

## Lancashire Schools Forum Minutes

Meeting held on Tuesday, 17 October 2023, 10.00 am in the Savoy Suite, The Exchange, County Hall, Preston

### **Primary School Governors**

Stephen Booth (LSF Vice-chair)  
Gerard Collins  
Micheal Nolan  
Michelle O'Neill  
Sam Ud-din  
Robert Waring

### **Primary School Headteachers**

Daniel Ballard  
Sarah Barton  
Sarah Robson  
Helen Shaw  
Anna Smith  
Kirsty Sutton

### **Secondary School Governors**

Janice Astley  
John Davey  
Brian Rollo

### **Secondary School Headteachers**

Jan Marshall

### **Academy Governor**

Chris McConnachie

### **Academy Principal**

James Keulemans  
John Tarbox

### **Special School Governor**

Mandy Howarth

### **Special School Headteacher**

Claire Thompson

### **Short Stay Headteacher**

Abigale Bowe

### **Nursery School Governor**

Thelma Cullen

### **Nursery School Headteacher**

Jan Holmes

### **Early Years - PVI**

Sharon Fenton  
Philippa Perks

### **Other Voting Members**

Mark Bradshaw  
Rosie Fearn

### **NON-VOTING REPRESENTATIVES**

Ray Baker  
Alison Daly  
Steve Jones  
Liz Laverty

### **Officers in Attendance**

James Beardwood  
Matthew Dexter  
Millie Dixon  
Joanne Frobisher  
Aby Hardy  
Shannon Hill  
Caroline Morrison  
Toni Rafferty  
Sally Richardson *Inclusion Service*  
Lydia Mannion

## **1. Attendance and Apologies for Absence**

Apologies were received from Steven Campbell, Kathleen Cooper, CC Sue Hind, CC Stewart Jones, Bill Mann, Deanne Marsh, Louise Parrish, Louise Shaw, Chris Warren and Mike Wright.

## **2. Substitute Members**

No substitute members were in attendance.



### **3. Forum Membership**

As part of the annual membership review process, several members left the Forum at the end of the 2022/23 academic year, with the thanks of their colleagues, and several new appointments have been made from September 2023.

The Forum will wish to welcome the following new members to their first meeting:

#### *Primary School Governors*

- Michael Nolan, Burscough Village Primary School

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

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

The minutes of the last meeting held on 4 July 2023 were agreed as a correct record.

### **5. Matters Arising**

There were no matters arising from the minutes of the meeting held on 4 July 2023 that were not covered elsewhere on the agenda.

### **6. Crown Commercial Services**

David Carter will be attending to deliver an overview of the service.

#### **The Forum**

- a) Noted the information provided;**
- b) Thanked colleagues for the presentation.**

### **7. Apprenticeship Levy Update**

James Beardwood will be attending to provide an update on the Apprenticeship Levy.

#### **The Forum**

- a) Note the information provided;**
- b) Thanked colleagues for the update.**

### **8. Schools Funding 2024 – 2025**

The Department first published the 2024-25 NFF in July 2023. Following the discovery of a technical error made by officials during the initial calculations, an update was made to the schools NFF in October 2023.

The technical error was due to incorrect processing of pupil numbers in the initial calculations. This error meant that the overall cost of the schools NFF was underestimated, and incorrect factor values were published in July. Overall, the error overestimated funding by 0.62%

This update contains the new, correct, factor values. No other changes have been



made to the structure of the NFF, or the rules governing the local formulae, since July. The total amount of funding in the core schools budget will remain at £59.6 billion in 2024-25.

The High Needs Block and Central School Services Block are unaffected by this update.

Reports based on the July 2023 update were presented and noted in the Working Groups prior to the update. Therefore, the Authority is presenting this report to the Schools Forum to provide an overview of School Funding for 2024/25. An updated report was presented to member with key elements highlighted.

The total core schools budget will total over £59.6 billion in 2024-25 – the highest ever level per pupil, in real terms, as measured by the Institute for Fiscal Studies (IFS).

Funding through the mainstream schools national funding formula (NFF) is increasing by 1.9% per pupil in 2024-25, compared to 2023-24.

Key changes to the schools NFF in 2024 to 2025 are:

- introducing a new formulaic approach to allocating split sites funding in the NFF in 2024 to 2025, replacing the previous locally determined split sites factor
- rolling the 2023 to 2024 mainstream schools additional grant (MSAG) into the NFF
- increasing NFF factor values (on top of the amounts we have added for the mainstream schools additional grant)
- introducing, for the first time, a methodology for calculating and allocating funding for falling rolls

#### *Minimum Pupil Funding*

The DfE announcements included the relevant minimum pupil funding (MPF) levels for primary and secondary schools, which incorporate the 1.9% uplift for 2024/25:

- The primary schools, the MPF level will be £4,610 per pupil in 2024/25 compared to £4,405 per pupil in 2023/24.
- For secondary schools, the MPF level will be £5,995 per pupil from 2024/25 compared to £5,715 per pupil in 2023/24.

#### *Schools Business Rates*

Further to the DfE changes to the payment process of schools business rates revised arrangements were introduced in some LAs in 2022/23.

DfE have indicated that they have requested local authorities to confirm by January 2024 the payment process they will be implementing for April 2024. 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. The Local Authority is currently alerting all billing



authorities of the implications on the School budget if Lancashire do not agree to implement the NNDR changes.

### *Exceptional Circumstances Factor*

The 2024/25 Schools Block Operational Guidance continues to allow for an exceptional circumstances factor to be included in the formula. The exceptional circumstances factor must relate to premises costs and is only applicable where the value of the factor is more than 1% of a school's budget and applies to fewer than 5% of the schools in the local authority's area.

This factor has been utilised by Lancashire for several years and in 2023/24 supported 3 schools for a 'rents' payment where the schools needed to rent premises to deliver the curriculum. In Lancashire's circumstances a new disapplication request is required annually.

The 3 schools involved will continue to rent premises in 2024/25 and initial modelling indicates that the criteria for the value of the factor to be more than 1% of a school's budget and applicable to fewer than 5% of the schools in the area are still met.

Recently, the authority have been made aware of a Lancashire Secondary School whom has entered into a rental lease agreement individually. The LA is seeking advice from the ESFA and the County Councils' legal team to clarify if a disapplication can be submitted.

### **The Forum supported the rent disapplication for 4 Lancashire schools.**

#### *Provisional Allocations for 2024/25*

Government NFF announcements in October 2023 were accompanied by provisional data on the allocations LAs will receive for 2023/24 and notional allocations at individual school level. The data is available [here](#) and contains all primary and secondary schools and academies nationally.

It must be noted that the provisional allocations are calculated using pupil numbers from the October 2022 census. Final allocations, to be issued to schools in February 2024, will be based on pupil numbers from the October 2023 school census.

Even though schools are guaranteed an increase in funding per pupil for their pupil-led funding in the NFF in 2024/25, allocations may still reduce at an individual school level if a school has fewer pupils than before.

#### *Lancashire Position*

The revised October 2023 government announcements contain the actual units of funding for primary and secondary schools that will be used to calculate the 2024/25 Schools Block allocations. Information for Lancashire is provided below, including 2023/24 SUF and PUF values for comparison:

<b>Unit of Funding</b>	<b>2023/24</b>	<b>2024/25</b>
Actual primary unit of funding (PUF)	£4,931	£5,203
Actual secondary unit of funding (SUF)	£6,214	£6,538



Announcements also contained provisional 2024/25 allocations for all DSG funding blocks, except early years. The Lancashire information is provided in the table below and it should be noted that the early years block figures for 2023/24 have been replicated for 2024/25 to complete the 2024/25 DSG estimate.

<b>Forecast DSG Income</b>	<b>2023/2024 Baseline £m's</b>	<b>DfE notional 2024/25 allocation (using Oct 23 data) £m's</b>	<b>Difference £m's</b>	<b>Difference %</b>
Schools Block	951.747	972.495	20.748	2.18%
High Needs Block	175.550	201.104	25.554	12.80%
Early Years Block (NOT UPDATED)	82.472	82.472	0	0%
CSSB	6.810	8.821	2.011	22.80%
<b>Total</b>	<b>1,216.579</b>	<b>1,264.892</b>	<b>48.313</b>	<b>3.9%</b>

The current forecast shows a total increase of circa 2% in the Schools Block from April 2024, however, it must be remembered that actual DSG allocations in Lancashire, to be published in December 2023, could be lower than those in the provisional notification from the DfE, dependant on pupil data from the October 2023 school census.

The Schools Block figures are also shown without the Growth Fund allocations, as these are calculated outside the NFF methodology, although it should be noted that the DfE NFF consultation referred to elsewhere on the agenda starts to develop possible proposals on this subject.

The Schools Block funding increase is welcomed, but members will be aware that there are considerable costs pressures currently facing the sector, with staff costs, energy and general inflation all increasing significantly above this level.

The High Needs Block is forecast to increase by circa 13% for 2024/25. It should be noted that the high needs block 2023/24 figure is the baseline and doesn't include the additional high needs funding allocated to the authority in the autumn 2022 statement, meaning the true funding increase is less than stated.

In HNB, demand growth over the last few years has been circa £10million per year, peaking at £17million in the last financial year. The expected growth along with the current pressures in the sector will only add to the cost increases for the sector going forward. Therefore, considerable strain on the HNB is expected in 2024/25.



### *Falling rolls*

For the first time in 2024 to 2025 DfE will allocate funding based on growth and falling rolls.

Funding will be allocated based on the reduction in pupil numbers that medium super output areas (MSOA) within each local authorities experience for each year. It is based on the observed differences between the primary and secondary number on roll in each MSOA in a local authority between the most recent October pupil census and the census in the previous October.

Local authorities will continue to have discretion over whether to operate a falling rolls fund. Where local authorities operate a fund, they will only be able to provide funding where the 2022 SCAP shows that school places will be required in the subsequent 3 to 5 years. This SCAP requirement replaces previous guidance that funding may only be used where local planning data shows that the surplus places will be needed within the next 3 financial years.

**The authority does not have a falling rolls policy in place and is not proposing to implement one due to pressures within the Schools Block. Once final DSG allocations have been received in December 2023, the LA will consult the Schools Forum.**

#### **The Forum;**

- a) Noted the report and the MFG consultation analysis and comments;**
- b) Unanimously recommended that the level of MFG to be used in the Lancashire funding formula for 2022/23 be set at +0.5%.**
- c) Unanimously supported the Rental Disapplication for three primary schools and a potential secondary school.**

### **9. Inclusion Report**

Sally Richardson has attended to follow up on any questions regarding Inclusion Report in the de-delegation.

Members have raised questions on how the de-delegation of Inclusion Hubs for primary schools (only) is working very well in some district. Although, the team will have a meeting from November to be able to assess those that do not and improve the service overall in Lancashire-wide. Performance indicators will be assessed and will be feedback to members.

#### **The Forum**

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

### **10. Recommendations from the Schools Block Working Group**



A report was presented setting out the recommendations from the Schools Block Working Group held on 28 September 2023.

***i. Schools Budget Outturn Report 2022/23***

This report provided the Working Groups with details of the 2022/23 final Schools Budget final financial outturn position, in relation to each funding block. A copy of the full report presented to the working group was provided for members.

The Overall Schools Budget outturn position for 2022/23 showed an underspend of circa £1.3m.

Further details were provided in connection with each funding block and members concentrated on the Schools Block and Central School Services Block positions. It was noted that the outturn position for the 2022/23 Schools Block revealed a circa £1.5m overspend. Some key issues were highlighted.

*The Working Group*

- a) *Noted the report and the 2022/23 Schools Budget final financial outturn position.*

**The Forum noted the Report.**

***ii. School Balances and Clawback***

This report set out the year end position of schools' delegated budgets at 31 March 2023. A copy of the full report was presented to the working group members.

The overall school balances have decreased from c£95m to c£73m, an overall reduction of £22m.

Further details were provided, and members concentrated on the Schools Block schools. It was noted that, in total 42 schools were in deficit at March 2023, a significant increase from 21 in 2022. This increase is proportional to pre-pandemic levels.

*Clawback Outturn*

In July 2022, the Schools Forum voted to implement the Clawback policy to excess balances at 31<sup>st</sup> March 2023. In line with the policy, circa £739,00 is due to be clawbacked from 18 schools. The final figure does not include two late exemption requests which are currently being considered by the Schools Forum Chair. Therefore, the final clawback figure may increase if these exemptions are accepted. Clawback will be processed in the Autumn Term and schools will receive communication via the Schools Portal.

The Local Authority propose to use the clawback funds to assist schools in Financial Difficulty and seek views from the working group.

The proposal is to support schools who currently have a Budget Recovery Three Year Plan, who are showing good financial practice within the plan and working with the





authority, to submit a bid to the Schools Forum for funds for approval. The county should generally not exceed 33% of the relevant deficit, but many may be lower.

To note, the Schools Forum voted to implement the Clawback policy to balances at March 2024.

#### *School Budget Reserves 2022/23*

The overall Schools Budget for 2022/23, excluding individual school balances, was an underspend of £1.3m. Details of this figure are provided in the Schools Budget Outturn report 2022/23. This underspend has been added to the DSG Reserve as at 31 March 2023.

The outturn position for the DSG Reserve is therefore a balance of £25.811m, this is the highest level of DSG Reserve held since the year ending March 2015.

#### *Schools in Financial Difficulty Reserve*

The reserve has increased by £1.3m in year. The level of expenditure is expected to increase in 2023/24 due to due to significant inflation causing increased cost pressures.

These in year movements leave the final year end position on the reserve at circa £5.2m.

#### *De-Delegation Reserve*

The de-delegation reserve ended the year with a surplus of circa £1.3m.

#### *School Teaching and Support Staff Supply Reimbursement Scheme*

The staff reimbursement scheme ended the year with an underspend of circa £1.2m, leaving an outturn position of circa £2.7m.

The overall in year position includes a surplus on the teacher scheme of just under £1.3m, which was offset by a circa £0.6m deficit on the support staff scheme.

The Working Group:

- a) Noted the updated report.
- b) Recommended that the Schools Forum approve the proposal to use the Clawback 2022/23 funds to support school in Financial Difficulty through Bids to the Schools Forum
- c) Recommended that the Schools Forum approve the proposed Supply scheme reimbursement based on members of the teachers scheme in 2022/23. Supported the reimbursements calculated on the basis of the NOR which was used to calculate the charges.

***It was noted that recommendations from HNB and EYB were similar.***

**The Forum ratified the working groups' recommendations**

#### ***iii. Service De-delegations 2024/25***

Information was provided about 2024/25 de-delegation proposals and the consultation with schools .





Each year, the primary and secondary school members of the Schools Forum must decide on Service De-delegation proposals put forward by the Authority. Where appropriate, agreed de-delegations are then offered to nursery schools, special schools and PRUs as group buy-backs.

The working group supported the 4 services being included in annual de-delegation consultation with schools, and following consideration of the options and further impact modelling that was presented to the Forum, it was recommended that the 'Support for Schools in Financial Difficulty' should be renamed to Schools Requiring Additional Support (SRaS) to reflect the services available and introduced a revised funding structure; to be funded in a tiered category, based upon the financial position of the school. The cost of the delegation was decreased to reflect the surplus balance at year end. The School Improvement delegation was removed for 24/45 as this was rolled into the SRaS and an additional Children's Champion de-delegation was introduced.

Proposals for the Staff Costs, Heritage Learning Service and Inclusion Hubs de-delegations held charges at the 2023/24 levels.

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

***Subsequent to the meeting, copies of the 2024/25 service de-delegations and schools block funding formula full consultation document and the summary document were circulated to members and copies were provided with the Forum papers.***

***Analysis and comments from the consultation responses were presented to the Forum meeting on 17 October 2023 and members considered the responses in relation to each proposal primary and secondary school members of the Forum then voted on each de-delegation proposal.***

The Working Group:

- a) Noted the report;
- b) Noted that de-delegation papers would be circulated to members after the meeting.
- c) Noted that consultation responses would be presented to the Forum meeting on 17 October 2023 and that the Forum would be asked to formally consider de-delegation decisions for 2024/25.
- d) Expressed concerns around the Inclusion Hub Report
- e) Supported the proposed de-delegation voting arrangements.
- f) Thanked colleagues for attending the meeting to present the de-delegations.

The Forum:

- a) **Noted the report and the de-delegation consultation analysis and comments;**



- b) Primary school members voted on each of the possible de-delegations affecting primary schools and secondary school members voted on each of the possible de-delegations affecting secondary schools, as set out below:

i.	<b>(12) Primary school members voted to de-delegate Staff costs – Public Duties/Suspensions for primary schools in 2024/25, at 2023/24 levels.</b>
ii.	<b>(4) Secondary school members voted to de-delegate Staff costs – Public Duties/Suspensions for secondary schools in 2024/25, at 2023/24 levels.</b>
iii.	<b>(12) Primary school members voted to de-delegate the Heritage Learning Service for primary schools in 2024/25. (0) Primary school members abstained from answering.</b>
iv.	<b>(12) Primary school members voted to de-delegate Support Requiring additional Support, for primary schools in 2024/25.</b>
v.	<b>(4) Secondary school members voted to de-delegate Schools in Financial Difficulty, for secondary schools in 2024/25.</b>
vi.	<b>(11) Primary school members voted to de-delegate the Primary Inclusion Hubs for primary schools in 2024/25. (1) Primary school member voted against the Inclusion Hubs for 2024/25. (1) Primary school member abstained from answering.</b>
vii.	<b>(9) Primary school members voted to de-delegate Children's Champions, for primary schools in 2024/25 (2) Primary school members voted against de-delegate Children's Champions, for primary schools in 2024/25 (1) Primary school member abstained from answering.</b>
viii.	<b>(3) Secondary school members voted to de-delegate Children's Champions, for Secondary schools in 2024/25 (1) Secondary school members voted against de-delegate Children's Champions, for Secondary schools in 2024/25</b>

- c) Whilst the primary school representatives on the Forum supported the continued Inclusion Hub de-delegation for 2024/25, they noted that there were some inconsistencies with the level of satisfaction expressed in the arrangements across districts and the Forum asked that efforts be made to ensure that there is a consistent level of provision and the sharing of best practice across the county.



#### ***iv. Schools in Financial Difficulty Bid***

Members also considered a Schools in Financial Difficulty bid. This bid relates to a Lancashire primary school that has been in and out of deficit during recent years, with a deficit of £55,574 as at 31<sup>st</sup> March 2023. In the planning for 2023/24 and beyond, school leaders are working with considerable support from the schools' finance team, to produce a sustainable recovery plan.

The deficit at 31 March 2023 was £55,574 and in accordance with the agreed SIFD arrangements that one-off bids from individual support should not exceed 33% of the relevant deficit, a bid for £18,525 was submitted.

The School Improvement Challenge Board (SICB) considered this bid on 25 July 2023 and supported the proposed allocation. Taking the recovery plan actions into account, and assuming the success of the SIFD bid with the forum bid contribution spread over 2023/24 and 24/25, the following budget position is forecast, which will bring the school out of deficit at 31<sup>st</sup> March 2025.

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

- a) Noted the report;**
- b) Recommended the Schools Forum support this Schools in Financial Difficulty Bid**

#### **v. Clawback Exemption Request 2024/25**

Members also considered an exemption from clawback for a Lancashire primary school.

The school in question is based on an army barracks in the county. This presents some peculiar challenges for the school, especially as and when the army changes the troops posted at the barracks, as this can mean that a significant proportion of the school's pupils leave en masse and then later a similar number of pupils are enrolled as a new regiment moves in.

Information about the planned troop movements at the barracks are continuing to cause some concern from the school. The Exemption request is to support staffing during the periods when the NOR is low.

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

- a) Noted the information;**
- b) Requested further information to be presented at the Schools Forum due to the high level of balances held by the school**

Since the working group meeting, the School is yet to provide supporting information, therefore the Schools Forum Chair suggests to hold this application request until further information is submitted.

**The Forum ratified the decision to defer the exemption request to the next meeting.**



## **11. Recommendations from the High Needs Block Working Group**

A report was presented setting out the recommendations from the High Needs Block Working Group on 3 October 2023.

### ***i. Schools Budget Outturn Report 2022/23***

This report provided information on the Schools Budget outturn position for 2022/23

The Overall Schools Budget outturn position for 2022/23 shows an underspend of circa £1.3m.

The outturn position for the 2022/23 High Needs Block (HNB) revealed a circa £643,000 overspend. Further information on key issues were highlighted. Concern around the high needs growth was noted.

#### ***High Needs Growth***

When the 2022/23 Schools Budget was set, provision was made for HNB growth, which was forecast at circa £17m for the year. This provision was utilised in year to offset the increased expenditure of circa £10m across HNB school budget lines. It should be noted that the level of in year HNB growth has been running at very roughly circa 10% of HNB budget for a number of years.

The year end deficit of £640k on the High Needs Block signifies the need for caution on High Needs funding levels and expenditure going forward. The levels of DSG increases are expected to reduce in future years, early indications are 3% in 2024/25 with future expenditure forecasted at 8%, which are likely to again place considerable pressure on high needs funding and reserves.

The Working Group:

- a) Noted the updated report.

**The Forum noted the information.**

### ***ii. School Balances and Clawback 2022/23***

*Recommendations were approved under the Schools Block item*

**The Forum ratified the working group's recommendation**

### **iii. High Needs Block Budget Monitoring**

The working group were presented period one to six 2023/24 monitoring. Summer term 2023/24 data is now available, and the monitoring and analysis was provided to the working group.

The HNB budget is currently forecasting a circa £2.5m overspend at 31 March 2024.

The monitoring is an estimate of the full year forecast, based on expenditure that has occurred in the 2023 summer term.



There remains significant ongoing financial pressure facing this block despite the current monitoring position, as the demand and costs continue to rise. It is anticipated that the final outturn position will come in significantly higher than the current forecast based on historic trends.

The Working Group:

- a) Noted the report.

**The Forum noted the information.**

#### **iv. High Needs Block Funding Arrangements**

This report outlined the DfE announcements confirm that the basic structure of the high needs National Funding Formula (NFF) for 2024/25 is not changing. DfE documentation showing the national high needs NFF can be found [here](#).

Information on the key decisions taken by DfE for 2024/25 are set out below.

The high needs National Funding Formula (NFF) floor and gains cap have been set as follows for 2024/25:

- 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 2024-25 we are setting the funding floor at 3%.
- 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 5% which means that local authorities can see an increase of up to 7% before their gains are capped
- Increased funding through the remaining proxy factors. We have distributed the remaining funding through the proxy factors. This is in line with how the formula has worked previously and means that local authorities will receive their share of this remaining funding based on the proxy factors of need. These include health and disability factors reflecting any changes in the proportion of the local population of 2-18 year olds whose families receive disability living allowance because they are disabled.

#### **Deficit management**

The DfE recognises that there may well be some local authorities which, despite their best efforts and the increased funding for the high needs block, will still not be able to pay off their historic deficit from the DSG over the next few years. In these cases, the department expects to work together with the local authority to agree a plan of action to enable the local authority to pay off its deficit over time.

To date, Lancashire has managed to maintain a surplus DSG reserve. ESFA continues to provide support and guidance nationally to LAs with highest historic deficits.

#### **Lancashire Position**



The July 2023 government announcements also contain provisional 2024/25 allocations for all DSG funding blocks, except early years.

The Lancashire High Needs Block baseline is forecast to increase by circa 13% for 2024/25. Members will be aware that demand growth over the last few years has grown to circa £18 million in the last financial year, it's anticipated that inflationary pressures will only add to the cost increases for the sector going forward. There is therefore expected to be considerable strain on the HNB in 2024/25 and beyond.

The Working Group:

- a) Noted the report

**The Forum noted the information.**

#### **v. High Needs Block Indicative Commissioned Place number 2024/25**

In recent years, the Working Group supported some changes to the system for PRUs but agreed to leave the special schools process unaltered.

A copy of the indicative commissioned place number for each special school for 2024/25, based purely on the calculation methodology, was provided at the working group. A total of 3,063 places are included in the indicative commissioning process at July 2023.

The Inclusion Service have been working on agreeing the commissioned PRU/Alternative Provision places and will provide an update. A copy of the indicative place number for each PRU was provided at the working group.

The Working Group:

- a) Noted the report

*Since the High Needs Block Meeting, letters to all Special and PRUS outlining indicative places.*

The Letter encourages schools to contact the inclusion service to discuss commissioned place numbers no later than 8<sup>th</sup> November 2023.

**The Forum noted the report.**

#### **vi. Multi-Agency Safeguarding Hub (MASH) Annual Report**

The Forum will be aware that the funding for the Multi-Agency safeguarding Hub (MASH) was transferred to the HNB in 2022/23, as the DfE were reducing the historic commitments costs included in the Central school Services Block (CSSB). For 2023/24, £150k was included in the HNB budget, and a similar allocation will be included in initial budget proposals for 2024/25.

The service has now provided their annual report for 2023 and this is provided at Appendix A.



The Working Group:

- a) Noted the report
- b) Supported the annual funding from the High Needs Block in 2024/25

**The Forum noted the information.**

**vii. Lancashire Hospital Education Service: Annual Report, Academic Year 2022/23**

Members will be aware that the Lancashire Hospital Education Service (LHES) is a centrally managed service that is funded from the DSG High Need Block. In Financial Year 2022/23 the service was allocated £1.3m.

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

The service is delivered in a number of settings:

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

Each setting completes an annual report- and a summary is produced by Audrey Swann, Head of Virtual School for CLA and previously CLA and Hospital Education Service.

The Working Group:

- a) Noted the report

**The Forum noted the information**

**12. Recommendations from the Early Years Block Working Group**

A report was presented setting out the recommendations from the Early Years Block Working Group meeting held on 10 October 2023.

**i. Growing Up Well Project**

Chris Hayes attended to provide an overview of the project and query how to engage the Early Years Sector.

The project is creating a digital platform to allow organisations to utilise and collate the data held on current systems across a number of organisations. Members were advise to contact the working group chair if they wish to be involved in the project.

The Working Group:

- a) Noted the information;
- b) Thanked Chris for attending.





## **The Forum noted the information**

### **ii. Schools Budget Outturn Report 2022/23**

This report provides information on the Schools Budget outturn position for 2022/23

The Overall Schools Budget outturn position for 2022/23 shows an underspend of circa £1.3m. The Early Years Block outturn position for 2022/23 indicates a circa £1.6m underspend which means there would have been an underspend without the circa £1m transfer from reserves.

Early Years Block expenditure relating to maintained providers overspent on 2 year olds but a significant underspend on 3&4 year old provision creating a £870k underspend overall.

The Working Group:

- a) Noted the updated report.
- b) Raised concerns around the overspend of the Early Years Inclusion Fund and the overall underspend in the Early Block
- c) Recommended caution when setting the 2024/25 Early Years Block Budget

## **The forum Noted the report.**

### **iii. School Balances and Clawback**

*Recommendations were approved under the Schools Block item*

In addition to the recommendations noted above, the working group;

- a) **Expressed concerns around the number of Maintained Nursery Schools in a deficit position at March 2023 and the continued historic deficits in the sector.**
- b)

## **The Forum noted the working group's recommendation**

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

This report outlined the recent Early Years Funding updates. On 18 July 2023, the DfE made announcements about the 2024/25 school funding arrangements for Schools, High Needs and the Central School Services Block. As per established practice, no information was included on the Early Years Block allocation from April 2024.

In 2022/23, no transfer was possible, as there was no headroom available in the Schools Block. However, to help support the transition away from the £2m transfer, the Forum agreed that £1m of DSG reserves could be utilised to support the Early Years block budget in 2022/23. No support was available in 2023/24.

Further local modelling will be needed to assess the 2024/25 position, but at this point it is not expected that headroom will be at available due to ongoing pressures on the funding blocks. Once the final allocations have been received in December 2023, any headroom within the funding blocks will be reported to Forum.

*Additional Funding for Early Years Funding*



In the Government's Spring Budget 2023, an additional £204 million of early years funding was announced for 2023-24 to uplift the rates for existing entitlements nationally, rising to £288 million in 2024-25, with further uplifts beyond this. By 2027-28 the Government expects to be spending in excess of £8bn every year on the early years.

From April 2024, working parents of 2-year-olds will be able to access 15 hours of free childcare per week for 38 weeks of the year from the term after their child's 2nd birthday. This will be extended to working parents of 9 month to 3-year-olds from September 2024. From September 2025, all working parents of children aged 9 months up to 3 years will be able to access 30 hours of free childcare per week.

A letter outlining the rates uplift for 2023/24 was circulated to all providers in the Summer Term 2023.

### *Summer 2023 Consultation*

In July 2023, the DfE launched an Early Years Funding – Extension of the Entitlements Consultation. The consultation included several proposals for early years entitlements for 2-year-olds and under from 2024-25 and was set out in three sections. The existing framework relates mainly to the current 3-and-4-year-old entitlements and is set out in secondary legislation and operational guidance. It is proposed the same framework is applied to 2 year olds. The key features of this framework are summarised below:

- Universal base rate – LAs must set a universal base rate of funding for all providers, regardless of type, to create a level playing field.
- Pass through rate – Requires LAs to pass through at least 95% of their 3-and 4- year-old entitlement funding to providers. The remaining 5% can be retained centrally to be spent on activities such as central SEND support and eligibility checking.
- Supplements – In recognition that certain providers face greater costs than others, LAs can use a restricted number of supplements to channel additional funding to providers meeting criteria set by the LA.
- SEN inclusion fund – LAs are required to establish a SEN Inclusion Fund to support children who are taking up the free entitlements, targeted at children with lower level and emerging SEN.
- Contingency funding – LAs can set aside contingency funding as part of their local budgetary process to help manage fluctuations in take-up. Any underspend from an LA's early years budget must remain within the education budget.

The deadline for submissions was 8<sup>th</sup> September 2023. Responses from Forum members were collated, and a Lancashire Schools Forum response was submitted. A DfE response and outcome of the consultation is expected later in the Autumn Term.



The Working Group:

- a) Noted the report.
- b) Thanked colleagues who submitted a response.

**The Forum noted the information.**

**v. Early Years SEN Inclusion Fund**

There was no update provided by the Inclusion service for this item. The last SEN Inclusion Fund meeting scheduled in June 2023 was also cancelled by the service.

**The Working Group:**

- a) **Recommended an SEN Inclusion Fund meeting to be scheduled for 3<sup>rd</sup> November 2023 and for Inclusion officer to be attendance to provide an update**

**vi. PVI Payment Terms**

After receiving a small number of requests to change the PVI funding payment schedule, this matter was brought to the Working Group for discussion

The Working Group:

- a) Recommended no changes to the current payment Terms

**The Forum noted the information.**

**vii. Extended Entitlements Rollout and Wraparound Expansion Programme**

Following a number of DfE announcements and webinar which Officers have recently attended, a report was presented to the working group to outline the main changes. The report was provided to members of the working group with caution that sections of the report should remain confidential.

The Working Group:

- a) Noted the Report
- b) Raised concerns around the potential increase in staffing levels that will be required with the extended entitlements.
- c) Raised concerns around the lack of information and guidance available

**The Forum noted the information.**

**viii. Early Years EHCP**

Members raised concerns around the payments of early Years EHCPs as these can often be very sporadic across the authority.

In addition to this, members raised issues that payments can often be grouped together and therefore difficult to monitor when the payment has been.



The Working Group:

- a) Requested the publication of a detailed handbook around the processing of early years EHCP's and Inclusion Fund allocations
- b) Recommended that an Inclusion should attend the early years block meetings going forward.

**The Forum noted the information.**

### **13. Teachers Pay Additional Grant 2023/24 Specials and Prus Page 123**

Following the Teachers Pay Additional Grant (TPAG) funding announcements in the Summer Term, the Local Authority are writing to confirm the anticipated plan for Special and AP Schools, following agreement from school's forum.

Following DfE guidance and the conditions of grant, the authority are proposing the funding will be based on 2023/24 academic year commissioned places at £260 per place to cover the period September 2023 – March 2024. As the initial funding the local authority will receive will be based upon the agreed commissioned places for 2022/23, initial allocations to providers in the Autumn term 2023 will be based on 2022/23 commissioned places. This will then be adjusted in March 24, based on the 2023/24 academic year commissioned places.

For 2024/25, this will continue as a grant, and will be processed in two payments per year, pro rata to a full year rate of £445. It is anticipated that from 2025/26 onwards the funding will then be rolled into the core budget allocation as part of the high needs national funding formula.

**The Forum noted the information.**

### **14. Forum Correspondence**

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

### **15. Any Other Business**

There were two additional items of other business to consider at this meeting.

- i. Members to declare Conflict of interests

The Schools Forum recommended that members declare potential conflicts of interests to the Schools Forum office. It was noted that members should also alert the Forum chairs of any items that pose a conflict of interest ahead of the meeting.

Conflict of interest forms will be circulated to members shortly.

- ii. De-delegation Service Proposals, recommend setting a deadline for Summer term meetings

Following concerns from members around the timing of the de-delegation consultation and a late amendment to one service de-delegation, it is recommended



that all service de-delegation proposals should be presented during the summer term meetings.

**The Forum welcomed this recommendation.**

### **16. Date of Future Meetings**

To note that the next scheduled Forum meeting will be held at 10.00 am on Thursday 11 January 2024. Arrangements for the meeting will be confirmed in due course.

The 2023/24 Calendar of meetings can be found [here](#).

