

LANCASHIRE SCHOOLS FORUM

Virtual meeting to be held at 10.00 am on Tuesday 20 October 2020

If you wish to join this virtual meeting but are not a member of the Schools Forum, please email Schoolsforum@lancashire.gov.uk

A G E N D A

1. Apologies for Absence

To note any apologies for absence

2. Substitute Members

To welcome any substitute Members.

3. Forum Membership (Enclosure)

To note the Forum membership report.

4. Minutes of the Last Meeting (Enclosure)

To agree the minutes of the last meeting held on 2 July 2020.

5. Matters Arising

To consider any matters arising from the minutes of the 2 July 2020 meeting that are not covered elsewhere on the agenda.

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

To consider the recommendations from the Schools Block Working Group meeting held on 22 September 2020.

This report includes information on the formal Forum decision that will need to be taken by the on:

- The Minimum Funding Guarantee (MFG) level for 2021/22;
- De-delegation proposals for 2021/22;
- Approval of an amended Scheme for Financing Schools in Lancashire

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

To consider the recommendations from the High Needs Block Working Group meeting held on 29 September 2020.

- 8. Recommendations from the Early Years Block Working Group (Enclosure)**
To consider the recommendations from the Early Years Block Working Group meeting held on 6 October 2020.
- 9. Recommendations from the Chair's Working Group (Enclosure)**
To consider the recommendations from the Chair's Working Group meeting held on 22 September 2020.
- 10. Lancashire County Council Area Position On Paying Staff In Schools (Enclosure)**
To note the communication issue to schools in connection with the paying staff in Lancashire schools.
- 11. Supply Cover Insurance and Maternity Scheme for Lancashire Schools – Late Joining (Enclosure)**
To consider the report on allowing in year changes to school cover options for the supply scheme
- 12. Urgent Business (Enclosure)**
To note the response to the Forum Urgent Business Procedure (UBP) conducted on updates to the Supply Cover Insurance and Maternity Scheme for Lancashire Schools for September 2020.

The Forum UBP was also used in connection with Early Education Funding Principles and Methodology for Autumn 2020 Term and feedback on this decision is included in the Early Years Block Summary report.
- 13. Pupil Premium Grant + for looked after children 2020/21 (Enclosure)**
To note the PPG+ Policy for 2020/21.
- 14. Schools Forum Operational Arrangements Document (Enclosure)**
To consider the updated Schools Forum Operational Arrangements document.
- 15. Forum Correspondence (Enclosure)**
To consider the Forum related correspondence received since the last meeting, that is not included within working group reports.
- 16. Any Other Business**
No notified items of AOB
- 17. Date of Future Meetings**
To note that the next scheduled Forum meeting will be held at 10.00am Tuesday 12 January 2020 at County Hall, Preston, subject to COVID-19 implications.

Lancashire Schools Forum meeting of 20 October 2020 via video conferencing

Executive Summary

Due to the COVID-19 pandemic, this meeting of the Forum will take place via video conferencing.

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 2 July 2020 and any matters arising.

6. Recommendations from the Schools Block Working Group

To consider the recommendations from the Schools Block Working Group from 22 September 2020

i. Schools Budget Outturn, School Balances and Clawback 2019/20 – Update report

This report provided further detailed analysis of the outturn position at 31 March 2020, including detailed budget monitoring tables along with a commentary on key issues.

The Working Group:

a) Noted the report and the additional 2019/20 outturn information provided.

ii. Schools Block Funding 2021/22

An update was provided about the key DfE announcements about school funding for 2021/22, including:

- Rolling grant funding into the schools NFF;
- Income Deprivation Affecting Children Index 2019 update.

Information about the level of Minimum Funding Guarantee (MFG) proposed for the local funding formula in 2021/22 was also provided including the consultation with schools.

The Working Group:

a) Noted the report and the information provided

Subsequent to the meeting the MFG consultation closed and the final consultation analysis and comments received via the eform are provided in the report.

The Forum are asked to make a final recommendation on the level of MFG to be used in the Lancashire funding formula for 2021/22.

iii. Service De-delegations 2021/22

This report provided information on a consultation seeking views about which services should be de-delegated for 2021/22 are:

- Staff costs – Public Duties/Suspensions;
- Heritage Learning Service (Museum Service) - Primary Schools Only;
- Support for Schools in Financial Difficulty;
- Primary Inclusion Hubs - Primary Schools Only

The Working Group:

- a) Noted the report and the interim consultation information provided;*
- b) Suggested that PHiL and LASSH colleagues could be contacted and asked to promote consultation responses;*
- c) Individual members agreed to encourage responses from their own schools and clusters;*
- d) Requested that further Inclusion Hub impact analysis be presented to a future meeting, when time allowed;*
- e) Supported the proposed eform voting arrangements for the de-delegations, following an opportunity for discussions at the Forum meeting on 20 October 2020.*

A copy of the final de-delegation consultation analysis is provided in the report, together with comments that have been received

This report also provides an appendix with updated information on Inclusion Hubs and on the future proposals.

As agreed by the Working group, an eform will be issued after the meeting enabling relevant members to vote on the 2021/22 de-delegations, following an opportunity for discussions at the Forum meeting on 20 October 2020. Only maintained primary school representatives and maintained secondary school representatives may vote on the de-delegation proposals relating to their phases.

iv. Financial transparency of local authority maintained schools and academy trusts:

Government consultation response

A government response to the Transparency consultation has now been published this report highlights the key areas.

The Working Group:

- a) Noted the report;*
- b) Noted that information had been provided to schools where implementation of the DfE requirements was imminent;*
- c) Noted that further information would be provided to schools and the Forum on other requirements and local proposals.*

v. Scheme for Financing Schools in Lancashire

In August 2020, the DfE issued a 12th update to Statutory Guidance on schemes. Information was provided on the local scheme amendments being introduced in response to the guidance and on the consultation that was held with schools.

The Working Group:

- a) *Noted the report.*

Subsequent to the meeting the Scheme consultation closed but no responses were received.

Maintained School Members of the Forum are asked to formally approve the revised Scheme for Financing Schools in Lancashire.

vi. Coronavirus (COVID-19) catch-up premium

In July 2020, the Government have announced a £1b Covid catch-up package for the 2020/21 academic year and this report provided details.

The Working Group:

- a) *Noted the report.*

vii. School funding: exceptional costs associated with coronavirus (COVID-19) for the period from March to July 2020

An updated was provide on the latest DfE Information around 'School funding: exceptional costs associated with coronavirus (COVID-19), including allocations for Lancashire schools.

The Working Group:

- a) *Noted the report.*

viii. School Finance - School Visits

During the COVID pandemic School Finance have continued to deliver a traded service to schools, but now access school systems remotely and meet with school colleagues virtually. Views were sought on the continuation of this approach

The Working Group:

- a) *Supported the continuation of the virtual service offering from Schools Finance as the default position.*

The Forum are asked to ratify the Working groups recommendations.

7. Recommendations from the High Needs Block Working Group

To consider the recommendations from the High Needs Block Working Group from 29 September 2020.

i. Schools Budget Outturn, School Balances and Clawback 2019/20 – Update report

This report provided further detailed analysis of the outturn position at 31 March 2020, including detailed budget monitoring tables along with a commentary on key issues.

The Working Group:

a) Noted the report;

b) Requested additional information on a couple of specific areas rating to:

- o the significant rise in out-county expenditure in 2019/20 (over £5m) and the number of children that were placed in independent provision;*
- o any update on the development of special educational needs units attached to mainstream schools, particularly in the secondary sector.*

ii. High Needs Block Monitoring 2020/21

Due to the cost and demand led pressures on the High Needs Block budget, arrangements were introduced from 2018/19 to provide the Forum with termly budget HNB monitoring. The HNB budget is currently forecasting a circa £2.4m underspend at 31 March 2021.

The Working Group:

a) Noted the report.

iii. High Needs Block Funding 2021/22

This report provided information on 2021/22 funding announcements for the HNB. Members considered the initial DfE information for 2021/22 and commented that it would be helpful if Inclusion Service colleagues could attend future meetings provide the opportunity to discuss SEND and AP strategies and the financial consequences in more detail ahead of deliberations around the High Needs Block budget for 2021/22.

The Working Group:

a) Noted the report;

b) Asked that the Chair of the Working Group formally invite Dr Sally Richardson, Head of Inclusion Service, to the next HNB meeting.

iv. HNB Indicative Commissioned Place Numbers 2021/22

As part of the process agreed with the Schools Forum earlier this year, the county council wrote to all Lancashire special schools and PRUs at the end of the summer term 2020 with an early notification of the indicative number of places we expect to commission in 2021/22, to allow a longer opportunity for representations.

Representations from a number of schools and PRUs are being considered.

The Working Group:

a) Noted the report.

v. Representations from Lancashire Short Stay Schools

Correspondence to the Forum and LCC officers has been sent by Lancashire Short Stay Schools. The letter makes representations about the financial impact on Short Stay Schools due to Coronavirus and some wider issues about the PRU funding, including the commissioned place methodology.

The Working Group:

- a) Noted the report and the correspondence from PRU headteachers;*
- b) Supported the proposed protections for PRUs to base autumn term 2020 redeterminations on the higher of October 20 and October 19 census data, to mitigate the impact that COVID-19 may have had on PRU NORs;*
- c) Supported the extension of this autumn term 2020 redeterminations methodology to special schools;*
- d) Noted that the additional costs of this protection were not yet known but that the risk would need to be underwritten by the DSG reserve;*
- e) Welcomed the establishment of the Alternative Provision Governance Group to consult with the sector and support the implementation of the Alternative Provision Strategy;*
- f) Welcomed the appointment of PRU headteachers to sit on this group.*

vi. DSG Historic Commitments: Emotional Health and Wellbeing Commissioned Early Help Service Performance Update

DfE announcements make clear that DSG Historic Commitments allocations will continue to reduce to zero across future years and include confirmation that the historic commitments element of the Central School Services Block (CSSB) will decrease by a further 20% from April 2021.

In order to aid Forum consideration of these allocations, a report was provided from the Emotional Health and Wellbeing Commissioned Early Help Service providing a Performance Update for the previous year

The Working Group:

- a) Noted the report;*
- b) Agreed to be aware of this report when considering the DSG 'combined budget' contributions as part of the budget setting process for 2021/22*

vii. Financial transparency of local authority maintained schools and academy trusts: Government consultation response

A government response to the Transparency consultation has now been published this report highlights the key areas.

The Working Group:

- a) Noted the report;*
- b) Noted that information had been provided to schools where implementation of the DfE requirements was imminent;*

- c) *Noted that further information would be provided to schools and the Forum on other requirements and local proposals.*

ix. Scheme for Financing Schools in Lancashire

In August 2020, the DfE issued a 12th update to Statutory Guidance on schemes. Information was provided on the local scheme amendments being introduced in response to the guidance and on the consultation that was held with schools.

The Working Group:

- a) *Noted the report.*

Subsequent to the meeting the Scheme consultation closed but no responses were received.

Maintained School Members of the Forum are asked to formally approve the revised Scheme for Financing Schools in Lancashire.

x. Coronavirus (COVID-19) catch-up premium

In July 2020, the Government have announced a £1b Covid catch-up package for the 2020/21 academic year and this report provided details.

The Working Group:

- a) *Noted the report.*

xi. School funding: exceptional costs associated with coronavirus (COVID-19) for the period from March to July 2020

An updated was provide on the latest DfE Information around 'School funding: exceptional costs associated with coronavirus (COVID-19), including allocations for Lancashire schools.

The Working Group:

- a) *Noted the report.*

xii. School Finance - School Visits

During the COVID pandemic School Finance have continued to deliver a traded service to schools, but now access school systems remotely and meet with school colleagues virtually. Views were sought on the continuation of this approach

The Working Group:

- a) *Supported the continuation of the virtual service offering from Schools Finance as the default position.*

The Forum are asked to ratify the Working groups recommendations.

8. Recommendations from the Early Years Block Working Group

To consider the recommendations from the Early Years Block Working Group from 6 October 2020.

i. Schools Budget Outturn, School Balances and Clawback 2019/20 – Update report

This report provided further detailed analysis of the outturn position at 31 March 2020, including detailed budget monitoring tables along with a commentary on key issues and noted some underspends on the SEN Inclusion Fund.

The Working Group:

- a) Noted the report and the supplementary analysis provided;*
- b) Requested that a meeting be requested with the Head of the Inclusion Service, to discuss SEN related issue that were impact on early years providers, including the underspends on the SEN Inclusion Fund;*
- c) Requested that the Maintained Nursery School Federation be invited to any discussions.*

ii. Urgent Business - Early Education Funding Principles and Methodology for Autumn 2020 Term

Information was provided on the urgent business process seeking Forum views on the proposed funding principles and methodology to be used in Lancashire for the Autumn 2020 Term.

The Working Group:

- a) Noted the report.*

iii. EY Sustain

This report provided feedback on the lessons learned from the first round of EY Sustain consultancy. A summary of key findings were set in the report.

The Working Group:

- a) Noted the report.*

iv. Executive Recovery Board

The Working Group Chair represents PVI providers on the Executive Recovery Board, which is a weekly meeting of school and early years representatives with LCC Directors dealing with COVID-19 related issues. Maintained nursery schools are represented by the Maintained Nursery School Federation. The Chair provided feedback from recent Executive Recovery Board meetings.

The Working Group:

- a) *Noted the report;*
- b) *Welcomed the early years representation on the Board and the response that had been received in respect of the specific SEND concerns raised;*
- c) *Requested that the distribution list for the communication to be issued to providers be checked, as many settings had not received earlier correspondence.*

Individual members agreed to feed back any relevant issues to the Chair for raising at future Board meetings and to give consideration to any other mechanisms that could be used to encourage wider feedback from the sector.

The Forum are asked to ratify the Working groups recommendations.

9. Recommendations from the Chair's Working Group

To consider the recommendations from the Chair's Working Group meeting held on 22 September 2020.

i. Schools in Financial Difficulty (SIFD) – Bid for one off financial support for a Lancashire primary school

A report was provided in connection with a bid for one off financial support from a Lancashire primary school.

The Working Group:

- a) *Noted the report;*
- b) *Supported the allocation of £36,000 from the Schools in Financial Difficulty budget to assist with the recovery at a Lancashire primary school.*

ii. Schools in Financial Difficulty (SIFD) – Bid for one off financial support for a Lancashire special school

A report was provided in connection with a bid for one off financial support from a Lancashire special school.

The Working Group:

- a) *Noted the report;*
- b) *Supported the allocation of £64,000 from the Schools in Financial Difficulty budget to assist with the recovery at a Lancashire special school.*

iii. Schools in Financial Difficulty (SIFD) – Revised Categorisations

This report provided information on the recent review the SIFD categories in light of the publication of the DfE's response to the financial transparency consultation.

The Working Group:

- a) *Noted the report;*

- b) Supported the revised SIFD categorisation names, descriptions and financial indicators*
- c) Supported the publication of the SIFD categorisation on the Forum website.*

The Forum are asked to ratify the Working groups recommendations.

10. Lancashire County Council Area Position On Paying Staff In Schools

To note the communication issue to schools in connection with the paying staff in Lancashire schools and possible future representations to central government.

11. Supply Cover Insurance and Maternity Scheme for Lancashire Schools – Late Joining

To consider the report on allowing in year changes to school cover options for the supply scheme

12. Urgent Business

To note the response to the Forum Urgent Business Procedure (UBP) conducted on updates to the Supply Cover Insurance and Maternity Scheme for Lancashire Schools for September 2020.

13. Pupil Premium Grant + for looked after children 2020/21

To note the PPG+ Policy for 2020/21, which provides information on the use of distribution of funding held centrally.

14. Schools Forum Operational Arrangements Document

To consider the updated Schools Forum Operational Arrangements document, which now incorporate the new Schools Forum Regulations.

15. Forum Correspondence

To consider the Forum related correspondence received since the last meeting, from HMRC. Other correspondence to the Forum has been included within working group reports.

16. Any Other Business

No notified items of AOB

17. Date of Future Meetings

To note that the next scheduled Forum meeting will be held at 10.00am Tuesday 12 January 2020 at County Hall, Preston, subject to COVID-19 implications.

LANCASHIRE SCHOOLS FORUM
Date of meeting 20 October 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,
- b) Welcome James Keulemans, Matt Eastham, Keith Wright, Ian Watkinson, Sarah Troughton, Karen Stephens and Phil Hart to their first Forum meeting;
- c) Welcome Kathleen Cooper back to the Forum;
- d) Thank Julie Gordon, Les Ridings, Dave Fann, Liz Lavery and Andrew Good for their contribution to the Forum;
- e) Thank Christine Hurford for her contribution to the Forum and wish her well in her retirement.

Background

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

Academy Representation

Members will be aware that the number of mainstream academy representatives on the Forum has increased by 2, to 8 members, from September 2020. This is due to the annual analysis of the balance of Forum membership based on the primary, secondary and academy pupil populations in Lancashire.

Kathleen Cooper, a governor at Bishop Rawstorne Academy has been nominated by the Academy Governors' Group to take up the governance/trust vacancy. Members will recall that Kathleen has been a longstanding Forum member in other school categories and has now formally accepted the academy governance/trust vacancy.

The Academy Heads' Group have nominated James Keulemans, Headteacher of Clitheroe Royal Grammar School and Matt Eastham, Headteacher at Penwortham Priory Academy as their representatives who will share the role and provide cover for other academy headteacher representatives.

Members will wish to welcome James and Matt to the Forum and welcome Kathleen back as the formal academy governor representative.

Primary Headteacher Vacancies

A number of nominees for the primary headteacher and primary governor vacancies on the Forum chose not to pursue their nominations in the summer term 2020, with most citing COVID-19 reasons for withdrawing.

A new nomination process has been launched for the autumn term 2020 and Keith Wright, Headteacher at Westgate Primary School has been appointed to the Forum:

A primary headteacher vacancy remains unfilled.

Members will wish to welcome Keith to the Forum.

Primary Governor Vacancies

6 nominations have been received for the primary governor vacancy on the Forum and an election process, in which all maintained primary school governing bodies are entitled to vote, will take place to determine the appointment.

NEU

The NEU have changed their Forum members and in future will be represented by either Ian Watkinson, Branch Chair or Sarah Troughton, Branch Secretary.

Previously Julie Gordon and Les Ridings were NEU Lancashire representatives.

Members will wish to thank Julie and Les for their contributions to the Forum and welcome Ian and Sarah as the formal NEU members.

NAHT

Karen Stephens, Lancashire Branch Secretary for NAHT is the new Forum representative, replacing Dave Fann.

Members will wish to thank Dave for his contributions to the Forum and welcome Karen.

ASCL

Phil Hart, the new ASCL Regional Officer for the North West has become the formal ASCL representative on the Forum, replacing Liz Laverty.

Liz intends to continue as a co-opted member of the Forum High Needs Block Working Group in her capacity as a short stay school governor.

Members will wish to thank Liz for her contributions to the Forum and welcome Phil.

Head of Schools Finance

Andrew Good, Head of Service for Development and Schools has left the County Council. Currently arrangements are being made to recruit to the vacant role. Until the recruitment process is complete, and an appointment made, the current interim arrangements are for Kevin Smith, Principal Account for Schools Finance to fulfil the role of Interim Head of Service relating to the area of schools.

Members will wish to thank Andrew for his contribution to the Forum and offer support to Kevin with his new role.

School Forum Finance Support Officer

Christine Hurford, School Forum Finance Support Officer is to retire shortly and the Forum meeting on 20 October 2020 will be her last. Christine has worked for the county council for over 17 years and has supported the work of the Forum since 2011. It is due to Christine's professionalism and efficiency that the Forum operates smoothly and effectively.

Members will wish to thank Christine for her contribution to the Forum and wish her well in her retirement.

LANCASHIRE SCHOOLS FORUM

MINUTES OF THE MEETING HELD AT
10:00 A.M. ON THURSDAY, 2 JULY 2020
(Virtual meeting via Zoom)

Present:

Schools Members:**Primary School Governors**

Chris Bagguley
Ian Ball
Eleanor Hick
Louise Martin
Michelle O'Neill
Karen Stracey
Laurence Upton
Robert Waring

Primary School Headteachers

Daniel Ballard
Neil Gurman
Angela Johnstone
Deanne Marsh

Secondary School Governors

Janice Astley
Brian Rollo
Lorimer Russell- Hayes

Secondary School Headteachers

Steve Campbell
Ivan Catlow

Early Years - PVI

Sharon Alexander
Peter Hindle

Observers

Mark Evans (UNISON)
David Fann (NAHT)
Eric Harrison (NASUWT)
Liz Laverty (ASCL)
Sam Ud-din (LASGB)

Academy Governor

Helen Dicker
Chris McConnachie

Academy Principal/Headteacher

Gaynor Gorman
Alan Porteous

Alternative Provision Academy**Special School Academy**

Elayne Lorenzo (for Louise Parrish)

Special School Governor**Special School Headteacher**

Peter Higham
Shaun Jukes (LSF Chair)

Short Stay Governor

Sandra Thornberry

Short Stay Headteacher

Anne Kyle

Nursery School Headteacher

Jan Holmes

Nursery School Governor

Thelma Cullen

Members:**Other Voting Members**

Rosie Fearn
Sam Johnson

Observers - Members of the Public

Kathleen Cooper

In attendance: Paul Bonser
Susanne Edwards, Head of Service –
Education, Quality and Performance (Interim)
Christine Hurford
Jane Rimmer *School Finance*
Kevin Smith

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from: Sarah Barton, Sandra Blight, Laura Brennan, Jenny Birkin, CC Anne Cheetham, John Davey, Gill Donohoe, Mark Jackson, Louise Parrish and Lucy Sutton.

2. SUBSTITUTE MEMBERS

Elayne Lorenzo attended as a substitute for Louise Parrish

3. FORUM MEMBERSHIP

A report was presented updating the Forum on membership changes since the last meeting.

As part of the Annual Membership review a number of members are leaving the Forum, including

Jill Wright	Primary School Headteacher
Lesley Millard	Primary School Governor
Jonathan Walker	Primary School Governor

Karen Stracey, primary school governor representative, has joined the Forum.

It was also noted that pupil numbers now mean 2 additional academy places are available on the Forum from September 2020. The academy representatives are to seek one additional principal member and one additional governor/trust member.

The Forum:

- a) Noted the report and the increased academy representation from September 2020;**
- b) Thanked Jill Wright, Lesley Millard and Jonathan Walker for their contribution to the Forum**
- c) Welcomed Karen Stracey to her first Forum meeting.**

4. MINUTES OF THE LAST MEETING

The minutes of the last meeting scheduled for 24 March 2020 were agreed as a correct record.

5. MATTERS ARISING

There were no matters arising from the March 2020 minutes that were not covered elsewhere on the agenda.

6. SCHOOLS BUDGET OUTTURN, SCHOOL BALANCES AND CLAWBACK 2019/20

A report was presented providing information on the 2019/20 Schools Budget outturn position. In summary:

- The Schools Budget outturn position at 31 March 2020 was an overspend of some £1.593m;
- The final outturn position against schools delegated budgets at 31 March 2020 was an underspend of £1.752m.

A copy of the full report presented to each working group, which included balances information on individual schools, was provided for members.

The Forum:

- a) **Noted the report;**
- b) **Noted the overall position of the Schools Budget and school balances at 31 March 2020, including the individual school level information provided in the report;**
- c) **Noted the previous Forum decision to suspend the application of clawback at 31 March 2020;**
- d) **Noted the overspend on the de-delegation budget at 31 March 2020;**
- e) **Noted the overspend on the supply scheme budget at 31 March 2020.**

The responses from each working group to issues requiring feedback had been analysed and information was provided in the report to the Forum.

- i. **Feedback on possible DSG contributions to the risks associated with the closure or forced academisation of schools in deficit (Members could indicate all options they supported)**

Total Responses

Option	No of responses
Contribution from general de-delegation reserve	23
Contribution from general Schools in Financial Difficulty (SIFD) de-delegation budget	20
No response/ need further information	7
Further 'Structural Deficits' de-delegation, subject to consultation with schools	6
Other: comment about taking a more proactive approach to prevent schools accumulating significant deficits, for example by the suspension of delegation	1

'Contribution from general de-delegation reserve' was the most supported response overall, with 23 'votes' (53% of all respondents). It was also the most supported (or equal most supported) response from 2 of the 3 working groups.

'Contribution from general Schools in Financial Difficulty (SIFD) de-delegation budget' also received considerable support, with 20 'votes' in total (47% of all respondents), and was also the most popular response (or equal most popular) response from 2 of the 3 working groups.

Other options 'Further 'Structural Deficits' de-delegation' and 'no response' received much less support.

Officers confirmed that a comment about taking a more proactive approach to prevent schools accumulating significant deficits, for example by the suspension of delegation, had been noted and the LA intends to review the SIFD processes during the autumn term and information will be included in a SIFD update report in due course.

The Forum:

- a) **Noted the analysis of feedback from the working groups;**
- b) **Confirmed a steer that proposals be developed around a possible DSG contribution to the risks associated with the closure or forced academisation of schools in deficit from:**
 - **General de-delegation reserves;**
 - **The general Schools in Financial Difficulty (SIFD) de-delegation budget.**
- c) **Noted that the proposals will be subject to a further report to the Forum.**

ii. Feedback on the policy that should be applied to school balances at 31 March 2021

Total Responses

Option	No of responses
Suspend the application of clawback at March 2021 due to the continued COVID-19 uncertainties	18
Apply a similar policy in 2020/21 to that which was originally envisaged for 2019/20	13
Defer a decision until a later meeting	11
No Response	1

A comment received via a secondary Headteacher representative unable to attend the meeting was also reported to the meeting expressing support for the suspension of delegation at March 2021.

From the working group responses, 'Suspend the application of clawback at March 2021 due to the continued COVID-19 uncertainties' received the most 'votes' overall, with 18 (42% of all respondents) and was also the most popular response from 2 of the 3 working groups, but did not receive an overall majority. 'Defer a decision until a later meeting' was the most popular response from 1 working group, but was only the third most popular response overall.

The Forum:

- a) **Noted the analysis of feedback from the working groups;**
- b) **Ratified the decision to 'Suspend the application of clawback at March 2021 due to the continued COVID-19 uncertainties'.**

iii. Feedback on the options for the support staff element of the supply scheme in 2021/22

Total Responses

Option	No of responses
Implement a more restrained level of increase for the support scheme	13
Target the increases more directly at specific sectors	11
Discontinue the support staff scheme	7
Initiate a significant increase in the support staff premiums, of perhaps around 60% or 70%	6
No Response	6

Working group feedback was that 'Implement a more restrained level of increase for the support scheme' was the most popular response overall with 13 'votes' (30% of all respondents) and was also the most popular response, (or equal most popular) from 2 of the 3 working groups. However, this option received support from less than a third of responses in total. 'Target the increases more directly at specific sectors' was the equal most popular response from one working group and 'no response' was also equal most popular action from 2 working groups.

Given the current uncertainties around the demands on the scheme due to the COVID-19 pandemic, including revised scheme operational rules agreed by the Forum around supporting scheme members with shielding and self isolating in addition to sickness absence, the Forum considered deferring a final recommendation on this issue until the autumn term, when more information about the claims position may be available.

The Forum:

- a) Noted the analysis of feedback from the working groups;**
- b) Deferred a decision on the future operation of the support staff element of the supply scheme in 2021/22 until the autumn term 2020.**

In responding to options about the continued overspend on the support staff element of the supply scheme a couple of responses questioned whether the consistent overspend was representative of a wider issue about levels of sickness absence amongst support staff in Lancashire schools.

Further information provided by the Schools HR service was shared with members about support staff absence in Lancashire schools, compared to teaching staff absences, county council absences and feedback about regional absences. The data suggested that support staff absence in Lancashire schools were in line with or lower than comparators, so it did not appear that the supply scheme overspends were related to any wider issues around sickness absences in schools.

The Forum

- a) Noted the supplementary information provided on sickness absence comparisons in schools,**
- b) Agreed to bear this information in mind when making any future recommendations about the 2020/21 supply scheme.**

7. SCHOOLS FORUM ANNUAL REPORT 2019/20

Each year the Schools Forum publishes an annual report setting out items of business in which the Forum has been involved. During the June 2020 cycle of meetings a draft 2019/20 Schools Forum Annual Report was provided for each of the three Forum working groups.

All three working groups supported the publication of the 2019/20 Annual Report and one member identified a typographical error, which has now been corrected. A copy of the updated annual report for 2019/20 was provided for members.

The Forum:

- a) **Approved the 2019/20 schools forum annual report for publication.**

8. RECOMMENDATIONS FROM THE SCHOOLS BLOCK WORKING GROUP

A report was presented setting out the recommendations from the Schools Block Working Group.

i. Urgent Business Outcomes - Supply Scheme update and alternatives to May 2020 schools census

This report provided information on two decisions taken using the Forum's urgent business procedure in relation to: Forum, using the Forum's Urgent Business Procedure. This request sought urgent views over 2 matters, relating to:

- An update on the operation of the Lancashire supply scheme;
- Actions to be taken in response to the Government's decision to cancel the summer term 2020 school census.

The Working Group:

- a) *Noted the report.*

The Forum noted the report.

ii. Charging for the Operation of Schools Local Bank Account

In October 2019, the Forum supported revised bank account charges being introduced from April 2020. Members were reminded about the reasons behind the decision as charges for 2020/21 are about to be issued.

The Working Group:

- a) *Noted the report.*

The Forum noted the report.

iii. Service De-delegations 2020/21 – School Financial Health Check Funding

This report provided information on options for the use of funding originally collected as part of the Support for Schools in Financial Difficulty (SIFD) de-delegation for the provision of financial health checks for schools. Other elements of the SIFD support remain unchanged.

The Working Group:

- a) *Noted the report;*
b) *Expressed views about the options available for the funding within the Support for Schools in Financial Difficulty (SIFD) de-delegation relating to financial health checks for schools. There was no overall consensus and an analysis of the views expressed are shown below:*

Feedback on possible options in connection with funding relating to the school financial health check element of the 2020/21 SIFD de-delegation funding.
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Option	No of responses
Hold the funding in the de-delegation reserve specifically earmarked for school health checks	6
Utilise the funding as part of the wider Schools in Financial Difficulty support in 2020/21	6
Use the health checks funding as a further DSG contribution to the 'structural deficits' reserve	4
Reimburse the 'health check' element of funding to all schools on the basis that it was collected	5
No response	1

One member raised concerns about the collecting of this money from schools for a potential purpose and as it has been found unnecessary suggested that this type of "speculative taking of funds" be avoided in future and should not have happened in the first place.

Costings for the Lancashire health check proposal had been estimated at an additional figure of £0.73 per pupil for both primary and secondary schools in the SIFD de-delegation proposals for 2020/21. Total amount, including group-buy backs is circa £140k.

Members considered the responses and the merits of each option, including the likelihood of the health check requirements being reintroduced when the DfE announce their delayed response to the consultation.

The Forum:

- a) **Noted the analysis of feedback from the working group;**
- b) **Ratified the working group's joint favoured recommendations for the use of funding de-delegation relating to financial health checks for schools:**
 - **Hold the funding in the de-delegation reserve specifically earmarked for school health checks**
 - **Utilise the funding as part of the wider Schools in Financial Difficulty support in 2020/21**

iv. Trade Union Facilities Agreement

An update report was provided about the use of Trade Union Facilities Time Agreement, which forms part of the 'Staff costs – Public Duties/Suspensions' de-delegation.

The question posed by the Schools HR Team in the report was:

Forum are asked to consider whether the existing number of representatives (12 FTE) should be reviewed. Forum may wish to consider the fact that 14% of teachers now work in schools that do not fall under the facilities agreement, and that on average approx. 2.0 FTE facilities time is not used each year. This is despite the fact that overall HR casework statistics within the Schools HR Team are not reducing.

It was noted that the Staff Costs de-delegation also incorporates support for certain public duties and when staff are suspended. Whilst there was reference in the HR report about a certain element of facilities time not being utilised each year, it was noted that the overall staff costs de-delegation was overspend in 2019/20, by circa £120k, and it was therefore likely that the costs of this de-delegation will need to increase in 2021/22.

The Working Group:

- a) *Noted the report;*

- b) *Expressed views about the Trade Union Facilities Agreement in connection with the proposed 2021/22 de-delegation, with a majority favouring the 'Yes, and with a Forum recommendation that the TU funding is reduced to reflect a smaller workforce' option, as shown below:*

<i>Feedback on the updated facilities time agreement information being included in the 2021/22 de-delegation consultation with schools.</i>	
<i>Option</i>	<i>No of responses</i>
<i>Yes, and with a Forum recommendation that the TU funding is reduced to reflect a smaller workforce</i>	<i>14</i>
<i>Yes and with a Forum recommendation that the TU funding continues at the 2020/21 levels</i>	<i>5</i>
<i>Yes, but without any accompanying Forum recommendation</i>	<i>3</i>
<i>No, don't include the information in the consultation</i>	<i>0</i>

Information was received from a Forum member providing a response to explain the funding underspend and offering wider comment in support of the work undertaken by the trade unions. This document was shared with members briefly via the video call but it was agreed that it would be circulated after the meeting to allow colleagues an opportunity to consider the content in more detail. An eform was made available to allow members to express their views on this issue.

Responses were received as follows:

<i>Having considered the additional information provided on the trade union facilities time in conjunction with that already circulated please let us know your views</i>	
<i>Option</i>	<i>No of responses</i>
<i>Include a Forum recommendation that the TU funding is reduced to reflect a smaller school workforce</i>	<i>14 (61%)</i>
<i>Include a Forum recommendation that the TU funding should continue at historic levels</i>	<i>7 (30%)</i>
<i>Do not include a Schools Forum recommendation in the de-delegation consultation</i>	<i>2 (9%)</i>

The Forum:

- a) **Agreed to include a Forum recommendation in the 2021/22 De-delegation consultation that the TU funding is reduced to reflect a smaller school workforce.**

v. Scheme for Financing Schools in Lancashire

In April 2020, the DfE issued an 11th update to Statutory Guidance on schemes and details of the scheme updates introduced by the latest guidance were provided. No responses were received from schools during a consultation on the proposals to implement the scheme changes locally.

The Working Group:

- a) *Noted the report and that no views were received from schools during the scheme consultation;*

b) *Supported the introduction of the proposed scheme amendments.*

This is a formal Schools Forum decision for mainstream school representatives and approval was sought to update the Lancashire scheme using an eform.

18 responses from maintained school representatives on the Forum were received, all in favour of the proposed scheme amendments.

The Forum:

a) Agreed the amendments to the Lancashire Scheme for Financing Schools.

vi. Split Site Funding Appeal

Information was provided about an appeal to the split site funding allocation for 2020/21.

The Working Group:

a) Noted the report;

b) Expressed views about the split site appeal. There was no overall consensus and an analysis of the views expressed are shown below, with rejecting the appeal marginally the most popular view:

<i>Feedback on a school appeal against the application of the split site funding policy</i>	
<i>Option</i>	<i>No of responses</i>
<i>Reject the appeal as the school does not meet the distance threshold for split site criteria 1</i>	<i>10</i>
<i>Support the appeal and award criteria 1 level funding due to the exceptional case made in the appeal</i>	<i>9</i>
<i>Support a reduced distance threshold for criteria 1 so that the school qualify</i>	<i>1</i>
<i>No response/not sure</i>	<i>2</i>

Members debated the appeal information and the working group views. During discussion a clear view emerged that the school did not meet the agreed criteria and should therefore be rejected.

The Forum:

a) Noted the analysis of feedback from the working group, which marginally rejected the appeal;

b) Unanimously ratified the view that the appeal should be rejected.

9. RECOMMENDATIONS FROM THE HIGH NEEDS BLOCK WORKING GROUP

A report was presented setting out the recommendations from the High Needs Block Working Group.

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

This report provided a brief update on developments, particularly in connection with Additionally Resources Mainstream Schools (ARMS).

7 Expressions of Interest were received for the Additionally Resources Mainstream Schools (ARMS) from primary schools and none from the secondary sector. A further communication is now to be sent out to mainstream schools providing information on the gaps that remain in provision following the first round of responses, and seeking additional volunteers.

The Working Group:

- a) *Noted the report*

The Forum noted the report.

ii. Urgent Business Outcomes - Supply Scheme update and alternatives to May 2020 schools census

This report provided information on two decisions taken using the Forum's urgent business procedure in relation to: Forum, using the Forum's Urgent Business Procedure. This request sought urgent views over 2 matters, relating to:

- An update on the operation of the Lancashire supply scheme;
- Actions to be taken in response to the Government's decision to cancel the summer term 2020 school census.

The Working Group:

- a) *Noted the report.*

Subsequent to the HNB meeting clarification has been provided about the Alternative Provision arrangements to confirm that the summer term 2019 actuals will be used as the baseline for the PRU summer term 2020 redeterminations. A local PRU census request was issued in early June 2020 to collate the latest pupil data for each PRU, including information about any pupils that may be attending due to COVID-19. This data will be shared with finance to ensure that there are no schools at risk of a large negative impact from the use of summer term 2019 data. For the summer term 2020 redeterminations, all PRUs will receive funding based on the actual NOR at May 2019 as a minimum.

PRU representatives welcomed this clarification but raised concerns about the impact on AP budgets following recent DfE announcements that the October 2020 school census was expected to operate as normal. This concern related to a possible reduction in the number of pupils being placed in PRUs at the moment due to COVID-19.

Officers confirmed that they were conscious of this issue and had plans in place to review the options available, which would be reported to the Forum in the autumn term.

Members also asked about the COVID impact on Inclusion Hubs and officers indicated that it was intended to provide information to the Forum in the autumn term.

The Forum:

- a) **Noted the report on the Urgent Business Outcomes for the Supply Scheme update and alternatives to May 2020 schools census, and the subsequent actions taken;**
- b) **Requested that further information be presented in the autumn term in connection with PRU funding and Inclusion Hubs**

iii. Teachers' Pension Employer Contribution Grant (TPECG) Claim from supplementary fund for specialist settings

This report provided information about the TPECG Claim from supplementary fund for specialist settings.

The Working Group:

- a) *Noted the report.*

Subsequent to the working group meeting it was confirmed that the claim had been submitted for Lancashire special schools and PRUs and eligible schools should receive their allocations in July 2020.

The Forum noted the report and the subsequent information about allocations.

iv. Charging for the Operation of Schools Local Bank Account

In October 2019, the Forum supported revised bank account charges being introduced from April 2020. Members were reminded about the reasons behind the decision as charges for 2020/21 are about to be issued.

The Working Group:

- a) *Noted the report.*

The Forum noted the report.

10. RECOMMENDATIONS FROM THE EARLY YEARS BLOCK WORKING GROUP

A report was presented setting out the recommendations from the Early Years Block Working Group.

i. Future of Maintained Nursery Schools

During the current COVID-19 pandemic, the review of Maintained Nursery Schools (MNS) financial stability has been put on hold.

The Working Group noted the information.

The Forum noted the report.

ii. Schools Forum Urgent Business Process - Alternative arrangements following the cancellation of the May 2020 school census

This report provides information about the urgent business decision taken about the cancellation of the May 2020 schools census for the Early Years Block.

Arrangements were made to implement the alternative data sources agreed in the proposal.

The Working Group:

- a) *Noted the report.*

The Forum noted the report.

iii. Funding Agreement for the Provision of Early Education Funding 2020/21

For 2020/21, the LA is not proposing to make any changes to the agreement beyond updating the dates to reflect the 2020/21 year.

The Working Group:

- a) *Noted the report.*

The Forum noted the report.

iv. Early Years Block Autumn Term 2020 Payments

Whilst no information is yet available from the DfE, the LA had begun considering possible options for funding early years providers in the autumn term 2020.

The Working Group:

- a) *Noted the report*
- b) *Supported the proposal to hold a virtual meeting on this issue.*

These issues were discussed at a supplementary virtual meeting of the Early Years Block Working Group held on 30 June 2020. The Group noted that there was a significant risk to the LA/DSG and to settings if other payment mechanisms are used to fund providers on anything than headcount. It was agreed to amend the interim payments process to assist with cashflow, by issuing one interim payment of 50% of summer term allocation, to be paid in early September 2020. This would then be followed up with a balancing payment once the headcount has been undertaken. Further modelling could then be undertaken based on the data. More information may be available from the DfE at that point.

Concern remained about the viability of some early years settings going forward.

The Forum

- a) **Noted the report and the subsequent information from the supplementary meeting;**
- b) **Supported the proposed approach.**

v. Funding for PVI and Childminders with additional Costs associated with COVID-19

Mainstream Schools may be able to request support directly from the DfE to assist with additional COVID-19 costs including increased premises related costs and additional cleaning costs, subject to certain conditions. The County Council has asked the DfE if this scheme can also be made available to EY PVI providers and Childminders.

The Working Group:

- a) *Noted the information;*
- b) *Noted that any responses from the DfE will be shared at the virtual meeting if it has been received.*

It was reported to the supplementary meeting that queries had been submitted to the DfE in connection with PVI and MNS access to the additional costs fund. Responses have been received to say that the additional funding was not available to PVI and MNS at this stage.

The LA will continue to make representations and other working groups members were encouraged to do so through their own representative groups.

The Forum noted the report and the subsequent information from the supplementary meeting.

vi. Local Authority Discretionary Fund

A statement from NDNA was shared with the group about support for childcare providers (In Lancashire, it is district councils that deal with business rates).

The Working Group:

- a) *Noted the information;*
- b) *Noted that this information could be discussed as part of the virtual meeting.*

The Forum noted the report.

11. RECOMMENDATIONS FROM THE APPRENTICESHIP LEVY STEERING GROUP

A report was presented setting out the recommendations from the Apprenticeship Levy Steering Group, which was updated on the school apprenticeship levy developments, including the impact of COVID-19

The Working Group:

- a) *Noted the information*

The Forum noted the report.

12. URGENT BUSINESS

Matters considered using the Forum's Urgent Business Procedure since the last Schools Forum meeting have been included within the relevant working group summery reports.

13. FORUM CORRESPONDENCE

There is no Forum related correspondence to consider at this meeting.

14. ANY OTHER BUSINESS

a) School funding: exceptional costs associated with coronavirus (COVID-19) for the period from March to July 2020

The final details of the eligible claims and the claims processes have been announced by DfE. Some of the interpretations are perhaps more stringent than originally suggested by DfE. Members expressed concern that that schools were incurring additional costs to comply with government guidance but were being restricted on what could be claimed. And in the case of early years PVI settings and MNS, were unable to claim anything at all.

The Forum noted the information.

b) HMRC reference for Aided and Foundation schools buying BTLS payroll

An item of AOB was raised that stemmed from a query raised at a recent BTLS focus group. It was reported that many aided schools with under 250 staff were unable to access the government scheme providing up to two weeks Statutory Sick Pay for employees who are off sick with Covid-19 symptoms. This was because aided and foundation schools that buy BTLS payroll all appear under one HMRC code.

Members recalled that this issue had also impacted on the operation of the apprenticeship levy.

On receipt of a notification about the intention to raise this matter officers had been in touch with Apprenticeship Levy colleagues, as a possible workaround had been mentioned. However, it was confirmed, by the apprenticeship levy team, that no solution to this issue had been implemented. The team continued to press central government to find a workable option.

Members expressed concern that aided and foundation schools were being excluded from accessing some funding streams to which they could otherwise be entitled due to payroll administrative constraints and agreed that the Forum should write in support of changes being initiated that would allow relevant claims to be submitted as appropriate.

The Forum:

- a) **Noted the information provided;**
- b) **Recommended that a letter be sent by the Chair supporting the introduction of arrangements to allow separate identification of aided and foundation schools for HMRC purposes.**

15. DATE OF FUTURE MEETINGS

The next scheduled Forum meeting will be held at 10.00am Tuesday 20 October 2020 at County Hall, Preston, subject to COVID-19 implications.

LANCASHIRE SCHOOLS FORUM
Date of meeting 20 October 2020

Item No 6

Title: Recommendations of the Schools Block Working Group

Appendices A, B, C and D refer

Executive Summary

On 22 September 2020, the Schools Block Working Group considered a number of reports, including:

- Schools Budget Outturn, School Balances and Clawback 2019/20 – Update report
- Schools Block Funding 2021/22
- Service De-delegations 2021/22
- Financial transparency of local authority maintained schools and academy trusts: Government consultation response
- Scheme for Financing Schools in Lancashire
- Coronavirus (COVID-19) catch-up premium
- School funding: exceptional costs associated with coronavirus (COVID-19) for the period from March to July 2020
- School Financial Services Remote Working

A summary of the information presented and the Working Group's recommendations are provided in this report.

Recommendations

The Forum is asked to:

- a) **Note the report from the Schools Block Working Group held on 22 September 2020;**
- b) **Ratify the Working Group's recommendations.**

Background

On 22 September 2020, the Schools Block Working Group considered a number of reports. A summary of the information presented and the Working Group's recommendations are provided below.

1. Schools Budget Outturn, School Balances and Clawback 2019/20 – Update report

During the summer term 2020 cycle of meetings a report about the Schools Budget outturn position for 2019/20 was presented to each of the three Forum working groups.

Further detailed analysis of the outturn position at 31 March 2020 and was presented to the working group. A copy of the full report including detailed budget monitoring tables along with a commentary on key issues is attached at Appendix A.

A summary of the position across each funding block is provided in the table below

Block	Budget	Actual	Variance Under (-) Over (+) Spend
	£m	£m	£m
Schools Block	741.989	738.020	-3.969
Early Years Block	77.858	76.022	-1.836
High Needs Block(HNB)	113.639	121.247	7.608
Central Schools Services Block (CSSB)	6.17	5.959	-0.211
	939.656	941.249	1.593

There was a significant overspend on the High Needs Block, which was partially offset by underspends on other funding blocks, which brought the overall year end budget to a position that was broadly in line with expectations when the 2019/20 Schools Budget was set by Schools Forum and Cabinet in January 2019.

The 2019/20 outturn report presented to the Forum in July 2020 noted that the £1.593m overspend had been met from the DSG Reserve, leaving a closing balance on the reserve of £11.151m.

For the Schools Block, it was noted that:

- The Schools Block outturn position for 2019/20 shows an underspend of £3.969m;
- In January 2019, the Forum agreed to transfer £3.7m of Schools Block funding to the High Needs Block in 2019/20 to help mitigate forecast demand in that block. The £742m budget figure reflects this transfer and was largely taken from the growth fund allocation;
- The underspend in the Schools Block is related to a number of variances including DSG income caused by adjustments in relation to schools becoming academies, underspend on growth allocations, income from rate and appeals, etc.;
- Now that Lancashire has agreed to adopt the National Funding Formula (NFF) as the local funding formula, there is limited variance on other aspects of this funding block, as budgets for Lancashire mainstream schools use the same methodology that is applied to calculate our DSG Schools Block allocation.

The Working Group:

- a) **Noted the report and the additional 2019/20 outturn information provided**

2. Schools Block Funding 2021/22

The DfE have published initial information about school funding on 2021/22. Key announcements included.

- Funding through the NFF is increasing by 4% overall in 2021/22.
- The NFF funding factors, which, as agreed by the Forum, are also used as the Lancashire school funding formula, will remain unchanged for 2021/22.

- The key factors in the NFF will increase by 3%;
- Every school will be allocated at least 2% more pupil-led funding per pupil compared to its 2020/21 NFF baseline.
- Additional funding for small and remote schools will increase in 2021/22, with primary schools attracting up to £45,000 through the sparsity factor, compared to £26,000 previously, and with the secondary level increased from £67,600 to £70,000. DfE indicate that this is a first step towards expanding the support the NFF provides for such schools from 2022/23.

For 2021/22 the announcements included the relevant future minimum pupil funding (MPF) levels for primary and secondary schools, which are

- The primary schools, the MPF level will be £4,000 per pupil in 2021/22 compared to £3,750 per pupil in 2020/21 (This increase was already known).
- For secondary schools, the MPF level will be £5,150 per pupil from 2021/22, compared to £5,000 per pupil in 2020/21;

The DfE are also making two technical changes from April 2021 and details are provided below:

Rolling grant funding into the schools NFF

Funding from the teachers' pay grant and the teachers' pension employer contribution grant, including the supplementary fund, has been added to schools' NFF allocations from 2021/22. The funding has been added to the basic per pupil entitlement, to the minimum per pupil funding (MPF) levels, and to schools' baselines so that it is protected through the funding floor. This will simplify the allocation of this funding, worth almost £2b a year, recognising the fact that these grants are part of schools' core budgets and providing reassurance to schools and local authorities that this funding will continue to be provided. MPF levels will therefore receive an additional £180 and £265 per pupil respectively to cover additional teachers' pay and pension costs previously funded through the separate grants. This provides the following MPF levels in 2021/22:

- £4,180 per pupil for primary schools;
- £5,415 per pupil for secondary schools.

Due to the different financial year for academies, which starts each September, they will continue to receive separate grant payments up until the end of August 2021.

Income Deprivation Affecting Children Index 2019 update

The 2019 update to the Income Deprivation Affecting Children Index has been incorporated so that deprivation funding allocated through the formulae is based on the latest data.

IDACI is an area-based index measuring the relative deprivation of different areas, and ascribes a score as well as a rank to each Lower-layer Super Output Area (LSOA). The 2019 update provides a more up-to-date measure of the relative deprivation of different areas. For both the schools and high needs NFF, the IDACI scores are divided into seven bands, A to G, with band A representing the most deprived areas. Additional funding is directed by reference to the number of pupils in each of bands A-F, with higher per pupil amounts directed to pupils in the more deprived bands.

Colleagues will recall that significant turbulence was caused at individual school level when previous IDACI updates were introduced.

The DfE are therefore changing the banding structure to reflect the new data. This change is intended to ensure that the amount of deprivation funding allocated through IDACI does not decrease.

The new band boundaries will be based on the proportion of LSOAs in each band. In line with Ministry of Housing, Communities & Local Government (MHCLG) recommendations, this means that the banding boundaries will be defined by rank rather than by score, which should offer greater stability going forward.

Information was provided setting out details of all the NFF factors and their values for 2021/22.

Central School Services Block (CSSB)

Central schools services funding in 2021/22 will increase by 4% for the ongoing responsibilities that local authorities continue to have for all schools.

In line with the process introduced for 2020/21 to withdraw funding over time based on the commitments local authorities entered into before 2013/14, funding for historic commitments will decrease by 20%.

Moving towards a hard national funding formula

In light of the meeting the challenges of COVID-19, DfE are not changing local authorities' flexibility over the distribution of school funding in 2021/22. The government will shortly put forward proposals to move to a 'hard' NFF in future, which will determine schools' budgets directly, rather than through local formulae set independently by each local authority.

DfE indicate that they will consult wider with local authorities, schools and others to make this transition carefully.

Provisional Allocations for 2021/22

Government NFF announcements in July 2020 were accompanied by provisional data on the allocations LAs will receive for 2021/22 and notional allocations at individual school level. It must be noted that the provisional allocations are calculated using pupil numbers from the October 2019 census. Final allocations, to be issued to schools in February 2021, will be based on pupil numbers from the October 2020 school census.

Even though schools are guaranteed at least 2% more funding per pupil for their pupil-led funding in the NFF in 2021/22, allocations may still reduce at an individual school level if a school has fewer pupils than before.

Lancashire Position

The July 2020 government announcements contain the actual units of funding for primary and secondary schools that will be used to calculate the 2021/22 Schools Block allocations. Comparisons with the 2020/21 DSG budget allocations are also provided.

Based on an analysis of the DfE provisional school level data, 174 Lancashire schools and academies out of 564 schools block funded establishments (circa 30%) will receive the minimum 2% increase per pupil. 390 Lancashire schools and academies will receive a higher than 2% increase, with the maximum rise estimated at over 13%.

The largest per pupil increases are forecast at small rural primary schools that are benefitting from the increased Sparsity allocations.

Consultation on areas of local discretion

Consultation will be held with schools about:

Level of Minimum Funding Guarantee (MFG)

The level of Minimum Funding Guarantee (MFG) in local formulae in 2021/22 must be between +0.5% and +2.0%, with the level set at +2.0% in the NFF. The de-delegation and formula consultation, issued via the schools portal on 17 September 2020, proposes to set a +2.0% MFG locally and seeks the views of schools on this option.

An interim position showing considerable support for the 2% MFG was shared with the group.

Schools Block Transfer

Schools and the Forum will be consulted on any Schools Block Transfer to other funding blocks, if modelling identifies any available headroom once the NFF methodology has been implemented. Detailed modelling of the Schools Block has not yet taken place, so there are currently no transfer proposals to consider.

The Working Group:

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

Subsequent to the meeting the MFG consultation closed and the final consultation analysis and comments received via the eform are provided at Appendix B.

The Forum are asked to make a final recommendation on the level of MFG to be used in the Lancashire funding formula for 2021/22.

3. Service De-delegations 2021/22

The school funding framework for 2021/22 continues the 'soft' National School Funding Formula (NFF) arrangements first introduced in 2018/19. The soft NFF arrangements will allow the continuation of de-delegations in 2021/22 and a consultation has been issued to schools, on 17 September 2020, seeking views about which services should be de-delegated. 2021/22 proposals seek views about the continuation of services de-delegated in 2020/21, which are:

- Staff costs – Public Duties/Suspensions;
- Heritage Learning Service (Museum Service) - Primary Schools Only;
- Support for Schools in Financial Difficulty;
- Primary Inclusion Hubs - Primary Schools Only

A copy of the consultation document was provided for members.

An interim position of consultation responses was shared with the group, and it was noted that only circa 20 replies had been received to date and that opinions were split on some of the services. The Group recognised the significant pressures the colleagues had been under at the start of term and officers indicated that a schools portal reminder about the consultation would be issued in early October. Individual members agreed to encourage responses from their own schools and clusters.

Members also noted that the Inclusion Hubs section in the consultation was not able to provide updated outcomes data or more detailed information, as many LCC staff and school colleagues had been prioritising the response to the COVID-19 pandemic. One district had arranged to repay de-delegation funding for 2020/21 to individual schools, as it had not been possible for the planned support to be arranged.

The working group made some suggestions about promoting additional consultation responses and asked if it would be possible to provide further Inclusion Hub impact analysis to a future meeting, when time allowed.

Consultation responses were requested by 9 October 2020, and an analysis and comments will be shared with the Schools Forum on 20 October 2020. As the meeting would be conducted virtually and due to the complexity of de-delegation voting, it was proposed that an opportunity would be provided at the Forum meeting to discuss and debate the proposals, then an eform would be issued allowing relevant primary and secondary school members perhaps a day or two to formally submit their votes.

The Working Group:

- a) Noted the report and the interim consultation information provided;**
- b) Suggested that PHiL and LASSH colleagues could be contacted and asked to promote consultation responses;**
- c) Individual members agreed to encourage responses from their own schools and clusters;**
- d) Requested that further Inclusion Hub impact analysis be presented to a future meeting, when time allowed;**

- e) Supported the proposed eform voting arrangements for the de-delegations, following an opportunity for discussions at the Forum meeting on 20 October 2020.

Subsequent to the meeting, contact was made with PHiL and LASSH colleagues who kindly promoted the de-delegation consultation amongst their memberships, and a reminder was also posted on the Schools Portal. The response rate from schools is now above that in previous years.

A copy of the final de-delegation consultation analysis is provided at Appendix C, together with comments that have been received, including:

- *A copy of the (anonymised) comments received via the consultation eform;*
- *A letter to Forum members about the Staff Costs de-delegation from the Branch Secretary, Lancashire National Education Union about continuing Trade Union Facilities Time at 2020/21 levels;*
- *Views received from the ASCL Regional Officer for the North West in connection with the staff costs de-delegation arrangements in Lancashire, which suggests that a distinct Facilities Time de-delegation should be considered.*

Appendix D to this report provides an update on Inclusion Hubs developments and on the future proposals.

As agreed by the Working group, an eform will be issued after the meeting enabling relevant members to vote on the 2021/22 de-delegations proposals, following an opportunity for discussions at the Forum meeting on 20 October 2020. Only maintained primary school representatives and maintained secondary school representatives may vote on the de-delegation proposals relating to their phases.

4. Financial transparency of local authority maintained schools and academy trusts: Government consultation response

In July 2020, the DfE published their response to the consultation on financial transparency of local authority maintained schools and academy trusts.

The DfE had proposed a number of initiatives aimed at greater alignment of maintained school and academy accountabilities and financial transparency and members. However, the Government's response was delayed by the snap general election in December 2019 and then by COVID-19.

A government response to the consultation has now been published and indicates that most of the proposals contained in the original consultation document will be introduced in various stages over next couple of years, some with minor alterations to those first suggested. It was confirmed that proposal 5, about imposing minimum requirements of a three-year audit cycle on schools will not be implemented in light of issues raised by a number of consultation respondents. .

Further details on each of the proposals and the Lancashire implications were provided in the report, including a summary of timings and next steps.

In summary:

- **Proposal 1:** DfE will publish names of LAs on gov.uk if they fail to comply with deadlines for returns to the Department. It was noted that some returns were reliant on submissions from school partners;
- **Proposal 2a:** DfE will collect the number of schools with suspended budgets and notices of financial concern through the existing DSG assurance statement signed by the LA Chief Financial Officer (CFO) at the end of the financial year. In Lancashire there is currently one school with delegation suspended plus 7 operating under a Financial Notice of Concern (NOC), representing about 1.4% of maintained schools.
- **Proposal 2b:** DfE will add a new section to the DSG assurance statement that captures the amounts that LAs have recovered from investigating fraud.
- **Proposal 3:** DfE will make a directed revision to LAs' schemes for financing schools to make it a requirement for maintained schools to provide LAs with three-year budget forecasts. The scheme consultation has been issued in Lancashire, but schools are already asked to submit 3 year budget forecasts.
- **Proposal 4a:** DfE will make schools append a list of Related Party Transactions (RPTs) to their response to the question in the Schools Financial Value Standard (SFVS) about their arrangements for managing RPTs. In addition, DfE will insert additional columns into the CFO Assurance Statement, so that the number of RPTs and value for each can be disclosed. This will impact on 2021-22 SFVS returns.
- **Proposal 6a:** DfE will make a directed revision to LAs' schemes for financing schools, requiring schools to submit a recovery plan to their maintaining authority when their deficit rises above 5%. Arrangements are already more robust in Lancashire requiring all schools in deficit to submit a recovery plan, but amendments are proposed to the SIFD categorisations using the 5% trigger.
- **Proposal 6b:** DfE will collect information on the number of recovery plans in each LA through the DSG annual assurance return from the CFO. Lancashire is historically below national/regional comparators on the number of schools in deficit, but will keep this under review
- **Proposal 6c:** DfE will formalise the approach to working with LAs and include a request for high level action plans from some LAs. This will be achieved by:
 - Sharing published data on the school balances in each LA.
 - Using this data and evidence-based requests from LAs to ensure support is focused where it is needed.
 - Requesting high level action plans from LAs in which the number or proportion of school revenue deficits over 5% is above a certain level.
- **Proposal 7:** DfE will require all LA maintained schools to publish annually on their websites the number of individuals (if any) earning over £100K in £10K bandings. This requirement is effective from 1 January 2020 and has been highlighted in the governors core agenda and /fair exchange.
- **Proposal 8.** DfE will require LA maintained schools to publish a link to the schools financial benchmarking website, where the Consistent Financial Reporting (CFR) statement of income, expenditure and balances is already published. This is a change from the original proposals and has been highlighted in the governors core agenda and /fair exchange.

As previously discussed with the Forum, the School Finance service intend to operate a local 'Financial Health Check Services' for schools and will begin by creating a pilot service that can be trialled at a small number of schools. Further information will be provided in due course.

The Working Group:

- a) Noted the report;
- b) Noted that information had been provided to schools where implementation of the DfE requirements was imminent;
- c) Noted that further information would be provided to schools and the Forum on other requirements and local proposals.

5. Scheme for Financing Schools in Lancashire

In August 2020, the DfE issued a 12th update to Statutory Guidance on schemes. An extract of the scheme updates introduced by the latest guidance was provided in the report.

The Authority has reviewed the Lancashire scheme and introduced the relevant amendments. A revised draft Lancashire Scheme can be viewed [here](#), with amendments to the existing scheme shown as tracked changes.

Two of the three sections that have changed are revisions that are 'directed' by the Secretary of State, following earlier consultations. These relate to:

- *Section 4.3: Submission of financial forecasts;*
- *Section 6.5: Planning for deficit budgets.*

The third section included in the revised guidance relates to *Section 12: Insurance*. These amendments had already been made in Lancashire to the local scheme update that was approved by the Schools Forum and published in July 2020. Hence, no further changes to the Insurance section of the Lancashire scheme are proposed.

As required by regulations, the county council issued a consultation with maintained schools on the proposed scheme amendments. A letter was distributed on the Schools Portal in early September 2020, seeking views by 9 October 2020.

Any responses received will be reported to the Forum on 20 October, when maintained school members will be asked to formally approve the revised scheme.

No consultation responses have been received to date.

The Working Group:

- a) Noted the report.

Subsequent to the meeting the Scheme consultation closed but no responses were received.

Maintained School Members of the Forum are asked to formally approve the revised Scheme for Financing Schools in Lancashire.

6. Coronavirus (COVID-19) catch-up premium

In July 2020, the Government have announced a £1b Covid catch-up package for the 2020/21 academic year. This funding is additional to other funding increases from Government related to National Funding Formula (NFF) uplifts.

Catch-Up Premium

Allocations from a £650 million catch-up premium, one part of the overall £1b Covid catch-up package, will be based on the number of pupils and paid once a term over the 2020/21 academic year.

Schools' allocations will be calculated on a per pupil basis, providing each mainstream school with a total of £80 for each pupil in years reception through to 11, with the funding being paid in 3 tranches.

Headteachers can decide how best to use their schools' premium allocation to tackle the impact of lost teaching time on their pupils, but are encouraged to spend it on evidence-driven approaches including small group or one-to-one tuition, support over the summer, or additional support for great teaching.

National Tutoring Programme

Although all children have had their education disrupted by the coronavirus (COVID-19) outbreak, the Government believe that it is likely that disadvantaged and vulnerable groups will have been hardest hit. That is why, alongside the universal catch-up premium, DfE have launched a £350 million National Tutoring Programme to provide additional, targeted support for those children and young people who need the most help.

The programme will comprise of at least 3 parts in the 2020 to 2021 academic year, including:

- a 5 to 16 programme that will make high-quality tuition available to 5 to 16-year olds in state-funded primary and secondary schools from the second half of autumn term 2020;
- a 16 to 19 fund for school sixth forms, colleges and all other 16 to 19 providers to provide small group tutoring activity for disadvantaged 16 to 19 students whose studies have been disrupted as a result of coronavirus (COVID-19);
- a reception year early language programme that will make training and resources available at no-cost to schools where additional targeted support for oral language would be particularly beneficial.

The Working Group:

- a) Noted the report.**

7. School funding: exceptional costs associated with coronavirus (COVID-19) for the period from March to July 2020

Information has previously been shared with the Forum in connection with DfE guidance around 'School funding: exceptional costs associated with coronavirus (COVID-19) for the period from March to July 2020'. A claim form was also made available by the DfE, allowing schools to submit claims for eligible additional COVID-19 expenditure.

The Guidance indicated that there were 3 agreed cost categories against which schools could make a claim. The option was available for schools to submit a claim for other costs that

must be justified. There were also claim limits and conditions associated with the claims processes.

The DfE have processed the first batch of school claims relating to the exceptional COVID-19 costs. These payments cover claims made under the three standard categories and that did not exceed the claims limit.

DfE are giving further consideration to claims for other costs.

For maintained schools, the LA has processed journals/pro-payments and payments will be issued in September. ESFA will pay academy claims directly.

122 maintained schools received a payment in this round, totalling circa £600k.

The DfE have indicated that a second window will be made available but claims will only be allowable relating to costs for summer term 2020.

The Working Group:

- a) Noted the report.**

8. School Finance - School Visits

During the COVID pandemic School Finance have continued to deliver a traded service to schools, but now access school systems remotely and meet with school colleagues virtually.

Even though schools are fully open from September 2020, the service is continuing to operate virtually and a continuation of this approach has been recommended by the county council's Corporate Emergency Response Team. However, a small number of schools had requested the resumption of face-to-face visits and the views of the working group were sought.

Members supported the continuation of the remote service during the pandemic as the most sensible approach, especially given the tighter restrictions that were no being implemented due to rising COVID-19 cases.

The Working Group:

- a) Supported the continuation of the virtual service offering from Schools Finance as the default position.**

LANCASHIRE SCHOOLS FORUM

Name of Sub Group: All Working Group

Date of Meeting: September and October 2020

Title of Item: Schools Budget Outturn, School Balances and Clawback 2019/20

– Update report

Appendix A refers

Executive Summary

This report provides further information on the 2019/20 Schools Budget outturn position.

Recommendations

The Forum is asked to:

- a) Note the report;**
- b) Note the further analysis of the Schools Budget outturn position for 2019/20 and express any views.**

Background

During the summer term 2020 cycle of meetings a report about the Schools Budget outturn position for 2019/20 was presented to each of the three Forum working groups and the Schools Forum. This information indicated that:

- The Schools Budget outturn position at 31 March 2020 was an overspend of some £1.593m;
- The final outturn position against schools delegated budgets at 31 March 2020 was an underspend of £1.752m.

The information provided in summer 2020 indicated that the 2019/20 outturn reports would ordinarily include further details of the key budget variances in each funding block that contributed to the final outturn position. However, due to COVID-19 implications this information was not available at the time.

Further detailed analysis of the outturn position at 31 March 2020 has now been produced for consideration by the Forum/working groups.

Overall Outturn Position by Funding Block

The Schools Budget outturn position at 31 March 2020 was an overspend of some £1.593m. The table below provides a breakdown of this position by each funding block.

Block	Budget	Actual	Variance Under (-) Over (+) Spend
	£m	£m	£m
Schools Block	741.989	738.020	-3.969
Early Years Block	77.858	76.022	-1.836
High Needs Block(HNB)	113.639	121.247	7.608
Central Schools Services Block (CSSB)	6.17	5.959	-0.211
	939.656	941.249	1.593

As can be seen, there was a significant overspend on the High Needs Block, which was partially offset by underspends on other funding blocks, which brought the overall year end budget to a position that was broadly in line with expectations when the 2019/20 Schools Budget was set by Schools Forum and Cabinet in January 2019.

Members will recall that at that time the Forum recommended that a proposal to devalue the Weighted Pupil Number (WPN) rate from the academic year 2019/20 was not taken forward, and it was agreed that the shortfall in funding should be met by the use of Dedicated Schools Grant (DSG) reserves. This decision accounts for circa £1.3m of the year end overspend.

The 2019/20 outturn report presented to the Forum in July 2020 noted that the £1.593m overspend had been met from the DSG Reserve, leaving a closing balance on the reserve of £11.151m. The earlier report also provided information on the 31 March 2020 position for other specific reserves.

A commentary on key issues associated with each funding block is provided below and more detailed budget monitoring tables are provided at Appendix A.

Schools Block

- The Schools Block outturn position for 2019/20 shows an underspend of £3.969m;
- In January 2019, the Forum agreed to transfer £3.7m of Schools Block funding to the High Needs Block in 2019/20 to help mitigate forecast demand in that block. The £742m budget figure reflects this transfer and was largely taken from the growth fund allocation;
- The underspend in the Schools Block is related to a number of variances including DSG income caused by adjustments in relation to schools becoming academies, underspend on growth allocations, income from rate appeals, etc.;
- Now that Lancashire has agreed to adopt the National Funding Formula (NFF) as the local funding formula, there is limited variance on other aspects of this funding block, as budgets for Lancashire mainstream schools use the same methodology that is applied to calculate our DSG Schools Block allocation.

Early Years Block

- The Early Years Block outturn position for 2019/20 shows an underspend of £1.836m;
- The Early Years DSG figures used to set the budget in January 2019 were estimates and are adjusted for actual early years pupil numbers;
- Budget monitoring for the early years block shown in the appendix provides data on variances for individual budget lines as at 31 March 2020, with the largest variance relating to an increase in DSG early years income of circa £1.208m and an overall underspend on expenditure of £0.628m;
- Included in the DSG early years block is the update from the DfE from the previous financial year, based on the January 2019 pupil count. This adjustment accounts for £0.723m of the above underspend.

High Needs Block

- The High Needs Block outturn position for 2019/20 shows an overspend of £7.608m
- The overspend in this block is despite transfers of circa £4.181m from other funding blocks, and reflects the significant cost and demand led pressures faced by the High Needs Block in 2019/20;
- Budget monitoring for the High Needs block shown in the appendix provides data on variances for individual budget lines as at 31 March 2020; with many overspent due to increased demand;
- The most significant overspend relates to the Out County - Specialist provision budget line, where expenditure is over £5m above budget. Members will be aware that work is ongoing to enhance the SEND provision and capacity that

is available in the Lancashire maintained sector, including the development of ARMS provision at mainstream primary and secondary schools and the establishment of additional special school places in the county;

- Members will also be aware that the government recognised the funding pressures facing the High Needs Block, and made additional funding available from 2020/21. The impact of this additional funding on the High Needs Budget will continue to be monitored and further reports provided to the Forum.

Central Schools Services Block (CSSB)

- The CSSB outturn position for 2019/20 shows an underspend of £0.211m
- In January 2019, the Forum agreed to transfer circa £0.3m of CSSB funding to the High Needs Block in 2019/20 to help mitigate forecast demand in that block, and in finalising the budget this transfer figure was over £400k;
- Budget monitoring for the CSSB shown in the appendix provides data on variances for individual budget lines as at 31 March 2020, with the largest variance relating to an underspend on the PFI sixth form contribution in 2019/20 of over £200k.

2019/20 Schools Funding Block Monitoring as at 31.03.20

	BUDGET		YEAR TO DATE		
	Approved Budget		Budget profile as at 31.03.20	Actual as at 31.03.20	Variance
Expenditure	£		£	£	£
<u>Total Approved Budget</u>					
Primary	402,476,775				
Secondary	336,998,827				
All Through	1,050,693				
Growth Fund	1,462,000				
Total Cost of Allocations	741,988,295				
less <u>Academy Schools</u>					
Primary	-13,448,731				
Secondary	-111,073,999				
All Through	-1,050,693				
Less Academy	-125,573,423				
Total Budget	616,414,872				
<u>Maintained</u>					
Primary	389,028,044		389,028,044	385,669,406	-3,358,638
Secondary	225,924,828		225,924,828	214,596,086	-11,328,742
All Through	0				
Growth Fund	1,462,000		1,462,000	1,462,000	0
Total Expenditure	616,414,872		616,414,872	601,727,492	-14,687,380
Income					
<u>DSG</u>					
Schools Block Unit of Funding	726,200,357		726,200,357	726,200,357	0
Premises & Mobility Factors	15,293,305		15,293,305	15,293,305	0
Growth Funding	4,254,633		4,254,633	4,254,633	0
DfE Schools Block deduction for direc	-125,573,423		-125,573,423	-136,292,971	-10,719,548
	620,174,871		620,174,871	609,455,323	-10,719,548
Total Income	620,174,871		620,174,871	609,455,323	-10,719,548
2019/20 Underspend	-3,759,999		-3,759,999	-7,727,831	-3,967,832

Approved Budget	
2019/20 Underspend	3,759,999
Transfer to HNB	-3,759,999
Residual	0

2019/20 Early Years Funding Block Monitoring as at 31 March 2020

	BUDGET			YEAR TO DATE		
	Approved Budget	Budget Movement	Current Budget	Budget profile as at 31.03.20	Actual as at 31.03.20	Variance
Expenditure	£	£	£	£	£	£
<u>Mainstream Schools 2 YO</u>						
Nursery Schools	1,310,385		1,310,385	1,310,385	1,349,524	39,139
Nursery Schools Growth	0		0			
Primary Schools	516,580		516,580	516,580	482,405	-34,175
Primary Schools Growth	0		0			
Primary Schools S27	12,675		12,675	12,675	86,140	73,465
	1,839,640	0	1,839,640	1,839,640	1,918,069	78,429
<u>Mainstream Schools 3 4 YO</u>						
Nursery Schools	8,938,179		8,938,179	8,938,179	8,601,653	-336,526
Nursery Schools Growth	0		0			
Primary Schools	8,912,719		8,912,719	9,215,366	8,580,083	-635,282
Primary Schools Growth	302,647		302,647			
Primary Schools S27	282,667		282,667	282,667	813,863	531,196
	18,436,212	0	18,436,212	18,436,212	17,995,600	-440,612
<u>PVI</u>						
PVI 2 YO	8,291,308		8,291,308	8,292,350	8,785,684	493,333
PVI 2 YO Growth	1,042		1,042			
PVI 3_4 YO	46,831,203		46,831,203	48,071,203	48,046,964	-24,239
PVI 3_4 YO Growth	1,240,000		1,240,000			
	56,363,554	0	56,363,554	56,363,554	56,832,648	469,094
Early Years DAF	267,525		267,525	267,525	55,350	-212,175
Early Years PPG	651,095		651,095	651,095	278,313	-372,782
	918,620	0	918,620	918,620	333,663	-584,957
<u>Commissioned Services</u>						
PFI - Special, Nursery	54,656	-54,656	0	0	0	0
SEND Inclusion Projects	300,000		300,000	300,000	150,000	-150,000
	354,656	-54,656	300,000	300,000	150,000	-150,000
<u>Other</u>			0			
	0	0	0	0	0	0
Total Expenditure	77,912,681	-54,656	77,858,025	77,858,025	77,229,980	-628,045
Income						
<u>DSG</u>						
Provisional Early Years Block Funding as at 19.12.2018	77,858,027		77,858,027	77,858,027	79,066,383	1,208,356
	77,858,027	0	77,858,027	77,858,027	79,066,383	1,208,356
Total Income	77,858,027	0	77,858,027	77,858,027	79,066,383	1,208,356
2019/20 Underspend	54,655	-54,656	-1	-1	-1,836,403	-1,836,402

Approved Budget	
2019/20 Underspend	-54,655
Use of DSG reserves	
Residual	-54,655

2019/20 High Needs Funding Block Monitoring as at 31 March 2020						
	BUDGET			ACTUAL		
	Approved Budget	Budget Movement	Current Budget	Budget profile as at 31.03.20	Actual as at 31.03.20	Variance
Expenditure	£	£	£	£	£	£
<u>Mainstream Schools</u>						
Core Uplift Funding	1,566,568	0	1,566,568	1,566,568	1,849,976	283,408
Additional Support Uplift Funding	59,077	0	59,077	59,077	69,286	10,209
Top-up Funding	6,390,096	0	6,390,096	6,390,096	7,910,831	1,520,735
SERF Place Funding	183,000	0	183,000	183,000	239,333	56,333
Other Additional Funding				0	281,898	281,898
	8,198,741	0	8,198,741	8,198,741	10,351,325	2,152,584
<u>Special Schools</u>						
Place Funding	25,845,833	0	25,845,833	25,845,833	25,845,833	0
Additional Place Funding	1,161,667	0	1,161,667	1,161,667	2,249,167	1,087,500
Top-up Funding	15,625,879	0	15,625,879	15,625,879	16,994,141	1,368,262
School Specific Funding	12,261,780	0	12,261,780	12,261,780	12,593,049	331,269
Post 16 Additional Place Funding	113,333	0	113,333	113,333	113,333	0
Other Additional Funding	0	0	0	0	604,920	604,920
	55,008,493	0	55,008,493	55,008,493	58,400,443	3,391,950
<u>Alternative Provision</u>						
Place Funding	7,575,000	0	7,575,000	7,575,000	7,575,000	0
Additional Place Funding	104,167	0	104,167	104,167	478,333	374,167
Top-up Funding	3,609,079	0	3,609,079	3,609,079	4,425,822	816,744
	11,288,245	0	11,288,245	11,288,245	12,479,156	1,190,910
<u>Further Education - Post 16</u>						
Additional Place Funding	123,000	0	123,000	123,000	108,250	-14,750
Top-up Funding	2,045,746	0	2,045,746	2,045,746	2,678,608	632,862
Independent Specialist Providers	3,901,889	0	3,901,889	3,901,889	4,827,907	926,018
	6,070,635	0	6,070,635	6,070,635	7,614,764	1,544,129
<u>Commissioned Services</u>						
PFI - Special, Nursery	1,180,922	0	1,180,922	1,180,922	1,118,693	-62,229
Commissioned Alternative Provision services	2,000,000	-1,000,000	1,000,000	1,000,000	1,232,982	232,982
Hospital Provision	714,000	9,000	723,000	723,000	723,078	78
Independent Hospital Provision	0	0	0	0	74,118	74,118
Education in Residential Homes	0	0	0	0	405,904	405,904
Out County - Specialist provision places	15,097,000	-1,097,000	14,000,000	14,000,000	19,119,310	5,119,310
Out County - Mainstream / academies places	1,374,000	36,000	1,410,000	1,410,000	2,041,922	631,922
Inclusion Service Specialised Equipment	447,000	0	447,000	447,000	722,660	275,660
Inclusion Service Inclusion Projects	747,000	-597,000	150,000	150,000	30,061	-119,939
Inclusion Service Teachers & Support	4,264,000	-800,000	3,464,000	3,464,000	3,423,128	-40,872
Multi Agency Development	75,000	0	75,000	75,000	75,000	0
Support for Vulnerable Pupils - SI	908,000	-9,000	899,000	899,000	895,388	-3,612
Overheads	1,668,000	0	1,668,000	1,668,000	1,668,000	0
Primary Inclusion Hubs	0	1,000,000	1,000,000	1,000,000	880,000	-120,000
HNB Savings	0	2,458,000	2,458,000	2,458,000	0	-2,458,000
	28,474,922	0	28,474,922	28,474,922	32,410,245	3,935,323
<u>Other</u>						
High Needs Growth	4,598,238	0	4,598,238	4,598,238	0	-4,598,238
	4,598,238	0	4,598,238	4,598,238	0	-4,598,238
	113,639,274	0	113,639,274	113,639,274	121,255,933	7,616,659
<u>DSG</u>						
Provisional High Needs Block Funding as at 17.12.2018	117,735,028		117,735,028	117,735,028	109,006,634	-8,728,394
DfE High Needs Place Adjustments			0		460,106	460,106
DfE High Needs deduction for direct funding of places	-8,277,227		-8,277,227	-8,277,227		8,277,227
	109,457,801	0	109,457,801	109,457,801	109,466,740	8,939
	109,457,801	0	109,457,801	109,457,801	109,466,740	8,939
	4,181,473	0	4,181,473	4,181,473	11,789,193	7,607,720
Approved Budget						
Net Shortfall				4,181,473		
Transfer from Schools Block Funding				-4,181,361		
Use of DSG reserves				-112		

2019/20 CSSB Monitoring as at 31 March 2020

	BUDGET			YEAR TO DATE		
	Approved Budget	Budget Movement	Current Budget	Budget profile as at 31.03.20	Actual as at 31.03.20	Variance
Expenditure	£	£	£	£	£	£
CSSB						
ESG Retained Duties (transferred to DSG)	2,591,000		2,591,000	2,591,000	2,591,000	0
Overheads	244,000		244,000	244,000	244,000	0
Copyright Licence	936,514		936,514	936,514	936,014	-500
Pupil Access (Admissions)	937,000		937,000	937,000	937,000	0
School Forum	188,000		188,000	188,000	188,000	0
CSSB Historic						
Early Intervention	350,000		350,000	350,000	343,851	-6,149
PFI - Sixth Form	683,722		683,722	683,722	469,895	-213,827
Prudential Borrowing	240,000		240,000	240,000	249,660	9,660
Total Expenditure	6,170,236	0	6,170,236	6,170,236	5,959,420	-210,816

Income							
DSG							
CSSB Funding	4,896,597		4,896,597	4,896,597	4,896,597	0	
CSSB Funding for historic commitments	1,695,000		1,695,000	1,695,000	1,695,000	0	
	6,591,597	0	6,591,597	6,591,597	6,591,597	0	
Total Income	6,591,597	0	6,591,597	6,591,597	6,591,597	0	

Net Surplus	-421,360	0	-421,360	-421,360	-632,177	-210,816
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Approved Budget	
Net Surplus	421,360
Transfer to HNB	-421,360
Residual	0

Consultation on the MFG 2021/22

Question 5: Do you agree that the Minimum Funding Guarantee (MFG) level should be set at +2.0% in the Lancashire formula in 2021/22?				
	Total Responses	Yes	No	Not sure
Primary	156	108	7	41
		69%	5%	26%
Secondary	12	9	0	3
		75%	0%	25%

School eform Comments

I understand that The MFG level set at 2% is in effective limiting the increase for schools that may have in fact had a MFG increase of over 2% - in a sense a maximum funding increase. If this is the case the answer is no.

I agree to the MFG however feel that it should remain be 1.5% (as in previous years) rather than the propose 2%

Consultation on the Service De-delegations 2021/22

Analysis of Responses

Question 1: What is your preferred de-delegation option for the Staff Costs - Public Duties/Suspensions in 2021/22?						
	Total Responses	Continue at the 2020/21 levels	Continue but reduce Trade Union Facilities Time contribution	Continue but no Trade Union Facilities Time contribution	Completely discontinue	Not sure
Primary	156	105	28	2	6	15
		67%	18%	1%	4%	10%
Secondary	12	4	7	0	0	1
		33%	59%	0%	0%	8%
Total Pri & Sec	168	109	35	2	6	16
		65%	21%	1%	4%	10%

Question 2: Do you support the de-delegation of the Heritage Learning Service (Museums Service) in 2021/22? (Primary schools only)				
	Total Responses	Yes	No	Not sure
Primary	156	112	27	17
		72%	17%	11%

Question 3. Do you support the de-delegation of Support for Schools in Financial Difficulty in 2021/22?				
	Total Responses	Yes	No	Not sure
Primary	156	123	22	11
		79%	14%	7%
Secondary	12	9	2	1
		75%	17%	8%

Question 4. Do you support the de-delegation of funding for Primary Inclusion Hubs in 2021/22?				
	Total Responses	Yes	No	Not sure
Primary	156	98	39	19
		63%	25%	12%

School eform Comments

General

Given current crisis and schools facing enormous supply costs maximum monies need to be in individual's schools' budgets!!!!

Would the explanations about the answers to these questions be anywhere, so that I could decide Yes or No, rather than Not Sure?

Staff Costs

I think that at this time with so much that is unpredictable, keeping a sense of stability in what is known and familiar to schools will be a valuable buffer to many settings who will face much uncertainty in terms of costs etc in light of the current pandemic. It is also logical that if the staff compliment of facilities time, considering an increase in academisation and merging of unions, has reduced, then the de-delegated sums should reflect this.

I am not totally sure about de-delegation. I am a new HT this September. However, I feel that if the support / contributions for trade unions was removed this would be hugely detrimental. The profession - teachers and head teachers - face such enormous challenges and many are choosing to leave. This would only worsen the situation. Often the union is the only place they can turn for objective advice.

As a headteacher I absolutely need a guarantee that NAHT union representation is available at all times. I would not feel secure as a Head without this.

Trade union facilities time is essential in supporting headteachers with HR issues. It reduces the enormous burden on headteachers, so supporting their well-being. The support is essential in times of financial difficulties and trying to juggle all the guidance and risk assessments for Covid-19.

Schools in Financial Difficulty

These are complex decisions which will always benefit some and adversely affect others. I would support further scrutiny and challenge for schools in financial difficulty to prevent the drain on resource for other schools.

Inclusion Hubs

School's should be able to opt into the inclusion hub model. Within xxx district this service is not fair and is exclusive to meet the needs of children in only certain schools. Strategic overview of this at xxxx school is weak and representation from all schools is limited. Authentic referrals made by our school are knocked back regularly as the provision does not have capacity. Currently a child at severe risk of permanent exclusion was refused support as didn't meet their threshold. The service is not inclusive and the criteria for support is at best vague. The leadership does not respond to concerns, doesn't answer emails and the whole structure is flawed. A considerable amount of money is being used by this service. We are given no feedback of impact, no overview of how the support has been shared and I now revert back to my in house support and have to pay for xxxx PRU which in my opinion offers a dramatically superior support for children within primary schools. Inclusion hubs should be an 'opt in' service instead.

I do not agree with money going to inclusion hubs. I do not use this as I pay staff directly to support inclusion in school. It is not a service I would use and feel it should be the school's choice to buy in or not. I think a lot of money is used with ill effect. I pay for an educational psychologist to be in my school working directly with my staff costing thousands of pounds each year. I do not wish to pay £11 per pupil for a service that I will not use as it is inferior to what I have in-house!

The money spent on the inclusion hub is significant and we have been unable to access it. We would prefer to use xxx PRU.

Our inclusion hub has been invaluable to many schools in our cluster.

I am against the de-delegation of inclusion hubs as there is a discrepancy between the service being offered across the districts. In xxxx district the hub is primarily for early intervention whereas in xxxx district they have xxx PRU staff and places available across all primary age ranges. Regrettably, we have not been able to buy in services from xxx PRU this Year after the se-delegation of funds to the inclusion hub last year. More funding for xxx PRU

Inclusion Hubs need time to embed until and if there is an alternative support mechanism in place for behaviour issues in school - this funding provides schools who have very challenging pupils with an option for immediate support whilst pursuing the longer process of EHCP or alternative provision and to avoid an increase in exclusions

Although I have completed the above we are heading for very difficult times - I just hope National Government , local Govs and Academies all spend money wisely on what is absolutely the most important resources - staffing, resources, health professionals. Hubs are great but do not replace the professionals necessary for schools to deliver a first class education for all.

Letter to Forum members from NEU in connection with Facilities Time

The Need for Continuing Trade Union Facilities Time

It is important that LA officers present the facts to the Schools' Forum and for the Forum only to decide. LA officers must refrain from offering their opinions or referencing the decisions made by LCC leaders for other reasons.

The aim of the Trade Union Act 2016 was, and should still be, to improve the UK industrial relations framework to better support an effective and collaborative approach to industrial relations, balancing the interests of Trade Unions with interests of the wider public sector. The facility time (FT) regulations currently adopted in Lancashire help to fulfil these. Any worsening of these of the terms would reduce the level of fulfilment, with inevitable negative consequences.

While more funding can, and should, be sought, there have already been financial contributions from four academies (non-maintained schools) and expressions of interest from other previously maintained and non-maintained schools, to contribute to the 'pool'. This demonstrates the positive value that schools place on the pooling of FT, understanding that it is far more cost effective, it contributes to good industrial relations within workplaces and to a good working relationship between the employer and employee. Reasons for pooling facility time initially included cost efficiency and to reduce disruption in the school by having potentially three workplace-based representatives from each professional association regularly taking time out of the classroom for training (typically 3 to 5 days' training every year for every school rep). The demand for this reps' training, with its legal entitlement to be released from school to attend, as well as internal meetings to resolve workplace issues, health and safety matters, etc., would significantly increase if central officer capacity was reduced. All this at a time when Lancashire Schools' HR has increased its capacity due to an increase in workload.

The matter of under-spend has been raised. All under-spend in any year of the notional budget allocated, e.g. due to too few officers being able to claim from it, is always retained by Schools Forum and not by the unions. There is no need to reflect a temporary under-use by a permanent reduction in allocation.

Representatives from Lancashire's teachers' professional associations work with you and your colleagues when workplace issues arise, intervening at an early stage before the matter escalates. This includes support for Head Teachers in meetings when there is an issue between them and Governing Boards. With a reduction of FT there is a significant likelihood that workplace issues could be escalated more quickly, with the consequential breakdown in working relationships, resulting in an 'unhappy' workplace for everybody.

In summary, at this time when we should all be working together for our pupils and not taking a divisive approach, it would be extremely counter-productive to make any reduction to the facilities time and jeopardise those excellent relationships alluded to by the Head of Schools' HR, especially at a time when HR is increasing its capacity due to an increase in workload.

I urge the forum to vote 1 a) Continue the 'Staff Costs - Public Duties/Suspensions' de-delegation using the same policy as 2020/21.

Yours faithfully

Branch Secretary, Lancashire National Education Union

View from ASCL on Staff Costs De-delegation

Email correspondence has been received from the ASCL Regional Officer for the North West in connection with the staff costs de-delegation arrangements in Lancashire. Based on experiences in other LAs in the region, it is suggested that it may be more appropriate to have a separate Facilities Time de-delegation (and separate public duties and suspensions de-delegation) to enable greater consistency with the standalone buy-back option that is available to academies.

LANCASHIRE SCHOOLS FORUM
Date of meeting 20 October 2020

Item No 7

Title: Recommendations of the High Needs Block Working Group

Appendix A refers

Executive Summary

On 29 September 2020, the High Needs Block Working Group considered a number of reports, including:

- Schools Budget Outturn, School Balances and Clawback 2019/20 – Update report
- High Needs Block Monitoring 2020/21;
- High Needs Block Funding 2021/22;
- HNB Indicative Commissioned Place Numbers 2021/22;
- Financial transparency of local authority maintained schools and academy trusts: Government consultation response;
- Scheme for Financing Schools in Lancashire;
- Coronavirus (COVID-19) catch-up premium;
- School funding: exceptional costs associated with coronavirus (COVID-19) for the period from March to July 2020;
- Schools Finance Schools Visits.

A summary of the information presented and the Working Group's recommendations are provided in this report.

Recommendations

The Forum is asked to:

- a) Note the report from the High Needs Block Working Group held on 29 September 2020;**
- b) Ratify the Working Group's recommendations.**

Background

On 29 September 2020, the High Needs Block Working Group considered a number of reports. A summary of the information presented and the Working Group's recommendations are provided below.

1. Schools Budget Outturn, School Balances and Clawback 2019/20 – Update report

During the summer term 2020 cycle of meetings a report about the Schools Budget outturn position for 2019/20 was presented to each of the three Forum working groups and the Schools Forum. This information indicated that:

- The Schools Budget outturn position at 31 March 2020 was an overspend of some £1.593m;

Further detailed analysis of the outturn position at 31 March 2020 has now been produced.

Overall Outturn Position by Funding Block

The Schools Budget outturn position at 31 March 2020 was an overspend of some £1.593m. The table below provides a breakdown of this position by each funding block.

Block	Budget	Actual	Variance Under (-) Over (+) Spend
	£m	£m	£m
Schools Block	741.989	738.020	-3.969
Early Years Block	77.858	76.022	-1.836
High Needs Block(HNB)	113.639	121.247	7.608
Central Schools Services Block (CSSB)	6.17	5.959	-0.211
	939.656	941.249	1.593

There was a significant overspend on the High Needs Block, which was partially offset by underspends on other funding blocks, which brought the overall year end budget to a position that was broadly in line with expectations when the 2019/20 Schools Budget was set by Schools Forum and Cabinet in January 2019.

The 2019/20 outturn report presented to the Forum in July 2020 noted that the £1.593m overspend had been met from the DSG Reserve, leaving a closing balance on the reserve of £11.151m.

Detailed budget monitoring tables were provided for the Working Group along with a commentary on key issues. For the HNB, it was noted that:

- The High Needs Block outturn position for 2019/20 shows an overspend of £7.608m
- The overspend in this block is despite transfers of circa £4.181m from other funding blocks, and reflects the significant cost and demand led pressures faced by the High Needs Block in 2019/20;

- Budget monitoring for the High Needs block shown in the appendix provides data on variances for individual budget lines as at 31 March 2020; with many overspent due to increased demand;
- The most significant overspend related to the Out County - Specialist provision budget line, where expenditure is over £5m above budget. Members will be aware that work is ongoing to enhance the SEND provision and capacity that is available in the Lancashire maintained sector, including the development of ARMS provision at mainstream primary and secondary schools and the establishment of additional special school places in the county;
- Members also noted that the government recognised the funding pressures facing the High Needs Block, and made additional funding available from 2020/21. The impact of this additional funding on the High Needs Budget will continue to be monitored and further reports provided to the Forum.

The Working Group:

- a) **Noted the report;**
- b) **Requested additional information on a couple of specific areas rating to:**
 - **the significant rise in out-county expenditure in 2019/20 (over £5m) and the number of children that were placed in independent provision;**
 - **any update on the development of special educational needs units attached to mainstream schools, particularly in the secondary sector.**

2. High Needs Block Monitoring 2020/21

Due to the cost and demand led pressures on the High Needs Block budget, arrangements were introduced from 2018/19 to provide the Forum with termly budget HNB monitoring.

Summer term 2020/21 data had now been obtained and monitoring and analysis was provided for members, including notes on variances. It was noted that the missing WPN figure from the Note 4 on the variances in connection with Further Education & Post 16 was 50.37.

The HNB budget is currently forecasting a circa £2.4m underspend at 31 March 2021.

It was noted that in constructing the original 2020/21 HNB budget, almost £12m was set aside to mitigate the demand and cost led pressures that were anticipated in HNB expenditure during the course of the year.

The yearend underspend is an estimate of the full year forecast, based on the circa £3.7m additional expenditure that has occurred in the summer term 2020. There remains significant concern around the ongoing financial pressures facing this block despite the current monitoring position, as forecasting based on summer term data is uncertain due to COVID-19 implications and the demand and costs could continue rise beyond the growth provision that was able to be included in the budget.

The Working Group:

- a) **Noted the report.**

3. High Needs Block Funding 2021/22

This report provides information on 2021/22 funding announcements for HNB

The National Funding Formula for High Needs

The national increase in high needs funding, from 2020/21 to 2021/22, will amount to £730m, which equates to circa 10%.

The high needs NFF will ensure that every local authority receives an increase of at least 8% per head of population, with some authorities receiving up to 12% more than this year.

For 2021/22, DfE have also incorporated the teachers' pay grant and the teachers' pension employer contribution grant amounts within the formula by increasing the basic entitlement factor value to £4,660 for special schools, and through an additional factor in the formula that will enable local authorities to receive funding equivalent to the teachers' pay and pension grant they will receive in 2020/21 for AP settings, and to the teachers' pension supplementary fund they will receive. Initial thoughts in Lancashire are to increase the school specific payments in special school and PRU formulae to distribute this funding. It was also confirmed that pay and pensions grant allocations were expected for nursery schools.

The basic structure of the high needs national funding formula is not changing for 2021/22.

The basic entitlement factor numbers will be updated for the December DSG allocations using the latest school census data, as in previous years.

The hospital education element will also be uplifted by 8%, in line with the funding floor.

In addition to regular data updates in the high needs NFF, DfE have also updated the Income Deprivation Affecting Children Index (IDACI) factor in the 2021/22 formula to use the latest available 2019 data.

Schools Block Transfer

Local authorities will continue to be able to transfer up to 0.5% of their schools block to other blocks of the Dedicated Schools Grant (DSG), with schools forum approval.

No proposals have yet been developed for any schools block transfer, but schools and the forum will be consulted if any proposals are brought forward, particularly if there is any headroom available in the schools block budget.

Central School Services Block (CSSB)

Central schools services funding in 2021/22 will increase by 4% for the ongoing responsibilities that local authorities continue to have for all schools.

In line with the process introduced for 2020/21 to withdraw funding over time based on the commitments local authorities entered into before 2013/14, funding for historic commitments will decrease by 20%.

Lancashire Position

Information was shared with the group about provisional 2021/22 allocations for all DSG funding blocks, which indicated that Lancashire may receive a HNB increase toward the upper end of the DfE's range

It was emphasised that actual DSG allocations in Lancashire, to be published in December 2020, could be lower than those in the provisional notification from the DfE, dependant on pupil data from the October 2020 school census, but our HNB allocation appears to be at the top end of the allowable increases.

Members considered the initial DfE information for 2021/22 and commented that it would be helpful if Inclusion Service colleagues could attend future meetings provide the opportunity to discuss SEND and AP strategies and the financial consequences in more detail ahead of deliberations around the High Needs Block budget for 2021/22.

The Working Group:

- a) **Noted the report;**
- b) **Asked that the Chair of the Working Group formally invite Dr Sally Richardson, Head of Inclusion Service, to the next HNB meeting.**

4. HNB Indicative Commissioned Place Numbers 2021/22

As part of the process agreed with the Schools Forum earlier this year, the county council wrote to all Lancashire special schools and PRUs at the end of the summer term 2020 with an early notification of the indicative number of places we expect to commission in 2021/22.

Each special school and PRU was notified of the indicative number of places likely to be commission at the school in the 2021/22 school budget, for September 2021 onwards.

It was emphasised that this figure had been calculated based on the agreed methodology for each sector and did not include any adjustments that may be proposed by the county council in response to any specific requirements or requests relating to individual schools

The commissioned places methodology agreed for each sector is slightly different for special schools and PRUs:

- The special school methodology is based on the number of places included in the summer term 2020 redetermination;
- The PRU methodology is calculated on the average of the previous 3 PRU census points.

The correspondence acknowledged that this was the first time the county council had written out to schools in this way at the end of the summer term and that there was additional forecasting uncertainty associated with COVID-19, including the collection of data used for the summer term 2020 redetermination.

The purpose of writing out to schools with the indicative figure before the end of the summer term 2020 was to provide schools with an early indication of the likely commissioned place figure for planning purposes and to provide an opportunity for individual schools to have discussions and make any representations with the relevant services.

A copy of the indicative commissioned place number for each special school and PRU for 2021/22, based purely on the calculation methodology was provided for members.

Schools were asked to make any representations about their indicative commissioned place numbers for 2021/22 to the relevant services and to make sure that any discussions are concluded by 16 October 2020, if possible, so that revised commissioned place numbers can be included in the 2021/22 budget setting process.

Members are asked to note that specifically and only for pre-16 places, the additional place top up funding arrangements will continue to operate in 2021/22, where the actual number of pre-16 pupils at each redetermination is greater than the number of places commissioned on the budget forecast. This means that if the actual number of pupils at an establishment goes above the number of commissioned places additional funding will be allocated to the school for the extra places, as well as any top-up relating to the needs of the individual child.

Contact has been received for a number of special schools and PRUs about their actual commissioned place numbers for 2021/22, and these are being considered by the relevant services.

Services are considering representations received from some special schools and short stay schools about proposed increased commissioned place numbers. It was anticipated that updated commissioned place numbers would be available for the Forum at the October meeting.

PRU representatives reported that the correspondence was received on the final day of the summer term, which had caused some distress, particularly for those schools where initial calculations showed a reduction in places. It was acknowledged that the place calculation for special schools and PRUs used data from the summer term census, so the timescale for issuing correspondence in the summer term was extremely tight.

Wider issues about PRU funding were considered under a separate item.

The Working Group:

- a) **Noted the report.**

Subsequent to the meeting, some increases have been agreed by the Service to commissioned place numbers for short stay schools, but at the present time, the Inclusion Service have not recommended any changes to commissioned place numbers in special schools beyond the places calculated on the agreed methodology. Appendix A includes the current commission place proposals for 2021/22.

5. Representations from Lancashire Short Stay Schools

Correspondence to the Forum and LCC officers has been sent by Lancashire Short Stay Schools. The letter makes representations about the financial impact on Short Stay Schools due to Coronavirus and some wider issues about the PRU funding, including the commissioned place methodology.

PRU representatives highlighted that the Coronavirus situation had put the schools in an extremely vulnerable position financially. Having the mainstreams effectively closed for nearly six months has meant that the Short Stay Schools have had no medical panel referrals, no respite and interventions and no permanent exclusions. Examples of the impact on individual PRUs was shared with the group. The impact this would have on termly budget redeterminations and the overall financial position of short stay schools was stressed.

Colleagues also highlighted the impact that the 3 term census average had on the calculation of commissioned place numbers at the schools, as the autumn term census is always a low point in the year for exclusions, with numbers in PRUs rising rapidly after that point.

Member's thanked PRU colleagues for setting out the issues being encountered and also expressed their support for the work being undertaken in Lancashire Short Stay Schools.

In response to the letter, officers proposed that for the autumn term 2020 PRUs would be funded on the higher of October 20 and October 19 census data, to mitigate the impact that COVID-19 may have had on PRU NORs.

This proposal matched the protections provided to PRUs in the summer term 2020 and also mirrored the protections already agreed by the Forum for early years providers in the autumn term 2020.

It was also proposed that a similar protection methodology operated for special schools in autumn 2020 redeterminations in order to provide a consistent approach.

The Group noted that the additional costs of this protection were not yet known as this can only be calculated when the October 2020 census data is available, but the risk would need to be underwritten by the DSG reserve.

Other matters in the correspondence were more strategic in nature, and the LCC Cabinet was due to consider a report about an Alternative Provision Strategy for Lancashire on 1 October 2020. The report proposed the establishment of an Alternative Provision Governance Group to consult with the sector and support the implementation of the Alternative Provision Strategy. PRU headteachers were being nominated to sit on this group.

The other matters raised in the correspondence could be considered as part of the emerging AP strategy, which could then be used to inform any proposed changes to the wider funding structure of AP in Lancashire

The Working Group:

- a) Noted the report and the correspondence from PRU headteachers;**
- b) Supported the proposed protections for PRUs to base autumn term 2020 redeterminations on the higher of October 20 and October 19 census data, to mitigate the impact that COVID-19 may have had on PRU NORs;**
- c) Supported the extension of this autumn term 2020 redeterminations methodology to special schools;**
- d) Noted that the additional costs of this protection were not yet known but that the risk would need to be underwritten by the DSG reserve;**

- e) **Welcomed the establishment of the Alternative Provision Governance Group to consult with the sector and support the implementation of the Alternative Provision Strategy;**
- f) **Welcomed the appointment of PRU headteachers to sit on this group.**

6. DSG Historic Commitments: Emotional Health and Wellbeing Commissioned Early Help Service Performance Update

A report elsewhere on the agenda provided information on DfE School Funding announcements for 2021/22. This included confirmation that the historic commitments element of the Central School Services Block (CSSB) will decrease by a further 20% from April 2021.

DfE announcements were clear that DSG Historic Commitments allocations will continue to reduce to zero across future years.

Initial modelling of the impact of this reduction in Lancashire suggests that we may be able to protect the existing levels of DSG 'combined budget' contributions for 2021/22, as follows:

- Emotional Health and Wellbeing Service - £200k
- MASH - £150k

This will be subject to Schools Forum approval in January 2021, as part of the Schools Budget setting process.

In order to aid Forum consideration of these allocations, a report was provided from the Emotional Health and Wellbeing Commissioned Early Help Service providing a Performance Update for the previous year

The Working Group:

- a) **Noted the report;**
- b) **Agreed to be aware of this report when considering the DSG 'combined budget' contributions as part of the budget setting process for 2021/22**

7. Financial transparency of local authority maintained schools and academy trusts: Government consultation response

In July 2020, the DfE published their response to the consultation on financial transparency of local authority maintained schools and academy trusts.

The DfE had proposed a number of initiatives aimed at greater alignment of maintained school and academy accountabilities and financial transparency and members. However, the Government's response was delayed by the snap general election in December 2019 and then by COVID-19.

A government response to the consultation has now been published and indicates that most of the proposals contained in the original consultation document will be introduced in various stages over next couple of years, some with minor alterations to those first suggested. It was confirmed that proposal 5, about imposing minimum requirements of a three-year audit cycle on schools will not be implemented in light of issues raised by a number of consultation respondents. .

Further details on each of the proposals and the Lancashire implications were provided in the report, including a summary of timings and next steps.

In summary:

- **Proposal 1:** DfE will publish names of LAs on gov.uk if they fail to comply with deadlines for returns to the Department. It was noted that some returns were reliant on submissions from school partners;
- **Proposal 2a:** DfE will collect the number of schools with suspended budgets and notices of financial concern through the existing DSG assurance statement signed by the LA Chief Financial Officer (CFO) at the end of the financial year. In Lancashire there is currently one school with delegation suspended plus 7 operating under a Financial Notice of Concern (NOC), representing about 1.4% of maintained schools.
- **Proposal 2b:** DfE will add a new section to the DSG assurance statement that captures the amounts that LAs have recovered from investigating fraud.
- **Proposal 3:** DfE will make a directed revision to LAs' schemes for financing schools to make it a requirement for maintained schools to provide LAs with three-year budget forecasts. The scheme consultation has been issued in Lancashire, but schools are already asked to submit 3 year budget forecasts.
- **Proposal 4a:** DfE will make schools append a list of Related Party Transactions (RPTs) to their response to the question in the Schools Financial Value Standard (SFVS) about their arrangements for managing RPTs. In addition, DfE will insert additional columns into the CFO Assurance Statement, so that the number of RPTs and value for each can be disclosed. This will impact on 2021-22 SFVS returns.
- **Proposal 6a:** DfE will make a directed revision to LAs' schemes for financing schools, requiring schools to submit a recovery plan to their maintaining authority when their deficit rises above 5%. Arrangements are already more robust in Lancashire requiring all schools in deficit to submit a recovery plan, but amendments are proposed to the SIFD categorisations using the 5% trigger.
- **Proposal 6b:** DfE will collect information on the number of recovery plans in each LA through the DSG annual assurance return from the CFO. Lancashire is historically below national/regional comparators on the number of schools in deficit, but will keep this under review
- **Proposal 6c:** DfE will formalise the approach to working with LAs and include a request for high level action plans from some LAs. This will be achieved by:
 - Sharing published data on the school balances in each LA.
 - Using this data and evidence-based requests from LAs to ensure support is focused where it is needed.
 - Requesting high level action plans from LAs in which the number or proportion of school revenue deficits over 5% is above a certain level.
- **Proposal 7:** DfE will require all LA maintained schools to publish annually on their websites the number of individuals (if any) earning over £100K in £10K bandings. This requirement is effective from 1 January 2020 and has been highlighted in the governors core agenda and /fair exchange.
- **Proposal 8.** DfE will require LA maintained schools to publish a link to the schools financial benchmarking website, where the Consistent Financial Reporting (CFR) statement of income, expenditure and balances is already published. This is a change from the original proposals and has been highlighted in the governors core agenda and /fair exchange.

As previously discussed with the Forum, the School Finance service intend to operate a local 'Financial Health Check Services' for schools and will begin by creating a pilot service that can be trialled at a small number of schools. Further information will be provided in due course.

The Working Group:

- a) **Noted the report;**
- b) **Noted that information had been provided to schools where implementation of the DfE requirements was imminent;**
- c) **Noted that further information would be provided to schools and the Forum on other requirements and local proposals.**

8. Scheme for Financing Schools in Lancashire

In August 2020, the DfE issued a 12th update to Statutory Guidance on schemes. An extract of the scheme updates introduced by the latest guidance was provided in the report.

The Authority has reviewed the Lancashire scheme and introduced the relevant amendments. A revised draft Lancashire Scheme can be viewed [here](#), with amendments to the existing scheme shown as tracked changes.

Two of the three sections that have changed are revisions that are 'directed' by the Secretary of State, following earlier consultations. These relate to:

- *Section 4.3: Submission of financial forecasts;*
- *Section 6.5: Planning for deficit budgets.*

The third section included in the revised guidance relates to *Section 12: Insurance*. These amendments had already been made in Lancashire to the local scheme update that was approved by the Schools Forum and published in July 2020. Hence, no further changes to the Insurance section of the Lancashire scheme are proposed.

As required by regulations, the county council issued a consultation with maintained schools on the proposed scheme amendments. A letter was distributed on the Schools Portal in early September 2020, seeking views by 9 October 2020.

Any responses received will be reported to the Forum on 20 October, when maintained school members will be asked to formally approve the revised scheme.

No consultation responses have been received to date.

The Working Group:

- a) **Noted the report.**

9. Coronavirus (COVID-19) catch-up premium

In July 2020, the Government have announced a £1b Covid catch-up package for the 2020/21 academic year. This funding is additional to other funding increases from Government related to National Funding Formula (NFF) uplifts.

Catch-Up Premium

Allocations from a £650 million catch-up premium, one part of the overall £1b Covid catch-up package, will be based on the number of pupils and paid once a term over the 2020/21 academic year.

Special, AP and hospital schools will be provided with £240 for each place for the 2020 to 2021 academic year, with the funding being paid in 3 tranches.

Headteachers can decide how best to use their schools' premium allocation to tackle the impact of lost teaching time on their pupils, but are encouraged to spend it on evidence-driven approaches including small group or one-to-one tuition, support over the summer, or additional support for great teaching.

National Tutoring Programme

Although all children have had their education disrupted by the coronavirus (COVID-19) outbreak, the Government believe that it is likely that disadvantaged and vulnerable groups will have been hardest hit. That is why, alongside the universal catch-up premium, DfE have launched a £350 million National Tutoring Programme to provide additional, targeted support for those children and young people who need the most help.

The programme will comprise of at least 3 parts in the 2020 to 2021 academic year, including:

- a 5 to 16 programme that will make high-quality tuition available to 5 to 16-year olds in state-funded primary and secondary schools from the second half of autumn term 2020;
- a 16 to 19 fund for school sixth forms, colleges and all other 16 to 19 providers to provide small group tutoring activity for disadvantaged 16 to 19 students whose studies have been disrupted as a result of coronavirus (COVID-19);
- a reception year early language programme that will make training and resources available at no-cost to schools where additional targeted support for oral language would be particularly beneficial.

In discussions, it was confirmed that place numbers in special schools catch up premium calculation included both pre and post 16 places.

Nursery school representatives highlighted that this funding was not being made available to early years providers, which would have an impact on the sectors ability to respond to the pandemic.

The Working Group:

- a) **Noted the report.**

10. School funding: exceptional costs associated with coronavirus (COVID-19) for the period from March to July 2020

Information has previously been shared with the Forum in connection with DfE guidance around 'School funding: exceptional costs associated with coronavirus (COVID-19) for the period from March to July 2020'. A claim form was also made available by the DfE, allowing schools to submit claims for eligible additional COVID-19 expenditure.

The Guidance indicated that there were 3 agreed cost categories against which schools could make a claim. The option was available for schools to submit a claim for other costs that

must be justified. There were also claim limits and conditions associated with the claims processes.

The DfE have processed the first batch of school claims relating to the exceptional COVID-19 costs. These payments cover claims made under the three standard categories and that did not exceed the claims limit.

DfE are giving further consideration to claims for other costs.

For maintained schools, the LA has processed journals/pro-payments and payments will be issued in September. ESFA will pay academy claims directly.

122 maintained schools received a payment in this round, totalling circa £600k.

The DfE have indicated that a second window will be made available but claims will only be allowable relating to costs for summer term 2020.

The Working Group:

- a) Noted the report.**

11. School Finance - School Visits

During the COVID pandemic School Finance have continued to deliver a traded service to schools, but now access school systems remotely and meet with school colleagues virtually.

Even though schools are fully open from September 2020, the service is continuing to operate virtually and a continuation of this approach has been recommended by the county council's Corporate Emergency Response Team. However, a small number of schools had requested the resumption of face-to-face visits and the views of the working group were sought.

Members expressed appreciation for the continued high level of service they had received from finance officers throughout the COVID-19 situation and supported the continuation of the remote service during the pandemic as the most sensible approach, especially given the tighter restrictions that were not being implemented due to rising COVID-19 cases. Comment was made that other services, for example Speech and Language support, would be more beneficial on a face to face basis, but the finance support had worked well as a remote offering.

The Working Group:

- a) Supported the continuation of the virtual service offering from Schools Finance as the default position.**

Appendix A

Indicative Commissioned Places 2021/22 – October 2020

Special Schools

Sch No	School No	Places Pre 16	Places Post 16	Total
00131	Wennington Hall School	54	0	54
00133	Bleasdale School	24	10	34
00134	Royal Cross Primary School	21	0	21
00139	Hillside Specialist School and College	83	12	95
01130	Morecambe And Heysham Morecambe Road School	158	0	158
01131	The Loyne Specialist School	77	40	117
02130	Great Arley School	100	0	100
02131	Brookfield School. Poulton-Le-Fylde	70	0	70
02132	Thornton Cleveleys Red Marsh School	73	21	94
04133	Kirkham Pear Tree School	80	20	100
06131	Moorbrook School	46	0	46
06134	Acorns Primary School	74	0	74
06135	Sir Tom Finney Community High School	121	52	173
07130	Moor Hey School - A Specialist Mathematics And Computing College	110	0	110
07131	The Coppice School	56	8	64
08135	Hope High School	73	0	73
08136	Kingsbury Primary School	79	0	79
08137	West Lancashire Community High School	71	35	106
08138	Elm Tree Community Primary School	106	0	106
09130	Chorley Astley Park School	173	0	173
09131	Mayfield Specialist School	99	23	122
11130	Oswaldtwistle White Ash School	109	0	109
11131	Broadfield Specialist School For Sen (Cognition And Learning)	110	37	147
12134	The Rose School	72	0	72
12135	Holly Grove School	113	0	113
12136	Ridgewood Community High School	118	34	152
13133	Pendle View Primary School	128	0	128
13134	Pendle Community High School And College	100	37	137
14580	Tor View Community Special School	160	35	195
14132	Rawtenstall Cribden House Community Special School	88	0	88
		2746	364	3110

PRUs

Sch No	School No	Places
01141	Stepping Stones School	32
07141	Golden Hill Leyland Centre	50
01149	Chadwick High School	70
02143	Mckee College House	130
09145	Shaftesbury High School	120
06141	Larches House School	110
11142	Oswaldtwistle School	95
08147	The Acorns School	65
12504	Coal Clough Academy	140
		812

LANCASHIRE SCHOOLS FORUM
Date of meeting 20 October 2020

Item No 8

Title: Recommendations of the Early Years Block Working Group

Executive Summary

On 6 October 2020, the Early Years Block Working Group considered a number of reports, including:

- Schools Budget Outturn, School Balances and Clawback 2019/20 – Update report
- Urgent Business - Early Education Funding Principles and Methodology for Autumn 2020 Term
- EY Sustain
- Executive Recovery Board.

A summary of the information presented and the Working Group's recommendations are provided in this report.

Recommendations

The Forum is asked to:

- a) Note the report from the Early Years Block Working Group held on 6 October 2020;**
- b) Ratify the Working Group's recommendations.**

Background

On 6 October 2020, the Early Years Block Working Group considered a number of reports. A summary of the information presented and the Working Group's recommendations are provided below.

1. Schools Budget Outturn, School Balances and Clawback 2019/20 – Update report

During the summer term 2020 cycle of meetings a report about the Schools Budget outturn position for 2019/20 was presented to each of the three Forum working groups and the Schools Forum. This information indicated that the Schools Budget outturn position at 31 March 2020 was an overspend of some £1.593m;

Further detailed analysis of the outturn position at 31 March 2020 has now been produced and the table below provides a breakdown of this position by each funding block.

Block	Budget	Actual	Variance Under (-) Over (+) Spend
	£m	£m	£m
Schools Block	741.989	738.020	-3.969
Early Years Block	77.858	76.022	-1.836
High Needs Block(HNB)	113.639	121.247	7.608
Central Schools Services Block (CSSB)	6.17	5.959	-0.211
	939.656	941.249	1.593

There was a significant overspend on the High Needs Block, which was partially offset by underspends on other funding blocks, which brought the overall year end budget to a position that was broadly in line with expectations when the 2019/20 Schools Budget was set by Schools Forum and Cabinet in January 2019.

The 2019/20 outturn report presented to the Forum in July 2020 noted that the £1.593m overspend had been met from the DSG Reserve, leaving a closing balance on the reserve of £11.151m.

Detailed budget monitoring tables were provided for the Working Group along with a commentary on key issues. For the EYB, it was noted that:

- The Early Years Block outturn position for 2019/20 shows an underspend of £1.836m;
- The Early Years DSG figures used to set the budget in January 2019 were estimates and are adjusted for actual early years pupil numbers;
- Budget monitoring for the early years block shown in the appendix provided data on variances for individual budget lines as at 31 March 2020, with the largest variance relating to an increase in DSG early years income of circa £1.208m and an overall underspend on expenditure of £0.628m;
- Included in the DSG early years block is the update from the DfE from the previous financial year, based on the January 2019 pupil count. This adjustment accounts for £0.723m of the above underspend.

It was also noted that the DAF and PPG headings show significant underspends in 2019/20. Explanation was provided that this was partly due to the LCC accounting system, as the outturn report accounts only show payments to schools against these budget heading and not payments to PVI settings. This is because PVI payments are made on a separate payments system that does not distinguish between base rate allocations or DAF and PPG payments etc when information transfers to the LCC accounts. However, the overall figures for the Early Years expenditure are correct, but the situation causes underspends to be shown against the DAF and PPG budget headings.

Separate reports have now been run to identify 2019/20 PVI DAF and PPG expenditure and when combined with the schools data already provided in the outturn report, the PPG expenditure is actually overspend by circa £39k.

The DAF expenditure is still underspent by circa £103k, which may be due to the fact that not all young people eligible for DAF funding will take up their early education entitlement.

Members highlighted that the budget for the SEN Inclusion Fund had been increased to £300k by the Forum, but expenditure at 31 March 2020 was only £150k. This was set against a background of providers, both maintained and PVI, reporting difficulty in accessing support from the Inclusion Fund. It was emphasised that the process for accessing the funding was even more difficult at present due to COVID related changes to the service operation and members requested that the previous suggestion about changing the methodology for accessing the scheme, perhaps utilising portage service, be followed up.

Confirmation was provided that any underspends on the SEN Inclusion Fund would be retained in the DSG reserve, earmarked against early years and did not remain with the Inclusion Service.

As a number of Inclusion Service related operational issues were discussed under this and other items on the agenda, the Group suggested that the Head of Inclusion Service could be invited to a specific meeting with working group representatives, perhaps together the Chair of the Maintained Nursery School Federation, as similar issues had been shared at the Executive Recovery Board.

The Working Group:

- a) Noted the report and the supplementary analysis provided;**
- b) Requested that a meeting be requested with the Head of the Inclusion Service, to discuss SEN related issue that were impact on early years providers, including the underspends on the SEN Inclusion Fund;**
- c) Requested that the Maintained Nursery School Federation be invited to any discussions.**

2. Urgent Business - Early Education Funding Principles and Methodology for Autumn 2020 Term

On 25 August 2020 the Forum's Urgent Business Procedure was used to obtain views about the Early Education Funding Principles and Methodology for Autumn 2020 Term.

Information was provided with the urgent business request on updated government guidance and the proposed funding principles and methodology to be used in Lancashire for the

Autumn 2020 Term. It incorporated the financial risks for the Dedicated Schools Grant (DSG) that were included in the options.

The paper contained some recommendations for consideration and a specific issue about which a preferred option was sought.

By the closing date on 1 September 2020, 17 responses were received. All respondents supported the proposals and recommendations set out in the paper, but one (from the chair of the working group) did suggest an amendment relating to the introduction of different conditions for childminders and other settings for the spring 2021 headcount/census week in order to qualify for any top up payments.

Not all respondents expressed a view on the specific question where a preferred option was sought in connection with settings that do not claim in autumn 2020. However, 11 responses supported the more generous option, whereas 2 responses favoured the more cautious approach.

The updated proposals were subsequently signed off the Director of Education and Skills and a communications were issued to providers in early September 2020.

A communication on the final methodology had been issued to all settings and a copy was provided in the report.

Members welcomed the approach that had been agreed for the sector within Lancashire.

The Working Group:

- a) Noted the report.**

3. EY Sustain

Members will recall that the Working Group Chair has previously established 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.

This report provided feedback on the lessons learned from the first round of EY Sustain consultancy. A summary of key findings were set in the report.

It was noted that consultancy sessions were now being delivered virtually, rather than face-to-face, due to the pandemic.

Members thanked the Chair for the information provided and reported that this services was highly valued by the sector.

The Working Group:

- a) Noted the report.**

4. Executive Recovery Board

The Working Group Chair represents PVI providers on the Executive Recovery Board, which is a weekly meeting of school and early years representatives with LCC Directors dealing

with COVID-19 related issues. Maintained nursery schools are represented by the Maintained Nursery School Federation

The Chair provided feedback from recent Executive Recovery Board meetings, including concerns that had been provided to the last Board meeting about the Inclusion Service attendance across PVI settings. It was reported that these issues were shared in the maintained sector. Issues included:

- Setting visits are not happening as they should.
- Children are being assessed over the phone via the nursery key worker who is not necessarily trained in SEND
- SEND training in PVI tends to be non-specialist.
- Settings are in the dark as to what the criteria now is for a visit, if any.
- Settings are not involved in the decision to visit the setting or not.
- Risk assessment for SEND does not appear to include the setting.
- Revised service level has not been communicated with the sector.

Immediate actions had been requested, including:

- Written clarification to all PVI settings of:
 - The revised referral process
 - The SEND team risk assessment process and evaluation of consequences
 - Formal channel for feedback to a significant person in SEND for settings with concerns about the process and required support.
- Settings in the referral process need to know:
 - Why a visit has not gone ahead
 - What needs to change for a visit to take place
 - What is being sub optimised as a result of a lack of observation by a professional.
 - How this deficit is being compensated for.

The Chair reported that he had recently received a response addressing the concerns raised, which also indicated that correspondence would be circulated to settings providing an update.

Members welcomed the early years representation on the Board and the response that had been received in respect of the specific SEND concerns raised, although it was noted some members had not received earlier communications from July and September.

Wider debate also took place around the best way to obtain feedback from the sector and to channel relevant issues through to the Board. It was noted that attendance at the recent PVI sector Zoom session had reduced from that at the previous meeting and colleagues commented that the sector were extremely busy at the start of term and the possibility of early evening slots may encourage attendance.

Members agreed to feed back any relevant issues to the Chair for raising at future Board meetings and to give consideration to any other mechanisms that could be used to encourage wider feedback from the sector.

The Working Group:

- a) Noted the report;
- b) Welcomed the early years representation on the Board and the response that had been received in respect of the specific SEND concerns raised;
- c) Requested that the distribution list for the communication to be issued to providers be checked, as many settings had not received earlier correspondence.

Individual members agreed to feed back any relevant issues to the Chair for raising at future Board meetings and to give consideration to any other mechanisms that could be used to encourage wider feedback from the sector.

LANCASHIRE SCHOOLS FORUM
Date of meeting 20 October 2020

Item No 9

Title: Recommendations of the Chair's Working Group

Appendix A refers

Executive Summary

On 22 September 2020, the Chair's Working Group considered a number of reports, including:

- Schools in Financial Difficulty (SIFD) – Bid for one off financial support for a Lancashire primary school;
- Schools in Financial Difficulty (SIFD) – Bid for one off financial support for a Lancashire special school;
- Schools in Financial Difficulty (SIFD) – Revised Categorisations.

A summary of the information presented and the Working Group's recommendations are provided in this report.

Recommendations

The Forum is asked to:

- a) Note the report from the Chair's Working Group held on 22 September 2020;**
- b) Ratify the Working Group's recommendations.**

Background

On 22 September 2020, the Chair's Working Group considered a number of reports. A summary of the information presented and the Working Group's recommendations is provided below.

1. Schools in Financial Difficulty (SIFD) – Bid for one off financial support for a Lancashire primary school

A report was provided in connection with a bid for one off financial support from a Lancashire primary school.

Information was provided included some of the factors contributing to the deficit budget and the steps that have been taken to return the school to a surplus position. However, despite making significant in-year savings, the size of the historical debt means school cannot repay the accumulation over the required three years, despite showing efficiencies and financial viability.

In the planning horizon from 2020/21, a concerted effort has been made by the school, with considerable support from the county council, to produce a sustainable 3 year recovery plan. The recovery plan should return the school to a surplus position by the end of the 2022/23 financial year, if support from the Schools in Financial Difficulty Fund can be agreed.

The deficit at 31 March 2020 was £108k and in accordance with the agreed SIFD arrangements that one-off bids from individual support should not exceed 33% of the relevant deficit, a bid for £36k was requested.

The School Improvement Challenge Board (SICB) considered this bid on 14 July 2020 and supported the proposed allocation.

The Working Group:

- a) Noted the report;**
- b) Supported the allocation of £36,000 from the Schools in Financial Difficulty budget to assist with the recovery at a Lancashire primary school.**

2. Schools in Financial Difficulty (SIFD) – Bid for one off financial support for a Lancashire special school

A report was provided in connection with a bid for one off financial support from a Lancashire special school.

Information was provided included some of the factors contributing to the deficit budget and the steps that have been taken to return the school to a surplus position. This bid related to a Lancashire special school that has been in deficit for a number of years, with the cumulative deficit of £399,998 at its height at 2019/20 year end

The new Headteacher and senior leadership team at the school began to tackle the identified budget issues and had provisional plans that may have been able to return the school to a surplus budget position in a three year timescale. However, staffing adjustments were delayed due to the COVID-19 pandemic and a realistic recovery plan cannot now meet the statutory 3 year recovery.

The revised plan still makes considerable progress towards a return to a surplus budget position by March 2023, but due to the implementation constraints described above, the plan still forecasts a circa £63k deficit: at the end of 2022/23.

In order for the plan to achieve a surplus within the statutory three year period, without a significant negative impact on pupils, a one-off SIFD support bid of £64,000 is now requested.

This level of bid is significantly below the maximum bid size allowable under the SIFD arrangements, which state that one-off bids for individual support should not exceed 33% of the relevant deficit, which would have allowed a bid of up to £133k to be proposed.

The School Improvement Challenge Board (SICB) considered the bid and were supportive, but commented that there was urgency required in implementing the staffing reduction to ensure the plan was achievable.

The Working Group:

- a) Noted the report;**
- b) Supported the allocation of £64,000 from the Schools in Financial Difficulty budget to assist with the recovery at a Lancashire special school.**

3. Schools in Financial Difficulty (SIFD) – Revised Categorisations

Previous reports have been presented to the Forum around Schools in Financial Difficulty (SIFD) categorisations, which indicated that arrangements are kept under regular review.

The LA has recently reviewed the SIFD categories in light of the publication of the DfE's response to the Financial transparency of local authority maintained schools and academy trusts consultation. One aspect of the response is that the DfE will make a directed revision to the scheme for financing schools requiring schools to submit a recovery plan to their maintaining authority when their deficit rises above 5%.

Lancashire Schools in Financial Difficulty (SIFD) arrangements are already more robust than the minimum requirement being introduced by the DfE, with all schools either in deficit at year end, or forecasting a deficit at the end of the current financial year, requested to submit a recovery plan. There are no proposals to change this requirement locally.

However, on reviewing the Lancashire SIFD categorisation approach, the 5% trigger appears to be a sensible demarcation between schools in a serious financial position and those in a vulnerable position. It was therefore proposed to revise the SIFD categorisation criteria so that schools with a deficit of 5% or over would be identified as category 2. This would align local arrangements to nationally published requirements. Previously, cash values were used to determine schools falling into category 2, the levels of which were adjusted by phase.

In a further amendment, Category 4 has been retitled 'Financially Stable' from 'No financial issues'. This is to reflect the fact that schools in category 4 may have faced financial challenges and taken mitigating actions in order to remain or become financially stable. The fact that the school did not trigger any indicators that would place them in another category does not mean that a school has not faced any financial issues, and the name change more accurately acknowledges the position of the category 4 schools.

An updated SIFD categorisation document is provided at Appendix A, which includes that name change and the revised categorisation descriptions and indicators.

SIFD categorisations analysis for Lancashire maintained schools, based on 31 March 2020 outturn data, has now been compiled using the revised methodology, and the analysis is provided below for all schools:

Category	No. of schools	%
1	5	0.9%
2	13	2.3%
3	86	15.0%
4	470	81.9%
	574	

The updated methodology has had a net impact of increasing the number of schools deemed category 2 by 2, with a corresponding decrease in category 3 schools, when compared to the situation at 31 March 2020 data using the previous calculation.

The following points are highlighted when comparing the March 2020 analysis to that based on March 2019 data. For comparison, category 2 and 3 data has been combined, as the March 2019 analysis used the previous methodology:

- The number of schools judged Category 1 Structural Deficit in March 2020 was equal to that at March 2019, however some of the identified schools have changed. Two schools from March 2019 have been removed from the list as a result of the closure of one school and the conversion to an academy of another school and a further two schools have been added following analysis of the March 2020 outturn position. The percentage of schools in the most serious financial difficulty remains unchanged at 0.9%;
- The overall numbers of schools across Category 2 Significant Deficit and Category 3 Vulnerable Position, has increased to 99 (17.3%) from 55 (9.4%) a year earlier. This increase in the number of schools showing some form of financial strain reflects the ongoing pressure on school funding, where Dedicated Schools Grant (DSG) income has, for a number of years, been cash flat, or has not kept pace with inflation;
- The County Council continues to provide significant targeted support and enhanced monitoring and early warning around Schools in Financial Difficulty, with the aim of assisting schools in the challenging financial environment. New delivery methods are being utilised during the current coronavirus outbreak and ongoing budget monitoring will also assess the financial impact on individual schools associated with the operational changes necessitated by COVID-19;
- Increased levels of funding have been made available in the DSG for 2020/21 and the impact this may have on school finances will also be kept under review.

Information was also provided analysing the March 2020 categorisation, using the revised methodology, by sector.

When school categorisation information is published in Forum or County Council reports, requests are often received from individual schools asking which category they have been placed in.

In the interests of openness and transparency, it is proposed that the SIFD categorisation information, including the financial indicators, are published on the Forum website, so that schools are able to calculate their categorisation from their own in school data that should be more up to date and more accurate than the data frequently accessible by officers.

The Working Group:

- a) Noted the report;**
- b) Supported the revised SIFD categorisation names, descriptions and financial indicators**
- c) Supported the publication of the SIFD categorisation on the Forum website.**

Schools in Financial Difficulty (SIFD) Categorisation

Category	Description	Financial Indicators
Category 1 Structural Deficit	Structural deficit that could be beyond recovery within the school finances, the school may not be financially viable and a strategic solution is required	<ul style="list-style-type: none"> • Closing deficit in excess of 30% of the schools budget, • And - In deficit for more than 2 years; • And - No approved recovery plan.
Category 2 Significant Deficit	School has a significant deficit requiring the school to make substantial organisational savings that need intensive intervention and focussed support to recover. Maybe pushing boundaries of statutory 3 year recovery timescale	<ul style="list-style-type: none"> • Significant Deficit: in excess of 5% of the schools budget
Category 3 Financially Vulnerable	Schools using significant reserves to balance their budget or have lost significant pupil numbers on the October census, or have low-level deficit or indications of going into a financial deficit.	<ul style="list-style-type: none"> • In Deficit below 5% of the schools budget, or • Indicated deficit closing balance of any level, or; • Over 70% reduction in surplus balances, or; • Reduction in pupil numbers exceeds 10%.
Category 4 Financially Stable	No budget issues but continued monitoring of financial indicators to confirm ongoing financial health.	None of the above indicators are present

LANCASHIRE SCHOOLS FORUM

20 October 2020

Item No: 10

Title of Item: Lancashire County Council Area position on paying staff in schools

Executive Summary

This report provides information on the Lancashire County Council Area position on paying staff in schools when they cannot work because they are self-isolating or when their children are sent home from school due to being in an affected bubble

Recommendation

The Forum is asked to:

- a) Note the report;
- b) Express any views on the Lancashire County Council Area position on paying staff in schools

Background

Members may have seen that the Education Coronavirus Bulletin from 6 October 2020 included a message from Edwina Grant OBE, Executive Director Education and Children's Services about the Lancashire County Council Area position on paying staff in schools.

The message made reference to the Schools Forum and a copy of the text is provided below:

Lancashire County Council Area position on paying staff in schools

I have had a request from trade unions for a Lancashire Council Area position on the payment of staff when they cannot work because they are self-isolating or when their children are sent home from school due to being in an affected bubble. Normally, apart from issuing model policies, supporting schools in personnel terms and by offering insurance, the council would have little further role as the decision is for you.

After taking some soundings I am considering whether we could recommend to maintained schools and to seek agreement from academies that we support the position that schools would pay the affected member of staff for the period of time that they are required to look after their child and cannot undertake their role from home. There is no additional cost to the school in the first instance in paying the affected member of staff as salaries are already budgeted for. Any supply costs that are required would be additional. I know that the insurance policies between teaching and non-teaching staff have different elements.

A possible way forward may be that the school and member of staff first explore temporary measures to mitigate the impact e.g. partner or other in their support bubble sharing/meeting the parental responsibility (particularly when they are not key workers). I recognise that many more workers are designated key workers now and some parents have no support. The school could explore if there are any other options for covering the staff absence rather than supply cover, taking into account all the previous discussions we have had in the past with unions about who can cover at what level. Where all options have been explored and discounted, then the school should consider meeting the cost of supply cover from their budget.

Schools would normally budget for an annual sum to cover supply staffing costs from their budgets. This may have incurred lower costs than usual during the Spring/Summer as you were not operating at full capacity over those terms. To balance this I am aware that the bubbles have been costly in staff terms so the budget may already be stretched. By the end of the financial year it will be clear what individual schools have spent over and above what they 'normally' budget/spend on supply cover and schools should be encouraged to identify and claim as excess Covid costs from the government. It is a matter for the Schools Forum then, but I would ask members of the Forum to write to Government requesting that these additional costs are reimbursed across the council area. Lancashire County Council councillors could also be asked by the Forum to support the fact that the government be asked to pay any

additional money as Covid costs. County Councillor Philippa Williamson has been discussing this with me, and is happy to use her position as Cabinet Member for Children, Young People and Schools and an attendee at Schools Forum to make such a representation to seek costs we cannot absorb as essential costs due to Covid.

I would be glad of your thoughts either to me or via your professional representatives or unions and subject to your responses I will ask Schools Forum to take this approach.

I hope you are all keeping well at this time.

The Chair of the Forum has had contact with Edwina on this issue but any comments are welcome from Forum members.

LANCASHIRE SCHOOLS FORUM

20 October 2020

Item No: 11

Title of Item: Supply Cover Insurance and Maternity Scheme for Lancashire Schools
- In year changes to the level of cover

Executive Summary

This report provides information about requests to join the scheme or change the level of cover in year, and seeks the Forum's views.

Recommendation

The Forum is asked to:

- a) Note the report;
- b) Express any views on the requests to join or upgrade cover in the Supply scheme in year.

Background

2020/21 has been an exceptional year for the Supply Cover Scheme due to the issues and risks created by the COVID-19 pandemic.

Changes to the operation of the 2020/21 Supply Cover Scheme have been made in April 2020 and June 2020, following consultation with Forum, to reflect the changing government advice on schools in response to coronavirus and to offer extended support for scheme members in certain circumstances beyond the normal scheme operation .

The scheme SLA also includes the following provision in connection schools joining the scheme or extending the level of cover outside the annual membership refresh:

Schools may be allowed to enter the scheme part way through the financial year at the discretion of the Authority, although any existing absences or a maternity leave starting within nine months will not be covered. Schools entering the scheme part way through the year will still be charged the full year premium. In addition there will be an administration fee of £75.

The number of schools that change their supply arrangements in year is normally very few or none at all. However, we have recently received contact from a number of schools looking to join the scheme or change the level of cover, with effect from September 2020.

This includes:

- Schools wishing to join the scheme that did not 'buy-in' from April 2020;
- Schools that bought teaching staff cover in April 2020 and now wish to also join the support staff scheme;
- Schools that bought teaching staff cover in April 2020 and now wish to change their cover to reduce the number of waiting days.

At the end of 2019/20, the supply scheme had a reserve of £1.037m, with the DSG reserve underwriting any demand above this level.

The 2020/21 scheme year will be an unusual one due to the COVID-19 pandemic. This is likely to place an even greater burden on both the teaching and support staff schemes especially due to the scheme rules being extended in certain areas to provide additional cover to scheme members, for example relating to self-isolation.

Scheme income for school premiums was broadly similar for 2019/20 and 2020/21, at circa £5.7m. Analysis of spend to September each year is shown below:

	2019/20 Remaining Budget (Sept) (£)	2020/21 Remaining Budget (Sept) (£)	Difference
Teaching	-2,984,075	-3,514,964	-530,889
Support Staff	-502,650	-776,170	-273,520
Total	-3,486,725	-4,291,134	-804,410
Full year Overspend	133,000		

It must be remembered that the in-year scheme monitoring has often proved an unreliable indicator of the year end position due to a number of factors around when schools choose to submit claims, when they are processed by the county council and any late claims or appeals.

This issue may be even greater in 2020/21, with additional uncertainties relating to:

- In year changes to scheme rules:
- The period of schools closures for large parts of the summer term 2020;
- A number of ongoing queries with schools still to be resolved;
- The likelihood of increased demand on the scheme in the autumn term 2020 and the spring term 2021 now that schools are operating with all pupils, and staff sickness absences will need to be covered.

In such circumstances, the views of the Forum are sought on whether in year changes to scheme membership should be agreed.

LANCASHIRE SCHOOLS FORUM

20 October 2020

Item No: 12

Title of Item: Urgent Business Outcomes - Supply Scheme update September 2020

Executive Summary

This report provides confirmation of the decisions taken to amend the staff supply scheme arrangements from September 2020 onwards following updated government and county council advice on COVID-19.

Recommendation

The Forum is asked to:

- a) Note the report.

Background

On 20 August 2020 the Forum's Urgent Business Procedure was used to obtain views about amendments to the Supply Cover Insurance and Maternity Scheme for Lancashire Schools for September 2020 onwards in the light of revised Government guidance.

Changes to the operation of the 2020/21 Supply Cover Scheme had been made in April 2020 and June 2020, following consultation with Forum, to reflect the changing government advice on schools in response to the COVID-19 pandemic and to offer extended support for scheme members in certain circumstances beyond the normal scheme operation .

Government advice and expectations on schools was updated again in preparation for the full reopening of schools from September 2020 and a new draft update of the scheme operation was circulated for consideration. The main change proposed related to the removal of support for shielding absences and costs, as government guidance on shielding had changed and workers who were clinically extremely vulnerable were advised that they no longer needed to shield. Staff in Lancashire schools could therefore return to work in September as long as the workplace is COVID secure. The updated rules continued to support staff who are self isolating due to COVID-19 symptoms or as a result of test and trace advice even though these absences would not normally be covered by the scheme as they are not classed as a sickness absence.

Responses by 5.00pm on Monday 24 August 2020 were requested and by the closing date, responses were received from 20 members.

13 responses supported the proposals as originally presented and a further 6 replies supported the proposals but suggested certain amendments. One response opposed the introduction of revised arrangements.

Areas where comments and amendments to the proposals were suggested by members were considered alongside the county council's Schools HR policies and amendments were made to the revised autumn term 2020 supply arrangements to include:

- The scheme will not automatically cover costs for staff needing to self-isolate when returning from foreign travel, as HR advice, available on the Schools Portal, confirms that there is no entitlement to additional paid leave for a period of quarantine after returning from holiday and includes a range of options for covering such circumstances, including taking unpaid leave. The HR advice does include some circumstances that schools may wish to consider sympathetically.
- In specific circumstances where shielding is extended or reintroduced by the government, including in any local shielding extensions, the scheme will cover any additional costs incurred by schools during this period, subject to the normal scheme rules and supporting evidence in any claims process.

Some members felt that the scheme should continue to support staff who were shielding and cover for pregnant staff beyond 28 weeks was particularly highlighted. It was not felt possible to incorporate this into the scheme, as it did not conform to current LCC HR advice, although national and local guidance will be kept under review.

LANCASHIRE SCHOOLS FORUM

Date of meeting 20 October 2020

Item No 13

Title: Policy for the allocation of Pupil Premium Grant + for looked after children 2020-21

Executive Summary

This report provided information on the Policy for the allocation of Pupil Premium Grant+ for looked after children in 2020/21, produced by the Lancashire Virtual School.

Forum Decision Required

The Forum is asked to:

- a) Note the report**

Lancashire Virtual School

Policy for the allocation of Pupil Premium Grant + for looked after children.

2020-21

Background:

The DFE allocate funding to each local authority to provide PPG+ for looked after children of statutory school age who are looked after to each LA. The funding will be allocated on the basis of £2,345 for each CLA in the LA's care. The conditions of the grant state:

The LAC premium must be managed by the designated virtual school head (VSH) and used for the benefit of the looked-after child's educational needs as described in their personal education plan. The VSH should ensure there are arrangements in place to discuss how the child will benefit from pupil premium funding with the designated teacher in the child's education setting.

The conditions of grant continues to stipulate that the grant is to be managed by the Virtual School Head Teacher and must be allocated in response to identified needs of the child and to support educational progress for the local authorities cohort of looked after children as a group, and not just to meet individual need.

The draft revised Guidance for Virtual School Head Teachers and designated Teachers (the revised guidance is due to be published shortly and to come into effect from April 2018) also states:

In addition, we propose stating that all Virtual School Heads should publish a clear policy on the use of Pupil Premium Plus, including any funding top sliced by the Virtual School for authority wide services. This requirement promotes transparency and clarity for schools, carers and families about how local authorities use and manage Pupil Premium Plus funding.

Lancashire Virtual School Policy for the Allocation of PPG+: 2020-21

The amount of PPG+ allocated to each Lancashire looked after child will be;

The school/setting in which a looked after child is on roll will be allocated £600 per term on receipt of a Personal Education Plan (PEP) that is assessed as at least adequate through the Virtual School's quality assurance process. The PEP must demonstrate that the needs of the child/young person have been identified with a clear link to the intended use of the funding and the planned impact.

The remaining £ 545 per CLA will form the PPG+ high needs fund and is utilized for

- To provide additional funding support to be provided for pupils who have additional short term needs identified, or a period of crisis that is impacting directly on learning progress. Schools request this additional funding directly to the Virtual School with evidence of need, details of proposed use and predicted outcomes/impact. Evidence of impact is also required following an appropriate period.
- To support the wider strategies and activities of the Virtual School to fulfil the statutory duties.

Requests for additional PPG+ can only be made once a term for any pupil. It is for short term needs and cannot replace long term funding to meet on going needs, such as significant SEN.

The policy of providing access to additional PPG+ to reflect the different levels of needs of individual CLA across time, is in line with the stated conditions of the funding.

Exceptions:

Pupils with an EHCP who are placed in an independent school setting, or any pupil placed in a residential setting with education will not usually receive PPG+ separately. The funding provided to commission the placement is based on meeting the full needs of the child.

Monitoring the management of PPG+.

Management of PPG+ is the responsibility of the Virtual Head but is also monitored through:

School Improvement SLT,

Corporate Parenting Board

The use and impact of PPG+ also has to be addressed in the Virtual Head Teacher's Annual Report.

Reports to School Forum as requested.

Ofsted inspection of LA process. The use and impact of PPG+ also has to be addressed in the Virtual Head Teacher's Annual Report

Impact of PPG+

The impact of PPG+ is monitored by:

- Required information on the PEP which indicates how the funding will be used to support identified targets and reporting on the impact of previous funding allocated.

- High Needs PPG+ allocated is monitored by a mandatory Impact returns for each allocation.
- The use and impact of funding is also reviewed as part of the regular tracking visits to each school.
- As part of the Annual Report.

Other Expenditure:

In accordance with the conditions of grant PPG+ can be used for projects, resources or programmes that support groups of looked after children and training and support to Designated Teachers and schools.

Programmes are identified that relate to priorities identified through tracking or analysis of progress and attainment data.

Examples:

- Home Reading Project for an identified group of KS1 and 2 pupils who were not making expected progress. A number of individual pupils increased their reading skills, read more for pleasure and participated in an interactive day with a published poet at County Hall. A group poem written by the children will appear in a book to be published shortly by the poet.
- Revision resources for home use provided to all year 2, 6 and 11 to support progress towards end of key stage assessments and GCSE.
- Key Stage 4 Annual Conference
- Provision of whole school Attachment and Trauma Training programme available for all schools.
- Conferences for carers to support home learning.
- Provision of on line learning programme- Britannica- for all looked after children.

Lancashire policy and practice on the allocation of PPG+ is communicated to schools via:

- Termly newsletter posted on School Portal
- Guidance to Schools on Supporting a Lancashire CLA
- Designated Teacher Training and Briefings- held each term.
- Termly Newsletter for Out of County Schools.
- Reports to School Forum as requested.

Early Year PP+

Pupil Premium for CLA in nursery settings, both maintained and PVI, is managed and allocated on behalf of the Virtual School Head Teacher by the Funded Nursery Education Team. Information on the use of the funding is requested on the Personal Education Plan.

Please note: the majority of Local Authorities also utilise a proportion of PPG+ allocation to support or fully fund , their Virtual School team staffing-which is

an acceptable use of the grant. To date Lancashire has not followed this practice –however due to the increasing work load and increased remit- such as for previously looked after children, Lancashire Virtual School may soon have to use a portion of the grant to extend the team in order to continue to meet the statutory duties and extend support for your children.

Reviewed May 2020.

LANCASHIRE SCHOOLS FORUM

20 October 2020

Item No: 14

Title of Item: Schools Forum Operational Arrangements September 2020

Appendix A refers

Executive Summary

The Forum's Operational Arrangements document has been updated for September 2020 and information is provided in this report.

Recommendations

The Forum is asked to:

- a) Note the report;**
- b) Express any views on the September 2020 operational arrangements document update.**

Background

The Schools Forum has an operational arrangements document that sets out the working arrangements for the Forum. The document is provided to members on appointment and is available on the Forum website [here](#).

The document has recently been reviewed following the publication of the Schools Forums (England) (Coronavirus) (Amendment) Regulations 2020. A revised operational arrangements document is provided at Appendix A. The main changes relate to provisions of the new regulations, which allows the Forum to meet remotely during the COVID-19 pandemic and some updated membership numbers that have been amended in response to the annual membership review.

It has previously been agreed that where issues are not covered by the operational arrangements, then the Forum would look to the County Council's Constitution to assist with any procedural matters.

LANCASHIRE SCHOOLS FORUM

OPERATIONAL ARRANGEMENTS

Revised September 2020

1. Constitution

1.1 Membership (Voting Members)

In accordance with the Schools Forums (England) Regulations 2012, the membership of the Lancashire Schools Forum shall be as follows:

11* places for primary headteachers/senior members of staff**	}	school members
11* places for primary governors		
5* places for secondary headteachers/senior members of staff**		
5* places for secondary governors		
1 place for special headteacher/senior members of staff**		
1 place for special school governor		
1 place for nursery headteacher/senior members of staff**		
1 place for nursery school governor		
4* places for an academy principals/ senior members of staff**		
4* places for an academy governors		
1 place for Short Stay School headteacher/senior members of staff**		
1 place for Short Stay School governor		
1 place for an Alternative Provision Academy		
1 place for a Special School Academy		
<u>11</u> places for non-school members		
59 Total		

*In accordance with the regulations primary, secondary and academies are broadly proportionately represented on the forum, having regard to the total number of pupils registered at them. Numbers have been checked against the January School Census data and the list of schools known to be converting to academies.

**Regulations allow headteachers to be represented by 'senior members of staff' defined as "...a principal, deputy head teacher, bursar or other person responsible for the financial management of the school;"

Although further sub-division of schools groups is allowed by regulations, the agreed local arrangements for the Lancashire Schools Forum have determined that no further split of the membership groups beyond school phase and headteacher/governor representation will be utilised. This is because the Forum always takes a County-wide view on any recommendations/decisions that are required and allows constituent groups a free vote in any Forum election process, not restricted by area of nominees, or any other factor.

The non-school members of the Forum shall be as follows:

3 elected members of the LA
3 representatives of the Diocesan/Church Authorities (1 Roman Catholic, 1 Church of England, 1 Free Church)
1 representative of the Lancashire Council of Mosques
1 representatives of 16-19 providers
3 representatives of private, voluntary and independent (PVI) providers of the free entitlement to early years education
<u>11</u> Total

As required by legislation, non-school members do not exceed 1/3 of the total Forum membership.

1.2 Observers (Non Voting Representatives)

In addition, the following individuals/groups shall have observer status on the Forum:

Cabinet Member for Children, Young People and Schools
Teacher Associations, one representative from each recognised association:
National Association of Headteachers (NAHT)
National Association of School Masters and Union of Women Teachers (NASUWT)
National Education Union (NEU)
Association of School and College Leaders (ASCL)
Support Staff Unions;
GMB
UNISON
UNITE
Lancashire Association of School Governing Bodies (LASGB)
Headteacher for Children Looked After
Education and Skills Funding Agency (ESFA)

The LA shall periodically review the arrangements for observers on the Forum.

1.3 Appointment Procedures

When vacancies arise, the Local Authority (LA) will seek nominations from all constituents of the relevant schools group. For example, in the event of a primary school headteacher vacancy the Authority shall contact all primary school headteachers to seek nominations; in the event of a special school governor vacancy the Authority shall contact all special school governors to seek nominations. The authority shall also liaise with the relevant headteacher and governor organisations e.g. LASSH, PHiL, LaSSHTA, LASGB, Lancashire Academies Group, Lancashire Short Stay Schools Group etc.

Under the appointment procedures for the Lancashire Schools Forum headteachers are debarred from standing as governor members of the Forum.

Where nominations exceed places available the appointment of school members to the Forum shall be by election, which will be organised by the Local Authority.

Within each phase (primary, secondary, academy, special nursery and short stay school), each headteacher shall have one vote for a headteacher member, and each governing body shall have one vote for a governor member. In the event of a tied vote, the outcome of the election shall be determined by the drawing of lots.

Each schools group has been consulted about the appointment procedure for their group and have agreed to the arrangements.

The results of any Forum elections will be published in the Forum minutes, to ensure transparency in the process. However the publication of the results will be confined to information on the number of votes cast for successful candidates and the top 15% of unsuccessful candidates.

A minimum of 10% of school 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.

Appointment of non-school members and observers shall be from nominations received from the identified organisations every four years.

1.4 Terms of Office

The term of office for Forum membership will be for four years, although members may continue for a longer period if the annual 10% membership turnover requirement is met each year.

1.5 Substitute Members

A substitute may attend a specific Forum meeting, in the event that a Forum member is unable to attend. Notification should be provided to the Clerk of the Forum no later than 48 hours prior to the meeting.

For schools members, any nominated substitute must come from the same group as the original member (e.g. the substitute for a nursery school headteacher representative must be another nursery school headteacher).

For non-school members and observers, a substitute must be a representative of the same organisation.

Where possible, it would be preferable for appropriate Members to nominate formally a regular substitute to ensure some degree of continuity and procedural propriety in respect of voting arrangements.

1.6 Induction

Where a significant number of new members have been appointed to the Forum, the LA shall arrange induction seminars to provide information on Schools Forum powers and procedures.

1.7 Failure to Attend Forum Meetings

If a member fails to attend two consecutive meetings, provide the Forum with reasonable apologies, or, where appropriate, arrange a suitable substitute to attend on their behalf, they will be contacted by the Clerk about their future intentions for Forum attendance. If this failure to attend extends to three consecutive meetings, without good reason, the Forum will have the power to disqualify that member from continuing to hold office on the Forum.

Apologies for absence will be reported to the Forum at the start of each meeting.

1.8 Future Arrangements

The Forum Operational Arrangements, including election mechanism and the subsequent period of office shall be kept under review.

2. Procedures

2.1 Election of Chair and Vice-Chair

The Forum shall elect a Chair and Vice-Chair, from among its voting membership, excluding any voting members that may be elected members or officers of the Authority. These appointments shall be for a period of two years.

To aid continuity, the Forum may also appoint a Chair Elect, to shadow the Chair for a 12 month period in advance of taking over as Chair.

At any meeting where the Chair, Vice-Chair and, if appointed the Chair Elect are absent, the Forum shall elect, from those voting members present, a person to take the Chair for that meeting only.

2.2 Appointment of Clerk

The LA shall appoint a Clerk for the Lancashire Schools Forum.

2.3 Frequency of Meetings

The Forum shall meet at least four times in each financial year.

A schedule of all Forum and Working-Group meetings shall be published in advance of each calendar year. Normally, meetings will be arranged for mornings and be held at County Hall, Preston. However, the LA shall consult the Forum from time to time to ensure that this arrangement best suits the majority of the current Forum membership.

In accordance with the Schools Forums (England) (Coronavirus) (Amendment) Regulations 2020, meetings of the Forum may take place remotely during 2020/21, in response to the COVID-19 pandemic.

2.4 Public/Private Meetings

Meetings of the Lancashire Schools Forum will be open to the public and press.

In certain limited circumstances the Forum may exclude the press and public where the Forum considers that the business includes matters that they consider to be confidential or sensitive.

In order to exclude the press/public a positive resolution must be passed by the Forum. The business that is confidential or sensitive shall normally be adjourned until all other business of the meeting has been transacted whereupon the press/public shall leave the meeting and the adjourned business shall be considered.

Papers, agendas and minutes for Forum meetings will be published on the Forum website. Papers will be published a week in advance of each Forum meeting. The forum website is available from the link below:

<http://www.lancashire.gov.uk/practitioners/supporting-children-and-families/education/schools-forum.aspx>

2.5 Quorum

The Forum shall be quorate if at least forty percent of the total voting membership (excluding vacancies) is present, including substitutes attending in place of voting members.

2.6 Declaration of Interests

Forum members shall be expected to declare relevant personal, financial or business interest, which they or any person closely associated with them, has in any matter to be considered by the Forum.

2.7 Voting Procedure

The Schools Forum membership contains voting members and observers. When the Forum is asked to vote on any matter only voting members are eligible to vote. As required in Regulations voting on certain Schools Forum decisions is restricted to specified groups of members, rather than the whole voting membership. Details are provided below:

Voting on matters relating to the School Funding Formula

Voting relating to matters about the school funding formula will be restricted to school members (including academy members) and PVI providers of early years present.

Voting on de-delegations in Primary and Secondary Schools

Voting on proposals about the de-delegation of allowed services in primary schools will be restricted to only maintained primary school representatives present.

Voting on proposals about the de-delegation of allowed services in secondary schools will be restricted to only maintained secondary school representatives present.

Voting on amendments to the Scheme for Financing Schools

Voting on any proposed amendments to the Scheme for Financing Schools will be restricted to maintained school representatives only.

All voting members present will be entitled to vote on other matters requiring a decision by the Forum.

To enable relevant voting to be restricted to appropriate groups, voting cards will be issued at each Forum meeting that will identify which group each voting member is representing.

If there are an equal number of votes for and against a proposal, the Chair shall have a second or casting vote. Individual members may ask that their vote contrary to the decision taken be formally recorded in the minutes.

Minor decisions of the Forum may still be taken by 'unanimous consent'. For example, the Chair will ask if there are any objections to the approval of the minutes; if no objections are forthcoming, the minutes will be approved.

Representatives with observer status will not be entitled to vote.

2.8 Resignations/Disqualifications

Forum Members may resign, be disqualified through non attendance or by ceasing to hold the office by virtue of which they became eligible for appointment to the Forum, or their term of office as a schools member may come to an end.

In the first instance, the LA shall seek to appoint a nominee from a reserve list. The reserve list shall be established following an election process to determine the membership of a particular school group, and those nominees that were unsuccessful will be asked if they wish to be included on a reserve list. The nominee from the reserve list that received the highest number of votes in the original election process in a particular group shall be appointed to the Forum.

In the absence of a reserve list for a particular school group, the LA will seek nominations from relevant Headteachers or governors in a particular phase, and, if necessary, will hold elections to determine which nominee should be appointed to the Forum. The arrangements for each school group will follow procedures set out at 1.3.

In respect of non-school members and observers, the LA shall seek a nomination from the relevant organisation.

3. Functions

3.1 Terms of Reference

The Terms of Reference of the Lancashire Schools Forum are as follows:

- (a) To consider and comment upon LA consultations on the terms of any proposed contract for supplies or services (being a contract paid or to be paid out of the authority's schools budget where the estimated value of the proposed contract is not less than the threshold which applies to the authority for that proposed contract pursuant to regulation 8 of the Public Contracts Regulations 2006 at least one month prior to the issue of invitations to tender.
- (b) To consider and comment upon annual LA consultations about the following matters:
 - the arrangements to be made for the education of pupils with statements of special educational needs, and in particular:
 - i. the places to be commissioned by the local authority in different schools and other institutions, and
 - ii. the arrangements for paying top-up funding to schools and other institutions.
 - arrangements for the use of pupil referral units and the education of children otherwise than at school and in particular
 - i. the places to be commissioned by the authority and by schools in pupil referral units and other providers of alternative provision, and
 - ii. the arrangements for paying top-up funding to pupil referral units and other providers of alternative provision.
 - arrangements for early years provision
 - administrative arrangements for the allocation of central government grants paid to schools via the LA
- (c) To consider and comment upon LA consultations on other matters on which the views of the Forum are sought, including matters relating to the School Funding Formula (Voting relating to matters about the school funding formula will be restricted to school members (including academy members) and PVI providers of early years present.)
- (d) In accordance with the School and Early Years Finance (England) Regulations 2017 to agree or reject:
 - criteria on which any funding retained for pupil growth is to be allocated (by maintained school members, academy members and PVI representatives only)
 - central schools and early years block items. (by maintained school members, academy members and PVI representatives only)

- changes to schemes for financing schools (by maintained school members only).
- appropriate de-delegation proposals for primary schools (primary schools members only).
- appropriate de-delegation proposals for secondary schools (secondary schools members only).

To inform Governing Bodies of all LA schools of the recommendations/ decisions taken under (a), (b), (c), and (d) above.

3.2 Forum Working-Groups

To facilitate detailed consideration and discussions between the Forum and the LA, three Forum Standing Groups shall be established based on the funding blocks in the Dedicated Schools Grant.

- a) Schools Block Group
- b) High Needs Block Working Group
- c) Early Years Block Working Group

All members of the Forum will be expected to join and attend one Standing Sub-Group (more if they so wish) in order to spread the workload and ensure appropriate representation from each sector. Observers' membership of Working Groups is not essential.

Detailed and technical reports will be considered by the Standing Groups, as appropriate to their remit, and the Groups shall then make recommendations to be considered at meetings of the Lancashire Schools Forum.

In addition to the Standing Groups, Task and Finish Groups will be established to deal with specific areas of development. These T&F Groups will offer greater flexibility to deal with specific projects without the constraints of the established Forum cycle and will draw membership from the whole Forum utilising the specific expertise and interest of colleagues for each separate task, rather than having a fixed membership and will report directly to the Forum.

An ad-hoc Forum Working-Group to advise on Operational Arrangements will also be established.

A Chairman's Sub-Group, with a membership of Forum Chair, Forum Vice-Chair and all the Working Group Chairs, will consider confidential or sensitive reports, including reports that are 'commercial in confidence and about support for schools in financial difficulty.

3.3 The Local Authority:

- (a) shall take into account the views expressed/decisions taken by the Forum in setting its schools budget or, where appropriate, taking other decisions in relation to the funding of schools or the provision for pupils.

- (b) may consult the Forum on such other matters concerning the funding of schools as they see fit, and shall take into account any views expressed by the Forum.

4. Administration

4.1 Clerk to the Lancashire Schools Forum

The Clerk shall be responsible for calling Forum meetings and shall ensure that agenda papers are sent to Forum members at least five working days in advance of meetings. Papers will only be circulated electronically and the Forum will loan a tablet computer to members that do not have access to a portable electronic device.

The Clerk shall be responsible for keeping a record of each Forum meeting.

The Clerk shall be responsible for disseminating Forum minutes. Copies of the minutes will be made available to all maintained schools in Lancashire.

The Clerk shall be responsible for processing expenses claimed by Forum members in relation to attendance at Forum meetings.

The Clerk shall ensure that the Schools Forum pages of the Lancashire County Council website are updated regularly, including the posting of Forum agenda, papers and minutes.

<http://www.lancashire.gov.uk/practitioners/supporting-children-and-families/education/schools-forum.aspx>

A Forum newsletter will be produced and circulated to all schools before and after each Forum meeting to provide information on the business undertaken at each cycle of meetings.

A Forum annual report shall be produced each year and circulated to all schools. This report will present a summary of the main decisions and recommendations of the Forum each financial year.

4.2 Order of Business

The business to be dealt with at meetings will relate to the functions of the Forum set out at 3 above. If the Chair sees fit for reasons of urgency, a matter may be dealt with, without prior notice, at a meeting.

4.3 Conduct of Meetings

Where not specifically dealt with in these operational arrangements, the Forum can regulate its own procedures.

4.4 Urgency Procedures

In exceptional circumstances, it may be necessary for a decision or formal view to be expressed by the Forum, before the next scheduled meeting.

In such circumstances, the LA will attempt to convene an unscheduled meeting of the Forum or an appropriate Working Group.

If this is not possible, or if time does not allow, the LA shall seek a response from the Forum by emailing all Forum members, allowing all Members the opportunity to express a view on a matter of urgency.

Any matters conducted under the urgency procedure will be reported to the next scheduled meeting of the Forum.

5. Expenditure

5.1 Forum Costs

Forum costs, including members' expenses, direct servicing costs and apportioned overheads, shall be charged to the Schools Budget. Reports on Forum expenditure will be presented to the Forum at appropriate times.

The LA will estimate the likely expenditure on the Forum and shall retain such a sum within the Schools Budget.

5.2 Expenses

Forum members shall be reimbursed reasonable expenses associated with attendance at Forum meetings. The following claims may be made, through the Clerk to the Lancashire Schools Forum:

(a) Travel Expenses

Travelling expenses for attendance at Forum meetings by members and observers will be payable at the approved County Council mileage rate.

(b) Supply Cover

Headteacher and teacher governor members may reclaim supply cover costs in the event that this is needed to cover class contact time to attend Forum meetings. Reimbursement will be at a rate to be determined by the LA.

(c) Loss of Earnings

Employed/self-employed members may claim for loss of earnings arising from attendance of Forum meetings. Reimbursement will be subject to certain conditions and limits, as determined by the LA.

6. Review of Operational Arrangements

These operational arrangements for the Schools Forum have been prepared locally, by the LA and agreed with the Lancashire Schools Forum and refer only to the activities of the Lancashire Schools Forum.

The arrangements may, from time to time, be subject to review and change.

LANCASHIRE SCHOOLS FORUM

Date of meeting: 20 October

Item No 15

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.

Other Forum related correspondence has been considered at relevant working group.

a) Correspondence from HMRC

At the last Forum meeting an item was raised that stemmed from a query discussed at the BTLS focus group. It was reported that many aided schools with under 250 staff were unable to access the government scheme providing up to two weeks Statutory Sick Pay for employees who are off sick with Covid-19 symptoms. This was because aided and foundation schools that buy BTLS payroll all appear under one HMRC code.

Members recalled that this issue had also impacted on the operation of the apprenticeship levy.

On receipt of a notification about the intention to raise this matter officers had been in touch with Apprenticeship Levy colleagues, as a possible workaround had been mentioned. However, it was confirmed, by the apprenticeship levy team, that no solution to this issue had been implemented. The team continued to press central government to find a workable option.

Members expressed concern that aided and foundation schools were being excluded from accessing some funding streams to which they could otherwise be entitled due to payroll administrative constraints and agreed that the Forum should write in support of changes being initiated that would allow relevant claims to be submitted as appropriate.

Subsequent to the meeting, the Forum Chair wrote to HMRC about pooled payroll arrangements.

The response notes that the pooling of schemes potentially alleviates the administrative burden of multiple returns and payments and indicates that HMRC originally took a relaxed view of these arrangements. However, the introduction of the Apprenticeship Levy and the Department for Education (DfE) funding rules have resulted in additional complications with pooled PAYE schemes. As such HMRC published guidance in February 2017 which, HMRC say, resulted in many public sector organisations separating their PAYE schemes.

The Forum is asked to consider this correspondence and express any views.



HM Revenue
& Customs

Mr Shaun Jukes

head@stfch.lancs.sch.uk and
schoolsforum@lancashire.gov.uk

Date 16 September 2020
Our Ref CETO/27751/2020

Policy Correspondence Unit

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NEWCASTLE
NE98 1ZZ

sols.policycorrespondenceunit@hmrc.gov.uk

www.gov.uk/hmrc

Dear Mr Jukes

Thank you for your letter of 14 July 2020 to the Chief Executive. I have been asked to reply and I apologise for the delay in doing so.

In accordance with PAYE legislation all employers are required to have a PAYE scheme under which they are required to make payments and returns to HMRC to meet their PAYE obligations.

Some large public sector entities and group companies are made up of separate employers with a number of PAYE references. PAYE Pooling would allow such employers to be treated as a single entity for PAYE purposes however the PAYE Regulations place PAYE obligations on the actual employer and in the event of any enforcement issues there is currently no legislation that would allow for a PAYE debt to be enforced on an entity which only exists for PAYE purposes as a pooled scheme.

Allowing PAYE pooling would allow organisations that operate multiple PAYE schemes to consolidate them all under a single PAYE reference, so that the consolidated group scheme would only submit returns and make payments under that single reference. This potentially alleviates the administrative burden of multiple returns and payments

There is currently no legislative cover for pooling but we have until recently taken a relaxed view about PAYE pooling in the public sector. However, the introduction of the Apprenticeship Levy and the Department for Education (DfE) funding rules have resulted in additional complications with pooled PAYE schemes. As such we published guidance in February 2017 which resulted in many public sector organisations separating their PAYE schemes

I hope you find this reply helpful. If you need to contact us again, please quote our reference number above.

Yours sincerely

Mr M Muluka
Policy Correspondence Unit