

## LANCASHIRE SCHOOLS FORUM

The meeting is to be held at 10.00 am on Thursday 12 January 2023 in the Savoy Suite, The Exchange, County Hall

### A G E N D A

**1. Apologies for the Absence**

To note any apologies for the absence

**2. Substitute Members**

To welcome any substitute Members.

**3. Forum Membership (Attached)**

To note the Forum membership report.

**4. Minutes of the Last Meeting (Attached)**

To agree on the minutes of the last meeting held on 9 November 2022.

**5. Matters Arising**

To consider any matters arising from the minutes of the 9 November 2022 meeting that are not covered elsewhere on the agenda.

**6. Inclusion and Engagement Support Team (Attached)**

Sally Richardson will attend to provide a verbal update on the report.

**7. Commissioned places 2023/24 (Attached)**

A report on reviewed commissioned places.

**8. Emotional and Wellbeing Commission (Attached)**

To consider report and continuation to support specialist Emotional, Health and Wellbeing Services.

**9. Pooled Resources Operational Plan – Update – "Reactive formulae contribution"**

Paul Dunne, Building Surveying Manager will attend to present a presentation on Pooled Resources Operational Plan.

**10. Consideration of the Schools Budget 2023/24**

**a) Schools Budget 2023/24 (Attached)**

To consider the report about the Schools Budget for 2023/24, including information on each of the 4 funding blocks:

- Schools Block;
- High Needs Block;
- Early Years Block;

- Central School Services Block.

**b) Recommendations from the Forum Chairman's Group Budget Meeting**

To be presented at the Forum meeting on 10 January 2023

To consider the recommendations from the Forum Chairman's Group on 10 January about relation to the Schools Budget for 2023/24.

**c) Formal Forum Decisions relating to the Schools Budget 2023/24**

To be presented after Chairmans Group meeting on 10 January.

To consider and vote on the formal Forum decisions relating to the Schools Budget 2023/24.

**11. Recommendations from the Schools Block Working Group (Attached)**

To consider the recommendations from the Schools Block Working Group meeting held on 6 December 2022.

**12. Recommendations from the High Needs Block Working Group (Attached)**

To consider the recommendations from the High Needs Block Working Group meeting held on 29 November 2022.

**13. Recommendations from the Early Years Block Working Group (Attached)**

To consider the recommendations from the Early Years Block Working Group meeting held on 1 December 2022.

**14. Unscheduled Urgent Chairmans meeting**

To be aware of the recent decision regarding Foundation Living Wage rate and National Joint Council rate (NJC). Meeting minutes attached as Item 14, Appendix A.

**15. Forum Correspondence**

There was no Forum related correspondence received since the last meeting.

**16. Any Other Business**

**17. Date of Future Meetings (Attached)**

Note that the next scheduled Forum meeting will be held at 10.00 am Thursday 16 March 2023.

A schedule of Forum meetings for the future meeting is attached.

## **LANCASHIRE SCHOOLS FORUM**

**Date of meeting 12 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 Rachel Bond to the Forum.**
- c) Thank Jackie Lord for her contribution to the Forum.**
- d) Welcome Alison Daly as an observer from Lytham St Annes High School.**
- e) Welcome Toni Rafferty to her first Forum meeting.**
- f) Thank Millie Dixon for her contribution to the Forum.**

## Background

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

## Secondary School Governor Representative

Jackie Lord has recently resigned from the Forum.

The LA sought candidates to fill the vacancy and only one nomination was received. Jackie was representing Secondary School Governor and Rachel Bond, Governor from Up Holland High School has been appointed as new representative.

*Members will wish to thank Jackie for her contribution to the Forum and welcome Rachel to her first Forum meeting.*

## Observer

Welcome Alison Daly as an observer from Lytham St Annes High School to her first School Forum meeting.

## Schools Forum

Millie Dixon recently progress into a new role within School Finance Team. Toni Rafferty has been appointed as her replacement and will take over the role of Business Support Officer of the School Forum.

*The Forum will wish to thank Millie for her contribution to the Forum and to welcome Toni to the Forum.*

## 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 2022 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 January</i>	<i>% of NOR January 2022</i>	<i>Membership</i>	<i>Membership September 2022 (rounded to nearest even number)</i>	<i>Variance</i>
Maintained Primary schools	22	92,755	54%	21.55	21	-
Maintained Secondary schools	10	38,219	22%	8.88	9	-
Academies	8	41,156	24%	9.56	9	-

<b>Total</b>	<b>40</b>	<b>172,130</b>	<b>100%</b>		<b>39</b>	<b>-1</b>
--------------	-----------	----------------	-------------	--	-----------	-----------

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 2023 and will keep the membership balance under review ahead of the annual membership refresh for September 2023.

Lancashire Schools Forum

Minutes of the meeting held at 1:00 pm on Wednesday 9 November 2022 via  
Microsoft Teams

Present:

Schools Members:

**Primary School Governors**

Stephen Booth  
Gerard Collins  
Lindy King  
Robert Waring  
Sam Ud-din  
Tim Young  
Michelle O'Neill

**Academy Governor**

**Primary School Headteachers**

Daniel Ballard – Forum Chair  
Sarah Barton  
Neil Gurman  
Helen Shaw  
Deanne Marsh  
Anna Smith

**Academy Principal/Headteacher**

Steve Campbell  
James Keulemans

**Alternative Provision Academy**

**Secondary School Governors**

Janice Astley  
John Davey  
Brian Rollo

**Special School Academy**

**Special School Governor**

Mandy Howarth

**Secondary School Headteachers**

Oliver Handley  
Mike Wright

**Special School Headteacher**

Claire Thompson

**Nursery School Headteacher**

Jan Holmes

**Short Stay Governor**

Liz Laverty

**Nursery School Governor**

**Short Stay Headteacher** Abigale  
Bowe

## **Early Years - PVI**

## **Members:**

## **Other Voting Members**

Mark Bradshaw(Diocesan/Church Authorities)

## **Observers**

Margaret Scrivens (LASGB) Sarah Troughton  
Cllr Jayne Rear

In

attendance: Aby Hardy  
Sylwia Krajewska

### **1. APOLOGIES FOR THE ABSENCE**

Apologies were received from Bill Mann, David Fann, Helen Dicker, Jenny Birkin, John Tarbox, Keith Wright, Louise Parrish, Philippa Perks, Sarah Robson and Louise Shaw.

### **2. SUBSTITUTE MEMBERS**

Mark Bradshaw (Interim Head of Schools for the Blackburn Diocese) attended as a substitute member.

### **3. Minutes of the Last Meeting**

The minutes of the last meeting held on 18th October 2022 were agreed as a correct record.

### **4. Matters Arising**

Ukraine funding – it was reported that the Refugee team is working on communication to be published via Education Bulletin to the schools by the end of the week. It will be covered in future meetings of School Block Working Groups and School Forums.

### **5. School Improvement Function Postponed De-delegation**

Local authorities have been provided with the school improvement monitoring grant in recent years to assist in implementing core school improvement activities in their areas.

In 2023-24, this grant will come to an end. Local authorities are permitted to de-delegate this service and it was taken to the last meeting held on 18 October 2022.

On 18 October 2022, the School Forum agreed to postpone the vote on School Improvement Function 2023/24 de-delegation until further information is provided.

Subsequently to the meeting, a supplementary paper was circulated to the members on 26 October 2022, published on the schools portal and a copy was provided with the Forum papers.

The closing date for consultation responses was 8 November 2022.

Analysis and comments from the consultation responses were presented to the Forum meeting on 9 November 2022 and members considered the responses in relation to primary and secondary school members of the Forum and then voted on the dedelegation.

Aby Hardy was present as the newly appointed Head of Education Improvement and apologised on behalf of the service that there was no sufficient information provided. It was stated that the service will look to improve its services and analyse all sectors to offer a better-quality service.

It was discussed if the de-delegation of Schools in Financial Difficulty does not offer similar services as schools already buy into it. It was explained that MIT looks at improving education overall, looking at leadership, staffing and not just at Finances.

Members reported that there is no information available on how School improvement Functions can support nurseries and high needs. Meetings will be arranged to discuss this further and how to improve the service and that the service was offered in the past to those sectors.

It was noted that schools find themselves on inadequate funding from DfE, which cannot be controlled. Recent announcements about pay increases and no additional funding will add extra pressure to the school's budget, where School Improvement Service may be in more demand than in previous years.

Members stated that the decision is for all children of Lancashire and voted using Poll on Microsoft Teams.

#### **The Forum:**

- a) Noted the supplementary paper provided and the de-delegation consultation analysis and comments;**
- b) School forum members voted on School Improvement Function delegations for 2023/24, as set out below:**



i.	<b>(7) Primary school members voted to de-delegate the School Improvement Function for primary schools in 2023/24.</b> <b>(5) Primary school members voted against School Improvement Function for 2023/24.</b>
	<b>(1) Primary school member abstained from answering.</b>
ii.	<b>(1) Secondary school members voted to de-delegate the School Improvement Function for primary schools in 2023/24.</b> <b>(3) Secondary school members voted against School Improvement Function for 2023/24.</b>
iii.	<b>(3) Other school members voted to de-delegate the School Improvement Function for primary schools in 2023/24.</b> <b>(2) Other school members voted against School Improvement Function for 2023/24.</b> <b>(1) Other school members abstained from answering.</b>

There was an issue for two members with Microsoft Teams completing, the poll, it was agreed these will be emailed directly to the school forum.

The tied results on the de-delegation provide the Chair with a second or casting vote, it was to be confirmed, as the Chair of Forum was not making this decision at the moment. The Lancashire [Operational Arrangements](#) supported this.

An additional document was reviewed [School operational guide:2023 to 24](#) to guide for an alternative option. The guide informs us that school forum members for primary maintained schools and secondary maintained schools must decide separately for each phase whether the service should be provided centrally; the decision will apply to all maintained mainstream schools in that phase. Kirsty Lister has suggested that the alternative option for the de-delegation be for Primary only and not for both, as the majority of Primary supported this de-delegation.

Following this meeting, the Chair of the Forum was consulted, and he decided to keep phases separate and allow Primary only for the School Improvement Function to be dedelegated for 2023/24.

**6. Any Other Business** There were no known items.

## **7. 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. It was previously agreed by the School Forum members for future meetings to be faceto-face for engagement, open discussion and the purpose of the forum.

**LANCASHIRE SCHOOLS FORUM**  
**Date of meeting 12 January 2023**

**Item No 6**

**Title: High Needs Block 'Inclusion Engagement Support Team'**

**Executive Summary**

In the last working group of the High Needs Block, it was reported on 29 November 2022 that a temporary team had been created due to government COVID funds. Inclusion and Engagement Support Team funding will run out in June 2023. During the meeting it was proposed that the High Needs Block continue funding this team. This report will outline the work achieved by this team and how the results will benefit the sector in the long-term.

**Recommendations**

**The Forum is asked to:**

- a) Note the High Needs Block Working Group held on 29 November 2022 requested further information to consider funding the team;**
- b) Ratify the Working Group's request.**

## Background

The Inclusion Engagement Support Team was established in September 2021 and funded from the Contain Outbreak Management Fund, which was additional funding made available to local authorities during the Covid pandemic in 2021. This funding runs out in July 2023 and so this team will cease to exist unless it is possible to secure additional funding in the future.

The team comprises three full-time teachers, three and a half full time learning mentors and part-time business support. One of the learning mentor posts has been vacant since June 2022. It has not been possible to recruit to this temporary post for one year. The Council has experienced difficulties in relation to recruitment of staff to permanent posts generally and this becomes more challenging where posts are temporary, particularly where these are for a year or less. Other members of the team are seeking alternative employment due to the uncertainty about the future of this team.

The team was established to provide support for children and young people with education, health and care plans where their mainstream school placement was at risk of breakdown and/or where the child was at risk of permanent exclusion.

The basic model of support is outlined in the diagram below.



More information about the support provided by this team is available via the following link: [Inclusion and Engagement Support Team - Lancashire County Council](#), including the Good Methods of Engagement resources referenced below.

The SEND review: right support, right place, right time green paper published for consultation in March 2022 emphasised the need for better inclusion supported by high quality education and an outreach first approach. At the time of writing the outcomes of this consultation have not been reported, however the strategy being developed in relation to pupils at risk of permanent exclusion in Lancashire is on the development of support within pupils' existing settings. It is anticipated this out-reach support will be targeted at pupils with no or lower-level special educational needs. The Inclusion Engagement Support Team have in many

ways led the way for this approach in Lancashire as all support provided by this team is within the mainstream setting. This contrasts with the approach that is sometimes adopted for pupils without education, health and care plans where support is often provided off site in settings that include for example pupil referral units.

In addition, the Inclusion Engagement Support Team have additional knowledge and expertise in special educational needs, which is not available to the same extent from outreach support practitioners working from the pupil referral units. This specialist knowledge is essential when working with children whose needs are so significant that they require provision to be secured through an education, health and care plan.

This support is particularly important at the current time where suspension and exclusion rates are increasing across Lancashire for children with and without special educational needs. Permanent exclusion rates for pupils with an Education, Health and Care Plan in Lancashire was 0.04% in 2020/21, which was below the average for all English authorities where the rate was 0.07%. The permanent exclusion rate for pupils with Education, Health and Care Plans increased to 0.19% in 2021/22, which equated to 11 pupils. Since September 2022 there have been 12 permanent exclusions of pupils with Education, Health and Care Plans. There is no comparative national data after 2020/21. Of these exclusions, 1 was an IEST referral and none had had ongoing direct work. Others had not been referred into the team for support. From this data, we have identified a discrepancy between the number of pupils with an Education, Health and Care Plan who have been excluded and the number referred to the IEST for support prior to exclusion. On further investigation we identified that many pupils had received several suspensions prior to the exclusion. As a result, the IEST have linked with pupil access to request suspension data is shared so that we can ensure schools are aware of the IEST support offer. Currently, this is in its infancy and would be an area for future development if the IEST were to continue past July 2023 to ensure early identification and action can be taken to support such cases.

## Referrals

Since the team was established to December 2022 the team have received 123 referrals from schools for support. Direct support has been provided for 109 children and young people. There were various reasons for support not being provided for the other 14 children which included for example the family moving out of area, a change of placement or where schools were seeking additional evidence to support a change of placement rather than support for the child.

It can be seen from the table below there have been twice as many referrals for primary aged pupils in comparison with those at secondary level and that most pupils referred to the team have social, emotional and mental health needs, closely followed by those with either social, language and communication needs or autism. 20% of referrals in 2021/22 were for pupils in years 6 or 7, although this information is not provided in the table.

<b>Educational phase</b>	<b>Number of pupils</b>	<b>Primary category of need</b>	<b>Number of pupils</b>
Primary	82	SEMH	66
Secondary	41	ASD/SLCN	45
		Other	12

## Outcomes

It can be seen from the next table that 72% of pupils that received support from the Inclusion Engagement Support team have been able to maintain their existing placement within a mainstream school.

Outcomes	Number of pupils
Maintained placement	78
Transfer to a special school	18
Other <sup>i</sup>	8
Permanent exclusions <sup>ii</sup>	5

The Inclusion Engagement Support Team have also received written testimonials from schools that have received support from this team, that can be made available on request.

It is also true that between September and the end of November 2022, County Moderating Panel was asked to consider 114 requests for a change of school placement. County Moderating Panel is a multi-agency decision making group that considers applications for independent, non-maintained placements. Just over 65 of the total number of requests made since September have been agreed. The cost of these placements so far is £2.3m per year plus £0.4m for transport. All maintained special schools for children with social, emotional and mental health needs and generic learning difficulties are over-subscribed and therefore often the only option available is a non-maintained special school place where this is not available within the state funded sector. County Moderating Panel has also made referrals to the Inclusion Engagement Support Team where it is considered that a school has not exhausted all the resources that would enable them to maintain the child's placement. This support will not be available if the Inclusion Engagement Support Team does not exist.

The Inclusion Engagement Support Team have also developed a range of resources, referred to as the Good Methods of Engagement (GEMS) that are freely available to all schools. It can be seen from the number of downloads reported below that these have been well received by schools.

Good methods of engagement (GEMS) downloads	Number of page views
gems-autism.pdf	503
gems-adhd.pdf	378
gems-sensory.pdf	340
gems-anger.pdf	323
gems-workstation.pdf	312
gems-anxiety.pdf	300
gems-wellbeing-and-mindfulness.pdf	299
gems-visuals.pdf	291
gems-pre-teach.pdf	260
gems-friendship.pdf	258
gems-attachment.pdf	252
gems-bereavement-and-loss.pdf	243

In addition, and further to requests from schools, a training programme for different practitioners has been developed by the Inclusion and Engagement Support Team. This training programme will run over the spring and summer terms in 2023. This is a targeted programme based on schools' requests and will include for example dedicated courses for teaching assistants and a separate one for teachers. The team are also developing a proposal to provide ongoing supervision via drop-in clinics for practitioners who work directly with this cohort of children. This approach has been found to be particularly successful in the delivery of the Emotional Literacy Support Assistants training for schools that has been delivered by educational psychologists in Lancashire for several years.

## **Finance**

The current cost of this team is £253,905, however it is anticipated these costs would increase to £280,040 in 2022/23 with a 5% pay award and £294,042 in 2023/24 with the same pay award.

---

<sup>i</sup> Includes for example those moving out of area, elective home education or transfer to alternative provision

<sup>ii</sup> No permanent exclusions up until the start of 2022/23 academic year

**LANCASHIRE SCHOOLS FORUM**  
**Date of meeting 12 January 2023**

**Item No 7**

**Appendix A and B refers**

**Title: High Needs Block Working Group Commissioned places 2023/24**

**Executive Summary**

A further review of the commissioned places was requested by the high-needs block at the last working group. This report includes commissioned places and the effect on the High Needs Block. The School Forum is asked to consider ratifying this increase.

**Recommendations**

**The Forum is asked to:**

- a) Note the High Needs Block Working Group held on 29 November 2022 requested further amendments to PRU commissioned places;**
- b) Consider a formal request to increase the number of commissioned places;**
- c) Ratify the Working Group's request.**



## Background

A number of issues were discussed by the High Needs Block Working Group on 29 November 2022. It was requested that the commissioned places be further amended to assist PRU schools in planning for higher pupil numbers and recruiting specialist teachers to meet their needs.

In Appendix A, you can view all commissioned places for 2023/24 where Alternative Provisions were reviewed with additional 39 places. You can view these changes in Appendix B.

These additional places added were reviewed on averages from commissioned places in May 2022, January 2022 and October 2022 and the data pre-Covid was also taken into consideration. Whichever places numbers were higher was chosen to be in the proposed changes but was still capped at 15 places above the lower number. Moreover, PRUs headteachers were consulted where there were any changes in commissioning changes and supported the changes being proposed.

This methodology worked for a majority but not for all. Shaftesbury High School and Larches House School are not set on averages or COVID data but the PRUs headteachers were consulted and supported these lower commissioned places. Golden Hill was consulted on keeping it as 50. Additionally, Oswaldtwistle School, is at full capacity, therefore 95 commissioned places have remained.

Members will be aware that it costs £10,000 per commissioned place from the High Needs Block. The additional 39 places will equal to £390,000 + plus any top-up from HNB over a full academic year.

A formal request was received by the Inclusion Team from the Chair of Governors of Chadwick High School to review their commission numbers from 70 to 90. The new revised rate is 85, the formal request was written in a letter but is not appropriate to share this level of details. The school forum is asked to consider this formal request on behalf of the Inclusion Team.

The key issues highlighted from the letter to consider is that;

- The recent census data, the projected school roll for September 2022 (already full) and the rate at which Pupil Access colleagues continue to request places prove it.
- Chadwick is the lowest funded PRU in Lancashire.
- Chadwick has a very low PRU places to student population in the district.
- Chadwick is the only PRU to have more students on roll than are commissioned based on HNB data
- The number has been much higher than 70 in recent years. As a school we need to be able to accommodate the maximum number of students, not staff to the minimum. At times, the number of students is over 90. The ability to offer intervention to schools is now gone which is why so many PEX have been made in the last few months.

Year	Commission	May census
2015/16	72	
2016/17	75	
2017/18	76	83
2018/19	90	90
2019/20	85	69
2020/21	75	91
2021/22	70	93
2022/23	70	

**Increase alternative provision places from 4 to 25.**

- The existing AP allocation of just 4 places for the district is ridiculously low, an historical level which has not been relevant or realistic for years
- The Chadwick has been highly successful in the range of AP options to prevent PEX
- With just 4 places available and pressure to admit PEX, AP can no longer be provided to any secondary schools in the district
- Chadwick is the only AP provider in the area.
- 25 places would allow the school to return to previous strengths

Furthermore, Sally Richardson looks at improving the methodology and approach to commissioning places. To review the methodology for commissioning PRU places in order to transition from the existing model to one that emphasizes outreach, a task and finish group is being proposed. It is likely that there will still be pupils, particularly older ones, where attempting to return them to mainstream schools may be more disruptive. However, ultimately, this will be the ultimate objective wherever possible. The next High Needs Block Working Group will be convened on 2 March 2023, at which time volunteers will be asked to participate in the groups' formation.

The school forum is asked to ratify commissioned places for 2023/24.

High Needs Block Commissioned Places 2023/24

Special Academy Schools - Pre 16

Sch No	School Name	2022/23 Academic Pre 16 Place Numbers	2023/24 Academic Pre 16 Place Numbers	Movement in Pre 16 Place Numbers	% Change
14580	Tor View Community Special School	170	183	13	8%
	<b>Total Special Academy Schools Pre 16 Place Numbers</b>	<b>170</b>	<b>183</b>	<b>13</b>	

Special Academy Schools - Post 16

Sch No	School Name	2022/23 Academic Post 16 Place Numbers	2023/24 Academic Post 16 Place Numbers	Movement in Pre 16 Place Numbers	% Change
14580	Tor View Community Special School	43	47	4	9%
	<b>Total Special Academy Schools Post 16 Place Numbers</b>	<b>43</b>	<b>47</b>	<b>4</b>	

Special Academy Schools - Pre 16

Sch No	School Name	2022/23 Academic Pre 16 Place Numbers	2023/24 Academic Pre 16 Place Numbers	Movement in Pre 16 Place Numbers	% Change
14580	Tor View Community Special School	170	183	13	8%
	<b>Total Special Academy Schools Pre 16 Place Numbers</b>	<b>170</b>	<b>183</b>	<b>13</b>	

Special Academy Schools - Post 16

<b>Sch No</b>	<b>School Name</b>	<b>2022/23 Academic Post 16 Place Numbers</b>	<b>2023/24 Academic Post 16 Place Numbers</b>	<b>Movement in Pre 16 Place Numbers</b>	<b>% Change</b>
14580	Tor View Community Special School	43	47	4	9%
	<b>Total Special Academy Schools Post 16 Place Numbers</b>	<b>43</b>	<b>47</b>	<b>4</b>	

## FE Colleges - Post 16

Institution Name	2022/23 Current Place Numbers	2023/24 Revised Place Numbers	Movement in FE College Place Numbers	% Change
Accrington and Rossendale College	0	0	0	0%
Burnley College	132	100	-32	-24%
Cardinal Newman College	38	46	8	21%
Lancaster and Morecambe College	127	137	10	8%
Myerscough College	358	370	12	3%
Nelson and Colne College	103	110	7	7%
Preston College	95	124	29	31%
Runshaw College	80	86	6	8%
<b>Total</b>	<b>933</b>	<b>973</b>	<b>40</b>	

### Mainstream Academy Schools - Post 16

<b>Sch No</b>	<b>School Name</b>	<b>2022/23 Current Place Numbers</b>	<b>2023/24 Revised Place Numbers</b>	<b>Movement in Post 16 Place Numbers</b>	<b>% Change</b>
01502	Lancaster Royal Grammer	3	3	0	0%
01503	Ripley St Thomas CE Academy	0	0	0	0%
11502	Clitheroe Royal Grammer School	3	3	0	0%
11505	Accrington St Christopher's CE High School	25	25	0	0%
	<b>Total</b>	<b>31</b>	<b>31</b>	<b>0</b>	

## Alternative Provision Academies

<b>Sch No</b>	<b>School Name</b>	<b>2022/23 Current Place Numbers</b>	<b>2023/24 Revised Place Numbers</b>	<b>Movement in Post 16 Place Numbers</b>	<b>% Change</b>
12504	Coal Clough Academy	140	140	0	0%
	<b>Total</b>	<b>140</b>	<b>140</b>	<b>0</b>	

## Maintained Special Schools - Pre 16

Sch No	School Name	2022/23 Academic Pre 16 Place Numbers	2023/24 Academic Pre 16 Place Numbers	Movement in Pre 16 Place Numbers	% Change	
00133	Bleasdale School	25	25	-	0%	
00134	Royal Cross Primary School	27	26	-	1	-4%
00139	Hillside Specialist School and College	87	92		5	6%
01130	Morecambe And Heysham Morecambe Road School	156	171		15	10%
01131	The Loyne Specialist School	75	78		3	4%
02130	Great Arley School	106	117		11	10%
02131	Brookfield School. Poulton-Le-Fylde	68	74		6	9%
02132	Thornton Cleveleys Red Marsh School	97	79	-	18	-19%
04133	Kirkham Pear Tree School	84	85		1	1%
06131	Moorbrook School	53	52	-	1	-2%
06134	Acorns Primary School	73	86		13	18%
06135	Sir Tom Finney Community High School	140	126	-	14	-10%
07130	Moor Hey School - A Specialist Mathematics And Computing College	112	133		21	19%
07131	The Coppice School	54	51	-	3	-6%
08135	Hope High School	82	90		8	10%
08136	Kingsbury Primary School	83	89		6	7%
08137	West Lancashire Community High School	76	83		7	9%
08138	Elm Tree Community Primary School	126	143		17	13%
09130	Chorley Astley Park School	171	169	-	2	-1%
09131	Mayfield Specialist School	104	102	-	2	-2%
11130	Oswaldtwistle White Ash School	112	111	-	1	-1%
11131	Broadfield Specialist School For Sen (Cognition And Learning)	153	134	-	19	-12%
12134	The Rose School	69	67	-	2	-3%
12135	Holly Grove School	112	120		8	7%
12136	Ridgewood Community High School	131	125	-	6	-5%
13133	Pendle View Primary School	127	124	-	3	-2%
13134	Pendle Community High School And College	115	116		1	1%
14132	Rawtenstall Cribden House Community Special School	90	90		-	0%
	<b>Total Maintained Special Schools Pre 16 Place Numbers</b>	<b>2,708</b>	<b>2,758</b>		<b>50</b>	



## Maintained Special Schools - Post 16

Sch No	School Name	2022/2023 Agreed Post 16 Place (no change allowable)	2023/24 Post 16 Place	Movement in Post 16 Place Numbers	% Change
00133	Bleasdale School	8	9	1	13%
00134	Royal Cross Primary School	-	-	-	0%
00139	Hillside Specialist School and College	9	8	- 1	-11%
01130	Morecambe And Heysham Morecambe Road School	-	-	-	0%
01131	The Loyne Specialist School	35	35	-	0%
02130	Great Arley School	-	-	-	0%
02131	Brookfield School. Poulton-Le-Fylde	-	-	-	0%
02132	Thornton Cleveleys Red Marsh School	18	19	1	6%
04133	Kirkham Pear Tree School	19	17	- 2	-11%
06131	Moorbrook School	-	-	-	0%
06134	Acorns Primary School	-	-	-	0%
06135	Sir Tom Finney Community High School	63	63	-	0%
07130	Moor Hey School - A Specialist Mathematics And Computing College	-	8	8	0%
07131	The Coppice School	10	13	3	30%
08135	Hope High School	-	-	-	0%
08136	Kingsbury Primary School	-	-	-	0%
08137	West Lancashire Community High School	37	39	2	5%
08138	Elm Tree Community Primary School	-	-	-	0%
09130	Chorley Astley Park School	-	-	-	0%
09131	Mayfield Specialist School	19	24	5	26%
11130	Oswaldtwistle White Ash School	-	-	-	0%
11131	Broadfield Specialist School For Sen (Cognition And Learning)	38	37	- 1	-3%
12134	The Rose School	-	-	-	0%
12135	Holly Grove School	-	-	-	0%
12136	Ridgewood Community High School	38	36	- 2	-5%
13133	Pendle View Primary School	-	-	-	0%
13134	Pendle Community High School And College	34	40	6	18%
14132	Rawtenstall Cribden House Community Special School	-	-	-	0%
	<b>Total Maintained Special Schools Post 16 Place Numbers</b>	<b>328</b>	<b>348</b>	<b>20</b>	

**Special Post 16  
Institutions**

<b>Year</b>	<b>North Day</b>	<b>North Residential</b>	<b>Central Day</b>	<b>Central Residential</b>	<b>East Day</b>	<b>East Residential</b>	<b>Total</b>
<b>1</b>	<b>12</b>	<b>2</b>	<b>19</b>	<b>1</b>	<b>17</b>	<b>2</b>	<b>53</b>
<b>2</b>	<b>6</b>	<b>3</b>	<b>11</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>26</b>
<b>3</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>4</b>	<b>13</b>
<b>4</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>
<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL</b>	<b>22</b>	<b>5</b>	<b>34</b>	<b>6</b>	<b>20</b>	<b>7</b>	<b>94</b>

Alternative Provision as 29 November 2022.

AP No	AP Name	2022/23 Academic Place Numbers	2023/24 Academic Place Numbers	Movement in AP Place Numbers	% Change
	<b>Primary</b>				
01141	Stepping Stones	32	32	0	0%
07141	Golden Hill Leyland Centre	50	50	0	0%
	<b>Secondary</b>				
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%
	<b>Total AP Place Numbers</b>	<b>672</b>	<b>672</b>	<b>0</b>	

Alternative Provision **Reviewed**

AP No	AP Name	2022/23 Academic Place Numbers	2023/24 Academic Place Numbers	Movement in AP Place Numbers	% Change
	<b>Primary</b>				
01141	Stepping Stones	32	32	0	0%
07141	Golden Hill Leyland Centre	50	50	0	0%
	<b>Secondary</b>				
01149	Chadwick Centre	70	85	15	21%
02143	Mckee College House	130	124	-6	-5%
08147	The Acorns School	65	75	10	15%
09145	Shaftesbury High School	120	125	5	4%
06141	Larches House School	110	125	15	14%
11142	Oswaldtwitlse School	95	95	0	0%
	<b>Total AP Place Numbers</b>	<b>672</b>	<b>711</b>	<b>39</b>	

### Maintained Mainstream Provision - SERF & SEN Units

School No	School Name	2022/23 Academic SERF & SEN Unit Places	2023/24 Academic SERF & SEN Unit Places	Movement in SERF Place Numbers	% Change
<b><u>SERF</u></b>					
11025	Oswaldtwistle Moor End Community Primary School	3	6	3	100%
06104	Ashton Community Science College	7	11	4	57%
<b><u>SEN Unit's</u></b>					
01051	Morecambe Bay Community Primary School	8	8	0	0%
02008	Fleetwood Chaucer Primary School	8	8	0	0%
07025	Seven Stars Primary School	8	8	0	0%
08054	Delph Side Community Primary School	8	8	0	0%
08080	St Francis of Assisi School	8	8	0	0%
09003	Highfield Community Primary School	16	16	0	0%
12008	Padiham St Leonard's Voluntary Aided CofE Primary School	8	8	0	0%
12012	Barden Primary School	8	8	0	0%
13016	Barrowford School	16	16	0	0%
06104	Ashton Community Science College	8	8	0	0%
<b>Total SERF &amp; SEN Unit Places</b>		<b>106</b>	<b>113</b>	<b>7</b>	

School No	2022/23 Places	Average from May 22, June 22 and Oct 22	Proposed per Pre Covid	Revised for 23/24	Variance
<b>Primary</b>					
Stepping Stones School (1100)	32	28.17	32	32	0
Golden Hill Leyland Centre (1103)	50	38.92	44	50	0
<b>Secondary</b>					
Chadwick High School (1121)	70	85.58	85	85	15
Mckee College House (1117)	130	109.33	130	124	-6
Shaftesbury High School (1116)	120	133.27	120	125	5
Larches House School (1109)	110	99.41	135	125	15
Oswaldtwistle School (1113)	95	101.75	90	95	0
The Acorns School (1118)	65	74.25	75	75	10
Coal Clough Academy (12504)	140	129.08	140	140	0
	<b>812</b>	<b>799.76</b>	<b>851</b>	<b>851</b>	<b>39</b>

## **LANCASHIRE SCHOOLS FORUM**

**Date of meeting 12 January 2023**

### **Item No 8**

**Title of Item: Emotional Health and Wellbeing commissioned service**

#### **Executive Summary**

This report seeks to provide Schools Forum members with an update on the progress of the Emotional Health and Wellbeing commissioned service.

#### **Recommendations**

**The Forum is asked to:**

- a) Note the report.**

The demand for specialist Emotional, Health and Wellbeing Services has been on the rise nationally and locally for a number of years with the past year seeing a particular spike in demand following the impact of Covid-19 on children and young people's mental health.

Nationally, one in six young people are now estimated to have a mental health problem, an increase from one in nine young people prior to the pandemic.

Prevention and early identification is key in ensuring that children and young people have access to help and support as issues start to emerge and it is critical to capitalise on all opportunities to improve the continuity and outcomes for children and their families across health, education and social care.

The Schools Forum has supported the Early Support Emotional Health and Wellbeing Service for several years providing a funding contribution of £200k. Together with an annual contribution of £1.1m redirected from Tier 2/3 mental health services the service provides an appropriate pathway for children and young people at level 2, 3 and 4 on the Lancashire Continuum of Need who are experiencing escalating emotional health and wellbeing needs.

The service is delivered across the County by the Child Action North West Partnership within both an individual and family context and includes a range of approaches including specialist counselling provision.

The contract is delivered partly on a payment by results basis to ensure that the authority receives optimum value for money with 40% of the annual contract value being paid up front with the remaining 60% paid based upon the achievement of agreed outcomes.

The contract is monitored on a quarterly basis by the Children and Family Wellbeing Service. Systems and processes are in place providing robust reporting, at a family, service, district and county level. Quarterly performance reports are produced and shared through established governance arrangements. Also supplied are case studies to provide examples of the type of work that has been undertaken and the impact that has had on improving outcomes for children, young people and families.

## **Performance 2021/22**

Demand for the specialist Emotional Health and Wellbeing Service during 2021/22 remained high with 1,449 requests for support received. In addition to the referrals received during the 2021/22 financial year the provider was also able to catch up on the referrals delayed throughout 2020 due to the ongoing Covid-19 restrictions.

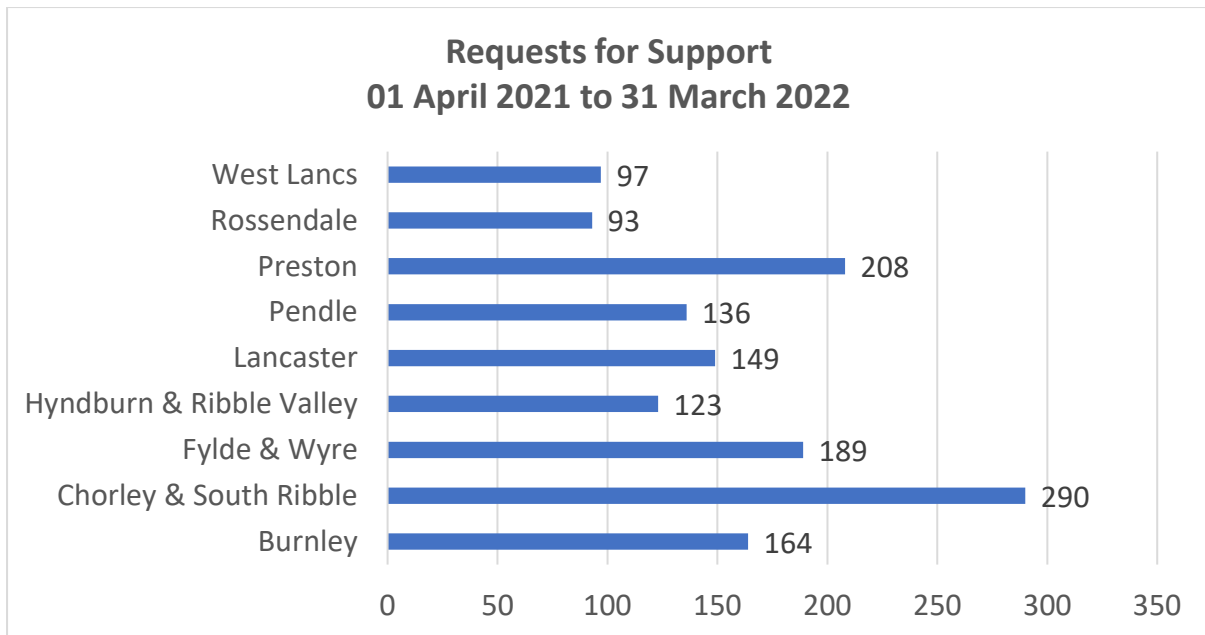


Table 1: Number of referrals received 2021/22 (per District)

The referrals received represented 92% of the available capacity across the contract with some districts exceeding available capacity. This was managed effectively with transfers between districts to ensure all appropriate referrals could be accepted.

District	Capacity used
Hyndburn & Ribble Valley	72%
Lancaster	78%
Rossendale	80%
West Lancs	83%
Burnley	92%
Fylde & Wyre	86%
Pendle	110%
Chorley & South Ribble	106%
Preston	114%

Table 2: Capacity utilised per district (2021/22).

The service is available to children and young people open to services across levels two to four of Lancashire's Continuum of Need. Referrals from statutory services at level 4 has risen slightly accounting for approximately 16% of all referrals whilst the majority of referrals, 69%, continue to be made by Universal Plus early help partners, predominantly schools.



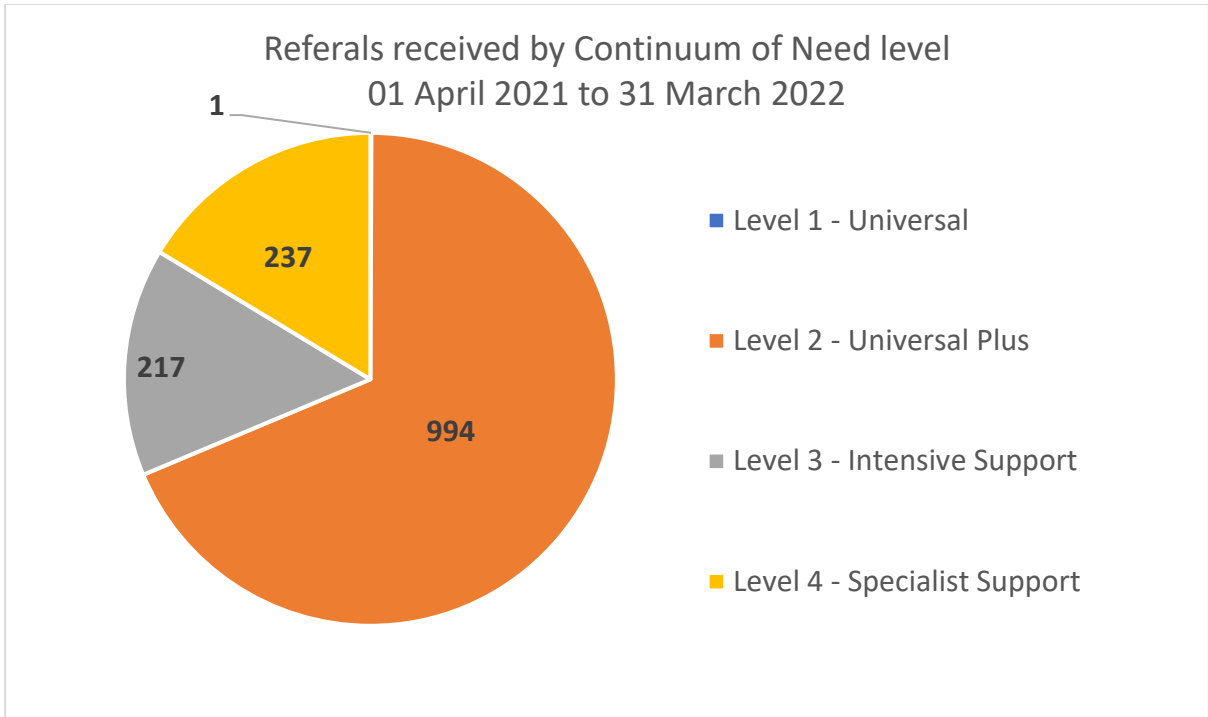


Table 3: Referrals received by Lancashire Continuum of Need level (2021/22)

Referrals were received across the age ranges with the majority of referrals received at age 10 and 15 which coincides with the start of key transition periods as illustrated in Table 4.

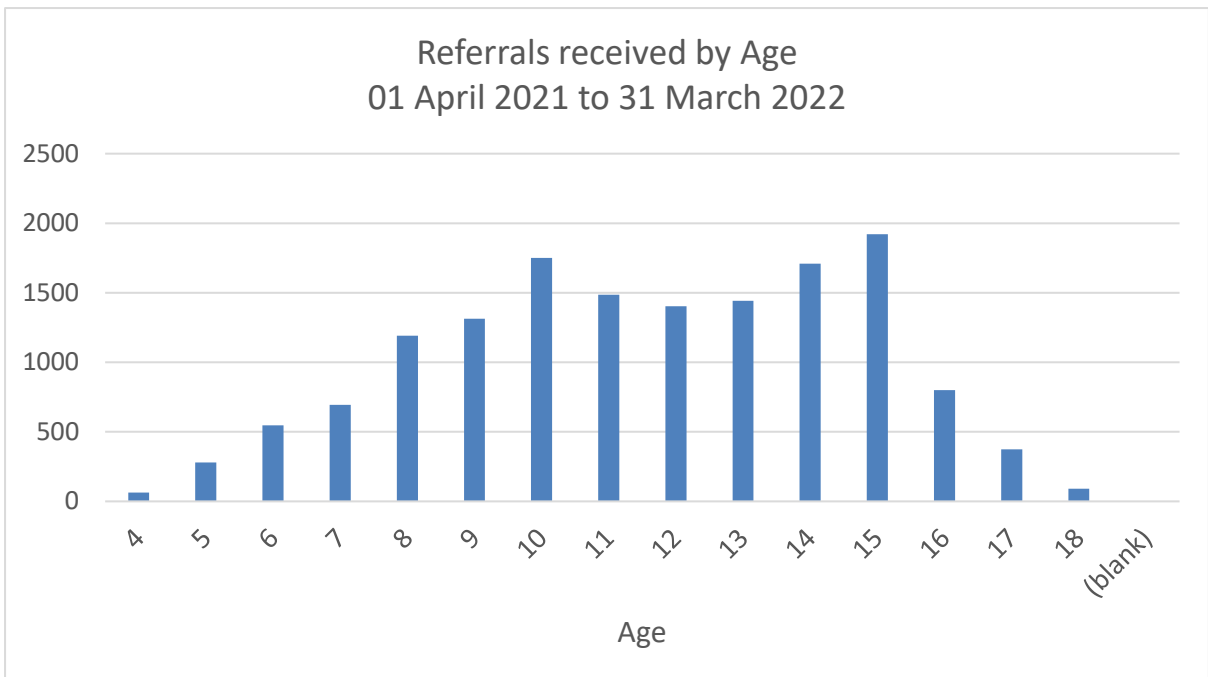


Table 4: Referrals received by age group (2021/22).

The service has worked very hard to successfully catch up on the delays resulting from the Covid-19 pandemic. The service completed a programme of support with 1,168 children, 1,039 of which reported a positive outcome. 403 children and young

people remained open to the service at the start of 2022 with 7 children waiting to be allocated to an appropriate professional.

All the children and young people on the waiting list received regular telephone contact from the provider and were offered access to the virtual support platform.

<b>Emotional Health and Wellbeing Commission Outcomes 2021/22</b>	
% CYP with improved family self-assessment (using the MyStar) reporting positive distance travelled	89%
% of CYP whose level of need escalated to require access to statutory access	0%

### **Feedback from professionals, children, young people and families**

Providers are expected to gather feedback from service users and professionals on an ongoing basis. Feedback received to date has been positive and some examples of feedback collected is outlined below:

*“you made me achieve my getting better at leaving the house and going outside my barrier to push me further to the future”.*

*“X liked being able to get the chance to speak about things without worrying she was going to upset her mum more”*

*School reported that the YP is speaking and giggling at school and teachers have heard her voice for the first time in this class*

*“I felt better”... age 11*

*“Happier and excited”... age 10*

*“I loved it here! I was so thankful that I was able to get the support I needed and I’m going to miss Naheed a lot!”.... age 13*

*Dawn was very lovely and helped me see and understand my emotions. If I ever need counselling again or knew anyone that wanted it, I would recommend Dawn.... age 16*

## **LANCASHIRE SCHOOLS FORUM**

### **Date of meeting 12 January 2023**

#### **Item No 10a**

#### **Title: Schools Budget 2023/24**

#### **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 2023/24 across the four funding blocks.

A meeting of the Forum Chairs' Group was arranged on 10 January 2023. Recommendations arising from this meeting around finalising the Schools Budget 2023/24 will be presented to the Forum on 12 January 2023.

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 2023/24 to the ESFA by 20 January 2023. This report also provides information on the High Needs, Early Years and Central School Services Blocks for 2023/24, and seeks the formal approval for the budget lines requiring Forum agreement.

#### **Recommendations**

The Forum is asked to:

- a) Note the report, including the 2023/24 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 10 January 2023 (to be presented at the Forum meeting on 12 January);
- c) Support the Schools Budget proposals for 2023/24 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 2023/24;
- e) Support the Dedicated Schools Grant Reserve underwriting the uncertainties around the Schools Budget 2023/24;
- f) Formally approve the budget lines requiring Forum agreement (as set out at item 10c -Information will be presented at the forum).
- g) Express any views to be brought to the attention of the Cabinet when setting the 2023/24 Schools Budget.

Recent reports to the Forum and Working Groups have set out the Government's announcements about school funding for 2023/24.

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 2022, the Government made initial announcements about the 2023/24 school funding arrangements.

Further updates about school funding were provided on 17 November 2022, when the Chancellor delivered his Autumn Budget 2022. The additional £2.3bn funding arising from the Chancellor's announcements will be paid as a grant outside the Dedicated Schools Grant for 2023/24, and £2.3 billion in 2024/25. In 2024/25, the core schools budget will be £58.8 billion, £2 billion more than the budget published in Spending Review 2021, after adjusting the budgets to account for the removal of compensation for employer costs from the Health and Social Care Levy.

Further information on each of the funding blocks is provided below and details of the final 2023/24 Dedicated Schools Grant allocations, notified in December 2022, 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 2023/24 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 2023/24.

Department for Education announcements indicate that the basic structure of the National Funding Formula remains unchanged for 2023/24, but the higher funding allocations have been used to increase factor values from April 2022.

National Funding Formula factor values for 2023/24 have increased, as follows:

- rolling the 2022 to 2023 schools supplementary grant into the NFF by:
  - adding an amount representing what schools receive through the grant into their baselines
  - adding the value of the lump sum, basic per pupil rates and free school meals Ever 6 (FSM6) parts of the grant onto the respective factors in the NFF
  - uplifting the minimum per pupil values by the supplementary grant's basic per-pupil values, and an additional amount which represents the average amount of funding schools receive from the FSM6 and lump sum parts of the grants
- increasing NFF factor values (on top of the amounts we have added for the schools supplementary grant) by:
  - 4.3% to free school meals at any time in the last 6 years (FSM6) and income deprivation affecting children index (IDACI). DfE say that this additional support directed to disadvantaged pupils, by increasing the FSM6 and IDACI factors in the schools NFF by a greater amount than other factors, means that a greater proportion of schools NFF will be targeted towards deprived pupils than ever before. 9.8% of the schools NFF will be allocated according to deprivation in 2023/24.
  - 2.4% to the basic entitlement, low prior attainment (LPA), FSM, English as an additional language (EAL), mobility, and sparsity factors, and the lump sum.
  - 0.5% to the floor and the minimum per pupil levels (MPPL)
  - 0% on the premises factors, except for Private Finance Initiative (PFI) which has increased by Retail Prices Index excluding mortgage interest payments (RPIX) which is 11.2% for the year to April 2022

The announcements also included the relevant minimum pupil funding levels for primary and secondary schools, which incorporate the 3.37% uplift for 2023/24:

- For primary schools, the minimum pupil funding level will be £4,405 per pupil in 2023/24 compared to £4,265 per pupil in 2022/23.
- For secondary schools, the minimum pupil funding level will be £5,715 per pupil from 2023/24 compared to £5,525 per pupil in 2022/23;

Government consultation in 2021 has also led to changes to the payment process of schools business rates, but were not implemented in 2022/23. From 2023/24, schools business rates will be paid by the Education and Skills Funding Agency to billing authorities directly on behalf of all state funded schools. As long as all billing authorities agree to implement the National Non Domestic Rates (NNDR) and if mutual consent is not reached it will not be possible for any billing authority to adopt the revised payment process.

### *Minimum Funding Guarantee*

Local authorities will continue to set a Minimum Funding Guarantee in local formulae, which in 2023/24 must be between +0.0% and +0.5%.

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 2023.

### *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 2022/23, 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 £1m in each year.

However, modelling indicates that all allocated funding will be required for the Schools Block formula in 2023/24, meaning that there will be no headroom available to support pressures in the early years sector.

### **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 2023/24 is not changing. The High Needs National Funding Formula floor and gains cap have been set as follows for 2023/24:

- The funding floor – this ensures that all local authorities' allocations per head of population will increase by a minimum percentage compared to the baseline. For 2023-24 we are setting the funding floor at 5%, having adjusted the baseline to include the supplementary high needs funding that was allocated to local authorities in December 2021, following the 2021 spending review.
- The gains cap – the limit on gains per head of the population compared to the baseline. For 2023-24 we are setting the gains cap at 7% which means that

local authorities can see an increase of up to 7% before their gains are capped (again, compared to a baseline that takes account of the supplementary high needs funding allocated in December 2021).

- The hospital education factor will also be uplifted by 5%.

We have received additional High Needs Funding for 2023/24 following the Autumn 22 Statement. Nationally, this is a total of £ 400 million and Lancashire's additional High Needs Funding totals 8 million. This is applied as a 4.6% increase to the funding floor and a proxy factor in the high-needs NFF allocations. This has been included in our total baseline allocation.

## **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 in April 2017. This arrangement introduced a formulaic mechanism for distributing early years funding from the national Government to each local authority, and set a framework that must be used to distribute funding to all types of early education providers, 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 sets out the type and level of supplements that are available.

## **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 have stated that they will continue to unwind the historic commitments funding to zero in future years.

## **Final Dedicated Schools Grant Allocation 2023/24**

Details of Lancashire's final Dedicated Schools Grant allocations for 2023/24 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 2023/24, 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.

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 over time. A number of other local authorities are already working with the Department for Education to agree on 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 2022 was £24 million.

There is still concern that there could be increased strain on the High Needs Block budget from 2023/24 or 24/25 onwards, dependent on the rise in demand. The 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, approx. 8%. This could create significant pressure on the High Needs Block Budget and the overall Dedicated Schools Grant in the longer term.

SEND Sufficiency work is currently being carried out to address this issue.



## Appendix A

Final Dedicated Schools Grant allocations for 2023/24 were published by the Department for Education on 16 December 2022.

Lancashire's Gross 2023/24 Dedicated Schools Grant allocation is £1,243.45m.

The equivalent Gross Dedicated Schools Grant income figure for 2022/23 was £1,166.086m. The 2023/24 figure is over £70m higher than the previous year. This increase includes the Supplementary grant being mainstreamed into our Allocation for 2023/24 and the additional Mainstream Schools Annual Grant for 2023/24.

This increase in funding is due to:

- Lancashire's share of the increased £2.3bn funding nationally made available by the Government.
- Mainstreaming of the Supplementary Grant into our total DSG Allocation.
- Lancashire's share of the increased £180m nationally for the Early Years Block.
- An increase in the overall number of pupils in Lancashire compared to 2022/23.

The sections below provide further details of the Lancashire Dedicated Schools Grant allocations and present the estimated Schools Budget for 2023/24.

### DEDICATED SCHOOLS GRANT ALLOCATIONS 2023/24

The Department for Education sub-divide the Dedicated Schools Grant allocations into 4 funding blocks:

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

These Blocks are all calculated on a formulaic basis.

The Lancashire Dedicated Schools Grant allocations for 2023/24 across the 4 funding blocks are shown below:

<b><u>Forecast Dedicated Schools Grant Income</u></b> <b><u>23/24</u></b>	<b>Allocation</b> <b>(£m)</b>	<b>Additional</b> <b>Funding</b> <b>(£m)</b>	<b>Total DSG</b> <b>Allocation</b> <b>2023/24</b> <b>(£m)</b>
Schools Block	924.602	31.0	955.602
High Needs Block	193.394		193.394
Early Years Block	87.644		87.644
Central Schools Services Block	6.81		6.81
<b>Gross Total forecast Dedicated Schools Grant Income</b>	<b>1,212.45</b>	<b>31.0</b>	<b>1,243.5</b>

The total deduction for national schools' non-domestic rates	-0.888		-0.888
Total deductions for direct high-needs payments made by the ESFA	-9.314		-9.314
<b>Net Total forecast Dedicated Schools Grant Income</b>	<b>1,202.25</b>	<b>31.0</b>	<b>1,233.25</b>

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

### **Schools Block Allocation 2023/24 – (£956m)**

The Schools Block allocations for 2023/24 are derived based on illustrative individual Schools National Funding Formula allocations calculated by the Government. These calculations translate into primary and secondary units of funding for 2023/24. These units of funding are multiplied by the number of primary and secondary pupils from the October 2022 census. A breakdown of the units of funding and pupil numbers for 2023/24 are listed in the table below;

Primary school's unit of funding (£)	4,931
Number of pupils in primary schools	97,061
<b>Total Primary Funding 2023/24</b>	<b>478,579,643</b>
Secondary school's unit of funding (£)	6,214
Number of pupils in secondary schools	68,954
<b>Total Secondary Funding 2023/24</b>	<b>428,488,430</b>

At the Local Authority level allocation for premises factors and growth funding are added to provide the final Schools Block allocation:

Premises factor, including national non-domestic rates (NNDR) (£s)	<b>13,617,198</b>
Growth funding (£s)	<b>3,916,920</b>

*Please note the figures quoted above are gross and do not include deductions to be made to our allocation for Academy Recoupments who will receive their funding direct from the ESFA.*

The 2022 Autumn Statement announced that the core school's budget will increase by £2.3 billion in 2023 to 2024 financial year, over and above totals announced at the Spending Review 2021.

In 2023 to 2024 financial year, mainstream schools will be allocated additional funding through the mainstream school's additional grant (MSAG). This is in addition to schools' allocations noted above calculated through the schools national funding formula

Lancashire's MSAG allocation for 2023/24 is £ 31 million. The additional grant funding for 2023 to 2024 is indicative allocations. School-level allocations will be confirmed in Spring 2023.

**This provides a total Lancashire Schools Block allocation for 2022/23 of £956 million, including the Mainstream Schools Additional Grant.**

The 2023/24 Schools Block allocation is over £52m higher than the equivalent figure in 2022/23. A breakdown of the increase in funding on the Schools Block is summarised in the tables below:

Total Schools Block Increase:

	<b>23/24</b>	<b>22/23</b>
Schools DSG block (£m)	925	878
Additional Grant Funding (£)	31	25
<b>Schools DSG block Including Additional Grant Funding (£)</b>	<b>956</b>	<b>903</b>
<i>Increase in schools funding from 2022-23 to 2023-24 (£m)</i>	52	
<i>Increase in schools funding from 2022-23 to 2023-24 (%)</i>	5.8%	
<i>Increase in schools funding from 2022-23 to 2023-24 (% , per pupil)</i>	5.6%	

### **Rates Process Update**

From 2022/23, schools' business rates were meant to be paid by the Education and Skills Funding Agency to billing authorities directly on behalf of all state funded schools. Business rates revised arrangements were introduced in some LAs in 2022/23. However, the historic arrangements continued to apply in Lancashire, and at this point, we expect the existing rates arrangements to continue for schools' business rates in 2023/24.

DfE has indicated that they have asked local authorities to confirm by January 2023 the payment process they will be implementing for April 2023. In 2 tier local authority areas (like Lancashire), all billing authorities need to agree to implement the National Non-Domestic Rates (NNDR) changes before they are introduced and if mutual consent is not reached it will not be possible for any billing authority to adopt the revised payment process.

### **High Needs Block allocation – (£193million)**

The 2023/24 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.

We have received additional High Needs Funding for 2023/24 following the Autumn 22 Statement. Nationally, this is a total of £400m and Lancashire's additional High Needs Funding totals £8m. This is applied as a 4.6% increase to the funding floor and a proxy factor in the high-needs NFF allocations. This has been included in our total baseline allocation.

The formula breakdown above and the additional High Needs funding provide a 2023/24 High Needs Block allocation for Lancashire of £193m.

This figure is over £20m higher than the equivalent 2022/23 allocation, due to increased funding for the High Needs Block made available by the Government.

A breakdown of the increase compared to 2022/23 is shown in the table below:

	<b>23/24</b>	<b>22/23</b>
High needs DSG block (£m)	185	173
High needs additional DSG funding (£m)	8	0
<b>Total High Needs DSG funding (£m)</b>	<b>193</b>	<b>173</b>
<i>Increase in high needs DSG funding from 2022-23 to 2023-24 (£m)</i>	20	
<i>Increase in high needs funding from 2022-23 to 2023-24 (%)</i>	10.4%	

It should be noted that the High Needs Block allocation is provisional, and the gross total above includes allocations attributable to funded places that will be deducted and made directly by the Education and Skills Funding Agency. These are estimated by Education & Skills Funding Agency to total circa £9.3 million.

### **Early Years Block Allocation – (£87.64m)**

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.

As part of the Autumn Statement and the Early Years consultation earlier in the year, the Department for Education is investing additional funding for the early year entitlements worth £180 million in 2023/24. This is for local authorities to increase

hourly rates paid to childcare providers for the government's childcare entitlement offers and reflects the costs of inflation and national living wage increases.

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

<b>Funding</b>	<b>Uplift Basis</b>	<b>22/23 Rate</b>	<b>23/24 Rate</b>	<b>Increase (£)</b>
3 and 4-year-old entitlements	Per Hour	4.64	4.87	0.23
2-year-old entitlement	Per Hour	5.57	5.63	0.06
Supplementary funding for maintained nursery schools	Per Hour	3.67	4.31	0.64
Early Years Pupil Premium	Per Hour	0.6	0.62	0.02
Disability Access Fund	Per Child Per Year	800	828	28.0

The significant increase in the Supplementary Funding is due to the Teachers Pension and Pag Grant now being incorporated into the base rate.

These uplifts provide a total Early Years Block allocation for Lancashire for 2023/24 of £87,644,156.

<b>Funding</b>	<b>22/23 (£mil)</b>	<b>23/24 (£mil)</b>	<b>Increase (£mil)</b>
3 and 4 Year Old Universal	44.43	46.94	2.51
3 and 4 Year Old Extended Entitlement	23.60	24.93	1.33
2 Year Olds	10.34	10.45	0.11
Early Years Pupil Premium	0.94	0.97	0.03
Supplementary Funding for MNS	3.34	3.92	0.58
Early Years DAF	0.36	0.44	0.07
<b>Total Early Years Funding</b>	<b>83.01</b>	<b>87.64</b>	<b>4.64</b>

Lancashire's Early Years funding is £4.6m higher than the equivalent 2022/23 allocation, this is due to the increases in hourly rates listed above.

It should be noted that the 2023/24 early years block allocations are initial, and based on Schools, Early Years and Alternative Provision census data from January 2022. These allocations will be updated based on January 2023 census data and will be received in July 2023.

### **Central Schools Services Block Allocation – (£6.8m)**

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 2% for 2023/24.

The Historic Commitments element of the allocation has been reduced by 20% compared to 2022/23, 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 2023/24 is £6,810,265. This is a reduction of £ 0.02 million compared to 2022/23. This is due to the increase in Ongoing Responsibilities allocation less the Historic Commitment reduction

### **In Year Adjustments**

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

- Academies recouperment from the school's 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 year's pupil premium.
- Updates to early years Disability Access Fund.

### **Mainstream Schools Annual Grant 2023/24**

The 2022 Autumn Statement announced that the core schools' budget will increase by over £2bn in 2023 to 2024 financial year, over and above totals announced at the Spending Review 2021.

In the 2023 to 2024 financial year, mainstream schools will be allocated additional funding through the mainstream school's additional grant (MSAG). This is in addition to schools' allocations through the schools national funding formula.

The MSAG will allocate funding to state-funded mainstream schools only. In addition to the MSAG, local authorities have been allocated £400 m in additional high-needs funding for 2023/24, which will be included in the high-needs national funding formula allocations.

The MSAG will fund the following providers, for the 5 to 16-year-old age range:

- primary and secondary maintained schools
- primary and secondary academies and free schools
- all-through maintained schools
- all-through academies
- city technology colleges

School-level allocations of the MSAG for the full 2023 to 2024 financial year will be published in May 2023.

The funding rates for the MSAG 2023/24 consist of the following 3 elements, which are based on factors already in the schools national funding formula:

- a basic per-pupil rate (with different rates for primary, key stage 3 and key stage 4);
- a lump sum paid to all schools, regardless of pupil numbers;
- a per-pupil rate for pupils who are recorded as having been eligible for free school meals at any point in the last six years (FSM6), with different rates for primary and secondary pupils.

The additional High Needs Allocation for 2023/24 has been applied as a 4.6% increase to the funding floor and proxy factor in the High Needs NFF Allocations

Lancashire Additional funding allocations for 2023/24 are:

Mainstream Schools Additional Grant Allocation	£31m
High Needs Additional Funding allocation	£8m
<b>Total Additional Funding 23/24</b>	<b>£39m</b>

## **SCHOOLS BUDGET 2023/24**

The latest Individual School Budgets across all phases have 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**

Further details about each block budget set by Lancashire are provided below;

#### **Schools Block (£956m)**

Following 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.

As supported by responses from schools in a consultation held in the autumn term of 2022, the Minimum Funding Guarantee has been included in the formula at +0.5%.

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 2023/24, no headroom is available, largely due to the increased pressures on Schools Budgets including staffing inflation and utility costs.

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.

The Schools Block expenditure for 2023/24 is therefore estimated in the table below:

<b>Forecast Schools Block Expenditure</b>	<b>£m's</b>
Primary	486.21
Secondary	437.70
All-Through	1.37
Growth	3.9
<b>Total</b>	<b>929.2</b>

The overall calculation reveals a 2023/24 Schools Block expenditure requirement of £929m. The school will then receive an additional allocation as per the Mainstream Schools Annual Grant on top of the formula budget calculated above, which is a total of £31m to be distributed over Lancashire Mainstream Schools.

*The Authority Proforma Tool (APT) is a dataset to be returned to DFE by 20<sup>th</sup> January 2023, which will feed the final Schools Block settlement and individual schools' budgets. A couple of minor queries are still being investigated which could change the above incidences before final submission, but will not change the bottom line of £929m.*

### **High Needs Block (£193m)**

The High Needs Block expenditure for 2023/24 is estimated in the table below:

	<b>Place funding £m</b>	<b>Top-up funding £m</b>
Delegated to Schools	45.9	77.8
FE Colleges		12.8
High Needs Block costs on a commissioned basis		44.2
Total deductions based on 21/22 for direct high needs payments made by the Education and Skills Funding Agency		9.3
<b>Total</b>	<b>45.9</b>	<b>144.1</b>

<b>Total Expenditure £m</b>	<b>190.0</b>
<b>Total Income £m</b>	<b>193.0</b>
<b>Underspend £m</b>	<b>3.0</b>

In 2023/24, a total of £190m is expected to be spent on the High Needs Block, compared to a budget of £193m. There will be a contingency fund for this underspend until we have more information regarding the increase in demand as we move into the financial year of 2023/24.

Assumptions included in the figures are listed below:



- This forecast expenditure includes an estimate of the considerable cost and demand-led pressures facing the block in 2023/24. Based on historical trend data we have included a forecasted increase of 8% over the 2023/24 financial year, the expenditure figures above include this increase.
- 3% has been included as a forecasted inflationary increase on Commissioned services, this is largely to account for staffing increases on services we commission.
- In addition, the Weighted Pupil Number values supporting all high-needs pupils are proposed to increase by 3% in 2023/24.
- The Additional High Needs funding has been earmarked in the above figures; further discussions are to be held at a Schools Forum to confirm how they want the funding distributed. All Special Schools and PRUS will receive a 3.4% increase as per the guidance published, but this will leave an unallocated amount to be distributed to the remaining sectors based on the Schools Forum recommendation.
- The circa £9.3m 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 and will be deducted from our allocation.
- An increase in PRU places of 39 from September 2023 as per discussions with the Head of Inclusion and PRU heads.

There is still concern that there could be increased strain on the High Needs Block budget from 2023/24 or 2024/25 onwards, dependent on the rise in demand. The 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, approximately 8%. This could create significant pressure on the High Needs Block Budget and the overall Dedicated Schools Grant in the longer term.

SEND Sufficiency work is currently being carried out to address this issue.

### **Early Years Block – (£87.644m)**

Government announcements of additional Early Years funding translate into increased hourly rates for each category of Early Years Entitlement Funding, and this will enable Lancashire to increase the hourly rate we pay over to Early Years Providers.

#### *3 and 4-year-old entitlements*

In 2022/23, the Schools Forum agreed that the Early Years Block allocation will be supplemented by a transfer of £1m per year from the Dedicated Schools Grant Reserves to assist with the cost pressures in the early years sector. This transfer allowed the 2022/23 hourly rate for the 3 and 4-year-old entitlements to be increased by £0.04 per hour.

Initial modelling on the early years block suggests the full £0.23 pence hourly increase can be funded from within Early Years Block Budget. School Forum understands that

Early Years are facing considerable pressures within the sector. Therefore, for 2023/24 it is being proposed that £1 million to be transferred from DSG Reserves again to allow an additional £0.04 pence for the 3 and 4-year-old entitlements over and above the DfE confirmed increase. This would provide of a new rate of £4.75 per hour if School Forum agrees on 12th January 2023. This would give an increase of £0.27 pence per hour.

The 2023/24 funding rate may therefore be calculated as follows:

<i>2022/23 base rate, which included £0.04 contribution from Lancashire Schools Block</i>	<i>£4.48 per hour</i>
<i>2023/24 base rate as per 2023/24 Indicative Early Years Allocation</i>	<i>£4.87 per hour</i>
<i>2023/24 Base rate paid by LCC to providers (including £0.04 pence funding from DSG Reserve)</i>	<i>£4.75 per hour</i>

Currently, Lancashire County Council adopt a Supplementary Payment process, this means we pay a lower rate to providers than we are funded but pay Supplementary hours. The funding mechanism for Government Early Years Allocations is based on January census data, so all funding is based on this date and does not account for intake or fluctuation throughout the terms

The methodology behind the January census point is that the Autumn term is the highest and Summer Term is usually the lowest for fte/hours of children therefore the Spring Term should be the mid-point/average.

Lancashire adopts a policy where we fund all intake throughout each term, which we do not receive in our allocation. This means providers hourly rates are lower, but they get funded for every child and every hour through each term, which is financially more beneficial for providers.

The Lancashire base rate for 3 and 4-year-old entitlements of £4.71 per hour in 2023/24, would be an increase of 23p per hour.

#### *2-year-old entitlement*

Lancashire is to receive an additional £0.06 per hour for the 2-year-old entitlement for 2023/24, which will be passed to providers in full. This would give a forecast Lancashire funding rate for 2-year-olds of £5.63 per hour from April 2023.

#### *Supplementary funding hourly rate for maintained nursery schools*

Lancashire will receive a £0.64 increase in the supplementary funding hourly rate for maintained nursery schools in 2023/24, which will be passed to the maintained nursery schools, providing a revised hourly supplement rate of £4.31 per hour.

The significant increase in the Supplementary Funding is due to the Teachers' Pension and Pay Grant now being incorporated into the base rate.

### *Early Years Pupil Premium*

Lancashire will receive an increase on our early years pupil premium rate by 2p, increasing the hourly rate to 62p, equivalent to up to £353 per eligible child per year, for 2023/24, in line with national announcements

### *Disability Access Fund*

Lancashire will increase the disability access fund by £28 to £828 per eligible child per year for 2023/24, in line with national announcements.

### *Special Educational Needs Inclusion Fund*

Local authorities must have a Special Educational Needs Inclusion Fund for all eligible 3 and 4-year-olds taking up the free entitlements, regardless of the number of hours taken. For 2023/24 it is proposed to keep the Lancashire fund at the 2022/23 level of £500k in total. This recommendation will need to be approved by Schools Forum.

The Early Years Block expenditure for 2023/24 is therefore estimated in the table below:

<b>Forecast EYB Expenditure</b>	<b>£m's</b>
Early Years Block 2-year-olds	10.446
Early Years Block 3/4-year-olds	71.364
Early Years Pupil Premium expenditure	0.975
Early Years Disability Access Fund expenditure	0.437
Nursery School Maintained Nursery School	3.921
Special Educational Needs Inclusion	0.500
<b>Total</b>	<b>87.64</b>

### **Central Schools Services Block (CSSB) (£6.81m)**

The estimated Central Schools Services Block expenditure in 2023/24 is £ 6.81m.

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 2023, as part of their intention to cease all 'historic' funding over time.

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

A proportion of the Central Schools Block funds services within Lancashire County Council and a recharge is made into revenue budgets. We are currently awaiting further details on the 2023/24 recharge requirements, which may increase due to inflation, but modelling will take place to ensure the Central Schools Block balances overall.

### **Calculation of the final 2023/24 funding position**

	<b>£m's</b>
<b>Total forecast Dedicated Schools Grant Budget 2023/24</b>	<b>1,243.45</b>

<b>Total Forecast Dedicated Schools Grant Allocations 2023/24</b>	<b>1,243.45</b>
---	-----------------

The schools Budget proposals forecast a balanced Dedicated Schools Grant funding position in 2023/24.

The High Needs Block is currently showing an underspend based on initial forecasting, adjustments still need to be made to this block funding by ESFA and demand could increase even further before 2023/24 or throughout the 2023/24 financial year, so this underspend will be earmarked in Contingency.

**Mainstream Schools Annual Grant 2023/24**

In 2023 to 2024 financial year, mainstream schools will be allocated additional funding through the mainstream school's additional grant (MSAG) 2023 to 2024. This is in addition to schools' allocations through the schools national funding formula.

The MSAG will allocate funding to state-funded mainstream schools only.

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.

School-level allocations of the MSAG for the full 2023 to 2024 financial year will be published in May 2023.

**LANCASHIRE SCHOOLS FORUM**  
**Date of meeting 12 January 2023**

**Item No 11**

**Title: Recommendations of the Schools Block Working Group**

**Appendix A refers**

**Executive Summary**

On 6 December 2022, the Schools Block Working Group considered a number of reports, including:

- Schools Forum School Block Membership
- Schools Block Funding Arrangements 2023/24
- De-delegation Update
- School Teaching and Support Staff Supply Reimbursement Scheme (Attached)
- Ukraine Funding
- Schools in Financial Difficulty
- Clawback Exemption Request

**The Forum is asked to:**

- a) **Note the report from the Schools Block Working Group held on 6 December 2022;**
- b) **Ratify the Working Group's recommendations.**

## **Background**

On 6 December 2022, the Schools Block Working Group considered a number of reports. A summary of the information presented, and the Working Group's recommendations are provided below:

### **1. Schools Forum School Block Membership**

The report provided an update on the School Secondary School Governor's representation on the Schools Forum.

#### **The working group:**

- a) Noted the report.**
- b) Welcomed Rachel Bond as one of the formal Schools Forum representatives from November 2022.**
- c) Thanked Jackie Lord for her contribution to the work of the Forum.**

### **2. Schools Block Funding 2023/24**

On 17 November 2022, the Chancellor delivered his Autumn Statement 2022.

The statement made a number of announcements that will impact on school funding going forward.

England's core schools budget will receive an additional £2.3 billion in 2023/24 and £2.3 billion in 2024/25. In 2024/25, the core schools budget will be £58.8 billion, £2 billion more than the budget published in Spending Review 2021, after adjusting the budgets to account for the removal of compensation for employer costs from the Health and Social Care Levy.

DfE have indicated that they will confirm in due course how this funding will be allocated in 2023-24 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 2022.

The schools block is ring-fenced, but the LA is permitted to transfer up to 0.5% of the schools block funding allocated to other blocks with the agreement of their Schools Forum.

A discussion was held at the School Forum meeting on 18 October 2022 to transfer £1m of DSG reserves for 2023/24 into Early Years Block, to help the EY sector with their current challenges. In order to determine whether it is feasible, additional headroom modelling needs to be completed when the DfE provides their allocations.

### **Schools Block Funding Update 2023/24**

- The basic structure of the National Funding Formula (NFF) remains unchanged for 2023/24
- Key changes to the schools NFF in 2023 to 2024 are:
  - rolling the 2022 to 2023 schools supplementary grant into the NFF
  - 4.3% to free school meals at any time in the last 6 years (FSM6) and income deprivation affecting children index (IDACI).
  - 0.5% to the floor and the minimum per pupil levels (MPPL)
  - 0% on the premises factors, except for Private Finance Initiative (PFI)

## Current Pressures on Schools Budgets

- Teachers Pay Award update & NJC pay offer
- Energy prices
- Other cost pressures (catering/building materials, SLA inflationary Increases)

During the meeting, there was a discussion among the members about how there is no indication from the DfE as to how the funding will be implemented across the different sectors of the education system. It was acknowledged that LA is awaiting further announcements, expected mid-December. The funding announced refers only to the financial year 2023/24. There is no aid for schools to cope with the financial pressures they face at the moment. Teachers pay awards and NJC offer made budgeting difficult, as some had to be backdated to April 2022. It was an unforeseeable increase that schools could not predict in advance.

### The working group:

- a) Noted the report;
- b) Expressed any views about the Schools Block Budget for 2023/24

### 3. De-delegation Update

Members will be aware that the School Forum held two meetings on the formal voting for de-delegations.

On 18 October 2022, Primary and Secondary sectors agreed to;

- de-delegate Staff costs – Public Duties/Suspensions for primary schools in 2023/24, at 2022/23 levels.
- de-delegate the Heritage Learning Service for primary schools in 2023/24.
- de-delegate Schools in Financial Difficulty, for all schools in 2023/24.

There was no formal vote on School Improvement Function, further information was requested by the forum on what the offer provides. The meeting was held on 9 November 2022.

The School Forum voted on the School Improvement Function at the next meeting on 9 November 2022.

The decision was split between Primary and Secondary. The LANCASHIRE SCHOOLS FORUM arrangement states;

*"If there are an equal number of votes for and against a proposal, the Chair shall have a second or casting vote.*

*Individual members may ask that their vote contrary to the decision taken be formally recorded in the minutes"*

The Forum Chair, however, was not comfortable with a second or casting vote, especially since the Secondary was more inclined to say 'no' both in the consultation responses and in the poll during Team meetings.

The Schools operational Guidance 2023/24 was reviewed and it states;

*"Schools forum members for primary maintained schools and secondary maintained schools must decide separately for each phase whether the service should be provided centrally; the decision will apply to all maintained mainstream schools in that phase."*

It was agreed that the sectors decisions would remain separate, as per government operational guidance.

- The Primary sector agreed with School Improvement Function de-delegations
- The Secondary sector was against it

Members have expressed how there is a more detailed discussion between headteachers on this decision and how they did not support this service to be de-delegated for 2023 but did not vote on the School Portal.

The Chair of the School Forum has clarified how his decision was made based on the results of the school portal consultation.

It was discussed how not everyone accesses the school portal and if such significant decisions could be emailed to prompt headteachers. However, this would reduce the importance of the School Portal since people would rely more on emails. The headteachers should also share the information widely to promote more responses. For example, if the Diocese would like to share their views before the school forum votes, they could contact the school forum or the Chair for consideration at the meeting.

The decisions made are set, but further clarification is needed about the School Improvement Function (SIF). Members requested Aby Hardy, Head of Education Improvement, to provide more detail on how delegated funds would be spent and how they would benefit primary schools. It seems there is confusion about the statutory duties and trade duties that the service offers. Some members raised the possibility that Schools in Financial Difficulty (SIFD) might offer similar support. Furthermore, SIFD only provides financial support, while SIF provides leadership and overall education quality assistance.

#### **The working group:**

- a) Noted the report;**
- b) Expressed views on the de-delegations decisions for 2023/24**
- c) Requested the School Improvement Function report be presented to School Forum on 12 January 2023.**

#### **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 sets out proposals for the 2023/24 Scheme changes for consideration.

#### **Outturn Position – 2021/22**

The Teacher element of the Supply Insurance Scheme had a surplus at the end of the financial year. In line with the Scheme Service Level Agreement, the Schools Forum agreed to increase the level of reserves to £1.5 million and reimburse the surplus to Scheme



members. Therefore, a total of £759,812 was reimbursed to members of the teacher aspect of the Scheme.

Reimbursements were calculated at a per-pupil rate using the NOR 2020 figures which were used for the Scheme Charges.

### **Scheme Arrangements – 2021/22**

The scheme arrangements agreed with the Forum looked to increase premiums to take account of the amended scheme operation, which included a provision to support some additional COVID-19 related absences. For example, self-isolation and the possible increase in the number of sickness absences increased the duration of absences.

Following the finalisation of the supply scheme arrangements with the Forum in January 2022, individual offers were issued to schools and academies for consideration. The tables below show the previous years take-up and the existing take-up. For reference, 33 fewer schools signed up for the scheme in 2022/23 than were involved in 2021/22.

#### **2021/22 Take up**

<b>Block</b>	Teaching support cover plus staff	Teaching support cover no staff	Support staff cover only	Total
Early Years Block	15	2	1	18
Schools Block	172	191	4	367
High Needs Block	26	5	0	31
<b>Total</b>	<b>213</b>	<b>198</b>	<b>5</b>	<b>416</b>

#### **2022/23 Take Up**

<b>Block</b>	Teaching support cover plus staff	Teaching support cover no staff	Support staff cover only	Total
Early Years Block	13	3	1	17
Schools Block	158	177	5	340
High Needs Block	22	3	1	26
<b>Total</b>	<b>193</b>	<b>183</b>	<b>7</b>	<b>383</b>

### **Scheme Proposals – 2023/24**

#### *Scheme Operation*

The operation of the scheme has been flexible in recent years to respond pandemic and subsequent high volume of claims. It is proposed that the existing scheme rules operating in 2022/23 should form the starting point for 2023/24, including:

- Processing amendments to allow claims to be reimbursed more efficiently, outlined in the 2023/24 Service Level Agreement.
- Continue to cover COVID-19 related absences

- Schools may be allowed to enter the scheme part-way through the financial year at the discretion of the Authority, although any existing absences or maternity leave starting within nine months will not be covered. Any pre-existing absences will be subject to the excess period chosen by the school. Schools entering the scheme part-way through the year will be charged at the full-year premium. In addition, there will be an administration fee of £50.

### *Scheme Premiums*

Scheme claims are submitted a month in arrears by schools, meaning that there is only a limited number of months available in the scheme monitoring since September 2022, but information on the end of November 2022 position will be shared with the working group at the meeting.

A 5% increase is currently forecast for teaching 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 2021/22 financial year as agreed by Forum, it is therefore judged that premiums from April 2023 should simply be increased by 5% for both the teaching staff and support staff elements, to match the forecast pay awards on the per pupil rate only. In addition, to reflect the surplus position at March 2022, the lump sum element of the Supply Scheme charges will not be increased and will remain at the same rate as the 2022/23 Scheme.

### *Reimbursement rates*

It is proposed that the reimbursement rates be increased by 5% for 2023/24 to mirror forecast pay awards, in line with the proposed increase in scheme premiums.

### **Options for Consideration**

Alternative options to consider could include:

- To increase by 5% on all elements excluding the lump sum
- or
- To increase by 5% on all elements, to protect reserves funding.

### **Service Offer to Schools**

Once scheme arrangements and charging/reimbursement rates are finalised by the Forum in January 2023, a formal individualised 2023/24 scheme offer will be issued to all schools and academies.

### **Update on processing claims**

Officers have received concerns from schools regarding the processing time of claims for the Supply Insurance Scheme. We have acknowledged that processing times are slower than we would hope.

In response, we will be transferring the processing of claims from Exchequer Services to the Schools Finance team. We are currently working on making this process more efficient. It is

anticipated these processes will begin from 1<sup>st</sup> April 2023 in line with the start of the 2023/24 Scheme. More information will be provided in due course.

As a result, members were pleased to see that claims are looking to be processed more efficiently and that the School Finance team would be better suited.

The working group was in the agreement with purpose changes for 2023/24, only a question was raised about whether COVID-related illnesses would still be covered under the scheme proposals for 2023/24. It was explained that it was still a sickness absence. Member asked whether maternity leave, adoption, and paternity were covered by the Scheme. It was explained that they are, and it was agreed to bring more information to the next meeting of the School Forum. **Appendix A, includes current policy where information can be found.**

Another member asked if future years' modelling could be presented on how reserves will be affected. Based on discussions with the officer, the Forum Chair has pointed out that 55% of income is being used this year. In the year following COVID, the number will return to normal. It has been agreed that future modelling can be looked at for school forum meetings.

The working group was asked to recommend options to the forum on 12 January 2023. A majority voted to increase all elements by 5% in order to protect reserves, with the agreement of purpose changes for 2023/24 with the existing scheme rules operating in 2022/23 and reimbursement rates increased by 5%. Other options, excluding lump sum, would potentially eat into the reserves.

Due to the fact that many special schools purchase this service, a high-needs block member requested that this report also be presented at their meeting, in future years.

#### **The working group:**

- a) Noted the report;**
- b) Expressed views on the proposed arrangements and charges for the 2022/23 School Teaching and Support Staff Supply Reimbursement Scheme.**
- c) Recommended Scheme Proposals for 2023/24 to the school forum on 12 January 2023.**
- d) Recommended increasing all elements by 5% in order to protect reserves to the school forum on 12 January 2023.**

### **5. Ukraine Funding**

Information was requested at previous meetings about the support available in Lancashire for Ukrainian families arriving in Lancashire.

Schools were able to apply for funding by completing the form a link which was provided in the papers.

Schools have been provided with additional information about this support in the regular Education Bulletin. The Education Bulletin copy was provided to the working group.

For recent forms that were submitted, funding will become available in mid/late December. The refugee team still needs to confirm how much will be allocated. This will vary depending on the arrival date in the UK, but it should be received quarterly. The team will meet again

next week to decide how much money will be allocated, and further information will be brought to the next meeting at the School Forum.

Members have found that the deadline for completing these forms was short, and they requested that the feedback be passed back to the team.

**The working group:**

- a) Noted the report;**
- b) Expressed any views about Ukraine Funding forms.**

## **6. Schools in Financial Difficulty**

Kirsty Lister was not available to provide a verbal update and it was expressed the need of having the Financial Officer at those meetings going forward.

It was explained to the working group that LA acknowledges that their financial pressures are increasing. As a result, Kirsty Lister held a workshop where additional advice could be given. A School Finance budget workshop was presented on 29 November and 6 December 2022 today, for members to attend. Workshop invitations were sent through the School Portal. It has been reported that some members will attend the second workshop.

**The working group:**

- a) Noted the information.**

## **7. Clawback Exemption Request**

In July 2022, the Forum considered the School Balances and Clawback Policy for 2022/23 and agreed that clawback should be reintroduced on excessive revenue balances at March 2023. A copy of the agreed policy is provided at Appendix A. to the report

The agreed policy is

### **School Balances and Clawback Guidance 2022/23**

**This guidance applies to school balances at 31 March 2023**

#### **Guideline Balances**

The Authority's current maximum guideline balance is:

- 12% of Consistent Financial reporting (CFR) income for all phases of maintained school (*It is suggested that the 12% guideline figure is not seen as a target*);
- A £75,000 minimum balance threshold will be applied.

*(This has been increased from £60,000 for 2022/23 taking into account inflation over the years since the last time that the minimum value was raised. This will provide smaller schools with a larger level of allowable balance as a protection against future costs pressures).*

## **Clawback of "excess balances"**

The Authority's clawback arrangements are:

- A clawback rate of 50% is to be applied to any balance above guideline in the first year a school exceeds the guideline (after adjusting for exemptions).

## **Clawback Exemption Requests 2022/23**

Following notification of the Forum's decision, the request has been received from a Lancashire primary school requesting an exception to the policy at March 2023.

### **Request (1)**

The primary school in question has saved funds in the past years towards providing a new learning space and before/after school club space on the school site.

Currently, they have more classes within the school and the space used over recent years is no longer available.

The original price of this was estimated to be £200,000 and therefore money was put aside for this project and the planning was to be submitted this term for a January-March installation date – all before the end of the financial year.

The school has saved £200,000 in this year's budget so they could purchase a modular unit to be used for their after-school club and an additional learning support space for Learning Mentors and parents/family courses.

Considering the long time, it has taken to submit prices for this, obtaining three quotes has taken much longer than usual. Due to increased materials and labour costs and the availability of these units, the current costs being quoted have exceeded the original estimation, which impacted their plans for this year and may be subject to clawback at the end of this year. The school in question is being currently quoted at £255,630 and asking for £200,000 to be exempt from clawback so the project could go ahead next year.

### **Request (2)**

In December 2021 the school in question was granted permission to extend its age range to make provision for pupils from age 4 – 16. The primary building assigned to School for this provision will be constructed at the Standen Estate and will become the first 'all-through' school in the local authority. The new primary site is due to be handed over to the school on 18th August 2023 in readiness for the admission of the first reception class in September 2023.

This school is successful for some considerable time and was assessed as being 'Good' with outstanding features at the most recent Ofsted inspection (February 2020). At the heart of both the school's success to date and its future plans is a clear and coherent focus on reading.

## **Proposed Build Activity**

The school was originally built in 1932 and although there have been many modifications since then, the basic design still largely reflects the building's age. The 'all-through' school will create new challenges but they are convinced that, building on our existing successes, a central focus on reading throughout the curriculum will be essential in creating the best provision for every pupil right through the school from Reception to Year 11. The current Learning Resources facility is old-fashioned, dysfunctional and inefficient and they are now seeking to completely redesign and rebuild this area such that it is efficient, inclusive and inspirational. This is a major remodelling project that will completely open the area up and provide a more modern and productive working environment for pupils right across the whole school spectrum, including the school's most vulnerable pupils. The refurbished LRC will comprise a learning support suite as well as reading, ICT, careers and teaching areas and a Languages Café. It is our belief that this change will be central to the school's improvement journey, its provision of an outstanding curriculum offer and therefore the future success of the all-through school.

The project is set to commence as soon as possible, in the new year. The designs are in the process of being finalised and contractors are being tendered for by their architects. The timeline of the project will vary, as the project will need to be worked around pupil activity in the school, but it is estimated to be around six to seven months, hence the need to carry forward the project funding into the new financial year.

As a consequence of this, this school have sought to increase their planned Revenue Reserves holding and may breach the 'clawback' threshold at 31 March 2023. It is also possible that some element of the costs associated with this project will be invoiced or legitimately accrued (thereby avoiding clawback) but this is uncertain right now.

The current construction cost estimated for the school is £486K.

The following items are excluded from the construction cost estimate and are outside the scope of the project:

- Canopy
- Fixtures, fittings, furniture, furnishings, loose fittings
- IT equipment and systems
- Upgrading electrical incoming service supply if required
- Service connections
- Professional fees
- Planning and Building Regulation Fees
- Inflation beyond the second quarter of 2023
- VAT

They anticipate the overall final costs associated with this project to exceed £500K. Although the secondary school requests for £500K to be exempt from clawback so the project could go ahead next year.

In order to support clawback exemptions at 31 March 2023, it was asked if the working group affirmatively support both requests. There was unanimous agreement among the members to recommend both to the School Forum meeting held on 12 January 2023.

## **The working group:**

- a) Noted the report.**
- b) Supported clawback exemptions for 2022/23 to be taken as recommendations to the School Forum meeting.**

# SUPPLY COVER INSURANCE AND MATERNITY SCHEME FOR LANCASHIRE SCHOOLS 2022/23



## **SUPPLY COVER INSURANCE AND MATERNITY SCHEME FOR LANCASHIRE SCHOOLS 2022/23**

### **Incorporating:**

- **Supply Cover Insurance Scheme for Teaching Staff**
- **Support Staff Sickness and Maternity Insurance Scheme**

### **Introduction**

From 2013/14, the previously separate Supply Cover Insurance Scheme for Teaching Staff and the Support Staff (Non-Teaching) Staff Sickness and Maternity Insurance Scheme were merged together for administrative purposes. Both schemes retain their existing separate operating methodologies and schools still have the option to pick from a menu of services for teaching staff supply and/or support staff supply.

### **Changes for 2022/23**

The operation of the scheme has been flexible in recent years to respond to changes in general government advice on the pandemic, and the scheme will continue to react to any update government guidance throughout 2022/23. However, it is proposed that the scheme rules operating in 2021/22 will 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 and reimbursement rates will be increased by 3% from April 2022, to reflect the latest estimate of staff pay increases and continuing COVID support.

## **Principle of the Scheme**

The principle of the supply cover scheme is to protect schools against significant financial loss due to the incidence of sickness absence and maternity amongst teaching and support staff by spreading the cost of absences between participating schools.

The scheme is self-financing through payments of premiums by schools, with premiums being reviewed annually in line with forecast costs, thus the scheme is only viable if the majority of schools “buy in” to enable the overall risk to be spread on a sufficiently wide basis.

The Authority reserves the right to withdraw the offer of participation in the scheme from all schools and to withdraw the scheme entirely if insufficient schools buy into the scheme to make it financially viable.

## Minimum Period of Membership

The scheme year runs from April to March each year and cover is provided on a full year basis only. Membership of the Scheme will be continuous, but schools will have the opportunity to review and amend the level of cover taken or withdraw from the scheme at each annual renewal. Confirmation of cover will be issued prior to commencement. In year withdrawal is not permitted other than on closure of the school.

Schools would normally be allowed to enter the scheme part way through the financial year at the discretion of the Authority/Schools Forum, subject to certain rules and an administrative charge, however, due to the increased uncertainty surrounding the scheme from April 2022, this option has been suspended for 2022/23.

## Premiums Payable

The premiums will be adjusted annually in line with forecast costs of reimbursement to schools with effect from 1 April each year. Premiums will also need to be adjusted to ensure that at County level the total premiums received, and payments made remains in balance in the light of the actual claims experience.

The Authority maintains a reserve in order to ensure that claims can be met. Members will receive reimbursement of any scheme surplus above the agreed reserve level after the closure of accounts.

For 2022/23, increases in premiums have been necessary to reflect the latest estimate of staff pay increases and continuing COVID support.

## Teaching Staff Scheme

Schools are given the option to purchase cover for teaching staff absences in excess of 3, 5 and 10 working days.

The charging structure is split into two blocks, one for pupil led charges (nursery, primary and secondary schools), and the other where a place based charge is used (special schools and PRUs).

Charging is based on a per pupil/place basis. Details are provided below:

*Pupil Funded Schools (Primary, Secondary, Academy, and Nursery Schools)*

The per pupil rates for 2022/23 are:

<b>10 Day Premium</b>	<b>5 Day Premium</b>	<b>3 Day Premium</b>
£45.52 per pupil	£53.69 per pupil	£58.76 per pupil

*Minimum Charge for Pupil Funded Schools*

The Scheme includes a minimum level of premium in the pupil funded teacher element of the scheme, to reflect that all schools, even those with very few pupils on roll, will have a basic staffing requirement;

The 2022/23 minimum charges are set out below:

<b>10 Day Premium</b>	<b>5 Day Premium</b>	<b>3 Day Premium</b>
£1,861 minimum charge	£2,183 minimum charge	£2,385 minimum charge

*Place Funded Schools (Special Schools and PRUs)*

The 2022/23 premiums are set out below:

<b>10 Day Premium</b>	<b>5 Day Premium</b>	<b>3 Day Premium</b>
£135.05 per place	£158.28 per place	£173.27 per place

### **Reimbursement Rates**

The reimbursement rates will be increased by 3% compared to 2021/22, to reflect the latest estimate of teaching staff pay increases. See Appendix B.

## **Support Staff Scheme**

Schools are given the option to purchase cover for support staff absences in excess of 10 working days.

The Support Staff Premiums for 2022/23 are set out below:

*Pupil Funded Schools (Primary, Secondary, Academy, and Nursery Schools):*

- Lump sum of £2,000 plus
- £15.07 per pupil

*Place Funded Schools (Special Schools and Pupil Referral Units):*

- Lump sum of £2,453 plus
- £61.30 per place

## **Reimbursement Rates**

For the support staff scheme, reimbursements are aligned to estimated actual grades of staff in the School Financial Services Budget Preparation Guidance. This will recognise the latest estimate of support staff pay increases for 2022/23 at circa 3%. See Appendix B.

## Claims Procedure

Claim forms are available via the schools portal forms area, using the link below.

[https://schoolsportal.lancsngfl.ac.uk/view\\_sp.asp?siteid=3327&pageid=8945&e=e#anchor218340](https://schoolsportal.lancsngfl.ac.uk/view_sp.asp?siteid=3327&pageid=8945&e=e#anchor218340)

Completed forms should be emailed to: [supplyclaims@lancashire.gov.uk](mailto:supplyclaims@lancashire.gov.uk)

Sickness claims should be made on a timely basis. In practice this should usually be within one month of any absence and monthly for a continuing absence. Maternity claims for teachers should be submitted after a maximum of 90 working days (including inset days) or earlier if the post holder returns to work. Support Staff maternity claims are paid as a single lump sum at the commencement of maternity leave.

<b>Claim Type / Claim Timing</b>	<b>Teaching Scheme</b>		<b>Support Staff</b>	
Sickness	ST2	Monthly	LTS1	Monthly
Maternity/Adoption	ST3	After a maximum of 90 working days (including inset days)	NTM	Commencement of leave
Shared Parental Leave	Email for advice		Email for advice	

Schools joining the scheme at the start of the scheme year will be able to claim for existing sickness absences. Claims cannot be back dated and will be subject to the relevant waiting period (3, 5, 10 working days). Claims are paid in arrears. Schools joining the scheme mid-year cannot claim for existing or known future absences. See FAQ's for further details.

## Eligibility and Entitlement

The eligibility and entitlement for each category of qualifying absence is described at Appendix A.

## **Claim Expiry**

Claims must be submitted in line with the requirements notified to schools for the year-end closure procedures.

**Any claims received after the notified deadline will not be payable.**

In practice this is likely to be early March 2022 for claims up to February 2022.

Claims for March 2022 need to be submitted by **31 May 2022** and will be paid in 2022/23. Claims relating to the 2022/23 scheme submitted after the deadline of 31 May 2022 will not be payable.

## **Payment of Premiums**

Academy/Bank account schools invoices will be issued in the Summer Term. Standard terms are payment within 30 days. To pay in agreed instalments or to set up a direct debit arrangement please email [corporatedmt@lancashire.gov.uk](mailto:corporatedmt@lancashire.gov.uk) .

All other schools: premiums will be collected by journal transfer in the Summer Term

## **Arbiter**

In the event of any dispute, the Authority will be the final arbiter in order to ensure consistency of approach across all schools. Any appeals will be presented to the Head of Service, Financial Management (Development and Schools) for consideration.

## **Contact Details**

Contact Email Address [supplyclaims@lancashire.gov.uk](mailto:supplyclaims@lancashire.gov.uk)

## 1. Teaching Staff Sickness Absence

### a. Nature of Cover

The purpose of the scheme is to offset the costs incurred of employing a supply teacher to cover a teacher absent for medical reasons, with consequent duplication of salary payment.

### b. Eligible Days

A claim will be met under the scheme according to the number of working days absent from and including either day 4, 6 or 11 in a continuous block of absence of an individual teacher. (Schools are given the option of purchasing cover for teaching staff absences in excess of 3, 5 and 10 working days). For this purpose, working days are defined as days Monday to Friday when the school is in session, including teacher training days, but excluding weekends and school holidays.

### c. Entitlement Basis

Reimbursement rates will be determined and published at the beginning of the financial year and will be adjusted annually, as agreed by the Lancashire Schools Forum. In the case of long term sickness absences the reimbursement rate will be reduced to reflect the fact that the teacher is no longer entitled to full pay. Payments will also cease when the teacher is no longer entitled to occupational sick pay. Schools joining the scheme at the start of the scheme year will be able to claim for existing absences. Claims cannot be back dated and will be subject to the waiting period (3, 5, 10 working days).

The current reimbursement rates can be found at *Appendix B*.

Reimbursement will be made on this basis regardless of whether or not a supply teacher is appointed, and the actual pay of any teacher appointed.

### d. Acting Allowances

Reimbursement will be limited to the specified rate published. However, where a teacher on the leadership scale is absent long term the school may pay an acting allowance to another member of the permanent staff, in addition to bearing the cost of daily supply cover or may make a temporary appointment on the leadership scale. In these circumstances the Scheme will cover the payment of one acting allowance for the absence of any teacher on the leadership scale only.



## 2. Teaching Staff Maternity/Adoption/Shared Parental Leave and Paternity

### a. Teaching Staff Maternity/Adoption/Shared Parental Leave

- **Nature of the Cover**  
The purpose of the scheme is to compensate schools against the costs of a teacher taking maternity, adoption or shared parental leave (SPL).
- **Eligible Days**  
Reimbursements are only payable for a maximum of 18 weeks (90 weekdays) calculated from the Monday after the mother's first day of absence. The last day of absence should be either the end of the maternity/adoption pay period (a maximum of 90 working days including Inset days) or earlier if the post holder returns to work prior to the end of this period. SPL arrangements can be included in claims for reimbursement subject to the 90 working day time limit. School holidays, bank holidays and unpaid leave within the 18 week eligibility period cannot be claimed and will reduce the amount payable.
- **Entitlement Basis**  
The reimbursement will be calculated based on the number of working days absent (up to a 90 day maximum) multiplied by the appropriate daily reimbursement rate. It should be noted that supply cover for maternity is funded at 33% of the full rate to reflect the savings made by the school on the salary of the teacher taking maternity/adoption leave. Claims for part-time teachers may be made at the appropriate part-time fraction of the daily reimbursement.

The current reimbursement rates can be found at *Appendix B*.

- **Acting Allowances**  
Reimbursement will be limited to the specified rate published, however, where a teacher on the leadership scale is absent on maternity/adoption/SPL the school may pay an acting allowance to another member of the permanent staff, in addition to bearing the cost of daily supply cover or may make a temporary appointment on the leadership scale. In this circumstance the Scheme will cover the payment of one acting allowance for the absence of any teacher on the leadership scale for a maximum of 90 working days / 18 weeks calculated from the Monday after the mother's first day of absence.

Details of Shared Parental Leave arrangements are available via the HR area on the Schools Portal:

<https://schoolsportal.lancsngfl.ac.uk/corporate/web/viewdoc.asp?id=120103>

## **b. Paternity Leave**

The scheme will cover absences for Paternity Leave. Claims may be made for up to two weeks for qualifying employees. For teaching staff this will be paid at the same rate that is available for Maternity Leave.

Details of Paternity Leave arrangements are available via the HR area on the Schools Portal:

[https://schoolsportal.lancsngfl.ac.uk/view\\_sp.asp?siteid=4311&pageid=47566&e=e](https://schoolsportal.lancsngfl.ac.uk/view_sp.asp?siteid=4311&pageid=47566&e=e)

### 3. Support Staff Eligibility and Entitlement

The following cover will be provided for schools where support staff sickness absences are:

- Over 10 working days and the school is incurring additional costs by covering the absence,

Schools joining the scheme at the start of the scheme year will be able to claim for existing absences. Claims cannot be back dated and will be subject to the waiting period (10 working days).

- For Maternity Leave a flat rate of £872.00 (pro-rata 37 hours) will be given for each maternity.
- For Paternity Leave staff a flat rate of £48.44 per week (pro rata 37 hours) will be paid for each Paternity, up to a maximum of two weeks. This is equivalent to the rate payable in the support staff Maternity Scheme.

Details of Paternity Leave arrangements are available via the HR area on the Schools Portal:

[https://schoolportal.lancsngfl.ac.uk/view\\_sp.asp?siteid=4311&pageid=47566&e=e](https://schoolportal.lancsngfl.ac.uk/view_sp.asp?siteid=4311&pageid=47566&e=e)

- For Shared Parental Leave a flat rate of £48.44 per week (pro rata 37 hours) will be paid for each maternity, up to a maximum of sixteen qualifying weeks. This is equivalent to the rate payable in the support staff Maternity Scheme.

Details of Shared Parental Leave arrangements are available via the HR area on the Schools Portal:

<https://schoolportal.lancsngfl.ac.uk/corporate/web/viewdoc.asp?id=120103>

- The scheme applies to all staff employed directly by the school for the purposes of their core schools budget funded activity. (Therefore staff working at the school for a third party, for example a contractor providing catering or cleaning services, are excluded; as are staff employed to undertake extended services activities).

Reimbursement rates for 2022/23 are provided at *Appendix B*.

**Teaching Staff Supply Reimbursement Rates  
1 April 2022- 31 March 2023**

**Primary, Secondary, Academy, Nursery and Short Stay Schools**

Full Day	£181.18
Morning	£108.69
Afternoon	£72.46
Half Pay	£90.59
Maternity/Adoption/Paternity/SPL	£60.38

**Special School / Academy**

Full Day	£203.10
Morning	£121.87
Afternoon	£81.24
Half Pay	£101.55
Maternity/Adoption/Paternity/SPL	£67.70

Reimbursement Rates for Support Staff are on the next page.

## Support Staff Supply Reimbursement Rates

1 April 2022 - 31 March 2023

Category of Staff	Reimbursement Rate Per hour £
<b>Teaching Assistants</b>	
Teaching Assistants Level 1 (LCC Grade 3 to SCP 4)	£12.53
Teaching Assistants Level 2a (LCC Grade 4 to SCP 6)	£13.07
Teaching Assistants Level 2b (LCC Grade 5 to SCP 11)	£14.06
Teaching Assistants Level 3 (LCC Grade 6 to SCP 19)	£15.95
Higher Level Teaching Assistants (LCC Grade 7 to SCP 25)	£18.88
<b>Administrative Staff</b> (This section can also be used for Learning Mentors, Library Staff and Technicians. Please select appropriate band for grade and add note on claim form)	
Business Support 1 and 2 (LCC Grade 3-4 to SCP 6)	£13.12
Business Support 3 and 4 (LCC Grade 5-6 to SCP 19)	£15.07
Business Support 5 and Business Manager 1-2 (LCC Grade 7-9 to SCP 35)	£22.34
Business Manager 3 - 5 (LCC Grade 10-12 to SCP 48)	£31.45
<b>Premises Staff</b>	
Cleaner (LCC Grade 1 SCP 1)	£12.38
Site Supervisor 1, 2b and 2a (LCC Grade 2-4 to SCP 6)	£12.81
Site Supervisor 3 and Site Manager (LCC Grade 5-6 to SCP 19)	£14.56
<b>Catering Staff</b>	
Catering 1 (LCC Grade 1 to SCP 1)	£12.30
Catering 2-4 (LCC Grade 2-4 to SCP 6)	£12.74
Catering 5-6 (LCC Grade 5-6 to SCP 19)	£14.78
<b>Midday Supervision</b>	
Welfare Assistants	£12.22
Midday Supervisors	£12.52

<b>Support Staff Maternity/Adoption/SPL/Paternity Rates</b> 1 April 2021 – 31 March 2022	
Category of Staff	Reimbursement Rate
All Maternity/Adoption	Flat Rate of £854.76 (Pro Rata 37 hours)
All Paternity/SPL	£47.50 per week (Pro Rata 37 hours) – Paternity: maximum 2 weeks SPL: maximum 16 weeks

## Frequently Asked Questions

**Q How does the renewal process work?**

**A** Schools will have the opportunity to review and amend the level of cover taken at each renewal. The scheme year runs from April to March each year and cover is provided on a full year basis only. In January each year schools will receive an offer letter via the Schools' Portal detailing the scheme arrangements and prices for the following year. Cover will be continuous unless schools notify a change in requirements. Prior to the start of the scheme year confirmation letters will be issued to each school detailing the level of cover taken and there will be a final opportunity to review and amend the level of cover. Cover must be agreed by 31 March each year for existing absences to be covered in the following financial year.

**Q Are existing absences covered?**

**A** Schools joining the scheme at the start of the scheme year will be able to claim for existing sickness absences. Claims cannot be back dated and will be subject to the relevant waiting period (3, 5, 10 working days).

Staff absence claims from existing scheme members for absences in March which continue into the new scheme year in April will only have the waiting period applied once for each absence and will therefore not be reapplied in April.

The current reimbursement rates can be found at *Appendix B*.

**Q. Can a school join the scheme once the new financial year has started?**

**A.** Not in 2022/23.

Schools would normally be allowed to enter the scheme part way through the financial year at the discretion of the Authority/Schools Forum, subject to certain rules and an administrative charge, however, due to the increased uncertainty surrounding the scheme from April 2022, this option has been suspended for 2022/23.

**Q My school has joined the scheme during the year but when I download the template from the system the form is telling me that we are not on the scheme?**

**A** Please can schools always ensure that they download the latest template from the Schools Portal as these will be regularly updated so there should only be minimal delays between changes occurring and the template being updated. In the event that the template on the portal is not up to date please contact [supplyclaims@lancashire.gov.uk](mailto:supplyclaims@lancashire.gov.uk) for assistance.

**Q Can the annual invoice be paid in instalments?**

**A** Schools operating their own bank account will be invoiced in the summer term, but the option is available for the bill to be paid in instalments, rather than a single annual payment. Schools interested in paying in agreed instalments or to set up a direct debit arrangement are asked to contact:  
[corporatedmt@lancashire.gov.uk](mailto:corporatedmt@lancashire.gov.uk)

Charges for schools banking with the County Council will be processed by journal transfer in the summer term.

**Q. Can I claim if a member of the teaching staff has to attend jury service?**

**A.** Yes, but from 2014/15, the public duties element of the teaching scheme has been included as part of the "Staff Costs" De-delegation, that was agreed by the Schools Forum. This means that cover for public duties is available to all schools, except Academies, regardless of whether they buy into this traded supply cover scheme.

Public duties include:

- Magistrates/Justices of the Peace;
- Jury Service;
- Attendance at Court/Tribunal as a Witness;
- Teachers who are Governors of schools other than their own;
- Territorial Army/Royal Naval Reserve/Royal Air Force Reserve.

Claim forms ST4 and ST6 are available via the finance section of the Schools Portal forms area, using the link below

[https://schoolsportal.lancsngfl.ac.uk/view\\_sp.asp?siteid=3327&pageid=8945&e=e#anchor218340](https://schoolsportal.lancsngfl.ac.uk/view_sp.asp?siteid=3327&pageid=8945&e=e#anchor218340)

**Q. What kinds of absences are not covered by the Supply Cover Insurance and Maternity Scheme for Lancashire Schools?**

**A.** The scheme covers sickness, maternity, adoption and paternity absences. Personal and professional absences are not covered, including:

- Special Leave;
- Elective Surgery e.g. cosmetic procedures that are a personal choice but not medically necessary;
- Time off for Dependents;
- Study Leave.

**Q. Is absence relating to IVF treatment covered by the Supply Cover Insurance and Maternity Scheme for Lancashire Schools?**

- A.** Hospital and GP appointments for IVF would be treated as any other medical appointment – reasonable time off etc. Sickness absence would apply to in-patient treatment and medically recommended rest.

Should a school have concerns regarding the length of any subsequent period of sickness absence following medical treatment they are advised to contact Occupational Health Unit who will advise on any likely recovery period and expected length of absence from work, which may differ from the former.

**Q What is Shared Parental Leave?**

- A** Where their baby is due or adopted on or after 5 April 2015, eligible mothers will be able to volunteer to end their maternity/adoption leave and/or pay early to create leave and pay which they can share with the child's father or their partner as shared parental leave and pay.

Shared parental leave means that eligible fathers and partners will be able to request more leave from work in the first year following their child's birth or adoption. Because it is shareable, there will also be cases where eligible mothers will return to work early because the child's father or their partner is taking leave in their place. Shared parental leave can be taken in discontinuous blocks. This means that eligible parents will also be able to request to mix work with leave in the first year of their child's life and return to work between periods of leave if they wish.

A mother can't return to work before the end of the compulsory 2 weeks of maternity leave following the birth.

Further information is available at :

<https://www.gov.uk/shared-parental-leave-and-pay/overview>

and

<https://schoolportal.lancsngfl.ac.uk/corporate/web/viewdoc.asp?id=120103>

The scheme has been updated to reflect the introduction of SPL arrangements.

**Q. Can Adoption leave be claimed on the scheme?**

- A.** Adoption leave is claimable on the scheme for absences agreed in accordance with the LCC policy. The rules around the County Council's adoption leave policy are available from the link below:

[https://schoolportal.lancsngfl.ac.uk/view\\_sp.asp?siteid=4311&pageid=19058&e=e](https://schoolportal.lancsngfl.ac.uk/view_sp.asp?siteid=4311&pageid=19058&e=e)

**Q. When should a Maternity, Adoption or Shared Parental Leave claim be submitted?**

- A.** For the teaching scheme claims should be submitted after a maximum of 90 working days (including inset days) or earlier if the post holder returns to work



prior to the end of this period. For the support staff scheme where a lump sum payment is offered this should be claimed at the commencement of the maternity leave. Failure to submit claims within the appropriate time scale may result in non-payment.

**Q. How long after an absence can a claim be submitted?**

**A.** Claims should be made on a timely basis. In practice this should usually be within one month of any absence and monthly for a continuing absence. Claims for both the teaching and support staff must be received by the **31 May** immediately following the scheme year to which they relate.

**Any claims received after this date will not be payable.**

**Q. What happens if a member of staff is off long term and begins to receive half pay?**

**A.** The reimbursements rates would be reduced in recognition that a member of staff was now receiving half pay. There is provision on the claim forms to tell us the dates when pay reductions become effective.

**Q. What happens if a member of staff who has been absent returns to work on a phased basis?**

The County Council's Long Term Sickness Absence Procedure for Staff in Delegated Schools (August 2019) indicates that

"If a school is part of the County Council's Insurance Scheme for supply cover, the phased return must be arranged in agreement with Schools' HR Team, and in consideration of the advice from the OHU and/or the employee's medical adviser"

Once agreement on a phased return has been reached, schools are asked to include information in the comments box on the claim form detailing the arrangement. A manual adjustment will then be made to the claim to ensure the school is provided with the appropriate reimbursement.

**Q. How does the recovery of Insurance from 3<sup>rd</sup> Parties affect supply claim payments?**

**A.** The County Council's Long Term Sickness Absence Procedure for Staff in Delegated Schools (August 2019) indicates that:

If an absence is attributable to the negligence of a third party in respect of which damages are recoverable, the employee should inform the employer.

In such circumstances schools should ensure where a claim against the third party results in the recovery of costs incurred by the school which includes supply costs or equivalent any supply claims already made against the scheme are refunded to the scheme from the damages recovered. Please contact us for more details.

- Q. How to complete a claim for a colleague who is part time**
- A.** Contracted hours/sessions are averaged across the month rather than the working pattern of the member of staff. The forms will calculate the claimable hours or sessions
- Q. How to complete a claims form when the excess waiting days roll into the next month**
- A.** Complete both forms as normal and submit them together. Any excess waiting days will then be adjusted when processing
- Q. If I need help to complete a claim form or have a query about an existing claim, who do I contact?**
- A.** Claim forms are available via the schools portal forms area, using the link below.
- [https://schoolportal.lancsngfl.ac.uk/view\\_sp.asp?siteid=3327&pageid=8945&e=e#anchor218340](https://schoolportal.lancsngfl.ac.uk/view_sp.asp?siteid=3327&pageid=8945&e=e#anchor218340)

For queries please contact: [supplyclaims@lancashire.gov.uk](mailto:supplyclaims@lancashire.gov.uk)

## **LANCASHIRE SCHOOLS FORUM**

**Date of meeting 12 January 2023**

### **Item No 12**

**Title: Recommendations of the High Needs Block Working Group**

**Appendix A and B refers**

### **Executive Summary**

On 29 November 2022, the High Needs Block Working Group considered a number of reports, including:

- Lancashire Hospital Education Service: Annual Report: Academic Year 2021/22
- High Needs Block Commissioned Places 2023/24 (**Copy attached in Item 7**)
- SEND Sufficiency Update
- High Needs Block Funding 2023/24;
- High Needs Deficit Management Plan (Attached)
- Supported Internships - Section 14 grant funding

### **Recommendations**

**The Forum is asked to:**

- a) **Note the report from the High Needs Block Working Group held on 29 November 2022;**
- b) **Ratify the Working Group's recommendations.**

## **Background**

On 29 November 2022, 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. Lancashire Hospital Education Service: Annual Report: Academic Year 2021/22**

Lancashire Hospital Education Service is centrally funded by DSG HNB.

In 2021/22, £927K was allocated. The aim of this service is to provide to a high-quality education suitable to the child need and to support them on a return to school. There are 4 current settings which are explained further in Appendix A.

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 report was provided to the working group.

This report was taken to the last working group, but Audrey Swann was asked to present it at a future meeting.

Audrey has apologised that she could not attend the last working group.

She has presented briefly through her report and explained the challenges they experienced due to COVID. There were still face-to-face lessons in hospitals, but home teaching was more of an issue. There was an increase in pupils being anxious to leave their homes to attend school. Due to this pandemic, the service has adapted the Tute teaching platform to enable education to continue. As you can select all subjects and levels of education, the system works very well. It was highlighted that pupils after year 11 do attend college or sign up for apprenticeships. The working group appreciated the work that the service does.

#### **The Working Group:**

- a) Noted the report;**
- b) Expressed views on the Lancashire Hospital Education Service Annual Report: Academic Year 2021/22.**

### **2. High Needs Block Commissioned Places 2023/24**

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 provides an update about the proposed HNB places to be commissioned for 2023/24, including those place numbers submitted on the DfE on the annual place change

notification submission. All the changes to commissioned places related to the 2023/24 academic year were provided to the working group.

### **High Needs Place Change Notification Process 2023/24**

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

The 2023/24 High Needs Place Change Notification return for Lancashire was submitted by the deadline of 11 November 2022. 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 2023/24 commissioned places have been determined in consultation by authority services with the relevant providers.

Information about 2023/24 place proposals for institutions included on the return is provided in Appendix A.

### **Local Place Changes**

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

Appendix A also includes 2023/24 commissioned place proposals for:

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

Commissioned places for Special Schools, PRUs and units in mainstream schools for 2022/23 are currently being finalised and will be included in Appendix A.

### **Independent and Non-maintained special schools**

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

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

Sally Richardson, Head of Inclusion Service attend the meeting to answer any queries regarding commissioned places.

During the meeting, the commission places were discussed in depth. It was reported that the headteacher had previously been consulted before allocating commissioned places. Members have enquired about how these figures were calculated. Sally explained that it is based on the May census data. She was not aware that in previous years all special schools were contacted about commissioned places. The schools will be consulted in the future to ensure everyone receives the information.

Members were concerned that commissioned places do not cover the actual number of pupils. They are expecting to gain more pupils compared with commissioned places. If the commissioned places were reviewed and increased it would aid special schools with planning ahead and recruiting specialist teachers to meet the needs of their pupils.

The exclusion rate has decreased significantly since 2020/21, but this is due to COVID since there were fewer students in the school. As a result, the current data make it difficult to assess the position of the commissioned places. An argument was made that the COVID impact would be felt now more than during the pandemic. Inclusion services will review the data before COVID, to change the commissioned places. It is believed that almost all PRU's will benefit from this, while a few will not change and a few have lower commissioned places. Sally Richardson estimated that the high-needs sector would incur an additional cost of £400K for amending further PRU's commissioned places. To discuss this change, a report will be presented to the School Forum on 12 January 2023, to ratify this decision.

Intervention pupils funding is capped in PRUs, therefore if PRUs do have an increase in numbers they would have to find the funding for their budget. Members asked if intervention

pupils could be monitored and banding reviewed. It was noted that rates of exclusion varied in different schools.

The banding document is no longer appropriate as it does not provide banding that assists pupils to be maintained in mainstream schools. It was agreed to form a working party to look at this. Increasing mainstream ability to meet pupil needs by reviewed banding should save money for the sector overall.

#### **The Working Group:**

- a) **Noted the report.**
- b) **Noted that further information would be provided as for amending PRU's commissioned place process at the School Forum meeting held on 12 January 2023.**

### **3. SEND Sufficiency Update**

As a result of the Education Act 1996), the Council is responsible for ensuring the county has enough school places for children and young people to attend, and for ensuring the schools are of good quality and capable of supporting parental choice and diversity. Section 14 of the Education Act 1996 requires Local Authorities to ensure that educational provision is made for students aged 16 to 18 and over 19, as well as those with special educational needs. LAs are required by Section 315 to review their arrangements for Special Educational Needs and Disabilities (SEND).

Since 2014, an average of 170 places increases every year within special schools. It is difficult to predict due to COVID. Especially as it impacted pupils' emotional behaviour. Sally Richardson has informed the working group that due to government COVID funds a team was created to support pupils at risk of exclusion with EHCP's.

Inclusion and Engagement Support Team COVID funds are due to finish in June 2023. The team has worked on 109 cases;

- Total mainstream: 78 out of 109 cases remain in mainstream = 71.5%
- Total Perm Ex.: 5 out of 109 cases permanently excluded= 4.7%
- Total Special: 18 out of 109 cases moved to special= 16.5%
- Total other: 8 out of 109 cases other= 7.3%

This aided special schools with their capacity and savings, as pupils remained in mainstream. Sally Richardson has proposed for the high-needs block to continue to fund this team as it will save time and money for the block in the long term. Members understood it would be a good investment if there is a team with expertise lowering exclusion figures for EHCP pupils. Some commented that some schools are reluctant when it comes to excluding individuals, and with support they could cope keeping them in the mainstream. This will help special schools as they have more staffing issues when it comes to having qualified teachers in place to handle these increases and meet individuals' needs.

It was stated that approximately it will cost £250K to further fund this team, but it will need to be reviewed with current pay awards. The team hold three teachers and three learning business support officers.

Members have asked for feedback from schools involve in this process and some cases examples. At the last working group, a member mentioned this group's valuable work, but it is not well advertised, and more schools should be aware of it. Further questions were raised about the results between the primary and secondary sectors and if more information is available.

Sally Richardson has agreed to collect more data and bring a report for the School Forum on 12 January 2023, to ratify this decision on funding this team. The report will include further information, but it was anticipated that it would over £250K with current pay awards.

Sally suggested to the working group that issuing an EHCP could be delayed, this would not stop support if funding was made available, but it would save money as EHCP usually stay with the pupil throughout school. Some pupils may not require an EHCP if support meets needs early. Members discussed how some pupils do not like being assigned a plan, even if they need one since it labels them for life. A member has suggested that identifying EHCPs should be done in the nursery. This is because the nurseries do identify children with needs but do not have the necessary teachers to meet their needs. Sally has agreed to come to the early years working group with this suggestion and look up guidance.

### **The Working Group**

**a) Noted the information.**

**b) Noted that further information would be provided about the progress of the Inclusion and Engagement Support Team at the School Forum meeting held on 12 January 2023, and a request to fund this team.**

## **4. High Needs Block Funding 2023/24**

In July, the DfE made announcements about the 2023/24 school funding arrangements and a further announcement was made in November 2022.

We are still awaiting further details on this and therefore, this report is based on the July school funding announcement only.

The basic structure for High Needs NFF is not changing and you can view the structure in Appendix A

### **2023/24 High Needs Block NFF**

- ❖ High needs funding is increasing by 6.3% in 2023-24
- ❖ The high needs NFF will ensure that every local authority receives at least a 5% increase per head of their 2-18 population, meaning every Local Authority will receive at least 5% per head more than 2022/23
- ❖ The limit on gains per head of the population is set at 7%
- ❖ The funding floor is 5%
- ❖ Supplementary high-needs funding will be incorporated into the Total High Needs Block Allocation from 2023/24
- ❖ DfE have decided to keep the historic spend factor at the same cash value in the 2023-24 NFF as in 2022-23



- ❖ The hospital education factor will also be uplifted by 5%.

***Final allocations of schools, high needs and central schools services funding for 2023-24 will be calculated in December, based on the latest pupil data at that point and when further Government Announcements have been received.***

**The Working Group:**

- a) Noted the report.**

## **5. High Needs Deficit Management Plan**

Local authorities are increasingly incurring deficits on their DSG accounts, mainly because of overspending within their high-needs blocks.

As part of the DSG: grant conditions, local authorities who have a deficit on their DSG account at the end of the financial year, or whose DSG surplus has significantly decreased during the year, need to present a plan to the department and cooperate with the department to resolve the issue.

Kirsty Lister the Principal Accountant delivered a presentation on the High Needs Deficit Management Plan.

The presentation outlines the breakdown of high-needs funding for 2022/23. It was informed that the current budget forecasts at 31 March 2023 indicated £6m underspend, but this will change once LA receives autumn data from DfE. According to forecasts for 2023/24, the high-needs block will be overspent by £4 million due to current financial pressures. It will grow by another 8% each year over the next three years.

In response to members' questions, Kirsty Lister has noted to include more detailed breakdowns in her future presentations to the working group.

Members discussed their financial pressures and how the Inclusion and Engagement Support Team could aid in lowering places being funded, which will save funds in the long term, a mechanism to challenge schools on their decisions.

**The Working Group:**

- a) Noted the presentation.**

## **6. Supported Internships - Section 14 grant funding**

The working group has been informed by Kirsty Lister that there will be an additional grant for a Supported Internship over the next three years. However, LA is not sure how and when it will come through. The working group will be informed once more information is received from the DfE.

**The Working Group:**

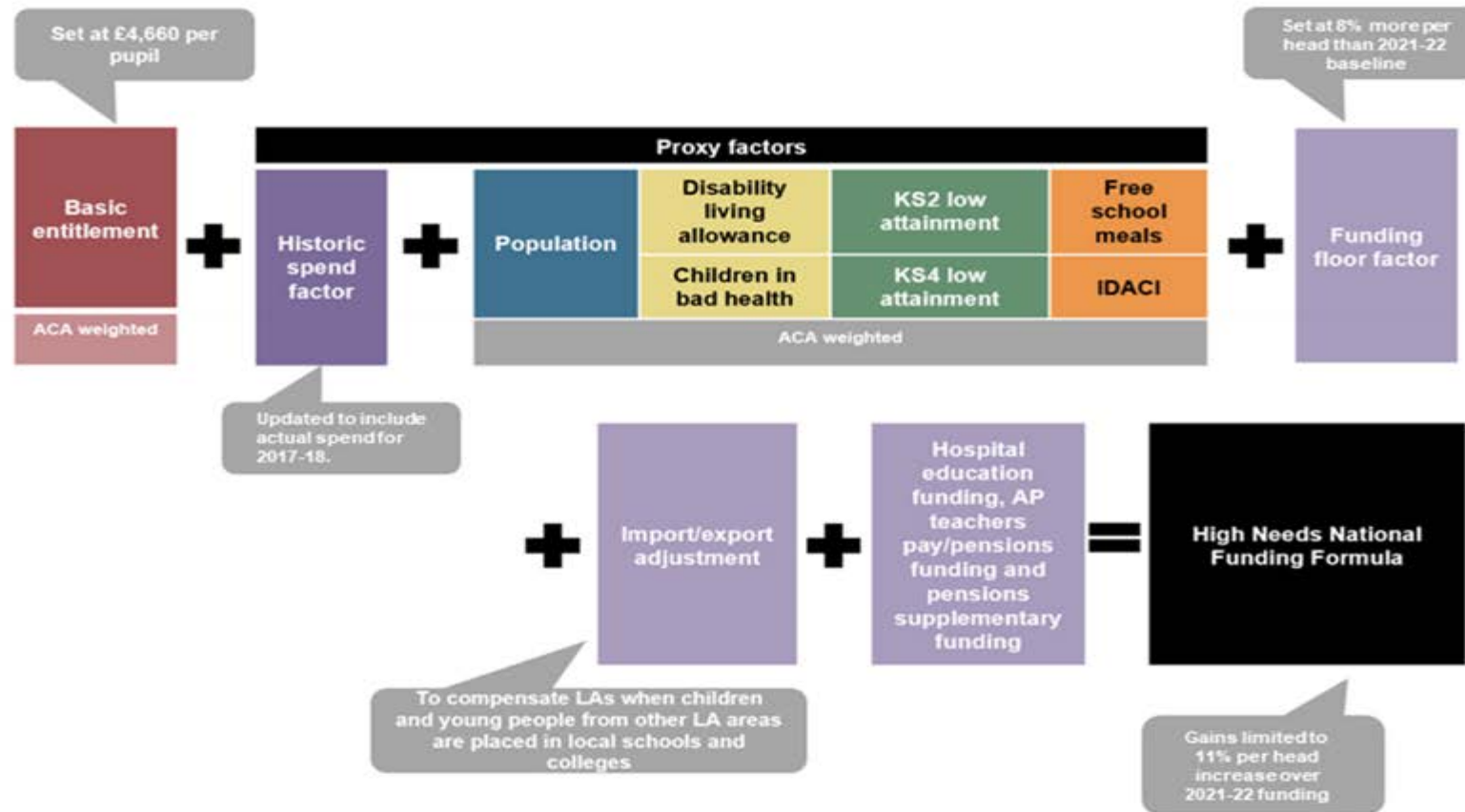
- a) Noted the information.**

## Lancashire CC High Needs Block Funding 2022/23

- 2022/23 Allocation £163mil
- Funding Breakdown as follows:

<b>2022/23 High Needs Funding</b>	<b>£</b>
High needs national funding formula for historical spend, proxy factors, and funding floor allocation (£s)	151,476,062
Basic entitlement factor (area cost adjusted) unit of funding (£s)	15,382,660
Additional Funding for Special Free Schools (£s)	138,000
Hospital education, alternative provision teachers pay/pension and supplementary funding factor (£s)	1,507,193
Additional high needs allocation (£s)	6,247,743
<b>Total high needs block before deductions (£s)</b>	<b>174,751,658</b>
Import/export adjustment	-1,755,000
<b>Deductions:</b>	
Post 16 SEN Places in Mainstream Academies	-186,000
Pre 16 SEN Places in Special Academies	-1,604,167
Post 16 SEN Places in Special Academies	-406,667
Pre 16 AP Places in Academies & Free Schools	-1,416,667
Further Education and Independent Learning Provider	-5,448,000
<b>Total High Needs Block After Deductions (£)</b>	<b>163,935,158</b>

# High needs national funding formula factors



# Current High Needs Budget Forecast 2022/23

	Number of EHCPS as at Spring 22	Percentage - Provision	Average Cost Per Place	Increase Spring 23	Total Budget	Forecast Including Spring 23 Additional Spend	Variance
<b>Place and Top Funding</b>				<b>796</b>			
Mainstream - Early Years	257	2.96%	5,350	24		1,456,492	1,456,492
Mainstream Schools - Primary	1,653	19.02%	8,499	151	14,724,805	11,944,349	-2,780,456
Mainstream Schools - Secondary	1,087	12.51%	5,029	100	0	5,791,053	5,791,053
SERF and SEN Units	30	0.35%	21,036	3	775,148	668,520	-106,628
Special Schools	3,369	38.76%	21,691	309	69,311,570	73,078,313	3,766,743
Out County	577	6.64%	44,757	53	23,000,000	25,825,427	2,825,427
Further Education - Post 16	1,217	14.00%	9,389	111	11,000,000	11,426,217	426,217
Alternative Provision/Pru	70	0.81%	5,029	6	10,438,784	12,377,856	1,939,072
NEET/Educated Elsewhere	431	4.96%		39	0	0	0
High Needs Growth					16,742,970	0	-16,742,970
<b>Total Place and Top Up Funding</b>	<b>8,691</b>			<b>796</b>	<b>145,993,277</b>	<b>142,568,227</b>	<b>-3,425,050</b>
<b>Other Commissioned Services</b>					<b>17,941,880</b>	<b>15,018,860</b>	<b>-2,923,020</b>
<b>Total 22/23 High Needs</b>	<b>8,691</b>			<b>9,487</b>	<b>163,935,157</b>	<b>157,587,087</b>	<b>-6,348,070</b>

# High Needs Block Forecast 2023/24

	Number of EHCPS as as at Spring 23	Percentage - Provision	Average Cost Per Place	Forecast Increase 23/24	Total EHCP 23/24	Forecast 23/24
<b>Place and Top Funding</b>				<b>600</b>		
Early Years	281	2.96%	5,350	18	298	1,500,880
Mainstream Schools - Primary	1,804	19.02%	8,499	114	1,919	16,305,206
Mainstream Schools Secondary	1,187	12.51%	5,029	75	1,262	6,344,954
SERF and SEN Units	33	0.35%	21,036	2	35	732,462
Special Schools	3,678	38.76%	21,691	233	3,910	84,814,246
Out County	630	6.64%	44,757	40	670	29,972,834
Further Education - Post 16	1,328	14.00%	9,389	84	1,412	13,261,198
Alternative Provision/PRU	76	0.81%	5,029	5	81	12,775,707
NEET/Educated Elsewhere	470	4.96%		30	500	0
<b>Total Place and Top Up Funding</b>	<b>9,487</b>			<b>600</b>	<b>10,086</b>	<b>165,707,487</b>
<b>Other Commissioned Services</b>						<b>21,351,114</b>
<b>Total 23/24 Forecast Expenditure</b>					<b>10,086</b>	<b>187,058,601</b>
<b>Total 23/24 Indicative Allocation</b>						<b>183,029,000</b>
<b>Potential Overspend 23/24</b>						<b>4,029,601</b>

# Forecast High Needs Deficit – Future Years

Financial Years	Allocation			Expenditure			Outturn Position (£mil)	Comments
	HNB DSG Allocation (£mil)	Increase (£mil)	Increase %age of Allocation	Expenditure (£mil)	Increase (£mil)	Increase %age of Expenditure		
2020/21	135.48	17.00	14.35%	134.57			-0.91	
2021/22	151.03	15.55	11.48%	144.49	9.92	7.4%	-6.55	
2022/23	163.94	15.88	10.51%	157.59	13.10	9.1%	-6.35	Position as at August 22 + Forecast increase for the rest of the financial year. £7mil expenditure = Supplementary grant 22/23
2023/24	183.03	16.12	9.66%	187.06	29.47	18.7%	4.03	Indicative Allocation and Estimated Expenditure. <b><i>Includes Supplementary grant being incorporated in HNB baseline</i></b>
2024/25	188.52	5.49	3.00%	202.02	14.96	8.0%	13.50	Indicative Allocation and Estimated Expenditure
2025/26	194.18	5.66	3.00%	216.16	14.14	8.0%	21.99	Indicative Allocation and Estimated Expenditure
2026/27	200.00	5.83	3.00%	231.30	15.13	8.0%	31.30	Indicative Allocation and Estimated Expenditure

ESFA High Needs Guidance suggests 3% increase on Allocation from 24/25 - 26/27

# DSG management plans – ESFA Guidance

- **DSG management plans**

- An increasing number of local authorities have been incurring a deficit on their overall DSG account, largely because of overspends within their high needs block. The DSG: conditions of grant set out that any local authority with an overall deficit on its DSG account at the end of the financial year, or whose DSG surplus has substantially reduced during the year, must be able to present a plan to the department and cooperate in handling that situation by:
  - providing information, as and when requested by the department about its plans for managing its DSG account
  - providing information, as and when requested by the department about pressures and potential savings on its high needs budget
  - meeting with department officials, as and when they request to discuss the local authority's plans and financial situation
  - keeping the schools forum updated regularly about the local authority's DSG account and plans for handling it, including high needs pressures and potential savings

# Options to Reduce Forecast Deficit

- Reduce Out of County Placements
- Review all 19+ placements
- Early Intervention at Early Years Level
- Review of Current Banded Framework
- Utilise SEN Units
- Support to Mainstream Schools to Prevent Special School Placement
- Review all NEET/Educated Elsewhere/Historic Packages of Support



**LANCASHIRE SCHOOLS FORUM**  
**Date of meeting 12 January 2023**

**Item No 13**

**Title: Recommendations of the Early Years Block Working Group**

**Appendix A refers**

**Executive Summary**

On 1 December 2022, the Early Years Block Working Group considered a number of reports/topics, including:

- Early Years Sector Challenges – Update Report (Attached)
- Early Years Block Funding 2023/24
- MNS Deficit Summary
- PVI Finance Update

**Recommendations**

**The Forum is asked to:**

- a) **Note the report from the Early Years Block Working Group held on 1 December 2022**
- b) **Ratify the Working Group's recommendations.**

## **Background**

On 1 December 2022, 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 Sector Challenges – Update Report**

This report is attached to the papers as Appendix A, on the challenges faced in the Early Years sector, written by Andrew Cadman and Philippa Perks.

Phillipa the Chair of the Early Years Working Group provided a verbal update on the report at the beginning of the meeting as Cllr Rear attended to hear about the challenges within the sector.

A key purpose of this report is to provide an overview of some of the issues currently affecting the Early Years Sector. Staff recruitment and retention, funding, costs, and training are among the topics discussed in the report.

#### **The Working Group:**

##### **a) Noted the report.**

### **2. Early Years Block Funding 2023/24**

On 17 November 2022, the Chancellor delivered his Autumn Statement 2022.

The statement made several announcements that will impact on schools and early years funding going forward.

One key expenditure element for the sector relates to increases in the Minimum wage from 1 April 2023 that were announced, which are set out below:

- National Living Wage for those aged 23 and over by 9.7% from £9.50 to £10.42 an hour
- National Minimum Wage for those aged 21-22: by 10.9% from £9.18 to £10.18 an hour
- National Minimum Wage for 18–20-year-olds by 9.7% from £6.83 to £7.49 an hour
- National Minimum Wage for 16-17-year-olds by 9.7% from £4.81 to £5.28 an hour
- The Apprentice Rate by 9.7% from £4.81 to £5.28 an hour

England's core schools budget will receive an additional £2.3 billion in 2023/24 and £2.3 billion in 2024/25. In 2024/25, the core schools budget will be £58.8 billion, £2 billion more than the budget published in Spending Review 2021, after adjusting the budgets to account for the removal of compensation for employer costs from the Health and Social Care Levy.

To date, we have not received any confirmation about these additional elements or any formal notification about 2023/24 early years block allocations for Lancashire, although there is some indication that the 2023/24 hourly rates may be announced later this month. If this is the case, information will be shared with members at the working group meeting.

Details of the final DSG settlement for 2023/24 will only be received in mid-December when we get the full 2023/24 DSG notification.

The mid-December notifications will include the final Schools Block allocations for 2023/24, which will enable updated modelling to be undertaken for that block and a final determination to be made about the availability of any headroom. Members will recall that the initial modelling of the Schools Block for 2023/24 estimated that there would not be any headroom available from April 2023.

### 3- and 4-year-Old Entitlement

For the 3- and 4-year-old funding for 2020/21 and 2021/22, Schools Forum agreed to transfer £2m each year from the Schools Block to the Early Years Block, to help with the pressures being faced by the sector. This meant that an additional £0.08 per hour was added to the 3- and 4-year-old base rate for these years.

Unfortunately, budget modelling for 2022/23 suggested that this transfer was no longer possible from April 2022 and the £0.08 per hour was removed from the base rate for 2022/23.

The Schools Forum was aware that the early years sector was facing considerable cost pressures. Therefore, they recommended that £1m of Schools Budget reserves was used in 2022/23 to help reduce the turbulence in the system caused by this reduction. The £1m contribution allowed £0.04 per hour and was available for 2022/23 only.

At the last working group, it was raised that the sector would be requesting the £1m of DSG reserves again for 2023/24 to help the EY sector with the current challenges they are facing.

2023/24 funding rate options are as follows **(It should be noted that after actual DfE allocations were provided after the below was presented to the working group, new rates can be found in Item 10a)**

2022/23 base rate, which included £0.04 contribution from Lancashire Schools Block	£4.48 per hour
2023/24 adjusted base rate without £0.04 contribution	£4.44 per hour
<b>2023/24 base rate with DfE £0.21 uplift (includes TPPG uplift)</b>	<b>£4.65 per hour</b>
<b>2023/24 base rate with DfE £0.21 uplift and Reserve funding of £0.04</b>	<b>£4.69 per hour</b>

An increase of 21p has been announced for Early Years Funding. This assumes no further Early Years funding will be announced. If the 4p reserve funding was not agreed for 2023/24 then this would give the 3- and 4-year-old hourly rate a net increase of 17p.

### 2-year-old entitlement

Lancashire is to receive an additional £0.06 per hour for the 2-year-old entitlement for 2023/24, which will be passed on to providers. This would result in a forecast Lancashire funding rate of £5.43 per hour for 2-year-olds for 2023/24.

## **Maintained Nursery Supplementary Funding**

Lancashire is currently forecasted to receive an extra £0.49 per hour for the maintained nursery supplement. The increase in rate includes the TPPG included in the hourly rate for 2023/24, this will give a forecasted rate per hour of £4.28 from £3.67 in 2022/23.

***All the above proposed 2023/24 rates are based on the DFE Early Years Consultation that was published in the Summer of 2022. We are still awaiting the outcome of this consultation***

At its last meeting, the working group decided to request £1m again from DSG reserves for 2023/24. This possibility may not be available in the upcoming years, so the sector may feel a more significant impact from the lack of these additional funds. Members asked for DSG reserves to be utilised to support the additional 4p in the base rate for another year due to all the challenges they are facing.

As a result of the working group's discussions, the £1m of DSG reserves will be requested again for 2023/24 to assist the EY sector with its current challenges. The £1m contribution would allow £0.04 per hour for 2023/24 only, if it is supported by the School Forum meeting held on 12 January 2023.

### **The Working Group:**

- b) Noted the report.**
- c) Expressed views about their current challenges and DSG reserve.**
- d) Asked for £1m of DSG reserves to be requested again for 2023/24 at the School Forum meeting held on 12 January 2023.**

## **3. MNS Deficit Summary and 7. PVI Finance Update**

Kirsty Lister discussed both items together with the working group on current financial issues faced by Maintained Nursery Schools and Private, Voluntary and Independent providers.

Some nurseries/PVIs are in deficit and are being contacted and meetings are being arranged to help with their financial difficulties. Members were asked for their views on how to help them move forward. LA has already prepared a plan for schools to submit a recovery plan if they fall into deficit as part of the School in Financial Difficulty de-delegation they purchase from the LA, but PVIs may be forced to close. There are a few in question who have inherited deficits and it is more difficult to resolve them. All cases are individually analysed, based on their issues.

Members agreed on how it would be on a case-by-case basis and suggested that a MNS could share their headteacher in the area, this would spread the costs.

It was raised that before COVID a group of LCC Officers met with individual schools to guide and resolve this issue. It was agreed that the team needed to be regrouped. As members mentioned the quality of childcare will be affected if funds are further reduced. For example, when children's centres in previous years were forced to close, this led to a drop in the number of children in nurseries and the quality they were receiving.

In addition, a member has requested that Kirsty Lister meet with all MNS headteachers.

**The Working Group:**

- a) **Noted the information.**

# Early Years Sector Challenges – Update Report

**Early Years Block Working Group, 1st December 2022**

Philippa Perks – Chair of Early Years Block Working Group

# Contents

<b>Early Years Sector Challenges – Update Report</b> .....	
<b>Contents</b> .....	2
<b>Introduction</b> .....	3
<b>Environmental and Sustainability</b> .....	3
<i>Energy Costs</i> .....	3
<i>Source – Ofgem Official Website</i> .....	4
<i>Provider Closures</i> .....	4
<i>Interest Rates</i> .....	6
<b>SEND</b> .....	6
<i>Places Demand</i> .....	6
<i>Training</i> .....	7
<i>Inclusion &amp; DAF Funding</i> .....	8
<b>Inspections</b> .....	8
<b>Funding</b> .....	8
<b>Workforce development</b> .....	9
<b>Business support</b> .....	10
<i>Business Support and Financial Planning</i> .....	10



## Introduction

This report provides an introduction into some of the issues affecting the Early Years Sector at this current time.

Ofsted published a report on the 14th of November entitled “Best Start in Life Part 1”. In that report Ofsted states “A high quality early years education is vitally important. Children attend early years provision at a crucial developmental point in their lives. The education and care that they receive affects not only future educational attainment but also their future health and happiness.”

Despite this recognition, the sector is facing some of the biggest challenges seen for a long time. Staff recruitment and retention is at crisis point and morale in the sector is at an all-time low.

Funding is not covering running costs and some settings are either closing completely or are reducing capacity<sup>1</sup>. Parents of younger children are facing high childcare costs as they are subsidising places for the older children who are in receipt of government funding.

Parents of children with SEND are struggling to make informed choices of where to send their children as settings both in the maintained and PVI sectors struggle to meet demand when financial support for these children is inadequate. Furthermore, a proposed reduction in ratios will put further pressure on already overworked and underpaid qualified workforce.

Increasing energy costs and rising interest rates are placing further financial constraints on the sector and this may lead to a reduction in the quality of care and education for our 0-5's, the exact opposite of what Ofsted deems to be essential to the development of children.

The time to act is now. Early Years is the building block for greater success as children move through the education system and Lancashire has recognised that the sector is a key partner in the delivery of the Education Strategy.

## Environmental and Sustainability

### Energy Costs

The impact of the energy crisis has seen many businesses cease trading as they are unable to meet the cost of their utility bills, many of which have tripled since June 2021. Early years providers are no exception to this, operating as a business but without the option of staff being able to work from home to reduce building costs.

In December 2020, LCC agreed that their ambition is to:

*"Transition the Lancashire economy away from carbon by 2030, address the biodiversity crisis; while also protecting against poverty and improving social inclusion."*

Various stakeholders met to consider ideas about future action that could be taken at the [Lancashire Climate Summit](#) in March 2022, development of new plans will be based on the information that was discussed at the summit. LCC are currently updating their [climate change strategy](#).

Whilst LCC is committed to moving away from carbon energy reliance, the risk is a short and medium term one, where Early Years providers will not receive the support required to remain open. Business' are currently protected by a 6 month energy cap, due to end on 31<sup>st</sup> March, but are currently facing energy costs that are unaffordable.

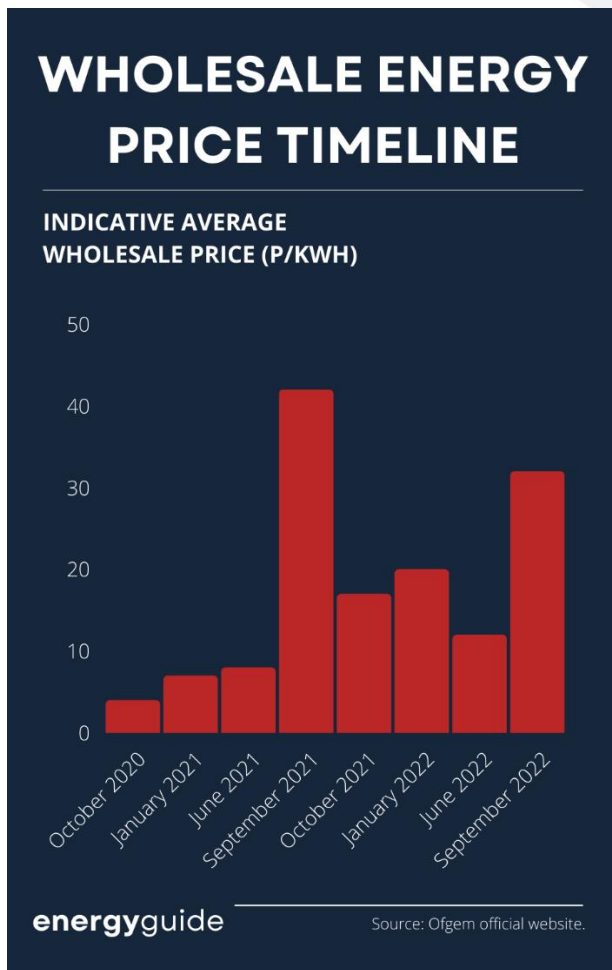
In the short term providers would benefit from clear advice and guidance on how to reduce their energy use without taking drastic measures of turning off heating and lighting (most suitable source

---

<sup>1</sup> [https://www.eyalliance.org.uk/sites/default/files/breaking\\_point\\_report\\_early\\_years\\_alliance\\_2\\_december\\_2021.pdf](https://www.eyalliance.org.uk/sites/default/files/breaking_point_report_early_years_alliance_2_december_2021.pdf)



of advice would need to be chosen). This would help focus on any potential high energy use equipment, areas, or times of day, and assist in making actionable decisions to lower their energy consumption.



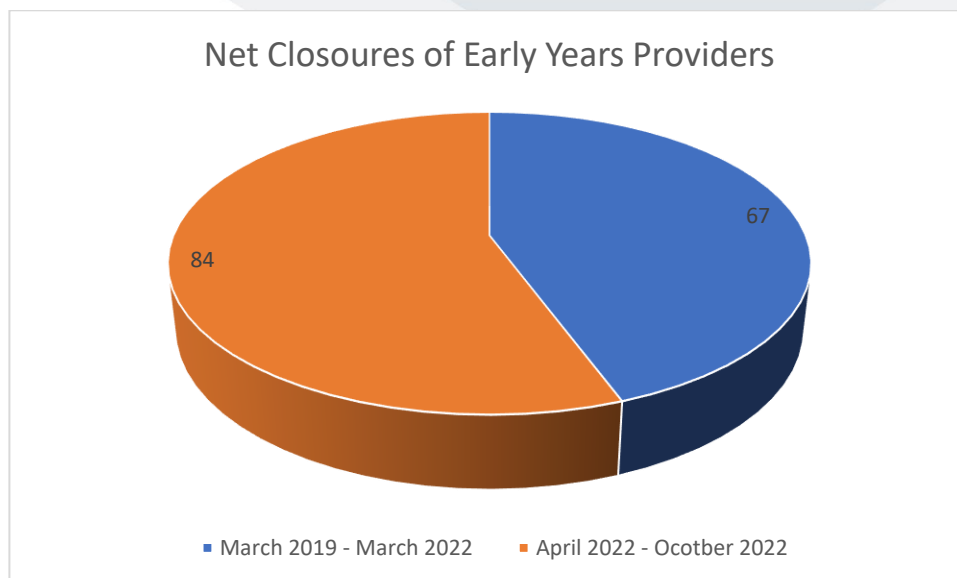
Source – [Ofgem Official Website](https://www.ofgem.gov.uk)

### Provider Closures

This summer, Ofsted data showed that between 1<sup>st</sup> April 2021 and 31<sup>st</sup> March 2022 there was a net overall decrease of 4,000 childcare providers in England, the largest decline in six years. There were 68,000 childcare providers registered with Ofsted on 31 March 2022, down by 4% (3,000) since the last release on 31 August 2021. Since 31 August 2015, the number of providers has fallen by 22% (19,100)<sup>2</sup>.

Whilst closures across Lancashire are lower than the national average, there have been more net closures in the last 6 months as there were in the previous 3 years

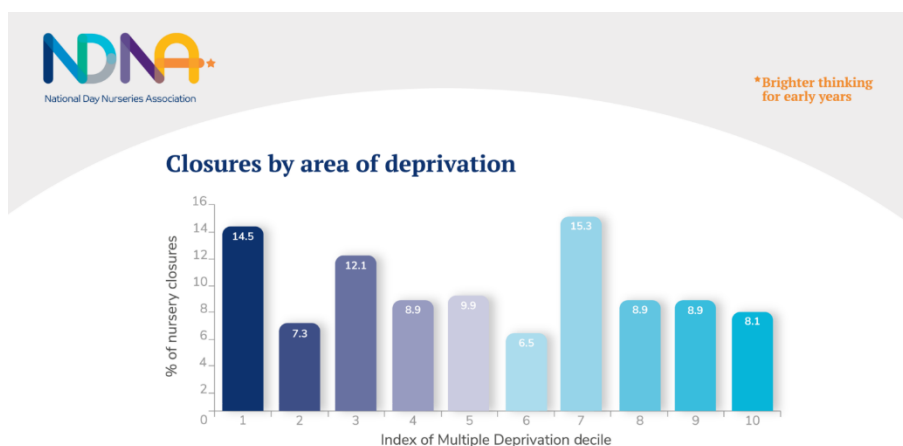
<sup>2</sup> <https://www.gov.uk/government/statistics/childcare-providers-and-inspections-as-at-31-march-2022/main-findings-childcare-providers-and-inspections-as-at-31-march-2022>



Please Note - Net Closures is the total number of providers that have closed plus the total number of new providers that have opened. The above data is based on provider types, not unique registrations (e.g. one registration might have more than 1 provider type, as may offer nursery, before school, after school and pre-school provision, so the total number of providers includes double counting).

The majority of these closures are linked to Childminders (192). When this provider type is removed from the data there is a net gain of 36 providers over the same period, the majority of which are Out of School Provision (45). The loss of childminders has an impact on flexibility and location of service offer<sup>3</sup>. Total number of providers (excluding childminders), there has been a net reduction of 6 when looking at nurseries/pre-schools and school based provision which is 1% in the last 8 months (or 3% since March 19; 636 now compared to 643 in 2019).

National Day Nurseries Association (NDNA) has been monitoring the closure of nurseries since the 30 hours policy was introduced in 2017. During the summer term April to July 2022, 65% more nurseries have closed compared with the same months in 2021. The greatest concern from the findings is the number of providers that are closing in areas of high deprivation, impacting most on the children and families that benefit the greatest from quality early years provisions<sup>4</sup>. providers in areas of deprivation have high numbers of funded children, many of whom do not have the means to pay for any additional hours or meals. This puts additional pressure on providers in those areas where children are most at need of quality early years provision



<sup>3</sup> <https://www.pacey.org.uk/parents/choosing-great-childcare/types-of-childcare/registered-childminders/>

<sup>4</sup> <https://ndna.org.uk/childcare-and-early-years-policy/funded-places/>

## Interest Rates

Increase in interest rates – providers with mortgaged premises face a significant increase in monthly payments (for every £100k of mortgage there will be an extra £600 per year for each 1% interest rise, depends on length of mortgage). With interest rates predicted to peak at 6% in the next 18 months.

£150000

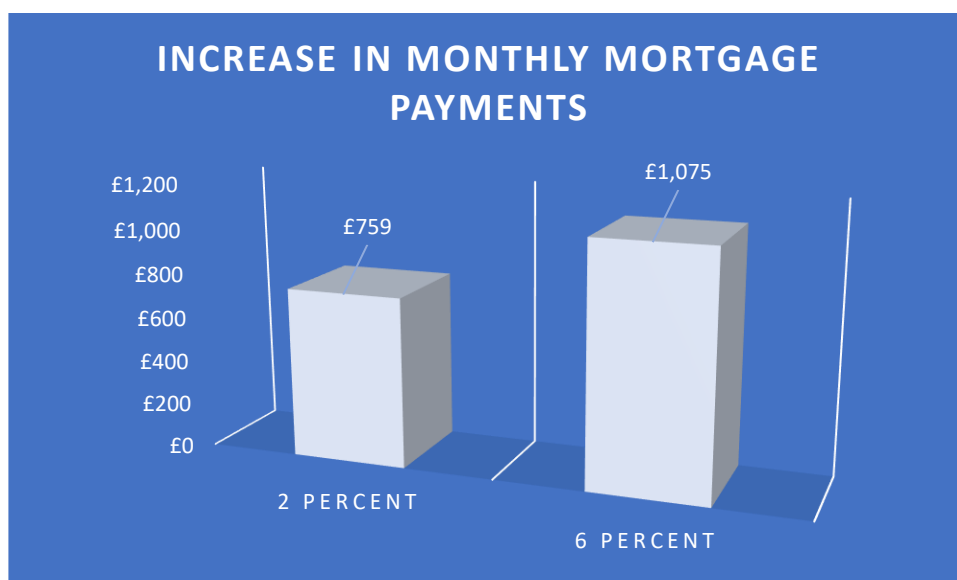
20 years

Current interest rate 2%

Future Interest Rate 6%

+£316 monthly change, 42% increase in monthly mortgage cost

Options for providers are limited, as interest rates rise, they will pay more if on a variable rate deal, or will expect a large increase once their current deal comes to an end. There is volatility within the market, with mortgage rate offers varying across the lenders. Early Years providers should seek professional mortgage advice to determine their best options moving forward.



## SEND

### Places Demand

Lancashire had 1019 new Specialist Teachers requests 2021-22 and 377 new portage requests 21-22. These are additional to those already being supported. Currently, we identify a level of input required based on the child's needs however as capacity reduces and requests for support increase, these children don't always receive what specialists deem as their required level of support as we don't have the resource to meet all demands.

Inclusion is not a statutory service for the LA – service engagement has improved in last 12 months, with much closer links with the Inclusion Team, however lack of statutory requirement can present issues with resources and funding. This demand and challenge to sufficiency is replicated across the Early Years sector where, since the data was collected for the last CSA, there is anecdotal feedback from providers that an increase in demand for places for children with SEND has left providers struggling to meet that demand.



Lancashire County Councils most recent Childcare Sufficiency Assessment<sup>5</sup> (CSA), was published in June 2022.

Keys points from CSA:

- Parents looking for childcare for children with Special Education Needs and or Disabilities (SEND) say there should be more childcare to meet the needs of their children.
- Provision for Children with Special Educational Needs and/or Disabilities (SEND). Childcare providers who completed our survey were asked about the provision they offer for children with special educational needs and/or disabilities. 94% of providers offer places for children with SEND. Over the last year 74% of childcare providers said demand for a SEND place has remained the same.
- These findings indicate that Lancashire currently has sufficient childcare places available for children with SEND. However, we are aware of some more localised examples where appropriate childcare is not available, in these cases, we try to support families to find a solution that meets their needs, through Lancashire's Family Information Service childcare brokerage service.

We should note there is insufficient extra funding for SEND children and many settings are now having to cap the number of SEND children they are taking in. LCC is currently exploring how accessible Inclusion Funding is and how it is used to meet emerging needs and support reasonable adjustments?

“Early Years plays a vital role in supporting children with SEND. The government now needs to wake up to the fact that this service needs to be funded properly to allow the sector to improve outcomes for all children” (Report Author).

## Training

Continuous professional development (CPD) is key in the Early Years sector to develop knowledge and provide a high quality environment for all children, this includes practitioners and managers.

Lack of affordable SEND training can lead to settings not meeting individual needs and cause settings to be downgraded during inspection if they have not met the required standard set out in the [Early Years Inspection Handbook](#). LCC is funding SENCO L3 training (first 50 students) and DfE is delivering online SENCO L3 training. Lack of quality or quantity of staff is leading to capacity challenges for some settings as they don't have enough staff to accommodate children that require a lower ratio of staff engagement. 11 students have enrolled on the first cohort. There were over 100 applications, however, the majority of the applicants did not meet the requirements to attend the course. Evidence of previous SENCO training and attendance at SEND partnership meetings was not provided, this is a requirement due to the fact that this is a level 3 qualification and a basic understanding of SEND is required and a foundation level of knowledge is a good basis for further development of the workforce

In October, the government announced [£180 million worth of funding](#) to improve children's development in the Early Years. Whilst this is welcomed by the sector, challenges remain regarding the capacity of providers to release staff for training, alongside there being a suitable number of staff working in the sector to take advantage of the training offer.

---

<sup>5</sup> <https://www.lancashire.gov.uk/council/performance-inspections-reviews/children-education-and-families/childcare-sufficiency/>

## Inclusion & DAF Funding

The Inclusion Fund is provided to support 3 and 4 year old children with special educational needs (SEN) who are accessing and early years funded place. Disability Access Fund (DAF) is available if a setting provides places for any 3 or 4 year olds who receive Disability Living Allowance (DLA), the setting is eligible to receive disability access funding, which is £800 per child per year.

Providers report that there are challenges in relation to the identification of Inclusion Funding and DAF funding elements within payments made to providers.

Finance team are exploring how the process can provide clearer breakdown of the funding elements in payments.

## Inspections

There have been 165 Ofsted Early Years inspections in Lancashire between 1<sup>st</sup> September 2021 and 31<sup>st</sup> August 2022. Providers feedback to their linked LA advisor regarding the inspection and how it was conducted. Some key points are:

- Feedback at the national meeting was that there is a lack of consistency in the quality of inspectors, that there were two ends of the spectrum and no middle ground in some areas. Local feedback is that this isn't so prevalent in Lancashire
- Nationally the picture is down grading of settings, currently 20% of inspections in the last year have resulted in an inadequate outcome. Comparable data for Lancashire is 7.14% (3.64% once reinspected within the same period)
- Trends in inspection reports are varied, including safeguarding, leadership, SEND, staff knowledge of children, and risk assessments

## Funding

Since its introduction in April 2017, the [Early Years National Funding Formula](#) (EYNFF) has set the hourly funding rates that each local authority is paid to deliver the universal and additional entitlements for 3- and 4-year-olds. There is a separate formula that sets the hourly funding rates for 2-year-olds.

Funding provided to the sector is insufficient to meet the level of demand. This is a national and historical issue, with Lancashire receiving the lowest funding rate available for 3&4 years olds;

- 48 of 150 LA's nationally receive the lowest rate (32%)
- 10 of 23 LA's in North West receive the lowest rate (43%)
- Average funding for LA's nationally is £5.15
- Average funding for LA's nationally (excluding London) is £4.81

The Institute for Fiscal Studies (IFS) recently reported<sup>6</sup> that funding for the early years likely to fall by 8% up to 2024 as a result of faster-than-expected cost rises

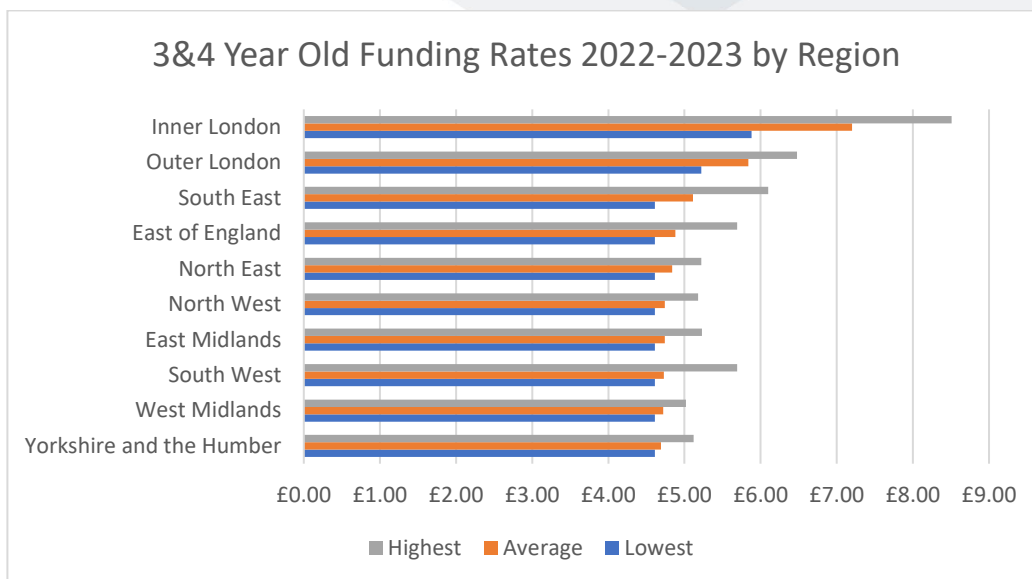
On 4th July 2022 the government launched a consultation on Early Years Funding<sup>7</sup>

As the formulae have not been updated since they were introduced, the datasets underpinning the various factors within the formulae are now not the latest available – which therefore means that the formula is no longer targeting funding as effectively as it could be in order to meet current levels of need, which have changed over the last few years.

<sup>6</sup> <https://ifs.org.uk/news/funding-early-years-likely-fall-8-2024-result-faster-expected-cost-rises>

<sup>7</sup> <https://www.gov.uk/government/consultations/early-years-funding-formulae>

The government propose to update the data annually to be more reflective of the demands within the sector.



## Workforce development

In August 2020, The Social Mobility Commission<sup>8</sup> published a research report; ['The Stability of the Early Years Workforce in England'](#), covering national regional and organisational barriers that the early years sector is facing within its workforce.

One of the headline statements referred to the research showing that the early years workforce is becoming increasingly unstable, with staff leaving the sector not being replaced in suitable numbers.

Recruitment and retention of staff to the Early Years sector has been a challenge for many years, this has been amplified by events in recent years (covid, cost of living) that has pushed the sector to crisis point as staff seek better paid, less stressful employment outside of the sector. In December 2021, the Early Years Alliance<sup>9</sup> published the results of their sector wide survey on staff recruitment and retention in the early years sector in England ['Breaking Point: the impact of recruitment and retention challenges on the early years sector in England'](#). The survey received almost 1400 responses, with the key points being:

- More than eight in ten of settings are finding it difficult to recruit staff
- Around half have had to limit the number of, or stop taking on, new children at their setting over the six months prior to the survey
- Over a third of respondents are actively considering leaving the sector
- One in six believe that staffing shortages are likely to force their setting to close permanently within a year

The National Living Wage (NLW) will rise to £10.42 from 1 April 2023, an increase of 92 pence or 9.7%. Many settings have a wage cost of 70% and as there is an inflationary pressure of 11% on the remaining 30% of costs, the overall increase in costs is significant. This will prove challenging

<sup>8</sup> <https://www.gov.uk/government/organisations/social-mobility-commission>

<sup>9</sup> <https://www.eyalliance.org.uk/about-us>

for most, impossible for some, to absorb; especially those with no or low parental income to help bridge the gap.

Early Years Workforce Strategy is being written and will be shared with the EYBWG prior to next meeting for comment and amendments

## **Business support**

### **Business Rates and VAT**

Not all providers nationally pay business rates, this varies by region. Providers may find they will need to apply for Hardship relief from their district councils. In England, councils can reduce business rates bill with hardship relief. To be eligible, businesses must satisfy their council that both:

- they would be in financial difficulties without it
- giving hardship relief to them is in the interests of local people

Providers can contact their District [council](#) about their business rates bill

A recent article in the Financial Times<sup>10</sup> highlighted that on the average nursery will this year pay £13,267 in business rates — equivalent to 2,878 hours of government funding.

Finance Team to source information on the current procedure for District councils in relation to their business rates and how that varies across the county. Finance team to also explore the current guidelines for VAT and how that differs for PVI's and Maintained providers, and what actions could be taken to address any disparity<sup>11, 12</sup>.

### **Business Support and Financial Planning**

The EY team currently offer a traded service for business support (following initial free consultation). There are PVI's whose financial position is precarious and would benefit from business advice to improve their service offer. Their current financial position means that they cannot purchase the traded offer despite it being beneficial for them to receive some targeted support. This would need to be funded via any reserves currently held in the EYB of the DSG, eligibility would also be determined on various measures (yet to be decided) linked to financial position, local sufficiency and team capacity.

---

<sup>10</sup> <https://www.ft.com/content/49f5dc0e-91a9-4afb-8cda-f4aa0c1f9eea>

<sup>11</sup> <https://www.gov.uk/hmrc-internal-manuals/vat-education-manual/vatedu36900>

<sup>12</sup> <https://www.gov.uk/government/publications/revenue-and-customs-brief-10-2022-vat-business-and-non-business-activities/vat-business-and-non-business-activities>



**LANCASHIRE SCHOOLS FORUM  
CHAIRS' WORKING GROUP**

**Minutes of a meeting held on 12 December 2022, via Microsoft Teams**

**Present** Daniel Ballard (Chair)  
Stephen Booth  
Steve Campbell  
Phillipa Perks  
Claire Thompson

**In attendance** Julie Bell  
Neil Kissock  
Sylwia Krajewska

**1. Apologies for the Absence**

Apologies were received from Liz Laverty.

**2. Minutes of the Last Meetings**

The minutes of the meetings held on 17 March 2022, were agreed as a correct record.

**3. Matters Arising**

There were no matters arising from the minutes of the previous meetings.

**4. Living Wage increase (Attached)**

The recent announcement of the pay increase will have an impact on the budgets of schools. The Local authority (LA) acknowledges that this will have an impact on the budgets of schools.

A nationally negotiated pay increase has been agreed for staff who are subject to the National Joint Council (NJC) pay agreement, which was from negotiations between the employer and trade union sides of the NJC. The pay award was agreed for 2022/23.

Lancashire County Council has approved a proposal to amend the Foundation Living Wage from its current rate of £9.90 per hour to a rate of £10.50 per hour, with effect from 1 November 2022. This proposal is in response to the cost-of-living pressures for employees currently on the Foundation Living Wage and is in advance of the Pay Policy Statement being approved in February, which will propose the new Foundation Living Wage rate of £10.90 be implemented with effect from 1 April 2023.

Four options were considered, as follows:

1. Option One - change the current Foundation Living Wage rate (£9.90) to the new National Joint Council rate of (£10.50), with effect from 1 April 2022 (when the National Joint Council pay award is effective from).



2. **Option Two - change the current Foundation Living Wage rate (£9.90) to the new National Joint Council rate (£10.50), with effect from 1 November 22, which is the month the National Joint Council pay award will be paid.**
3. Option Three - change the current Foundation Living Wage rate (£9.90) to the new Foundation Living Wage rate (£10.90) with effect from 1 November 2022 which is the month the National Joint Council pay award will be paid.
4. Option Four – retain the status quo by, subject to approval, applying the £10.90 Foundation Living Wage rate on the 1 April 2023 and, as already agreed, move to a supplement payment method of the Foundation Living Wage rate from the same date. There would be no additional cost as this will already be budgeted for.

The four options were considered and in recognition of the unprecedented cost-of-living pressures, it was agreed to implement option two as this option provides the balance between recognising the cost-of-living pressures for employees on the Foundation Living Wage and the budgetary pressures within the Council.

LA currently intends to make the payment in January and to backdate it to the beginning of November. The Director of Finance seeks views of the Chairs on how to go forward on the pay increase that will impact schools budget. If the Chairs would wish to follow the LA approach and pay early or wait until the end of April.

The [schools forum operational guidance](#) was provided in appendix, which supports that in exceptional circumstances, it may be necessary for a decision or formal view to be expressed by the Forum, before the next scheduled meeting.

In such circumstances, the LA will attempt to convene an unscheduled meeting of the Forum or an appropriate Working Group. In this circumstance, the Chairs sub-group has been arranged for 12 December 2022.

Neil Kissock explained that Foundation Living Wage announcements are annual and usually apply from the following April. The LA has considered all the options mentioned in the paper and selected Option 2. The council has agreed on an additional increase in our current Foundation Living Wage rate. The new rate will rise from £9.90 to £10.50. This is expected to be included in January pay and will be backdated to November. The current unprecedented cost-of-living pressures were a contributing factor to the county's decision. It provides the balance between recognising the cost-of-living pressures for employees on the Foundation Living Wage and the budgetary pressures within the Council.

With current pressures on schools, this meeting was arranged to seek the views of Chairs who represent school forum members, as LCC could not make this decision for those employed within the schools sector. The sub-group of Chairs is appropriate to make this decision as they represent all of the sectors.

The Chair of the Forum has asked each individual to express their opinions on this decision. Some Chairs sought the views of others prior to the meeting, but it was a very tight timescale. As all Chairs endorsed Option 2 and the LCC pay increase, the

payment will be made in January and backdated to the beginning of November. Prior to the decision, the pressure that it might have on schools' budgets was discussed, but it was the right move, especially given today's economic challenges. A member has expressed concern that the current pay increase on NLW to £10.50 will narrow the gap between the pay for TA1, who earns £10.71 an hour. A pay gap still exists, which may affect recruitment if it does not increase. It may be possible for people to find a job that pays more elsewhere if it does not increase.

Academies have reviewed the impact this change will have on their schools. For example, a secondary academy saw an increase of £12,000\* in their budget whereas a primary school saw an increase of £570\*. Their analyses showed that schools will be affected and will vary as it all depends on how many NLW staff the school employs. Either way, despite the pay increase and the effect on the budget, it was supported as it is the morally right thing to do.

A discussion was also held regarding the lack of time available for the portal to gather more views from people on this urgent matter. This matter needs to be decided immediately, which is why this meeting was held. Particularly, since schools are most busy now before they close for the Christmas holidays, there would be very limited input, if any. In addition, the School Block Working Group on 6 December 2022 discussed how few people have used or engaged with the portal for recent consultations. The operational guidance support that an appropriate group can decide on behalf of the forum. Therefore, with all the Chairs' support, it was decided for LCC to follow the same pay increase method for schools via the LCC payroll. It was agreed that decisions from this meeting will be shared with members via email.

#### **The Chairs' Group:**

- a) **Noted the report;**
- b) **Recommended for LCC to mirror their method of a pay increase that will affect school via LCC payroll.**

#### **5. Any Other Business**

No further items have been notified.

#### **6. Date of Next Meeting**

The next scheduled meeting of the Chairman Working Group is arranged for 9.30 am on 10 January 2023, in Savoy Suite.

## 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
<b>Lancashire Schools Forum</b>	<b>Tuesday</b>	<b>18-Oct-22</b>	<b>10:00 – 13.00</b>	Savoy Suite
High Needs Block Working Group	Tuesday	29-Nov-22	10:00 - 13.00	Savoy Suite
Early Years Block Working Group	Thursday	01-Dec-22	13.00 – 16.00	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
<b>Lancashire Schools Forum</b>	<b>Thursday</b>	<b>12-Jan-23</b>	<b>10:00 – 13.00</b>	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
<b>Lancashire Schools Forum</b>	<b>Thursday</b>	<b>16-Mar-23</b>	<b>10:00 – 13.00</b>	Savoy Suite

### Summer Term

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

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