

Item 10

Recommendations of the Schools Block Working Group

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Brief Summary

On 3 December 2024, the Schools Block Working Group considered several reports, including:

- **Schools Block Funding Arrangements 2025/26**
- **School Funding and De-delegation Consultation 2025/26**
- **Growth Fund Policy**
- **National Non-Domestic Rates**
- **Clawback Exemption Requests 2024/25**
- **National Wraparound Childcare Programme Funding Clawback Exemption 2024/25**
- **Supply Cover Insurance and Maternity Scheme for Lancashire Schools Arrangements 2025/26**
- **Redistribution of Welfare Officer Service Funding**

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 Schools Block Working Group held on 3 December 2024.
- b) Ratify the Working Group's recommendations.

Detail

On 3 December 2024, the Schools Block Working Group considered several reports. A summary of the information presented, and the Working Group's recommendations are provided below:

10.1 School Block Funding Arrangements 2025/26

The Department published the 2025-26 NFF on 28 November 2024. Within the October budget, the government announced an additional £2.3 billion for mainstream schools and young people with high needs in 2025 to 2026. This means that core school funding will total almost £63.9 billion next financial year.



Included in this increase, £1 billion is being allocated as high needs funding in 2025 to 2026, recognising the continued increase in costs. This brings total high needs funding to £11.9 billion.

The further £1.3 billion will cover the remaining costs of the 2024 teachers' pay award in mainstream schools, so that the full 12 months of salary costs are fully funded at a national level; an increase to the mainstream schools national funding formula (NFF) and increases to the pupil premium and other elements of core funding.

Funding through the mainstream schools national funding formula (NFF) is increasing by 2.23% per pupil on average in 2025 to 2026, compared to 2024 to 2025. This includes a 1.28% increase to ensure that the 2024 teachers and support staff pay awards continue to be fully funded at national level in 2025 to 2026.

The announcements also confirmed that Dedicated Schools Grant (DSG) allocations will be published in December 2024. As a result, the LA does not currently anticipate any delays to the schools budget process for 2025/26.

Key changes to the schools NFF in 2025 to 2026 are:

- rolling the 2024 to 2025 teachers' pay additional grant (TPAG), the teachers' pensions employer contribution grant (TPECG) 2024, and the core schools budget grant (CSBG) into the NFF. For TPAG and TPECG this is done by:
 - adding amounts representing what schools receive through the grants into their baselines
 - adding the value of the lump sums, basic per pupil rates and free school meals Ever6 (FSM6) parts of the grants onto the respective factors in the NFF
 - uplifting the minimum per pupil values by the TPAG and TPECG 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

The methodology for rolling in the CSBG into the NFF is the same as for TPAG and TPECG, except that the CSBG 2024 to 2025 grant rates are uplifted to make them annualised before they are rolled in to the NFF. (This is not necessary for TPAG and TPECG, as they were already provided on a full year basis in 2024 to 2025).

- further increases to NFF factor values (on top of the amounts we have added for the TPAG, TPECG and annualised CSBG), as can be afforded following the settlement of the core schools budget for 2025 to 2026
- amending the private finance initiative (PFI) factor such that:
 - the lower of the local authority's 2024 to 2025 PFI premises factor (as given on the 2024 to 2025 authority proforma tool (APT)) and the school's PFI funding from the 2024 to 2025 NFF will now be taken as the baseline for calculating the 2025 to 2026 PFI factor
 - where PFI contracts expire part way through the financial year, the 2025 to 2026 PFI factor value is pro-rated accordingly



- exceptions to the above are made for local authorities that have provided the department with an affordability model which demonstrate that a different amount is required
- some technical changes to the split sites factor which was first introduced in the 2024 to 2025 NFF. In particular, the transitional floor protection that was included in 2024 to 2025 has now been removed. That protection was only needed in 2024 to 2025 to ensure that any school losing out from the formularisation itself was protected through the NFF floor. Some further, technical changes to the operation of the split sites factor in relation to mergers, amalgamations and de-amalgamations are covered in the [split sites](#) section of this guidance

The department has confirmed the following aspects of the high needs NFF for 2025 to 2026:

- the funding floor is set at 7% so each local authority will see an increase of at least 7% per head of their 2 to 18 population (as estimated by the Office for National Statistics (ONS))
- the gains limit is set at 10%, allowing local authorities to see gains up to this percentage increase under the formula, again calculated on a per head basis of their 2 to 18 population

Minimum Pupil Funding

The DfE announcements included the relevant minimum pupil funding (MPF) levels for primary and secondary schools, which incorporate the 2.23% uplift for 2025/26:

- The primary schools, the MPF level will be £4,955 per pupil in 2025/26 compared to £4,610 per pupil in 2024/25.
- For secondary schools, the MPF level will be £6.465 per pupil from 2025/26 compared to £5,995 per pupil in 2024/25.

Members are reminded that the MPF levels are not the same as the Age Weighted Pupil Unit (AWPU) or the basic pupil element in your school funding. AWPU is the rate set to allocate the basic entitlement of funding for pre-16 pupils in mainstream schools that is provided for all pupils. This is then supplemented by other formula factors based on the characteristics of your pupils and the school, including your lump sum allocation. The MPF funding ensures that schools receive a minimum level of funding calculated by dividing all your pupil led factors plus the lump sum allocation by the number of pupils on roll. This calculation excludes other factors, for example rates.

Local Schools Block Formula 2025/26

Even though Lancashire has adopted the national funding formula methodology as the local funding formula, a degree of local discretion remains about the Schools Block arrangements in 2025/26. Further information is provided below.



Minimum Funding Guarantee (MFG)

For 2025/26, during the transition to the direct NFF, there remains local discretion around the level of Minimum Funding Guarantee (MFG). LAs have the freedom to set the MFG in local formulae between -0.5% and 0.0% per pupil.

Views have been sought from Lancashire primary and secondary schools and academies in a recent consultation. The LA proposal included in the consultation was for the MFG to be set at the maximum funding floor allowable, as this provides the highest allowable protection for Lancashire schools and academies and matches the funding floor protection included in the NFF. The outcome of this consultation is provided in Item 6, and members will be requested to formally vote of the MFG.

Notional SEN

Local authorities are required to identify a notional budget for their mainstream schools which helps them comply with their duty to use their 'best endeavours' to meet the special educational needs (SEN) of their pupils. **The notional SEN budget is not a separate budget or funding allocation** but is identified within a maintained school's delegated budget share, or an academy's general annual grant, and is calculated by each LA using their local mainstream schools funding formula factors.

The DfE's 2025/26 operational guidance emphasised that LAs should keep their notional SEN budget under review to make sure that their schools' notional SEN budget is a realistic amount, and that any shortfall in this notional budget can be appropriately met from additional high needs targeted funding. High needs top-up funding is allocated in addition to the notional SEN budget.

Alongside the operational guidance for 2025/26, the DfE have published additional information about notional SEN. This information confirms that there is currently no national approach to the calculation of schools' notional budget for pupils with SEN through the NFF. The guidance does provide data about the notional SEN calculations nationally. It notes that most LAs calculate their schools' notional SEN budget using a combination of funding from the basic entitlement factor, the deprivation factors, and the low prior attainment factors in the local funding formula.

DfE indicate that overall percentage of formula allocations which are designated as the notional SEN budget across all local authorities is 12% in 2024 to 2025. Lancashire's notional SEN figure in 2024/25 equates to 17.17%.

Members will recall that the Lancashire notional SEN calculation was reviewed ahead of the 2020/21 financial year, and following a consultation with schools, the Forum supported the introduction of a simplified notional SEN calculation from April 2020.

After reviewing the Lancashire position ahead of FY 2025/26, the LA is proposing a minor change to the notional SEN methodology from April 2025, which is listed below:

- Removal of English as an Additional Language (EAL) from notional SEN.

All remaining notional SEN factors will remain as per the 2024/25 methodology. This is because;

- The DfE benchmarking shows that Lancashire's calculation is identifying a notional SEN figure at the higher end of the range nationally;



- It seems likely that the DfE will in future issue national guidance about notional SEN calculations as part of a direct NFF.

The Working Group are asked to consider this position and support the proposal to the notional SEN calculation for the 2025/26 financial year.

The LA will keep the notional SEN calculation under review in future years, especially in the light of any national guidance from the DfE.

Dedicated schools grant (DSG) transfers

Local authorities continue to be able to transfer up to 0.5% of their schools block to other blocks of the DSG, with schools forum approval.

Any DSG underspend brought forward from the previous year can be used to support the growth or falling rolls fund in the schools block, the central school services block, the high needs block, or the early years block.

In recent years, no transfers were possible, as there was no headroom available in the schools block. Further local modelling may be required to assess the 2025/26 position. If required, an urgent consultation about any possible Schools Block transfer will be held with schools and academies once final 2025/26 DSG allocations are received from DfE and have been assessed.

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, it is forecasted that these reserves will be fully utilised by the end of the 2024/25 financial year. The LA is currently producing a DSG management plan in preparation of a forecasted DSG deficit in future years.

ESFA continues to provide support and guidance nationally to LAs with highest historic deficits.

Central School Services Block (CSSB)

As members are aware, the Central School Services Block (CSSB) is made up from a formulaic 'ongoing responsibilities' element that relates to responsibilities that local authorities continue to have for all schools, and a 'historic commitments' element that relates to certain commitments entered into before April 2013.

The total funding for the current responsibilities is £342 million in 2025/26. This funds all local authorities for functions that they have a statutory obligation to perform for all students in the schools and academies they maintain.

In 2025 to 2026, for those local authorities that receive it, historic commitments funding has been reduced by 20%.



Provisional Allocations for 2025/26

Government NFF announcements in November 2024 were accompanied by provisional data on the allocations LAs will receive for 2025/26 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 2023 census. Final allocations, to be issued to schools in February 2025, will be based on pupil numbers from the October 2024 school census.

Even though schools are guaranteed an increase in funding per pupil for their pupil-led funding in the NFF in 2025/26, allocations may still reduce at an individual school level if a school has fewer pupils than before.

Lancashire Position

The government announcements contain the actual units of funding for primary and secondary schools that will be used to calculate the 2025/26 Schools Block allocations. Information for Lancashire is provided below, including 2024/25 SUF and PUF values for comparison:

Unit of Funding	2024/25	2025/26
Actual primary unit of funding (PUF)	£5,203	£5,627
Actual secondary unit of funding (SUF)	£6,538	£7,088

Announcements also contained provisional 2025/26 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 2024/25 have been replicated for 2025/26 to complete the 2025/26 DSG estimate.

Forecast DSG Income	2024/2025 £m's	DfE notional 2025/26 allocation (using Oct 24 data) £m's	Difference £m's	Difference %
Schools Block	1030.40	1054.27	23.60	2.32%
High Needs Block	202.15	218.15	16.00	7.9%
Early Years Block (NOT UPDATED)	82.47	82.47	0	0%
CSSB	8.88	8.7	-0.208	0%
Total	1,324	1,363.60	39.60	3.0%



With the pay awards now included within the 2025/26 NFF for schools block, the current forecast shows a total increase of circa 2.32% in the Schools Block from April 2025, however, it must be remembered that actual DSG allocations in Lancashire, to be published in December 2024, could be lower than those in the provisional notification from the DfE, dependant on pupil data from the October 2024 school census.

The Schools Block figures are also shown without the Growth Fund allocations, as these are calculated outside the NFF methodology.

The Schools Block funding increase is welcomed, but members will be aware that there are considerable costs pressures within this funding block with plans in to balance this funding block in 2025/26

The High Needs Block is forecast to increase by circa 7.9% for 2025/26. In HNB, demand growth over the last few years has been circa £20million per 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 2025/26.

Falling Rolls

For the first time in 2024/25 DfE allocated 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 most recent school capacity (SCAP) survey shows that school places will be required in 2025/26, or the subsequent two years.

In 2024/25, Lancashire did not receive a falling rolls allocation, therefore, the authority does not have a falling rolls policy in place. In addition, the LA is not proposing to implement a fall in rolls policy due to pressures expected in the Schools Block expected in 2025/26. Once final DSG allocations have been received in December 2024, the LA will consult the Schools Forum.

The Working Group:

- a) Noted the report.

10.2 Backdating of Educational Healthcare Plans Funding

Millie Parkinson, Schools Forum Officer, provided a verbal update at the working group around the Backdating of Educational Healthcare Plans (EHCP) Funding.

Information about the backdating of EHCP Funding has been made available to schools through the Inclusion Sway, confirming that if there is a delay in issuing an EHCP, funding will be backdated to the term it should have been issued, or on the



SEN data delegation count date. Any funding prior to April 2024 will not be backdated.

The Working Group:

- a) Noted the information.

10.3 School Funding and De-delegation Consultation 2025/26

At the October 2024 working group meeting, initial proposals for 2025/26 de-delegations were presented for consideration. Proposals included a continuation of the service de-delegations that had been approved by the Forum for 2024/25.

The proposed de-delegations relate to:

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

The working group supported the five services being included in annual de-delegation consultation with schools. The proposals included changes to per pupil charges, marginal increases are proposed for Staff costs – Public Duties/Suspensions, Inclusion Hubs and Children's Champions due to increased staffing costs plus a reduction in schools numbers due to academisation. Charges for Heritage Learning Service is to remain the same as 2024/25, and charges for Schools Requiring additional Support is to reduce reflecting the financial position of the service.

Due to the delay in the school funding announcements for 2025/26, a consultation was issued to schools in November. The consultation assumed the National School Funding Formula will continue to allow local discretion of the Minimum funding guarantee rate and service de-delegations.

The closing date for the consultation was 18 November 2024 and final analysis were provided. Due to the timing of the consultation and the annual budget setting process, the voting took place at the Schools Block Working Group on 3rd December 2024.

The Working Group:

- a) Noted the report.
- b) Members voted on funding and de-delegation arrangements for 2025/26, as set out below:

- i. **(21) School members voted that any available headroom in Schools Block should be transferred to the High Needs Block in 2025/26 following the funding methodology proposed regarding basic entitlement.**
- ii. **(21) School members voted that the Minimum Funding Guarantee (MFG) level should mirror the National Funding Formula in the Lancashire formula in 2025/26.**
- iii. **(12) Primary school members voted to de-delegate Staff costs – Public Duties/Suspensions for primary schools in 2025/26, at 2024/25 levels.**



- iv. **(4) Secondary school members voted to de-delegate Staff costs – Public Duties/Suspensions for secondary schools in 2025/26, at 2024/25 levels.**
- v. **(12) Primary school members voted to de-delegate the Heritage Learning Service for primary schools in 2025/26.**
- vi. **(12) Primary school members voted to de-delegate Support Requiring additional Support, for primary schools in 2025/26.**
- vii. **(4) Secondary school members voted to de-delegate Schools Requiring additional Support, for secondary schools in 2025/26.**
- viii. **(12) Primary school members voted to de-delegate the Primary Inclusion Hubs for primary schools in 2025/26.**
- ix. **(10) Primary school members voted to de-delegate Children's Champions, for primary schools in 2025/26**
(1) Primary school member voted against de-delegate Children's Champions, for primary schools in 2025/26
(1) Primary school member abstained from answering.
- x. **(3) Secondary school members voted to de-delegate Children's Champions, for Secondary schools in 2025/26**
(1) Secondary school member voted against de-delegate Children's Champions, for Secondary schools in 2025/26

10.4 Growth Fund Policy 2024/25

Paula Durrant, School Planning Manager, attended the working group meeting to provide an overview on the changes required to the growth fund policy and the reasoning behind them.

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 last 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. This amendment was limited to the establishment and growth of a one form entry Primary school. This limitation has been brought to attention as the LA are considering the establishment of a two form entry Primary school, as well as a four form entry Secondary school.



The proposed change to the policy is in Section 6. New Schools. This amendment allows for the creation of new schools without a limit on the school form entry for both Primary and Secondary schools.

Members questioned why the LA are considering establishing new schools considering the overall falling roll numbers, and whether a 4 form entry secondary school is efficient. The LA are basing these decisions on the data provided, with a focus on areas that have rising roll numbers.

The Working Group:

- a) Noted the report.
- b) Supported the changes to the growth fund policy.

10.5 National Non-Domestic Rates

In 2022/23, DfE announced that schools business rates will be paid nationally by the ESFA to billing authorities directly on behalf of 'all state funded schools'.

In 2 tier local authority areas (like Lancashire), all billing authorities need to agree to implement the 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. In 2024/25, four out of the twelve districts opted to implement the centralised NNDR process.

Over the past two financial years, the financial impact of this has accumulated an overall deficit of £597,590. Due to the pressures on schools block and the DSG reserve, this deficit is not sustainable.

Ahead of the DfE deadline for billing authorities to sign up for the centralised NNDR process, a letter from Daniel Ballard, Schools Forum Chair, on behalf of Schools Forum, was distributed to the district councils' Chief Finance Officers on 28th October 2024. The letter alerted local council officers of the implications on the Schools budget if Lancashire do not collectively agree to implement the NNDR changes.

As a result, the ESFA have recently confirmed that nine out of the twelve districts in Lancashire opted in to receiving NNDR directly from the ESFA for 2025/26. Therefore, due to not all billing authorities opting in, Lancashire will remain on lagged funding for 2025/26.

Officers will continue to raise awareness of this in advance of the 2026/27 budget setting process.

Members asked how further awareness could be made. It was suggested that members contact their MPs and to request that the LA's CFO apply some pressure to districts that did not sign up. The original letter sent out to CFOs will be redistributed to members to assist with raising awareness.

The Working Group:

- a) Noted the report



10.6 Clawback Exemption Requests 2024/25

In July 2024, the Forum considered the School Balances and Clawback Policy for 2024/25 and agreed that clawback should be reintroduced on excessive revenue balances at March 2025.

The working group considered two requests for clawback exemption at March 2025.

Request A

A Lancashire Secondary School is requesting £80,000 to be exempt from clawback at March 2025. The school have been saving annually for the recarpeting of the all weather pitches.

The total cost of the project is expected to be circa £324,000. The school are requesting this exemption to start saving reserves ahead of the project start date.

Request B

A Lancashire Secondary School is requesting a full exemption at March 2025. A letter providing an overview of the project from the school is provided below.

The DfE confirmed that our school would be included in the 'Schools Rebuilding Programme.' The project is now well underway and we are nearing the end of the feasibility phase with regular meetings ongoing with the DfE, technical advisors and architects. We now know that all blocks will be rebuilt with the exception of the Sixth Form. We also know that certain elements of the project will need to be met from school funds, for example furniture.

This, in turn, means that we are operating in a period of time where we will spend significantly less on certain aspects of the site than we would have, had we not been included in the SRP.

The Working Group:

- a) Noted the report.
- b) Supported both clawback exemption requests.

10.7 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.

10.8 Supply Cover Insurance and Maternity Scheme for Lancashire Schools Arrangements 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 may 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 the Teaching supply scheme charges and reimbursements increase by 5.5%.
- c) Recommended the Support supply scheme charges and reimbursements increase by 5%.
- d) Supported the proposed SPL amendments.

10.9 Redistribution of the Welfare Officer Service Secondary Funding

Aby Hardy, Head of Education Improvement presented The following proposal has been provided by Aby Hardy, Head of Education Improvement.

As members are aware, there has been an historic agreement for eight years to fund attendance support through the central schools block. Primary schools chose to use this funding to fund the team of attendance support workers. Up until 2023 this team provided case work for primary schools. Secondary schools decided that the funding should be allocated directly to the schools via a formula linked to deprivation and pupil numbers.

At the 1 October 2024 Schools Block Working Group meeting, members were asked to consider a proposal to use the funding that is assigned to secondary schools to fund a 'case work attendance service' based on need. This means that those schools we identify as requiring case work, those in the most deprived areas, those with high numbers of persistent absence, would receive excellent quality case work for a new team. This will also be available for all schools and not just maintained schools.

For £576K, it could fund ten attendance case workers and one manager to line manage them. Each case worker could work ten families a week and serve 5 schools a week.

The benefit of Lancashire performing case work rather than other agencies or internal school staff means there is a level of independence that can sometimes be helpful in supporting relationship breakdown between families and schools. It also means that the preparatory case work leading up to prosecution is accurate and able to be used more effectively should family go to court.

All secondary schools who access the funding have been notified that we are considering a proposal to remove this funding. We asked for their feedback on this



change and how it would impact their school. Many responses showed concern over their budgets and the impact it would have on their attendance support staff.

Proposal

In light of this feedback, we are therefore proposing to forum that we do not change the funding for April 2025 and will allow schools to receive the funding for that financial year. This should allow them to prepare for the removal of this funding and use their school budgets to support attendance moving forward. However, the funding will be removed from April 2026 and will be used to create a case work team for attendance. This will also give us more time to consult and deliver on the attendance strategy and where case work would be best utilised following the implementation of the strategy.

Members questioned what the difference would be between the new attendance case workers with the current attendance officers, it was highlighted that current attendance officers do not do casework. This item will be included as part of the next School Block Working Group meeting.

School members voted in favour of deferring this change to 2026/27, with (1) member voting against.

The Working Group:

- a) Noted the report.
- b) Supported the deferral of the redistribution to 2026/27.

Any Other Business

Officers raised the following items under any other business.

Transfer of Clawback retained to the High Needs Block

Considering the increasing High Needs deficit, officers are looking into transferring amounts retained as clawback minus any Schools In Financial Difficulty bids to the HNB. This process would not have a large impact on the HNB deficit, however it would show the LA are moving balances to offset HNB difficulties.

Members should be mindful of the message sent to the DfE when combined school balances remain high, as this could suggest schools are not facing financial difficulties. The clawback policy will be reviewed for 2025/26.

The Working Group:

- a) Noted the items.

