announcements in connection with children for children with SEND in 2020/21.

The Working Group:

- a) Noted the report.*

Information and recommendations from this report had been incorporated in the Schools Budget 2020/21 report.

ii. High Needs Block Commissioned Places 2020/21

The School and Early Years Finance (England) Regulations require that the Forum is consulted annually on the places to be commissioned by the local authority in different schools and other institutions, and on the arrangements for paying top-up funding. This report set out proposals for 2020/21.

Discussion also took place about the termly budget redetermination process for special schools.

The Working Group is asked to:

- a) Noted the report;*
- b) Supported the proposed High Needs Block Commissioned Places in 2020/21, (a copy of the proposed HNB Commissioned Places for 2020/21 is attached at Appendix A to the report);*

- c) *Requested that the HNB Chair write to the LA to express concerns about the data validity issues associated with the termly redetermination process.*

Budget/commissioned places information and recommendations from this report had been incorporated in the Schools Budget 2020/21 report.

After the Working Group, the Chair of the HNB Working Group wrote a letter to the LA about the termly budget redetermination process. A response had been received from Sarah Callaghan, Director of Education and Skills to indicate that:

- ***The LA are in discussions with our suppliers about the problems, and they are working on a fix;***
- ***As an interim solution, the LA are working to implement local workarounds and procedures to help improve the accuracy of the redetermination;***
- ***The response was copied to the Special Schools Business Manager Network who had also expressed concern about the process.***

At the Forum meeting it was confirmed that officers were looking attribute some timescale to the solutions.

PRU representatives also expressed some concern about the communications around the commissioned place process. Officers agreed to review this process.

The Forum

- a) ***Noted the report and the further information provided about the termly budget redetermination process for special schools;***
- b) ***Noted that officers would review the process around the PRU commissioned place process.***

iii.Hospital Education Report

This report set out a request for increased Hospital education funding, required due to:

- ***increased demand as a consequence of increased capacity in the Cove;***
- ***Increased demand (3 year trend) in home tuition provision for pupils medically unfit to leave the home/ attend school or unit.***

The Working Group:

- a) ***Noted the report;***
- b) ***Support the recommendation for additional funding of £135,000 in total to provide the level of education required for the LA to meet its statutory duties to provide good quality education for pupils with significant medical needs.***

Information and recommendations from this report had been incorporated in the Schools Budget 2020/21 report.

iv.Historic Commitments Combined Budget Funding 2020/21

This report provided information on proposed Dedicated Schools Grant (DSG) contributions to 'combined budgets' for 2020/21.

The Working Group:

- a) ***Noted the report;***

- b) *Recommend to the Forum that the 2019/20 DSG allocation levels continue from April 2020 for MASH and the Emotional Health and Wellbeing Service.*

Information and recommendations from this report had been incorporated in the Schools Budget 2020/21 report.

xi. High Needs Block Provision Task and Finish Group Report

The Working Group had received regular verbal updates about the work of the County Council's High Needs Block Task and Finish Group. This report provided an update around 7 projects that will be initiated to look at the key recommendations from the report and to develop proposals. The financial context would also be considered in the light of the increased HNB allocations.

The Working Group:

- a) *Noted the report and the supplementary information provided at the meeting;*
b) *Asked that volunteers to act as school project sponsors be considered alongside any nominations from Schools Block working group and existing partnership Board representatives.*

This item had been covered under the Schools Block report.

xii. Consultation on the Schools Block Funding Formula 2020/21 and Possible Transfer to the High Needs and Early Years Block

At the Schools Forum meeting in October 2019, members supported the issuing of a consultation to seek views on areas of local discretion available in the 2020/21 school funding arrangements. This report provided information on the consultation responses and comments.

The Working Group:

- a) *Noted the report and that final information would be presented to the Forum in January 2020.*

Information and recommendations from this report had been incorporated in the Schools Budget 2020/21 report.

xiii. School Teaching and Support Staff Supply Reimbursement Scheme

The report provides information on the School Teaching and Support Staff Supply Reimbursement Scheme.

The Working Group:

- a) *Noted the report;*
b) *Supported the option to increase both premiums and reimbursement rates in line with forecast pay increases, which are currently estimated at 3% for teaching staff and 2% for support staff.*

This item had been covered under the Schools Block report.

9. RECOMMENDATIONS FROM THE EARLY YEARS BLOCK WORKING GROUP

A report was presented setting out the recommendations from the Early Years Block Working Group held on 5 December 2019.

i. SEN Inclusion Fund

After the last meeting, a copy of the guidance documentation and proforma arising from the SEN inclusion fund consultation, were circulated to Working Group members and it was indicated that the information had been circulated to providers.

Some members indicated that they did not seem to have received this information.

The Working Group:

- a) Noted that SEN Inclusion Fund information had been circulated after the last meeting;*
- b) Requested that the information be recirculated to all areas as some members did not recall seeing the original circulation.*

Subsequent to the meeting information about the SEN Inclusion fund criteria had been recirculated to all providers.

The Forum

- a) Noted the report.***

ii. Payments for Social Services Supported Children

Following notification to providers after the last meeting one or two settings got in contact with the LA about outstanding payments for social services children, but these had subsequently been resolved. Some members at the meeting reported that they still had payments outstanding for social services children. It was also noted that no contract information had been introduced to provide evidence of the agreed hours and requirements and assurance that funding would eventually be paid.

The Working Group:

- a) Noted the update around payments for Social Services Supported Children;*
- b) Supported the follow up with the relevant service.*

Subsequent to the meeting, the Chair of the EYB WG had written to the relevant Head of Service about Payments for Social Services Supported Children in Early Years, setting out:

- o Concern about some outstanding payments;***
- o Concerned that no actual documentation between provider and LCC exists about what has been commissioned and the rate;***
- o Request that a representative from the service attend the next EY meeting to enable us to discuss the systems and processes with you to ensure the arrangements related to the payment of Social Services supported children run smoothly going forward.***

The Forum

- a) Noted the report;***
- b) Ratified the recommendations of the Working Group.***

iii. Early Years Block Funding 2020/21

The DfE have indicated that an additional £66m has been made available for early years funding from April 2020. This report provided further information about the Lancashire implications.

The Working Group:

- a) *Noted the report;*
- b) *Supported the decision to passport the additional 8p per hour directly to 2 year olds and 3&4 year olds;*
- c) *Asked to be alerted when the Nursery School cabinet report was in the public domain.*

Information relating to the funding element of the report and recommendations had been incorporated into the Budget report.

The Cabinet report about the future of maintained nursery schools was published on 8 January 2020 and a communication had been issued to EYBWG members alerting them to the report

<http://council.lancashire.gov.uk/documents/s161545/Report.pdf>

The Forum

- a) **Noted the report;**
- b) **Ratified the recommendations of the Working Group.**

iv. Early Years Funding Benchmarking Tool 2019/20

The funding benchmarking tool includes the projected spend on early years providers to deliver early years places for two, three and four-year-olds. The benchmarking tool showed information for Lancashire, compared to data from our statistical neighbours.

The Working Group:

- a) *Noted the report.*

The Forum

- a) **Noted the report;**
- b) **Ratified the recommendations of the Working Group;**
- c) **Noted that Schools Block transfer had provided additional £200k for the SEN Inclusion Fund, which**

v. Consultation on 2 year old discretionary payments

The final analysis of consultation responses and comments received were reported to the Schools Forum on 17 October 2019, with over 60% of responses supporting a continuation of the current arrangements. The Forum ratified the Working Group's recommendations to continue to current discretionary payments policy.

A copy of the final analysis of consultation responses were provided for the Working Group, and included additional comments received after the last working group meeting.

The Working Group:

- a) *Noted the report.*

The Forum

- a) *Noted the report.***

vi. *Supplementary Claims Process for Maintained Settings*

The Lancashire early years funding arrangements include processes to make supplementary claims after the official termly headcount has closed. There are currently different systems for maintained settings and PVI settings to make supplementary claims. Options are being considered about the possible introduction of a second supplementary data collection point each term for maintained providers

The Working Group:

- a) Noted the report;*
- b) Supported the introduction of a second maintained supplementary claim each term.*

The Forum

- a) *Noted the report.***

10. RECOMMENDATIONS FROM THE APPRENTICESHIP LEVY STEERING GROUP

A report was presented setting out the recommendations from the Apprenticeship Levy Steering Group held on 5 December 2019.

Information was provided on:

- School Engagement
- Training Provision
- Update on Levy Transfer
- Frameworks
- Financial Position
- New Apprenticeship Starts
- Looking Forward

Key concerns were around the loss of some level 2 qualifications that were previously available to assist some school leavers and the risk that some school levy funding would be returned to the Government as it had not been utilised in the required timeframe.

The Working Group:

- a) Noted the information*
- b) Requested that the views expressed be considered in AL developments.*

The Forum

- a) *Noted the report;***
- b) *Noted that Apprenticeship Levy colleagues had been invited to the next Schools Forum meeting.***

11. 2019/20 HIGH NEEDS BLOCK MONITORING

A report was presented setting out the latest High Needs Block budget monitoring relating to the 2019/20 financial year, which is based on data from the autumn term 2019.

Latest monitoring showed a forecast HNB overspend of £3.6m at 31 March 2020 and incorporated comments on key variances.

The Forum

- a) Noted the report.***

12. FORUM CORRESPONDENCE

On this occasion, Forum related correspondence had been included within the relevant Working Group reports.

13. URGENT BUSINESS

No decisions had been taken using the Forum urgent business procedure since the last meeting.

14. ANY OTHER BUSINESS

a) Communication via the Schools Portal

A number of items on the agenda had made reference to the communications with schools and members raised an item of AOB to request that the utilisation of the Schools Portal be reviewed, to assess if the portal was fit for purpose or if it could be replaced or improved.

It was noted that the portal had been in operation for a number of years and as we approach the end of the current BTLS IT contract now may be an opportune time to review the portal operation.

Officers agreed to consider this request.

The Forum

- a) Supported the requested to review operation of the Schools Portal.***

15. DATE OF FUTURE MEETINGS

The next scheduled Forum meeting will be held at 10.00am Tuesday 24 March 2020 at County Hall, Preston.

A draft Schedule of Forum meetings for the 2020/21 academic year is provided for consideration.

The Forum

- a) Noted the date of the next meeting;***
- b) Agreed the 2020/21 academic year schedule of meetings.***

LANCASHIRE SCHOOLS FORUM

Date of meeting 24 March 2020

Item No 7

Title: Recommendations of the Schools Block Working Group

Executive Summary

On 10 March 2020, the High Needs Block Working Group considered a number of reports, including:

- Schools Block Budget;
- School Resource Management Adviser (SRMA);
- Inclusion Hub Funding;
- High Needs Block Provision Task and Finish Group Report;
- Embedding System Leadership.

Recommendations

The Forum is asked to:

- a) Note the report from the Schools Block Working Group held on 10 March 2020;
- b) Ratify the Group's recommendations.

Background

On 10 March 2020, the School Block Working Group considered a number of reports. A summary of the key issues and recommendations arising from the Working Group's considerations of the items are provided in this report.

1. Schools Block Budget

At the Schools Forum on 14 January 2020, decisions and recommendations about the 2020/21 Schools Budget were agreed. On 16 January 2020, the County Council's Cabinet formally approved the Schools Budget for 2020/21.

The Authority Proforma Tool (APT), setting out the agreed Schools Block proposals for 2020/21, was then submitted to the ESFA for compliance checking, by the 21 January 2020 deadline. The ESFA subsequently contacted the LA seeking various clarifications and explanations and once satisfied with the responses provided the approval

School Budgets were prepared and issued on 26 February 2020, together with forecast High Needs Block allocations and forecast PPG allocations.

Other Matters Relating to 2020/21 School Funding

Since the last working group, the DfE had also confirmed other matters relating to school funding arrangements from April 2020. These have included:

Pupil Premium Grant (PPG)

Confirmation has been received from the DfE about the new PPG rates for 2020/21, which are set out below:

- FSM
 - £1,345 per qualifying primary-aged pupil (was £1,320)
 - £955 per qualifying secondary-aged pupil (was £935)
- Looked-after and previously looked-after children
 - £2,345 per qualifying pupil (was £2,300)
 - Locally remains £600 per term
- Service premium
 - £310 per qualifying pupil (was £300)

Risk Protection Arrangement (RPA) for Maintained Schools

Following a consultation in the autumn term, the DfE have confirmed that the RPA, which currently covers academies, will be extended to allow maintained schools to join with effect from 1 April 2020. DfE have indicated that the RPA unit value has been set at £18 per pupil until 31 March 2021 and will then be reviewed for 2021/22.

Maintained schools will be able to register via a DfE Sign In from mid-March 2020.

The LCC insurance offer for 2020/21 has already been issued to schools in January 2020. An initial assessment of the RPA offer by the LCC insurance team has identified that the current insurance cover provided by LCC includes a number of aspects not included in the RPA, for example Motor insurance.

As a reminder, the Insurance Team will repost onto the schools portal the 'Minimum Insurance Requirements for Schools', which schools need to ensure is covered regardless of the provider chosen.

Clarifying ring-fenced DSG Status

In January 2020, the DfE published their response to the consultation on changing the conditions of grant and regulations applying to the Dedicated Schools Grant (DSG), in order to clarify that the DSG is a ring-fenced specific grant separate from the general funding of local authorities. The DfE have confirmed that they will introduce their proposals and that these will come into effect for 2019/20 year end.

The county council, in consultation with the Forum, has always tried to manage Schools Budget pressures from within the Dedicated Schools Grant resources available and still maintains a positive DSG reserve, although the level of reserve has reduced considerably in recent years. These revised regulations and conditions of grant for DSG should not therefore have any immediate impact on school funding arrangements in Lancashire.

Financial Transparency

The Government consulted on changes to 'financial transparency' in the autumn term 2019, with the intention to ensure Maintained and Academy schools accountabilities are more closely aligned.

Ministers have not yet finalised their response to the consultation but are likely to go ahead with certain aspects of their proposals, whilst other elements have yet to be decided.

Further information will be provided to schools and the Forum once final decisions are taken by the government.

Early Information about Future Funding Arrangements.

Through various regional and national groups, early information about possible future funding arrangements has been obtained. Information on some key issues is provided below:

Teachers Pay and Pensions Grants – DfE may consult on mainstreaming these specific grants in future years;

Future Funding Formula - Some elements of the school funding formula are being reviewed, including:

- Small Schools;
- IDACI Dataset;
- Low Prior Attainment;
- PFI and Business Rates;
- Minimum Pupil Funding Levels (MPF).

Hard National Funding Formula – DfE are intending to move to a hard NFF over a number of years and are considering various options, which will be the subject of future consultations.

Members discussed the information in the report and commented on various matters. It was noted that Lancashire may proceed locally with some aspects of the financial transparency arrangements where these were considered to be best practice, even if they were not made mandatory by the Government. Examples of this included a requirement for schools to submit 3 year budget forecasts and the possible introduction of financial health checks on all schools, potentially on a three year cycle. Members recalled that the plans for financial health checks had been included in the SIFD de-delegation proposals for 2020/21.

The Working Group:

- a) **Noted the information provided;**
- b) **Asked to be kept informed of future developments.**

2. School Resource Management Adviser (SRMA)

This report provided an update and local and national SRMA developments.

Lancashire SMRA Deployment

Information provided to the last Working Group set out that the DfE/ESFA are taking an increasing interest in the financial position of maintained schools and Local Authorities and made available a School Resource Management Adviser (SRMA) to work with maintained schools in Lancashire.

Since the last meeting, final reports have been issued to the 3 schools visited by the SMRA and a LA report has been provided. A copy of the LA level report was provided for members but with any references to individual school names removed.

Key recommendations at LA level included:

- Continue to promote national deals for school;
- Increased monitoring for schools in deficit;
- Review of schools specific funding and transportation costs;
- Implementation of recovery plans;
- Review of procurement limits.

The LA will be reflecting on the recommendations of the report to inform future SIFD support and procedures, and some initial thoughts were shared with the working group, including information on some actions already taken.

School Resource Management Adviser Pilot Evaluation

The ESFA published their School Resource Management Adviser Pilot evaluation report in January 2020. The report looked at the pilot programme of SRMA deployments at 72 academy trusts in the 2017 to 2018 academic year. A link to the full report was provided for the working group.

Key findings in the report included:

- trusts have valued working with an expert peer, with 94% rating their experience of working with an SRMA as good or very good;
- SRMAs were able to identify over £35m of opportunities for the reallocation of funds for trusts to pursue;
- Trusts are expecting to reallocate almost £15m of resources into priority areas, to either improve the overall financial health of the organisation or spend on areas that will have the greatest impact on educational outcomes.

The DfE have judged the pilot scheme a success and are intending the further roll out of SRMAs, with the option to recruit up to 220 SRMAs and to deliver up to 1,300 deployments through to August 2020.

The Working Group:

- a) Noted the report.

3. Inclusion Hub Funding

Following a consultation with schools in the autumn term 2019, the Forum voted to de-delegate funding for primary inclusion hubs in 2020/21. The de-delegation was set at a rate of £11.00 per pupil for maintained primary schools and generates circa £1m for inclusion hub activities in Lancashire.

Previous reports to the Forum set out arrangements for inclusion hub allocations in 2019/20, when funding had been allocated on a 'pump priming' basis of £80k per district. Members had commented that going forward a more targeted allocation methodology should be introduced to fund the hubs, to reflect the different sizes and characteristics of districts. Taking on board the comments made, a revised methodology for allocating the inclusion hub funding to districts has been agreed by the Director of Education and Skills.

The 2020/21 methodology will use pupil numbers and a deprivation factor to calculate the allocations. The table below provides information on the allocations per district from April 2020.

District	NOR (90%) £	Deprivation (10%) £	Total £
01	97,667	10,756	108,423
02	69,031	6,712	75,743
04	44,096	3,285	47,381
06	121,663	15,598	137,261
07	78,699	6,541	85,240
08	79,399	8,357	87,756
09	90,301	7,413	97,714
11	105,558	11,928	117,486
12	74,786	11,974	86,760
13	81,158	11,243	92,401
14	57,641	6,194	63,835
	899,999	100,001	1,000,000

It was noted that further updates are due to be presented to the Forum in due course about the operation of the hubs, and the Forum will need to make formal decisions in October 2020 about de-delegation options for 2021/22.

Members considered the report and supported the revised funding allocations methodology. In discussions, members from different districts reported differing experiences in connection with inclusion hubs. Whilst it was acknowledged that impact for this project on measurable outcomes some of the measurable outcomes may take 2 or 3 years to be realised, the group asked if it were possible to get an update around any immediate impact and good practice in inclusions hubs to date.

The group also asked about any proposals for the secondary sector.

In response to a specific question, it was confirmed that hub funding could be used to pay for a short term alternative provision placement, if this was judged to be the best use of resources in a district.

The Working Group:

- a) **Noted the report;**
- b) **Asked that information be requested in relation to the primary inclusion hub impact and any secondary sector developments.**

4. High Needs Block Provision Task and Finish Group Report

A brief verbal update was provided for the working group, which indicated that work on the Task and Finish Group work themes was continuing, with many tasks now embedded in ongoing county council processes. It was anticipated that updated project plan documentation should be available at the next meeting.

The Working Group:

- a) **Noted the information provided.**
- b) **Welcomed the work that was continuing around the HNB T&F group themes as part of the ongoing work of the county council.**

5. Embedding System Leadership

This report provided information about 'Defining a new relationship with schools - Embedding System Leadership'.

Colleagues were aware that the county council has been reviewing its relationship with schools. As part of this process, the Director of Education and Skills and the Acting Head of Service (Education Improvement) had been presenting a number of events throughout the county over recent months about 'Defining a new relationship with schools - Embedding System Leadership'.

Appendices to the report provide a copy of the presentation used at these events and FAQ information that has subsequently been circulated via the portal.

Members discussed the information provided and it was noted that a newsletter was due to be issued shortly and a new website had been created, which would provide information and updates on developments.

The Working Group:

- a) **Noted the information provided.**
- b) **Asked that a link to the new website be circulated to members.**

LANCASHIRE SCHOOLS FORUM

Date of meeting 24 March 2020

Item No 8

Title: Recommendations of the High Needs Block Working Group

Executive Summary

On 5 March 2020, the High Needs Block Working Group considered a number of reports, including:

- High Needs Commissioned Places;
- High Needs Block Funding;
- Developing the Approach and Provision for Children and Young People with Special Educational Needs and Disabilities;
- High Needs Block Provision Task and Finish Group Report;
- Embedding System Leadership.

Recommendations

The Forum is asked to:

- a) Note the report from the High Needs Block Working Group held on 5 March 2020;
- b) Ratify the Group's recommendations.

Background

On 5 March 2020, the High Needs Block Working Group considered a number of reports. A summary of the key issues and recommendations arising from the Working Group's considerations of the items are provided in this report.

1. High Needs Commissioned Places

Following comments received in the last Schools Budget setting round, the LA has been reviewing the communication process around commissioned place numbers.

In future budget rounds, the LA intends to write out to HNB schools at the end of the summer term setting out the number of places that it is proposed to commission in the following years budget. This will provide the May census number for special schools and three census average for PRUs figures.

This should provide more certainty and transparency as to the number of places to be commissioned and allow an opportunity for schools to make any representations around any other factors that should be considered in addition to the application of the agreed methodology on an individual case basis.

The Working Group:

- a) **Welcomed the proposed earlier communication process around commissioned places.**

2. High Needs Block Funding

High Needs Block (HNB) Allocations 2020/21

At the Schools Forum on 14 January 2020, decisions and recommendations about the 2020/21 Schools Budget were agreed, which were based on working group recommendations. On 16 January 2020, the County Council's Cabinet formally approved the Schools Budget for 2020/21.

Certain elements of the budget have subsequently received the required ESFA approvals.

Special School and PRU School Budgets were prepared and issued on 26 February 2020, together with the forecast High Needs Block allocations for high needs pupils at mainstream schools.

Other Matters Relating to 2020/21 School Funding

Since the last working group meeting, the DfE have also confirmed other matters relating to school funding arrangements from April 2020. Key issues have included:

Pupil Premium Grant (PPG)

Confirmation has been received from the DfE about the new PPG rates for 2020/21, which are set out below:

- FSM
 - £1,345 per qualifying primary-aged pupil (was £1,320)

- £955 per qualifying secondary-aged pupil (was £935)
- Looked-after and previously looked-after children
 - £2,345 per qualifying pupil (was £2,300)
 - Locally remains £600 per term
- Service premium
 - £310 per qualifying pupil (was £300)

Risk Protection Arrangement (RPA) for Maintained Schools

Following a consultation in the autumn term, the DfE have confirmed that the RPA, which currently covers academies, will be extended to allow maintained schools to join with effect from 1 April 2020.

The DfE have indicated that the RPA unit value has been set at £18 per pupil until 31 March 2021 and will then be reviewed for 2021/22. Maintained schools will be able to register via a DfE Sign In from mid-March 2020.

The LCC insurance offer for 2020/21 has already been issued to schools in January 2020.

An initial assessment of the RPA offer by the LCC insurance team has identified that the current insurance cover provided by LCC includes a number of aspects not included in the RPA, for example Motor insurance.

As a reminder, the Insurance Team will repost onto the schools portal the 'Minimum Insurance Requirements for Schools', which schools need to ensure is covered regardless of the provider chosen.

Clarifying ring-fenced DSG Status

In January 2020, the DfE published their response to the consultation on changing the conditions of grant and regulations applying to the Dedicated Schools Grant (DSG), in order to clarify that the DSG is a ring-fenced specific grant separate from the general funding of local authorities. The intention of the government proposals contained in the consultation was to ensure that any deficit an authority may have on its DSG account is expected to be carried forward to the next year's schools budget and does not require to be covered by the authority's general reserves. There are a large number of LAs that are currently operating with DSG deficits, many attributable to the HNB overspends.

The DfE have confirmed that they will introduce their proposals and that these will come into effect for 2019/20 year end.

The county council, in consultation with the Forum, has always tried to manage Schools Budget pressures from within the Dedicated Schools Grant resources available and still maintains a positive DSG reserve, although the level of reserve has reduced considerably in recent years. These revised regulations and conditions of grant for DSG should not therefore have any immediate impact on school funding arrangements in Lancashire.

Financial Transparency

The Government consulted on changes to 'financial transparency' in the autumn term 2019, with the intention to ensure Maintained and Academy schools accountabilities are more closely aligned.

Ministers have not yet finalised their response to the consultation but are likely to go ahead with certain aspects of their proposals, whilst other elements have yet to be decided.

Further information will be provided to schools and the Forum once final decisions are taken by the government.

Early Information about Future Funding Arrangements.

Through various regional and national groups, early information about possible future funding arrangements has been obtained. Information on some key issues relevant to HNB is provided below:

Teachers Pay and Pensions Grants

The DfE are to role the teachers pay and pensions grants into main school funding formulae, possibly from 2020/21.

HNB Formula

In the Short term, the DfE have indicated that they are continuing to look at options that recognise High Needs Block budget pressures.

For the medium term, there is an intention to review overall High Needs formula. DfE may issue a public consultation in spring.

The Working Group:

- a) **Noted the information provided.**

3. Developing the Approach and Provision for Children and Young People with Special Educational Needs and Disabilities

On 16 January 2020, the LCC Cabinet received a report titled 'Developing the Approach and Provision for Children and Young People with Special Educational Needs and Disabilities'.

The report set out a series of proposals to enable the county council to fulfil its responsibilities for ensuring the sufficiency of provision for children and young people with special educational needs and disabilities over the next five years. A link to the full report was provided for the Working Group.

Following consideration of the information provided, the Cabinet approved the following resolutions

Resolved: That

- the Special Educational Needs and Disabilities Sufficiency Strategy 2019-2024 set out at in the report, which sets out a range of medium and longer term actions be approved for wider consultation.

- the commencement of feasibility design work for two proposed capital projects for Broadfield Specialist College, Oswaldtwistle, and Sir Tom Finney Community High School, Preston be approved.
- the commencement of an informal process for seeking expressions of interest from mainstream schools to support the development of special educational needs units in localities in need of additionally resourced mainstream provision be approved.
- the commencement of feasibility design work for the projects at Stepping Stones Short Stay School and on The Haven site in line with the statutory processes be approved.
- the proposals identified within these recommendations be implemented where consistent with the priorities with the August Cabinet report and the Sufficiency Strategy.

The role of the Forum and the HNB Working Group were formally set out in the strategy in the Funding and Governance section.

Members were already aware of many of the key challenges identified in the strategy, particularly those relating to financial pressures on the High Needs Block, and the Forum have been consulted on a number of the proposals being developed to meet these financial challenges and enable the county council to deliver the strategy's vision and principles.

Members considered the report and the Forum implications.

The Working Group:

- a) Noted the report;**
- b) Welcomed the formal strategy agreed by Cabinet and the identified links to the Schools Forum and High Needs Block Working Group which are set out in the Funding and Governance section of the Special Educational Needs and Disability Sufficiency Strategy 2019 – 2024;**
- c) Welcomed the additional places being offered in the Lancaster area, but also asked that the use of the former Skerton High School site be considered as a possible location to provide additional high needs places in the area;**
- d) Asked what plans the county council may have for the Broadfield School site, if the school moved into the former Hameldon School premises;**
- e) Enquired about the responses from mainstream schools to the request for expressions of interest to develop special educational needs units and asked for any further information around the funding of such units;**
- f) Acknowledged that Inclusion Service colleagues were tied up with preparations for the OfSTED inspection so were unable to attend the March HNB meeting, but asked if the service could ensure representation at future meetings, and wondered if there was a possibility of someone being available at the Schools Forum meeting on 24 March 2020 to respond to the queries raised.**

4. High Needs Block Provision Task and Finish Group Report

A brief verbal update was provided for the working group, which indicated that work on the Task and Finish Group work themes was continuing, with many tasks now embedded in ongoing county council processes.

The working group:

- a) **Noted the information provided.**
- b) **Welcomed the work that was continuing around the HNB T&F group themes as part of the ongoing work of the county council;**
- c) **Asked if it were possible for the Schools Forum to receive a brief update on 24 March around the specific T&F group themes and the involvement of Forum members;**

5. Embedding System Leadership

This report provided information about 'Defining a new relationship with schools - Embedding System Leadership'.

Colleagues were aware that the county council has been reviewing its relationship with schools. As part of this process, the Director of Education and Skills and the Acting Head of Service (Education Improvement) had been presenting a number of events throughout the county over recent months about 'Defining a new relationship with schools - Embedding System Leadership'.

Appendices to the report provide a copy of the presentation used at these events and FAQ information that has subsequently been circulated via the portal.

Members discussed the information provided.

The working group:

- a) **Noted the report;**
- b) **Supported the educational vision behind the developments and the information provided at events throughout the county;**
- c) **Commented that it may have been preferable to host combined Headteacher and CoG events to ensure representatives from a school received an identical message;**
- d) **Acknowledged that there would always be uncertainties around any transition to a revised system/service offer;**
- e) **Welcomed the involvement of cross sector school representatives on the Steering Group and the intention to introduce a newsletter and website to aid communication of key issues;**
- f) **Requested that the names of the Steering Group representatives be published so that schools knew who to contact if they had queries or comments to feed into the process;**
- g) **Commented that there was a perception that schools buying into the SSG would be subsidising the cost of the networks for schools that chose not to buy SSG from Lancashire;**
- h) **Asked if information could be provided around the financial aspects of the new networks and the SSG offer;**
- i) **Asked if someone would be available to attend the Schools Forum on 24 March to respond to the queries raised.**

LANCASHIRE SCHOOLS FORUM

Date of meeting 24 March 2020

Item No 9

Title: Recommendations of the Early Years Block Working Group

Executive Summary

On 25 February 2020, the Early Years Block Working Group considered a number of reports, including:

- SEN Inclusion Fund;
- Item 7 Supplementary Claims Process for Maintained Settings;
- Early Years Block Funding;
- Future of Maintained Nursery Schools;
- Payments for social services supported children;
- Local Government Association (LGA) Early Years Peer Review;
- EY sustain.

Recommendations

The Forum is asked to:

- a) Note the report from the Early Years Block Working Group held on 25 February 2020;
- b) Ratify the Group's recommendations.

Background

On 25 February 2020, the Early Years Block Working Group considered a number of reports. A summary of the key issues and recommendations arising from the Working Group's considerations of the items are provided in this report.

1. SEN Inclusion Fund

At the last Working Group meeting, some members feedback that they did not recall seeing any update on the SEN Inclusion Fund. As requested, the SEN Inclusion Fund information had been re-circulated.

The Working Group:

- a) Noted the information.**

2. Supplementary Claims Process for Maintained Settings

Following discussion at the last meeting, arrangements have been made to introduce a second supplementary payment opportunity for maintained settings from 2020/21, to bring procedures more into line with the PVI process. Maintained settings will be notified in the correspondence providing Schools Budgets on 26 February 2020.

The Working Group:

- a) Noted the information.**

3. Early Years Block Funding

Early Years Block (EYB) Funding 2020/21

Recommendations from the Early Years Block, and other Forum working groups, were fed into the Schools Forum and LCC Cabinet meetings in January 2020 where the 2020/21 Schools Budget was finalised.

For the Early Years Block, the Forum agreed to transfer £2m of headroom from the Schools Block to assist with EYB funding pressures in 2020/21. This provided a total; forecast Early Years expenditure for 2020/21 of £82.468m.

The Schools Block transfer is for 2020/21 only, and provides:

- support to enable the increase in Government funding for 2 year olds to be passed on in full, currently the 2 year old base rate is subsidised by the 3&4 year funding in 2019/20;
- an local increase to the 3&4 year old base rates of an additional 8p per hour, in addition to that provided by the increased Government funding;
- an increased of £200k to the SEN Inclusion Fund from April 2020, to provide a higher budget to support early years pupils with high needs.

The impact on 2020/21 base rates of these funding increases is shown in the table below:

	2019/20 Base Rates	2020/21 Base Rates		
		DfE Funded Uplift	Local Uplift (one year only)	Total
	Per Hour	Per Hour	Per Hour	Per Hour
2 Year Olds	£5.00	£0.08	-	£5.08
3&4 Year Olds	£4.13	£0.08	£0.08	£4.29

Other elements of the Early Years national funding formula remained unchanged from 2019/20, including the supplementary funding for Maintained Nursery Schools.

Early years providers were notified of these funding decisions on 22 January 2020, maintained settings via the Schools Portal and PVI providers through email.

Some elements of the Schools Budget required compliance checking by the Education and Skills Funding Agency (ESFA) before individual school budgets can be issued and it is expected that individual budgets will be published in the week commencing 24 February 2020. Arrangements are in place to issue budgets on 26 February 2020.

Early Years Block (EYB) Funding Future Years

Government announcements about Dedicated Schools Grant (DSG) funding from April 2020 included information on a three year settlement for schools, but statements about EYB only covered FY 2020/21.

The County Council has continued to raise the funding pressure faced by early years providers at regional and national level.

Officers recently had a meeting with the Rt Hon Nick Gibb MP, Minister of State for School Standards, and highlight nursery funding as a key issue for Lancashire.

The County Council also feeds into national funding groups attended by DfE officials. At the January 2020 meeting of the Schools & Academies Funding Group (SAFG) a number of national EYB concerns were raised, that are relevant for Lancashire, including:

- Concern that the additional 8p per hour does not meet cost pressures faced by Early Years providers particularly in respect to pay inflation, the National Living Wage, and the impacts faced by providers through the introduction of the 30 hours entitlement, which is funded at the LA rate and is most likely lower than the income providers previously could generate;
- Maintained Nursery Schools (MNS) supplementary funding continues for 2020/21 but current grant arrangements create uncertainty and do not assist long term stability and planning;
- Concern that DSG allocations of Early Years block and the adjustments made following census headcounts, can impact on the following years' DSG.

At the meeting, DfE feedback that the department had not been provided with a three year settlement for early years, and were going into the next spending review with the aim to try

to secure additional funding for EYB in future years. The National Living Wage will be considered as part of this process.

Feedback also indicated that the Government are commitment to MNS beyond 2020/21, but intend to review the arrangements.

Members discussed the information provided and reiterated the continued financial pressure on early years providers.

The Working Group:

- a) Noted the report and the final 2020/21 financial year funding decisions;**
- b) Recommended that future communications about EY funding rates highlighted that deprivation supplements continued to be paid in addition to base rates.**

4. Future of Maintained Nursery Schools

At the last Working Group meeting in December 2019, it was noted that in connection with the future of maintained nursery schools, a report was to be considered by the LCC Cabinet in January 2020. As the December meeting was covered by the General Election purdah period, officers were restricted about information that could be provided to the working group, but members asked to be alerted when the Nursery School cabinet report was in the public domain.

On 8 January 2020, the papers for the 16 January Cabinet meeting were published and an email was circulated to notify Working Group members that it was public. Correspondence was also issued directly to maintained nursery schools about the publication of the report.

Following consideration of the report, the Cabinet approved a number of recommendations, but these were subject to "call in" under the County Council's procedures and a meeting of the Scrutiny Committee took place on 30 January 2020. At this meeting, the original decisions of the Cabinet were confirmed and these are set out below:

- i. To commence a formal consultation on the future of those maintained nursery schools identified as currently being 'non-financially viable' or those suffering 'critical financial stress'
- ii. For those maintained nursery schools identified as being currently 'financially vulnerable' Chairs of Governors and Headteachers will be requested to provide a sustainable financial recovery plan, with assistance from county council officers.
- iii. For those maintained nursery schools identified as being currently 'financially viable', officers will continue to monitor the situation on a termly basis. In the event that the financial situation deteriorates and a nursery is deemed to be 'financially vulnerable' the Chairs of Governors and Headteachers will be requested to provide a sustainable financial recovery plan, with assistance from county council officers.
- iv. In the event that the Maintained Nursery School Supplementary Grant is not extended beyond April 2021, further consideration will be given to the long-term viability of maintained nursery schools which would be the subject of a separate Cabinet report.

Further correspondence has been sent to all nursery schools to confirm the decisions taken.

In accordance with the decisions, and due to the pace at which financial stability can change within the sector, the county council is keen to ensure that up to date accurate information is used in this process. Schools Finance contacted all MNS on 14 February 2020 to outline next steps and timescales for delivery of actions required in line with the decisions agreed by Cabinet.

In order to use the most up to date financial information that is available, and to provide an opportunity for each school to ensure that their own plans and forecasts are considered, schools are being asked to submit a 3 year budget recovery/sustainability plan.

Members considered the information provided and sought clarification around some of the processes.

The Working Group:

- a) Noted the report.**

5. Payments for Social Services Supported Children

As requested at the last meeting, the Working Group Chair sent a letter to the county council, highlighting concerns about the payments for social services supported children, including:

- Late payment of fees for social services children;
- Lack of documentation between provider and LCC about what has been commissioned and the rate.

Subsequent to the meeting the Chair of the WG had met colleagues from the county council to discuss the issues and the use of a proforma to detail commissioning information was welcomed and will be taken forward.

It was noted that colleagues had arranged to attend the Early Years Consultative Group meeting to provide a brief update and allow other colleagues to comment on the draft forms and process.

The Working Group:

- a) Noted the report;**
- b) Welcomed the proposed introduction of the revised proforma and funding arrangements for social services supported children.**

6. Local Government Association (LGA) Early Years Peer Review

A Local Government Association (LGA) Early Years Peer Review has been arranged in Lancashire on the 24th-27th March 2020. The Peer Review Team undertake a number of visits, meetings and focus groups with key groups/individuals.

One of the focus groups is to meet with members of the Early Years Forum/Consultative Group Reps to get their views. The date of this focus group meeting has been arranged for Thursday 26th March at County Hall 9:30am – 11.00a.m. The Peer Review Team will lead the discussions at the meeting itself.

Some members of the Early Years Consultative Group are being invited to take part in this process and separate communications have been sent out to the Group.

Further information was provided for the Working Group in a 'What's it all about – Partnership Briefing' and other additional information about the Peer Review process and background documents, including:

- Lancashire's impact statement
- Lancashire's Early Years Strategy
- Plan on a Page

It was noted that the Peer Review outcomes would be used to inform and shape local early years priorities and that the team would return after approximately 6 months to check on progress

The Working Group:

- a) **Noted the report;**
- b) **Relevant members were encouraged to participate in the peer Review process**

7. EY Sustain

The Chair provided a brief update on 'ey sustain' a registered charity with funds to provide free financial and business consultancy to Early Years settings in Lancashire in the private, voluntary and independent sector.

The Chair asked members if they were aware of any useful documents that would be useful for settings to help assess sales and staffing levels.

It was noted that a NDNA document on ratios may prove helpful.

Subject to timings it was noted that a more detailed progress report about the work of 'ey sustain' would be presented to a future meeting.

The Working Group:

- a) **Noted the report.**
- b) **Requested that a copy of the NDNA document be forwarded to members.**

LANCASHIRE SCHOOLS FORUM

Date of meeting 24 March 2020

Item No 10

Title: Recommendations of the Chair's Working Group

Executive Summary

The Chair's Working Group are to consider a report about a bid from the Schools in Financial Difficulty Fund. Background information is provided in this report. Recommendations from the Chair's Working Group will be provided separately.

Recommendations

The Forum is asked to:

- a) Note the report and recommendations from the Chair's Working Group;
- b) Ratify the Group's recommendations.

Background

On 25 February 2020, the Chair's Working Group considered On 24 March 2020, the Chair's Working Group considered a report about a bid from the Schools in Financial Difficulty Fund. Information is provided in this report. A summary of the key issues and recommendations arising from the Working Group's considerations of the items are provided in this report.

Schools in Financial Difficulty (SIFD) – Bid for one off financial support

Previous reports to the Forum have set out the support arrangements developed by the Authority for schools that may be experiencing exceptional financial difficulty. Financial difficulty can arise from a number of causes which lead either to budget reductions for example due to falling rolls, or from the need for short term increases in expenditure. Examples of these pressures on the school budget requiring short term financial support include:

1. Being judged by OfSTED as Inadequate or Requires Improvement;
2. Identified by the School Advisor/Senior Accountant as requiring additional support for serious educational difficulties or failure to meet attainment targets;
3. Subject to intervention by the Authority;
4. Faced with serious personnel difficulties.

Schools can also face falling roll situations as a result of demographic changes.

The consequences of these are that the school can experience serious financial difficulty. The Schools Forum has agreed that the School Improvement Challenge Board (SICB) can provide support to schools in financial difficulty that has resulted from the above.

In addition, the budget is also used to:

- Mitigate the interest charges that would otherwise have to be met by schools that have implemented an agreed recovery plan (i.e. have implemented appropriate measures to ensure that they do not exceed agreed deficit limits);
- Meet the cost of Contracting the School Financial Services Team at an enhanced level;
- Provide financial support to schools where their reserves are not sufficient for the school to meet the full cost of the intervention or restructuring costs themselves, in accordance with the financial support criteria agreed with the Forum;
- Provide one off financial support to schools who otherwise would not be in a position to recover from a deficit position. As a general guide, SICB suggested that whilst individual circumstances will always need to be taken carefully into account, maximum allocations from the Schools in Financial Difficulty fund in response to an application from an individual school should generally not exceed 33% of the relevant deficit, but many may be lower.

The budget for this support is obtained through the de-delegation, which is agreed annually by the Forum, following a consultation with schools.

In recent years, the number of bids for one off support have been limited, with support being primarily offered through the standard support options. A bid for one off support has not been requested since October 2017.

The intervening period has been a very challenging one for school finances generally, and the county council has been working with a number of schools to help support recovery.

It should also be noted that a small number of schools at the extreme end of the Schools in Financial Difficulty (SIFD) spectrum have accumulated significant structural deficits, deemed as Category 1 on the county council's Schools in Financial Difficulty category warning system for maintained schools. These schools often have a range of difficulties, not simply a deficit budget, which can impact on their ability to recover financially.

It has not been considered appropriate to request one off SIFD support for a number of these schools, as it has been judged that they have a structural deficit with no prospect of financial recovery and it has been necessary to pursue strategic solutions in respect of these schools.

Of the 5 schools deemed SIFD Category 1 at the start of the financial year, one has closed following a statutory process and another has converted to an academy. The statutory process to consider the future of 2 further schools has commenced and officers are working with the final school to assess if a sustainable recovery is possible in the 3 year horizon from 2020/21.

Some of these decisions have implications for the Strategic reserve established by the Forum to meet the consequences of schools closing in deficit or becoming forced academies. Further information will be presented to the next round of Forum meetings as part of the 2019/20 outturn information.

As can be seen from the information above, the county council only submits a request to the Forum for a bid for one off support when there is confidence that any agreed funding will assist the school to return to a sustainable surplus position.

Information on a bid for one off support is to be presented to the Chairs Working Group, and any recommendations arising from the consideration will be provided separately.

LANCASHIRE SCHOOLS FORUM

Date of meeting: 24 March 2020

Item No 11

Title: Forum Correspondence

Appendix A refers

Executive Summary

This report provides an update on Forum related correspondence since the last meeting.

Recommendations

The Forum is asked to:

- a) Note the report;
- b) Express any views on the correspondence received.

Background

This report provides an update on Forum related correspondence received since the last meeting.

a) Correspondence from Preston City Council

On 13 February 2020, correspondence was received from the Leader and the Chief Executive of Preston City Council. The letter reported on a motion passed by the City Council at their meeting of 30 January 2020, on the subject of 'Academisation in Preston'.

A copy of the letter is provided at Appendix A and includes further information on the notice passed by the City Council, and culminates in a request for the Forum to consider a position of encouraging schools to remain within the local authority family.

The Forum is asked to consider this correspondence and express views about a response to the City Council.

Date: 12TH February, 2020
Your reference:
Our reference: MB/CE/JED

Clerk to the Lancashire Schools Forum,
Financial Management (Development and Schools),
County Hall,
Preston.
PR1 0LD

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Dear Sir/Madam,

At our recent Council meeting on 30th January, 2020, members considered the following Notice of Motion: -

“ACADEMISATION IN PRESTON

This Council notes with concern recent proposals to transform Ashton Community Science College into an academy. This Council feels that this is not the best way forward for children and communities and notes the following:

- Independent research suggests there is little evidence that academy status offers pupils a better standard of education than local authority schools. Academies haven't improved educational standards for underachievers as they set out to do. Permanent exclusion rates are nearly double the rate in academies than in local authority run schools. We fear it will be children from lower income families who will disproportionately be at greater threat from exclusion.

- Academies end local control of the school. The process takes the school out of the community of schools supported by the local authority. The school is no longer run for the benefit of the wider community and does not reflect that community. It is a direct attack on local democracy.

- The curriculum represents the transfer of knowledge from one generation to the next. Questions must be raised as to the extent of the National Curriculum in academies. Children are being taught potentially different areas of knowledge. The danger is that the values of business rather than society may predominate in academies. An academy may produce students tailored for the needs of the business community but we feel education has a responsibility to produce emotionally mature individuals with the capacity for creative, independent and critical thought.
- There is evidence that children who formulate independent views such as tackling climate change are often pressured to suppress such views when schools become commercially sponsored or influenced. We feel this goes against enabling children and young people to develop into rounded individuals who are encouraged to develop their own views around issues which they face growing into adulthood.
- With respect to working conditions staff might transfer on existing conditions, but this can be circumvented by skilled management. In some academies teachers are expected to work an extended day and for more hours in each academic year. Tired and over worked teachers might well affect the quality of teaching and the health of the staff.
- Academies often use admissions procedures to change their school population by selecting ten per cent of their pupils by “aptitude”. Any selection procedure can be rigged against certain groups like the 11plus historically did. You may have admissions procedures based on social class or those which unintentionally exclude other vulnerable groups, for example, children with special learning needs which could be discriminatory.
- The whole ethos of academies goes against the principles of a forward thinking education policy since education became compulsory in 1870. It undermines the aims of comprehensive education being the same for everyone, and preparing young people for all aspects of society.
- That the current Leader of Lancashire County Councillor Geoff Driver has previously expressed his support for local authority control of schools when the former Education Secretary Michael Gove criticised the low numbers of academy schools in Lancashire.”

It was subsequently resolved that the Leader and I contact the Schools Forum to express our opposition to further academisation across Preston and to request that you consider a position of encouraging schools to remain within the local authority family. I would be grateful to receive your comments and agreement to carrying out this action.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Matthew Brown', with a long horizontal flourish extending to the right.

Councillor Matthew Brown
Leader of the Council

A handwritten signature in black ink, appearing to read 'Adrian Phillips', with a long horizontal flourish extending to the right.

Adrian Phillips
Chief Executive

LANCASHIRE SCHOOLS FORUM

Date of meeting: 24 March 2020

Item No 12

Title: Urgent Business

Executive Summary

This report provides an update on Forum decisions/recommendations taken since the last meeting using the urgent business process.

Recommendations

The Forum is asked to:

- a) Note the report.

Background

This report provides an update on Forum decisions/recommendations taken since the last meeting using the urgent business process.

a) Apprenticeship Levy Protocol for the Transfer of Schools Funding

Previous reports to the Forum have highlighted that the apprenticeship levy funding generated by schools is being underspent by levy paying schools and that there was a significant risk of unused money being returned to central government, under Apprenticeship Levy Regulations.

Members will recall that following recommendations from the Apprenticeship Levy Steering Group, the principle of utilising a 'transfer' of upto 25% of school levy funds to assist relevant non-levy paying establishments was supported by the Forum in July 2019. This was judged preferable to unspent funding being returned to the ESFA.

This risk of funding being returned to central government recently became a reality and the LCC Apprenticeship Levy team sought to agree a protocol that could be used to authorise the team to utilise the unspent funding for the benefit of children and young people in Lancashire. As there was no Apprenticeship Levy Steering Group scheduled in the current cycle of working group meetings, the Forum's Urgent Business procedure was utilised.

On 29 January 2020, an email was sent to Apprenticeship Levy Steering Group members, to obtain a view on a draft protocol that could be used in connection with the transfer of 'schools' monies.

The proposals mirrored the processes that has been agreed for LCC transfers and identified groups that have been discussed with the Steering Group previously, with the exception of one addition.

The draft proposal is set out below:

Categories eligible for 'Schools' Apprenticeship Levy Transfer:

- Aided schools situated with the LCC footprint (where possible as limited number due to PAYE issue);
- Academies situated with the LCC footprint;
- Aided schools and academies in Unitary authorities (Blackpool and Blackburn);
- Independent Nurseries/Early years settings;
- Organisations providing support to schools (e.g. PE/Sports providers, SEND support providers, Children's and young people's Mental Health charities).

Process:

Allow the Apprenticeship Levy Team to identify, arrange and authorise unspent levy transfers to be made to the above categories.

Reason for Urgency:

Support for this proposal is being requested via email rather than waiting until the next Steering Group meeting, as we are now paying levy funding back to central government on a monthly basis.

By the requested response date of 14 February 2020, 4 responses had been received from members of the Group.

All responses supported the proposed 'transfer' protocol but a number of the replies asked that the Apprenticeship Levy Steering Group be kept updated on the allocation of funds, in particular information about any allocations to and more detail around 'Organisations providing support to school'.

Having reviewed the responses, the Apprenticeship Levy Team will proceed with the schools levy transfer arrangements, but due to the uncertainties expressed, will not now include 'Organisations providing support to schools' in the eligible categories. This group remain eligible for support from transfers from the LCC levy.

The next meeting of the Apprenticeship Levy Steering Group is scheduled for June 2020.