

## Lancashire County Council

### Education Scrutiny Committee

Monday, 25th June, 2018 at 10.30 am in Cabinet Room 'C' - The Duke of Lancaster Room, County Hall, Preston

#### Agenda

##### Part I (Open to Press and Public)

No.	Item
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1.	<b>Apologies</b>
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2.	<b>Constitution: Membership; Chair and Deputy Chair; and Terms of Reference</b>	(Pages 1 - 8)
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3.	<b>Disclosure of Pecuniary and Non-Pecuniary Interests</b>
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Members are asked to consider any Pecuniary and Non-Pecuniary Interests they may have to disclose to the meeting in relation to matters under consideration on the Agenda.

4.	<b>Minutes of the meetings held on 27 March 2018 and 25 April 2018</b>	(Pages 9 - 16)
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5.	<b>Maintained Nursery Schools</b>	(Pages 17 - 24)
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6.	<b>Standards of Attainment of Special Educational Needs and Disabilities (SEND) Pupils</b>	(Pages 25 - 28)
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7.	<b>Urgent Business</b>
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An item of urgent business may only be considered under this heading where, by reason of special circumstances to be recorded in the Minutes, the Chair of the meeting is of the opinion that the item should be considered at the meeting as a matter of urgency. Wherever possible, the Chief Executive should be given advance warning of any Member's intention to raise a matter under this heading.

8.	<b>Date of the Next Meeting</b>
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The next scheduled meeting of the Committee is due to be held at 10.30am on the 13 November 2018 in Cabinet Room 'C' at County Hall, Preston.

County Hall  
Preston

L Sales  
Director of Corporate Services

# Agenda Item 2

## Education Scrutiny Committee

Meeting to be held on Monday, 25 June 2018

Electoral Division affected:  
(All Divisions);

### **Constitution: Membership; Chair and Deputy Chair; and Terms of Reference** (Appendix 'A' refers)

Contact for further information:

Samantha Parker, Tel: 01772538221, Legal and Democratic Services,  
sam.parker@lancashire.gov.uk

### **Executive Summary**

This report sets out the constitution: membership, chair and deputy chair and terms of reference of the Education Scrutiny Committee for the municipal year 2018/19.

### **Recommendation**

The Committee is asked to note:

- i. The appointment of County Councillors Christian Wakeford and Munsif Dad as Chair and Deputy Chair of the Committee for the remainder of the 2018/19 municipal year;
- ii. The new membership of the Committee following the county council's Annual Meeting on 24 May 2018; and
- iii. The terms of reference of the Committee

### **Background and Advice**

The Full Council, at its meeting on 24 May 2018, agreed that the Education Scrutiny Committee shall comprise of 16 members (on the basis of 11 Conservative, 4 Labour and 1 Liberal Democrat) and 5 voting co-opted members.

The membership of the Committee, as confirmed by the Political Group Secretaries is as follows:

County Councillors (16):

L Beavers	E Nash
A Cheetham	J Potter
S Clarke	J Rear
M Dad	D Smith
B Dawson	D Stansfield
A Gardiner	P Steen
A Kay	C Towneley
J Molineux	C Wakeford

Voting Co-Opted Members (5):

Mr I Beck – Representing RC Schools  
Dr S Johnson - Representing CE Schools  
Mr K Wales - Representing Free Church Schools  
Mrs J Hamid - Representing Parent Governors (Secondary)  
Mr J Withington - Representing Parent Governors (Primary)

The Full Council also appointed County Councillors Christian Wakeford and Munsif Dad as Chair and Deputy Chair of the Committee for the 2018/19 municipal year.

A copy of the Committee's terms of reference is attached at Appendix 'A'.

### **Consultations**

NA

### **Implications:**

This item has the following implications, as indicated:

### **Risk management**

There are no risk management implications arising from this item.

### **Local Government (Access to Information) Act 1985 List of Background Papers**

Paper	Date	Contact/Tel
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NA

Reason for inclusion in Part II, if appropriate

NA

## Part 2 – Article 5 (Overview and Scrutiny)

The council has established the following Overview and Scrutiny Committees:

<b>Committee</b>	<b>Responsibility</b>	<b>Membership</b>
Internal Scrutiny Committee	Review and Scrutinise decisions, actions and work of the Council	12 County Councillors
Health Scrutiny Committee	Statutory responsibility for scrutiny of adult and universal health services	12 County Councillors, plus 12 non-voting co-opted members, nominated by the 12 district councils
Children's Services Scrutiny Committee	Review and scrutinise children and young people's services including the statutory powers of a scrutiny committee as they relate to the NHS.	12 County Councillors, one non-voting co-opted youth council representative, and five non-voting district council members with one member being nominated by each Children's Partnership Board
Education Scrutiny Committee	Review and scrutinise issues around education services provided by the council including those education functions of a Children's Services authority.	16 County Councillors and 5 co-optees, (comprising three Church representatives and two parent governor representatives) who shall have voting rights in relation to any education functions which are the responsibility of the Executive
External Scrutiny Committee	Review and scrutinise issues, services and activities carried out by external organisations	12 County Councillors

**All Overview and Scrutiny Committees have the following Terms of Reference:**

1. To review decisions made, or other action taken, in connection with the discharge of any functions which are undertaken by the Cabinet collectively, or in the case of urgent decisions which cannot await a Cabinet meeting by the Leader of the Council (or in his/her absence

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Owner – Chris Mather)**

the Deputy Leader) and the relevant Cabinet Member, or Cabinet committees.

2. To make reports or recommendations to the Full Council, the Cabinet, the Leader, Deputy Leader or other Cabinet Members as necessary or Cabinet committees with respect to the discharge of any functions which are undertaken by them or in respect of any functions which are not the responsibility of the Cabinet.
3. To hold general policy reviews and to assist in the development of future policies and strategies (whether requested by the Full Council or the Cabinet, individual Cabinet members, Cabinet committees, or decided by the Committee itself) and, after consulting with any appropriate interested parties, to make recommendations to the Cabinet, individual Cabinet members, Cabinet committees, Full Council or external organisations as appropriate.
4. To consider any matter brought to it following a request by a County Councillor or a Co-optee of the Committee who wishes the issue to be considered.
5. To consider requests for "Call In" in accordance with the Procedural Standing Orders – Overview and Scrutiny Rules at Appendix C – Appendix 3 of the Constitution
6. To request a report by the Cabinet to Full Council where a decision which was not treated as being a key decision has been made and the Overview and Scrutiny Committee is of the opinion that the decision should have been treated as a key decision
7. To request the Internal Scrutiny Committee to establish task groups and other working groups and panels as necessary.
8. To request that the Internal Scrutiny Committee establish as necessary joint working arrangements with district councils and other neighbouring authorities
9. To invite to any meeting of the Committee and permit to participate in discussion and debate, but not to vote, any person not a County Councillor whom the Committee considers would assist it in carrying out its functions.
10. To require any Councillor, an Executive Director or a senior officer nominated by him/her to attend any meeting of the Committee to answer questions and discuss issues.

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## **Internal Scrutiny Committee**

1. To review and scrutinise all services provided by the authority, unless specifically covered by the Terms of Reference of another Overview and Scrutiny Committee.
2. To consider matters relating to the general effectiveness and development of Overview and Scrutiny in the authority including training for county councillors and co-optees.
3. To consider requests from the other Overview and Scrutiny Committees on the establishment of task groups, and to establish, task groups, and other working groups and panels as necessary, as well as joint working arrangements with District councils and other neighbouring authorities including joint committees to exercise the statutory function of joint health scrutiny committees under the NHS Act 2006.
4. To determine which Overview and Scrutiny Committee considers a particular matter where this is not clear.
5. To establish arrangements for the scrutiny of member development, and receive reports from the Member Development Working Group.
6. To recommend the Full Council to co-opt on to a Committee persons with appropriate expertise, without voting rights

## **Children's Services Scrutiny Committee**

1. To scrutinise matters relating to services for Children and Young People delivered by the authority and other relevant partners.

*The following provisions relating to scrutiny of health and social care relate to services for children and young people:*

2. To review and scrutinise any matter relating to the planning, provision and operation of the health service in the area and make reports and recommendations to NHS bodies as appropriate,
3. In reviewing any matter relating to the planning, provision and operation of the health service in the area, to invite interested parties to comment on the matter and take account of relevant information available, particularly that provided by the Local Healthwatch
4. The review and scrutinise any local services planned or provided by other agencies which contribute towards the health improvement and

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the reduction of health inequalities in Lancashire and to make recommendations to those agencies, as appropriate

5. In the case of contested NHS proposals for substantial service changes, to take steps to reach agreement with the NHS body
6. In the case of contested NHS proposals for substantial service changes where agreement cannot be reached with the NHS, to refer the matter to the relevant Secretary of State.
7. To refer to the relevant Secretary of State any NHS proposal which the Committee feels has been the subject of inadequate consultation.
8. To scrutinise the social care services provided or commissioned by NHS bodies exercising local authority functions under Section 31 of the Health Act 1999.
9. To draw up a forward programme of health scrutiny in consultation with other local authorities, NHS partners, the Local Healthwatch and other key stakeholders.
10. To acknowledge within 20 working days to referrals on relevant matters from the Local Healthwatch or Local Healthwatch contractor, and to keep the referrer informed of any action taken in relation to the matter
11. To require the Chief Executives of local NHS bodies to attend before the Committee to answer questions, and to invite the chairs and non-executive directors of local NHS bodies to appear before the Committee to give evidence.
12. To invite any officer of any NHS body to attend before the Committee to answer questions or give evidence.

## **Education Scrutiny Committee**

1. To scrutinise matters relating to education delivered by the authority and other relevant partners.
2. To fulfil all the statutory functions of an Overview and Scrutiny Committee as they relate to education functions of a Children's Services Authority.

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## Health Scrutiny Committee

1. To scrutinise matters relating to health and adult social care delivered by the authority, the National Health Service and other relevant partners.
2. In reviewing any matter relating to the planning, provision and operation of the health service in the area, to invite interested parties to comment on the matter and take account of relevant information available, particularly that provided by the Local Healthwatch
3. In the case of contested NHS proposals for substantial service changes, to take steps to reach agreement with the NHS body
4. In the case of contested NHS proposals for substantial service changes where agreement cannot be reached with the NHS, to refer the matter to the relevant Secretary of State.
5. To refer to the relevant Secretary of State any NHS proposal which the Committee feels has been the subject of inadequate consultation.
6. To scrutinise the social care services provided or commissioned by NHS bodies exercising local authority functions under the Health and Social Care Act 2012.
7. To request that the Internal Scrutiny Committee establish as necessary joint working arrangements with district councils and other neighbouring authorities.
8. To draw up a forward programme of health scrutiny in consultation with other local authorities, NHS partners, the Local Healthwatch and other key stakeholders.
9. To acknowledge within 20 working days to referrals on relevant matters from the Local Healthwatch or Local Healthwatch contractor, and to keep the referrer informed of any action taken in relation to the matter.
10. To require the Chief Executives of local NHS bodies to attend before the Committee to answer questions, and to invite the chairs and non-executive directors of local NHS bodies to appear before the Committee to give evidence.
11. To invite any officer of any NHS body to attend before the Committee to answer questions or give evidence.
12. To recommend the Full Council to co-opt on to the Committee persons with appropriate expertise in relevant health matters, without voting rights.

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13. To establish and make arrangements for a Health Steering Group the main purpose of which to be to manage the workload of the full Committee more effectively in the light of the increasing number of changes to health services.

### **External Scrutiny Committee**

1. To review and scrutinise issues, services or activities carried out by external organisations including public bodies, the voluntary and private sectors, partnerships and traded services which affect Lancashire or its inhabitants, and to make recommendations to the Full Council, Cabinet, Cabinet Members, Cabinet committees or external organisations as appropriate.
2. To review and scrutinise the operation of the Crime and Disorder Reduction Partnership in Lancashire in accordance with the Police and Justice Act 2006 and make reports and recommendations to the responsible bodies as appropriate
3. In connection with 2. above, to require an officer or employee of any of the responsible bodies to attend before the Committee to answer questions
4. To co-opt additional members in accordance with the Police and Justice Act 2006 if required, and to determine whether those co-opted members should be voting or non-voting
5. To review and scrutinise the exercise by risk management authorities of flood risk management functions or coastal erosion risk management functions which may affect the local authority's area

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## Lancashire County Council

### Education Scrutiny Committee

**Minutes of the Meeting held on Tuesday, 27th March, 2018 at 10.30 am in Cabinet Room 'C' - The Duke of Lancaster Room, County Hall, Preston**

**Present:**

County Councillor Christian Wakeford (Chair)

#### **County Councillors**

M Dad	J Molineux
L Beavers	E Nash
A Cheetham	J Potter
S Clarke	J Rear
B Dawson	D T Smith
J Eaton	D Stansfield
A Kay	P Steen

#### **Co-opted members**

Mr Ian Beck, Representing RC Schools  
Mrs Janet Hamid, Representing Parent Governors  
(Secondary)  
Mr John Withington, Representing Parent Governors  
(Primary)

County Councillors Lorraine Beavers, Bernard Dawson and Jimmy Eaton replaced County Councillors Nikki Hennessy, Sobia Malik and Andrew Gardiner respectively.

#### **1. Apologies**

Apologies were received from County Councillor Cosima Towneley.

#### **2. Disclosure of Pecuniary and Non-Pecuniary Interests**

None were disclosed.

#### **3. Minutes of the meeting held on 28 November 2017**

**Resolved:** The minutes from the meeting held on the 28 November 2017 be confirmed as an accurate record and signed by the Chair.

#### **4. Suitability and Sufficiency Audit**

The Chair welcomed David Graham, Head of Service for Special Educational Needs and Disabilities (SEND), to the meeting. The report presented provided an opportunity to review the Short plan and the work completed on the Sufficiency and Suitability of Special Schools and Short Stay Schools in Lancashire.

The Department of Education (DfE) had conditionally allocated the county council funding to increase school places for people aged 0-25 with an Education, Health and Care (EHC) plan.

It was pointed out that the school population was rising. The number of children and young people with either a statement or Education, Health and Care Plan had also increased. The figure for Lancashire was significantly higher than the national average in terms of numbers and referrals. There was pressure on supporting school's funding for high needs. Two primary areas of need to focus on were children with Autistic Spectrum Disorder (ASD) and children with Social, Emotional and Mental Health.

It was reported that populations within the special schools was high and more capacity was needed. In order to improve the capacity, capital funding needed to be improved to increase the numbers that could be taken and look at alternative buildings that could be used.

Members were informed that the increase in numbers of children requiring special needs in Lancashire reflected the national increase which could have been contributed to as a result of the awareness raising of children with mental health issues. These issues were looking to be addressed not only in SEND schools but also mainstream schools.

It was confirmed that the SEND team had completed the Suitability Audit, which had meant sending surveyors into all the specialist schools and short stay schools. The next phase was to consult with families and schools in order to understand what they wanted regarding the overall programme the Authority was required to do.

The committee was informed that the majority of specialist placements were within Lancashire. There were very few commissioned placements outside of the county apart from visual impaired, hearing impaired and looked after placements.

Regarding proposals to meet needs, members were informed that in north Lancashire there was currently not a specialist school for children with Social Emotional Mental Health (SEMH) issues. Proposals were being formulated address this current provision gap.

The SEND team was working with Property Management and Facilities Management and was utilising buildings that had become vacant near to or adjacent to specialist schools. In terms of staffing, within the specialist teacher

service, the team was looking at where it had people with the specialist training that was required.

The practice and policy of the SEND team was that it always looked at the nearest suitable school for children with SEN issues then it was the preference of the parents.

**Resolved:** That the report presented be noted.

## **5. Permanent Exclusions from Lancashire Schools**

The Chair welcomed Audrey Swann, Head of Education for Looked After Children and Vulnerable Groups, to the meeting.

The report provided an overview on the current situation around permanent exclusions in Lancashire.

It was reported that there was a rising trend in permanent exclusions nationally. In Lancashire the number of permanent exclusions in secondary schools had continued to grow across the county, while the number of permanent exclusions from primary schools across Lancashire reduced in the academic year 2016-17 by 35%. The most likely children and young people to be excluded were those with Special Needs, disadvantaged pupils, Children Looked After and Children in Need, the most vulnerable groups.

The Primary Advice and Support Service was launched in June 2016. The impact of this had been a reduction in primary exclusions by 30%. Regarding secondary schools, work had been carried out to gather views of alternative providers and main stream schools in each area on the current provision, identifying strengths and gaps in provision.

Members were informed that some children had gone through their statutory assessment and now had an Education Health and Care Plan (EHCP). It was highlighted that if a child was in danger of permanent exclusion, then the school would contact the SEND team. A meeting would be held to identify options to keep the child at the school.

**Resolved:** That the report presented be noted.

## **6. Personal Education Plans for Children Looked After**

The report presented provided an overview of the current position around Personal Education Plans for Lancashire children looked after.

The committee was informed that the number of looked after children (CLA) in Lancashire who had an up to date Personal Education Plan (PEP), including those in their early years and post 16, had increased. A review of the PEP

template had made it more fit for purpose and the quality of the PEPs had improved. All CLA required a PEP and in the statutory guidance that was from nursery up to 18 years. The plan had to be in place within 20 days of the child coming into care. It needed to be reviewed once each term as a minimum and it was the joint responsibility of Children's Social Care and the school or education provider.

It was felt that reviewing every PEP put a lot of strain on the CLA department and the committee questioned if this would be sustainable in the long term. It was hoped that in the future sampling of PEPs would be easier but there would have to be some sort of criteria in place for this to happen.

**Resolved:** That the report presented be noted.

## **7. Education Scrutiny Committee Work Plan 2017/18**

The work plan for the Education Scrutiny Committee for the 2017/18 municipal year was presented to the Committee. The topics included were identified at the work planning workshop held on 21 June 2017.

Members were reminded of the upcoming joint meeting of the Children's Services Scrutiny Committee and the Education Scrutiny Committee on 11 April 2018 to discuss the outcome of the SEND Joint Local Area Review.

**Resolved:** That the report presented be noted.

## **8. Urgent Business**

There were no items of Urgent Business.

## **9. Date of the Next Meeting**

The next meeting of the Education Scrutiny Committee is due to be held on Monday 25 June at 10.30am, Cabinet Room C, County Hall, Preston.

L Sales  
Director of Corporate Services

County Hall  
Preston

## Lancashire County Council

### Education Scrutiny Committee

Minutes of the Meeting held on Wednesday, 25th April, 2018 at 10.30 am in Cabinet Room 'C' - The Duke of Lancaster Room, County Hall, Preston

#### Present:

County Councillor Christian Wakeford (Chair)

#### County Councillors

M Dad	E Nash
A Cheetham	J Rear
B Dawson	D T Smith
A Gardiner	D Stansfield
N Hennessy	P Steen
A Kay	C Towneley
Ms S Malik	P Williamson

#### Co-opted members

Mr Ian Beck, Representing RC Schools  
Mrs Janet Hamid, Representing Parent Governors  
(Secondary)  
Mr Kenvyn Wales, Representing Free Church Schools  
Mr John Withington, Representing Parent Governors  
(Primary)

County Councillors Bernard Dawson and Phillippa Williamson replaced County Councillors Jenny Molineux and Stephen Clarke respectively.

#### 1. Apologies

Apologies were received from County Councillor John Potter and Dr Sam Johnson.

#### 2. Disclosure of Pecuniary and Non-Pecuniary Interests

John Withington declared a non-pecuniary interest in that his daughter was a pupil at Hameldon Community College, Burnley.

#### 3. Call In Request: Proposed Closure of Hameldon Community College, Burnley

The report explained that on 12 April 2018, Cabinet received a report on the proposed closure of Hameldon Community College, Burnley. Cabinet:

- i. Considered the information in the report
- ii. Approved the proposal as detailed in the statutory notice to close Hameldon Community College, Burnley, with implementation commencing from 31 August 2018; and
- iii. Approved that an appropriate statutory decision letter be sent out, as specified under legal requirements, to give the reasons for the decision to those who were to be informed of them.

Following requests from seven County Councillors in accordance with the "Call In" procedures, the Chair of the Education Scrutiny Committee had called a meeting to consider calling in the decision.

The Committee welcomed Sarah Ingham, a witness from Save Hameldon Campaign, and County Councillor Jeff Sumner, to present their reasons for the decision to be reconsidered.

In presenting the case for the Call In, it was felt that the steps and procedures for the consultation into Hameldon Community College had not been managed appropriately and this was a violation of the county council's own rules as it had not followed all the steps that had been set out in its own consultation policy. It was reported that the consultation had not been received by all parents.

County Councillor Susie Charles, Cabinet Member for Children Young People and Schools, spoke in response. It was highlighted that since 2007, the HMI stated that Hameldon Community College required special measures, as it was failing to give its pupils an acceptable standard of education. The persons responsible for managing and governing the school were not demonstrating the capacity to secure the necessary improvements in the school. It was highlighted that the school was built for 700 pupils and there were now under 200 pupils. In addition, it was reported that the school had a financial deficit of £2.5 million and there would be an ongoing financial risk if it was to remain open.

In the debate that followed, committee members expressed sympathy for the parents of Hameldon pupils, but recognised that in light of the poor Ofsted reports and declining pupil numbers, the decision of Cabinet to approve the proposed closure of the school was an appropriate course of action.

It was proposed and seconded that the Cabinet Member for Children, Young People and Schools' decision on 12 April 2018 in relation to the proposed closure of Hameldon Community College should not be called in. On being put to the vote, the motion was carried and it was therefore:

**Resolved:** That the Cabinet Member for Children, Young People and Schools' decision on 12 April 2018 in relation to the proposed closure of Hameldon Community College should not be called in.

**4. Urgent Business**

There were no items of Urgent Business.

**5. Date of the Next Meeting**

The next ordinary meeting of the Education Scrutiny Committee is due to be held on Monday 25 June 2018 at 10.30am, Cabinet Room C, County Hall, Preston.

L Sales  
Director of Corporate Services

County Hall  
Preston



## Education Scrutiny Committee

Meeting to be held on Monday, 25 June 2018

Electoral Division affected:  
(All Divisions);

## Maintained Nursery Schools

Contact for further information:

Andrew Good, Tel: 01772 534053, Head of Service Financial Management  
(Development and Schools),  
andrew.good@lancashire.gov.uk

### Executive Summary

This report provides information about Lancashire's maintained nursery schools, including updates on standards and finances.

### Recommendation

The Education Scrutiny Committee is asked to:

- a) Note the information contained in the report;
- b) Endorse the implementation of the recommended actions set out in the report to support maintained nursery schools identified in Schools in Financial Difficulty categories 1, 2 and 3.

## Background and Advice

Lancashire nursery schools make up an element of the early years provision within the county as follows:

- Nursery schools – 24;
- Nursery provision within Primary schools – 139;
- Private, Voluntary and Independent – 487;
- Childminders - 509

## Maintained Nursery School Funding changes

From 1 April 2017, the government brought in an Early Years National Funding Formula (EYNFF). This new arrangement introduced a formulaic mechanism for distributing early years funding from National Government to each local authority and set a framework that must be used to distribute funding to all types of early education provider, including nursery schools. The EYNFF introduced a requirement to have a Universal Base Rate for all providers and set out the type and level of supplements that are available. Full implementation of the new EYNFF arrangements must be achieved by 2019/20.

Historically, when more local discretion was available, Lancashire had an early years funding system that provided a higher level of funding for maintained nursery schools that recognised their greater cost base. However, these factors are no longer permissible to be funded under the EYNFF arrangements.

Lancashire responded to Government consultations on the introduction of the EYNFF, lobbying for recognition of the different legal frameworks to be allowed in the funding system, but these differences are no longer permissible in the main formula.

The EYNFF framework does provide supplementary funding for maintained nursery schools to enable the local authority to maintain current maintained nursery schools funding levels. When announcing this funding, the Government indicated that they 'remain committed to consulting in regard to the future role of maintained nursery schools and how best to secure their high quality provision for the longer term.'

Lancashire has recently received confirmation from the DfE that the ring fenced funding for maintained nursery schools will continue until at least 2019/20.

The county council held discussions with maintained nursery school head teachers to enable them to determine the 2018/19 allocation methodology for this funding.

The support provided by our nursery schools is greatly appreciated and valued. However, the county council must adhere to the legal framework that applies to the funding of early years education. It should also be noted that many of the budgetary pressures facing nursery schools are also encountered by other schools and providers.

## **Standards in our Nursery Schools**

Standards in our nursery schools are very high. We have a total of 24 nursery schools, all located in the most deprived areas of Lancashire. There are three in Area South, two in Area North, and the rest are in Burnley, Hyndburn, Pendle and Rossendale. Of these, 100% are judged by Ofsted to be good, and 83% to be outstanding, the highest sector compared to primary, special and secondary schools. This places us 1<sup>st</sup> against our statistical neighbours.

Our nursery schools provide high quality care to the families of Lancashire. Each nursery school adopts a model of delivery to meet the needs of the local community; no model is exactly the same. Some of these models include extending the hours outside of a normal school day to accommodate the needs of working families and they are often the first choice for parents if their child has SEN.

Nursery schools had 2,375 children accessing a funded place in spring term (11% of the total across the LA). Of those, 434 received Early Years Pupil Premium funding (16% of the total across the LA) and 284 were identified as a child with SEN (27% of the total across the LA).

East Lancashire has 19 of the 24 nursery schools. Nursery schools in the East of Lancashire provide 18% of our childcare places and provide a large proportion of our childcare market in those areas. For example, in Burnley 31% of childcare places are from nursery schools. As a local authority we have a duty to ensure we have sufficient high quality, sustainable childcare for working families.

Our nursery schools are facing several challenges at present.

- A number of nursery schools had a children's centre attached. Following a review 18 months ago this service has a different format, is being provided differently and delivered directly by LCC. This has resulted in funding no longer flowing directly to the schools concerned as it did in the past. As the funding now remains within LCC but with premises costs remaining at school level, an initial one off payment was made to all schools with children's centres for 2017/18. This was to reflect the realignment whilst joint use agreements are finalised in connection with those sites where LCC still utilise school premises for delivery. Annual payments will be made to schools where LCC utilises such premises (including a number of nursery schools) to reflect the costs and LCC's use of these buildings. This change has resulted in some financial challenge to some schools (but not all);
- The introduction of an additional 15 hours child care (15 universal plus 15 extended = 30 hours total) has proved challenging for the early years sector as a whole including the nursery school sector given the level of funding available and the complexity of sourcing funding;
- With the location of our nursery schools in deprived areas, many of the pupils arrive at nursery with barriers to learning, including those with Special Needs who may require additional support from staff. Assessment for additional education needs will often take some time to complete, meaning nursery commonly has to fund this support themselves. A review is being carried out by the SEND team and an allocation for this type of need has increased from £150k to £300k from April 2018;
- Some nursery schools have one headteacher across two schools, as a way of reducing costs. Most have had to undergo some form of staffing review, with a subsequent impact on staffing levels;
- Maintaining the current level of quality of Maintained Nursery provision will become harder within the continuing financial constraints.

### **Nursery School Financial Position**

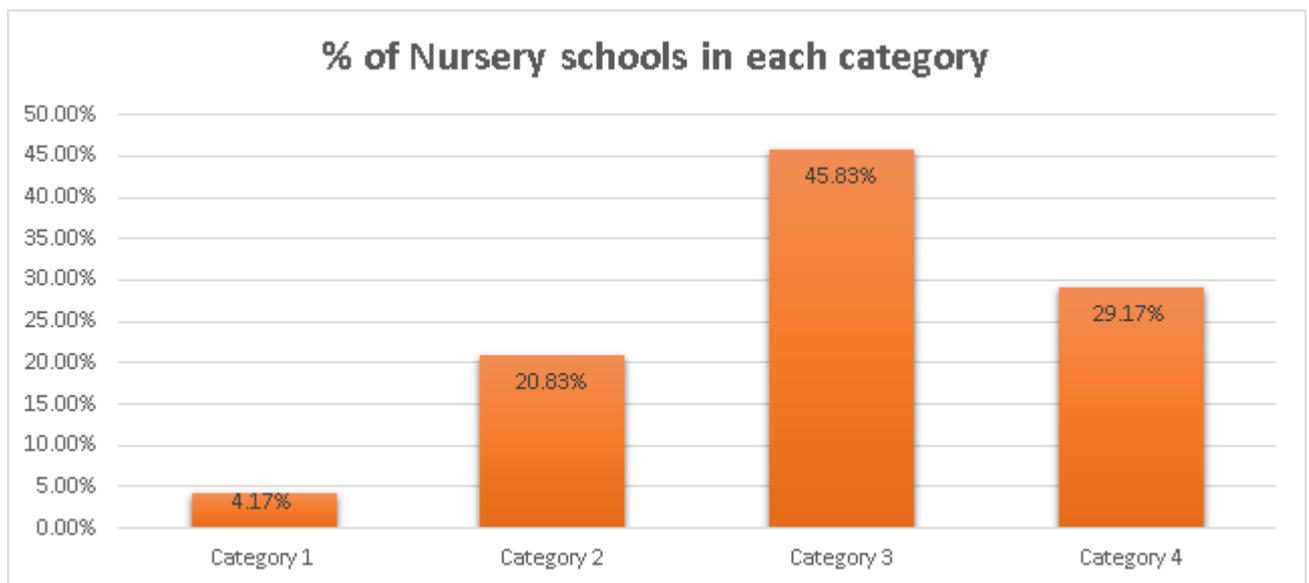
The following categories have been established over all school phases to enable support to be prioritised and targeted:

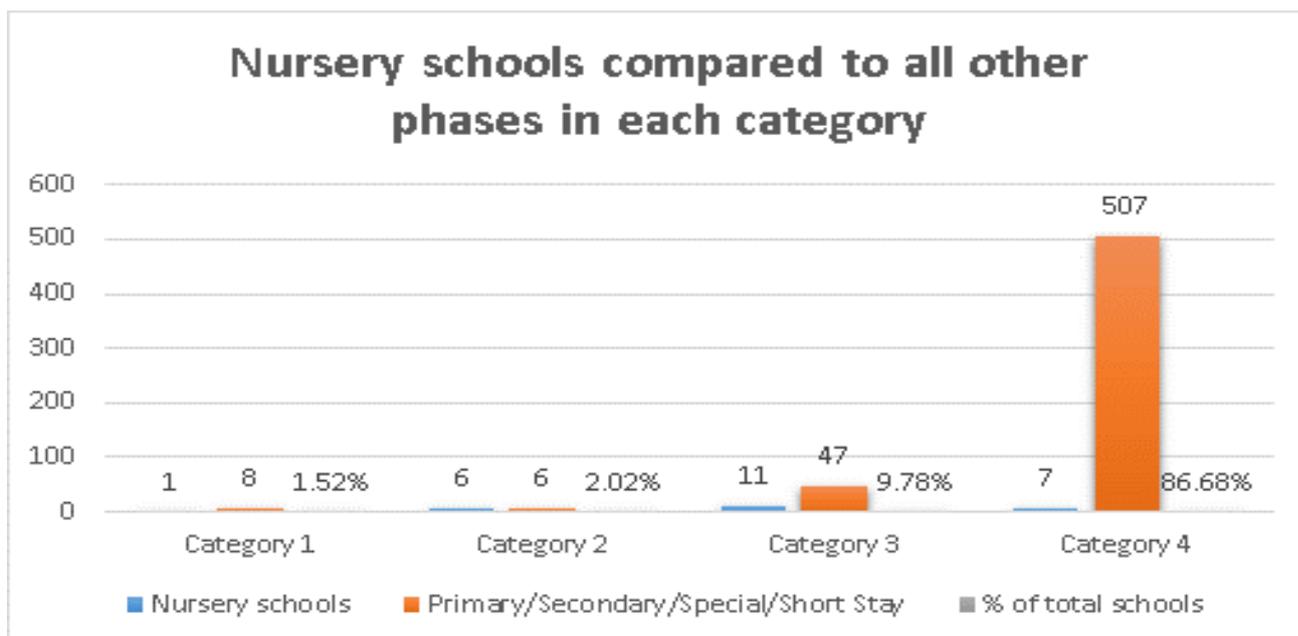
- **Category 1 - Structural Deficit** Structural deficit beyond recovery, school is financially non-viable, strategic solutions required;

- **Category 2 - Significant Deficit** Schools have significant deficits requiring intensive intervention and focussed support to recover, or have no agreed recovery plan – pushing boundaries of 3 year timescale;
- **Category 3 - Vulnerable Position** Incorporates schools burning through reserves, losing significant pupil numbers, moving into or on the brink of deficit, or schools that are recovering from more significant financial problems, but where the recovery plan is agreed and is on track - require intervention and monitoring in order to prevent failure in the next 3 years – education, challenge and forecasting support;
- **Category 4 - No financial issues** No budget issues but continued monitoring of financial indicators to confirm ongoing financial health.

Out of a total of 593 school settings in Lancashire initial analysis indicates that 79 schools (13%) are in categories 1, 2 & 3,.

Within the nursery school sector alone that equates to 18 out of 24 (75%) that fall into categories 1, 2 & 3.





## **Conclusion**

The county council has recently established a Task and Finish Group which will focus on the issues outlined within this report. Significant work is required over the next 12 months to ensure the category 3 schools requiring intervention in 2018/19 move to a more stable position.

The current work being undertaken with schools in categories 1 and 2 has given rise to the issue of quality over affordability. Many nursery schools are sustainable when costed on staffing levels as required under the Early Years Foundation Stage guidance. However many operate above this ratio either because of the specific needs of the school or in order to maintain their current Ofsted ranking.

Issues also arise around the natural drop in pupil numbers over the autumn term. As the funding is re-determined each term based on actual hours provided, this means a drop in funding is not always met with a reduction in staffing costs. This is especially so for a teacher and head teacher salary as they are not employed on variable hours.

Over the past 2 years nursery schools have begun to take over the extended provisions provided by co-located PVI settings (hours over and above funded) from Voluntary Managed Committees. These committees set their own pay scales which are often set at the minimum wage and only pay into a National Employment Savings Trust (NEST) pension scheme (2%). Once moved under the school's umbrella, although it's not a legal requirement, consideration is often given by the school to bring all employees on the same Lancashire terms and conditions. This can have significant negative cost implications for the nursery schools.

The above considerations and figures have all arisen even with the inclusion of the supplementary funding for maintained nursery schools therefore it is clear that its removal would almost certainly make most if not all nursery schools in Lancashire non-viable.

## **Recommendations**

### **Category 1 and 2 Schools**

Nursery schools in categories 1 and 2 require intensive support from both finance and early years in order to understand the issues causing the financial difficulty. The early year's side brings experience in restructuring, quality and sufficiency. The financial side brings experience of budgeting in an early years setting, showing what areas of the nursery are not covering their costs and establishing a period of recovery. This joint working is now in place and work has begun on dealing with the schools. The joint working has also been extended to include senior HR support. This joint working across the three disciplines within the LA improves and focusses the support that can be given.

Once schools have been returned to a more stable in year financial position, consideration may need to be given to how accumulated budget deficits can be repaid and the impact that this may have on the schools, particularly the school identified in Category 1. The longer term viability of schools within Category 1 must be considered questionable and consideration given to further action by the LA including closure.

### **Category 3 Schools**

Support for category 3 schools will vary depending on the level of estimated deficit. Smaller deficits may be alleviated by an increase in hours and small adjustments to staffing and non-staffing expenditure. This work can be done between the school and the Schools Finance Officer.

For the category 3 schools with higher deficits intelligence from the finance officers during and after budget time will determine if greater support is required, or, if the engagement between the school and finance officer is sufficient.

It is essential the category 3 schools aim to produce a balanced budget in 2018/19. The category 2 nursery schools moved to significant deficits very quickly so it is important to look to prevent this moving forward.

Significant officer time is being allocated to this issue but it remains uncertain, given the current level of funding within the early years sector, whether all Nursery Schools will remain financially viable in the medium term at the current level of quality.

## **Consultations**

An ongoing dialogue continues with nursery schools through the regular business meetings and via the Lancashire Nursery School Headteachers Federation.

The Schools Forum has been consulted on the new school categorisation approach for Schools in Financial Difficulty (SIFD).

## **Implications:**

This item has the following implications, as indicated:

### **Risk management**

#### *Financial*

Dedicated Schools Grant income has, for a number of years, been cash flat and has not kept pace with inflation. This has brought increasing cost pressures on all schools and providers, both nationally and locally.

The maintained nursery school sector has faced additional financial pressures, as set out in the report, and this has created a situation where nursery schools are currently seen as the highest risk sector from a School in Financial Difficulty perspective. One nursery school is currently considered financially unviable.

If the government were to remove or significantly reduce the level of supplementary funding for maintained nursery schools this financial risk would increase further and almost certainly make most if not all nursery schools in Lancashire non-viable.

#### *School Standards*

The ability to retain the current high quality provision in Lancashire's maintained nursery schools will become harder within the continuing financial constraints.

## **Local Government (Access to Information) Act 1985**

### **List of Background Papers**

Paper	Date	Contact/Tel
N/A		
Reason for inclusion in Part II, if appropriate		
N/A		



## Education Scrutiny Committee

Meeting to be held on Monday, 25 June 2018

Electoral Division affected:  
(All Divisions);

## Standards of Attainment of Special Educational Needs and Disabilities (SEND) Pupils

Contact for further information:

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### Executive Summary

At the joint Children's Services and Education Scrutiny Committee meeting held on 11 April 2018, members were briefed on SEN standards in Lancashire schools. It was noted at this meeting that attainment was below the national average at each key stage.

This report provides members with a summary of the actions to be taken in SEND service and School Improvement to provide support for schools.

### Recommendation

The Education Scrutiny Committee is asked to note the support provided for Lancashire schools.

### Background

Standards of attainment are below the national average amongst our SEND pupils, compared to the national average. It should be noted that pupil progress in each subject at Key Stage 2 is above the national average, and that standards are generally above the North-West average at Key Stage 2.

### Actions

The Written Statement of Action in response to the SEND inspection outlines the following areas for improvement:

- Inclusion
- Exclusions
- Attainment

The specific actions being undertaken will include a blend of marketed courses and training, of targeted work with schools, strategic analysis of data as well as general activities completed by the school adviser as part of their termly visits.

- Detailed analysis of pupil data for SEND pupils, at each key stage, by SEND type and by district. It will look at trends over time and provide a comparison with the local and national average. This will take place after publication, which varies according to key stage.
- Use of data to inform allocation of additional support from the Educational Psychology and specialist teacher team.
- Provide free training for secondary special needs coordinator and behaviour leads.
- Provide briefings for all senior leaders in schools (primary, nursery and secondary) on the achievement of special needs pupils, by district and over time. This will impact on improvement planning in schools.
- Provide support from speech therapists for districts where data indicate low rates of communication.
- 'We are Reading' is a county-wide cross sector campaign to raise enjoyment of and involvement in reading, for pupils young and old. We know from our data that reading is the one area for improvement across every age group. 'We are Reading' will continue until March 31<sup>st</sup> next year.

Longer term will be the development of a Lancashire approach to inclusion, similar to Lancashire Ambition, published last year. This will seek to gain a broad agreement on what inclusion means in Lancashire, consistently across all districts and between primary, secondary and special schools.

This will take time, and will involve discussions with headteachers and governors, cross-party working with SEND colleagues and elected members. This will include provision in our short-stay schools, and their outreach work in schools, supporting pupils at risk of exclusion. It will also seek to develop a pledge in local clusters of schools to work together to provide respite support in an effort to reduce the need for exclusion.

### **Consultations**

N/A

### **Implications:**

N/A

### **Risk management**

There are no risks associated with the recommendations contained in the report.

**Local Government (Access to Information) Act 1985**  
**List of Background Papers**

Paper	Date	Contact/Tel
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N/A

Reason for inclusion in Part II, if appropriate

N/A

