Report to the Lancashire Schools Forum
Meeting to be held on Friday 10 January 2025

Item 8

Recommendations of the Early Years Block Working Group

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Brief Summary
On 26 November 2024, the Early Years Block Working Group considered several reports, including:

- **SEND Programme Update**
- **Educational Health Care Plan Funding**
- **Early Years Funding 2025/26**
- **Early Years Inclusion Fund Monitoring 2024/25**
- **National Wraparound Childcare Programme Funding Clawback Exemption 2024/25**
- **Supply Cover Insurance and Maternity Scheme for Lancashire Schools Arrangements 2025/26**

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

Recommendations

The Forum is asked to:
a) Note the report from the Early Years Block Working Group held on 26 November 2024.
b) Ratify the Working Group's recommendations.

Detail
On 26 November 2024, the Early Years Working Group considered several reports. A summary of the information presented, and the Working Group's recommendations are provided below:

10.1 Matters Arising
Members raised one item of matters arising.

Portage
Members questioned why portage would not be accessible if a child is receiving support through the inclusion fund. Members were informed that the process is currently under review.

10.2 Send Programme Update

Due to the SEND inspection, colleagues from the service were unable to attend. A general update was provided.

A thorough review of SEND programme has been ongoing, and noticeable changes have come about due to this, including the backdating of EHCP and a review of utilising the High Needs Block more efficiently. SEND is being taken seriously by key members of the local authority and is constantly looking where areas can be improved or additional value created.

The Working Group:

a) Noted the update.

10.3 Educational Health Care Plan Funding

Due to the SEND inspection, colleagues from the service were unable to attend. A general update was provided.

It has been confirmed that EHCP funding will be backdated to April 2024 where appropriate, all Early Years settings will be entitled to this. There has been a delay in actioning this during the Autumn term, however from January a more robust system will be in place to ensure settings receive the funding they are due.

Settings have been notified of this through the inclusion Sway, settings are encouraged to access the Sway for updates in the future as it was noted less than half of establishments had accessed the previous one.

The Working Group:

a) Noted the update.

10.4 Early Years Funding 2025/26

On 6 November 2024, the DfE published a summary policy note for schools and high needs national funding formula 2025 to 2026. This included a number of indicative announcements about the 2025/26 school funding arrangements for Schools, High Needs and the CSSB.

The announcement confirmed that the total core school funding is increasing by £2.3 billion in 2025 to 2026, meaning that this funding will total circa £63.9 billion. Of the £2.3 billion increase in total schools funding, almost £1 billion will be added to the overall high needs budget, bringing the total level of high needs funding in 2025 to 2026 to £11.9 billion. This increase to high needs funding is over 9% compared to the 2024 to 2025 baseline.

The summary also confirmed that £480 million of the £1 billion is earmarked for allocation through a 2025 to 2026 CSBG for special schools and AP, which will combine the high needs elements of the 2024 to 2025 TPAG, TPECG and full-year equivalent of the CSBG.

As per established practice, no information was included on the Early Years Block allocation from April 2025. Final announcements on all funding blocks were expected later, followed by the LA DSG allocation in late December 2024.

Once the final allocations have been received, any headroom within the funding blocks will be reported to Forum.

Members were informed not to expect a large increase in rates for 2025/26, and that some settings may see a reduced deprivation rate due to an error the previous year. Since the working group meeting, a letter has been provided to settings detailing along with the assumed base rates for 2025/26.

The group were asked to express any initial views on the early years block budget for 2025/26.

Members showed concern for the rise in National Insurance costs, as raising fees will have an adverse effect on demand.

The Working Group:

a) Noted the report.

10.5 Early Years Inclusion Fund

The Early Years Special Educational Needs Inclusion Fund (SENIF) is designed to support early years providers in meeting the needs of children with special educational needs and disabilities (SEND). The fund is to support children with lower level or emerging SEN. Each local authority is required to have and established Inclusion Fund.

Children with more complex needs and with an education, health and care plan (EHCP's) continue to receive funding via the high needs block.

With the introduction of the new working parent entitlements for 2024 to 2025, local authorities were also required to have SENIFs for all children with SEN eligible for or taking up the entitlements, regardless of the number of hours taken.

In Lancashire, funding for the early years SENIF is through the Early Years Block. Each year the fund is reviewed in line with demand and forms part of the annual School Budget setting process. Due to the significant increase in demand in the SEN Inclusion Fund in 2023/24, the budget for 3- and 4-year-olds increased from £500k to £1.85m for 2024/25. In addition, due to the extended entitlement access to the fund was to be also required for 2-year-olds, set at £500k and under 2s (from September 2024), was set at £300k.

The Inclusion Service provided an Early Years Inclusion Fund Monitoring 2024/25 report that stated since 1st April 2024, £971,823 had been spent.

The Working Group:

a) Noted the report.

10.6 National Wraparound Childcare Programme Funding Clawback 2024/25

The National Wraparound Childcare Programme is a government initiative aimed at increasing the availability of wraparound childcare, such as breakfast and after-school clubs, for primary-aged children. This programme is designed to support working parents by providing reliable childcare options from 8am to 6pm during term time.

The government has allocated £289 million over two academic years to support this programme.

The funding is intended to help local authorities ensure there is sufficient wraparound childcare in their areas. This includes both expanding existing services and creating new ones.

Local authorities, schools, trusts, and private, voluntary, and independent (PVI) providers can apply for this funding to support their wraparound childcare services. The funds can be used for various purposes, such as increasing capacity, improving facilities, and ensuring the provision of high-quality childcare that meets the needs of working parents.

Lancashire's funding received to date is £2,187,228, final allocations are yet to be confirmed by the DfE. It is anticipated that will be allocated to schools and settings this financial year.

To date, 57 schools have had revenue funding agreed. The range of this funding for schools is £1,750 up to a maximum of £36,000.

Currently, grant agreements are being drawn up and schools receive the funding once these are completed by school and the LA. Therefore, the allocation timescales will vary for each school.

In addition, the number of schools will continue to increase as the LA have deferred a number of applications that require further work and the LA working with more schools who will submit applications to panel in December, January and February.

The local authority is therefore proposing to exempt the revenue wraparound funding from the clawback policy at 31 March 2025. Members should be aware, if this exemption is agreed, it will be exempt for one year only.

The Working Group:

a) Noted the report.
b) Supported the proposal to exempt National Wraparound Childcare Programme Funding from clawback for 31 March 2025.

10.7 School Teaching and Support Staff Supply Reimbursement Scheme 2025/26

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 2025/26 Scheme changes for consideration.

Outturn Position 2023/24

The Supply Insurance Scheme had been underspent by £37,080 for the year 2023/24. The Schools Forum agreed to hold this underspend within the Supply Reimbursement Scheme reserve. The reserves are currently held at £1,537,080.

Scheme Arrangements 2024/25
The scheme arrangements agreed with the Forum looked to increase premiums in line with increasing the reimbursement rates.

Following the finalisation of the supply scheme arrangements with the Forum in January 2024, individual offers were issued to schools and academies for consideration.

In 2024/25, 1 additional school joined the scheme in comparison to the previous year. For reference, 35 fewer schools signed up for the scheme in 2023/24 than were involved in 2022/23.

April 2024 to October 2024 Monitoring
In 2023/24, the processing of claims moved to within the Schools Finance team, this has allowed us to monitor the scheme closely. The claims processed from April 2023 to October 2023 was 41% of the total claims for the year 2023/24. Using this methodology for the 2024/25 scheme, it is assumed that 41% of the total number of claims were submitted by October 2024 and therefore c60% of the scheme expenditure is yet to be utilised. On this basis, the scheme is forecasting a circa £144,000 underspend at March 2025. This is also based on the trend that the LA received a large influx of claim submissions prior to the year end deadlines. Modelling is provided in the table below.

Year	Number of claims submitted April - October	Number of claims submitted April - March	Percentage of claims submitted by October	Scheme Outturn Position
2023/24	1378	3342	41%	£37,080
2024/25	1418	3459 Forecast	41%	£144,304 Forecast

Members should be aware that the scheme outturn for 2024/25 is subject to change if the number of claims is lower or higher than anticipated.

As per usual practice, the scheme outturn for this financial year, will be presented to the working groups during the summer term meetings.

Scheme Proposals 2025/26
Scheme Operation
The operation of the scheme has been flexible in recent years. It is proposed that the existing scheme rules operating in 2024/25 should remain in place for 2025/26, subject to the following amendments:

- Simplified the Shared Parental Leave (SPL) sections in the Service Level Agreement for teachers maternity and paternity.
- Introduced a clear methodology for calculating teachers paternity SPL.

Scheme Premiums
A 5.5% increase had been awarded for teaching staff from September 2024, for support staff an average of 5% had been awarded from April 2024. It is usual

practice to increase teaching and support staff premiums annually so that reimbursement rates can also increase in line with pay rises for the different categories of staff.

Reimbursement rates
It is proposed that the reimbursement rates be increased for 2025/26 in line with the proposed increase in scheme premiums.

Options for Consideration

- For simplicity, to increase charges and reimbursements by 5.5% for both Teaching and Support supply schemes.
- To keep in line with the recent pay awards, increase charges and reimbursements by 5.5% for the Teaching supply scheme and 5% for the Support supply scheme.
- Apply no changes to the charges or reimbursement rates and keep this static at the 2024/25 rates.

Service Offer to Schools
Once scheme arrangements and charging/reimbursement rates are finalised by the Forum in January 2025, a formal individualised 2025/26 scheme offer will be issued to all schools and academies.

The Working Group:

a) Noted the report.
b) Recommended increasing charges and reimbursements by 5.5% for both Teaching and Support supply schemes.
c) Supported the SPL amendments.

10.8 Any Other Business
No items of AOB from the LA or members.