

LANCASHIRE SCHOOLS FORUM

Meeting to be held at 10.00 am on Thursday 13 January 2022 via Microsoft Teams

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 19 October 2021.

5. Matters Arising

To consider any matters arising from the minutes of the 19 October 2021 meeting that are not covered elsewhere on the agenda.

6. Consideration of the Schools Budget 2022/23

a) Schools Budget 2022/23 (Enclosure)

To consider the report about the Schools Budget for 2022/23, including information on each of the 4 funding blocks:

- Schools Block;
- High Needs Block;
- Early Years Block;
- Central School Services Block.

b) Schools Block Transfer Consultation (Enclosure)

To consider the Schools Block transfer report.

Analysis of responses will be presented at the Forum meeting on 13 January 2022

c) Recommendations from the Forum Chairman's Group Budget Meeting

To be presented at the Forum meeting on 13 January 2022

To consider the recommendations from the Forum Chairman's Group on 11 January 2022, in relation to the Schools Budget for 2022/23.

d) Formal Forum Decisions relating to the Schools Budget 2022/23 (Enclosure)

To consider and vote on the formal Forum decisions relating to the Schools Budget 2022/23.

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

To consider the recommendations from the Schools Block Working Group meeting held on 7 December 2021.

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

To consider the recommendations from the High Needs Block Working Group meeting held on 2 December 2021.

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

To consider the recommendations from the Early Years Block Working Group meeting held on 30 November 2021.

10. Oracle Fusion Update

Jon Howard, Head of Payroll Services and Allison Leach, Service Manager Payroll and Recruitment Service will attend the meeting for this item.

To receive a presentation about the Oracle Fusion developments.

11. Apprenticeship Levy Update

James Beardwood, Vanessa Carthy and Victoria Lowton from the Skills Learning and Development team will attend the meeting for this item.

To receive an update on Apprenticeship Levy developments.

12. Urgent Business

Information about a decision taken using the Forum's urgent business procedure is included in the Schools Block report.

13. Forum Correspondence (Enclosure)

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

14. Any Other Business

15. Date of Future Meetings (Enclosure)

To note that the next scheduled Forum meeting will be held at 10.00am Thursday 17 March 2022. Arrangements for the meeting will be confirmed in due course.

A draft schedule of Forum meetings for the academic year 2022/23 is attached for consideration.

Lancashire Schools Forum meeting of 13 January via Microsoft Teams

Executive Summary

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

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

3. Forum Membership

To note the Forum membership changes since the last meeting.

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

To agree the minutes of the last meeting held on 19 October 2021 and any matters arising.

6. Consideration of the Schools Budget 2022/23

a) Schools Budget 2022/23

To consider the report about the Schools Budget for 2022/23, including information on each of the 4 funding blocks:

- Schools Block;
- High Needs Block;
- Early Years Block;
- Central School Services Block

b) Schools Block Transfer Consultation – Analysis and Responses

To consider the Consultation Analysis and Responses from the consultation about the possible transfer from Schools Block to the High Needs Block in 2022/23.

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

To consider the recommendations from the Forum Chairs' Group on 11 January 2022, in relation to the Schools Budget for 2022/23.

d) Formal Forum Decisions relating to the Schools Budget 2022/23

To consider and vote on the formal Forum decisions relating to the Schools Budget 2022/23.

The Forum is asked to:

- a) Note the report, including the 2022/23 Dedicated Schools Grant (DSG) allocations and the budget proposals for each of the 4 funding block;
- b) Note the recommendations from the Forum Chairs' Group meeting on 11 January 2022 (to be presented at the Forum meeting on 13 January);
- c) Support the Schools Budget proposals for 2022/23 for the Schools Block, High Needs Block, Early Years and Central School Services Blocks;
- d) Support the proposals for the high needs funding supplementary grant for 2022/23;
- e) Support the Dedicated Schools Grant Reserve underwriting the uncertainties around the Schools Budget 2022/23;
- f) Formally approve the budget lines requiring Forum agreement (as set out at item 6d).
- g) Express any views to be brought to the attention of the Cabinet when setting the 2022/23 Schools Budget.

7. Recommendations from the Schools Block Working Group

To consider the recommendations from the Schools Block Working Group held on 7 December 2021.

i. Apprenticeship Levy Update

This item was deferred, as complications had very recently arisen about the ESFA teacher programme and the apprenticeship levy team need to look at the structure of the apprenticeship teacher programme before sharing anything with forum/publishing further information to schools.

An Apprenticeship Levy item is included elsewhere on the agenda

ii. Schools Block Funding 2022/23

This report provided an updated on the latest Schools Block funding information and pupil numbers. Final 2022/23 proposals are included in the Schools Budget 202/23 report at item 6.

The Working Group.

- a) Noted the report and the updated NOR data;*
- b) Noted that final Schools Block budget calculations would need to await the 2022/23 DSG allocations from the DfE, expected around 16 December 2021;*
- c) Requested that the School Place Provision Strategy document be circulated to the working group.*

iii. Reforming how local authorities' school improvement functions are funded Government consultation

A Forum response to the DfE consultation on 'Reforming how local authorities' school improvement functions are funded' was agreed using the Urgent Business Procedure. This report provided information on the urgent business responses and included a copy of the final Forum submission.

A copy of the full consultation document was provided for the working group. The consultation sought

The Working Group:

- a) Noted the report;*
- b) Noted the Schools Forum consultation response agreed under the Urgent Business Procedure;*
- c) Expressed further concerns about the DfE proposals on Reforming how local authorities' school improvement functions are funded and expressed a view hoping that whatever decision are taken by DfE that implementation is delayed giving all involved reasonable notice of the changes.*

iv. School Teaching and Support Staff Supply Reimbursement Scheme

Each year, reports are presented to the Forum about the arrangements for the School Teaching and Support Staff Supply Reimbursement Scheme. This report set out proposals for the 2022/23 Scheme changes for consideration.

The Working Group:

- a) Noted the report;*
- b) Noted the uncertainties around the current scheme monitoring position for 2021/22;*
- c) Supported the proposed 3% increase on premiums and reimbursements.*

v. Healthy Relationships Training Programme Outcomes

In 2014/15, the Forum allocated a non- recurrent resource of £600K to commission a number of projects to enable staff in schools to develop the confidence, skills and resources needed to deliver effective Healthy Relationships Education and therefore support young people to form healthy relationships now and in the future. Forum agreed to funding being utilised across multiple years and a final outcomes report was now presented.

The Working Group:

- a) Noted the report;*
- b) Expressed thanks to Kate Piercy and her colleagues for the report and the training provided since 2014;*
- c) Asked that enquiries be made about any school staff helpline considerations that had taken place in Lancashire.*

vi. School Feedback on Covid Catch Up

The Government has made a number of additional funding streams available to schools to assist with the educational recovery from the COVID-19 pandemic. The County Council's Education and Children's Services Scrutiny Committee has asked for information about the impact of the DfE catch up funding. Forum members were specifically asked about funding related feedback on the catch up grants.

The Working Group:

- a) Noted the report;*
- b) Asked that the views expressed about Covid Catch-Up Funding be considered fed into the wider Scrutiny report.*

vii. Coronavirus (COVID-19) workforce fund to support schools with costs of staff absences

DfE have announced that the government have reopened the Coronavirus (COVID-19) workforce fund to support schools with costs of staff absences. The new window of support will only cover 22 November to 31 December 2021 and strict eligibility criteria are included in the fund conditions.

The Working Group:

- a) Noted the report.*

viii. School Financial Management Information Software

A small number of schools are considering changing their School Financial Management Information Software and the Scheme for Financing School specifies that whatever system a school chooses, they must be able to provide the County Council with their accounts in the required format or meet the costs of modification. Forum views were sought, and the members commented that the increased recent interest in alternative providers may have been caused by concerns over recent communications from SIMS, where the new owner is automatically extending the contract from one year to three years from February 2022.

The Working Group:

- a) Noted the report;*
- b) Reiterated their original view around costs and notice periods where schools choose to change their School Financial Management Information Software;*
- c) Asked that officers seek advice from Lancashire County Council Education Digital Services about the SIMS contract position.*

The Forum are asked to ratify the Working groups recommendations.

8. Recommendations from the High Needs Block Working Group

To consider the recommendations from the High Needs Block Working Group held on 2 December 2021.

i. Appointment of HNB Chair and Possible Vice-Chair

Members consider the appointment of a new Chair and Vice-Chair for the Working Group.

The Working Group:

- a) Elected Claire Thompson as the new working group Chair;*
- b) Agreed to appoint a working group Vice-Chair*
- c) Elected Liz Laverty as the new working group Vice-Chair.*

ii. Alternative Provision Strategy Group Update

Sally Richardson, Head of Inclusion Service attended the working group and provided an update on the Alternative Provision Strategy Group and wider SEND matters.

The Working Group:

- a) Noted the report;*
- b) Thanked Sally for her presentation.*

iii. High Needs Block Funding 2022/23

This report provided an updated on the latest High Needs Block funding information and pupil numbers. Final 2022/23 proposals are included in the Schools Budget 202/23 report at item 6.

The Working Group:

- a) Noted the report.*

iv. High Needs Block Commissioned Places 2022/23

This report provided an update about the proposed HNB places to be commissioned for 2022/23, including those place numbers submitted on the DfE on the annual place change notification submission. All the changes to commissioned places relate to the 2022/23 academic year. A copy of the latest commissioned places for 2022/23 are provided with the report.

The Working Group:

- a) Noted the report;*
- b) Supported the Commissioned Place numbers for 2022/23 but asked the LA to be mindful of the comments made.*

v. School Teaching and Support Staff Supply Reimbursement Scheme

Each year, reports are presented to the Forum about the arrangements for the School Teaching and Support Staff Supply Reimbursement Scheme. This report set out proposals for the 2022/23 Scheme changes for consideration.

The Working Group:

- a) Noted the report;*
- b) Noted the uncertainties around the current scheme monitoring position for 2021/22;*
- c) Supported the proposed 3% increase on premiums and reimbursements.*

vi. School Feedback on Covid Catch Up

The Government has made a number of additional funding streams available to schools to assist with the educational recovery from the COVID-19 pandemic. The County Council's Education and Children's Services Scrutiny Committee has asked for information about the impact of the DfE catch up funding. Forum members were specifically asked about funding related feedback on the catch up grants.

The Working Group:

- c) Noted the report;*
- d) Asked that the views expressed about Covid Catch-Up Funding be considered fed into the wider Scrutiny report.*

vii. School Census data – special school termly redeterminations

School census data seems to be taking longer to be available to the school funding team than was previously the case and this can impact on special school termly redeterminations and views were sought on whether the reintroduction of the eform may be necessary to ensure that special school spring term 2022 redeterminations can be processed in a timely manner, especially given the proximity of financial year end.

The Working Group:

- a) Noted the report;*
- b) Supported the reintroduction of the special school termly redeterminations eform in spring 2022, if necessary, to facilitate timely redeterminations.*

The Forum are asked to ratify the Working groups recommendations.

9. Recommendations from the Early Years Block Working Group

To consider the recommendations from the Early Years Block Working Group held on 30 November 2021.

i. Early Years Block Funding 2022/23

This report provided an update on the latest High Needs Block funding information and pupil numbers. Final 2022/23 proposals are included in the Schools Budget 2022/23 report at item 6.

The Working Group

- a) Noted the report;*
- b) Supported the proposed EYB funding allocations for 2022/23;*
- c) Recommended that the proposals be shared with the sector so that providers had early notification of the likely rates, for their planning purposes*

Further information about forecast future years funding rates received after the working group is also included in the report.

ii. Chancellor's Children's and Family Services Announcements

On 27 October 2021, the Chancellor delivered his Autumn Budget and 2021 Spending Review. The main implications for the working group relating to the Government's increases to the early years block allocations are reported elsewhere on the agenda. However, there were a number of other announcements made by the Chancellor that were about Children's and Family Services that related to the sector,

Members highlighted that Lancashire was unlikely to receive any additional funding from the training of early years staff to support children's lost learning allocation, as we had already been involved in the programme.

The Working Group

- a) *Noted the report;*

iii. **SEN Inclusion Fund**

A number of working group members are involved in the Early Years SEN Task and Finish Group that has been meeting to review the SEN Inclusion Fund arrangements. Feedback from members indicated that the new process was viewed positively, as simpler and less bureaucratic.

The Working Group:

- a) *Noted the report;*
- b) *Provided feedback on the revised SEN Inclusion Fund arrangements for consideration at the SEN Task and Finish Group.*

iv. **Household Support Grant – Christmas Food Vouchers for Early Years Children**

Information was provided to the group on Christmas Food Vouchers for Early Years Children. Settings were notified in the early years bulletin.

The Working Group:

- a) *Noted the report.*

v. **Early Years Benchmarking**

The DfE have just published the latest EY benchmarking data, relating to forecast expenditure for 2021/22. It was agreed that the benchmarking spreadsheet would be circulated to members to enable further consideration of the data to take place outside the meeting.

The Working Group:

- a) *Noted the report;*
- b) *Noted that the benchmarking spreadsheet would be circulated to members to enable further consideration.*

vi. **Operation Encompass**

Operation Encompass is a system that provides schools with timely information about all police-attended incidents of domestic abuse.

The system is not fully operational in the EY sector and it was reported that work was being undertaken to resolve the specific issues that had been identified and enable the system to be rolled out across the sector.

The Working Group:

- a) *Noted the report*

The Forum are asked to ratify the Working groups recommendations.

10. Oracle Fusion Update

Jon Howard, Head of Payroll Services and Allison Leach, Service Manager Payroll and Recruitment Service will attend the meeting for this item.

To receive a presentation about the Oracle Fusion developments.

11. Apprenticeship Levy Update

James Beardwood, Vanessa Carthy and Victoria Lowton from the Skills Learning and Development team will attend the meeting for this item.

To receive an update on Apprenticeship Levy developments.

12. Urgent Business

Information about a decision taken using the Forum's urgent business procedure is included in the Schools Block report.

13. Forum Correspondence (Enclosure)

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

14. Any Other Business**15. Date of Future Meetings (Enclosure)**

To note that the next scheduled Forum meeting will be held at 10.00am Thursday 17 March 2022. Arrangements for the meeting will be confirmed in due course.

A draft schedule of Forum meetings for the academic year 2022/23 is attached for consideration.

LANCASHIRE SCHOOLS FORUM

Date of meeting 13 January 2022

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 Mandy Howarth and Nicola Regan to the Forum.**
- c) Thank Laura Brennan and Julie Langham for their contributions to the Forum.**

Background

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

Special School Governor Representative

Due to governance changes at her school, Laura Brennan is no longer eligible to be the special school governor representative on the Forum.

The LA sought candidates to fill the vacancy and 3 nominations were received. An election process was therefore undertaken at the end of the autumn term 2021.

13 votes were cast in the election, representing a 45% turnout. Mandy Howarth, a governor at Acorns Primary School, received 54% of the votes cast and has been appointed to the Forum.

Members will wish to thank Laura for her contribution to the Forum and welcome Mandy to her first Forum meeting.

Secondary School Headteacher Representative

Julie Langham, School Business Manager from Haslingden High School has recently resigned from the Forum.

Julie was representing Secondary School Headteachers and Nicola Regan, Headteacher from Millfield Science and Performing Arts College has been appointed as new representative.

Members will wish to thank Julie for her contribution to the Forum and welcome Nicola to her first Forum meeting.

Forum Membership Numbers

The Schools Forum regulations require that the balance of Forum membership for maintained primary schools, maintained secondary schools and academies is reviewed to ensure that the number of Forum representatives in these groups is proportionate to the pupil populations across the schools.

Now that the final October 2021 census numbers are available, the Forum membership has been reviewed against the latest pupil data and an analysis is provided below:

<i>Phase</i>	<i>Current Membership</i>	<i>NOR October 2021</i>	<i>% of NOR October 2021</i>	<i>Membership</i>	<i>Membership (rounded to nearest even number)</i>	<i>Variance</i>
Maintained Primary	22	95,139	55.35%	22.14	22	-
Maintained Secondary	10	40,317	23.46%	9.38	10	-
Academies	8	36,422	21.19%	8.48	8	-
Total	40	171,878	100%		40	0

Members will recall that the Forum membership for maintained primary schools, maintained secondary schools and academies is rounded to the nearest even number, so that an equal number of Headteacher/Principal and Governorship representatives can be appointed.

No immediate change to the membership balance is required based on the latest pupil data.

The county council is aware that there are a number of academy conversions planned during 2022 and will keep the membership balance under review ahead of the annual membership refresh for September 2022.

LANCASHIRE SCHOOLS FORUM

MINUTES OF THE MEETING HELD AT 10:00 A.M. ON TUESDAY, 19 OCTOBER 2021
(Virtual meeting via Microsoft Teams)

Present:

Schools Members:

Primary School Governors

Stephen Booth
Gerard Collins
Michelle O'Neil
Karen Stracey
Tim Young

Primary School Headteachers

Cath Antwis
Angela Aspinwall-Livesey
Daniel Ballard
Sarah Barton
Jenny Birkin
Neil Gurman
Sarah Robson
Keith Wright

Secondary School Governors

John Davey
Gill Donohoe
Jackie Lord
Brian Rollo

Secondary School Headteachers

Ivan Catlow
Mike Wright

Nursery School Headteacher

Jan Holmes

Nursery School Governor**Early Years - PVI**

Sharon Fenton
Peter Hindle
Philippa Perks

Academy Governor

Kathleen Cooper
Louise Shaw

Academy Principal/Headteacher

Matt Eastham
Gaynor Gorman
James Keulemans
John Tarbox

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

Laura Brennan

Special School Headteacher

Shaun Jukes – Forum Chair
Claire Thompson

Short Stay Governor

Liz Laverty

Short Stay Headteacher

Members:

Other Voting Members

CC Anne Cheetham
Rosie Fearn
Bill Mann

Observers

Matthew Cornish (Socitm)

Mark Evans (Unison)

CC Michael Goulthorp

Steve Jones (NASUWT)

Amber Ludlam (ESFA)

Susan McGrath, Head Teacher at Carleton Green Community Primary School

Sam Ud-din (LASGB)

Ian Watkinson (NEU)

In attendance: Paul Bonser
Martin Clarkson
Matt Dexter
Millie Dixon
Jon Howard
Pita Oates
Kevin Smith

1. ELECTION OF FORUM CHAIR

Shaun Jukes was elected as Chair of the Schools Forum for the 2021/22 and 2022/23 academic years.

2. ELECTION OF FORUM VICE-CHAIR

Stephen Booth was elected as Vice-Chair of the Schools Forum for the 2021/22 and 2022/23 academic years.

3. APOLOGIES FOR ABSENCE

Apologies were received from Janice Astley, Chris Bagguley, Steve Campbell, Thelma Cullen, Helen Dicker, Phil Hart, Julie Langham, Deanne Marsh, Jennifer Mein, Louise Parrish and Alan Porteous, Sally Richardson, Karen Stephens, Laurence Upton and Robert Waring.

4. SUBSTITUTE MEMBERS

No substitute members were in attendance.

5. FORUM MEMBERSHIP

A number of new members were welcomed to the Forum from September 2021, including:

Primary School Governors

- Daniel Baron, St Bartholomew's CE Primary School
- James Johnstone, Barrow URC Primary School
- Tim Young, Howick CE Primary School, Penwortham

Primary School Headteachers

- Angela Aspinwall-Livesey, St. John's Catholic Primary and Hillside Community Primary School
- Anna Smith, Burscough Village Primary School
- Sarah Robson, Ribby with Wrea Endowed CE Primary School

Secondary School Governor

- Jackie Lord, Penwortham Girls' High School

Private, Voluntary and Independent (PVI) providers of early years education

- Sharon Fenton, Rosy Apple Childcare Ltd
- Philippa Perks, University of Cumbria Pre School Centre

Short Stay School Governor

- Liz Lavery Shaftesbury High School

NASUWT Representative

- Steve Jones

Special School Headteacher Representative

- Claire Thompson, Headteacher at Moorbrook School

Secondary Headteacher

- Mike Wright, Headteacher at St Augustine's RC High School, Billington

Director of Education, Culture and Skills

- Julie Bell, Acting Director of Education, Culture and Skills

The Forum also thanked a number of other colleagues who were leaving/left the Forum, including:

- Sharon Alexander, Early Years Representative
- Eric Harrison, NASUWT Representative
- Peter Higham Special School Headteacher Representative
- Sarah Callaghan, Director of Education, Culture and Skills

The Forum welcomed new members to the first meeting and thanked those members that had left.

6. MINUTES OF THE LAST MEETING

The minutes of the last meeting held on 6th July 2021 were agreed as a correct record.

7. MATTERS ARISING

There were no Matters Arising from the minutes of the meeting held on 6 July 2021 that were not covered elsewhere on the agenda.

8. TEAM AROUND THE SCHOOL AND SETTING (TASS)

Pita Oates Designated Lead for TASS attended the Forum for this item

A presentation was delivered to the Forum on the latest Team Around the Schools and Setting (TASS) developments.

It was confirmed that the TASS locality board and governance arrangements are now in place and the first boards are to take place throughout October. A TASS charter had also been completed.

A TASS suite of documents and accompanying directories and 'Single Points of Contacts' information had been produced for all ICP footprints. Information was also being issued in a TASS newsletter, of which 3 editions have now been published and distributed.

It was noted that the TASS website and portal page was being completed and should be available for early November.

A number of key TASS issues were emerging and included:

- TASS collaboration with the EP service to develop a pathway for children not accessing education due to emotionally based school avoidance issues (EBSA)
- TASS response to reviewing arrangements for children and young people not accessing fulltime equivalent provision (PME) and on roll at a school – in partnership with CSC, CFW, Schools and Education Services
- TASS response to lack of exam centres for EHE
- TASS development of guidance for schools re. part time timetables
- Child's voice focus group work (Chadwick and McKee)
- CC's project work – pupil cohorts identified. Parental consent next steps
- Delivery of information sessions on EHE guidance and updates for partners
- Information sharing session with CSC Transformation Team and TASS Locality Boards
- Interconnectivity across the CSP – WL, Rossendale.

Some school representatives commented that they were not aware of many of the developments, which footprint they are aligned to or how to get involved. It was noted that the delay to the launch of the website/portal pages had hampered communications with schools and it was hoped that the initial difficulties would soon be resolved allowing schools easy access to much more information.

A number of other questions were raised, and it was agreed that responses could be coordinated outside of the meeting and also suggested that it would be helpful if a further TASS update could be presented to a future Forum meeting.

The Forum

- a) Note the information provided;**
- b) Requested that further information in response to comments and queries raised be shared with the Forum and further presentations be made to future meetings.**

9. RECOMMENDATIONS FROM THE SCHOOLS BLOCK WORKING GROUP

A report was presented setting out the recommendations from the Schools Block Working Group held on 21 September 2021.

i. Government response to schools' business rates consultation

Steve Little, Principal Estates Surveyor, attended the working group meeting for this item.

In Spring 2021, the Forum had submitted a response to a DfE consultation on Changes to the payment process of schools' business rates and the DfE have published their response to the consultation.

The DfE document indicates that there was general support for the proposals and confirmed that the Government intends to proceed with their proposals to centralise the business rates payment system for schools from April 2022.

This will involve ESFA paying billing authorities directly on behalf of state funded schools, removing schools from the payment process, meaning rates funding will be removed from school block budgets. It was noted that this process change would assist the DfE's objective of moving to a hard national funding formula.

The Government response to the consultation indicated that four issues were raised in the consultation, where the DfE have changed their approach as a consequence of responses received. Two of these issues related to matters included in the Forum consultation submission, relating to the availability of an online business rates portal so schools/LAs can access their data and confirmation that ESFA will pay any penalty charges for missed or late payments that are a result of ESFA errors.

Other matters were raised in the Forum response that did not prompt any changes to the government proposals. It was noted that the vast majority of special schools receive full rate relief because of providing for persons with a disability, so are not charged rates, and DfE have assessed maintained nursery schools as out of scope of the new centralised business rates system at the present time. No specific reference is made to PRUs or AP academies that were also referenced in the Forum response.

Another key concern in our submission related to where schools share sites with other bodies. DfE confirm that they will adopt a process where they cover additional rates costs associated with buildings on a school site which are used to deliver education for pupils at the school (a sports hall that is used by pupils during lesson time and in the evenings by the wider community, for example). However, DfE will not cover the additional rates costs associated with buildings which are not used to deliver education for pupils at the school (a children's centre, for example).

The DfE are encouraging schools to register buildings which are not used to deliver education for pupils at the school as a separate entity on the Valuation Office Agency's (VOA) rating list, thereby ensuring that two individual bills are generated.

Steve Little discussed the consequences of this change with members and it was noted that further clarification is still required about how the new system will operate in practice and around some of the practical implications for schools and the estates team at LCC. Steve indicated that schools could contact him with any specific rates queries they may have.

It was also confirmed that the Forum's current Rate Reimbursement Policy would no longer be applicable from April 2022.

The Working Group:

- a) *Noted the report and that further information should be made available in due course.*

The Forum noted the report.

ii. Service De-delegations 2022/23

Information was provided about 2022/23 de-delegation proposals and the consultation with schools

The working group supported the 4 services being included in annual de-delegation consultation with schools, and following consideration of the options and further impact modelling that was presented to the Forum, it was recommended that the 'Staff Costs and 'Support for Schools in Financial Difficulty' de-delegations should introduced a revised charging structure. The amended structure would cease the use of a lump sum element in the charging methodology for these 2 services and move to a purely number on roll (NOR) based calculation in order to offer more equitable arrangements for smaller schools. However, in order to minimise turbulence, the Forum recommended that for 2022/23, the lump sum element should be reduced by 50% only, with the corresponding increase in NOR rates.

Proposals for the Heritage Learning Service and Inclusion Hubs de-delegations held charges at the 2021/22 levels.

The working group supported the operation of the de-delegation voting at the Forum, which would take place at the meeting if there were unanimous or clear decisions, but if views were split, voting would take place via an eform after the meeting , so a formal record is available and to ensure voting is restricted to those eligible under each decision.

The Working Group is asked to:

- a) *Noted the report;*
- b) *Noted that de-delegation papers would be circulated to members after the meeting;*
- c) *Noted that consultation responses would be presented to the Forum meeting on 19 October 2021 and that the Forum would be asked to formally consider de-delegation decisions for 2022/23.*
- d) *Supported the proposed de-delegation voting arrangements.*

Subsequent to the meeting, copies of the 2022/23 service de-delegations and schools block funding formula full consultation document and the summary document were circulated to members and copies were provided with the Forum papers.

Analysis and comments from the consultation responses were presented to the Forum meeting on 19 October 2021 and members considered the responses in relation to each proposal primary and secondary school members of the Forum then voted on each de-delegation proposal.

The Forum:

- a) **Noted the report and the de-delegation consultation analysis and comments;**
- b) **Primary school members voted on each of the possible de-delegations affecting primary schools and secondary school members voted on each of the possible de-delegations affecting secondary schools, as set out below:**

i.	Primary school members unanimously voted to de-delegate Staff costs – Public Duties/Suspensions for primary schools in 2022/23, at 2021/22 levels.
ii.	Secondary school members unanimously voted to de-delegate Staff costs – Public Duties/Suspensions for secondary schools in 2021/22, at 2020/21 levels.

iii.	Primary school members unanimously voted to de-delegate the Heritage Learning Service for primary schools in 2022/23.
iv.	Primary school members unanimously voted to de-delegate Schools in Financial Difficulty, for primary schools in 2022/23.
v.	Secondary school members unanimously voted to de-delegate Schools in Financial Difficulty, for secondary schools in 2022/23.
vi.	Primary school members unanimously voted to de-delegate the Primary Inclusion Hubs for primary schools in 2021/22.

- c) Whilst the primary school representatives on the Forum unanimously supported the continued Inclusion Hub de-delegation for 2022/23, they noted that there were some inconsistencies with the level of satisfaction expressed in the arrangements across districts and the Forum asked that efforts be made to ensure that there is a consistent level of provision and the sharing of best practice across the county.

iii. Schools Block Funding Arrangements 2022/23

On 19 July 2021, the DfE made announcements about the 2022/23 school funding arrangements.

National Funding Formula (NFF) 2022/23

The basic structure of the National Funding Formula (NFF) remains unchanged for 2022/23, but DfE have increased factor values using the additional funding available from April 2022 and made some other minor changes to the arrangements, including

- Increases for 2022/23 Schools Block factors include a 3% rise to many factors, except premises and Free School Meals and a 2% rise to the funding floor and the minimum per pupil levels.
- The Sparsity factor has been amended to increase the funding levels provided, changing schools sparsity distances calculations so that they are now based on road distances, instead of straight-line distances, and introducing a sparsity distance taper.
- Data changes in the NFF will reflect the fact that tests and census s in 2020 were cancelled due to the pandemic so previous years data will be used.

Local Schools Block Formula 2022/23

The Forum have previously agreed that Lancashire will adopt the NFF factors and values as the local funding formula. However, a degree of local discretion remains about the level of the **Minimum funding guarantee (MFG)**. LAs have the freedom to set the MFG in local formulae between +0.5% and +2% per pupil.

Views will be sought from Lancashire primary and secondary schools and academies in the consultation to take place early in the autumn term 2021. The LA proposal included in the consultation will be for the MFG to be set at +2.0% in 2022/23, as this provides the maximum allowable protection for Lancashire schools and academies and matches the funding floor protection included in the NFF.

Provisional Allocations for 2022/23 Lancashire Position

Information on the provisional DSG allocations for 2022/23 were shared with members and it was noted that initial Schools Block modelling suggests that there may be limited or no headroom available in 2022/23. The main factor creating possible Schools Block pressures from April 2022 relates to the increasing level of deprivation experienced in the county, in part due to the impact of the pandemic.

The increased level of deprivation will be reflected in future DSG allocations under the lagged funding system, but combined with a falling Growth allocation, it is anticipated that there will be no headroom available in 2022/23. In the last 2 financial years, circa £2m of headroom per annum has been targeted at EYB.

The Working Group:

- a) *Noted the report and that final DSG allocations for 2022/23 would be notified in December 2021.*
- b) *Noted that consultation responses on the level of MFG would be presented to the Forum meeting on 19 October 2021 and that the Forum would be asked to formally consider the 2022/23 rate.*
- c) *Supported the proposed voting arrangements as set out for consideration of the de-delegation proposals.*

Subsequent to the meeting, copies of the 2022/23 service de-delegations and schools block funding formula full consultation document and the summary document were circulated to members and copies were provided with the Forum papers.

Analysis and comments from the consultation responses were presented to the Forum meeting on 19 October 2021 and members considered the responses in relation to the MFG proposals.

The Forum:

- a) **Noted the report and the MFG consultation analysis and comments;**
- b) **Unanimously recommended that the level of MFG to be used in the Lancashire funding formula for 2022/23 be set at +2.0%.**

iv. DfE consultation: Fair school funding for all: completing our reforms to the National Funding Formula

The DfE had issued a consultation 'Fair school funding for all: completing our reforms to the National Funding Formula'. A report was presented offering information about the DfE consultation and providing a draft Forum response for consideration.

It was noted that due to the closing date for consultation responses being 30 September 2021, formal approval of a Forum submission will be sought using the Urgent Business Procedure.

The Working Group:

- a) *Noted the report.*
- b) *Noted that formal approval of a Forum submission will be sought using the Urgent Business Procedure.*

Subsequent to the meeting the Forum urgent business procedure was used to seek final comments and approval for the Forum response. Analysis and comments from the urgent business responses were provided.

Responses or comments were received from 24 members.

Of the responses, 20 completed the eform radio button to the question 'Do you support the submission of the draft Forum consultation response?' Analysis of those responses are provided below:

Response	No	%
<i>yes, but with my suggested amendments (please tell us your comments in the next question)</i>	2	10
<i>yes, without amendment</i>	18	90
No	0	0
Total	20	100

Some members also included comments in their responses via the eform or submitted email replies.

The loss of local flexibility, for example on possible block transfers, was highlighted as a particular concern in multiple responses. Concern about the funding pressures in mainstream and high needs was emphasised in one response, as was the need to collect PFI data from all relevant schools to ensure correct funding.

One response disagreed with the proposed legacy grant response.

3 responses also referred to the possible advantages of aligning the school financial year with the academic year, with one comment setting out benefits a school had found when changing to the academic year funding model on transfer to academy status and another citing that the disruption from any transfer of funding year would be short term. Whilst the majority of respondents continued to support the retention of the current April to March financial year, the Chair agreed it was appropriate to recognise these views and the Forum response to question 13. 'How strongly do you feel that we should further investigate the possibility of moving maintained schools to being funded on an academic year basis?' was amended from 'Disagree' to 'Neither Agree nor Disagree'. Additional comment was also included in the text submission question 14 to acknowledge that range of views expressed in the urgent business process.

A copy of the Forum's final consultation submission was provided.

The Forum

- a) **Noted the report and analysis of the urgent business responses from members;**
- b) **Note the final Forum consultation response submitted after the approval using the Forum Urgent Business Procedure.**

v. Recovery Premium

On 6 September 2021, the Government made further announcements about one-off recovery premium as part of its package of funding to support education recovery. This report provided information.

It was noted that the recovery premium provides additional funding for state-funded schools in the 2021 to 2022 academic year. Building on the pupil premium, this funding will help schools to deliver evidence-based approaches for supporting disadvantaged pupils.

All schools that are eligible for pupil premium are eligible for recovery premium and the recovery premium will be allocated using the same data as the pupil premium.

Mainstream schools will get:

- £145 for each eligible pupil in mainstream education
- £290 for each eligible pupil in a special unit

The recovery premium will be paid in 4 payments to schools during the 2021 to 2022 academic year.

Information in the report also contained guidance on

- Using recovery premium funding
- Reporting and accountability

The Working Group

a) Noted the report about the Recovery premium funding.

At the Forum meeting it was noted that DfE had recently issued a template for reporting on PPG and RP. There was some discussion amongst members about whether the use of the DfE was compulsory and officers agreed to check with the DfE.

The Forum noted the report.

vi. School Cost Pressures

Queries had been raised with officers ahead of the meeting about cost pressures facing schools. Information on the issues raised was provided

- NI increase – there is no indication there will be extra funding from DfE to cover this pressure, so at this stage the costs will need to be met from individual school budgets.
- Energy Costs - increased energy costs have been queried with LCC Energy Team. It was reported that no Lancashire schools specific analysis was yet available but the most recent update from the LCC framework provider forecast an increase of 20% on delivered electricity price and 40% on delivered gas price.

The Working Group

a) Noted the report.

The Forum noted the information

10. RECOMMENDATIONS FROM THE HIGH NEEDS BLOCK WORKING

A report was presented setting out the recommendations from the High Needs Block Working Group meeting held on 28 September 2021.

i. High Needs Block 2021/22 – Budget Monitoring

Summer term 2021/22 data had been utilised to provide monitoring and analysis for members. It was noted that the HNB budget is currently forecasting a circa £11m underspend at 31 March 2022.

However, it was emphasised that the yearend monitoring was an estimate of the full year forecast, based on expenditure that occurred in the summer term 2021. There remains significant ongoing financial pressure facing this block despite the current monitoring position,

as the demand and costs continue to rise. It is anticipated that the final outturn position will come in higher than the current forecast.

Members considered the information and also discussed the Lancashire position against other LAs nationally. It was noted that some LAs had overspend high needs funding across recent years and accumulated deficits on the Dedicated Schools Grant (DSG). DfE were working with the LAs with the most significant issues to agree recovery plans with them.

The Working Group

a) Noted the report.

The Forum noted the report.

ii. High Needs Block Funding 2022/23

DfE announcements have been made about the 2022/23 HNB funding arrangements. This report provided further details.

Of the 2022/23 increase of £2.3b, £780m is targeted at High Needs Block. DfE indicate that this represents a 9.6% increase for HNB nationally in 2022/23 and say that the extra resource will continue to help local authorities manage their cost pressures in this area, while the government remains focused on completing the cross-departmental review of the SEND system to ensure that it supports children and young people with SEND is as efficiently and effectively as possible.

High Needs Block National Funding Formula (NFF) for 2022/23

DfE announcements confirm that the basic structure of the high needs National Funding Formula (NFF) for 2022/23 is not changing. An extract from DfE documentation showing the national high needs NFF was provided for members.

Information on the key decisions taken by DfE for 2022/23 are set out below.

The high needs National Funding Formula (NFF) floor and gains cap have been set as follows for 2022/23:

- the funding floor is set at 8% so each local authority will see an increase of at least 8% per head of their 2 to 18 population (as estimated by the Office of National Statistics)
- the gains cap is set at 11%, allowing local authorities to see gains up to this percentage increase under the formula, again calculated on a per head basis of their 2 to 18 population

The hospital education factor will also be uplifted by 8%.

Following the responses to the DfE's high needs formula consultation earlier in the year, DfE have also confirmed that they have made technical changes to the historic spend factor within the high needs national funding formula. Due to the Covid-19 pandemic, some changes to individual proxy factors have also been made for 2022/23, as there is no appropriate 2020 attainment data to use for the two low attainment factors.

Lancashire Position

The July 2021 government announcements also contain provisional 2022/23 allocations for all DSG funding blocks, except early years.

The current Lancashire forecast shows an total increase of circa 10% in the HNB Block from April 2022.

There remains considerable cost and growth pressures in the block, but initial estimates forecast that additional funding should meet increases in demand growth and facilitate a balanced High Needs budget.

Currently there is no indication of any increase in future funding for high needs after 2022/23, but demand growth over the last few years has been circa £10million per year. Therefore, if this level of growth continues without additional funding there is the risk that the high needs budget could cumulatively overspend by circa £10million per annum.

The Group discussed the ongoing cost and demand led pressures across all DSG blocks and noted that DfE were involved in national discussions with the Treasury ahead of the upcoming spending review.

Members emphasised the need for increased allocations for Lancashire going forward to meet the forecast pressures that would be faced, and it was noted that the Forum should have an opportunity to feed into national considerations in the forthcoming DfE consultations that were expected.

The Working Group:

a) Noted the report.

The Forum noted the report.

iii. HNB Indicative Commissioned Place Numbers 2022/23

This report provided an update on the 2022/23 HNB commissioned places process. Following representation from some PRUs, a report was presented to the last working group about the early notification element of the commissioned place process for 2022/23.

The Working Group supported some changes to the system for PRUs but agreed to leave the special schools process unaltered, as set out below:

In July 2021, following ratification of the working group's recommendations by full Forum, correspondence was issued to special schools with the indicative place figures for 2022/23 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 for 2022/23, based purely on the calculation methodology, was provided for the working group. A total of 3,188 places are included in the indicative commissioning process at July 2021. This figure is a total increase of 78 compared to July 2020.

Letters were also issued to all PRUs to confirm the change in process.

A number of special schools have contacted the LA about possible changes to the indicative numbers of commissioned places and, any revisions agreed with the Inclusion Service will be built into school budgets for 2022/23.

In response to questions, it was confirmed that there were regular meetings between Inclusion Service and School Finance Heads of Service where the commissioned places would be considered, and feedback provided to the schools that had submitted requests.

There was also some general discussion about the commissioning process and the strategies being deployed to develop more maintained provision in the county and reduce expenditure on 'out-county' placements., although it was noted that some factors were outside the control of the LA, for example parental preferences and appeals and tribunal outcomes.

In connection with the Alternative Commissioning places, it was noted that discussions were continuing with PRUs and it was anticipated that indicative places numbers for PRUs would be agreed with the service shortly.

Members highlighted that the Alternative Provision Strategy Group considerations would impact on the future funding and commissioning arrangements and requested an update on the work of the group.

The Working Group

- a) *Noted the report and that further information would be provided as the commissioned place process continued.*
- b) *Requested an update on the work of the Alternative Provision Strategy Group.*

At the Forum meeting, it was confirmed that discussions are continuing with relevant services in order to finalise the commissioned place numbers for 2022/23 for special schools and PRUs. The DfE's annual HNB place change process (for ESFA funded places and any changes to hospital education funding) had also been issued, with a closing date of 12 November 2021. Further updates will be presented to the next HNB Working Group.

The Forum noted the report.

iv. Lancashire Hospital Education Service: Annual Report: Academic Year 2020-21

The Lancashire Hospital Education Service (LHES) is a centrally managed service that is funded from the DSG High Need Block. Information was provided about the service in 2020/21.

The Lancashire Hospital Education Service (LHES) is a centrally managed service that is funded from the DSG High Need Block. In FY 2020/21 the service was allocated £858k.

The aim of the service is to provide access to high quality education that is appropriate to the child's needs and to support them to return to school or college as soon as they are well enough to do so.

The service is delivered in a number of settings:

- ELCAS: located on Burnley Hospital site:
- The Cove: located in Heysham.
- Hospital Classrooms at Royal Preston and Lancaster General Hospitals
- Home Teaching.

Each setting completes an annual report and a summary is produced by Audrey Swann, Head of Virtual School for CLA and previously CLA and Hospital Education Service. A copy of the summary was provided for members.

The documentation provided some highlights from each setting in 2021/22 and an update on 2021/22 Priorities. The budget information noted an underspend, which was largely attributable to unfilled vacancies.

Comment from the Head of the Virtual School highlighted that the service did a great job during the pandemic and carried on delivering education throughout the period, albeit in a creative way at times!

The Working Group:

- a) *Noted the report.*

The Forum noted the report.

v. Recovery Premium

On 6 September 2021, the Government made further announcements about one-off recovery premium as part of its package of funding to support education recovery. This report provided information.

The Working Group

- a) *Noted the report about the Recovery premium funding.*

The Forum noted the report.

vi. School Cost Pressures

Queries had been raised with officers ahead of the meeting about cost pressures facing schools. Information on the issues raised was provided

The Working Group

- a) *Noted the report.*

The Forum noted the report.

11. RECOMMENDATIONS FROM THE EARLY YEARS BLOCK WORKING GROUP

A report was presented setting out the recommendations from the Early Years Block Working Group meeting held on 5 October 2021.

i. Schools Forum Early Years Block Membership

An update was provided on membership changes

The Working Group:

- a) *Welcomed Sharon Fenton as one of the formal Schools Forum representatives from September 2021.*
- b) *Thanked Sharon Alexander for her contribution to the work of the Forum*

The Forum noted the report.

ii. Early Years Block Funding 2022/23

This report provided an update on EYB funding for 2022/23 and highlighted the possibility that a schools block transfer may be unavailable from April 2022.

On 19 July 2021, the DfE made announcements about the 2022/23 school funding arrangements for Schools, High Needs and the Central School Services Block. As per established practice, no information was included on the Early Years Block allocation from April 2022.

However, initial indications and modelling suggest that schools block headroom in 2022/23 may be limited or not available at all, although final DSG allocations for 2022/23 will not be notified until December 2021. The Schools Block transfer has been used to support a £0.08 per hour uplift in the base rate for 3&4 year olds in 2020/21 and 2021/22 but this may no longer be available from April 2022.

One option available may be to use some DSG reserve in 2022/23 to provide a level of protection in the transition to a 3&4 year old base rate that is no longer supported by a Schools Block transfer.

Members noted that the 2020/21 outturn report for the early years block showed an underspend of circa £1.5m, but that final calculation of EYB DSG is redetermined after the end of the financial year and forecasts suggested that the grant received will be reduced by circa £1.5m.

The group acknowledged that a number of uncertainties remained before any final decisions could be taken about the early years block funding for 2022/23, but supported the use of, say £1m of DSG reserve, to support the level of base rate for 3&4 year olds from April 2022.

In addition, the authority is considering a consultation with the Early Years providers this autumn seeking views on future principles of funding options, perhaps around the balance of allocations, and this could seek views on the short term use of reserves.

The Working Group:

- a) Noted the report.*
- b) Noted that a possible principles consultation could be undertaken with the sector in the autumn term 2021.*
- c) Supported the use of reserves, to provide a level of protection in the transition to a 3&4 year old base rate that is no longer supported by a Schools Block transfer.*

The Forum noted the report and endorsed the Working Group's recommendations.

iii. Maintained Nursery Schools Consultation Update

An update was provided on the progress on the MNS consultation.

The LCC Cabinet made a decision to consult on the future of maintained nursery schools in Lancashire in January 2020. However, this was put on hold due to the covid-19 pandemic.

The decision to consult on maintained nursery schools remained a priority for the local authority and in May 2021 the consultation recommenced with maintained nursery schools to progress this. The first stage of the consultation took place in the summer term 2021 and the LA analysed responses and information received. A report arising from the analysis was

shared with MNS headteachers and governors, towards the end of term, to help shape discussions about the service and individual schools going forward.

Meetings with individual schools took place at the end of the summer term 2021 and further meetings are continuing in autumn term 2021.

An update report had been produced for the County Council's Education and Children's Services Scrutiny Committee, on 5 October 2021 and a copy of this report was provided for the working group.

It was anticipated that further information on the next steps in the consultation process would become available in the new year.

The Working Group:

- a) *Noted the report.*

The Forum noted the report.

iv. Education Recovery Board

The Chair fed back on some of the early years issues considered at recent Education Recovery Boards.

Matters included:

- covid testing in the sector – it was highlighted that there was uncertainty amongst parents about the arrangements and that a sample letter provided by LCC/Public and Health had been circulated by some settings and had provided assistance.
- SEN issues – comments were made by members and it was noted that further discussion could take place at the Early Years SEN Task and Finish Group meeting scheduled for 11 October.
- Funding for closed bubbles - there was some discussion at the working group about the financial impact on settings that needed to close for a short period due to covid, if parents had to temporarily move their child to access their entitlement. It was noted that parental rights had to be protected, but that in practice few children move settings in these circumstances and no issues had been recorded.

The Working Group:

- a) *Noted the report.*
- b) *Supported the recirculation of the LCC/Public Health letter on testing in the sector bulletin.*

At the Forum meeting, it was reported that the Early Years SEN Task and Finish Group meeting scheduled for 11 October had taken place and it was confirmed that the revised SEN Inclusion Fund arrangements commenced in September, which:

- ***Increased the value of allocations***
- ***Extended the eligibility criteria***
- ***Reduced bureaucracy in the application process***

Initial feedback from the sector was positive with comment made that the process was easier.

The Forum noted the report.

12.RECOMMENDATIONS FROM THE APPRENTICESHIP LEVY STEERING GROUP

A report was presented setting out the recommendations from the Apprenticeship Levy Steering Group meeting held on 5 October 2021.

Colleagues from the Apprenticeship Levy team delivered a presentation to members providing an update on the latest school related developments, including:

98 new Requests for Funding had been received and approved since June 2021, with a total value for this window of opportunity of circa. £718k over the duration of the apprenticeships. There are currently 271 on-going apprentices, 40 awaiting enrolment, and 239 have completed since April 2017. Currently, there are 7 live apprenticeship vacancies. 29 Schools have taken advantage of the new employment incentives with 38 potential new apprentices having been recruited who are eligible since April 2021.

Upskilling requests are up in 2021 with 141 requests registered compared to 58 in the previous 12 months .

The Pooled payroll issue is still unresolved . Apprenticeship levy team colleagues had recently attended a LGA round table meeting with the ESFA to discuss possible solutions but there was no immediate prospect of a solution being found and work was continuing on this.

Following a large procurement exercise over the summer, the stand still period had now finished, and contracts are being awarded to providers,

An update on the latest financial position was shared with the group, and it was noted that the Total spend to date was £1,873,867

Information was shared about the county council had the following levels against the target:

- 0.70% - 2017-2018
- 1.36% - 2018-2019
- 1.37% - 2019-2020
- 0.81% - 2020-2021

It was noted that schools account for 58% of total number of employees as of 31st March 2021.

The Annual Levy Transfer pot was circa. £242,000 and 19 transfer requests, across 12 schools and early years settings, were going ahead, with 5 still awaiting enrolment in the first window.

The apprenticeship levy team intend to resume marketing activity and information sessions to schools. They will also continue to contact schools directly to promote apprenticeships and to focus on the need to upskill and as well as recruit

It was noted that it was National Apprenticeship Week 7th – 13th February 2022 and Case studies were needed !

The Working Group:

- a) *Noted the information;*
- b) *Expressed frustration at the continued difficulties caused by school pooled payroll issues;*
- c) *Requested that schools and early years providers be encouraged to engage with the apprenticeship levy, via the schools portal and early years bulletins;*
- d) *Requested that a more detailed breakdown of early years take-up be provided directly to the Forum early years representatives;*
- e) *Thanked the Apprenticeship Levy Team for their continued hard work and dedication during difficult circumstances.*

The Forum:

- a) Noted the report;**
- b) Endorsed the Steering Group's recommendations;**
- c) Expressed frustration at the continued difficulties caused by school pooled payroll issues.**

13. URGENT BUSINESS

It was noted that information on the decision taken using the Forum's urgent business procedure was included in the Schools Block report

14. ORACLE FUSION PRESENTATION

Jon Howard and Martin Clarkson from Payroll Services attended the meeting to present this item.

An update presentation was provided for the Forum about the Oracle Fusion project.

It was noted that over the last few months, the county council has been reviewing the Oracle Fusion implementation plan to ensure some critical business functions can be accommodated. This has resulted in a delay to the overall delivery of Fusion and the revised target implementation date for HR & Payroll is now early July 2022.

Significant support and training will be provided to schools ahead of the implementation, including

- Instructor Led Events
- Demonstrations & Drop-ins
- Quick Reference Guides
- How-to Videos
- Oracle Guided Learning (step by step live learning tool in Fusion)

Feedback from user workshops for Schools & Academies Business Managers, Bursars and Administrators, was provided for the group and it was note that responses had been positive, with comments including:

- The new processes will be easier to complete and will save time
- Information will be in part auto-populated and there'll be no duplication
- There's a good historical overview and progress of queries through AskHR via HelpDesk

As part of the work to ensure a successful implementation of Oracle Fusion the county council will be running several surveys throughout the year. These surveys will help assess how well

we are prepared for the introduction of the new system. First survey opens 3 November 2021 and a notice will be issued on the Schools Portal.

The Forum noted the information provided.

15. FORUM CORRESPONDENCE

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

16. ANY OTHER BUSINESS

There were no AOB items.

17. DATE OF FUTURE MEETINGS

It was noted that the next scheduled Forum meeting will be held at 10.00 am on Thursday 13 January 2022. Arrangements for the meeting will be confirmed in due course.

A copy of the forum schedule of meetings for the 2021/22 academic year is provided. The meetings include a physical venue but may be conducted virtually.

LANCASHIRE SCHOOLS FORUM
Date of meeting 13 January 2022

Item No 6a

Title: Schools Budget 2022/23

Appendix A refers

Executive Summary

This report has been prepared following receipt of pupil data and Dedicated Schools Grant (DSG) allocation information from the Education and Skills Funding Agency (ESFA). The report sets out the budget proposals for 2022/23 across the four funding blocks.

A meeting of the Forum Chairs' Group will take place on 11 January 2022. Recommendations arising from this meeting around finalising the Schools Budget 2022/23 will be presented to the Forum on 13 January 2022.

Following consideration of the final Schools Budget proposals by the Forum and the Lancashire County Council, the Authority is required to submit a final Schools Block budget proforma for 2022/23 to the ESFA by 21 January 2022. This report also provides information on the High Needs, Early Years and Central School Services Blocks for 2020/21, and seeks the formal approval for the budget lines requiring Forum agreement.

Recommendations

The Forum is asked to:

- a) Note the report, including the 2022/23 Dedicated Schools Grant (DSG) allocations and the budget proposals for each of the 4 funding block;
- b) Note the recommendations from the Forum Chairs' Group meeting on 11 January 2022 (to be presented at the Forum meeting on 13 January);
- c) Support the Schools Budget proposals for 2022/23 for the Schools Block, High Needs Block, Early Years and Central School Services Blocks;
- d) Support the proposals for the high needs funding supplementary grant for 2022/23;
- e) Support the Dedicated Schools Grant Reserve underwriting the uncertainties around the Schools Budget 2022/23;
- f) Formally approve the budget lines requiring Forum agreement (as set out at item 6d).
- g) Express any views to be brought to the attention of the Cabinet when setting the 2022/23 Schools Budget.

Recent reports to the Forum and Working Groups have set out the Government's announcements about school funding for 2022/23.

The Dedicated Schools Grant is a ring-fenced specific grant and it must be used in support of the Schools Budget as defined in the Dedicated Schools Grant Conditions of Grant and the School and Early Years Finance (England) Regulations. The Dedicated Schools Grant is allocated to every Local Authority in four funding blocks, each calculated using national funding formulae. The four blocks are:

- Schools Block;
- High Needs Block;
- Early Years Block;
- Central School Services Block.

In July 2021, the Government made initial announcements about the 2022/23 school funding arrangements.

2022/23 is the final year of the Department for Education's three year funding settlement that has increased funding by over £7bn compared to the 2019/20 baseline. This is a £2.3bn increase nationally in 2022/23 from 2021/22. These increases relate to the Schools Block and High Needs Block allocations.

Further updates about school funding were provided on 27 October 2021, when the Chancellor delivered his Autumn Budget and 2021 Spending Review. This included a further £1.6bn in additional funding for 2022/23 school budgets, on top of the year-on-year increases already confirmed. The Chancellor indicated that this was to help the sector respond to the cost pressures faced by schools including, for example, increases in national insurance on high needs, in managing Covid and in supporting children and young people to recover from the pandemic.

In addition, the Chancellor's announcement indicated that an additional £170m would be made available by 2024/2025 to increase the hourly rate to be paid to early years providers for the government's free hours offers.

Further information on each of the funding blocks is provided below and details of the final 2022/23 Dedicated Schools Grant allocations, notified in December 2021, and the proposed Schools Budget expenditure are contained in Appendix 'A'.

Schools Block

The Schools Block funds mainstream primary and secondary schools and academies.

The Schools Block funding framework for 2022/23 will continue to operate under the 'soft' National Funding Formula arrangements first introduced in 2018/19. This is where the allocations for each local authority are calculated on the aggregated individual school National Funding Formula amounts calculated by the Government, but the local authority's local formula still applies in making actual allocations to schools.

Following a previous consultation with schools and academies in the County, and discussions with the Schools Forum, the Cabinet ratified the use of the National Funding Formula as the Lancashire formula methodology from April 2018. This will continue to apply in 2022/23.

Department for Education announcements indicate that the basic structure of the National Funding Formula remains unchanged for 2022/23, but the higher funding allocations have been used to increase factor values from April 2022.

National Funding Formula factor values for 2022/23 have increased, as follows:

- 3% to basic entitlement, free school meals at any time in the last 6 years (Free School Meals Ever 6), income deprivation affecting children index, lower prior attainment, English as an additional language and the lump sum;
- 2% to the funding floor, the minimum per pupil levels and free school meals,
- 0% on the premises factors, except for Private Finance Initiative which has increased by the Retail Price Index.

The announcements also included the relevant minimum pupil funding levels for primary and secondary schools, which incorporate the 2% uplift for 2022/23:

- For primary schools, the minimum pupil funding level will be £4,265 per pupil in 2022/23 compared to £4,180 per pupil in 2021/22.
- For secondary schools, the minimum pupil funding level will be £5,525 per pupil from 2022/23 compared to £5,415 per pupil in 2021/22;

Following a Government consultation on the Sparsity factor held in 2021, the Department for Education has amended the factor from April 2022, including:

- Increasing the maximum sparsity values for the both the primary and secondary phases by £10,000. Maximum sparsity values will be £55,000 for primary schools and £80,000 for secondary, middle, and all-through schools.
- Updating the schools sparsity distances calculations so that they are now based on road distances, instead of straight-line distances,
- Introducing a sparsity distance taper, in addition to the existing year group size taper.

Another Government consultation in 2021 has also led to changes to the payment process of schools business rates. From 2022/23, schools business rates will be paid by the Education and Skills Funding Agency to billing authorities directly on behalf of all state funded schools.

The additional £1.6bn funding arising from the Chancellor's announcements will be paid as a grant outside the Dedicated Schools Grant for 2022/23, due to the National Funding Formula and Minimum Pupil Funding levels already being announced.

Minimum Funding Guarantee

Local authorities will continue to set a Minimum Funding Guarantee in local formulae, which in 2022/23 must be between +0.5% and +2.0%.

The level to be applied in Lancashire is the subject of a consultation with schools and the Schools Forum will be asked to make a final recommendation on the level of Minimum Funding Guarantee to be applied from April 2022.

Schools Block Transfer

The Regulatory framework continues to allow local authorities to be able to transfer up to 0.5% of their schools block allocation to other blocks of the Dedicated Schools Grant, with schools forum approval.

In 2020/21 and 2021/22, following consultation with schools and academies, the Schools Forum agreed to transfer Schools Block headroom to support pressures in the Early Years Block. This transfer equated to £2m in each year.

However, modelling indicates that all allocated funding will be required for the Schools Block formula in 2022/23, meaning that there will be no headroom available to support pressures in the early years sector.

Once approved, the Schools Block proposals for 2022/23 must be submitted to the Education and Skills Funding Agency, for compliance checking against the Department for Education regulations and guidance. A proforma is provided by the Education and Skills Funding Agency to facilitate submissions and the deadline for the 2022/23 return is 21 January 2022.

High Needs Block

The High Needs Block funds:

- Special Schools budgets;
- Alternative Provision budgets (mainly Pupil Referral Units);
- Special Education Resource Facility and Special Educational Needs in mainstream schools;
- Individually Assigned Resources for High Needs pupils across all educational establishments;
- Certain Special Education Needs Central Schools Services.

The allocation to Lancashire is calculated using a national High Needs Block formula, but the Local Authority's local funding formulae still apply to distribute High Needs funding to Lancashire providers.

Department for Education announcements confirm that the basic structure of the High Needs National Funding Formula for 2022/23 is not changing. The High Needs National Funding Formula floor and gains cap have been set as follows for 2022/23:

- the funding floor is set at 8% so each local authority will see an increase of at least 8% per head of their 2 to 18 population (as estimated by the Office of National Statistics);
- the gains cap is set at 11%, allowing local authorities to see gains up to this percentage increase under the formula, again calculated on a per head basis of their 2 to 18 population;
- The hospital education factor will also be uplifted by 8%.

In terms of the increased core school funding for 2022/23, the Government have stated that £780m is targeted at the High Needs Block. The Department for Education indicate that this represents a 9.6% increase for High Needs Block nationally in 2022/23, and say that the extra resource will continue to help local authorities manage their cost pressures in this area, while the government remains focused on completing the cross-departmental review of the Special Educational Needs and Disabilities system, to ensure that it supports those children and young people as efficiently and effectively as possible.

Early Years Block

Early Years Block funding is utilised for:

- Funding for the universal 15 hours entitlement for three and four year olds;
- Funding for the additional 15 hours entitlement for three and four year old children of eligible working parents;
- Funding for the 15 hours entitlement for disadvantaged two year olds;
- Funding for the Early Years Pupil Premium;
- Funding for the Disability Access Fund;
- Supplementary funding for Maintained Nursery Schools.

The Government introduced an Early Years National Funding Formula from April 2017. This arrangement introduced a formulaic mechanism for distributing early years funding from national Government to each local authority and set a framework that must be used to distribute funding to all types of early education provider, including nursery schools; nursery classes in maintained primary schools; Private, Voluntary and Independent providers and Childminders. The Early Years National Funding Formula introduced a requirement to have a Universal Base Rate for all providers and set out the type and level of supplements that are available.

The Government have indicated that an additional £170m would be made available by 2024/2025 to increase the hourly rate to be paid to early years providers for the government's free hours offers.

Central School Services Block

This Block is to fund central functions that local authorities carry out on behalf of pupils in state-funded maintained schools and academies in England. The Central School Services Block was first introduced in 2018/19, and effectively replaced the previous Education Services Grant allocations, but the levels of funding had reduced considerably compared to previous years.

The Central School Services Block allocation for local authorities is split into funding for historic commitments and funding for ongoing responsibilities.

The ongoing responsibilities element of funding is calculated by the Department for Education on a formulaic methodology based on pupil numbers and deprivation, plus an area cost adjustment. The historic commitments element of the Block funds certain ongoing obligations funded from the Dedicated Schools Grant.

The Department for Education funding announcements for 2022/23 indicate that the per pupil rate used in the formulaic ongoing responsibilities calculation will receive an uplift similar to the Schools Block, but the historic commitments funding will continue to decrease, by a further 20% from April 2022.

The Department for Education have stated that they will continue to unwind the historic commitments funding to zero in future years.

Final Dedicated Schools Grant Allocation 2022/23

Details of Lancashire's final Dedicated Schools Grant allocations for 2022/23 for each funding block, and the expenditure proposals for each block are provided at Appendix 'A'.

Financial Implications

The report forecasts a balanced Dedicated Schools Grant funding position in 2022/23, subject to the planned use of £1m in Schools Budget reserves to mitigate transitional pressures in the Early Years Block budget.

Any uncertainties contained in the Schools Budget proposals will be underwritten by the Dedicated Schools Grant reserves.

It should also be noted that the Department for Education have tightened the ring-fencing around the Dedicated Schools Grant from 2020/21 onwards, to ensure that local authorities do not make provisions in their general reserves to cover possible Dedicated Schools Grant deficits, and any deficits would be carried forward into future years and then repaid overtime. A number of other local authorities are already working with the Department for Education to agree recovery plans to repay deficits.

To date, Lancashire has always contained any school funding pressures within the Dedicated Schools Grant. The Dedicated Schools Grant reserve as at 31 March 2021 was £16.096m.

However, there is concern that there could be increased strain on the High Needs Block budget from 2023/24 onwards, when initial announcements from the Government indicate approximately 3% rises in funding per annum, but forecast cost and demand led pressures in the High Needs Block are estimated to remain at a level well above this. This could create significant pressure on the High Needs Block Budget and the overall Dedicated Schools Grant in the longer term.

Appendix A

Final Dedicated Schools Grant allocations for 2022/23 were published by the Department for Education on 16 December 2021 and pupil data was received on 20 December 2021.

Lancashire's Gross 2022/23 Dedicated Schools Grant allocation is £1,132.679m.

The equivalent Gross Dedicated Schools Grant income figure for 2021/22 was £1,090.214m. The 2022/23 figure is over £42m higher than the previous year.

This increase in funding is due to:

- Lancashire's share of the increased £2.3bn funding nationally made available by Government, including £780m for the High Needs Block;
- Lancashire's share of the increased £170m nationally for the Early Years Block;
- An increase in the overall numbers of pupils in Lancashire compared to 2021/22, although figures in the early years sector are now declining.

Whilst there is additional funding in the education system, there are considerable inflationary pressures on the sector, and continued uncertainty around unpredictable covid-19 related costs and many schools and providers may continue to face financial challenges.

In addition, the Chancellor announced a £1.6bn increase for schools in his Autumn Budget and 2021 Spending Review, on top of the year-on-year increases already confirmed above.

These Department for Education announcements indicate that this funding is to provide support for the costs of the Health and Social Care Levy and wider costs in schools. This funding will be allocated through a schools supplementary grant in 2022 to 2023 and final details of schools allocations will be made available in spring 2022. Of the additional funding, £325m nationally has been allocated for high needs funding.

The sections below provide further details of the Lancashire Dedicated Schools Grant allocations and presents the estimated Schools Budget for 2022/23.

DEDICATED SCHOOLS GRANT ALLOCATIONS 2022/23

The Department for Education sub-divide the Dedicated Schools Grant allocations into 4 funding blocks: Schools Block, High Needs Block, Early Years Block and the Central Schools Services Block. These Blocks are all calculated on a formulaic basis.

Information on the allocations for each of the funding blocks is provided below:

Schools Block allocation (£878.278m)

The Schools Block allocations for 2022/23 are derived on the basis of illustrative individual Schools National Funding Formula allocations calculated by the Government. These calculations translate into primary and secondary units of funding for 2022/23. These units of funding are multiplied by the number of primary and secondary pupils from the October 2021 census. A Local Authority level allocation for

premises factors and growth funding are added to provide a final Schools Block allocation.

This provides a total Lancashire Schools Block allocation for 2022/23 of £878.278m.

The 2022/23 Schools Block allocation is over £28m higher than the equivalent figure in 2021/22. The increased allocation is in part due to Lancashire's share of the additional funding made available nationally by the Government, and an overall increase of over 1,000 in the number of pupils across Lancashire primary and secondary schools in the October 2021 school census.

These extra pupils generate additional Schools Block income but will also produce extra costs in the budget. The funding being allocated on deprivation factors has also increased and will place additional pressures in the Schools Block budget.

It should also be noted that the Department for Education has introduced changes to the payment process of schools business rates. From 2022/23, schools business rates will be paid by the Education and Skills Funding Agency to billing authorities directly on behalf of all state funded schools. For 2022/23, a rates allocation will continue to be included in the Department for Education's schools National Funding Formula but a deduction of £8.338m will be made from the Lancashire Schools Block cash allocation in 2022/23, to enable this central government payment to be made.

High Needs Block allocation (£166.908m)

The 2022/23 High Needs Block allocation is calculated under the Government's national High Needs funding formula. Key features of the formula include:

- A high needs funding floor and gains calculation;
- Basic entitlement factor (with area cost adjusted) for the number of pupils in special schools and academies;
- Import/export adjustment;
- Additional Funding for Special Free Schools;
- Hospital education, Alternative Provision teachers pay/pension and supplementary funding factor.

The formula provides a 2022/23 High Needs Block allocation for Lancashire of £166,907,915.

This figure is over £15m higher than the equivalent 2021/22 allocation, due to increased funding for the High Needs Block made available by the Government.

It should be noted that the High Needs Block allocation is a provisional allocation and the gross total includes allocations attributable to funded places that will be deducted and made directly by the Education & Skills Funding Agency. These are estimated by Education & Skills Funding Agency to total circa £8.604m.

Early Years Block allocation (£80.655m)

Allocations for the Early Years Block include:

- funding for the universal 15 hours entitlement for three and four year olds;
- funding for the additional 15 hours entitlement for three and four year old children of eligible working parents;
- funding for the 15 hours entitlement for disadvantaged two year olds;
- funding for the Early Years Pupil Premium;
- funding for the Disability Access Fund;
- supplementary funding for Maintained Nursery Schools.

The allocations are calculated on a formulaic basis and include Lancashire's share of an additional £170m nationally for early years education in 2022/23.

This additional funding translates into increased allocations to Lancashire as follows :

- 3 and 4-year-old entitlements - £0.17 per hour uplift;
- 2-year-old entitlement - £0.21 per hour uplift;
- Supplementary funding for maintained nursery schools - £0.17 per hour uplift;
- Early Years Pupil Premium - £0.07 per hour uplift;
- Disability Access Fund - £185 per eligible child per year uplift.

These factors provide a total Early Years Block allocation for Lancashire for 2022/23 of £80,654,601.

Lancashire's Early Years funding is circa £1.8m lower than the equivalent 2021/22 allocation, even though the allocation includes increased funding rates. This is due to an approximate 5% reduction in the numbers of funded pupils, as decreased birth rates feed through into the early years sector.

It should be noted that the 2022/23 early years block allocations are initial, and based on Schools, Early Years and Alternative Provision censuses data from January 2021. These allocations will be updated based on January 2022 and January 2023 census data.

Central Schools Services Block (£6.838m)

The Central Schools Services Block is to fund central functions that Local Authority's carry out on behalf of pupils in state-funded maintained schools and academies in England.

The Central Schools Services Block is split into funding for historic commitments and funding for ongoing responsibilities. The ongoing responsibilities element is based on a formula, with unit values being increased by circa 4% for 2022/23.

The Historic Commitments element of the allocation has been reduced by 20% compared to 2021/22, as the Department for Education indicate that they will continue to 'unwind' historic commitments over time.

The total Lancashire's Central Schools Services Block allocation for 2022/23 is £6,838,441. This is marginally higher than 2021/22, mainly relating to the higher increased ongoing responsibility funding rate, and higher pupil numbers.

In Year Adjustments

The Dedicated Schools Grant allocation notified is prior to in year adjustments for:

- Academies recouplement from the schools block;
- Deductions for high needs places in academies and non-maintained special schools;
- Post 16 places;
- Deduction for national copyright licences;
- Deduction for schools business rates
- Updates to the funding for three and four year olds;
- Updates to the funding two year olds;
- Updates to the early years supplementary funding for maintained nursery school;
- Updates to the early years pupil premium;
- Updates to early years Disability Access Fund.

Forecast total Dedicated Schools Grant income for 2022/23

The Lancashire Dedicated Schools Grant allocations for 2022/23 across the 4 funding blocks are shown below:

Forecast Dedicated Schools Grant Income	£m's
Schools Block	878.278
High Needs Block	166.908
Early Years Block	80.655
Central Schools Services Block	6.838
Gross Total forecast Dedicated Schools Grant Income	1,132.679
Total deduction for national schools non-domestic rates	-8.338
Total deductions for direct high needs payments made by the Education & Skills Funding Agency	-8.604
Net Total forecast Dedicated Schools Grant Income	1,115.737

Schools Supplementary Grant 2022/23

The Chancellor's autumn 2021 spending review confirmed £1.6bn funding for schools and high needs, for the 2022/23 financial year, above the previous Dedicated Schools Grant settlement.

The December 2021 Dedicated Schools Grant announcements provided further information about this Supplementary Grant. The Grant is provided to support costs of the Health and Social Care Levy and wider pressures.

For mainstream schools, this funding will be allocated through a schools supplementary grant 2022/23.

£325m of the total will be allocated via local authorities for high needs funding in 2022/23.

The schools supplementary grant will fund the following providers:

- maintained nursery schools
- primary and secondary maintained schools
- primary and secondary academies and free schools
- all through maintained schools
- all through academies
- 16 to 19 maintained schools
- 16 to 19 academies
- city technology colleges

The Government specify that the schools supplementary grant will only be payable to public sector employers. This means that further education colleges, sixth form colleges, independent learning providers, as well as private and voluntary sector early years providers will not be eligible to receive this funding.

The Department for Education indicate that school-level allocations of the schools supplementary grant for 2022/23 will be published in spring 2022. Local Authorities will be expected to passport the allocations to schools and the Government will pay the allocations directly to academies.

Funding for early years and post-16 provision in schools is provided in respect of the Health and Social Care Levy. The additional funding for mainstream school provision for pupils aged 5 to 16 is provided in respect of both the Health and Social Care Levy and wider cost pressures. This means that the funding rates in the schools supplementary grant are higher for 5 to 16 provision than early years or post-16, as set out below:

Rate for early years

The base per-pupil funding rate for early years provision in schools, and for maintained nursery schools, will be £24 per pupil.

Rates for 5 to 16 schools:

The base funding rates for 5-16 schools will be:

- basic per-pupil rate of £97 for primary pupils
- basic per-pupil rate of £137 for key stage 3 pupils
- basic per-pupil rate of £155 for key stage 4 pupils
- lump sum of £3,680
- Free School Meals Ever 6 per-pupil rate of £85 per eligible primary pupil
- Free School Meals Ever 6 per-pupil rate of £124 per eligible secondary pupil

Rates for post-16

The base per-student funding rate for 16-19 provision in schools, including 16 to 19 schools and academies, will be £35 per student.

Lancashire Schools Supplementary Grant allocations for 2022/23 are:

Mainstream Schools Supplementary Grant allocation	£25m
High Needs Supplementary Grant allocation	£6m
Total Supplementary Grant allocation	£31m

The Department for Education have indicated that funding will be incorporated into core budget allocations for 2023/24 where possible. So, for 5 to 16 schools, this will mean the funding being rolled into the schools national funding formula.

SCHOOLS BUDGET PROPOSALS 2022/23

The latest Individual School Budgets across all phases has been constructed using the final datasets made available from the Department for Education and our latest local Early Years and High Needs data.

This Schools Budget estimate has been calculated following discussions with the Schools Forum and where necessary, consultation with Lancashire schools.

Budget Summary

The table below summarises the budgets to be allocated from each of the Dedicated Schools Grant funding blocks

<u>Forecast Dedicated Schools Grant Expenditure</u>	£m's
Schools Block	876.598
High Needs Block	168.588
Early Years Block	81.655
Central Schools Services Block	6.838
Total deduction for national schools non-domestic rates	-8.338
Total deductions for direct high needs payments made by the Education & Skills Funding Agency	-8.604
Total forecast Dedicated Schools Grant Expenditure	1,116.737

Further details about each block are provided below.

Schools Block (876.598m)

Following a consultation with schools and the Schools Forum as part of the 2018/19 Schools Budget setting cycle, it was agreed to use the Government's National Funding Formula methodology as the local Lancashire funding model.

The National Funding Formula methodology will continue to apply in 2022/23 for calculating allocations to Lancashire schools, and will incorporate the changes to the formula introduced nationally that are set out in the main report. This provides for a guaranteed 2% per pupil increase for all schools and academies in 2022/23. However, most factors in the National Funding Formula have been uplifted by 3% from 2021/22.

As supported by responses from schools in a consultation held in the autumn term 2021, the Minimum Funding Guarantee has been included in the formula at +2% and there is no cap on funding gains.

A 2022/23 growth fund requirement, which is used to support Local Authority initiated school expansions, of £2m has been included for 2022/23. The balance of funding from the Growth Fund allocation received by Lancashire, equating to circa £2.2m, has been used as a contribution to increased deprivation related payments that are required by Lancashire schools and academies in 2022/23.

It should also be noted that a transfer of Schools Block headroom has been agreed in recent years to support pressures in other funding blocks. For 2022/23, no headroom is available, largely due to this increased deprivation pressure on the Schools Block.

The Schools Block funding is sufficient for all the National Funding Formula factors and rates to be applied in full, including updated Minimum Pupil Funding rates, and the agreed Minimum Funding Guarantee.

However, an urgent consultation is taking place with schools about the transfer of circa £1.7m from the Schools Block to the High Needs Block. This transfer is technical in nature and relates to the impact of decisions taken by the county council regarding the closure of the former Hameldon School in Burnley. Following the closure of Hameldon, the school site was used temporarily to house pupils from another Lancashire secondary school whilst remedial work took place on their own premises. From 2022/23, the site will become the permanent base for Lancashire special school. Hameldon school was built under the 'Building Schools for the Future' programme financed by a Private Finance Initiative contract that is not yet complete. The Government's Dedicated Schools Grant regulations and guidance have different arrangements for a school's contributions depending whether they are funded through the Schools Block (secondary school provision) or the High Needs Block (when a special school utilises the site).

The Lancashire Schools Block allocation for 2022/23 includes an element for premises funding, which is calculated on the basis of premises expenditure in 2021/22. This calculation incorporates circa £1.7m of funding as the Schools Block Private Finance Initiative payment for the former Hameldon school site. However, in 2022/23, this contribution will actually be attributable to the High Needs Block, as the site will be taken over by a special school.

The county council is therefore consulting schools and the Schools Forum about the transfer of circa £1.7m from the Schools Block to the High Needs Block, to enable the required special school contribution towards the Private Finance Initiative contract to be met from the relevant funding block in 2022/23, in accordance with Department for Education guidance.

The Schools Block expenditure for 2022/23 is therefore estimated in the table below:

Forecast Schools Block Expenditure	£m's
Primary	464.609
Secondary	408.776
All-Through	1.214
Budgeted Growth	2.000
Total	876.598

Dedicated Schools Grant Schools Block Income	-878.278
Hameldon site PFI - proposed transfer to High Needs Block	-1.680

The overall calculation reveals a 2022/23 Schools Block expenditure requirement of £876.598m and a proposed transfer of £1.68m to the High Needs Block.

As mentioned earlier in the appendix, the Department for Education has introduced changes to the payment process of schools business rates. From 2022/23, schools business rates will be paid by the Education and Skills Funding Agency to billing authorities directly on behalf of all state funded schools. For 2022/23, a rates allocation will continue to be included in the Department for Education's schools National Funding Formula but a deduction of £8.338m will be made from the Lancashire Schools Block cash allocation in 2022/23, to enable this central government payment to be made.

High Needs Block (£168.588m)

The High Needs Block expenditure for 2022/23 is estimated in the table below:

	Place funding £m	Top-up funding £m
Delegated to Schools	36.773	75.220
FE Colleges		11.000
High Needs Block costs on a commissioned basis		36.423
Total deductions based on 21/22 for direct high needs payments made by the Education and Skills Funding Agency		8.604
Additional 22/23 High Needs places to be paid direct by Education and Skills Funding Agency		0.568
Total	36.773	131.815

Total Expenditure £m	168.588
Total Income £m	166.908
Overspend £m	1.680
Transfer of Hameldon PFI £m	1.680

The total forecast High Needs Block expenditure in 2022/23 is some £168.588m, including the proposed transfer of £1.68m from the Schools Block in relation to the Hameldon PFI contribution.

This forecast expenditure includes an estimate of the considerable cost and demand led pressures facing the block in 2022/23.

Proposals also build in a 2% increase to the level for the school specific factor rates in special schools and pupil referral units, which matches the level of the Minimum Funding Guarantee agreed for the Schools Block formula.

In addition, the Weighted Pupil Number values supporting all high needs pupils are proposed to increase by 4% in 2022/23. This level of increase, which is slightly higher than the general 3% uplifts for the pupil-led factors in the Schools Block national funding formula, is affordable from April 2022.

The circa £8.6m of deductions in the Dedicated Schools Grant notifications have been budgeted here, as this relates to direct high needs payments made by the Education and Skills Funding Agency.

An extra £0.568m of deductions for 2022/23 has also been included, for additional high needs places that have now been commissioned by the county council at establishments that are directly paid by the Education and Skills Funding Agency.

Despite considerable pressure on the high need block funding envelope, a balanced budget position has been forecast for 2022/23, subject to the agreement of the proposed transfer of £1.68m from the Schools Block in relation to the Hameldon PFI contribution. The county council will continue to work on initiatives that ensure that the best use is being made of the High Needs resources available and to minimise as far as possible the future years forecasted overspends.

However, there is concern that there could be increased strain on the High Needs Block budget from 2023/24 onwards, when initial announcements from the Government indicate circa 3% rises in funding per annum, but forecast cost and demand led pressures in the High Needs Block are estimated to remain at a level well above this. This could create significant pressure on the High Needs Block Budget and the overall Dedicated Schools Grant in the longer term.

Early Years Block (£81.655m)

Government announcements of additional Early Years funding translates into increased allocations to Lancashire as follows:

- 3 and 4-year-old entitlements - £0.17 per hour uplift;
- 2-year-old entitlement - £0.21 per hour uplift;
- Supplementary funding for maintained nursery schools - £0.17 per hour uplift;
- Early Years Pupil Premium - £0.07 per hour uplift;
- Disability Access Fund - £185 per eligible child per year uplift.

3 and 4-year-old entitlements

For the last two financial years, the Schools Forum has agreed that the Early Years Block allocation be supplemented by a transfer of £2m per year from the Schools Block to assist with the cost pressures in the early years sector. This transfer has allowed the hourly rate for the 3 and 4-year-old entitlements to be increased by £0.08 per hour.

For 2022/23, pressures within the Schools Block mean that this transfer is not possible, which means that the £0.08 per hour will need to be removed from the base rate for 2022/23. The Schools Forum is aware that the early years sector is already

facing considerable cost pressures, so has recommended that £1m of Schools Budget reserves be used in 2022/23 to help reduce the turbulence in the system caused by this reduction. The £1m contribution would allow £0.04 per hour and be available for 2022/23 only.

The total Early Years Block expenditure in 2022/23 includes the £1m contribution for Schools Budget reserves.

This £0.04 per hour can be added to the government's increase, which for 3 and 4 year old entitlements in Lancashire equates to an additional £0.17 per hour in 2022/23.

The 2022/23 funding rate may therefore be calculated as follows:

2021/22 base rate, which included £0.08 contribution from Lancashire Schools Block	£4.35 per hour
2022/23 adjusted base rate without £0.08 contribution	£4.27 per hour
2022/23 base rate with Department for Education £0.17 uplift	£4.44 per hour
2022/23 base rate with £0.04 one off contribution from Schools Forum reserves	£4.48 per hour

A Lancashire base rate for 3 and 4-year-old entitlements of £4.48 per hour in 2022/23, would be an increase of 13p per hour from 2021/22.

2-year-old entitlement

Lancashire is to receive an additional £0.21 per hour for the 2-year-old entitlement for 2022/23, which will be passed to providers in full. This would give a forecast Lancashire funding rate for 2 year olds of £5.37 per hour from April 2022.

Supplementary funding hourly rate for maintained nursery schools

Lancashire will receive a £0.17 increase in the supplementary funding hourly rate for maintained nursery schools in 2022/23, which will be passed to the maintained nursery schools, providing a revised hourly supplement rate of £3.67 per hour.

Early Years Pupil Premium

Lancashire will increase our early years pupil premium rate by 7p to 60p per hour, equivalent to up to £342 per eligible child per year, for 2022/23, in line with national announcements

Disability Access Fund

Lancashire will increase the disability access fund by £185 to £800 per eligible child per year for 2022/23, in line with national announcements.

Special Educational Needs Inclusion Fund

Local authorities are required to have a Special Educational Needs Inclusion Fund for all eligible 3 and 4-year-olds who are taking up the free entitlements, regardless of the number of hours taken. For 2022/23 it is proposed to keep the Lancashire fund at the 2021/22 level of £500k in total.

The Early Years Block expenditure for 2022/23 is therefore estimated in the table below:

Forecast EYB Expenditure	£m's
Early Years Block 2 year olds	8.543
Early Years Block 3/4 year olds	67.866
Early Years Pupil Premium expenditure	0.938
Early Years Disability Access Fund expenditure	0.363
Nursery School Maintained Nursery School	3.445
Special Educational Needs Inclusion	0.500
Total	81.655

The total forecast Early Years Block expenditure in 2022/23 is some £81.655m. including a £1m contribution from Schools Budget reserves.

Central Schools Services Block (CSSB) (£6.838m)

The estimated Central Schools Services Block expenditure in 2022/23 is £6.838m.

The budget takes account of the Department for Education's decision to reduce the Historic Commitments element of the budget by a further 20% from April 2022, as part of their intention to cease all 'historic' funding over time.

In consultation with the Schools Forum, Lancashire has already significantly reduced the historic commitments expenditure. However, in order to protect some combined budget contributions that help support valued services to schools, circa £0.350m from the historic commitments element has been transferred to the High Needs Block in 2022/23, in consultation with the Schools Forum.

Careful consideration will be needed around the Central Schools Services Block in future years, as Department for Education implement further reductions in the Historic Commitments budget.

Calculation of the final 2022/23 funding position

	£m's
Total forecast Dedicated Schools Grant Income 2022/23	1,115.737
Total Forecast Dedicated Schools Grant Allocations 2022/23	1,116.737

These Schools Budget proposals forecast a balanced Dedicated Schools Grant funding position in 2022/23, subject to the planned use of £1m in Schools Budget reserves to mitigate transitional pressures in the Early Years Block budget.

Schools Supplementary Grant 2022/23

Lancashire Schools Supplementary Grant allocations for 2022/23, arising from the Chancellor's announcements of an additional £1.6bn nationally, will total circa £31m.

Further details of the mainstream school supplementary grant allocations will be provided by the Department for Education in spring 2022.

The county council will receive the individual school allocations for maintained schools and be expected to passport the funding to the relevant schools in full. The Education and Skills Funding Agency will pay Lancashire academies directly. Total allocations to Lancashire mainstream establishments will total circa £25m for 2022/23.

In addition, the county council will receive an extra £6m additional high needs funding allocations of the Dedicated Schools Grant for 2022/23. The supplementary allocations are on top of the Dedicated Schools Grant high needs block allocations but are subject to the same Dedicated Schools Grant conditions of grant.

This extra funding recognises the additional costs that local authorities and schools will face in the coming year, which were not foreseen when the original high needs block allocations were calculated, including the Health and Social Care Levy, that will be applied initially through increased national insurance contributions from employers.

The additional funding also takes into account that colleges and other providers offering extra hours of study to students with high needs may require extra high needs top-up funding to support those students.

Guidance indicates that the supplementary high needs allocation should be discussed with special schools and alternative provision establishments. These discussions will take place via the Schools Forum on 13 January 2022.

LANCASHIRE SCHOOLS FORUM
Date of meeting 13 January 2022

Item No 6b

Title: Possible Schools Block Transfer to the High Needs Block in 2022/23

Executive Summary

Following receipt of final DSG allocations for 2022/23 forecasts revealed the need for an urgent consultation with schools about the transfer of circa £1.7m from the Schools Block to the High Needs Block. This transfer is technical in nature and relates to the impact of decisions taken by the County Council regarding the closure of the former Hameldon School in Burnley. From 2022/23, the site will become the permanent base for a Lancashire special school and the ongoing PFI contribution should come from the high needs block.

Forum Decision Required

The Forum is asked to:

- a) Note the report,**
- b) Note the analysis of consultation responses from schools (to be presented at the meeting on 13 January 2022)**
- c) Agree the proposed transfer of circa £1.7m (0.19% of the Schools Block budget) from the Schools Block to the High Needs Block in 2022/23.**

Background

In recent years, following consultations with schools, a £2m transfer has been agreed to support pressures in the Early Years Block. Schools Block modelling for 2022/23 carried out in autumn 2021 indicated that there was unlikely to be any available headroom from April 2022, due to increased pressures in the Schools Block, largely as a result of higher deprivation funding requirements.

The Autumn term 2021 Consultation on the Schools Block Funding Arrangements and Service De-delegations for 2022/23 and Fair Exchange 118 mentioned the possibility of a consultation being issued if any headroom was available once an analysis of final allocations had been undertaken.

Following receipt of our final allocations, forecasts of the 2022/23 Schools Budget have now been completed and calculations indicate that the Schools Block funding is sufficient for all the National Funding Formula factors and rates to be applied in full, including updated Minimum Pupil Funding (MPF) rates, and the agreed Minimum Funding Guarantee (MFG). However, no headroom is available to support pressures in other funding blocks.

The forecasts did however reveal the need for an urgent consultation with schools about the transfer of circa £1.7m from the Schools Block to the High Needs Block. This transfer is technical in nature and relates to the impact of decisions taken by the County Council regarding the closure of the former Hameldon School in Burnley. Following the closure of Hameldon, the school site was used temporarily to house pupils from another Lancashire secondary school whilst remedial work took place on their own premises. From 2022/23, the site will become the permanent base for Lancashire special school.

Hameldon school was built under the 'Building Schools for the Future' programme financed by a Private Finance Initiative (PFI) contract that is not yet complete. The Government's Dedicated Schools Grant regulations and guidance have different arrangements for a school's contributions depending whether they are funded through the Schools Block (secondary school provision) or the High Needs Block (when a special school utilises the site).

The Lancashire Schools Block allocation for 2022/23 includes an element for premises funding, which is calculated on the basis of premises expenditure in 2021/22. This calculation incorporates circa £1.9m of funding as the Schools Block Private Finance Initiative (PFI) payment for the former Hameldon school site. However, in 2022/23, this contribution will actually be attributable to the High Needs Block, as the site will be taken over by a special school.

The County Council is therefore seeking school views about the transfer from the Schools Block to the High Needs Block, to enable the required special school contribution towards the Private Finance Initiative (PFI) contract to be met from the relevant funding block in 2022/23, in accordance with Department for Education guidance. Due to the pressures in the Schools Block only £1.7m of the £1.9m is available to transfer.

School Funding Regulations and Guidance for 2022/23 continue to allow local authorities to transfer up to 0.5% of their Schools Block to other blocks of the Dedicated Schools Grant (DSG) in 2022/23, subject to Schools Forum approval.

This circa £1.7m transfer equates to 0.19% of the Schools Block in 2022/23, so a formal decision on the transfer can be taken by the Schools Forum at their meeting of 13 January 2022.

The urgent consultation with Lancashire schools and academies was issued at the start of the spring term 2022 with a closing date of 4.00pm 12 January 2022, so that responses can be reported to the Schools Forum on 13 January 2022.

An analysis of school responses will be shared with the Forum at the meeting.

Item 6d SCHOOLS BUDGET 2022/23

SPECIFIC APPROVALS NEEDED FROM THE SCHOOLS FORUM

The School and Early Years Finance (England) Regulations require certain proposals by the Local Authority relating to the Schools Budget to be approved by the Schools Forum.

An indication of the specific proposals that have previously been considered and approved by the Forum is included together with proposals now put forward that require approval.

Function	LA proposals 2022/23	Proposed Expenditure: 2022/23 £m
Consultation on Formula Changes		
<ul style="list-style-type: none"> No local formula factor changes are proposed for 2022/23 in any funding block, beyond incorporating the DfE National Funding Formula (NFF) alterations into the local Schools Block formula 	The Forum have previously agreed to use the DfE's NFF as the Lancashire funding formula for the Schools Block budget, and NFF updates for 2022/23 introduced by the DfE are incorporated in the Schools Budget proposals for 2022/23, including revised sparsity and school business rates factors	
De-delegation for mainstream schools	LA proposals for: <ul style="list-style-type: none"> Schools in financial difficulty; Museum service (primary only); Staff Costs Public duties/Suspensions; Primary Inclusion Hubs Approved by the Schools Forum on 19 October 2021	3.468
Movement of up to 0.5% from the schools block to other blocks	Proposal to transfer £1.680m from the School Block to the High so that contractual school PFI contributions can	1.680

	be met from the relevant funding block in 2022/23, when the former Hameldon school premises will be used to permanently relocate a Lancashire special school	
Contracts (where the LA is entering a contract to be funded from the schools budget)	No Proposals at this time	
Financial issues relating to:		
<ul style="list-style-type: none"> arrangements for pupils with special educational needs, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding 	Proposals contained in the High Needs Block Working Group recommendations report to the Forum and the Forum budget papers	111.392
<ul style="list-style-type: none"> arrangements for use of pupil referral units and the education of children otherwise than at school, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding 	Proposals contained in the High Needs Block Working Group recommendations report to the Forum and the Forum budget papers	11.601
<ul style="list-style-type: none"> arrangements for early years provision 	Proposals contained in the Early Years Block Working Group report to the Forum and the Forum budget papers	81.655
<ul style="list-style-type: none"> administration arrangements for the allocation of central government grants 	No Proposals at this time beyond passporting DfE allocations to schools	
Minimum funding guarantee (MFG)	Consultation responses on MFG reported to Forum on 19 October 2021 and recommended that the level of MFG to be used in the Lancashire funding formula for 2021/22 be set at +2.0%. This is incorporated into the Forum budget papers	

General Duties for maintained schools Contribution to responsibilities that local authorities hold for maintained schools	No Proposals at this time	
Central spend on and the criteria for allocating funding from:		
<ul style="list-style-type: none"> funding for significant pre-16 pupil growth, including new schools set up to meet basic need, whether maintained or academy 	<p>Policy previously agreed by the Schools Forum. Proposal to increase the growth fund unit values in line with increased NFF Minimum Pupil Funding levels each year</p> <p>Final budget proposals are contained in the Schools Budget 2022/23 report</p>	2.000
<ul style="list-style-type: none"> funding for good or outstanding schools with falling rolls where growth in pupil numbers is expected within three years 	No Proposals at this time	
Central spend on:		
<ul style="list-style-type: none"> early years block provision 	Final budget proposals are contained in the Schools Budget 2022/23 report	0.500
<ul style="list-style-type: none"> funding to enable all schools to meet the infant class size requirement 	No Proposals at this time	
<ul style="list-style-type: none"> back-pay for equal pay claims 	No Proposals at this time	
<ul style="list-style-type: none"> remission of boarding fees at maintained schools and academies 	No Proposals at this time	
<ul style="list-style-type: none"> places in independent schools for non-SEN pupils 	No Proposals at this time	
<ul style="list-style-type: none"> admissions 	Final budget proposals are contained in the Schools Budget 2022/23 report	1.400

<ul style="list-style-type: none"> servicing of schools forum 	Final budget proposals are contained in the Schools Budget 2022/23 report	0.188
<ul style="list-style-type: none"> Contribution to responsibilities that local authorities hold for all schools 	No Proposals at this time	
<ul style="list-style-type: none"> contribution to responsibilities that local authorities hold for maintained schools 	No Proposals at this time	
Central spend on:		
<ul style="list-style-type: none"> capital expenditure funded from revenue: projects must have been planned and decided on prior to April 2013 so no new projects can be charged 	No Proposals at this time	
<ul style="list-style-type: none"> contribution to combined budgets: this is where the schools forum agreed prior to April 2013 a contribution from the schools budget to services which would otherwise be funded from other sources 	For 2022/23, £0.350m from the historic commitments element has been transferred to the High Needs Block to ensure continuation of valued services to schools, as recommended by Forum on 6 July 2021	
<ul style="list-style-type: none"> existing termination of employment costs (costs for specific individuals must have been approved prior to April 2013 so no new redundancy costs can be charged) 	No Proposals at this time	
<ul style="list-style-type: none"> prudential borrowing costs – the commitment must have been approved prior to April 2013 	No Proposals at this time	
<ul style="list-style-type: none"> SEN transport where the schools forum agreed prior to April 2013 a contribution from the schools budget (this is now treated as part of the high needs block but still requires schools forum approval as a historic commitment) 	No Proposals at this time	

Central spend on:		
<ul style="list-style-type: none"> high needs block provision 	2022/23 funding level presented as part of the Schools Budget setting proposals	36.423
<ul style="list-style-type: none"> central licences negotiated by the Secretary of State 	2022/23 funding level presented as part of the Schools Budget setting proposals	1.016
Funding of brought forward deficits	No Proposals at this time	

LANCASHIRE SCHOOLS FORUM
Date of meeting 13 January 2022

Item No 7

Title: Recommendations of the Schools Block Working Group

Appendix A refers

Executive Summary

On 7 December 2021, the Schools Block Working Group considered a number of reports, including:

- Apprenticeship Levy Update;
- Reforming how local authorities' school improvement functions are funded
Government consultation;
- School Teaching and Support Staff Supply Reimbursement Scheme;
- Healthy Relationships Training Programme Outcomes;
- School Feedback on Covid Catch Up Funding;
- Coronavirus (COVID-19) workforce fund to support schools with costs of staff absences;
- School Financial Management Information Software.

The Forum is asked to:

- a) **Note the report from the Schools Block Working Group held on 7 December 2021;**
- b) **Ratify the Working Group's recommendations.**

Background

On 7 December 2021, 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. Apprenticeship Levy Update

This item was deferred, as complications have very recently arisen about the ESFA teacher programme and the apprenticeship levy team need to look at the structure of the apprenticeship teacher programme before sharing anything with forum/publishing further information to schools.

An update will be provided in due course.

2. Schools Block Funding 2022/23

On 27 October 2021, the Chancellor delivered his Autumn Budget and 2021 Spending Review

The Core school budget will increase by £4.7bn by 2024-25, compared to DfE's original 2022-23 plans. This includes £1.6bn in additional funding for 2022-23 budgets, on top of the year-on-year increase of £2.4bn already confirmed. This is intended to help the sector respond to the costs pressures faced by the sector including, for example increases in national insurance, on high needs, in managing Covid and in supporting children and young people to recover from the pandemic.

DfE have indicated that they will confirm in due course how this funding will be allocated in 2022-23 for schools and high needs, and it is anticipated that this will be part of the annual DSG allocation announcement which are expected mid December 2021.

It is also understood that the additional £1.6bn will be paid as a grant outside DSG for 2022/23 because the NFF has already been announced and that all schools will benefit from the additional grant, even those on MFL will see an increase. The grant will then be rolled into core school funding for 2023/24.

Beyond 2022-23, the DfE indicate that the funding announcement will mean that they can deliver year on year, real terms per pupil increases to school funding, equivalent to a cash increase of £1,500 per pupil by 2024-25 compared to 2019-20. DfE indicate that this will enable schools funding to return to 2010 levels in real terms.

Informally, the increase in core school funding may be as follows

Year	Additional Funding		
	Already Announced	Announced in Spending Review	Total
	£bn	£bn	£bn
2022/23	2.4	1.6	4.0
2023/24		1.5	1.5
2024/25		1.6	1.6
Total	2.4	4.7	7.1

In addition to the core funding, announcements provide a further £1.8 bn dedicated to supporting young people to catch up on missed learning. The dedicated recovery investment includes a one-off £1 billion recovery premium to support disadvantaged pupils in all state-funded primary and secondary schools, while £800 million will be allocated across the period to ensure all 16-19 students will benefit from an additional 40 hours of education across the academic year - the equivalent of one additional hour a week in school or college.

At part of the December report to the Working Group, the LA would normally include some early assessment of the likely 2022/23 Schools Block position, using local provisional data from the October school census. However, the complete local data only became available on the morning of the 7 December, so brief initial modelling was shared with the group.

It was noted that pupil predictions included in the School Place Provision Strategy, based on birth rate data, forecast that primary school pupils were now on a downward trajectory and secondary school pupils were still rising, but with a levelling off of overall pupil numbers in Lancashire.

The recently available October 2021 census data actually showed a rise in both primary and secondary NOR. Subject to final data from the DfE when 2022/23 DSG allocations were announced, this showed that total primary NOR had increased by 107 compared to October 2020, with a 1,127 increase in the secondary sector for the same period.

One of the risks identified in early forecasts for the 2022/23 Schools Block allocation related to a possible reduction in growth fund allocation. These NOR figures provided a revised growth fund estimate of over £4.5m, which was comparable to the 2021/22 allocation.

Deprivation data used in the Schools Block allocation was still awaited and the estimated shortfall of circa £4m on FSM allocation remained, so considerable pressure was still predicted in setting the Schools Block budget from April 2022.

Members discussed the report and the updated NOR data, together with the wider School Place Provision Strategy. It was agreed that the School Place Provision Strategy document would be circulated to the Working Group

The Working Group.

- a) Noted the report and the updated NOR data;**
- b) Noted that final Schools Block budget calculations would need to await the 2022/23 DSG allocations from the DfE, expected around 16 December 2021;**
- c) Requested that the School Place Provision Strategy document be circulated to the working group.**

3. Reforming how local authorities' school improvement functions are funded Government consultation

On 29 October 2021, the DfE issued a consultation on 'Reforming how local authorities' school improvement functions are funded'. A copy of the full consultation document was provided for the working group. The consultation sought views on DfE proposals to

- Remove the School Improvement Monitoring & Brokering Grant (the 'Grant'), which is currently allocated to local authorities to support school improvement activities; and
- Make provisions within the School and Early Years Finance (England) Regulations for the financial year (FY) 2022-23 to allow local authorities to fund all of their school improvement activity (including all core school improvement activities) via de-delegation from schools' budget shares.

The School Improvement Monitoring and Brokering Grant is paid to the LA for 'core' school improvement activities undertaken by the LA and is not part of the DSG.

Whilst the main implications for this funding are for the LA, the proposals do impact on maintained schools and the schools forum going forward. As the closing date for this consultation was 26 November 2021, which was before the next meeting of the Forum/working groups, a draft Forum consultation response was circulated for approval using the Urgent Business Procedure.

By the closing date, responses had been received from 18 members, as follows:

- 17 responses supported the draft Forum reply without amendment
- 1 response supported the draft Forum reply but suggested amendments

The suggested amendments to the draft Forum reply related to typographical/grammatical edits and these were incorporated into the response. In addition, other members made general comments along with their response, the most common was concern about the possible timetable for introduction of the change.

A copy of the final forum response submitted to the DfE was provided for the working group and a copy is attached at **Appendix A**. The Forum response raised a number of concerns about :

- The negative impact the proposals may have on school improvement activity for maintained schools;
- The risk that schools will not choose to de-delegate;
- The loss of the grant funding to the school improvement system.
- The unrealistic timescale for implementation.

The consultation documentation indicated that that the DfE decision will be available in 'December 2021/January 2022'. As highlighted in the Forum response, such a timescale would leave very little time for any consultation with maintained schools about a possible 'school improvement' de-delegation from 2022/23, but this possibility exists.

The current arrangements provide the School Improvement Monitoring and Brokering Grant, based on the number of maintained schools in the LA, for 'core improvement activities' and allow funding to be de-delegated for 'additional improvement services', if agreed by the Forum. To date, Lancashire has funded school improvement activities from the Grant and from LCC's Local Government Finance Settlement (LGFS) allocation and has not chosen to propose an 'additional improvement services' de-delegation. In addition, a traded service is offered to schools from the School Improvement Service, which individual schools can choose to purchase each year.

The Lancashire grant allocation for 2021/22 equates to just under £2m and DfE proposals indicate that this would be reduced by 50% in 2022/23, potentially leaving a £1m shortfall in school improvement funding from April 2022.

The Grant is proposed to cease totally from 2023/24.

There is no indication in the consultation about what would happen to the Grant funding no longer being allocated to LAs. This could mean that cost of any school improvement de-delegation from 2022/23 would therefore be borne by maintained schools, from their school budgets, and this appears to be part of the DfE rationale, as funding is top-sliced by MATs from their academies to secure improvement support in the academy sector.

However, if the DfE took the suggestion in the response to transfer the grant funding into the DSG, this would provide assistance to maintained schools and academies, although it should be noted that formal DSG announcements for 2022/23 are expected on circa 16 December 2021, so this may be before any consultation decisions are taken.

Members considered the report and the consultation response and also noted that the County Council had submitted a consultation response.

The working group expressed support for the work undertaken by the School Improvement Service in Lancashire and were extremely concerned about the possible timescales set out in the consultation, which may mean decisions impacting on 2022/23 financial year Schools Budget are only announced by the DfE in 'December 2021/January 2022'; This is putting the school improvement functions offered by Lancashire in jeopardy and creating uncertainty for the service and even for colleagues employment going forward;

Members recognised that it was extremely difficult for the authority to make definitive plans for School Improvement functions from April 2022, without knowing the outcome of the government consultation, but asked if the Service could be considering relevant options. The Group also expressed a view hoping that whatever decision are taken by DfE that implementation is delayed giving all involved reasonable notice of the changes.

The Working Group:

- a) Noted the report;**
- b) Noted the Schools Forum consultation response agreed under the Urgent Business Procedure;**
- c) Expressed further concerns about the DfE proposals on Reforming how local authorities' school improvement functions are funded and expressed a view hoping that whatever decision are taken by DfE that implementation is delayed giving all involved reasonable notice of the changes.**

4. School Teaching and Support Staff Supply Reimbursement Scheme

Each year, reports are presented to the Forum about the arrangements for the School Teaching and Support Staff Supply Reimbursement Scheme. This report set out proposals for the 2022/23 Scheme changes for consideration.

2020/21 Outturn Position

It was noted that the 2020/21 outturn report indicated that the Scheme reserve at 31 March 2021 was at circa £1.9m, following an in-year surplus of circa £0.9m.

The Forum recommended that the scheme reserve be held at that level to mitigate against the risk of high costs being incurred in 2021/22, particularly relating to the pandemic. It was agreed that the supply scheme position would be reassessed at March 2022, when judgements could be made about the appropriate level of reserves going forward.

2021/22 Scheme Arrangements

The scheme arrangements agreed with the Forum for 2021/22 looked to increase premiums to take account of the amended scheme operation, which included provision to support some additional COVID related absences, for example self-isolation, and the possible increase in the number of sickness absences that may occur in year as a result of the pandemic and the possible increased duration of absences eg from long Covid.

Following finalisation of the supply scheme arrangements with the Forum in January 2021, individual offers were issued to schools and academies for consideration.

It was noted that 416 schools joined the scheme in 2021/22, which was one fewer than in 2020/21.

2022/23 Scheme Proposals

Scheme Operation

The operation of the scheme has been flexible in recent years to respond to changes in general government advice on the pandemic, and it is proposed that the scheme should continue to react to any update government guidance throughout 2022/23. However, it is proposed that the scheme rules operating in 2021/22 should form the starting point for 2022/23, including:

- Self-isolation. Staff who are self isolating due to COVID-19 symptoms or as a result of test and trace will continue to be covered by the scheme, where the school is incurring additional costs by covering the absence as if staff were off ill, and subject to the normal scheme rules, for example, the waiting periods chosen by the school and subject to the school remaining open and scheme reimbursement rates.
- In year changes to the level of cover provided will remain suspended in 2022/23 so that the scheme reserve can be protected in order to cope with the demands caused by the pandemic.
- Ongoing government guidance for workers who are Clinically Extremely Vulnerable (CEV) is that that they no longer needed to shield. Staff in Lancashire schools can return to work as long as the workplace is COVID secure and supply cover is not therefore supported by the scheme in 2022/23. However, the scheme will respond to any specific guidance or in year changes to government/LCC Schools HR advice in respect of Clinically Extremely Vulnerable (CEV) staff.
- No other changes are proposed to the Scheme SLA.

Scheme Premiums

During 2021/22, the demands on the supply scheme have fluctuated depending on the government guidance applicable for schools at the time.

This uncertainty made assessing the scheme's financial position more difficult, but information on the end of November 2021 position was shared with the working group at the meeting.

- The scheme has paid out circa £0.5m more at this point in 2021/22 than it had in 2020/21,
- This may broadly mean that the outturn position could be net nil for the scheme at March 2022.
- A number of uncertainties with the comparison remain, and current year supply costs appear to be highest since September 2021, so there is a risk the scheme will overspend this year.

Another factor to consider for 2022/23 relates to possible pay awards. A 3% increase is currently forecast for both teaching staff and support staff. It is usual practice to increase teaching and support staff premiums annually so that reimbursement rates can also increase in line with likely pay rises for the different categories of staff.

The Scheme reserve was held at an increased level at the end of the 2020/21 financial year to mitigate the risks associated with the pandemic, it is therefore judged that premiums from April 2022 should simply be increased by 3% for both the teaching staff and support staff elements, to match the forecast pay awards, a number of uncertainties with the comparison remain, and current year supply costs appear to be highest since September 2021, so there is a risk the scheme will overspend this year.

Reimbursement rates

It is proposed that the reimbursement rates be increased by 3% for 2022/23 to mirror forecast pay awards, in line with the proposed increase in scheme premiums.

Alternative options were also considered including:

- The level of increase on premiums for 2022/23 could be scaled back in recognition of the cost pressures facing schools, but this increases the risk that the scheme reserve would be exhausted, placing a greater burden on the DSG reserve;
- Premiums could be increased further in order to reduce the risk to the scheme reserve, which is underwritten by the DSG reserve.

Service Offer to Schools

Once scheme arrangements and charging/reimbursement rates are finalised by the Forum in January 2022, a formal individualised 2022/23 scheme offer will be issued to all schools and academies.

The Working Group:

- a) Noted the report;**
- b) Noted the uncertainties around the current scheme monitoring position for 2021/22;**
- c) Supported the proposed 3% increase on premiums and reimbursements.**

5. Healthy Relationships Training Programme Outcomes

In 2014/15, the Forum allocated a non- recurrent resource of £600K to commission a number of projects to enable staff in schools to develop the confidence, skills and resources needed to deliver effective Healthy Relationships Education and therefore support young people to form healthy relationships now and in the future.

Resources were not fully utilised at the end of the project, and, following an outcomes report in November 2017, the Forum supported the carry forward of unspent resources in subsequent years to maximise the course provision that could be made for schools for healthy relationships training.

In supporting the carry forward, the Forum requested a summary report around the overall use of this funding and the outcomes achieved at the end of the project.

The completion and presentation of the outcomes report has been delayed due to the COVID pandemic, but a finalised report is now available and was provided for the working group.

This final report captures the impact of the programme 2017–2019 and combines the data for the whole programme to show the total of what was achieved between 2014 and 2019, including data analysis on the number of schools benefiting from this training in total, by districts, phases and the roles in school of the delegates who attended.

The report included conclusions from Kate Piercy PSHE and Healthy Schools Teacher Adviser and it was noted that the two main aims of extending the programme were:

- To engage with schools that had not done so previously
- To support schools with the growing needs in relation to emotional and mental wellbeing.

Overall, 72% of the schools engaged with this training programme 2014 – 2019 and the evaluations of all the courses show the success in meeting people's training needs and in their grading of the quality of training provided by partners and the Teacher Advisers.

The Group welcomed the report and note that the changed rules around DSG central expenditure meant that it was not possible to fund any further training of this kind from the Central Schools Services Block (CSSB).

Members also discussed services offered to schools and staff and noted that in some other LAs a 24 hour helpline was available to school staff for wellbeing. Officers agreed to make enquiries around Lancashire's position.

The Working Group:

- a) Noted the report;**
- b) Expressed thanks to Kate Piercy and her colleagues for the report and the training provided since 2014;**
- c) Asked that enquiries be made about any school staff helpline considerations that had taken place in Lancashire.**

6. School Feedback on Covid Catch Up

The Government has made a number of additional funding streams available to schools to assist with the educational recovery from the COVID-19 pandemic. This has included:

- The Coronavirus catch-up premium;
- The National Tutoring Programme;
- The Recovery Premium funding for the 2021/22 academic year;
- The school-led tutoring grant.

The County Council's Education and Children's Services Scrutiny Committee receives regular reports about pupil attainment in Lancashire, but at a recent meeting questions were raised about the impact of the DfE catch up funding. It was agreed that this supplementary information should be presented to the Committee as part of the attainment report due to go to the committee in February 2022.

School Improvement colleagues will collate a report about attainment data and any intelligence on the impact of covid and catch up funding on pupil performance.

However, Forum members were specifically asked about funding related feedback on the catch up grants.

Some representatives expressed a view that the National Tutoring Programme, although it was noted that accessing the systems was not easy at first.

Many members also welcomed the Recovery Premium, as the similarities to the ongoing Pupil Premium Grant meant that schools were already organised for expenditure of this type and the reporting requirements.

The complexity of the school-led tutoring grant was emphasised with members indicating that the administration of the grant was onerous. Concern was also expressed that the grant conditions were burdensome and the DfE have indicated that they will claw back unspent grant or grant funding not used in accordance with the conditions. The group were also worried that many schools maybe unaware of the conditions and therefore at increased risk of the clawback, although it was noted that the LA had published information on the portal about the grant conditions and the full list of school allocations

Comment was also made that the DfE level of contribution dropped in future years making the costs associated with the administration even less appealing to schools.

The Working Group:

- a) Noted the report;**
- b) Asked that the views expressed about Covid Catch-Up Funding be considered fed into the wider Scrutiny report.**

7. Coronavirus (COVID-19) workforce fund to support schools with costs of staff absences

At the Forum meeting in October 2021 members had noted that the demands on school supply costs were significantly increasing in response to the government's latest covid guidance and increased staff absence.

Forum made representations to the DfE about this, but the response indicated that no further funding would be made available to support schools.

Subsequently DfE have announced that the government have reopened the Coronavirus (COVID-19) workforce fund to support schools with costs of staff absences. The new window of support will only cover 22 November to 31 December 2021 and strict eligibility criteria are included in the fund conditions.

Whilst the group welcomed any support for schools in challenging circumstances members note that the limited time window, and strict eligibility criteria meant that few schools would qualify for this grant and any allocations would be limited. Members also noted that it was difficult for schools to access supply staff at the current time.

The Working Group:

a) Noted the report.

8. School Financial Management Information Software

A small number of schools are considering changing their School Financial Management Information Software.

Such arrangements were previously discussed with the Forum in 2017, when it was confirmed that a decision about the appropriate Financial Management Information package to be used by a school is a matter for each school but highlight that the Scheme for Financing School specifies that whatever system a school chooses, they must be able to provide the County Council with their accounts in the required format or meet the costs of modification.

The costs associated with any development work to ensure new systems could provide data to the County Council in the required format were estimated at around £4,000 the first time a new supplier was engaged by a Lancashire school. This figure may reduce for schools subsequently using the same supplier. Costs are being reinvestigated by finance team, as ICT is now back in house with LCC, and those schools that are currently taking forward a request appear to be favouring a system already operated by other Lancashire schools.

Discussions took place with the Schools Forum about whether any central funding could be provided to assist schools with these costs, particularly where they are the first Lancashire school to engage with a supplier. The Forum determined that no central support could be provided in such cases. Forum members concluded that to support school costs arising from individual decisions they had taken would set a dangerous precedent and felt that schools needed to consider the full cost implications alongside any advantages or savings they believed would accrue from changing their system.

It was also noted that the county council was developing a proforma that could be used to inform the finance team of an intention to change provider and that a period of notice (perhaps six months) should be provided to enable time for the relevant compatibility developments to be made.

Members commented that the increased recent interest in alternative providers may have been caused by concerns over recent communications from SIMS, where the new owner is automatically extending the contract from one year to three years from February 2022.

Members also reported that the DfE had advised schools not to sign up to the new agreement yet and some colleagues indicated that they had given notice of an intention to withdraw from SIMS in order to keep options open going forward.

The Working Group:

- a) Noted the report;**
- b) Reiterated their original view around costs and notice periods where schools choose to change their School Financial Management Information Software;**
- c) Asked that officers seek advice from Lancashire County Council Education Digital Services about the SIMS contract position.**

Response ID ANON-JNAN-G7C2-T

Submitted to Reforming how local authority school improvement functions are funded

Submitted on 2021-11-26 10:24:37

Introduction

1 What is your name?

Name:

Paul Bonser

2 What is your email address?

Email:

schoolsforum@lancashire.gov.uk

3 Are you responding as an individual or as part of an organisation?

Organisation

4 What is your organisation? (if applicable)

Organisation:

Lancashire Schools Forum

5 What type of organisation is it?

Organisation type:

Other

6 What is your role? (if applicable)

Role:

Clerk to Schools Forum

7 What local authority area are you based in?

Local authority area:

Lancashire

8 Are you happy to be contacted directly about your response?

Yes

9 Would you like us to keep your responses confidential?

No

Reasons for confidentiality:

About this consultation

Reforming how local authorities' school improvement functions are funded

Background: Councils' school improvement functions and how they are currently funded

Proposal and rationale

Proposal 1: Removing the Grant

Proposal 2: Including provisions in the School and Early Years Finance (England) Regulations to enable councils to fund all core improvement activities via de-delegation

Clarifying guidance provided to councils with respect to school improvement

Timeline

Questions

10 We believe that instances of councils exercising formal intervention powers remain relatively low, and that since its introduction, this grant has primarily supported improvement functions such as early support and challenge to improve individual school performance, which overlaps with wider (non-core) improvement provision.

Response to question 10:

We do not agree.

Whilst we agree with the statement that LAs use of formal intervention powers remains relatively low, we note that the consultation document indicates that it is 'understandable: councils will want to act before performance deteriorates significantly and formal intervention becomes an inevitability, for example, by putting in place arrangements to spot signs of potential underperformance early and challenge it; and only moving on to formal intervention through warning notices and further intervention powers where this hasn't worked and performance has deteriorated'.

In Lancashire, since its introduction, this grant has primarily supported improvement functions such as early support and challenge to improve individual school performance, which overlaps with wider (non-core) improvement provision. This has helped to improve performance.

We are of the view that the schools brokering grant has been effectively used to target sustainable improvement across the sector. The LA has a well-developed 'schools requiring additional support strategy' that is much more rigorous than the 'early support' envisaged in this consultation. This strategy ensures that all settings have access to this support funded by the grant.

11 We are proposing to (i) remove the Grant (Proposal 1), and (ii) enable councils to de-delegate funds via their schools forum to ensure they are sufficiently funded to exercise all of their improvement activities, including all core improvement activities (Proposal 2).

Response to question 11:

We do not agree,

We have a number of significant concerns and believe that this proposal does place an additional burden on LAs.

We are also concerned that this proposal places an unnecessary risk on the school improvement process for maintained schools, as there can be no guarantee that schools/schools forum will vote for a de-delegation. We understand the motivation to ensure that there is equity between maintained schools and academies, however the decision to top-slice money from an academy for school improvement functions rests with the MAT. This proposal is not bringing equivalence to the system for maintained schools.

We acknowledge that the LA could appeal a decision not to de-delegate to the Secretary of State, but this would bring the LA into conflict with the Forum, and this would be undesirable, especially given the good relationship between the Forum and LA that currently exists in Lancashire.

If the schools forum does not agree to de delegation it would pose a difficulty to Local Authorities meeting their statutory duties.

Even if de-delegations are approved, this agreement is for only for a year at a time, which would create significant uncertainty about planning for future years and retaining staff without the security of a clear funding model.

If DfE does proceed with this proposal, we would urge the government to transfer the funding being saved by discontinuing the grant into the DSG. This would at least mean that the level of funding being targeted at school improvement is not reduced at this particularly difficult time in the educational recovery from the pandemic. A reduction in school improvement funding at the current time would seem totally counterproductive and a transfer of grant funding to DSG would benefit maintained schools and academies.

The argument in the consultation document that the 3.2% uplift in funding in 2022/23 allows the funding to be found from DSG does not take account of the significant cost pressures facing the sector. Our latest estimate of teachers pay increases is circa 3%, there are increased employer NI charges and the new £30k starting salary, plus general inflation estimated at 5% plus and significantly higher uplift forecast for energy costs. Even with the extra core school funding announced by the Chancellor, the school sector will likely be facing a real terms reduction in 2022/23 and, without transferring the grant funding to the DSG, this will be another burden.

A further concern about the proposals relates to timing. FY 2022/23 is too soon for a smooth transition to revised arrangements. In Lancashire, we have already consulted on de-delegations for 2022/23.

The consultation document indicates that decisions will be available in 'December 2021/January 2022'. This leaves too little time to formally consult and agree any new de-delegations from April 2022. The schools budget setting timetable is already unrealistic, with DSG notifications not expected until circa 16 December 2021 and APT submissions, containing formal Forum and council approvals, required by 21 January 2022.

If government do introduce revised arrangements, we would urge a more realistic timetable of introduction to be followed, with the transitional year being implemented in 2023/24 and full implementation from 2024/25.

12 Bearing in mind Proposals 1 and 2, are there any aspects of our guidance to councils on their role in school improvement which could usefully be clarified to aid understanding of what councils are accountable for with respect to improvement and how it should be funded?

Response to question 12:

If DfE amends the school improvement arrangements, then the updated position must be reflected in the statutory guidance and regulations.

13 The Public Sector Equality Duty (PSED) requires that public bodies consider the potential effects of key decisions on groups with protected characteristics. The relevant protected characteristics for the purposes of the PSED are: sex; race; disability; religion or belief; sexual orientation; pregnancy or maternity; gender reassignment; and age.

Response to question 13:

The removal of the grant may limit the LA's capacity to respond to a school or setting which is in need of additional support. This in turn will compromise children's educational outcomes at a time when we should be focusing all of our resources on supporting their catch up given the disruption of the last two years.

LANCASHIRE SCHOOLS FORUM
Date of meeting 13 January 2022

Item No 8

Title: Recommendations of the High Needs Block Working Group

Appendix A refers

Executive Summary

On 2 December 2021, the High Needs Block Working Group considered a number of reports, including:

- Appointment of HNB Chair and Possible Vice-Chair;
- Alternative Provision Strategy Group Update;
- High Needs Block Funding 2022/23;
- High Needs Block Commissioned Places 2022/23;
- School Teaching and Support Staff Supply Reimbursement Scheme;
- School Feedback on Covid Catch Up Funding;
- School Census data – special school termly redeterminations.

Recommendations

The Forum is asked to:

- a) **Note the report from the High Needs Block Working Group held on 2 December 2021;**
- b) **Ratify the Working Group's recommendations.**

Background

On 2 December 2021, 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. Appointment of HNB Chair and Possible Vice-Chair

Members elected Claire Thompson, Headteacher at Moorbrook school, as the new working group Chair.

The working group also supported the appointment of Vice-Chair for the group, in order to offer greater resilience to the group's arrangements and provide a wider perspective across the block at Chairs' group meetings.

Liz Lavery a governor at Shaftesbury High School PRU was elected as the new Vice-Chair of the working group.

The Working Group:

- a) Elected Claire Thompson as the new working group Chair;**
- b) Agreed to appoint a working group Vice-Chair**
- c) Elected Liz Lavery as the new working group Vice-Chair.**

2. Alternative Provision Strategy Group Update

Sally Richardson, Head of Inclusion Service attended the working group and provided an update on the Alternative Provision Strategy Group and wider SEND matters.

The presentation opened with an Alternative Provision definition, which is

- education for pupils who, because of exclusion, illness, or other reasons, would not otherwise receive suitable education
- education arranged by schools for pupils on a fixed-term exclusion
- education for pupils being directed by schools to off-site provision to improve their behaviour.

In Lancashire, there is a broad range of alternative provision on offer, provided by the local authority, independent schools, further education colleges, charities, and businesses. AP may be therapeutic in nature for example for children and young people with social, emotional, and mental health needs or it may offer vocational learning.

The Alternative Provision Strategy 2020 – 2024 was approved by the LCC cabinet in October 2020 and the Alternative Provision working group was then established. The group included PRU representatives, colleagues from other school sectors, and also partners from health and police and FE. An AP action plan was created to support implementation.

It was noted that consideration to alternative provision was also given in review of SEND sufficiency in June 2021.

Key principles of the Alternative Provision Strategy included:

- Increase the number of children and young people supported in mainstream provision
- Reduce the number of exclusions from schools

- Address the rising number of young people receiving home tuition
- Stop off-rolling, leaving young people without education
- Halt the increasing use of specialist provision
- Ensure specialist provision is in the right locations
- Increase the number of young people in education, employment and training

Strategic Priorities identified in the Strategy included:

- Identify children's needs much earlier
- Develop shared agreements about roles and responsibilities
- Work with partners
- Co-design and develop intervention support and local provision
- Co-design alternative Key Stage 4 and post-16 programmes
- Develop the role of alternative provision
- Agree outcomes
- Provide education for children and young people without a school place

A number of key issues were identified to support strategy implementation, including:

- Shared agreement about roles and responsibilities
- Review admissions guidance for alternative provision
- Tracking and monitoring
- Commissioning
- Quality assurance toolkit
- Build-on existing services

The SEND Sufficiency Review looked to introduce:

- More integrated approach – consideration of specialist provision alongside alternative provision
- Current position – take up of special school places and alternative provision based on age and need
- Use of school planning data – greater focus on secondary provision
- Forecasting tool

Outcomes of from the review included:

- East – more effective use of existing specialist provision at primary level, plus creation of SEN units and satellite units at primary and secondary level
- North - primary and secondary SEN units
- South – development of SEN units and satellite provision at primary and secondary level, particularly in Preston area
- Consideration of free school if no other options available

Officers commented that the implementation of the AP and wider strategies provided optimism going forward.

Members sought clarification on various questions and commented about linking EY issues.

The Working Group:

- a) **Noted the report;**
- b) **Thanked Sally for her presentation.**

3. High Needs Block Funding 2022/23

On 27 October 2021, the Chancellor delivered his Autumn Budget and 2021 Spending Review. The speech made a number of announcements that will impact on school funding going forward.

Core school budget will increase by £4.7bn by 2024-25, compared to DfE's original 2022-23 plans. This includes £1.6bn in additional funding for 2022-23 budgets, on top of the year-on-year increase of £2.4bn already confirmed. This is intended to help the sector respond to the costs pressures faced by the sector including, for example increases in national insurance, on high needs, in managing Covid and in supporting children and young people to recover from the pandemic.

The additional funding announced by the Chancellor is on top of the previous funding DfE have already announced for 2022-23, which included that high needs funding will increase by £780 million, or 9.6%, in 2022-23 compared to 2021-22. DfE have indicated that they will confirm in due course how this funding will be allocated in 2022/23 for schools and high needs, and it is anticipated that this will be part of the annual DSG allocation announcement which are expected mid December 2021.

It is also understood that the additional £1.6bn will be paid as a grant outside DSG in 2022/23 because the NFF has already been announced. The grant will then be rolled into core school funding for 2023/24.

Informally, the increase in core school funding may be as follows

Year	Additional Funding		
	Already Announced	Announced in Spending Review	Total
	£bn	£bn	£bn
2022/23	2.4	1.6	4.0
2023/24		1.5	1.5
2024/25		1.6	1.6
Total	2.4	4.7	7.1

In addition to the core funding, announcements provide a further £1.8 bn dedicated to supporting young people to catch up on missed learning.

Alongside increases in revenue funding, the Chancellor confirmed £2.6bn investment between 2022 and 2025 to deliver new places and improve existing provision for pupils with Special Educational Needs and Disabilities or who require alternative provision.

Members noted that cost and demand led pressures in HNB continue to rise, at circa £10m per year. Whilst initial forecasts for 2022/23 suggest that it should be possible to set a balanced budget, there was much greater uncertainty in the budget position for future years.

The Working Group:

- a) Noted the report.

4. High Needs Block Commissioned Places 2022/23

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

This report provided an update about the proposed HNB places to be commissioned for 2022/23, including those place numbers submitted on the DfE on the annual place change notification submission. All the changes to commissioned places relate to the 2022/23 academic year.

High Needs Place Change Notification Process 2022/23

Each year the LA must submit a return to the DfE setting out the proposed changes to place numbers at certain types of institution, which are funded directly by the ESFA.

The 2022/23 High Needs Place Change Notification return for Lancashire was submitted by the deadline of 12 November 2021. The place change return included sections for:

- Special Academy Schools;
- FE Colleges;
- Mainstream Academy Schools - Post 16;
- Alternative Provision Academies
- Hospital Education Places.

The proposed 2022/23 commissioned places have been determined in consultation by authority services with the relevant providers.

Local Place Changes

In addition to those commissioned places that must be included on the DfE submission, the LA must commission other places locally, including:

- Maintained Special Schools - Pre 16;
- Maintained Special Schools - Post 16;
- Alternative Provision;
- Maintained Mainstream Provision – SEN units and SERF Units;
- Special Post 16 Institutions.

Independent and Non-maintained special schools

Separate arrangements exist for commissioning places at independent and non-maintained special schools.

There are currently 433 pupils attending independent and non-maintained special schools in the 2021/22 academic year, compared to 413 at the same time a year earlier.

Fortnightly panels meet to consider these placements and places are commissioned for those pupils where places at independent and non-maintained special schools are agreed

The costs of these places will be dependent on the needs of the individual children. Members will be aware that there are significant pressures on the 'out-county' budget and that

strategies are being implemented to ensure that more pupils are being supported in Lancashire schools going forward.

Arrangements for paying top-up funding to schools and other institutions.

Lancashire pupil related top up funding (pre and post 16) is currently calculated using Weighted Pupil Numbers (WPNs), which are used to fund the assessed need of each High Needs Pupil.

Top-up funding is re-determined up or down termly in line with the SEN counts in January, May and October.

School specific top-up funding will also be allocated to special schools for the total number of all pre and post 16 Lancashire pupils on the SEN count, to reflect different school related costs.

Similarly, the funding mechanism for AP provides a top-up based on the needs of individual pupils and also a Pupil Referral Unit Specific top-up.

Funded terms

April – August	September - December	January - March
5/12	4/12	3/12

Members considered the proposed commissioned places details contained in the report and the updated information circulated ahead of the meeting. Key issues highlighted included:

- Special school places calculated using formula agreed with LASSHTA , but adjustments made to 5 schools (including special academy) by the Inclusion Service to reflect changes circumstances and requirements for 2022/23
- Calculation of PRU formula not used for 2022/23 due to the impact of COVID on the PRU numbers and commissioned places have been agreed by the Inclusion Service at the 2021/22 levels, including the AP academy
- Significant increase in the number of SEN units in mainstream schools for 2022/23 compared to 2021/22, reflecting the implementation of the county council's SEND strategy

It was noted the Forum Chair had made some specific comments places and responses had been sent outside the meeting.

The group raised some queries about the information provided in connection with the SERF unit places and the strategy for increasing SEN unit places at mainstream schools, and associated quality and training issue. Comment was also made about the fact that special schools were already at capacity and increased commissioned numbers were placing considerable pressure on some schools.

Officers confirmed that the commissioned place methodology would be kept under review ahead of the process for 2023/24.

A copy of the latest commissioned places for 2022/23 are attached at **Appendix A**.

The Working Group:

- a) **Noted the report;**
- b) **Supported the Commissioned Place numbers for 2022/23 but asked the LA to be mindful of the comments made.**

5. School Teaching and Support Staff Supply Reimbursement Scheme

Each year, reports are presented to the Forum about the arrangements for the School Teaching and Support Staff Supply Reimbursement Scheme. This report set out proposals for the 2022/23 Scheme changes for consideration.

2020/21 Outturn Position

It was noted that the 2020/21 outturn report indicated that the Scheme reserve at 31 March 2021 was at circa £1.9m, following an in-year surplus of circa £0.9m.

The Forum recommended that the scheme reserve be held at that level to mitigate against the risk of high costs being incurred in 2021/22, particularly relating to the pandemic. It was agreed that the supply scheme position would be reassessed at March 2022, when judgements could be made about the appropriate level of reserves going forward.

2021/22 Scheme Arrangements

The scheme arrangements agreed with the Forum for 2021/22 looked to increase premiums to take account of the amended scheme operation, which included provision to support some additional COVID related absences, for example self-isolation, and the possible increase in the number of sickness absences that may occur in year as a result of the pandemic and the possible increased duration of absences eg from long Covid.

Following finalisation of the supply scheme arrangements with the Forum in January 2021, individual offers were issued to schools and academies for consideration.

It was noted that 416 schools joined the scheme in 2021/22, which was one fewer than in 2020/21.

2022/23 Scheme Proposals

Scheme Operation

The operation of the scheme has been flexible in recent years to respond to changes in general government advice on the pandemic, and it is proposed that the scheme should continue to react to any update government guidance throughout 2022/23. However, it is proposed that the scheme rules operating in 2021/22 should form the starting point for 2022/23, including:

- Self-isolation. Staff who are self isolating due to COVID-19 symptoms or as a result of test and trace will continue to be covered by the scheme, where the school is incurring additional costs by covering the absence as if staff were off ill, and subject to the normal scheme rules, for example, the waiting periods chosen by the school and subject to the school remaining open and scheme reimbursement rates.

- In year changes to the level of cover provided will remain suspended in 2022/23 so that the scheme reserve can be protected in order to cope with the demands caused by the pandemic.
- Ongoing government guidance for workers who are Clinically Extremely Vulnerable (CEV) is that they no longer needed to shield. Staff in Lancashire schools can return to work as long as the workplace is COVID secure and supply cover is not therefore supported by the scheme in 2022/23. However, the scheme will respond to any specific guidance or in year changes to government/LCC Schools HR advice in respect of Clinically Extremely Vulnerable (CEV) staff.
- No other changes are proposed to the Scheme SLA.

Scheme Premiums

During 2021/22, the demands on the supply scheme have fluctuated depending on the government guidance applicable for schools at the time.

This uncertainty made assessing the scheme's financial position more difficult, but information on the end of November 2021 position was shared with the working group at the meeting.

- The scheme has paid out circa £0.5m more at this point in 2021/22 than it had in 2020/21,
- This may broadly mean that the outturn position could be net nil for the scheme at March 2022.
- A number of uncertainties with the comparison remain, and current year supply costs appear to be highest since September 2021, so there is a risk the scheme will overspend this year.

Another factor to consider for 2022/23 relates to possible pay awards. A 3% increase is currently forecast for both teaching staff and support staff. It is usual practice to increase teaching and support staff premiums annually so that reimbursement rates can also increase in line with likely pay rises for the different categories of staff.

The Scheme reserve was held at an increased level at the end of the 2020/21 financial year to mitigate the risks associated with the pandemic, it is therefore judged that premiums from April 2022 should simply be increased by 3% for both the teaching staff and support staff elements, to match the forecast pay awards, a number of uncertainties with the comparison remain, and current year supply costs appear to be highest since September 2021, so there is a risk the scheme will overspend this year.

Reimbursement rates

It is proposed that the reimbursement rates be increased by 3% for 2022/23 to mirror forecast pay awards, in line with the proposed increase in scheme premiums.

Alternative options were also considered including:

- The level of increase on premiums for 2022/23 could be scaled back in recognition of the cost pressures facing schools, but this increases the risk that the scheme reserve would be exhausted, placing a greater burden on the DSG reserve;

- Premiums could be increased further in order to reduce the risk to the scheme reserve, which is underwritten by the DSG reserve.

Service Offer to Schools

Once scheme arrangements and charging/reimbursement rates are finalised by the Forum in January 2022, a formal individualised 2022/23 scheme offer will be issued to all schools and academies.

The Working Group:

- a) **Noted the report;**
- b) **Noted the uncertainties around the current scheme monitoring position for 2021/22;**
- c) **Supported the proposed 3% increase on premiums and reimbursements.**

6. School Feedback on Covid Catch Up

The Government has made a number of additional funding streams available to schools to assist with the educational recovery from the COVID-19 pandemic. This has included:

- The Coronavirus catch-up premium;
- The National Tutoring Programme;
- The Recovery Premium funding for the 2021/22 academic year;
- The school-led tutoring grant.

The County Council's Education and Children's Services Scrutiny Committee receives regular reports about pupil attainment in Lancashire, but at a recent meeting questions were raised about the impact of the DfE catch up funding. It was agreed that this supplementary information should be presented to the Committee as part of the attainment report due to go to the committee in February 2022.

School Improvement colleagues will collate a report about attainment data and any intelligence on the impact of covid and catch up funding on pupil performance.

However, Forum members were specifically asked about funding related feedback on the catch up grants.

Members welcomed the additional funding from government to assist in the educational recovery but expressed a view that there was too much 'jumping through hoops' to access the funding.

The school led tutoring grant was felt to be very bureaucratic and members indicated that many schools had no capacity to undertake the administration associated with grants, or release staff to support to undertake the pre-requisite training. It was also noted that the DfE contribution was to reduce over time. Some schools may therefore not apply for the funding in future years as the burden of apply outweighed the benefits as the funding reduced.

Concern was also expressed about the lack of clarity around some of the outcomes data that would be required. Members felt that the required data should be much clearer in advance.

There was also a view that some of the recovery funding was replacing other funding streams that had been discontinued, for example Y7 literacy and numeracy catch up funding.

The Working Group:

- a) **Noted the report;**
- b) **Asked that the views expressed about Covid Catch-Up Funding be considered fed into the wider Scrutiny report.**

7. School Census data – special school termly redeterminations

School census data seems to be taking longer to be available to the school funding team than was previously the case and this can impact on special school termly redeterminations. On a couple of occasions during the pandemic, census data was delayed, and the Forum supported the issuing of a simple eform to special schools, asking for pre and post 16 pupil numbers on roll on census date, to facilitate redeterminations.

The team are making further enquiries to ascertain the likely availability of data from the January 2022 census, but are considering whether the reintroduction of the eform may be necessary to ensure that special school spring term 2022 redeterminations can be processed in a timely manner, especially given the proximity of financial year end.

If agreed, the eform for spring 2022 could coincide with census date, so that data for the form is readily available.

The Working Group:

- a) **Noted the report;**
- b) **Supported the reintroduction of the special school termly redeterminations eform in spring 2022, if necessary to facilitate timely redeterminations.**

Special Academy Schools - Pre 16

Sch No	School Name	2021/22 Academic Pre 16 Place Numbers	2022/23 Academic Pre 16 Place Numbers	Movement in Pre 16 Place Numbers	% Change
14130	Tor View Community Special School	159	170	11	7%
	Total Special Academy Schools Pre 16 Place Numbers	159	170	11	

Special Academy Schools - Post 16

Sch No	School Name	2021/22		2022/23	% Change
		Agreed Academic Post 16 (no change allowable)	Academic Post 16 Place Numbers	Movement in Post 16 Place Numbers	
14130	Tor View Community Special School	36	43	7	19%
	Total Special Academy Schools Post 16 Place Numbers	36	43	7	

FE Colleges - Post 16

Institution Name	2021/22 Current Place Numbers	2022/23 Revised Place Numbers	Movement in FE College Place Numbers	% Change
Accrington and Rossendale College	0	0	0	0%
Burnley College	132	132	0	0%
Cardinal Newman College	35	38	3	9%
Lancaster and Morecambe College	110	127	17	15%
Myerscough College	316	358	42	13%
Nelson and Colne College	89	103	14	16%
Preston College	100	95	-5	-5%
Runshaw College	76	80	4	5%
Total	858	933	75	

Mainstream Academy Schools - Post 16

Sch No	School Name	2021/22 Current Place Numbers	2022/23 Revised Place Numbers	Movement in Post 16 Place Numbers	% Change
01502	Lancaster Royal Grammer	3	3	0	0%
01503	Ripley St Thomas CE Academy	1	0	-1	-100%
11502	Clitheroe Royal Grammer School	2	3	1	50%
11505	Accrington St Christopher's CE High School	25	25	0	0%
	Total	31	31	0	

Alternative Provision Academies

Sch No	School Name	2021/22 Current Place Numbers	2022/23 Revised Place Numbers	Movement in Post 16 Place Numbers	% Change
12504	Coal Clough Academy	140	140	0	0%
	Total	140	140	0	

Maintained Special Schools - Pre 16

Sch No	School Name	2021/22 Academic Pre 16 Place Numbers	2022/23 Academic Pre 16 Place Numbers	Movement in Pre 16 Place Numbers	% Change
00131	Wennington Hall School	54	34	- 20	-37%
00133	Bleasdale School	24	25	1	4%
00134	Royal Cross Primary School	21	27	6	29%
00139	Hillside Specialist School and College	83	87	4	5%
01130	Morecambe And Heysham Morecambe Road School	158	156	- 2	-1%
01131	The Loyne Specialist School	77	75	- 2	-3%
02130	Great Arley School	100	106	6	6%
02131	Brookfield School. Poulton-Le-Fylde	70	68	- 2	-3%
02132	Thornton Cleveleys Red Marsh School	73	97	24	33%
04133	Kirkham Pear Tree School	80	84	4	5%
06131	Moorbrook School	46	53	7	15%
06134	Acorns Primary School	74	73	- 1	-1%
06135	Sir Tom Finney Community High School	121	140	19	16%
07130	Moor Hey School - A Specialist Mathematics And Computing College	110	112	2	2%
07131	The Coppice School	56	54	- 2	-4%
08135	Hope High School	73	82	9	12%
08136	Kingsbury Primary School	79	83	4	5%
08137	West Lancashire Community High School	71	76	5	7%
08138	Elm Tree Community Primary School	106	126	20	19%
09130	Chorley Astley Park School	173	171	- 2	-1%
09131	Mayfield Specialist School	99	104	5	5%
11130	Oswaldtwistle White Ash School	109	112	3	3%
11131	Broadfield Specialist School For Sen (Cognition And Learning)	110	153	43	39%
12134	The Rose School	72	69	- 3	-4%
12135	Holly Grove School	113	112	- 1	-1%
12136	Ridgewood Community High School	118	131	13	11%
13133	Pendle View Primary School	128	127	- 1	-1%
13134	Pendle Community High School And College	100	115	15	15%
14132	Rawtenstall Cribden House Community Special School	88	90	2	2%
	Total Maintained Special Schools Pre 16 Place Numbers	2,488	2,742	156	

Maintained Special Schools - Post 16

Sch No	School Name	2021/2022 Agreed Post 16 Place (no change allowable)	2022/23 Post 16 Place	Movement in Post 16 Place Numbers	% Change
00131	Wennington Hall School	-	-	-	0%
00133	Bleasdale School	10	8	- 2	-20%
00134	Royal Cross Primary School	-	-	-	0%
00139	Hillside Specialist School and College	12	9	- 3	-25%
01130	Morecambe And Heysham Morecambe Road School	-	-	-	0%
01131	The Loyne Specialist School	40	35	- 5	-13%
02130	Great Arley School	-	-	-	0%
02131	Brookfield School. Poulton-Le-Fylde	-	-	-	0%
02132	Thornton Cleveleys Red Marsh School	21	18	- 3	-14%
04133	Kirkham Pear Tree School	20	19	- 1	-5%
06131	Moorbrook School	-	-	-	0%
06134	Acorns Primary School	-	-	-	0%
06135	Sir Tom Finney Community High School	52	63	11	21%
07130	Moor Hey School - A Specialist Mathematics And Computing College	-	-	-	0%
07131	The Coppice School	8	10	2	25%
08135	Hope High School	-	-	-	0%
08136	Kingsbury Primary School	-	-	-	0%
08137	West Lancashire Community High School	35	37	2	6%
08138	Elm Tree Community Primary School	-	-	-	0%
09130	Chorley Astley Park School	-	-	-	0%
09131	Mayfield Specialist School	23	19	- 4	-17%
11130	Oswaldtwistle White Ash School	-	-	-	0%
11131	Broadfield Specialist School For Sen (Cognition And Learning)	37	38	1	3%
12134	The Rose School	-	-	-	0%
12135	Holly Grove School	-	-	-	0%
12136	Ridgewood Community High School	34	38	4	12%
13133	Pendle View Primary School	-	-	-	0%
13134	Pendle Community High School And College	37	34	- 3	-8%
14132	Rawtenstall Cribden House Community Special School	-	-	-	0%
	Total Maintained Special Schools Post 16 Place Numbers	329	328	- 1	

Alternative Provision

AP No	AP Name	2021/22 Academic Place Numbers	2022/23 Academic Place Numbers	Movement in AP Place Numbers	% Change
	Primary				
01141	Stepping Stones	32	32	0	0%
07141	Golden Hill Leyland Centre	50	50	0	0%
13143	Hendon Brook School	0	0	0	0%
08138	Elm Tree Community Primary	0	0	0	0%
	Primary	10	10	0	0%
	Other	10	10	0	0%
	Secondary				
01149	Chadwick Centre	70	70	0	0%
02143	Mckee College House	130	130	0	0%
08147	The Acorns School	65	65	0	0%
09145	Shaftesbury High School	120	120	0	0%
06141	Larches House School	110	110	0	0%
11142	Oswaldtwitlse School	95	95	0	0%
	Secondary	10	10	0	0%
	Other : College	100	100	0	0%
	Total AP Place Numbers	802	802	0	

Maintained Mainstream Provision - SERF & SEN Units

School No	School Name	2021/22 Academic SERF Places	2022/23 Academic SERF Places	Movement in SERF Place Numbers	% Change
<u>SERF</u>					
01011	Lancaster Ridge Community Primary School	0	0	0	0%
01015	Moorside Primary School	0	0	0	0%
06012	Holme Slack Community Primary School	1	0	-1	-100%
06033	Ashton Primary School	0	0	0	0%
08033	Holland Moor Primary School	0	0	0	0%
11025	Oswaldtwistle Moor End Community Primary School	3	3	0	0%
12022	Burnley Ightenhill Primary School	0	0	0	0%
12043	Burnley Springfield Community Primary School	0	0	0	0%
06104	Ashton Community Science College	12	7	-5	-42%
12111	Hameldon Community College	0	0	0	0%
<u>SEN Unit's</u>					
01051	Morecambe Bay Community Primary School		8	8	
07025	Seven Stars Primary School		8	8	
08054	Delph Side Community Primary School		8	8	
09003	Highfield Community Primary School		8	8	
12008	Padiham St Leonard's Voluntary Aided CofE Primary School	8	8	0	0%
12012	Barden Primary School		8	8	
13010	Walverden Primary School		8	8	
13016	Barrowford School	8	8	0	0%
06104	Ashton Community Science College		8	8	
Total SERF & SEN Unit Places		32	82	50	

Special Post 16 Institutions

Year	North Day	North Residential	Central Day	Central Residential	East Day	East Residential	Total
1	8	2	9	2	2	1	24
2	6	3	10	4	1	1	25
3	3	1	8	4	4	3	23
4	4	0	5	0	0	0	9
5	1	0	0	0	0	0	1
6	1	0	0	0	0	0	1
TOTAL	23	6	32	10	7	5	83

LANCASHIRE SCHOOLS FORUM
Date of meeting 13 January 2022

Item No 9

Title: Recommendations of the Early Years Block Working Group

Executive Summary

On 30 November 2021, the Early Years Block Working Group considered a number of reports, including:

- Early Years Block Funding 2022/23;
- Chancellor's Children's and Family Services;
- SEN Inclusion Fund;
- Household Support Grant – Christmas Food Vouchers for Early Years Children;
- Early Years Benchmarking;
- Operation Encompass.

Recommendations

The Forum is asked to:

- a) Note the report from the Early Years Block Working Group held on 30 November 2021**
- b) Ratify the Working Group's recommendations.**

Background

On 30 November 2021, 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. Early Years Block Funding 2022/23

On 27 October 2021, the Chancellor delivered his Autumn Budget and 2021 Spending Review. The speech made a number of announcements that will impact on school and early years funding going forward.

On 25 November 2021, the Government made further announcements about 'Early years entitlements funding rates for 2022 to 2023'.

This announcement provided more detailed information on early years block funding and gave some Lancashire specific details for 2022/23.

Announcements confirmed that the increases in funding for the government's early years entitlements over the coming years, compared to 2021 to 2022, were as follows:

- £160 million in 2022 to 2023,
- £180 million in 2023 to 2024;
- £170 million in 2024 to 2025.

DfE said that these increases are for LAs to increase the hourly rates paid to childcare providers and reflect cost pressures, as well as anticipated changes in the number of eligible children.

Specific information was provided about how the additional £160m will be allocated nationally in 2022/23 and the report set out how these additional allocations may impact in Lancashire. In considering the national allocations, the Working Group were also mindful of the initial modelling of the Schools Block for 2022/23 estimated that there would not be any headroom available from April 2022, which would have EYB implications as £2m had been transferred to early years in each of the last 2 years to help mitigate the costs pressures facing the sector.

At the last working group, it was resolved to use circa £1m of DSG reserves to help the transition away from the use of Schools Block headroom and to mitigate the impact on providers. This resolution was supported by the full Schools Forum at their meeting on 19 October 2021.

The following proposals were therefore put forward for the EYB in 2022/23

2-year-old entitlement

Lancashire's allocation from April 2022 will be £5.57 per hour, which is a 21p per hour increase from the £5.36 per hour rate we received in 2021/22.

This is the lowest rate nationally, received by just over a third of LAs. The highest rate is £6.87 per hour, which is applicable to a dozen London LAs.

The rate paid out to providers in Lancashire for 2021/22 was £5.16. The 20p reduction from the Lancashire allocation rate funds the supplementary claims process.

Initial modelling of the allocation suggests that the full 21p DfE increase can be passed on to providers, which would give a 2022/23 Lancashire funding rate for 2 year olds of £5.37 per hour. This rate will need to be the subject of confirmation through the budget setting process.

3 and 4-year-old entitlements

Lancashire's allocation from April 2022 will be £4.61 per hour, which is a 17p per hour increase from the £4.44 per hour rate we received in 2021/22. Members will recall that the DfE indicate the Lancashire rate for 2021/22 is protected and the DfE's formulaic calculation would only have provided £4.40 per hour without protection.

This is again the lowest rate nationally, received by just under a third of LAs under this entitlement. The highest rate is £8.51 per hour, which is applicable to one London LA.

The 3&4 year old base rate paid out to providers in Lancashire for 2021/22 was £4.35 per hour, which included an 8p per hour contribution from the Lancashire Schools Block. The reduction from the Lancashire allocation rate funds the supplementary claims process and the deprivation supplement that is paid out to eligible providers.

It is intended to pass on the additional 17p per hour to providers in Lancashire, but, as mentioned in the early budget report, the £2m contribution from the Schools Block is not available in 2022/23 and the working group recommended the use of £1m of Schools Forum reserves to help reduce turbulence in the system. The £1m contribution would equate to circa 4p per hour.

The 2022/23 funding rate may therefore be calculated as follows:

2021/22 base rate, which included £0.08 contribution from Lancashire Schools Block	£4.35 per hour
2022/23 adjusted base rate without £0.08 contribution	£4.27 per hour
2022/23 base rate with DfE £0.17 uplift	£4.44 per hour
2022/23 base rate with £0.04 one off contribution from Schools Forum reserves	£4.48 per hour

This initial modelling of the allocation suggests that the Lancashire base rate for 3 and 4-year-old entitlements would be £4.48 per hour in 2022/23, an increase of 13p per hour from 2021/22. This rate will need to be the subject of confirmation through the budget setting process.

Supplementary funding hourly rate for maintained nursery schools

Lancashire will utilise in full the 3.5% increase in the supplementary funding hourly rate for maintained nursery in 2022 to 2023.

Early Years Pupil Premium

Lancashire will increase our early years pupil premium rate by 7p to 60p per hour, equivalent to up to £342 per eligible child per year, for 2022/23

Disability Access Fund

Lancashire will increase the disability access fund by £185 to £800 per eligible child per year for 2022/23.

Other EYB Issues

One key expenditure element for the sector related to increases in the Minimum Wage from 1 April 2022 that were announced, which are set out below:

- National Living Wage for those aged 23 and over: From £8.91 to £9.50 an hour
- National Minimum Wage for those aged 21-22: From £8.36 to £9.18
- National Minimum Wage for 18 to 20-year-olds: From £6.56 to £6.83
- National Minimum Wage for under-18s: From £4.62 to £4.81
- The Apprentice Rate: From £4.30 to £4.81

The Early Years Block outturn position for 2020/21 indicated a circa £1.5m underspend, but it was noted that this did not include the implications from any further adjustments relating to the January 2021 census data. The final adjustment for 2020/21 was actioned by DfE in November 2021, which reduced our 2020/21 DSG allocation by circa £1.2m.

Even though this adjustment recalculates the 2020/21 Early Years Block underspend to circa £0.3m, it is still viewed as vital that £1m of DSG reserves are utilised in 2022/23 to support the 3 and 4 year old hourly rate, as this transitions away from the use of Schools Block headroom.

There was discussion at the previous working group about issuing a consultation with the sector in Lancashire seeking views on future principles of funding options, perhaps around the balance of allocations for example base rates versus deprivation supplements etc. This consultation may now take place in the summer term, as any changes arising from the consultation can only be implemented from 2023/24.

One final issue to highlighted related to the DfE's mechanism for calculating Early Years Block allocations, which was adjusted for 2021/22 to be based on a termly count. Recent information from DfE indicates that for 2022/23, the allocations will revert to the original methodology, based on the January census data across 2 years.

Members discussed the proposed funding increases and also the considerable cost pressures facing the sector. The increased pressure on settings from children attending with higher levels of deprivation and need were also highlighted. There was also discussion of the latest sufficiency and take-up data and information was provided on the launch of campaigns to raise awareness of the entitlements and build participation.

The Group supported the proposed EYB funding allocations for 2022/23 and whilst it was acknowledged that these would need to be subject to confirmation via the Schools Budget setting process, it was recommended that the proposals be shared with the sector so that providers had early notification of the likely rates, for their planning purposes.

The Working Group

- a) Noted the report;
- b) Supported the proposed EYB funding allocations for 2022/23;
- c) Recommended that the proposals be shared with the sector so that providers had early notification of the likely rates, for their planning purposes

Subsequent to the meeting, officers have had further contact with the DfE, which has included clarification of the current national early years budget forecasts for future years. DfE indicated that the current forecast for 2023/24 and 2024/25 do not include any proposals to uplift the DSG funding rates for LAs from those agreed for 2022/23. The increased funding of £180m in 2023/24 and £160m in 2024/25 included in 2022/23 announcements were expressed as uplifts from 2021/22, so simply maintain the 2022/23 funding rates, with a smaller figure required in 2024/25 due to falling numbers. Officers fed back to DfE that these announcements could be misleading.

There is still considerable time before early years DSG funding rates for 2023/24 and 2024/25 are confirmed, so final allocations can still change and may be influenced by ongoing cost pressures in the sector and beyond, but expectations of increases in early years DSG elements in 2023/24 and 2024/25, as received in 2022/23 and based on the 2022/23 announcements, must be treated with considerable caution.

2. Chancellor's Children's and Family Services Announcements

On 27 October 2021, the Chancellor delivered his Autumn Budget and 2021 Spending Review. The main implications for the working group relating to the Government's increases to the early years block allocations are reported elsewhere on the agenda. However, there were a number of other announcements made by the Chancellor that were about Children's and Family Services that related to the sector, including:

- The Budget invests £500 million over the next three years to transform 'Start for Life' and family help services in half of the council areas across England. This will fund a network of Family Hubs, Start for Life services, perinatal mental health support, breastfeeding services and parenting programmes. It will also expand the Supporting Families programme with an additional £200m of funding, providing up to 300,000 families with high quality, multidisciplinary support.
- An additional £200m will be invested into the cross-government Supporting Families programme, representing around a 40% real-terms uplift in funding by 2024-25, to help families facing a number of interconnected issues access the support they need.
- The Budget maintains the Public Health Grant in real terms, enabling local authorities across the country to continue delivering frontline services like child health visits.
- The government reaffirmed its commitment of £150 million over the SR21 period for training of early years staff to support children's lost learning.
- SR21 provides £104 million by 2024-25 for reforms to unregulated children's social care, and £7 million by 2024-25 to improve access to services and support for adopted children and their families.
- £259 million will be provided over the SR period so more children and young people can receive the care they need.

Members highlighted that Lancashire was unlikely to receive any additional funding from the training of early years staff to support children's lost learning allocation, as we had already been involved in the programme.

The Working Group

- a) Noted the report;**

3. SEN Inclusion Fund

A number of working group members are involved in the Early Years SEN Task and Finish Group that has been meeting to review the SEN Inclusion Fund arrangements.

The last meeting of the SEN Task and Finish took place on 11 October 2021 when it was confirmed that the revised SEN Inclusion Fund arrangements developed by the group had commenced in September 2021, which included:

- Increased the value of allocations;
- Extended the eligibility criteria;
- Reduced bureaucracy in the application process.

Initial feedback at the Task and Finish Group suggested that there had been positive comments made from the sector that the process was easier.

A further meeting of the Task and Finish Group is scheduled for 10 January 2022 and this report provided an opportunity, especially for those members who are not part of the Group, to feedback any comments on the new arrangements, now that they have been in place for a significant part of the term.

Feedback from members indicated that the new process was viewed positively, as simpler and less bureaucratic.

The Working Group:

- a) Noted the report;**
- b) Provided feedback on the revised SEN Inclusion Fund arrangements for consideration at the SEN Task and Finish Group.**

4. Household Support Grant – Christmas Food Vouchers for Early Years Children

Information was provided to the group on Christmas Food Vouchers for Early Years Children. It has been agreed that food vouchers for vulnerable families with 2, 3 & 4 year olds will be provided to cover the two week Christmas holiday period, in the same way that they are being provided for eligible school age children. The food vouchers will be issued directly to the children's home addresses by the postal service from 13 December onwards.

The following children will qualify for a £30 food voucher (£15 per week):

1. All 2 year old children that are taking up a place in the autumn term 2021 in PVI and maintained settings.
2. All 2 year old children who are currently eligible for a 2 year old place in autumn 2021, but have not yet accessed a place
3. All 2 year old children who have been found eligible to take up a place from 1 January 2022

4. All 3 & 4 year old children that are taking up a place in the autumn term 2021 in PVI and maintained settings that are eligible for Early Years Pupil Premium (EYPP).

Settings were notified in the early years bulletin.

The Working Group:

- a) Noted the report.**

5. Early Years Benchmarking

The DfE have just published the latest EY benchmarking data, relating to forecast expenditure for 2021/22.

The Lancashire data compared to our statistical neighbours was shared with the Group and members considered the benchmarking information. The data could be used to help inform possible areas for inclusion in the consultation with the sector that was planned ahead of the 2023/24 financial year.

It was agreed that the benchmarking spreadsheet would be circulated to members to enable further consideration of the data to take place outside the meeting.

Members agreed to feedback any issues for further investigation.

The Working Group:

- a) Noted the report;**
- b) Noted that the benchmarking spreadsheet would be circulated to members to enable further consideration.**

6. Operation Encompass

Operation Encompass is a system that provides schools with timely information about all police-attended incidents of domestic abuse.

The system is not fully operational in the EY sector and it was reported that work was being undertaken to resolve the specific issues that had been identified and enable the system to be rolled out across the sector.

The Working Group:

- a) Noted the report.**

LANCASHIRE SCHOOLS FORUM
Date of meeting: 13 January 2022

Item No 13

Title: Forum Correspondence

Executive Summary

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

Recommendations

The Forum is asked to:

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

Background

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

a) Correspondence to a Lancashire Special School

Correspondence from the Chair of Governors at a Lancashire special school, addressed to Edwina Grant OBE, Executive Director of Education & Children's Services, was received on 3 December 2021, and asked that the letter be forwarded to the Chair of the Schools Forum for consideration. The letter related to the implementation of a 'damage policy' in connection to 'children looked after' that attend the school.

Following discussions with the Chair and officers, it has been judged that decision about the application of the policy is a matter for the county council, as corporate parent and the correspondence has been forwarded on to relevant officers to consider a response.

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

Lancashire Schools Forum Meeting Schedule 2022/23

Autumn Term

Meeting	Day	Date	Time	Venue
Schools Forum Induction	Thursday	15-Sep-22	10:00 – 13.00	Savoy Suite
Schools Block Working Group	Tuesday	20-Sep-22	10:00 – 13.00	Savoy Suite
High Needs Block Working Group	Tuesday	27-Sep-22	10:00 – 13.00	Savoy Suite
Early Years Block Working Group	Tuesday	04-Oct-22	13.00 – 16.00	Savoy Suite
Lancashire Schools Forum	Tuesday	18-Oct-22	10:00 – 13.00	Savoy Suite
High Needs Block Working Group	Tuesday	29-Nov-22	13.00 – 16.00	Savoy Suite
Early Years Block Working Group	Thursday	01-Dec-22	10:00 – 13.00	Savoy Suite
Schools Block Working Group	Tuesday	06-Dec-22	10:00 – 13.00	Savoy Suite

Spring Term

Meeting	Day	Date	Time	Venue
Chairman's Working Group	Tuesday	10-Jan-23	10:00 – 13.00	Savoy Suite
Lancashire Schools Forum	Thursday	12-Jan-23	10:00 – 13.00	Savoy Suite
High Needs Block Working Group	Thursday	02-Mar-23	10:00 – 13.00	Savoy Suite
Early Years Block Working Group	Tuesday	07-Mar-23	13.00 – 16.00	Savoy Suite
Schools Block Working Group	Thursday	09-Mar-23	10:00 – 13.00	Savoy Suite
Lancashire Schools Forum	Thursday	16-Mar-23	10:00 – 13.00	Savoy Suite

Summer Term

Meeting	Day	Date	Time	Venue
High Needs Block Working Group	Tuesday	13-Jun-23	10:00 – 13.00	Savoy Suite
Early Years Block Working Group	Thursday	08-Jun-23	13.00 – 16.00	Savoy Suite
Schools Block Working Group	Tuesday	20-Jun-23	10:00 – 13.00	Savoy Suite
Lancashire Schools Forum	Tuesday	04-Jul-23	10:00 – 13.00	Savoy Suite

All meetings are scheduled to take place at The Exchange, County Hall but may be conducted virtually