

Lancashire County Council

Cabinet

Thursday, 16th January, 2025 at 2.00 pm in Committee Room 'B' - The Diamond Jubilee Room, County Hall, Preston

Supplementary Agenda

We are now able to enclose, for consideration at the next meeting of the Cabinet to be held on Thursday, 16th January, 2025, the following information which was unavailable when the agenda was despatched

Part I (Open to Press and Public)

No. Item

- 4. Questions for Cabinet** (Pages 1 - 2)
To answer any verbal questions and supplementary questions from a county councillor, about any matter which relates to any item under Part I on the agenda for this meeting under Standing Order C35(7).

There will be a maximum of 30 minutes for the questions to be asked and answered.

The Cabinet Member for Education and Skills - County Councillor Jayne Rear

- 8. Schools Budget 2025/26** (Pages 3 - 14)
(Appendix 'B')

Mark Wynn
(Interim) Chief Executive

County Hall
Preston



Questions to Cabinet

Questions submitted under Standing Order C35

Number of questions to be asked by councillors at the meeting:	3
Number of written questions received from councillors:	0
Number of written questions received from members of the public:	0
	3
Total Number of Questions received for this meeting:	3

No.	To be asked by:	Agenda Item:	Question:	For answer by (Cabinet Member):
1.	County Councillor Sue Whittam	Item 10 - Samlesbury Enterprise Zone Update and Innovation Hub Proposal	<p>The Innovation Hub proposal is a fantastic opportunity for Lancashire residents, providing much needed jobs and economic growth. I am a representative on the Central Lancashire Strategic Planning Joint Advisory Committee which has been working on a new Central Lancashire Local Plan for Chorley Council, Preston City Council and South Ribble Borough Council. The new plan will be consulted on shortly.</p> <p>Please can the Cabinet Member for Economic Development and Growth outline what representations the County Council has made to ensure that the proposed Local Plan is sufficiently ambitious in terms of growth and that the future pipeline of strategic economic employment sites are of the right scale, quality</p>	County Councillor Aidy Riggott



			and in the right location to support the continued development at Samlesbury Enterprise Zone and to benefit from investments like the proposed Innovation Hub?	
2.	County Councillor David Westley	Item 6 - Changes to Codes of Practice in Relation to Highway Gully Cleansing	The aftermath of flooding events like that seen recently in West Lancashire, often means gullies becoming blocked unexpectedly. Is the Cabinet Member confident that, under these proposals, the Council will retain the capacity to respond to issues like this make sure homes and businesses are protected?	County Councillor Rupert Swarbrick
3	County Councillor Erica Lewis	Item 6 - Changes to Codes of Practice in Relation to Highway Gully Cleansing	Could the Cabinet Member please describe the sorts of reports about gullies that will no longer be responded to and how both councillors and members of the public will be advised of those decisions?	County Councillor Rupert Swarbrick



The following pages are Appendix 'B' of Item 8 – Schools Budget 2025/26.



Lancashire Schools Forum

CC Phillippa Williamson, Leader, Lancashire
County Council and CC Jayne Rear, Cabinet
Member for Education and Skills

Tel. 01772 336650
Email head@smsb.lancs.sch.uk
Date 13 January 2025

C. CC Jayne Rear, Lead Member for Education and Skills

Dear Phillippa and Jayne,

Schools Budget 2025/26

As you will be aware, at a meeting on 10 January 2025, the Schools Forum was presented with information about the latest proposals for setting the Schools Budget from April 2025.

Following consideration of the proposals, the Forum agreed a number of recommendations for your consideration in finalising the Schools Budget for 2025/26. Where applicable these recommendations follow the outcomes of consultations with schools and early years providers.

The Forum:

Supported the Schools Block proposals, as follows:

- The DfE's National Funding Formula (NFF) methodology should continue to be used as the Lancashire formula for 2025/26.
- The Minimum Funding Guarantee (MFG) be set at +0.0% for 2025/26, mirroring the National Funding Formula.
- Confirm the use of the Minimum Pupil Funding (MPF) rates contained in the NFF for any new Growth Fund allocations from April 2025
 - Primary £4,955 per pupil
 - Secondary £6,465 per pupil
- Balancing schools block using the methodology that was consulted on with schools in 2025/26 without the use of DSG reserves.

Supported the High Needs Block proposals, as follows:

- The increased HNB allocation being utilised to cover the growth in High Needs expenditure from April 2025.
- The increase in HNB allocation to broadly match uplifts in the mainstream sector, including:
 - Special School and PRU School Specific factors uplifted by 0.5%;

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Report to the Cabinet, 16 January 2025

- No increase to the weighted pupil number/banding top up values supporting all high needs pupils, and to remain at the 2024/25 value due to the pressures within the high needs block.

Supported the Early Years Block proposals, as follows:

3 and 4-year-old entitlements

Due the increased funding Lancashire has received, the Lancashire base rate for 3 and 4-year-old entitlements is £5.70 per hour in 2025/26, an increase of £0.29 per hour from 2024/25.

The 2025/26 funding rate is therefore as follows:

2024/25 Base rate	£5.41 per hour
2025/26 DfE uplift	£0.24 per hour
2025/26 Additional funding from within the Early Years Block	£0.05 per hour
2025/26 Base rate	£5.70 per hour

3- and 4-year-old Supplementary funding hourly rate for maintained nursery schools

Lancashire will receive a £0.65 increase in the supplementary funding hourly rate for maintained nursery schools in 2025/26, which will be passed to the maintained nursery schools, providing a revised hourly supplement rate of £5.83 per hour.

2-year-old entitlement

Lancashire has adopted one single funding rate for 2-year-old entitlements. Due the increased funding Lancashire has received, the Lancashire base rate 2-year-old entitlements is £7.46 per hour in 2025/26, an increase of £0.36 per hour from 2024/25. Please note the extended entitlements to 30 hours for working parents from September 2025

The 2025/26 funding rate is therefore as follows:

2024/25 Base rate	£7.10 per hour
2025/26 DfE uplift	£0.29 per hour
2025/26 Additional funding from within the Early Years Block	£0.07 per hour
2025/26 Base rate	£7.46 per hour

Under 2-year-old entitlement

Due the increased funding Lancashire has received, the Lancashire base rate for Under 2-year-old entitlement is £10.21 per hour in 2025/26, an increase of £0.70 per hour from 2024/25. Please note the extended entitlements to 30 hours for working parents from September 2025

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Report to the Cabinet, 16 January 2025

The 2025/26 funding rate is therefore as follows:

2024/25 Base rate	£9.51 per hour
2025/26 DfE uplift	£0.36 per hour
2025/26 Additional funding from within the Early Years Block	£0.34 per hour
2025/26 Base rate	£10.21 per hour

Early Years Pupil Premium

Lancashire will increase our early years pupil premium rate, up to £570 per eligible child per year, for 2025/26, in line with national announcements. This is an increase of £182 from 2024/25.

Disability Access Fund

Lancashire will increase the disability access fund, up to £938 per eligible child per year for 2025/26, in line with national announcements. This is an increase of £28 from 2024/25.

Special Educational Needs Inclusion Fund

Local authorities are now required to have a Special Educational Needs Inclusion Fund for all eligible 3 and 4-year-olds, 2-year-olds and under 2s who are taking up the free entitlements, regardless of the number of hours taken. For 2025/26 the Lancashire fund will total £1.65m due to the increased demands and extended entitlements.

Supported the Central School Services Block proposals, as follows:

- The proposals for the Central School Services Block in 2025/26, including uplifts for cost and demand led pressures.

These Schools Budget proposals forecast a balanced Dedicated Schools Grant funding position in 2025/26.

Whilst a balanced budget has been forecasted in 2025/26, if the demand pressures continue to increase within the High Needs Block, a resulting overspend will occur. The pressures on High Needs Block are affecting local government as a whole and is creating significant pressure on the overall Dedicated Schools Grant. It has been recently recognised by the DfE of the need to reform England's special educational needs and disabilities (SEND)/High Needs Block provision to improve outcomes and return the system to financial sustainability. The government are committing to working with parents, teachers, and local authorities to take this work forward.

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Report to the Cabinet, 16 January 2025

The Forum also approved a number of budget lines and arrangements using our decision making powers, these are set out at Annex 1.

I hope that you will be able to accommodate our recommendations and decisions when you set the Schools Budget for 2025/26.

With best wishes.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Daniel Ballard'.

Daniel Ballard
Chair, Lancashire Schools Forum

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SPECIFIC APPROVALS NEEDED FROM THE SCHOOLS FORUM (Annex 1)

The School and Early Years Finance (England) Regulations require certain proposals by the Local Authority relating to the Schools Budget to be approved by the Schools Forum.

An indication of the specific proposals that have previously been considered and approved by the Forum is included together with proposals now put forward that require approval.

Function	LA proposals 2025/26	Proposed Expenditure : 2025/26 £m
Consultation on Formula Changes		
<ul style="list-style-type: none"> No local formula factor changes are proposed for 2025/26 in any funding block, beyond incorporating the DfE National Funding Formula (NFF) alterations into the local Schools Block formula 	The Forum have previously agreed to use the DfE's NFF as the Lancashire funding formula for the Schools Block budget, and NFF updates for 2025/26 introduced by the DfE are incorporated in the Schools Budget proposals for 2025/26	
De-delegation for mainstream schools	LA proposals for: <ul style="list-style-type: none"> Schools Requiring additional Support Museum service (primary only); Staff Costs Public duties/Suspensions; Primary Inclusion Hubs (primary only); Childrens Champions Approved by the Schools Forum on 3 December 2024	2.272
Contracts (where the LA is entering a contract to be funded from the schools budget)	No Proposals currently	
Financial issues relating to:		

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Report to the Cabinet, 16 January 2025

<ul style="list-style-type: none"> arrangements for pupils with special educational needs, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding 	Proposals contained in the High Needs Block Working Group recommendations report to the Forum and the Forum budget papers	139.959
<ul style="list-style-type: none"> arrangements for use of pupil referral units and the education of children otherwise than at school, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding 	Proposals contained in the High Needs Block Working Group recommendations report to the Forum and the Forum budget papers	13.927
<ul style="list-style-type: none"> arrangements for early years provision 	Proposals contained in the Early Years Block Working Group report to the Forum and the Forum budget papers	199.904
<ul style="list-style-type: none"> administration arrangements for the allocation of central government grants 	No Proposals at this time beyond passporting DfE allocations to schools	
Minimum funding guarantee (MFG)	Consultation responses on MFG reported to Forum on 3 December 2024 and recommended that the level of MFG to be used in the Lancashire funding formula for 2025/26 be set at +0.0%. This is incorporated into the Forum budget papers	
General Duties for maintained schools Contribution to responsibilities that local authorities hold for maintained schools	No Proposals at this time	
Central spend on and the criteria for allocating funding from:		
<ul style="list-style-type: none"> funding for significant pre-16 pupil growth, 	Policy previously agreed by the Schools Forum. Proposal to	1.5000

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Report to the Cabinet, 16 January 2025

including new schools set up to meet basic need, whether maintained or academy	increase the growth fund unit values in line with increased NFF Minimum Pupil Funding levels each year Final budget proposals are contained in the Schools Budget 2025/26 report	
<ul style="list-style-type: none"> funding for good or outstanding schools with falling rolls where growth in pupil numbers is expected within three years 	No Proposals at this time	
Central spend on:		
<ul style="list-style-type: none"> early years block provision 	Final budget proposals are contained in the Schools Budget 2025/26 report	1.65
<ul style="list-style-type: none"> funding to enable all schools to meet the infant class size requirement 	No Proposals at this time	
<ul style="list-style-type: none"> back-pay for equal pay claims 	No Proposals at this time	
<ul style="list-style-type: none"> remission of boarding fees at maintained schools and academies 	No Proposals at this time	
<ul style="list-style-type: none"> places in independent schools for non-SEN pupils 	No Proposals at this time	
<ul style="list-style-type: none"> admissions 	Final budget proposals are contained in the Schools Budget 2025/26 report	0.868
<ul style="list-style-type: none"> servicing of schools forum 	Final budget proposals are contained in the Schools Budget 2025/26 report	0.188
<ul style="list-style-type: none"> Contribution to responsibilities that local authorities hold for all schools 	No Proposals at this time	

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Report to the Cabinet, 16 January 2025

<ul style="list-style-type: none"> contribution to responsibilities that local authorities hold for maintained schools 	No Proposals at this time	
Central spend on:		
<ul style="list-style-type: none"> capital expenditure funded from revenue: projects must have been planned and decided on prior to April 2013 so no new projects can be charged 	No Proposals at this time	
<ul style="list-style-type: none"> contribution to combined budgets: this is where the schools forum agreed prior to April 2013 a contribution from the schools budget to services which would otherwise be funded from other sources 	No Proposals at this time	
<ul style="list-style-type: none"> existing termination of employment costs (costs for specific individuals must have been approved prior to April 2013 so no new redundancy costs can be charged) 	No Proposals at this time	
<ul style="list-style-type: none"> prudential borrowing costs – the commitment must have been approved prior to April 2013 	No Proposals at this time	
<ul style="list-style-type: none"> SEN transport where the schools forum agreed prior to April 2013 a contribution from the schools budget (this is now treated as part of the high needs block but still requires schools 	No Proposals at this time	

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Report to the Cabinet, 16 January 2025

forum approval as a historic commitment)		
Central spend on:		
<ul style="list-style-type: none">high needs block provision	2025/26 funding level presented as part of the Schools Budget setting proposals	54.464
<ul style="list-style-type: none">central licences negotiated by the Secretary of State	2025/26 funding level presented as part of the Schools Budget setting proposals	1.210
Funding of brought forward deficits	No Proposals at this time	

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