

Tuesday, 2 July 2024, 10.00 am in the Savoy Suite, The Exchange, County Hall,  
Preston

**Present:**

**Primary School Governors**

Stephen Booth (LSF Vice-chair)  
Gerard Collins  
Michael Nolan  
Robert Waring  
Sam Ud-din

**Primary School Headteachers**

Daniel Ballard  
Jenny Birkin  
Neil Gurman  
Helen Shaw  
Anna Smith  
Sarah Robson

**Secondary School Governors**

John Davey  
Gill Donohoe  
Brian Rollo

**Secondary School Headteachers**

Ivan Catlow

**Nursery School Headteacher**

Jan Holmes

**PVI Members**

Sharon Fenton  
Philippa Perks  
Hilary Sharples

**Academy Governor**

Kathleen Cooper  
Chris McConnachie

**Academy Principal**

Steve Campbell  
James Keulemans

**Special School Governor**

Mandy Howarth

**Short Stay Governor**

Sharon Bennett  
Jo Hodson

**Voting Members**

Bill Mann

**Observers - Non-Voting Representatives**

Sarah Troughton  
Alison Daly  
Lorimer Russell-Hayes (LASGB)  
Rafeal Schiel

**Officers in Attendance**

Matthew Dexter  
Millie Parkinson  
Toni Rafferty  
Chris Warren  
Hannah Race

**1. Attendance and Apologies for Absence**

Apologies were received from Sarah Barton, Abigale Bowe, Holly Clarke, Thelma Cullen, Rosie Fearn, Oliver Handley, CC Sue Hind, Lindy King, Rebecca Lindley, Lydia Mannion, Deanne Marsh, Sarah McGladrigan, Michelle O'Neill, Louise Parrish, Kirsty Sutton, Paul Turner, Claire Thompson, Kate Walker, Tim Young.



## 2. Substitute Members

Jo Hodgson substituted for Abigail Bowe and Hilary Sharples substituted for Sarah McGladrigan

## 3. Forum Membership and Election of Chair

This report provided information on membership changes since the last meeting:

Members leaving as part of the annual membership review included:

Angela Johnstone	Primary School Headteacher
Louise Shaw	Academy Governor
Michelle O'Neill	Primary School Governor
Karen Stracey	Primary School Governor
Rachel Bond	Secondary School Governor
Julie Jones	Catholic - Diocesan/Church Authorities
John Davey	Secondary School Governor

The LA is making arrangements to seek replacement representatives for September 2024 and members are asked to note that:

- John Davey will continue as a voting member on the Schools Forum as an Academy Primary School representative from September 2024.

Members welcomed:

- Michael Merrick to their first Forum meeting as a Catholic Diocese representative

Any members wishing to volunteer for the Education Digital Services Schools Focus Group were asked to inform the Clerk

### *Forum Chair*

At the Schools forum in March 2024, it was formally agreed to re-elect the Schools Forum Chairs annually ahead of the new academic year.

Nominations were sought from all working groups and the full Schools Forum. It was noted that no nominations were received throughout the cycle of meetings.

### **The Forum:**

- a) Noted the report.**
- b) Expressed thanks to those members and officers leaving the Forum.**
- c) Welcomed new members.**
- d) Appointed Daniel Ballard as the Forum Chair and Stephen Booth as the Forum Vice-Chair for 2024/25, unopposed.**
- e) Supported Steve Campbell continuing as Schools Block Chair from September 2024, unopposed.**
- f) Supported Claire Thompson continuing as High Needs Block Chair from September 2024, unopposed.**
- g) Supported Philippa Perks continuing as Early Years Block Chair from September 2024, unopposed.**

**h) Individual members not already on the Education Digital Services Schools Focus Group are asked to consider volunteering.**

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

The minutes of the last meeting held on 21 March 2024, were agreed as a correct record.

#### **5. Matters Arising**

There were no matters arising since the last meeting.

#### **6. The Great Lancashire Debate**

Presentation from Hannah Race, Senior Democratic Services Officer to promote the Local authorities The Great Lancashire Debate. For more information or to enter online, [www.lancashire.gov.uk/the-great-lancashire-debate](http://www.lancashire.gov.uk/the-great-lancashire-debate) or contact [TheGreatLancashireDebate@lancashire.gov.uk](mailto:TheGreatLancashireDebate@lancashire.gov.uk).

#### **The Forum:**

- a) Noted the information.**
- b) Thanked Hannah for attending.**

#### **7. Independent Non-Maintained Special School Data**

Following a number of requests from members, the Schools Finance Team provided and analysis of the INMSS data held by the Inclusion Service.

Members raised a number of queries in regard to the analysis provided, including the increase in costs and SEMH provision. Members also requested a comparison between the authority and the national statistics. Officers will continue to monitor the trends and will provide updates at future meetings.

#### **The Forum:**

- a) Noted the information.**
- b) Thanked officers for providing the analysis.**

#### **8. Scheme for financing Schools in Lancashire 2024/25**

In March 2024, the DfE issued a 16th update to Statutory Guidance on schemes, which amended the guidance for the 2024 to 2025 financial year. In addition to some minor edits to wording, the main change highlighted by the DfE is that in the 'Borrowing by schools' section to reflect the introduction of the [International Financial Reporting Standard 16 \(IFRS16\)](#) and the Secretary of State providing blanket consent to certain categories of finance lease.

The main changes to the scheme incorporate the updated DfE guidance as noted above in section 3.6. In addition, the Authority has amended section 4.2 'Controls on surplus balances' in light of the recent implementation of clawback.

The Authority has also reviewed the Lancashire scheme to refine the document and reference the latest DfE guidance where necessary.

Members noted the main changes to the scheme and that the consultation to all schools would go live in the Summer term. An analysis of the consultation responses will be presented to Schools Forum in the Autumn Term.

**The Forum:**

- a) **Noted the information.**

**9. Recommendations from the Schools Block Working Group**

A report was presented setting out the recommendations from the Schools Block Working Group from 18 June 2024.

**9.1 Schools Block Working Group Chair for the 2024/25 Academic Year**

In March 2024, members agreed to elect the Schools Forum Chairs annually. Nominations were sought at the working group.

One nomination had been received from Steve Campbell, Academy representative.

The Working Group:

- a) Supported Steve Campbell continuing as Schools Block Chair from September 2024, unopposed.

**9.2 Schools Budget Outturn 2023/24**

This report provided the Working Groups with details of the 2023/24 Schools Budget final financial outturn position, in relation to each funding block. A copy of the full report presented to the working group is provided at **Appendix A**.

The Overall Schools Budget outturn position for 2023/24 showed an overspend of circa £7.4m.

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 2023/24 Schools Block revealed a circa £2m overspend. Some key issues were highlighted.

The Working Group:

- a) Noted the report and the 2023/24 School Budget final financial outturn position

**The Forum noted the report.**

**9.3 School Balances and Clawback 2023/24**

This report set out the year end position of schools' delegated budgets at 31 March 2024. A copy of the full report presented to the working group was provided for members.

The overall school balances have decreased from c£73m to c£70m, an overall reduction of £3m.

Further details were provided, and members concentrated on the Schools Block schools. It was noted that, in total 38 schools were in deficit at March 2024, which has decreased from 42 compared to the previous year.

It was also noted that the year-end position did include grant funding from DfE that was allocated on an academic year basis and analysis provided by schools about their year-end position at 31 March 2024 indicated that circa £11.5m of total balances are classed as 'committed'.

#### *Clawback 2023/24*

At 31<sup>st</sup> March 2024, 12 schools held balances above the clawback guidelines. This totalled £52,171. Two schools with excess balances in 2023/24, also held balances above the guideline in 2022/23.

All maintained schools received a letter on the Schools Portal on 8 May 2024, outlining the year-end balance in accordance with the clawback policy.

It is proposed to hold the 2023/24 clawback funds in the Schools in Financial Difficulty reserve.

#### *School Balances and Clawback Policy 2024/25*

Whilst clawback had been suspended on year end balances at March 2020, 2021, and 2022. In July 2022, the Forum voted to reintroduce clawback at March 2023, and again voted to continue with the clawback policy in July 2023 for March 2024. The policy is as follows:

- 12% of Consistent Financial Reporting (CFR) income for all phases of maintained school
- A £75,000 minimum balance threshold will be applied.

The group were asked to consider the school balances and clawback policy to be applied at 31 March 2025. A number of schools balances and clawback options were available, and the group considered the possibilities. Individual members spoke both for and against the reintroduction of clawback, and highlighted various issues, including the increased inflationary costs pressures facing the sector and the impact of falling rolls on school budgets.

#### *Schools Budget Reserves 2023/24*

The 31 March 2022 position on Schools Budget Reserves was also considered, and it was noted that the total of all schools reserves was £97.743m, a decrease of circa £11m.

Members considered questions posed around the School Teaching and Support Staff Supply Reimbursement Scheme reserve, which ended the year with an underspend of circa £37,000. This is a significant reduction in comparison with recent year end scheme levels due to the in-year changes agreed by Forum in January 2024. The overall in year position includes a surplus on the support staff scheme of just over £0.9m, which was offset by a circa £0.86m deficit on the teaching staff scheme.

The Forum has previously agreed that any year-end balance above £1.5m should be redistributed to scheme members. It is proposed the £37,000 underspend is held in reserves.

Members discussed key issues highlighted in the report and made a number of recommendations.

The Working Group.

- a) Noted the report.
- b) Noted the overall position of school balances at 31 March 2024, including the individual school level information provided in the report.
- c) Recommended that clawback of revenue balances above the threshold figure should be applied to balances at 31 March 2025.
- d) Noted the slight underspend on the supply scheme budget at 31 March 2024 and recommended that the level of scheme reserve be held in reserves.

**The Forum,**

- a) Ratified the working groups' recommendations.**

#### **9.4 Schools in Financial Difficulty Recovery Plan Bids**

This report outlined the proposals to support schools in financial difficulty and working towards a recovery Plan.

The Schools Forum voted to implement the Clawback policy to excess school balances at 31 March 2023 due to the continued high level of balances across the authority. As a result, circa £751,000 was clawed back from eighteen Schools. During their meeting on 18 October 2023, the Schools Forum agreed to use these funds to support schools in financial difficulty who are actively working with the authority to reduce their deficit.

In line with the Schools in Financial Difficulty policy, schools will be eligible to 33% of the greater of the 2022/23 or 23/24 outturn deficit. This will be allocated over two financial years. The second year allocation will only be payable in 2025/26 if the schools continue to work with the authority and are actively working to reduce the deficit in line with their approved recovery plan.

The LA identified ten schools who are eligible for this support and analysis was provided at the working group.

The allocated funding totals circa £328,000.

Discussions around this item included concerns for the number of schools facing falling rolls and the number of schools that could be a deficit position in future years. It was noted that this funding is a one year only commitment to support schools who have a recovery plan in place in 2023/24.

The Working Group.

- a) Noted the report.

**The Forum,**

- a) Ratified the working groups' recommendations.**

## **9.5 De-delegation Proposals 2025/26**

In accordance with normal practice, it is envisaged that a de-delegation consultation will be issued to maintained primary and secondary schools in early September 2024, with responses being reported to the meeting on 16 October 2024, at which time the Forum will be asked to make formal decisions, by phase, on each de-delegation proposal.

In 2024/25, the Forum formally approved 4 service de-delegations, relating to:

- Staff costs – Public Duties/Suspensions
- Heritage Learning Service – (Primary Schools Only)
- Schools Requiring Additional Support
- Inclusion Hubs (Primary Schools Only)
- Children's Champions

Relevant de-delegations were also offered to nursery schools, special schools and PRUs as pooled services buy-backs.

For 2025/26, the LA is again proposing to consult on the continuation of these five services as de-delegations. Further information was provided on each service.

The working group considered the 2025/26 proposals and discussed key issues. Members reiterated some concerns about inconsistency in the inclusion hub reports around the lack of information included in the report presented at Schools forum in October 2023. It was emphasised by members the need for data from all districts is a requirement of the report to enable a full review of the value for money. Members have requested the report to be circulated to the Schools forum as soon as possible.

It was noted, data has been received from all districts and the service is currently writing the report which will be circulated to members shortly. It was also noted that the agreed admin support from April 2024, was not yet in place due to recruitment issues. Going forward, this role will support the data collection for the report.

The proposed de-delegation rates will be reviewed ahead of the consultation.

The Working Group:

- a) Noted the report.
- b) Requested that their Inclusion Hub comments be considered by officers/Inclusion Hub Steering Groups.
- c) Supported the proposed consultations on other possible de-delegation proposals for 2025/26.

**The Forum ratified the working group's recommendations.**

## **9.6 Growth Fund Policy Update 2024/25**

The county council has a responsibility under section 14 of the education act 1996 to ensure that there are sufficient primary and secondary school places in the county.

Since 2014, the Schools Forum has had in place a Growth Fund Policy to assist schools/academies commission by the LA for basic need growth. The policy ensures that a transparent and formulaic process is used for allocating additional funds that takes account of expanding schools' needs whilst minimising the effect on the Dedicated Schools Grant (DSG).

The policy has been amended from time to time since its introduction, to take account of various developments. The latest substantive amendment of the policy was agreed by the Forum in March 2021, to support the establishment and growth of a new school in Lancashire.

The policy has been amended to ensure the guidance is clear on growth funding where a school or academy has agreed with the local authority to provide an extra class to meet basic need in the area (either as a bulge class or as an ongoing commitment). In Lancashire, this will be funded through the Growth Fund. The policy has been amended slightly to reflect this.

The Working Group

- a) Noted the updated policy.

**The Forum noted the report.**

### **9.7 Schools Forum Annual Report 2023/24**

Each year the Schools Forum publishes an annual report setting out items of business in which the Forum has been involved in.

A draft report for 2023/2024 was presented for consideration at the working group is provided at **Appendix C**.

The Working Group:

- a) Noted the report.
- b) Recommend to the Schools Forum that the 2023/24 Annual Report be approved for publication.

***A copy of the final version of the 2023/24 Annual Report was provided for members***

***It was noted that the HNB and EYB also supported the publication of the report,***

**The Forum,**

- a) **Ratified the working groups' recommendations.**

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

A report was presented setting out the recommendations from the High Needs Block Working Group from 11 June 2024.

#### **10.1 Matters Arising**

Members raised one item of matters arising.



### *Post 16 SEN data issues*

To note the SEN Data issues are also affecting post 16 settings. It was noted that this has been raised with Aby Hardy.

### **10.2 High Needs Block Working Group Chair for the 2024/25 Academic Year**

In March 2024, members agreed to elect the Schools Forum Chairs annually. Nominations were sought at the working group.

One nomination had been received from Claire Thompson, Special School Headteacher representative and current working group chair.

The Working Group:

- b) Supported Claire Thompson continuing as High Needs Block Chair from September 2024, unopposed.

### **10.3 Schools Budget Outturn 2023/24**

This report provided the Working Groups with details of the 2023/24 Schools Budget final financial outturn position, in relation to each funding block. Further details were provided in connection with each funding block and members concentrated on the High Needs Block position. It was noted that the outturn position for the 2023/24 High Needs Block (HNB) revealed a circa £6.9m overspend. Some key issues were highlighted.

Members queried some key issues impacting on the HNB budget, including the high number of EHCP's which are delayed and the impact this will have to the HNB. Members also raised concerns around the INMSS budget, which is covered on the agenda earlier.

The Working Group.

- a) Noted the report and the 2023/24 School Budget final financial position.

**The Forum noted the information.**

### **10.4 School Balances and Clawback 2023/24**

*Recommendations were approved under the Schools Block item.*

### **10.5 Schools in Financial Difficulty Recovery Plan Bids**

*Recommendations were approved under the Schools Block item.*

### **10.6 Special School Provision Increase**

An update was provided at the meeting by Aby Hardy. An increase of special school places and SEN units in mainstream schools in key areas is currently proposed and awaiting cabinet approval. Due to the current pre-election period, this will now be presented at the next cabinet meeting in September 2024.

The Working Group:

- a) Noted the update.

**The Forum noted the information.**

### **10.7 PRU Intervention Cap**

An update from Matthew Dexter, Senior Accountant School Finance, was provided to members at the meeting. It was noted that the PRU intervention Cap methodology was currently under review ahead of the 2025/26 budget setting process. Once finalised, it will be presented to the working group.

The Working Group:

- a) Noted the update.

**The Forum noted the information.**

### **10.8 Commissioned Place Process 2025/26**

As part of the process agreed with the Schools Forum in 2020, an early notification was introduced to provide special schools and PRUs with an indicative number of places that the LA are forecasting at each school, which following approval from the inclusion service, would be incorporated in the school budget for the following financial year.

For 2023/24, with agreement with the Schools Forum, the correspondence to special schools was delayed to the autumn term 2023.

calculations to be produced and issued before the end of the summer term 2024.

Following discussions with members around the 2024/25 process, the views of the Working Group are now sought on the proposed High Needs Block indicative commissioned places process for 2025/26.

The Working Group:

- a) Noted the report.
- b) Recommended officers to circulate letters as soon as possible to schools.

**The Forum noted the information.**

### **10.9 High Needs Block Notional SEN**

Due to an increase in Notional SEN queries, Matthew Dexter, Schools Finance, provided a verbal explanation of Notional SEN in school budgets. It was noted that the 2012 School Funding Reform document is the most recent DfE guidance which was circulated to members in the meeting papers

The Working Group:

- a) Noted the information.

**The Forum noted the information.**

### **10.10 Schools Forum Annual Report 2023/24**

*Recommendations were approved under the Schools Block item.*

## **11. Recommendations from the Early Years Block Working Group**

A report was presented setting out the recommendations from the Early Years Block Working Group from 6 June 2024.

### **11.1 Matters Arising**

Members raised one item of matters arising.

Members raised concerns around the lack of communication to the Early Years sector about the SEND Inspection. Officers will follow this up and provide an update shortly.

### **11.2 Early Years Block Working Group Chair for the 2024/25 Academic Year**

In March 2024, members agreed to elect the Schools Forum Chairs annually. Nominations were sought at the working group.

One nomination had been received from Philippa Perks, PVI representative and current working group chair.

The Working Group:

- a) Supported Philippa Perks continuing as Early Years Block Chair from September 2024, unopposed.

### **11.3 Schools Budget Outturn 2023/24**

This report provided the Working Groups with details of the 2023/24 Schools Budget final financial outturn position, in relation to each funding block. Further details were provided in connection with each funding block and members concentrated on the Early Years Block position. It was noted that the outturn position for the 2023/24 Early Years Block revealed a circa £2m underspend. Some key issues were highlighted.

The Working Group.

- a) Noted the report and the 2023/24 School Budget final financial position.

**The Forum noted the information.**

### **11.4 School Balances and Clawback 2023/24**

*Recommendations were approved under the Schools Block item.*

### **11.5 Schools in Financial Difficulty Recovery Plan Bids**

*Recommendations were approved under the Schools Block item.*

### **11.6 Early Educations Funding headcount and Interim Payments Consultation Outcome 2024**

Considering the feedback received from some providers around the current payment terms, a consultation went live on 20 March 2024 to gather feedback. The consultation closed on 19 April 2024, we received 405 responses in total which represents just under 48% of all PVI providers and Childminders.

The Early Years Block Working Group met at an extraordinary meeting on 9 May 2024 to discuss the results of the consultation and agree the payment terms going forward.

Due to the result of the consultation showing divided opinions across providers, officers proposed to implement two payment term options: of receiving 12 monthly payments, or one interim payment and one final balance payment. The working group supported this recommendation.

As a result, the funding agreement, has been amended following these changes and a summary document created which was provided to members.

In addition to the payment terms changes, the funding agreement has also been updated to include the extended entitlements and there was an update in the inadequate policy. The agreements was circulated to settings in early June 2024.

The Working Group.

- a) Noted the update.
- b) Thanked the Early Years funding team for their work on the payment terms.

**The Forum noted the information.**

### **11.7 Early Years Wraparound Funding**

A verbal update was provided to members by Kate Dewhurst. Briefing sessions were held in May and settings had the opportunity to express interest for the wraparound funding. The deadline has since passed, and the team will be reviewing the information submitted by settings and hold panels in the summer term to allocate funding.

The Working Group.

- a) Noted the update.

**The Forum noted the information.**

### **11.8 Early Years Inclusion Fund Update**

The working group received a verbal update from the Early Years Inclusion Fund meeting which was held on 4 June 2024. Key issues from the meeting were discussed at the working group. A summary is provided in the meeting papers.

The Working Group.

- a) Noted the information.

**The Forum noted the information.**

### **11.9 Schools Forum Annual Report 2023/24**

*Recommendations were approved under the Schools Block item.*

## **12. Forum Correspondence**

There was one item of correspondence received.

The Schools Forum chair received a query from a school in regard to the use of Finance 6 in schools. This outlined in the Scheme for Financing Schools in Lancashire, Section 2.2 basis of accounting states the following;

*In providing information to the Authority, the Governing Body is required to furnish accounts on the basis specified by the Authority. The Authority may specify that reports and accounts should be provided on a cash or accruals basis, but the Authority will not seek to impose either system on schools' internal systems. Schools may use whatever financial software they wish in the internal organisation of their accounts, provided they meet any costs of modification to provide output in the format required by the Authority.*

### **13. Any Other Business**

There were a number of items of any other business.

#### **13.1 DSG Recharges**

It was noted that there are a number of DSG charged within the budget which are being reviewed and will be reported to forum prior to the 2025/26 budget setting process.

#### **13.2 Schools Finance Online Forms**

Officers provided an update of the migration of the Schools Finance online forms to a new platform which will be accessible to schools on the Schools Portal. Further information will be provided to all schools shortly.

The Schools Forum.

- a) Noted the items under any other business.

### **14. Date of Future Meetings**

To note that the next scheduled Forum meeting will be held at 10.00 am on Wednesday 16 October 2024. Arrangements for the meeting will be confirmed in due course.

A copy of the forum schedule for the 2024/25 academic year can be found [here](#).