

Schools Forum

Date: **Wednesday 10 July 2024**

Time: **9 am**

Venue: **Cranworth Room, County Hall, Martineau Lane, Norwich NR1 2DH**

Supplementary Agenda

4. Local First Inclusion **Page A2**

8. Additional Schools Block Costs 2024-25 **Page A9**

Date Supplementary Agenda published: 05 July 2024



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Schools Forum

Item No. 4

Report title:	Local First Inclusion
Date of meeting:	10 July 2024

Executive summary

The LA is continuing to work with the DfE as part of the EMS (enhanced monitoring and support) process. Following our submission on 23 April to the DfE, which we advised Schools Forum of in the May meeting, we have submitted further information on 7 June as part of this ongoing process.

Discussions have continued, but these have been impacted by the pre-election period for the General Election with the DfE.

Therefore, the focus of the update for Schools Forum this July will be on the following:

- Timeline of activity to date / planned and agreed with DfE
- Update on the revised Local First Inclusion programme of projects
- Focus on Element 3 funding, including plans for the autumn Dedicated School Grant consultation process

In addition to this paper, we will also set out further details within a presentation / discussion during the 10 July meeting.

Action required:

Schools Forum Members are asked to:

- 1. Provide comment, support and challenge regarding the next steps plans for the Local First Inclusion programme, in particular, with a commitment to ensure strategic leadership to jointly achieve the revised and explicit aims of the LFI programme.**
- 2. Review the feedback from the Element 3 sub-group work undertaken with other school leaders, including providing comment, support and challenge regarding in relation to medium to longer term options for Element 3 funding and outline plans for the DSG consultation process in the autumn term.**

1. Timeline of activity to date / planned and agreed with DfE

We have continued to meet with DfE finance and SEND Advisors as part of the EMS (enhanced monitoring and support process) and as part of our stock-take of the Local First Inclusion programme and the associated re-modelling of the DSG finance plan.

As well as continuing to meet with the DfE Advisors since the May Schools Forum meeting, the LA has been continuing to develop and refine plans in a number of areas in addition to the considerable work being undertaken on Element 3.

At the time of preparation, the LA is anticipating further submission and dialogue with the DfE in mid-to-late August, but this is subject to change following the outcome of the General Election.

In the meantime, the LA is preparing for the autumn DSG consultation with schools, which will include engagement and consultation in respect of the medium-and-longer-term arrangements for Element 3 funding.

Whilst the LA are confident that our revised plan will be able to achieve our twin aims of meeting children and young people's needs more effectively. However, it does have to be acknowledged that the extension of the programme will significantly increase the cumulative deficit that will need to be repaid.

Any new Government is likely to need time to assess the Safety Valve programme, including the Norfolk plan, and we have to anticipate various possible scenarios as the LA plans for the new academic year ahead together.

The LA will update Schools Forum members in the September meeting on outcome of DfE discussions that are held over the summer break.

2. Update on the revised Local First Inclusion programme of projects

Since the Schools Forum meeting in May the LA has provided additional information to the DfE, met their advisers to explore our existing programme of work and the new projects we are planning, and have met as the LFI Executive Board to ensure that we maintain progress across the programme despite the delay via the DfE of a decision on our revised plan.

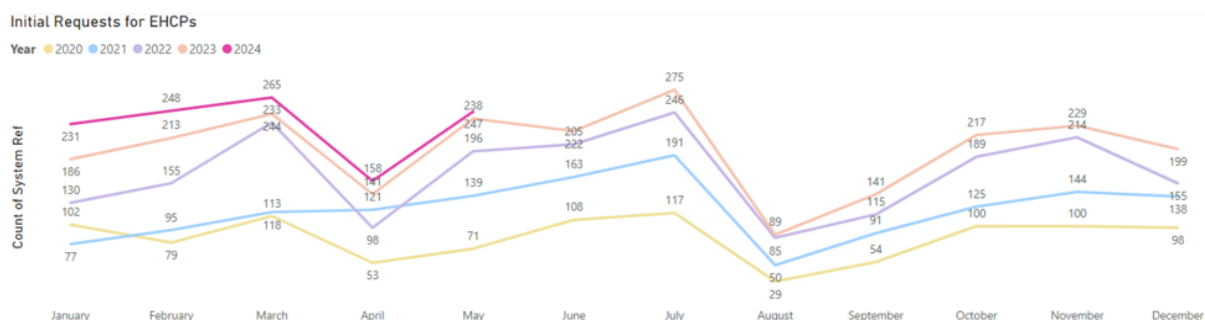
Below are extracts of information provided during that period to the DfE and/or LFI Executive Board:

EHCP & Special School Referrals – May 2024 : Summary

EHCP requests continue to remain high, The rate of increase has slowed but we are not yet seeing a reduction in absolute terms.

In relation to new referrals for a special school place, we have recently seen a decrease. This is encouraging and we will continue to monitor this closely and test the evidence behind this. However it is probably too early to confidently say it is a clear trend that will definitely continue.

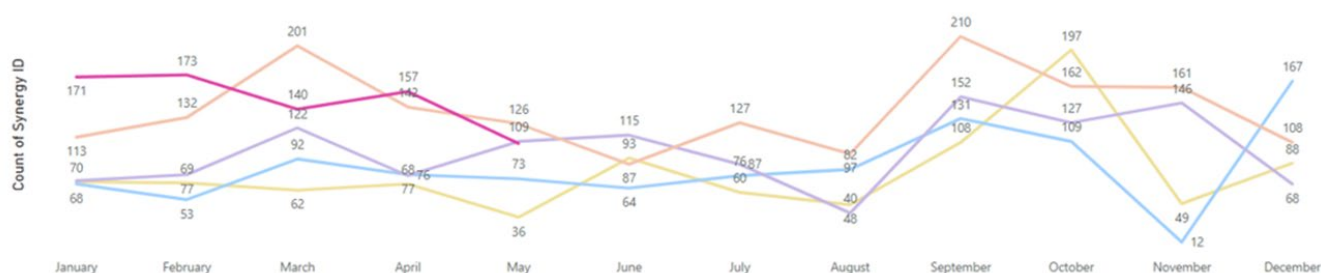
- 4% increase in initial EHCP requests in May compared to previous year
- Jan – May: 12% increase compared to same period last year, but rate of increase slowing (2022 vs 2023 Jan-May +26%)



- 15% decrease in number of children referred for a special school in May compared to previous year
- Jan – May 9% increase compared to same period last year, but rate of increase is slowing (2022 vs 2023 Jan-May +53%)

Distinct count of Synergy ID for Special School (CNS & SENRAP) by Date Referred

Year ● 2020 ● 2021 ● 2022 ● 2023 ● 2024



New Projects

In addition to the existing projects which are already being delivered as part of the Local First Inclusion Programme we plan to introduce several new initiatives.

- A new SEND and Inclusion ‘front-door’ deploying teams locally to put help in place immediately and prevent the need for escalation
- Special school outreach and satellites – forming partnerships between special schools and mainstream settings
- New special school allocation process – a streamlined and simpler model which ensures the ‘right’ children are allocated special school places
- Evidence-based support and challenge – using our data and peer to peer conversations to build capacity in mainstream and challenge non-inclusive practice

Please note, within Appendix 1 there is a diagram to illustrate the revised LFI Programme Structure in place for year 2 onwards

Our Ambition

- Children get the right help, as early as possible, as close to home as possible
- We have a more inclusive system, where more children flourish in mainstream education
- Parents, carers, teachers and school leaders feel supported to help their children and pupils
- We spend money on the right support for children and are able to “live within our means.”

The Challenge

- The numbers of children with SEND, both in Norfolk and nationally, has been growing at an unprecedented rate. This is attributed to a range of environmental, social and economic factors.
- Norfolk has a higher proportion of children with EHCPs than the national average (4.7%, compared with 4.3%). Also, when comparing ourselves with other LA's, including our statistical neighbours we do not score well on indicators for inclusion, for example Cornwall have only 0.9% of their population in special school, Cumbria 1.4%, Shropshire 1.7%, and Norfolk .2.2%
- We are a large, rural county, which means children often have to travel long distances to specialist provision – this is not good for them and is expensive.
- The demand on specialist places is pushing more children into high-cost independent places meaning the High Needs Block element of the schools' budget has a significant deficit which must be brought back to balance.
- The combined cumulative year-on-year overspend on Norfolk's Dedicated Schools Grant, as a result of overspending on the High Needs Block, is more than £81m (the annual budget for HNB is c.£142million – in addition to c.£39million in SB for Notional SEND)
- This risks the long-term sustainability of the education system in Norfolk.
- We are currently reviewing our programme with the DfE, in light of growing budget pressures

Getting in the inclusion zone

- Access to a pool of multidisciplinary professionals supporting each zone
- Strategic use of data to predict and support locality based decision making ensure time and resourcing supports the localities needs
- Develop a self improving and supporting system through regular dialogue
- Increased awareness of each other's phases and sectors in order to best support parents and their young person on their doorstep around ways forwards
- Cultural collective shift to ensure the right children have access to the right provision with the right support at the right point in their learning experience

A new model of collaboration

Zone Inclusion Partnerships:

- Meeting of headteachers by zone (supported by the LA) to review zone data packs, provide opportunities for peer support and challenge on performance and allocate resource including E3 funding (delegated from the LA). Inclusion of support services (SaLT, Norfolk Steps, S&C Teams, EPSS etc) that could be deployed as an alternative/compliment to funding.

Zone moderation:

- Termly moderation of IPSEF and INDES, undertaken by SENDCos in a zone (supported by SEND Adviser). Frees up LA time, creating collective accountability, and allows for increased volume of moderation than current trajectory

The revised plan is a combination of original projects, new projects and with a combined emphasis on increased controls and gatekeeping to ensure access to funding and/or specialist provision is in line with the revised plan, benefits children and young people with the greatest need for early support or specialist placement. This is so that we, as a system, can remain on-track throughout the duration of the agreement to deliver the finance benefits and secure a sustainable High Needs Block in the long term for Norfolk.

3. Focus on Element 3 funding, including plans for the autumn Dedicated School Grant consultation process

On 18 June a communication was sent to all Norfolk mainstream schools (including MAT CEOs) setting out the need to make changes to Element 3 funding from September 2024. These changes were set out as interim changes, for the autumn and spring terms ahead, with medium/longer term changes to be developed as part of the DSG consultation process for implementation from April / September 2025.

This information is not replicated here as it can be accessed by Members of Schools Forum via that distribution route.

Subsequently the LA have provided a series of FAQs via the Norfolk Schools Website and communicated other Element 3 funding updates, including opportunities for discussions with the LA.

The interim changes to Element 3 funding were informed by two workshops held with school leaders (including Members of Schools Forum) either side of the May half-term break. A third workshop has since been held (3 July) and a fourth workshop is scheduled (17 July) with the aim of shaping options for the autumn DSG consultation process.

A slide-deck presentation to the Schools Forum meeting on 10 July will provide feedback from the 3 July meeting as the timing of papers for this meeting in advance did not enable inclusion of that information in this report.

Action required:

Schools Forum Members are asked to:

- 1. Provide comment, support and challenge regarding the next steps plans for the Local First Inclusion programme, in particular, with a commitment to ensure strategic leadership to jointly achieve the revised and explicit aims of the LFI programme.**
- 2. Review the feedback from the Element 3 sub-group work undertaken with other school leaders, including providing comment, support and challenge regarding in relation to medium to longer term options for Element 3 funding and outline plans for the DSG consultation process in the autumn term.**

Officer Contact

If you have any questions about matters contained or want to see copies of any assessments, e.g. equality impact assessment, please get in touch with:

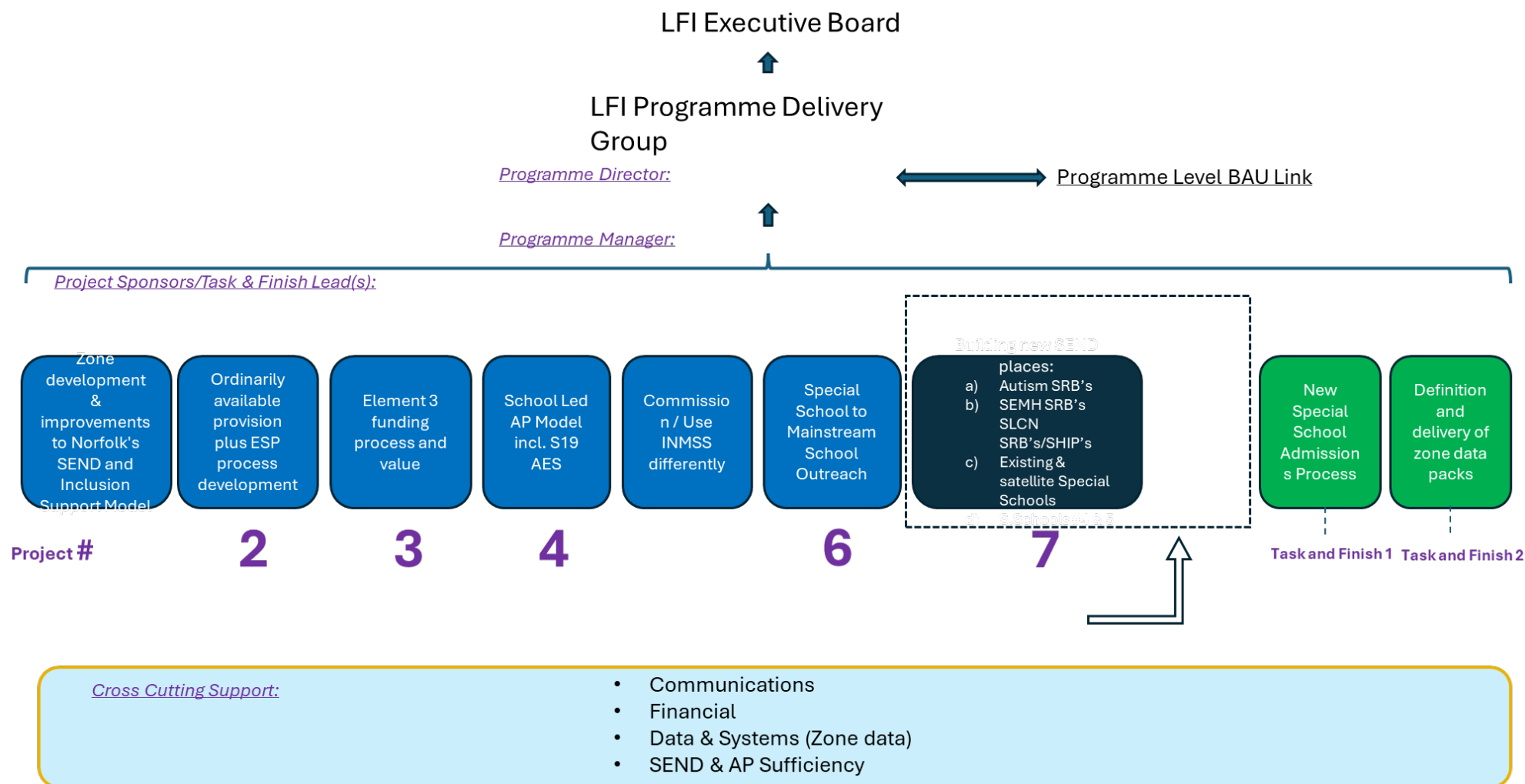
If you have any questions about matters contained in this paper, please get in touch with:

Officer Name:	Tel No:	Email address:
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Appendix 1 : Revised LFI Programme Structure , Year 2 onwards



Schools Forum

Item No.8

Report title:	Additional Schools Block Costs 2024-25
Date of meeting:	10 July 2024

Executive summary

Corrections to two schools' budget are required from the Schools Block DSG. Schools Forum is asked to approve submission of disapplication requests to the DfE which would enable retrospective corrections to be made in due course.

Action required:

Schools Forum members are asked whether they approve the submission of disapplication requests to the DfE in respect of retrospective budget adjustments for Brisley CE Primary Academy (2024-25) and Sprowston Community Academy (2023-24 and 2024-25).

1. Introduction

Corrections to two schools' budgets are required from the Schools Block DSG:

- Brisley CE Primary Academy - their amalgamation with Weasenham CE Primary Academy has not been fully funded in 2024-25 due to a misunderstanding, and instead was treated as a school closure;
- Sprowston Community Academy - growth has not been funded for a permanent PAN increase from Sept 2023 affecting 2023-24 and 2024-25 budgets due to the growth having been missed during budget setting.

2. Brisley CE Primary / Weasenham CE Primary Amalgamation

Brisley CE Primary Academy and Weasenham CE Primary Academy amalgamated in January 2024.

Internal LA processes led to Weasenham being treated, in error, as a closed school in the Authority Proforma Tool submission for budgeting of 24-25 financial year, instead of it being merged with the Brisley school. This affects the 2024-25 funding of Brisley, which has retained its DfE number but merged with the Weasenham school, and, as a result of this amalgamation, should have received protection to include Weasenham's pupils in their budget share.

As academies, the funding for both schools in 2023-24 would already have been recouped by the ESFA, so the ESFA would have covered any amalgamation for the 2023-24 academic year from that funding. However, the budget share set by the LA for the 2024-25 financial year (funded with a lag to academies for the 2024-25

academic year) is less than Brisley CE Primary Academy had expected based on an amalgamation.

There were 25 pupils at Weasenham but only 9 of those actually moved over to Brisley in the merger, which may have been a factor in how the misunderstanding occurred.

Brisley contacted the LA in April 2024 to request that their funding is corrected to an amalgamation of Brisley and Weasenham rather than a closure of Weaseham school for the 2024-25 financial year. The process for that correction is to add the 25 pupils from Weasenham's Oct 2023 census into the Brisley 2024-25 budget share. The DfE have confirmed this is what they would expect the LA to do. There is no unallocated Schools Block DSG to cover this change in 2024-25.

The added cost is provisionally calculated as approximately £241k, which includes the lump sum protection for amalgamating schools. The school has calculated that £306k is due and discussions are ongoing; the LA are of the view that the reason for the discrepancy is a misunderstanding regarding the calculation of sparsity, with the school accounting for sparsity twice, whereas the LA are only one sparsity allocation, in line with DfE guidance of allocations when schools are amalgamated.

The LA has sought advice from the DfE and been advised that the change can be funded as an unanticipated overspend in 2024-25 or through a retrospective adjustment to the schools' 2024-25 funding when setting the 2025-26 formula from the overall Schools Block (assuming it is affordable within the NFF allocation received).

3. Sprowston Community Academy

The LA is responsible for funding agreed increases in PAN via pupil variations for permanent planned increases in school size (e.g. reorganisations / PAN increases) in respect of growth for 'basic need' (i.e. growth that the LA has agreed is required in the area).

The PAN for Sprowston Community Academy increased in Sept 2023, which had been agreed with the LA following building works to increase capacity for basic need.

This PAN increase had not picked up when setting budgets due to an error in internal LA processes and, as a result, no pupil variation was entered in the 2023-24 financial year (for September 2023 50 pupils' PAN increase) or in the 2024-25 financial year (for September 2024 50 pupils' PAN increase moving through the school) within the Authority Proforma Tools submitted to the DfE for schools' budgets.

The LA has provisionally calculated that the cost of correction is approximately an additional £171k relating to the 23-24 financial year, and approximately a further £171k relating to the 24-25 financial year (£342k in total).

The LA has sought advice from the DfE and been advised that the change can be funded as an unanticipated overspend in 2024-25 or through a retrospective

adjustment to the schools' 2024-25 funding when setting the 2025-26 formula from the overall Schools Block (assuming it is affordable within the NFF allocation received). There is an alternative option of funding via the Growth Fund – see section 5 below – but this is not recommended by the LA.

4. Process Required

Retrospective pupil variations would require a disapplication to the DfE/Secretary of State, and would, if agreed, fully re-instate the funding to the schools either in 2024/25 or in 2025/26. Any disapplication request is unlikely to be answered by DfE before autumn.

To correct the error via retrospective pupil variations, the LA needs to:

- Request Schools Forum's approval of a disapplication request to the DfE/Secretary of State for a retrospective adjustment to the 2024-25 Brisley CE Primary Academy budget share and the 2023-24 and 2024-25 Sprowston Community Academy budget shares through Schools Forum.
- If Schools Forum approves a disapplication request, approval of the Schools Forum will be confirmed within the disapplication request.
- If Schools Forum does not approve a disapplication request, then a disapplication request can still be submitted to the DfE by the LA, but it will be stated that Schools Forum did not approve the disapplication request.
- The next step would be to submit a disapplication request to the DfE/Secretary of State. Note that although this is the process stated by the DfE for correction of the error a disapplication request is not guaranteed approval by DfE/Secretary of State, and the outcome is unlikely to be provided by the DfE before the autumn term.
- A conversation between the LA and the DfE's Safety Valve team would take place due to the potential impact on the DSG position (especially if the funding is to be corrected in 2024-25).
- If the disapplication request is approved and agreed with the DfE's Safety Valve team, a correction to the school could be made in either the 2024-25 financial year (as an overspend in Schools Block DSG without affecting the funding formula of other mainstream schools) or in 2025-26 financial year as a retrospective adjustment from within next year's DSG allocation.
- As these are academies funded by ESFA, additional funding should be recouped from the LA by the ESFA to then correct the lagged budget directly with the academies in either the 2024-25 or 2025-26 academic year.
- If the disapplication request is approved and agreed with the DfE's Safety Valve team, a correction to the school could be made in either:
 - the 2024-25 financial year covering both 2023-24 (for Sprowston) and 2024-25 (for Brisley and Sprowston) - this would be as an overspend in Schools Block DSG, without affecting the funding formula of other mainstream schools;
 - or, in 2025-26 financial year as a retrospective adjustment from within next year's DSG allocation.

LA officers will review processes between services to ensure that the cause of the issue is understood and to prevent it from happening again.

Schools Forum are asked whether they approve the submission of a disapplication for the correction of this schools' funding, based on the LA's calculation of the amount due to the school through the DfE's Authority Proforma Tool.

5. Alternative option

For Sprowston Community Academy, there is an alternative option that the LA could fund the pupil increases from the Growth Fund, given that PAN increases meet the criteria previously agreed with Schools Forum.

Funding through the Growth Fund would have a net provisional cost to the Schools Block of £284k.

The difference between pupil variations and Growth Fund is that pupil variations increase all pupil-funded factors for the school, whereas the Growth Fund only pays an increase for the basic per-pupil entitlement.

The Growth Fund could be paid by the LA without a disapplication request but would fund the school less than the amount given by pupil variations.

The DfE have advised that additional funding could then be requested through Schools Forum for the 2025/26 Growth Fund to retrospectively recover the DSG (as a planned underspend) so that the DSG deficit is not increased overall. The amount and criteria of Growth Fund for 2025/26 will be discussed at Schools Forum in November 2024.

However, the Trust would be likely to have the view that they should be funded for all pupil-funded factors, as if the error had not been made.

6. Financial Impact upon the Schools Block

If disapplication requests are supported by Schools Forum and agreed for both scenarios, the total cost to the Schools Block would be c. £583k.

It should be noted by Forum that, based upon the latest information available, there is potentially an underspend on the Growth Fund of c. (£300k) due to schools originally forecast to require growth fund payments no longer likely to meet the criteria. This will partially offset the additional cost to the block if the corrections are made during 2024-25 via retrospective pupil variations.

Actions required:

Schools Forum members are asked to approve the submission of disapplication requests to the DfE in respect of retrospective budget adjustments for Brisley CE Primary Academy (2024-25) and Sprowston Community Academy (2023-24 and 2024-25).