



County Offices
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Lincoln
LN1 1YL

7 January 2021

In accordance with the powers granted by the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020 this will be a virtual meeting.

Children and Young People Scrutiny Committee

A meeting of the Children and Young People Scrutiny Committee will be held on **Friday, 15 January 2021 at 10.00 am as a Virtual - Online Meeting via Microsoft Teams** for the transaction of the business set out on the attached Agenda.

Access to the meeting is as follows:

Members of the Children and Young People Scrutiny Committee and officers of the County Council supporting the meeting will access the meeting via Microsoft Teams.

Members of the public and the press may access the meeting via the following link: <https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=124&MId=5721&Ver=4> where a live feed will be made available on the day of the meeting.

Yours sincerely

A handwritten signature in black ink that reads 'Debbie Barnes'. The signature is written in a cursive, flowing style.

Debbie Barnes OBE
Chief Executive

Membership of the Children and Young People Scrutiny Committee
(11 Members of the Council and 3 Added Members)

Councillors R J Kendrick (Chairman), A P Maughan (Vice-Chairman), M D Boles, Mrs W Bowkett, M T Fido, R L Foulkes, Mrs J E Killey, C Matthews, M A Whittington, L Wootten and R Wootten

Added Members

Church Representative: Reverend P A Johnson

Parent Governor Representatives: Mrs M R Machin and Miss A E I Sayer

**CHILDREN AND YOUNG PEOPLE SCRUTINY COMMITTEE AGENDA
FRIDAY, 15 JANUARY 2021**

Item	Title	Pages
1	Apologies for Absence / Replacement Members	
2	Declarations of Members' Interest	
3	Minutes of the Children and Young People Scrutiny Committee meeting held on 20 November 2020	5 - 14
4	Announcements by the Chairman, Executive Councillor for Adult Care, Health and Children's Services and Chief Officers	Verbal Report
5	Council Budget 2021/22 <i>(To receive a report from Mark Popplewell, Head of Finance – Children's Services, which invites the Committee to consider and comment on the 2021/22 budget implications for the Council's Children's Services activities, prior to a decision being taken by the Executive at its meeting on 2 February 2021)</i>	15 - 28
6	Schools Funding Update 2021/22 - Mainstream Schools <i>(To receive a report from Mark Popplewell, Head of Finance – Children's Services, which invites the Committee to consider and comment on the Schools Funding Update 2021/22 – Mainstream Schools, prior to a decision being taken by the Executive Councillor for Adult Care, Health and Children's Services on 20 January 2021)</i>	29 - 64
7	Children Missing Out on Education Annual Report 2019/20 <i>(To receive a report from Jill Chandar-Nair, Inclusion and Attendance Manager, which invites the Committee to review and comment on the Children Missing Out on Education Annual Report 2019/20)</i>	65 - 90
8	Children and Young People Scrutiny Committee Work Programme <i>(To receive a report from Tracy Johnson, Senior Scrutiny Officer, which asks the Committee to consider and comment on the content of its work programme to ensure that scrutiny activity is focussed where it can be of greatest benefit)</i>	91 - 98

CONSIDERATION OF EXEMPT INFORMATION

In accordance with Section 100(A)(4) of the Local Government Act 1972, the following agenda items have not been circulated to the press and public on the grounds that they are considered to contain exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended. The press and public may be excluded from the meeting for the consideration of these items of business

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|-----------|---|-----------|
| 9 | Helpringham and Osgodby Primary Schools Scheme Appraisal
<i>(To receive an exempt report from Dave Pennington, Head of Property Development, which invites the Committee to consider and comment on the Helpringham and Osgodby Primary Schools Scheme Appraisal, prior to a decision being taken by the Leader of the Council (Executive Councillor for Resources and Communications) between 4 and 12 February 2021)</i> | To Follow |
| 10 | Expansion of St Bernard's School, Louth
<i>(To receive an exempt report from Dave Pennington, Head of Property Development, which asks the Committee to consider and comment on the expansion of St Bernard's School, Louth, prior to a decision being taken by the Leader of the Council (Executive Councillor for Resources and Communication) between 25 and 29 January 2021)</i> | 99 - 114 |
| 11 | Exception to the Contract and Procurement Rules - Behaviour Outreach Support Service
<i>(To receive an exempt report from Sara Gregory, Interim Commissioning Manager – Commercial, which invites the Committee to consider and comment on the exception to the Contract and Procedure Rules - Behaviour Outreach and Support Service, prior to a decision being taken by the Executive Councillor for Adult Care, Health and Children's Services between 18 and 21 January 2021)</i> | 115 - 124 |

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Please note: for more information about any of the following please contact the Democratic Services Officer responsible for servicing this meeting

- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details set out above.

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**CHILDREN AND YOUNG PEOPLE
SCRUTINY COMMITTEE
20 NOVEMBER 2020**

PRESENT: COUNCILLOR R J KENDRICK (CHAIRMAN)

Councillors A P Maughan (Vice-Chairman), M D Boles, Mrs W Bowkett, R L Foulkes, Mrs J E Killey, C Matthews, M A Whittington, L Wooten and R Wooten.

Added Members

Parent Governor Representatives: Mrs M R Machin and Miss A E I Sayer.

Councillors: Mrs P A Bradwell OBE (Executive Councillor for Adult Care, Health, and Children's Services) and D Brailsford (Executive Support Councillor for Children's Services) were also in attendance.

Chris Cook OBE (Independent Chairman of the Lincolnshire Safeguarding Children Partnership), Joanne Davison (Representative from the Office of the Police and Crime Commissioner) and Fenella Chambers (Representative from the NHS Lincolnshire Clinical Commissioning Group) attended the meeting as invited guests.

Officers in attendance:-

Jill Chandar-Nair (Inclusion and Attendance Manager), Tracy Johnson (Senior Scrutiny Officer), Tara Jones (Head of Service - Boston and South Holland), Jo Kavanagh (Assistant Director of Early Help), Heather Sandy (Executive Director of Children's Services), Martin Smith (Assistant Director for Children's Education), Stacey Waller (LSCP Business Manager) and Katrina Cope (Senior Democratic Services Officer).

33 APOLOGIES FOR ABSENCE / REPLACEMENT MEMBERS

Apologies for absence were received from Councillor M T Fido, and The Reverend P A Johnson (Church Representative).

An apology for absence was also received from Marc Jones, Police and Crime Commissioner.

34 DECLARATIONS OF MEMBERS' INTEREST

Councillor M A Whittington wished it to be noted that he had an adopted son who was in receipt of services from Barnardo's.

**CHILDREN AND YOUNG PEOPLE SCRUTINY COMMITTEE
20 NOVEMBER 2020****35 MINUTES OF THE CHILDREN AND YOUNG PEOPLE SCRUTINY
COMMITTEE MEETING HELD ON 9 OCTOBER 2020****RESOLVED**

That the minutes of the Children and Young People Scrutiny Committee meeting held on 9 October 2020 be agreed and signed by the Chairman as a correct record subject to the addition at Minute Number 23 of the following Declaration of Member's Interest.

Cllr A Maughan declared an interest in agenda item 6, as his employers, Streets Chartered Accountants, act as independent auditors for some academy schools included within the strategy. He advised he would not take part in discussion on this item.

**36 ANNOUNCEMENTS BY THE CHAIRMAN, EXECUTIVE COUNCILLOR
FOR ADULT CARE, HEALTH AND CHILDREN'S SERVICES AND CHIEF
OFFICERS**

The Chairman invited the Executive Councillor for Adult Care, Health and Children's Services to update the Committee with any announcements. The Committee was advised of the recent appointment of Martin Smith to the post of Assistant Director for Children's Education. Congratulations were extended by all those present.

The Committee was also advised that the Lincolnshire Secure Unit had recently been inspected and had been rated very good; and that the authority had received some positive comments as to how young people were looked after in the unit, which was good news for the Council.

The Committee noted that additional Covid-19 funding had been received from the Government for free school meals (some 20,000 children on a daily basis) during the school holidays and that a system was currently being developed to enable distribution across the county.

The Executive Director of Children's Services also extended her congratulations to Martin Smith on his appointment and to the benefits Martin would bring to Children's Services.

Councillor A P Maughan joined the meeting at 10.10am.

**37 LINCOLNSHIRE SAFEGUARDING CHILDREN PARTNERSHIP
PERFORMANCE UPDATE**

The Chairman welcomed to the meeting Chris Cook, Independent Chair of the Lincolnshire Safeguarding Children Partnership (LSCP), Stacey Waller, LSCP Business Manager and Joanne Davison from the Officer of the Police and Crime Commissioner who was attending on behalf of PCC Marc Jones and Fenella Chambers from the NHS Lincolnshire Clinical Commissioning Group.

The Chairman advised the Committee that he would be allowing Joanne and Fenella to participate for this item and ask questions to Chris and Stacey.

The Chairman invited Chris and Stacey to present their report, and presentation which advised the Committee of the performance of the LSCP during 2019/20.

The Committee was advised of the role of the LSCP, its membership, assurance arrangements and its strategic priorities for 2018/21 and the progress made during 2019/20, which included some of the following:

- Tackling Child Exploitation - The Committee was advised of the progress made in tackling child exploitation, this included: that a multi-agency Child Exploitation audit had been undertaken which had led to a further review of Multi Agency Child Exploitation (MACE) arrangements; the introduction of a new screening tool for all practitioners; and partners, and the taxi CE e-learning module;
- Enhancing the Emotional Wellbeing of Children and Young People - It was reported that there had been an embedding of Healthy Minds in Lincolnshire, there had been on-line safety campaigns; and support for Children's Mental Health training embedded in a six year pathway;
- Promoting Healthy Relationships – It was noted by the Committee that a healthy relationships campaign had been run over the summer, which had been informed from the views of young people and there had been a review of training and resources for partners to support their direct work with children;
- Working Together to reduce Risk Making Behaviours – The Committee was advised that there had been a Keeping Safe On-line survey; there had been promotion of contextual safeguarding practices including the supporting of a key pilot in Gainsborough; and work with the Stay Safe Partnership. The Committee noted that the Junior Online Safety Officers scheme had been welcomed by schools and that virtual delivery was increasing, so far 109 children and 29 schools had been trained. It was also noted that a further 36 schools had booked on to virtual sessions;
- To identify and reduce the impact of neglect of children and young people – The Committee was advised that there had been the publication of a new chapter on *Responding to abuse and neglect*; and that a Neglect Strategy had been agreed; and
- To identify and reduce the impact of Domestic Abuse on children, young people and families – The Committee was advised that a toolkit had been developed to support children and families where child to parent/carer abuse was evident; there had been partnership working with the Safer Lincolnshire Partnership in the development and delivering of Domestic Abuse training; and there had also been Operation Encompass, which involved notifications to schools.

Further information of LSCP activity for 2019/20 was shown on pages 21 to 24 of the report pack.

In conclusion, the Committee was advised that the new multi-agency safeguarding arrangements had further strengthened the Lincolnshire Partnership. The

**CHILDREN AND YOUNG PEOPLE SCRUTINY COMMITTEE
20 NOVEMBER 2020**

partnership was assured that the requirements listed in the statutory guidance were being robustly met, which had served Lincolnshire well to manage the risks and issues presented by the Covid-19 pandemic.

Looking forward, the Committee was advised that the partnership would work to establish a needs analysis to further develop the problem profile for exploitation across Lincolnshire; ensure there was a re-run of the Keeping Safe Online survey; review the Business Plan and Priorities in light of Covid-19; completion of the Section 11 Audit; and to have a review of training facilitation.

The Chairman on behalf of the Committee extended his thanks for the presentation and invited members of the Committee to speak on the report.

During discussion, the following points were raised:

- Whether there had been an increase in county lines during the Covid-19 pandemic. The Committee was advised that there had not been a significant increase in county lines. It was noted that Lincolnshire tended to be an importer rather than an exporter of exploitation. The Committee noted further that the Stay Safe Partnership session with year 9 and 10 students covered the issue of county lines. The Committee noted further that more would be done to develop a profile for exploitation across the county;
- The impact of lockdown on the safety of children and young people. Reassurance was given that there was no significant evidence to date that there had been any increase in incidents of hidden harm, nor had there been an increase in Domestic abuse. Further reassurance was given that this was continually monitored;
- Home Schooling – Assurance was given that there was a very robust structure in place to manage home schooling effectively;
- Online Bullying – The Committee was advised that following a survey, bullying on-line was not as frequent as initially feared. There was a realisation that it did happen; and to help children and young people with online issues, the Stay Safe Partnership visited schools to help support and educate pupils;
- Extremism – The Committee noted that extremism in Lincolnshire was on the increase; and that assurance was sought from the Prevent Steering Group;
- Whether Taxi Driver Safeguarding training was provided across Lincolnshire and included county lines. It was highlighted that some district councils had more robust training plans in place than others, but it was understood that the training of taxi drivers was a countywide process. Officers agreed to check and report back to the Committee;
- Child Sexual Exploitation - Reassurance was given that this was an area looked at by the Child Exploitation Sub-Group and was being led by a Detective Superintendent from Lincolnshire Police to combat exploitation. Further reassurance was given that the matter would be given further consideration through the review of the business plan and priorities, in light of Covid-19;
- Work of the Education Sub Group - Reassurance was sought as to what measures were being taken regarding the 23% of schools who had not

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provided positive assurance regarding safeguarding standards. The concern raised was taken on board and there was acknowledgement that there was still more to do, and that there were still challenges ahead;

- Child Death Overview Panel (CDOP) – It was reported that Lincolnshire had completed 28 death reviews between 1 April 2019 and 31 March 2020 and had found that none of the deaths had been attributed to injury, neglect or abuse. The most common cause of death was from an acute medical or surgical condition or chromosomal, genetic and congenital abnormalities. It was highlighted that recommendations from the CDOP had resulted in the need to produce Safe Sleeping Guidance for Lincolnshire. Confirmation was given that work would be done alongside third sector and other agencies, locally and nationally to maintain an education programme to highlight safe sleeping. The Committee was also advised that all child deaths were referred to the Child Death Overview Panel;
- Serious Case Reviews - The Committee was reassured that learning identified from a serious case review was put into action straight away; and that any actions would then be monitored by the Serious Incident Review Group;
- Audit recommendations from the Child Exploitation Audit. Officers agreed to make this information available to members of the Committee; and
- Whether more could be done to make parents more aware of the need for online safety. The Committee was advised that this was an area of challenge, which the team had encountered difficulties with in the past; but one that would continue to be considered going forward.

The Committee extended their thanks to the presenters for attending the meeting and for their very interesting presentation. It was suggested that going forward the Committee may wish to focus on a specific area, for example preventative work and how the LSCP worked with other agencies. The Committee noted that a further update would be received at the March 2021 meeting.

RESOLVED

That the work of the Lincolnshire Safeguarding Children Partnership in promoting the safety and welfare of children across Lincolnshire be received.

38 SERVICE LEVEL PERFORMANCE AGAINST THE CORPORATE PERFORMANCE FRAMEWORK - QUARTERS 1 AND 2

The Chairman advised the Committee that this item summarised the Service Level Performance against the Corporate Performance Framework for Quarters 1 and 2. The Chairman invited Jo Kavanagh, Assistant Director – Early Help to present the report to the Committee.

The Committee was advised that overall there had been positive performance in Quarters 1 and 2. It was noted that of the eight measures reported, two relating to the Youth Justice Board were unable to be reported on at this time, as the information would not be available until late November. The Committee noted further this information would now be included in the Quarter 3 report.

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The Committee noted that for Quarter 1, five measures had achieved their target; and one measure had exceeded target.

In Quarter 2, three measures were reported as being on target; and two measures were reported as having exceeded their target; and one measure was reported as not achieving its target, this related to children who are subject to a Child Protection Plan. It was highlighted although below target, the numbers were still low compared to statistical neighbours and national figures.

The Committee noted that there had been a tremendous effort by the Children's Services Team during Quarters 1 and 2 and this effort had been rewarded in the excellent performance information provided, despite the service having to adapt to meet the needs of the Coronavirus pandemic.

During discussion, the Committee raised the following points:

- The Committee was pleased to see that Covid-19 had not affected the adoption performance indicators. The Committee was advised the recruitment campaign had continued throughout Covid-19; and
- Whether there were sufficient staff resources available. Reassurance was given that staff recruitment was strong in Lincolnshire and that during Covid-19, recruitment, induction and training were being conducted virtually. It was also highlighted that access to offices was available if needed as was additional support to staff if required.

The Committee extended their congratulations to all staff in Children's Services for their excellent performance in delivering services to such a high standard, despite the Covid-19, ensuring that positive outcomes were achieved for children and families in Lincolnshire.

RESOLVED

That the Service Level Performance against the Corporate Performance Framework for Quarters 1 and 2 be received.

The Committee had a ten minute break from 11.37am.

At 11.47am, a roll call was taken to confirm members' attendance at the meeting.

39 ELECTIVE HOME EDUCATION UPDATE

Councillor Maughan took the Chair for the start of this item, as the Chairman had encountered some IT issues.

The Vice-Chairman invited Jill Chandar-Nair, Inclusion and Attendance Manager, to introduce the report, which provided the Committee with an update on Elective Home Education (EHE) since schools had re-opened in September 2020.

The Committee was advised that EHE was a parental choice and one chosen by parents who wished to educate their children at home for a variety of reasons.

It was reported that during lockdown when schools had been closed notifications of EHE had been very low, as there was no requirement to send children to school and in theory, all parents were home educating their children. Once schools had re-opened in September 2020, there had been a significant increase in the number of parents who had chosen to home educate. The Committee was advised that a total of 357 Elective Home notifications had been received; this was approximately 160 more referrals for the period March to October 2020, compared to the previous year. Appendix A to the report provided the Committee with EHE Data for the period 1 September 2020 to 9 October 2020.

The Committee noted as a result of the pandemic, some parents had chosen not to send their children to school and had opted to temporarily home educate. It was highlighted that schools were supporting families who were anxious about sending their children to school during the pandemic. Page 46 of the report provided some information as to the reasons parents had chosen to home educate; and the process followed once an EHE submission was deemed as being satisfactory.

Councillor R J Kendrick (Chairman) re-joined the meeting.

In conclusion, it was noted that whilst it was a parental choice to home educate, from the information gathered there was now a new cohort of parents who were making a choice to keep their children safe as a result of the pandemic. It was highlighted that there did not appear to be a disproportionate number of vulnerable children amongst the new EHE referrals. As with any change it was anticipated that the period out of school was likely to impact on some of the children's learning.

During discussion the Committee raised the following points:

- Whether the team had sufficient resources to deal with the increase in number of requests for EHE. The Committee was advised there had been some pressure, but the EHE team was always constantly looking at processes to ensure that things were being done in the most efficient way; and those children that were more vulnerable were prioritised;
- Whether the introduction of the vaccine in 2021 was likely to see some children returning to school. It was highlighted that there seemed to be an indication once parents were happy that the environment for their children was safe, some children would be returning to school;
- Some concern was expressed relating to educational attainment levels and whether these would differ to mainstream education. The Committee was advised that parents were made fully aware of qualifications. The Committee noted further that home education was lawful and that parents had that positive choice;
- One member enquired why the number for EHE in the East Lindsey District Council area appeared to be higher than other districts. The Committee noted that numbers in the East Lindsey area had always been higher, the Committee

noted further that some groups had been set up in the area to help support children;

- One member enquired if a national register existed, which monitored attainment. It was noted that a national register did not exist, however, luckily in Lincolnshire some families did register with schools, but this was not a statutory requirement. It was noted further that EHE students were still able to sit GCSE and A Level qualifications at testing centres;
- Provisions for transitory children within the county. The Committee noted that there were difficulties with this cohort of children, as sometimes this was a cultural choice. Those children that were more permanent within the county were supported and monitored;
- One member enquired whether any research had been done to see if extended family households i.e. grandparents living in the household and being in a high risk category had influenced parents allowing their children to return to school. Officers were not aware of any research pertaining to families having vulnerable people. The Committee noted that other areas with a similar geographical area to Lincolnshire had also seen an increase in the number of EHE applications compared to previous years.

The Chairman extended his thanks to the Inclusion and Attendance Manager for the presentation.

RESOLVED

That the update on Elective Home Education be received.

40 PARTNERS IN PRACTICE PROGRAMME UPDATE

The Chairman advised that this item provided the Committee with an update on the Partners in Practice (PiP) Programme in Lincolnshire. The Chairman invited Tara Jones, Head of Service – Boston and South Holland to present the report.

The Committee was reminded that Partners in Practice (PiP) was a partnership between local and central government, bringing the best practitioners and leaders in children's services together to improve the system. It was noted that Lincolnshire had joined the PiP programme in 2016, and that the programme had ended on 31 March 2020.

Details of the progress made within the Lincolnshire PiP programme were shown on pages 52 to 55 of the report pack, which included:

- Signs of Safety/Restorative Practice – The project was now closed as all existing functions had been sustained within the existing budgets;
- Early Help Review - The project was now closed as all existing functions had been sustained within the existing budgets;
- Future4Me - The project's achievements to date and the planned next steps were shown on pages 53/54 of the report. It was highlighted an Impact evaluation of the Future4Me project had found that the reoffending rate among

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young people it supported was 11 percentage points lower than the comparison group, who had not received the project's services;

- Caring2Learn - The project's achievements to date and the planned next steps were shown on page 53 of the report;
- Workforce Development - The project was now closed as all existing functions had been sustained within the existing budgets and were being delivered by the Quality and Standards Service; and
- Improvement Support - The Committee noted that the Council was still currently involved as the official improvement partner to Northamptonshire County Council.

The Committee was advised that at the invitation of the Department for Education (DfE), Lincolnshire had submitted a further bid for PiP funding to continue to develop and test Caring2Learn, Future4Me and sector led improvement. This bid had been successful and confirmation had been received that Lincolnshire would be receiving PiP funding totalling £1,207,908 for 2020/21.

The Committee was advised that the Lincolnshire PiP programme had embedded the Sign of Safety framework, which was a strengths-based approach to children's social care casework and provided training for a wide range of professionals to support effective implementation. It was noted that added value had also been achieved by the impact of the Caring2Learn project on valuing foster carers as professionals and lessening the risk of placement breakdown.

The service had also received positive experiences of PiP from children, young people and families. One factor highlighted was the holistic support provided by multi-agency and multi-skilled teams to families. It was highlighted that the roles of the child and family assessment, family network meetings and the involvement of the wider networks of family and friends had supported the outcomes for children, young people and families.

The Committee noted that Lincolnshire recognised and valued the importance of sector led improvement and was committed to continuing as an improvement partner for local authorities in need of support through their improvement journey. The Committee noted further that Lincolnshire through sector led improvement had worked with Rotherham and Northampton and 32 other authorities across the duration of the PiP programme.

The Committee extended their congratulations to the team for a fantastically positive report. The Chairman on behalf of the Committee agreed to write a letter thanking all staff for their excellent performance relating to Item 6 on the agenda; and for the positive work completed to date on Partners in Practice, not only in developing new innovative services for Lincolnshire but in supporting other local authorities on their improvement journey as well.

RESOLVED

1. That the Update on the Partners in Practice Programme be received.

**CHILDREN AND YOUNG PEOPLE SCRUTINY COMMITTEE
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2. That the Chairman be authorised to write to all teams in children's services expressing the Committee's congratulations for their excellent performance during Covid-19 and the positive work achieved through the PIP programme.

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PROGRAMME

The Chairman invited Tracy Johnson, Senior Scrutiny Officer to present the report to the Committee.

Details of the Committee's planned items were shown on pages 60 to 63 of the report pack. Appendix A to the report provided the Committee with a forward plan of decisions relating to children's services from 1 December 2020.

The Committee was advised that the Emotional Wellbeing and Behaviour Outreach Services report had been removed from the planned agenda for 15 January 2021 and would now be considered by the Committee at a later date to be agreed.

The Committee also noted that a Briefing Paper concerning School Admission Polices and Co-ordinated Schemes for 2022 would be circulated to members in due course.

RESOLVED

That the Work Programme presented be agreed, subject to the amendments as detailed above.

The meeting closed at 12.32 pm



**Open Report on behalf of Heather Sandy,
Executive Director - Children's Services**

Report to:	Children and Young People Scrutiny Committee
Date:	15 January 2021
Subject:	Council Budget 2021/22

Summary:

This report outlines the Council's budget proposals for the next financial year 2021/22.

The Provisional Local Government Finance Settlement for 2021/22 was issued on 17 December 2020, and is expected to be in line with the Final Settlement, which is due to be published in February 2021. We await further budgetary information from the Lincolnshire District Councils so the budget proposals for 2021/22 are therefore estimated at this stage.

The Executive considered the budget proposals at its meeting on 5 January 2021, following which they were open to consultation.

This report specifically looks at the 2021/22 budget implications for the Council's Children's Services activities.

Members of this Committee have the opportunity to scrutinise them and make comment, prior to the Executive meeting on 2 February 2021 when it will make its final budget proposals for 2021/22.

Actions Required:

The Children and Young People Scrutiny Committee is asked to consider this report and members of the Committee are invited to make comments on the budget proposals. These will be considered by the Executive at its meeting on 2 February 2021.

1. Background

1.1 The Executive is currently consulting on a single year financial plan for revenue and capital budgets. This is reflective of the one year only Spending Review (SR2020) announced by the Chancellor of the Exchequer on 25 November 2020 due to the uncertainties caused by the coronavirus pandemic, and expected reforms to Local Authority funding from April 2022. The Council

continues to face future financial uncertainties, added with the growing cost pressures from demand-led services such as adult and children's social care and inflationary pressures on contracted services.

- 1.2 The budget process has finished and we have received confirmation of next year's funding from central Government in the form of the Provisional Local Government Finance Settlement on 17 December 2020.
- 1.3 At this point in time, the Medium Term Financial Plan shows that although we can achieve a balanced budget in 2021/22, in each of the following two years we will have a budget shortfall which will need to be supported by reserves to achieve a balanced budget. However, this is prior to receiving the Lincolnshire District Councils confirmation of Council Tax bases and Collection Fund positions. These budget proposals were considered by the Executive on 5 January 2021. Following this, the Final Local Government Finance Settlement is expected to confirm the position, and once all of this information has been received, the budget proposals for 2021/22 will be confirmed at the meeting of the Executive on 2 February 2021.
- 1.4 The coronavirus pandemic has impacted significantly on the 2020/21 financial year, and central Government has provided grant funding to cover our costs and losses arising directly from the pandemic. It is assumed that where direct impacts carry on into 2021/22 these will continue to be funded in full by Government grant.
- 1.5 The Council's 2021/22 budget process started in the spring of 2020 with a re-assessment of our high level budget assumptions. Following this, budgets have been examined in detail based on the latest available information to arrive at the proposals set out in this report. Cost pressures that have been identified must be funded to the changing service requirements, and in some areas, savings have also been found, with no negative impacts from these on service delivery. As this year has progressed, our assumptions have been refined as new information has emerged.
- 1.6 On an annual basis the Council has the opportunity to review the level of Council Tax. Central Government sets thresholds above which a Local Authority would be required to hold a referendum for Council Tax increases. The referendum limit will remain at 2% for general Council Tax. Councils providing Adult Social Care services can again charge an adult social care precept of up to 3% in 2021/22. This means that a total Council Tax increase of up to 5% can be charged by Councils providing Adult Social Care services.
- 1.7 At its meeting on 5 January 2021, the Executive considered proposals for the Council's revenue and capital budgets to be put forward as a basis for consultation, including the proposed level of Council Tax increase for 2021/22.
- 1.8 Children's Services activities are presented through the headings Children's Education and Children's Social Care.

Children's Education

1.9 Services and associated proposed 2021/22 budgets include:

- Home to School / College Transport (£32.243m)
- Special Educational Needs and Disabilities (£7.647m)
- Education Support Services (£0.882m)
- School Improvement (£1.203m)
- Statutory Regulatory Duties (£3.414m)

1.10 Table A below sets out the revenue 2021/22 financial year budget proposals for Children's Education:

Table A

Change of Previous Years	£'000
Original Budget 2020/21	40,124
<u>Changes for 2021/22</u>	
Pay Inflation	77
Cost pressures	5,189
Savings	-1
Proposed Budget 2020/21	45,389
Percentage Change	13.12%

1.11 Children's Education service activities are proposing to make savings of £0.001m in 2021/22, which is the legacy of the savings delivered through the Budget 2020 exercise. Within this area, there are also proposed cost pressures of £5.189m in 2021/22.

1.12 The Chancellor's announcement of a pay freeze for most public sector employees in 2021/22 has been applied, with the exception of public sector employees with a full time basic salary of up to £24,000. This latter group will receive a flat uplift of £250. This is currently excluded from services budgets until the exact budgetary requirements are known, when the amounts will be added. The pay inflation amount includes the additional 0.75% pay award from 2020/21 received above the budgeted 2.00% level.

1.13 The proposed cost pressures of £5.189m relate to the delivery of Home to School / College Transport in 2021/22. The Home to School / College Transport is a challenging and volatile budget with unfavourable economic conditions, changing legislation, the impact of school reorganisations, an increase in specialist transport due to increasing complexity of pupils, added with the challenges of Lincolnshire being a rural county. The budget therefore remains a financial risk to the Council, although the service is taking every step to achieve efficiencies to manage such pressures where possible. The Home to School / College Transport cost pressures includes:

- £2.000m rebase of budget to planned spending levels in 2019/20 academic year. The increased costs related to contractual inflationary pressures within mainstream transport; increase in special educational needs and disability (SEND) pupils resulting in increased eligibility for transport to mainstream school; and an increase in complexity of pupils requiring more specialised and lone transport.
- £1.000m cost pressure for the special schools One School One Operator (OSOP) transport model. The specifics of the contract (payment mechanism) and changing pupil requirements (both in terms of needs and their location) has resulted in the Local Authority undertaking a review of the payment mechanism.
- £0.600m cost pressure for the Public Service Vehicle Accessibility Regulations (PSVAR). Vehicles need to be compliant with Schedule 1 of the Regulations which require the vehicle to be wheelchair accessible when Local Authorities sell spare seats on transport vehicles. This Regulation change will result in contract price increases.
- £0.250m cost pressure for anticipated growth in SEND transport costs for 2021/22. A transformational review is taking place within this area, as well as the Building Communities of Specialist Provision Strategy, which are both anticipated to make a positive impact on transport spending from 2022/23, i.e. future cost reductions, however time is required to embed these new practices.
- £1.005m other cost pressures include: inflationary rises in the delivery of general transport provision (2.00%) (£0.428m); an increase in mainstream pupil eligibility through secondary school pupil growth (£0.296m), and National Living Wage (NLW) increased costs for drivers. The NLW has been updated to reflect the April 2021 rate of £8.91 (£0.281m).
- A Government Section 31 grant has increased for Extended Rights to Free Travel. This reflects an increase in costs by the Local Authority. This cost rise is therefore fully funded from the Government funding increase.

Children's Social Care Services

1.14 Services and associated proposed 2021/22 budgets include:

- 0-19 Health Services (£10.703m)
- Early Help Services (£11.016m)
- Family Assessment and Support Team (FAST) (£17.508m)
- Adoption and Fostering Services (£14.653m)
- Residential Homes and Placements (£14.058m)
- Leaving Care Services and Supported Accommodation (£5.051m)
- Targeted Support for Young People and Youth Offending (£3.806m)

1.15 Table B below sets out the revenue 2021/22 financial year budget proposals for Children's Social Care Services:

Table B

Change of Previous Years	£'000
Original Budget 2019/20	73,869
<u>Changes for 2021/22</u>	
Pay Inflation	348
Cost pressures	2,579
Savings	-1
Proposed Budget 2020/21	76,795
Percentage Change	3.96%

- 1.16 Children's Social Care Services are proposing to make savings of £0.001m in 2021/22, which is the legacy of the savings delivered through the Budget 2020 exercise. Within this area, there are also proposed cost pressures of £2.579m in 2021/22.
- 1.17 The Chancellor's announcement of a pay freeze for most public sector employees in 2021/22 has been applied, with the exception of public sector employees with a full time basic salary of up to £24,000. This latter group will receive a flat uplift of £250. This is currently excluded from services budgets until the exact budgetary requirements are known, when the amounts will be added. The pay inflation amount includes the additional 0.75% pay award from 2020/21 received above the budgeted 2.00% level.
- 1.18 Children in Care: A £2.000m cost pressure to re-base the budget to current spending levels (pre-Covid-19). The contributing factors include an increase in Children in Care due to the increasing complex nature of family life; a shift in placement compositions from internal foster carer arrangements to more external placements, some of which are specialist placements that incur a significantly greater unit cost, and market forces within the external looked after children sector. The position is reflective of pre-Covid-19. Steps continue to be in place to mitigate and manage escalation of needs, and further work is underway on placement planning to mitigate further cost rises, which is managed through the Transformation Programme.
- 1.19 Lincolnshire's benchmarked Children in Care numbers per 10,000 of the population is 43 per 10,000, compared to nationally in the prior year of 65 (reported at March 2020). This has risen to 45.9 at October 2020. The total number of Children in Care in Lincolnshire has increased since April 2020 and is at 665 at October 2020. The pandemic has resulted in an increase in costs in this area.
- 1.20 CIPFA Looked After Children (LAC) benchmarking for Local Authority participants showed Lincolnshire's average looked after child placement costs (2019) to be £41,555 p.a. compared to the average of other Local Authorities of £53,287. Lincolnshire continues to provide value for money.

- 1.21 Lincolnshire's Early Help Strategy is intended to control the numbers requiring higher cost specialist placement types, however where demand increases for the support of Children in Care, in terms of number of children and an increase in complexity, the cost of providing more specialist services remains a financial risk to the Council.
- 1.22 A proposed cost pressure of £0.297m relates to the increase in costs across the composition of placement types supporting this vulnerable group (2.00% inflationary rate applied). It is proposed that Lincolnshire's highly valued internal fostering carers will receive a 2.00% increase to their weekly allowances in April 2021.
- 1.23 A proposed cost pressure of £0.282m relates to Special Guardianship Orders (SGOs). SGOs continue to be seen by the Courts as an important option for permanency for children who need to be removed from their birth parents which is endorsed by officers. The Local Authority is however required to fund SGOs (subject to means testing) until the child reaches the age of 18 years. The expected increases are based on average numbers of SGOs being granted per month with a 5% increase annually.

Capital Programme

- 1.24 A 10 year Capital Programme has been compiled in line with principles set out in the Council's Capital Strategy, including the principle of affordability.
- 1.25 The gross programme is set at £204.302m for 2021/22 plus a further £322.097m for future years. After grants and contributions are taken into consideration, we have a Net Programme of £111.283m for 2021/22 plus a further £282.808m for future years.
- 1.26 Schemes comprise: major highways schemes; highways asset protection; provision of school places (mainstream and SEND); property maintenance and improvements; ICT infrastructure and refresh programmes; fire fleet vehicles and associated equipment replacement programme, for example.
- 1.27 For Lincolnshire schools, Children's Services manage and maintain a comprehensive annual capital programme of individual school condition and maintenance projects which is overseen by the Children's Services Capital Programme Board. The service continues to receive all capital funding made available by the Department for Education (DfE) for schools to enable it to manage critical priority issues.
- 1.28 An allocation for Provision of Schools Place Basic Need Grant is £2.900m in 2021/22. This will allow the Council to plan strategically to fulfil its statutory duty to provide sufficient school places for the children of Lincolnshire. Children's Services priority at this stage is to ensure that all September 2022 school place pressures are accounted for with potential solutions in place. The Local Authority is awaiting further Government announcements on funding levels from 2022/23.

- 1.29 An estimated grant award for the Schools Condition Allocation is £3.500m for 2021/22. This will be updated based on the number of Local Authority maintained schools on or by 1 April 2021.
- 1.30 An estimated allocation for Devolved Formula Capital is £1.000m for 2021/22. This is expected to continue at the current funding level per Local Authority maintained school, namely a lump sum of £4,000 and per pupil funding of £11.25 for nursery / primary and £16.88 for secondary. This will be updated based on the number of Local Authority maintained schools on or by 1 April 2021.
- 1.31 Building Communities of Specialist Provision Strategy: the planned capital spending commitment reflects the latest position on the programme's individual special school schemes for 2021/22. The strategy is to deliver an increase in places for Lincolnshire special schools including providing young people with SEND the ability to access high quality all needs education, health and care provision in their local community. The whole life costs of the programme have risen to £86.794m from £56.556m based on actual scheme costs for those which have entered main works contracts and forecast scheme costs on those still to be confirmed post-feasibility. There are a number of reasons for the increased budget requirement: the addition to the programme of the Lincoln new school site solution following the department declining the Local Authority's free school application (c.£12.000m); design solutions including improved site access to address travel and traffic concerns; addressing the extremely poor school site conditions, and enhanced health and therapy spaces. Further information can be found within Appendix A.
- 1.32 It is important to note the complexity and magnitude of this programme. Lincolnshire County Council (LCC) has not delivered a programme of this nature before and it is important to understand the complexity of the programme to fully appreciate the challenges which have arisen.
- 1.33 Additional funding has been secured to deliver the revised programme. Funding is made up of Government grants secured (£69.724m) including the Government announcement of 2021/22 DfE Special Provision Funding continuing, LCC capital / other (£1.470m), and £15.600m reallocation of LCC capital funding for new school requirements currently within the 10 year programme to the SEND programme. This is due to a downward revision of requirements by taking account of many factors, for example, delays in planning applications, alternative solutions.
- 1.34 The gross expenditure for the programme's individual special school schemes for 2021/22 is £29.710m.
- 1.35 Children's Services has capital funding earmarked within the capital programme for the creation of two smaller children's homes. The Residential Estates Expansion Project forms part of the Children in Care Transformation Programme Right4U which has been created to ensure that the Local Authority is providing the right help to the right children at the right time and for the right

duration. The Transformation Programme vision is to provide additional capacity within the residential estate to provide high quality therapeutic placements in house as it is anticipated that these placements will allow for children, particularly young children, to have their needs met better with a view to future step down to foster care.

1.36 The gross expenditure earmarked for the programme is £1.500m with potential planned spending of £1.075m in 2021/22.

Schools Budget

1.37 The Schools Budget is funded via the Dedicated Schools Grant (DSG). In 2021/22, the DSG will continue to comprise of four blocks: Schools, Central School Services, High Needs, and Early Years. Each of the four blocks of the DSG is determined by a separate national funding formula.

1.38 Lincolnshire's indicative DSG allocation for 2021/22 is £646.900m, and will be used to support all schools in Lincolnshire including Local Authority schools and academies. Over half of Lincolnshire pupils attend academy schools; therefore the DSG figure for the Schools block will be revised down for the academy schools budget share allocations. The DSG is a ring-fenced grant and the actual split between Local Authority schools and academies has no financial risk to the Council from the DSG schools delegated budget perspective.

1.39 The government implemented a new National Funding Formula (NFF) in 2018/19 to ensure a fairer settlement for each mainstream school. The Council agreed to adopt the NFF due to the improved financial settlement for Lincolnshire schools.

1.40 The DfE confirmed in July 2020 that the 2021/22 funding settlement announced by the Prime Minister on 30 August 2019 would remain in place. This included the investment of over £14bn in primary and secondary education between 2020/21 and 2022/23. The funding package for schools (aged 5 to 16) includes £2.6bn for 2020/21, £4.8bn for 2021/22 and £7.1bn for 2022/23 compared to 2019/20 funding levels. This announcement has provided a level of financial certainty for schools in the short term.

1.41 The announcement of additional funding for mainstream schools and national funding formula changes required the Local Authorities to engage in an open and transparent consultation on their 2021/22 funding formula. The Local Authority has undertaken a consultation with its local schools and academies, and has received schools support from the sector to continue replicating the NFF in 2021/22. This will be subject to Executive Councillor approval on 20 January 2021 following consultation with Schools Forum, and the Children and Young People Scrutiny Committee. The illustrative 2021/22 funding for Lincolnshire primary schools in comparison to 2020/21 funding levels show overall school gains of 4.3% or £0.034m. Illustrative funding for Lincolnshire secondary schools show overall gains of 2.7% or £0.110m.

- 1.42 The Government is continuing moving to a basis for distributing funding to Local Authorities for children and young people with high needs, taking into account an up-to-date assessment of the level of need in each area as opposed to funding on the basis of historic spending. Local Authorities will be protected under the formula by seeing a minimum increase of 8% per head in 2021/22 compared to their 2020/21 High Need block. The High Needs block allocation is £102.664m for 2021/22.
- 1.43 There are a number of budgets within the High Needs block that are large, demand-led, and can be difficult to estimate (e.g. SEND related budgets, including out of county placements, top up funding for Education, Health and Care (EHC) plans for mainstream schools, special school placements, and meeting the education needs for pupils through alternative provision arrangements). There continues to be a growing trend nationally, and this is being seen in Lincolnshire, with more young people requiring specialist support which is having a material financial impact on the High Needs block. This remains a significant financial risk, particularly at a time of increasing demands. Like many Local Authorities, Lincolnshire faces a significant challenge in establishing a sustainable High Needs block budget going forward.
- 1.44 Transformational work commenced last year to consider the way partners across Lincolnshire work together to support children and young people with SEND. Key activities to support this strategy include SEND Advice line (SALL); rollout of the Valuing SEND; revised graduated approach guidance; strengthen the Local Offer; a new performance framework, to name a few. This transformational work is intended to secure further improved outcomes for young people with SEND through a truly integrated approach, whilst also securing an offer for Lincolnshire that is financially sustainable within its central Government allocation.
- 1.45 The Early Years block Government hourly rates for Lincolnshire are £4.44 per hour for 3 & 4 year old funding, and £5.36 per hour for disadvantaged 2 year olds. These funding rates are used to fund providers' hourly rates of delivery of entitlement and early years support services. Lincolnshire indicative Early Years block funding is £42.427m in 2021/22.

Further Consultation

- 1.46 The budget proposals will be publicised on the Council website together with the opportunity for the public to comment.
- 1.47 All consultation comments and responses will be available to be considered when the Executive makes its final budget proposals on 2 February 2021.

2. Conclusion

- 2.1 These budget proposals reflect the level of Government funding available to the Council based on the assumed increase in Council Tax in 2021/22 by 1.99%.

2.2 A thorough review of the Council's services was carried out during the budget process which has identified unavoidable cost pressures and some savings with minimal impact on the level of service provided, and the capital programme has been reviewed. The budget proposals therefore aim to reflect the Council's priorities whilst operating within the resources available to it.

3. Consultation

a) Risks and Impact Analysis

An Equality Impact Assessment will be completed for the proposed increase in Council Tax. This will be reported to the Executive at its meeting on 2 February 2021.

Further Risk and Impact Assessments will need to be undertaken on a service by service basis.

4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Building Communities of Specialist Provision Capital Programme

5. Background Papers

The following background papers as defined in the Local Government Act 1972 were relied upon in the writing of this report.

Document title	Where the document can be viewed
Council Budget 2021 (Executive: 5 January 2021)	https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CategoryId=121&Mid=5750

This report was written by Mark Popplewell, who can be contacted on 01522 553326 or mark.popplewell@lincolnshire.gov.uk.

Building Communities of Specialist Provision Capital Programme

1. Introduction

- 1.1 The Building Communities of Specialist Provision Strategy was approved by the Executive, with the purpose of creating a special school system which enabled all children and young people with SEND (requiring a place in a specialist setting) access to a high quality educational provision with enhanced all needs facilities, as close to home as possible.
- 1.2 The strategy increases special school capacity by over 500 places and ensures all settings can meet all needs, avoiding the necessity of excessive journeys for students to attend schools established to meet their designated need.
- 1.3 Pupils will be afforded the opportunity to access a specialist education in a setting with state of the art facilities, specifically designed with special school leaders input and appropriate to meet all needs. Children and young people will benefit from purpose-built, modern teaching spaces, enhanced external environments and an integrated health provision, in a school within their local community.
- 1.4 The benefits brought about to SEND children and their families by this strategy are significant: reduced travel time as places will be available at local special schools, vastly improved facilities in a local school that can meet all needs and access to health interventions without having to leave school for appointments.
- 1.5 Lincolnshire County Council is committed to improving the lives of all children and young people and believes the improvements set out in this strategy will have a wholly positive impact on the education, health and emotional well-being of our special school students and their families.

2. Capital Programme

- 2.1 It is important to note the complexity and magnitude of this programme and appreciate the aspirations of Lincolnshire County Council and its commitment to such a transformational scheme. Embarking on a capital programme which seeks to enhance and improve thirteen school sites over five years whilst transforming the special school system to add much needed capacity, eradicate excessive journeys and reduce unnecessary out of county placements is ambitious and trail-blazing.
- 2.2 As the capital programme has progressed from initial estimates to live, on-site schemes, it has been necessary to review the requirements of each scheme to ensure the Council is providing the best possible solution for schools and value for money.
- 2.3 As referenced in paragraph 1.31 of this report, the whole life costs of the programme have risen to £86.794m from £56.556m based on actual scheme costs for those which have entered main works contracts and forecast scheme costs on those still to be confirmed post-feasibility. It should also be mentioned that the Lincoln City area new school site has been added to this programme following the Council's unsuccessful free school application adding c. £12.000m to the programme. Lincolnshire submitted a strong and sound business case for a new free school and was disappointed to find this application was not

selected due to the Local Authority's prudent financial management of its High Needs spending and all needs SEND vision.

- 2.4 Since the strategy was approved, Lincolnshire County Council has successfully accessed further investment for the programme, with a revised grant allocation of £71.194m so all special schools in the programme can access improved capital solutions and enhanced facilities beyond that of the Council's initial ambitions. The largest proportion of this earmarked funding is made up of secured Government grants, such as Basic Need, Conditions capital and DfE Special Provision funding (£69.724m).
- 2.5 In addition, the Council has agreed to commit £15.600m to address the funding gap, which is largely contributed by the Lincoln City area new school site being added to this programme after the authority's free school application to create an additional 111 places was unsuccessful, as referenced in paragraph 2.3. After such a disappointing decision by the Department for Education, this allocation is evidence of the Council's unwavering dedication to improving the lives of children and young people with SEND through this strategy.
- 2.6 It must be noted that some schemes have presented particular challenges due to their poor existing condition and this additional funding will allow the Council to address these issues, thereby ensuring these sites are sustainable and have increased longevity.
- 2.7 In addition, increased costs have arisen due to the current global pandemic, with market uncertainty and rising welfare costs in the construction industry.
- 2.8 The increased planned spending will support further development of the schools external grounds including sensory spaces and physical activity areas, providing an enriched learning environment for children and young people with SEND, supporting their physical and emotional wellbeing.
- 2.9 In addition, greater focus has been placed on improving traffic and transport areas within each school. Many settings have limited parking facilities and restricted space for school transport to drop off and collect pupils in. This has had a detrimental impact on access for local residents and the additional funding will be utilised to improve access and parking arrangements.
- 2.10 Each school will also benefit from improved health and therapy provision with the inclusion of a therapy suite, intervention rooms which can be utilised by therapists during the school day, dedicated offices for visiting professionals and medical intervention rooms for clinical services to be provided.

3. Strategic Impact

- 3.1 In acknowledging the additional cost of the capital programme and enlarged scope to ensure the best possible provision is available to Lincolnshire's children with SEND, the Council must consider this within the context of the ever-increasing cost pressures within the High Needs allocation.
- 3.2 Children's Services strongly believes this capital infrastructure investment will not only achieve greater outcomes for Lincolnshire pupils, but also be an important financial decision in managing the pressures within the High Needs block by way of reducing expenditure relating to some expensive and unnecessary out of county specialist placements. On occasion, Lincolnshire families are presented with the difficult option of out of county placements due to the lack of capacity in local special schools. This is both unfair on children and families and expensive to the Council, when needs could be met in a more

local provision. It is important for Lincolnshire to continue securing value for money within these demand-led budgets and within the finite funding resource available. By enabling pupils requiring specialist support to go to their nearest suitable school, the Local Authority will be able to achieve operational efficiencies, improved pupils wellbeing and reduce expenditure through its delivery of home to school transport arrangements.

- 3.3 The financial impact of investing now at a capital level will have a positive impact on the Council's financial position long-term. Both the High Need's block allocation and Home to School Transport budget will continue to be subject to increased financial pressure if the strategy's additional school places are not realised, potentially costing the Council up to c. £20m per annum (based on current home to school transport and Out of County educational placement commissioning arrangements) if the strategy was not implemented in full.
- 3.4 Beyond the financial impact to the Council, it is important to consider the reasons why the strategy was approved in the first instance. The Council is committed to enabling children and young people with SEND the opportunity to access an integrated all needs education system which provides excellent education, health and care interventions in their local community. Our strategic vision remains to establish an integrated school system where children and young people get the right health, care and education, in the right place, at the right time, as close to home as possible, where children feel they belong, are respected, hopeful and optimistic about their future.
- 3.5 The strategy was collaboratively developed to ensuring a sufficient supply of special school places for children and young people with SEND, local special schools which can meet the needs of all pupils in their local community, a reduction in the travelling time for pupils with SEND by enabling them to attend a special school as close to home as possible and for our children and young people with SEN to be educated locally, bringing value and a sense of belonging to their local communities. Only by ensuring that the capital programme is fully completed can the Local Authority be confident it will achieve its strategic vision.

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**Open Report on behalf of Heather Sandy,
Executive Director - Children's Services**

Report to:	Children and Young People Scrutiny Committee
Date:	15 January 2021
Subject:	Schools Funding Update 2021/22 - Mainstream Schools

Summary:

This report invites the Children and Young People Scrutiny Committee to consider a report which will be presented to the Executive Councillor for Adult Care, Health and Children's Services for a decision on 20 January 2021, on the Schools Funding Update 2021/22 - Mainstream Schools. The views of the Committee will be reported to the Executive Councillor as part of her consideration of this item.

Actions Required:

The Children and Young People Scrutiny Committee is invited to:

1. consider the report in Appendix 1 and determine whether the Committee supports the recommendation to the Executive Councillor for Adult Care, Health and Children's Services as set out in the report.
2. agree any additional comments to be passed onto the Executive Councillor in relation to this item.

1. Background

The Executive Councillor for Adult Care, Health and Children's Services is due to consider the report in Appendix 1 on 20 January 2021.

2. Conclusion

Following consideration of the attached report to the Executive Councillor for Adult Care, Health and Children's Services, the Committee is requested to consider whether it supports the recommendations in the report and whether it wishes to make any additional comments to the Executive Councillor. Comments from the Committee will be reported to the Executive Councillor.

3. Consultation

This Committee is being consulted on the proposed decision of the Executive Councillor for Adult Care, Health and Children's Services on 20 January 2021.

4. Appendices

These are listed below and attached at the back of the report	
Appendix 1	Report to the Executive Councillor for Adult Care, Health and Children's Services on Schools Funding Update 2021/22 - Mainstream Schools

5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Mark Popplewell, who can be contacted on 01522 553326 or mark.popplewell@lincolnshire.gov.uk.

**Open Report on behalf of Heather Sandy,
 Executive Director - Children's Services**

Report to:	Cllr Mrs P A Bradwell OBE, Executive Councillor for Adult Care, Health and Children's Services
Date:	20 January 2021
Subject:	Schools Funding Update 2021/22 - Mainstream Schools
Decision Reference:	I021123
Key decision?	Yes

Summary:

The purpose of this report is to seek approval from the Executive Councillor for the Local Authority's funding formula proposals for 2021/22 in light of the Government's funding announcements on the mainstream schools national funding formula proposals.

The outcomes of the Local Authority's consultation with mainstream schools (see Appendix A) have been considered, and the Local Authority is now in a position to present its latest proposals for schools funding in 2021/22, for Executive Councillor approval.

Recommendation(s):

That the Executive Councillor:-

1. approves the application of the National Funding Formula (NFF) in the development of the County Council's mainstream schools funding formula for 2021/22;
2. subject to paragraph 3 below, approves the inclusion of the following in the County Council's mainstream schools funding formula for 2021/22:-
 - Key formula factors will increase by 3% in monetary value.
 - A positive minimum funding guarantee of +2.0% per pupil protection. The Minimum Funding Guarantee (MFG) range is between +0.5% and +2.0% per pupil in 2021/22.
 - No gains ceiling cap.
 - The minimum per pupil funding levels will be set at £4,180 for primary schools and £5,415 for secondary schools.
 - Funding from the teachers' pay grant and teachers' pension employer contribution grant (including supplementary funding) will be

incorporated into the NFF for 2021/22 (technical adjustment).

- To use the 2021/22 National Funding Formula as the basis for determining the notional Special Educational Needs (SEN) amount per school when identifying whether a school is entitled to targeted funding.
- The targeted funding criteria will allocate the first £6,000 where a school has been identified as having insufficient notional SEN within its delegated budget due to the number of pupils with an Education, Health and Care (EHC) plan.
- To increase the top up rate for EHC plans.
- To apply transitional protection funding for 2021/22 where targeted funding and top up rate changes result in the school funding falling below +2.0% per pupil increase (or the final minimum funding guarantee value agreed).

3. notes that the implementation of all of the points specified in paragraph 2 above is subject to affordability, and changes to the proposed minimum funding guarantee, the ceiling cap and increases to the top up rate for EHC plans may be required to make the proposed funding formula affordable.

Alternatives Considered:

1. The Government first introduced the national funding formula in 2018/19 for mainstream schools. Local Authorities were strongly encouraged to move to the national funding formula arrangements so that schools' allocations were on a sensible trajectory towards the full formula. The Local Authority consulted with schools and academies in November 2017 to replicate the Government's national funding formula due to the increase in funding Lincolnshire schools overall would be in receipt of. The Executive Councillor made the decision on 10 January 2018 to replicate the schools national funding formula for 2018/19. Lincolnshire mainstream schools have been receiving funding levels that replicate the Government's national funding formula including its funding floor and ceiling approach as schools incrementally moved towards the full formula. In 2020/21, all Lincolnshire schools received at least the full national funding formula levels following the removal of the Government's ceiling cap.

Local Authorities continue to be responsible for determining and calculating schools funding allocations in 2021/22 during this transition period to the full formula. Local Authorities would find it difficult to justify a decision to move away from the Government's national funding formula, which would result in redirecting funding from one school to another. The Government's mainstream school funding arrangements are embedded and have all but removed local flexibilities since the national funding formula introduction, as the Government's drive is to move all mainstream schools funding onto the 'hard' formula. No alternative funding option to

replicating the national funding formula was provided through the Local Authority's consultation with schools.

The targeted funding criteria also required consulting on for 2021/22 to reflect the national funding formula changes. The targeted funding supports schools where they have a disproportionate number of pupils with more complex needs. The Local Authority is proposing to continue using the targeted funding approach to supporting schools, but to use the actual amount of notional SEN, determined through the national funding formula, to identify whether a school has sufficient notional SEN funding to support pupils. The planned changes reflect the increased notional SEN allocations held within schools budgets, which will ensure fair funding is provided to schools through targeted funding.

A high percentage of schools that responded to the consultation supported the Local Authority's proposals for the mainstream schools funding formula in 2021/22. The support rate ranged from 93% to 100% across the consultation questions. The Local Authority will continue to keep the funding formula under review including any future Government planned changes to ensure Lincolnshire schools are fairly treated.

The illustrative 2021/22 funding for Lincolnshire primary schools based on the schools October 2019 census data (due to the October 2020 census data not being available at the time of writing the report), and the 2020/21 baseline information are showing overall school gains of 4.3% or £0.034m. Illustrative funding for Lincolnshire secondary schools show overall gains of 2.7% or £0.110m. Each individual schools funding comparison will however be based on their school characteristics and current funding levels.

Reasons for Recommendation:

To enable the Local Authority to meet the requirements of implementing funding changes following the Government's announcement of a national funding formula for schools in 2021/22, and to ensure the effective deployment of funding.

The announcement of additional funding for mainstream schools and national funding formula changes require Local Authorities to engage in an open and transparent consultation on their 2021/22 funding formula.

The approval will allow the schools funding formula to be formally approved, which will be used to fund all mainstream schools in 2021/22.

1. Background

The Government first introduced the national funding formula (NFF) in 2018/19 for mainstream schools. Since its introduction, Local Authorities have continued to be

responsible for agreeing and calculating schools funding allocations, however Local Authorities were strongly encouraged to move to the NFF arrangements so that schools' allocations were on a sensible trajectory towards the full formula.

The introduction of the NFF was to create consistency in funding across all schools nationally ensuring a fairer settlement for each school.

Local Authority 'Schools block' Funding

The Local Authority Primary and Secondary Units of pupil funding used to finance the Schools block of the Dedicated Schools Grant which calculates mainstream schools budgets continues to rise in monetary value. Table 1 below outlines Lincolnshire's schools overall funding level for 2021/22 through the implementation of the NFF compared to other Local Authorities.

Table 1

	Lincolnshire's Unit of Funding	England National Average	Difference	Rank
Primary	£4,570	£4,666	-£96	80
Secondary	£5,724	£6,048	-£324	49

The unit funding levels are below the England average for each sector; however Lincolnshire's position nationally has improved when making comparisons. Lincolnshire's net primary unit value increase is £206¹, and Lincolnshire's secondary unit increase is £180² for 2021/22.

Schools Funding for 2021/22

The Department for Education (DfE) confirmed in July 2020 that the 2021/22 funding settlement announced by the Prime Minister on 30 August 2019 would remain in place. This included the investment of over £14bn in primary and secondary education between 2020/21 and 2022/23. The funding package for schools (aged 5 to 16) includes £2.6bn for 2020/21, £4.8bn for 2021/22 and £7.1bn for 2022/23 compared to 2019/20 funding levels. This announcement has provided a level of financial certainty for schools in the short term.

The illustrative 2021/22 funding for Lincolnshire primary and secondary mainstream schools (using October 2019 data) is an overall increase of £18.067m when taking account of the £20.769m added into the Schools block for teachers' pay and pension grant funding.

The announcement of additional funding for mainstream schools and NFF changes require Local Authorities to engage in an open and transparent consultation on their 2021/22 funding formula. The Local Authority has therefore consulted with its local schools and academies on proposed schools funding formula changes for 2021/22.

¹ The overall primary unit value has increased by £386 in 2021/22. This includes £180 of existing funding received by primary schools for the teachers' pay grant and teachers' pension employer contribution grant, which has been moved into the Dedicated Schools Grant from 2021/22.

² The overall secondary unit value has increased by £445 in 2021/22. This includes £265 of existing funded received by secondary schools for the teachers' pay grant and teachers' pension employer contribution grant.

Details of the funding formula changes and monetary values attached to each formula factor (compared to 2020/21 funding levels) can be found within Appendix A, which is accompanying this report.

Proposed Lincolnshire's Schools Funding for 2021/22

Detailed financial modelling work has been undertaken by the Local Authority to understand the Government's NFF changes for 2021/22. The Government announcement of additional funding into schools will continue to have a positive impact on Lincolnshire schools.

Subject to affordability (and subsequent scaling to a maximum of +0.5%), schools will receive a minimum of +2.00% in per pupil funding through the 2021/22 funding arrangements.

Other key points for 2021/22 funding arrangements include:

- Key formula factors will increase by 3% in monetary value.
- The minimum per pupil funding levels will be set at £4,180 for primary schools and £5,415 for secondary schools. This will continue to be a mandatory factor in Local Authorities local formula.
- Funding from the teachers' pay grant and teachers' pension employer contribution grant (including supplementary funding) have been incorporated into the NFF for 2021/22. The funding has been added to the basic per pupil entitlement; to the minimum per pupil funding levels; and to the schools' 2020/21 funding baselines so that it is protected through the funding floor for protection purposes.
- No gains ceiling cap will continue to be applied.
- Additional funding for small and remote schools through an increase in the sparsity factor value.

The Local Authority has consulted on the proposal to continue replicating the Government's NFF in 2021/22, subject to affordability. It is important to make reference to affordability due to the time lag in data used to fund Local Authorities Schools block allocations, which funds schools budgets. This is a pertinent point due to the significant pre-16 increase of 25.20% in Free School Meal eligibility Lincolnshire has experienced as a result of the pandemic, which is recorded on the latest October schools census. The determination of school budgets will be undertaken in January 2021 following the publication of schools census information by the Department for Education (DfE); thereafter affordability will be understood. Affordability options are considered in question 3 of the consultation, and the Local Authority will consider all options available to ensure individual school level implications are minimised.

The Local Authority also consulted on the proposal to continue using targeted funding as an approach to supporting schools, but to use the actual amount of notional SEN determined through NFF to identify whether a school has sufficient notional SEN funding to support pupils that have an EHC plan at their school. The targeted funding supports schools where they have a disproportionate number of pupils with more complex needs. The planned changes reflect the increased

notional SEN allocations held within schools budgets through the introduction of the NFF, which will ensure fair funding is provided to schools through targeted funding.

The schools consultation period covered the period 7 December to 21 December 2020. The consultation period timescales were tight due to a number of factors, which limited the consultation time and the Local Authority decision-making process. Schools were however forewarned that a consultation would be taking place in the autumn period. NFF funding formula updates were delivered to Lincolnshire schools through the virtual head teacher briefing sessions.

The consultation document that was circulated to all mainstream schools can be found in Appendix A. As part of the consultation exercise, the Education & Skills Funding Agency required Local Authorities to illustrate the likely financial impact of the proposals upon individual schools. This was enclosed within the supporting documentation using the schools October 2019 census data (due to the October 2020 census data not being available at this time), and the 2020/21 baseline information (including teachers' pay and pension grants) for illustrative funding purposes.

Schools Consultation

Overall, 60 schools responded to the consultation. The response rate to the consultation did improve compared to previous consultation exercises. The response rates however continue to remain low with 15% of primary schools and 26% of secondary schools. The overall response rate of 17% across the sectors was higher than the 2020/21 NFF consultation response rate of 14%³.

The Local Authority set out in the consultation document five questions, and these are shown in Appendix A. Also shown is the percentage of schools in favour or against, together with an outline of the key comments that emerged from schools. All of this information has been considered by the Local Authority and Appendix A sets out the Local Authority's current proposals for consideration by the Children and Young People Scrutiny Committee and the Schools Forum in January 2021.

It is clear from Appendix A, that of the schools that responded the support rate ranged from 93% to 100% across the consultation questions for the Local Authority's proposals to continue replicating the Government's NFF in 2021/22, and to use the NFF as the basis for determining the notional SEN amount per school when identifying whether a school is entitled to targeted funding. The SEN related amendments recognise the increased funding going to schools through the NFF therefore providing fair funding (and effective deployment and financial sustainability of the High Needs block), and the application of targeted funding ensures schools are not being financially disadvantaged by having a disproportionate number of pupils with more complex needs.

³ The response rates to consultations are typically below 30%. Since its creation in 2003, the Schools Forum has been responsible for considering school funding arrangements on behalf of schools, and acts an effective consultative body when proposing funding changes. It must also be added that the school funding arrangements are complex, and some schools may have found this difficult to understand.

The Local Authority's proposals are to continue adopting the NFF in 2021/22 (subject to affordability) by adopting the following:

- Key formula factors will increase by 3% in monetary value.
- A positive minimum funding guarantee of +2.0% per pupil protection (subject to affordability). The MFG range is between +0.5% and +2.0% per pupil in 2021/22.
- No gains ceiling cap (subject to affordability).
- The minimum per pupil funding levels will be set at £4,180 for primary schools and £5,415 for secondary schools.
- Funding from the teachers' pay grant and teachers' pension employer contribution grant (including supplementary funding) will be incorporated into the NFF for 2021/22 (technical adjustment).

The Local Authority proposals are to adopt the following SEN related amendments in 2021/22:

- To use the 2021/22 NFF as the basis for determining the notional SEN amount per school when identifying whether a school is entitled to targeted funding.
- The targeted funding criteria will allocate the first £6,000⁴ where a school has been identified as having insufficient notional SEN within its delegated budget due to the number of pupils with an EHC plan.
- To increase the top up rate for EHC plans subject to affordability of the High Needs block.
- To apply transitional protection funding for 2021/22 where targeted funding and top up rate changes result in the school funding falling below +2.0% per pupil increase (or the final minimum funding guarantee value agreed).

The illustrative 2021/22 funding for Lincolnshire primary schools in comparison to 2020/21 funding levels show overall school gains of 4.3% or £0.034m. Illustrative funding for Lincolnshire secondary schools show overall gains of 2.7% or £0.110m.

The financial impact upon individual schools will depend upon the combination of decisions that are finally taken and the schools October 2020 census information. The position of schools budgets for 2021/22 are to be published by 28 February 2021.

Tables 2 and 3 below show the monetary gains at school level from continuing to replicate the national funding formula in 2021/22 using October 2019 census data, and the 2020/21 baseline information for comparison purposes, including the SEN changes.

⁴ Where a school is entitled to targeted funding for an EHC plan pupil starting part way through a financial year, the £6,000 will be pro-rata.

Table 2

Primary Schools (£)	Gains
0 - 9,999	5.36%
10,000 - 19,999	22.50%
20,000 - 29,999	31.43%
30,000 - 39,999	13.93%
40,000 - 49,999	7.14%
50,000 - 59,999	3.93%
60,000 - 69,999	5.36%
70,000 - 79,999	2.86%
80,000 - 89,999	1.43%
90,000 - 99,999	2.86%
100,000 – 140,000	3.20%

Table 3

Secondary Schools (£)	Gains
0 – 19,999	3.78%
20,000 - 39,999	7.55%
40,000 - 59,999	5.66%
60,000 - 79,999	9.43%
80,000 –99,999	16.98%
100,000 – 119,999	18.87%
120,000 – 139,999	9.43%
140,000 – 159,999	9.43%
160,000 – 179,999	9.43%
180,000 – 199,999	5.66%
200,000 – 315,000	3.78%

The Government's intentions are still to move all schools nationally onto the 'full' NFF. This will be subject to a DfE consultation in 2021. It is important to note that a positive minimum funding guarantee has applied since the introduction of the NFF in 2018/19. A small number of schools will lose funding through the NFF in Lincolnshire but are currently receiving protection funding, therefore they are likely to face reductions in per pupil funding through the operation of a negative minimum funding guarantee at some point in the future. The timing of this however is unclear, and will be subject to central Government decisions. This impacts nine primary schools and three secondary schools.

Next Steps – Schools National Funding Formula

The next steps are as follows:

- To table a report at the Schools Forum meeting (14 January 2021) on the consultation findings, and the proposed 2021/22 funding formula for Schools Forum consideration.
- To table a report at the Children and Young People Scrutiny Committee meeting (15 January 2021) on the consultation findings, Schools Forum comments and the proposed 2021/22 funding formula for the Committee's consideration.
- To review Lincolnshire's Dedicated Schools Grant funding for 2021/22.
- To calculate mainstream school budgets based on the proposed funding formula using the schools October 2020 census.
- Executive Councillor approval to agree the schools funding formula for 2021/22 on 20 January 2021.
- Submission of the Authority Proforma Tool by 21 January 2021 to the Education and Skills Funding Agency outlining 2021/22 Lincolnshire's schools delegated funding to ensure compliance with the regulations.
- The Local Authority Finance Team to provide further information on the implementation of the NFF to schools and academies to aid their understanding of the 2021/22 school funding arrangements.
- The Local Authority to calculate individual schools budgets by 28 February 2021.

Direction of travel

The Local Authority will continue to respond to the Government's schools funding consultations representing the position of Lincolnshire schools to achieve fair levels of funding, including the Local Authority's role in being responsible for setting its schools funding formula for its mainstream schools.

Key factors to consider in future years:

- For schools forecast to lose funding compared to the full national funding formula, the scale of the downward trajectory of funding through the operation of the minimum funding guarantee will need to be confirmed in the medium term.
- How the Government intends to fund school cost increases beyond the current funding settlement for schools (from 2023/24).
- How the Government intends to make changes to the historic funding arrangements, such as split-site funding and rates funding.
- The scale and speed of the reductions in funding for schools historical commitments e.g. schools broadband services.
- What will it mean for Local Authorities and schools if a 'hard' NFF was applied and funding for each school is determined by central Government e.g. how will annual school funding changes be applied and consulted upon to ensure it supports local needs; Local Authorities influence in representing local needs; pupil number changes for growing schools; local factors such as rents, rates and split-sites, to name a few examples. The Government has confirmed that this will be consulted upon in 2021.

2. Legal Issues:

Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic.

- Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it.
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in section 149 may involve treating some persons more favourably than others.

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision making process.

The Local Authority proposes to continue adopting the Government's national funding formula. Attached at Appendix B is the Department for Education's 'national funding formulae for schools and high needs 2021/22' (July 2020).

This has thoughtfully considered the Equality Act where proposed changes impact the areas of Age, Sex, Gender, Religion, Race and Disability in determining the funding arrangements. It is considered that the Local Authority can legitimately adopt this analysis.

The SEN related amendments recognise the increased funding going to schools through the NFF therefore providing fair funding to schools, and the application of targeted funding ensures schools are not being financially disadvantaged by having a disproportionate number of pupils with more complex needs.

As a result of the Council's proposals all schools will receive increases in per pupil funding.

Joint Strategic Needs Analysis (JSNA) and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health and Wellbeing Strategy (JHWS) in coming to a decision.

Education is central to the wellbeing of young people and has a significant effect on their future health, wellbeing and life chances. The funding proposals enable children in Lincolnshire to continue to receive a good standard of education.

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

The proposals in the Report to provide a funding formula that will support schools in delivering effective school provision will include targeting funding for those pupils from disadvantaged backgrounds through deprivation measures of eligibility of current and Ever6 Free School Meals, an area deprivation indices (Income Deprivation Affecting Children Index), mobility and low prior attainment to reduce pupil inequalities. The application of the targeted funding approach will continue to support mainstream schools from not being financially disadvantaged by having a disproportionate number of pupils with more complex needs.

3. Conclusion

The Local Authority's proposals are to continue adopting the NFF in 2021/22 (subject to affordability) by adopting the following:

- Key formula factors will increase by 3% in monetary value.
- A positive minimum funding guarantee of +2.0% per pupil protection (subject to affordability). The MFG range is between +0.5% and +2.0% per pupil in 2021/22.
- No gains ceiling cap (subject to affordability).
- The minimum per pupil funding levels will be set at £4,180 for primary schools and £5,415 for secondary schools.
- Funding from the teachers' pay grant and teachers' pension employer contribution grant (including supplementary funding) will be incorporated into the NFF for 2021/22 (technical adjustment).

The Local Authority proposals are to adopt the following SEN related amendments in 2021/22:

- To use the 2021/22 NFF as the basis for determining the notional SEN amount per school when identifying whether a school is entitled to targeted funding.

- The targeted funding criteria will allocate the first £6,000 where a school has been identified as having insufficient notional SEN within its delegated budget due to the number of pupils with an EHC plan.
- To increase the top up rate for EHC plans subject to affordability of the High Needs block.
- To apply transitional protection funding for 2021/22 where targeted funding and top up rate changes result in the school funding falling below +2.0% per pupil increase (or the final minimum funding guarantee value agreed).

Of the schools that responded to the consultation the vast majority supported the Local Authority's proposals to continue replicating the Government's national funding formula in 2021/22, and the SEN related amendments.

Appendix A sets out the Local Authority's current proposals for consideration by the Executive Councillor.

4. Legal Comments:

The Council has the power to adopt the recommendation. The decision is consistent with the Policy Framework and within the remit of the Executive Councillor if it is within the budget.

5. Resource Comments:

The recommendations in the report are to support the Local Authority's funding formula proposals to continue replicating the national funding formula and SEN related amendments in response to the national funding formula changes.

The Local Authority Schools block allocations are calculated by aggregating schools' notional allocations under the national funding formula, therefore ordinarily ensuring suitable funding levels to meet the funding commitment to schools. Where lagged arrangements to School block funding cause the national funding formula to be unaffordable (noting the significant pre-16 increase of 25.20% in Free School Meal eligibility Lincolnshire has experienced as a result of the pandemic), the Local Authority will consider measures such as scaling back the minimum funding guarantee from +2.00% (to a maximum of +0.5%); applying a percentage gains ceiling cap to schools per pupil gains, to ensure it becomes affordable.

The SEN related amendments recognise the increased funding going to schools through the national funding formula therefore providing fair funding (and effective deployment and financial sustainability of the High Needs block), and the application of targeted funding ensures schools are not being financially disadvantaged by having a disproportionate number of pupils with more complex needs.

6. Consultation

a) Has Local Member Been Consulted?

No

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

This decision is due to be considered by the Children and Young People Scrutiny Committee on 15 January 2021. The comments of the Committee will be provided to the Executive Councillor.

d) Risks and Impact Analysis

School illustrative financial modelling has been undertaken and shared with all schools through the Local Authority consultation exercise on the funding formula proposals for 2021/22 in light of the Government's funding announcements on the mainstream schools NFF proposals, and local SEN funding amendments. The school illustrative allocations will have assisted schools in understanding the changes and to help inform their consultation response.

The DfE confirmed in July 2020 that the 2021/22 funding settlement announced by the Prime Minister on 30 August 2019 would remain in place. This included the investment of over £14bn in primary and secondary education between 2020/21 and 2022/23. The funding package for schools (aged 5 to 16) includes £2.6bn for 2020/21, £4.8bn for 2021/22 and £7.1bn for 2022/23 compared to 2019/20 funding levels. This announcement has provided a level of financial certainty for schools in the short term.

The illustrative 2021/22 funding for Lincolnshire primary schools in comparison to 2020/21 funding levels show overall school gains of 4.3% or £0.034m. Illustrative funding for Lincolnshire secondary schools show overall gains of 2.7% or £0.110m.

Subject to affordability (and subsequent scaling to a maximum of +0.5%), schools will receive a minimum of +2.00% in per pupil funding through the 2021/22 funding arrangements. Those losing schools through the NFF due to their historic funding levels will not see a reduction in per pupil funding due to the Government's positive minimum funding guarantee of +0.5% to +2.00%.

Schools are required to respond to pupil number and pupil characteristic changes, which is currently the case for schools.

7. Appendices

These are listed below and attached at the back of the report	
Appendix A	Schools National Funding Formula consultation document and school responses
Appendix B	DfE: the National Funding Formula for schools and high needs: equalities impact assessment

8. Background Papers

The following background papers as defined in the Local Government Act 1972 were relied upon in the writing of this report.

Document title	Where the document can be viewed
National Funding Formula for Schools – update for 2021/22 (Schools Forum – item 7): 8 October 2020	https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=166&MId=5610&Ver=4
Schools National Funding Formula - Announcement	https://www.gov.uk/government/publications/national-funding-formula-tables-for-schools-and-high-needs-2021-to-2022
Schools Funding Update 2020/21: 21 January 2020 Decision paper: I019234	https://lincolnshire.moderngov.co.uk/ieDecisionDetails.aspx?Id=569
Schools Funding Arrangements 2020/21 (Schools Forum – item 28): 16 January 2020	https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=166&MId=5607&Ver=4
Schools Funding Arrangements (Schools Forum – item 83): 24 January 2019	https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=166&MId=5316&Ver=4
Schools Funding Arrangements (Schools Forum – item 5): 18 January 2018	https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=166&MId=5160&Ver=4
National Funding Formula for mainstream schools: 10 January 2018 Decision paper: I014788	https://lincolnshire.moderngov.co.uk/ieDecisionDetails.aspx?ID=402

This report was written by Mark Popplewell, who can be contacted on 01522 553326 or mark.popplewell@lincolnshire.gov.uk.



To: The Chair of Governors and Headteachers of all Lincolnshire maintained schools and academies

7th December 2020

Dear colleague

**Mainstream Schools National Funding Formula 2021/22
Lincolnshire County Council's consultation with all maintained schools and academies**

The purpose of this letter is to communicate the launch of the Local Authority's (LAs) consultation on mainstream schools funding with all of the county's maintained schools and academies in light of the government's funding announcement this summer on the national funding formula (NFF) proposals for 2021/22.

The government first introduced the NFF in 2018/19 for mainstream schools. Since its introduction, LAs have continued to be responsible for agreeing and calculating schools funding allocations, however LAs were strongly encouraged to move to the NFF arrangements so that schools' allocations were on a sensible trajectory towards the full formula.

The introduction of the NFF was to create consistency in funding across all schools nationally ensuring a fairer settlement for each school. To enable a managed transition to take place nationally, the government adopted a funding floor and ceiling approach to enable incremental steps for schools to move towards the full formula allowing for a financially sustainable re-distribution of funding across the country.

The Local Authority Primary and Secondary Units of pupil funding used to finance the Schools block of the Dedicated Schools Grant which calculates mainstream schools budgets continue to rise in monetary value through the transition to the full national funding formula. Although sector unit funding levels are below the England average, Lincolnshire's position nationally has improved when making comparisons. Considering Lincolnshire funding position in 2018/19 to 2021/22, Lincolnshire's primary unit value has increased by £759, and Lincolnshire's secondary unit by £791.

2020/21	Lincolnshire's Unit of Funding	England National Average	Difference	Rank
Primary	£4,184	£4,337	-£153	62
Secondary	£5,279	£5,606	-£327	52
2021/22				
Primary	£4,570	£4,666	-£96	80
Secondary	£5,724	£6,048	-£324	49
Difference				
Primary	£386	£329	£57	18
Secondary	£445	£442	£3	-3

Lincolnshire County Council consulted schools and academies in November 2017 on the LAs proposals to replicate the government's NFF in 2018/19 for mainstream schools, and support the direction of travel to adopt the government's full NFF. The LA funding formula proposals and responses from schools were considered at the Schools Forum and Children and Young Peoples Scrutiny committee meetings, before the Executive Councillor on the 10 January 2018 gave approval to replicate the schools national funding formula for 2018/19.

In 2019/20 and 2020/21, Lincolnshire's mainstream primary and secondary schools continued to receive funding using the same formula factors and monetary values as the NFF, alongside the government's agreed funding floors and ceilings approach.

On 30 August 2019, the Prime Minister announced an investment of over £14bn in primary and secondary education between 2020/21 and 2022/23. The funding package for schools (aged 5 to 16) includes £2.6bn for 2020/21, £4.8bn for 2021/22 and £7.1bn for 2022/23 compared to 2019/20 funding levels.

Through this investment and to move towards the 'hard' formula, the DfE outlined that the minimum per pupil levels of funding applied to all schools would become a mandatory factor in 2020/21 and there would be no ceiling cap so that all schools would attract at least their full allocations under the formula.

The 2021/22 announcement of additional funding for mainstream schools and NFF changes require Local Authorities to engage in an open and transparent consultation on their 2021/22 funding formula. The LA is therefore consulting with its local schools, academies and Schools Forum on its proposed schools funding formula changes for 2021/22.

The targeted funding criteria also requires consulting on for 2021/22. The targeted funding supports schools where they have a disproportionate number of pupils with more complex needs. The planned changes reflect the increased notional SEN allocations held within schools budgets, which will ensure fair funding is provided to schools through targeted funding, and the effective deployment and financial sustainability of the High Needs block of the Dedicated Schools Grant.

The policy documents released in July 2020 by the department can be found from the links below.

[Schools Revenue Funding 2021 to 2022 Operational Guidance](#)

[NFF - Schools Block Technical Note](#)

The latest Schools Forum paper on the national funding formula was presented on the 8 October 2020:

[National Funding Formula for Schools - Update for 2021/22](#)

Schools had been advised that a consultation would be taking place on mainstream school 2021/22 funding arrangements in this term. On 3 December 2020, an email was sent to maintained schools and academies advising them that this would be launched on the 7 December. The LA has worked through the governments NFF announcements and guidance

documents, including technical notes. There are two technical changes for mainstream schools funding that the LA is not required to consult on:

- Funding from the teachers' pay grant and teachers' pension employer contribution grant (including supplementary funding) have been incorporated into the NFF for 2021/22. The funding has been added to the basic per pupil entitlement (£180 for primary and £265 for secondary); to the minimum per pupil funding levels, and to the schools' 2020/21 funding baselines so that it is protected through the funding floor for protection purposes.
- The 2019 update to the Income Deprivation Affecting Children Index (IDACI) has been incorporated so that deprivation funding allocated through the formulae is based on the latest data.

The technical notes and guidance from the DfE have enabled detailed modelling work to be undertaken by the LA to understand the government's proposed changes.

The timescales for consulting are tight (with a deadline of 21 December 2020) due to the requirement for the LA to table the outcomes of the consultation for consideration at the Schools Forum (14 January 2021) and Children's & Young Peoples Scrutiny Committee (15 January 2021) before a final decision is made by the Portfolio Holder on the 21 January 2021. The Local Authority is required to submit the agreed funding formula for 2021/22 based on the latest October 2020 census information to the Education & Skills Funding Agency (ESFA) by the 21 January 2021 for approval. The deadline for confirming schools budgets is the 28 February 2021.

The Local Authority is consulting on the proposal to continue replicating the NFF in 2021/22. There are a series of questions that schools are asked to respond to that will help shape the formula for 2021/22. As part of the consultation exercise, the ESFA requires LAs to illustrate the likely financial impact of its proposals upon individual schools. This is enclosed within the supporting documentation, which is based on the schools October 2019 census data (due to the October 2020 census data not being available at this time), and the 2020/21 baseline information for illustrative funding purposes. The financial impact upon individual schools will depend upon the combination of decisions that are finally taken and the schools October 2020 census information. An outstanding matter is with the ESFA on how the LAs can respond financially to the increase in Free School Meal eligibility as a result of the pandemic when 2021/22 LA Schools block funding uses prior year 2019 pupil-led datasets. The position will of course be clear when final budgets for 2021/22 are published by the 28 February 2021.

To ensure openness and transparency, and to aid schools' understanding, the LA has provided a sufficient level of detail (including links to government pages) and illustrative school allocations to assist schools in this process, and to help schools respond to the consultation by completing and returning the enclosed proforma by 21 December 2020.

Yours sincerely

Mark Popplewell BSc (Hons) FCCA
Head of Finance – Children's Services
Lincolnshire County Council

MAINSTREAM SCHOOLS NATIONAL FUNDING FORMULA 2021/22

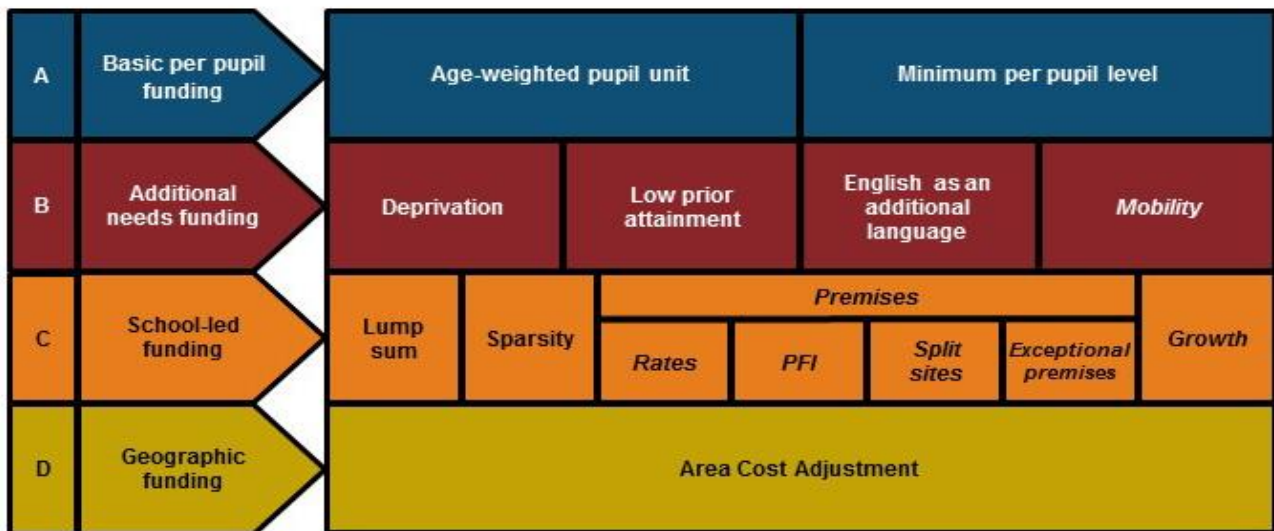
LINCOLNSHIRE COUNTY COUNCIL'S CONSULTATION WITH ALL MAINTAINED SCHOOLS AND ACADEMIES

Background

The government first introduced the mainstream NFF plan in 2018/19. The government plan has been to transition to the NFF through a 'soft' approach in the periods 2018/19 to 2021/22, whereby LAs continue to be responsible for calculating schools funding allocations.

The overall Schools block funding is determined at a LA level by the government's NFF by calculating notional budgets for each school. LAs have been encouraged to move towards the NFF so that schools' allocations are on a sensible trajectory towards the move to the full formula.

The government's building blocks of the schools national funding formula continue to include the following for 2021/22:



The key points from the government's schools national funding formula announcement for 2021/22:

- Each LA will continue to set the local schools formula for 2021/22 except for the minimum per pupil funding levels which will continue to be a mandatory factor in LA's local formula.
- The minimum per pupil funding levels will be set at £4,180 for primary schools (currently £3,750) and £5,415 for secondary schools (currently £4,800). The minimum per pupil funding levels include the incorporation of teachers' pay grant and teachers' pension employer contribution grant (primary £180, secondary £265).
- School funding through the NFF will increase by 4% overall in 2021/22. Key formula factors in the NFF will increase by 3%.
- Every school will be allocated at least 2% more pupil-led funding per pupil compared to their 2020/21 NFF baseline, i.e. the Minimum Funding Floor. This means that every school will attract an increase in their pupil-led funding of at least 2% per pupil, if the NFF is replicated. The application of this will be subject to affordability.
- LAs will continue to set the Minimum Funding Guarantee (MFG) between +0.5% and +2.0%.

- For the second year there will be no gains ceiling cap. All schools will attract at least their full allocations under the formula. LAs will still be able to use a cap in their local formula. The application of this will be subject to affordability.
- Additional funding will be available for small and remote schools through an increase in the Sparsity Factor value. Schools will be able to attract up to £45,000 (currently £26,000). The increased sparsity funding is intended to be the government's first step towards expanding the support the NFF provides for small and remote schools following an announcement by the DfE that this was to be reviewed at a national level.
- Premise funding will continue to be allocated to LAs on the basis of actual spend in the 2020/21 APT. This will continue to create a financial pressure for LAs each year due to the lag in funding which will need to be managed within the overall Schools block. The Private Finance Initiative (PFI) factor will increase in line with the RPIX measure of inflation (1.56%) to reflect PFI contracts.
- Growth funding will continue to be allocated to LAs based on the formulaic approach introduced in 2020/21 based on the growth in pupil numbers between October 2019 and October 2020 census. The government's growth funding applies a lagged approach rather than forecasting future growth expected therefore the Schools block will need to absorb any additional growth in 2021/22.
- Rates funding is based on schools actual rates bills from the prior financial year. The LA agreed through its schools consultation exercise to continue in 2020/21 to undertake a rates funding adjustment to ensure schools are funded the actual rates cost they incur in that financial year. No future agreement has been made to meet this cost from the DSG underspend.

Please refer to page 12 for the national funding formula factors monetary amounts planned for 2021/22 and page 13 refers to those in place for 2020/21.

CONSULTATION QUESTIONS – PRIMARY AND SECONDARY MAINSTREAM SCHOOLS

Enclosed within the supporting documentation is the schools illustrative financial impact based on the proposals of adopting the government's national funding formula (NFF) changes for 2021/22. The illustrative funding for schools is based on the schools October 2019 census data (due to the October 2020 census data not being available at this time), and the 2020/21 baseline information. The financial impact upon individual schools will depend upon the combination of decisions that are finally taken and the updated schools October 2020 census information. The position will be clear when final budgets for 2021/22 are published by the 28 February 2021.

Replicating the National Funding Formula in 2021/22

The Local Authority has replicated the government's National Funding Formula (NFF) since its introduction in 2018/19. All Lincolnshire mainstream schools are receiving at least the NFF allocations following the government's removal of the gains cap.

For 2021/22, funding received for teachers' pay grant and teachers' pension employer contribution grant (including supplementary funding) has been added into the NFF baseline school funding and the Age Weighted Pupil Unit value. This is considered to be a DfE technical adjustment. Other school funding formula changes are explained in the key points of the background section.

Question 1

Do you support the Local Authority in continuing to replicate the NFF in 2021/22? Please see Appendix B for 2021/22 funding formula factors and monetary values in comparison to the 2020/21 position.

Yes / No

If the answer is **no**, please outline the reasons why, and alternatives for directing funding to schools through the government agreed formula factors.

School responses	Schools' comments	Local Authority comments	The Local Authority's latest proposal
<p>Primary: 43</p> <p>Yes 95%</p> <p>No 5%</p> <p>Secondary: 14</p> <p>Yes 100%</p> <p>No 0%</p> <p>Other Sectors: 3</p> <p>Yes 100%</p> <p>No 0%</p>	<p>Two primary schools responded 'no' explained: one would have liked to have seen an alternative to consider, and the other school added that their growth numbers were not built into the modelling¹.</p>	<p>97% of responding schools supported the proposal that mainstream schools should continue to replicate the NFF in 2021/22</p> <p>The approach will continue to create consistency in funding across all schools ensuring a fair settlement for each school.</p> <p>The Local Authority has replicated the NFF since its introduction in 2018/19 with increased funding levels, and this proposal is to continue with this approach. The Local Authority would find it difficult to justify a deviation from this, which would result in redirecting funding from one school to another.</p> <p>The government's mainstream school funding arrangements have all but removed local flexibilities since the NFF introduction, as the government drive is to move all mainstream schools funding onto the 'hard' formula.</p>	<p>The Local Authority's proposal is to continue to replicate the NFF in 2021/22, subject to affordability.</p>

¹ The financial modelling for the consultation exercise was based on the schools October 2019 census data (due to the October 2020 census data not being available at the time of the consultation). The financial modelling is for illustrative funding purposes only. The 2021/22 funding will be based on the schools October 2020 census.

Minimum Funding Guarantee

The Local Authority is currently required to set a minimum funding guarantee² (MFG) per pupil between +0.5% and +1.84% against the schools existing per pupil baseline. The MFG ensures all schools are protected against per pupil funding changes from one year to the next. The 2020/21 MFG level is +1.84%, which provided schools with a minimum increase of +1.84% per pupil through the implementation of the NFF 2020/21 changes.

The government has announced in 2021/22 that Local Authorities are required to set the MFG between +0.5% and +2.0% per pupil. A decision is required to set the level of MFG for 2021/22.

Question 2

Do you agree that the Local Authority (subject to affordability) should adopt the government's proposal of a +2.0% MFG per pupil protection in 2021/22?

Yes / No

If the answer is **no**, please outline the reasons why and the level of MFG to be set at, and where the funding should be re-distributed through the NFF.

School responses	Schools' comments	Local Authority comments	The Local Authority's latest proposal
Primary: 43 Yes 100% No 0% Secondary: 14	No primary or secondary school comments received.	All responding schools supported the proposal that the Local Authority (subject to affordability) should adopt the government's proposal of a +2.0% MFG per pupil protection in 2021/22. The approach will ensure all schools receive at least a +2.0% per pupil increase	The Local Authority's proposal (subject to affordability) is to adopt the government's proposal of a +2.0% MFG per pupil protection in 2021/22.

² To protect schools from significant budget reductions, the minimum funding guarantee (MFG) ensures that no school loses more than a certain percentage per pupil compared to its prior year per pupil budget. A negative MFG allows school budget reductions to be set in a more sustainable way.

Yes 100% No 0% Other Sectors: 3 Yes 100% No 0%		compared to its 2020/21 per pupil baseline. The delivery of +2.0% will be subject to affordability of the Schools block, which funds schools delegated funding through the agreed formula.	
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Affordability

It is crucial that the overall funding delegated to schools is affordable based on the allocation made through the Schools block of the Dedicated Schools Grant to the Local Authority from central government. There remain a number of uncertainties that impact affordability.

- The Local Authority Primary and Secondary Units of Funding used to finance the Schools block, which funds schools budgets are based on the previous years' data / characteristics. This therefore does not take account of up to date pupil characteristics and any associated costs that are used to fund the new year's schools funding allocations. Previously, such cost differences have had to be managed within the Schools block. This is a pertinent point due to the significant increase in Free School Meal eligibility as a result of the pandemic, which will be recorded on the latest October schools census. This has been raised with the DfE for consideration due to the affordability risk of replicating the NFF - the Local Authority is waiting for their final response to the matter.
- Growth funding for planned reorganisations is allocated to Local Authorities using a formulaic approach based on the growth in pupil numbers between the October 2019 and October 2020 censuses. The government's growth funding applies a lagged approach rather than forecasting future growth expected, which does create financial uncertainty when meeting planned school growth future needs.

Question 3

If affordability was an issue in setting schools budgets for 2021/22 based on the government's Schools block Local Authority allocation, where would you take the monies from and please explain the reasons why:

- Reduce or remove the funding floor to a minimum +0.5% gain for all schools? (**Option 1**)
- Apply a percentage gains ceiling cap to schools per pupil gains? (**Option 2**)

- Reduce the monetary amount of age weighted pupil unit funding? (**Option 3**)
- Other.

School responses (count)	Schools' comments	Local Authority comments	The Local Authority's latest proposal
Primary: 43 Option 1 10 Option 2 15 Option 3 4 Other 3 No answer 11 Secondary: 14 Option 1 10 Option 2 3 Option 3 0 Other 1 Other Sectors: 3 Option 1 1 Option 2 2 Option 3 0 Other 0	<p>There were a mixed response from schools on the measures to address affordability issues. The solution of Option 1 (reducing the funding floor (MFG) from +2.0% to a minimum amount of +0.5%) represented 35% of schools responses, and Option 2 (having a percentage ceiling cap to schools per pupil gains) represented 33%.</p>	<p>Affordability of the Schools block that funds the NFF will only be known when school budget calculations are carried out using the October 2020 pupil census information. This work will be undertaken in January 2021 following the publication of schools census information by the ESFA.</p> <p>Local Authorities must ensure affordability within the government funding received. A time lag in data used to fund Local Authorities is the main reason for this, e.g. increase in pupil needs (such as free school meals, deprivation, or prior attainment) or an increase in fixed costs (such as rates and rents).</p> <p>The government's funding announcements (December 2020) did not refer to additional funding to Local Authorities where they have experienced a significant increase in free school meal eligibility as a result of the pandemic. A matter raised by many Local Authorities. This is extremely disappointing, since the Local Authority and schools are supportive of replicative the government's NFF, but this may not be deliverable.</p>	<p>If affordability is an issue due to the government's application of lagged funding arrangement for Local Authorities Schools block funding, the Local Authority will consider all options available (including taking account of schools views) to ensure individual school level implications are minimised.</p>

Targeted Funding

The government introduced the approach of 'Notional SEN', which required schools to contribute the first £6,000 of an Educational Health & Care (EHC) plan. The Local Authority through this implementation in 2015/16 transferred £2.4m from the High Needs block to the Schools block to delegate through schools budgets to meet these higher level pupil needs. The Local Authority also introduced the Targeted Funding approach, to support schools with a higher number of EHC plans compared to a similar size school, Lincolnshire provided additional funding through the High Needs block of £6,000 (less 5% of the AWPU) for those above the agreed threshold – this was to ensure that schools were not being financially disadvantaged by having a disproportionate number of pupils with more complex needs.

The NFF has brought in significant funding to Lincolnshire mainstream schools since its implementation in 2018/19. This therefore means more notional SEN is within schools budgets (published in the schools budget shares calculation) to not only meet high incidence low level SEN, but also the first £6,000 for a pupil with an EHC plan. The targeted funding criteria requires updating to reflect the increased funding going to schools to ensure fair funding is provided to schools, and the effective deployment and financial sustainability of the High Needs block of the Dedicated Schools Grant.

The Local Authority is to continue using targeted funding as an approach to supporting schools, and to use the actual amount of notional SEN determined through NFF (based on pre-determined percentage amounts assigned to each formula factor) to determine whether a school has sufficient notional SEN funding to support pupils that have an EHC plan at their school. Where they have insufficient funding, targeted funding will be allocated. The percentage of notional SEN applied for higher needs pupils with an EHC plan is 30%. This percentage was established prior to the delegation of funding for School Action and School Action Plus and bands 1-5 statements, therefore reflect the full spectrum of support to be delivered through notional SEN.

The Local Authority is proposing to increase the top up rate for EHC plans to more reflect the costs being incurred by schools for delivering a wide variety of support to pupils. The planned c.14% increase in the rate will be subject to affordability of the High Needs block, therefore may require flexing downwards once the 2021/22 budget requirements are confirmed.

It is important that appropriate transitional protection is provided to schools through these planned funding changes. The Local Authority has adopted such a practice previously in supporting schools and will continue to do so. To ensure mainstream schools receive at least a +2.0% increase in per pupil funding for 2021/22 compared to 2020/21 (as set out through the NFF) including the funding changes for targeted and top up funding, the Local Authority will provide protection funding to ensure all schools achieve the +2.0% level for 2021/22 as a one year transition protection arrangement.

Question 4

Do you agree that the Local Authority's should use the 2021/22 NFF as the basis for determining the notional SEN amount per school when identifying whether a school is entitled to Targeted Funding?

Yes / No

If the answer is **no**, please outline the reasons why.

School responses	Schools' comments	Local Authority comments	The Local Authority's latest proposal
<p>Primary: 43</p> <p>Yes 91%</p> <p>No 9%</p> <p>Secondary: 14</p> <p>Yes 100%</p> <p>No 0%</p> <p>Other Sectors: 3</p> <p>Yes 100%</p> <p>No 0%</p>	<p>Schools acknowledge the complexity of the government's concept of 'notional SEN' in delegated schools budgets.</p> <p>Schools should not be financially disadvantaged by having more EHC plan pupils.</p> <p>This could reduce targeted funding for some Lincolnshire schools.</p> <p>Schools require a targeted approach when notional SEN is insufficient.</p>	<p>93% of responding schools supported the proposal that the Local Authority should use the 2021/22 NFF as the basis for determining the notional SEN amount per school when identifying whether a school is entitled to targeted funding.</p> <p>The Local Authority fully supports inclusive practice, and the continued operation of the targeted funding approach will maintain this.</p> <p>This approach will ensure targeted funding is reflective of the schools characteristics, and where their notional SEN is insufficient to meet the first £6,000 for pupils with an EHC plan, targeted funding will be allocated to ensure a school is not financially disadvantaged. The approach is fair, equitable, transparent, efficient, and aligns to the NFF.</p> <p>The Local Authority will (subject to affordability) ensure mainstream schools receive at least a +2.0% increase in per</p>	<p>The Local Authority's proposal is to use the 2021/22 NFF as the basis for determining the notional SEN amount per school when identifying whether a school is entitled to additional financial support through targeted funding.</p> <p>The percentage of notional SEN applied for higher needs pupils with an EHC plan is 30%.</p> <p>The targeted funding criteria will allocate the first £6,000 where a school has been identified as having insufficient notional SEN within its delegated budget due to the number of pupils with an EHC plan.</p>

		pupil funding for 2021/22 compared to 2020/21 (as set out through the NFF) – the Local Authority will also provide transitional protection funding for 2021/22 where targeted funding and top up rate changes result in the school funding falling below +2.0% per pupil (or the final MFG value) when these funding streams are combined.	
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Question 5

Do you agree with the Local Authority's aspirations to increase the top up rate for EHC plans subject to affordability of the High Needs block?

Yes / No

If the answer is **no**, please outline the reasons why.

School responses	Schools' comments	Local Authority comments	The Local Authority's latest proposal
Primary: 43 Yes 98% No 2% Secondary: 14 Yes 100% No 0% Other Sectors: 3 Yes 67% No 33%	One school asked how the increased costs would be financed.	97% of responding schools supported the Local Authority's aspirations to increase the top up rate for EHC plans. The proposal to increase the top up rate for EHC plans is to more reflect the costs being incurred by schools for delivering a wide variety of support to pupils. The increased cost will be met by the targeted funding changes.	The Local Authority's proposal is to increase the top up rate for EHC plans for 2021/22 (subject to affordability of the High Needs block).

HOW TO RESPOND

The consultation closes on 21 December 2020. Schools are asked to complete the consultation response on MS Forms (link detailed below). Please ensure you complete the DfE number and name of school / academy should we need to contact you regarding your response.

[MS Forms - schools consultation response template](#)

Should you have any queries regarding these proposals, schools are to address correspondence to schools_finance@lincolnshire.gov.uk with the email titled 'Schools National Funding Formula Query' for the Schools Finance Team to respond to.

As indicated at the beginning of this document, the results of this consultation exercise will be reported to various groups. That information will also be made available to all schools.

Mark Popplewell BSc (Hons) FCCA
Head of Finance – Children's Services
Lincolnshire County Council

Proposed National Funding Formula – 2021/22

Formula Factors	Primary Rates		Secondary Rates	
<u>Basic per-pupil funding</u>	KS1 & 2	£3,123	KS 3 KS 4	£4,404 £4,963
<u>Additional needs funding</u>				
Ever 6 FSM		£575		£840
Current FSM		£460		£460
IDACI F (Rank 9033 to 12316)		£215		£310
IDACI E (Rank 5748 to 9032)		£260		£415
IDACI D (Rank 4106 to 5747)		£410		£580
IDACI C (Rank 2464 to 4105)		£445		£630
IDACI B (Rank 822 to 2463)		£475		£680
IDACI A (Rank 1 to 821)		£620		£865
Low Prior Attainment		£1,095		£1,660
English as an additional language		£550		£1,485
Mobility		£900		£1,290
<u>School-led</u>				
Lump Sum		£117,800		£117,800
Sparsity (NFF)		£45,000		£70,00
Primary Minimum Per Pupil Funding Level		£4,180		£5,415

Funding for premises factors such as Rates, Split-site and Rents will continue in line with the current year.

National Funding Formula – 2020/21 (for comparison purposes)

Formula Factors	Primary Rates		Secondary Rates	
	KS1 & 2	£2,857	KS 3 KS 4	£4,018 £4,561
<u>Basic per-pupil funding</u>				
<u>Additional needs funding</u>				
Ever 6 FSM		£560		£815
Current FSM		£450		£450
IDACI F (Between 0.2 and 0.25)		£210		£300
IDACI E (Between 0.25 and 0.3)		£250		£405
IDACI D (Between 0.3 and 0.35)		£375		£535
IDACI C (Between 0.35 and 0.4)		£405		£580
IDACI B (Between 0.4 and 0.5)		£435		£625
IDACI A (Between 0.5 and 1)		£600		£840
Low Prior Attainment		£1,065		£1,610
English as an additional language		£535		£1,440
Mobility		£875		£1,250
<u>School-led</u>				
Lump Sum		£114,400		£114,400
Sparsity (NFF)		£26,000		£67,600
Primary Minimum Per Pupil Funding Level		£3,750		£5,000

Equalities Impact Assessment

Source: Department for Education: The national funding formulae (NFF) for schools and high needs 2021-22 (July 2020)

The Public Sector Equality Duty (PSED) in section 149 of the Equality Act 2010 requires the Secretary of State to give due regard to achieving the following objectives in exercising their functions:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

We have considered the impact on persons who share any of the protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation. We have focused on those protected characteristics for which the impact is largest, and which are most closely tied to the distributional policy choices we are making. We use incidence of SEND as a proxy for disability in this analysis, as the two are highly correlated, and ethnicity as a proxy for race.

We introduced the NFF in 2018-19 after significant consultation and published a full equalities impact assessment. We are broadly continuing the implementation of this version of the NFF. Therefore, we have focused this assessment primarily on the key policy changes that are being made in 2021-22.

Schools NFF

Increasing the minimum per pupil levels

Increasing the minimum per pupil levels for primary schools to £4,180 and secondary schools to £5,415 will benefit the lowest funded schools that do not otherwise attract these levels of funding through the other formula factors (i.e. for additional needs). As a result, the schools with the highest proportions of pupils with SEND will typically gain less as a result of this element of the formula, because these schools are likely to attract additional funding through other factors in the formula, and will therefore not be among the lowest-funded schools. Schools with the highest proportions of pupils from low-performing ethnicities and ethnic minorities will also typically gain less than other schools, because these characteristics in general correlate with higher overall funding at school-level. 65. However, there are individual pupils with both these characteristics who are currently in the lowest-funded schools and they will benefit from this policy. Furthermore, the overall policy for the NFF continues to allocate the greatest share of resources to pupils with additional needs, and therefore those most likely to have these protected characteristics. This specific

element of the formula is also set alongside a very significant increase to high needs funding – channelling resources specifically towards pupils with SEND.

Increasing the funding floor

The increase to the funding floor in line with inflation will disproportionately benefit schools that have been more highly funded historically. These tend to be in urban areas, and have a higher proportion of children from low-performing ethnicities and ethnic minorities because these areas are more ethnically diverse. They also have a higher occurrence of non-Christian faith schools. We assess that this will have a positive impact on these pupils.

Supporting small schools

We are directing more funding to small remote schools. These schools tend to have lower proportions of pupils with additional needs than average. As additional needs funding contains proxies to direct funding towards pupils with special educational needs and disabilities (SEND), support for small remote schools will generally benefit schools with lower proportions of pupils with disabilities more than average. Likewise, small remote schools have a lower proportion of pupils with ethnic minorities than average.

However, the overall distribution of funding in the schools and high needs NFF still significantly favours schools with high levels of additional needs, and therefore with higher incidence of pupils with certain protected characteristics, notably disability and ethnicity. Furthermore, analysis has shown that small schools face higher per pupil costs than larger schools, which is compounded in remote areas by an inability to achieve efficiencies such as shared senior leadership teams with other small schools. The increased funding will help meet those costs, which can include the costs of supporting pupils with more complex SEN, and those who are disabled.

Increasing the remaining NFF factors by 3%

We are increasing the remaining core NFF factors by 3%, which affects the majority of schools. As the same 3% uplift would cover both the basic per pupil amount (AWPU) and the factors for additional needs, the balance between the factors remains broadly unchanged from before. There would therefore not be any disproportionate impact (either positive or negative) on pupils with protected characteristics.

Rolling in the teachers' pay and pension grants

We are rolling in the teachers' pay grant (TPG) and teachers' pension employer contribution grant (TPECG) to the schools and the central school services NFF in such a way that the additional NFF funding schools and LAs receive is as similar as possible to the funding they would receive if the grants were not rolled in. We recognise that the rolling in will never perfectly reflect the current allocations, but do not believe that the schools affected by the discrepancies have a higher proportion of pupils with protected characteristics than average. There would therefore not be any disproportionate impact (either positive or negative) on pupils with protected characteristics from the rolling in of grants.

Moving from using IDACI 2015 to IDACI 2019

We will (i) switch from using IDACI 2015 to IDACI 2019, and in conjunction with that (ii) update the IDACI banding methodology used in the schools and high needs NFFs:

Switching to using the updated IDACI 2019 data will ensure that deprivation funding is directed more accurately at those areas which are most deprived – as opposed to those areas which *were* most deprived in 2015. This shift would not be expected to have any significant impact on groups with protected characteristics.

The change in the banding methodology aims to ensure that the proportion of deprivation funding allocated through the NFF remains broadly unchanged. Without this change, the total amount of deprivation funding would decrease significantly. As there is a significant overlap between areas of high deprivation and the proportion of pupils from an ethnic minority background, the change in banding methodology would be expected to have a positive impact on equalities.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/901889/FINAL_2021-22_NFF_Policy_Document_MB.pdf

SEN related changes

Targeted Funding

The targeted funding criteria for supporting schools where they have a disproportionate number of pupils with more complex needs will continue to be in place. Moving to an approach of using the actual amount of notional SEN determined through the NFF formula to identify whether a school has sufficient notional SEN funding to support pupils will ensure targeted funding is directed more accurately reflecting the school characteristics and funding it receives through its schools budget shares delegated funding.

The targeted funding approach is a funding mechanism supported through the High Needs block, and it is a Local Authority decision whether to have such an approach in place. The approach is established where it is determined a school cannot reasonably meet these additional SEN costs out of their budget shares. The Local Authority fully supports inclusive practice and will continue to apply the targeted funding approach to support mainstream schools from not being financially disadvantaged by having a disproportionate number of pupils with more complex needs.

The planned changes reflect the increased notional SEN allocations held within schools budgets, which will ensure fair funding is provided to schools through targeted funding. It is not expected to have a significant impact on groups within protected characteristics since this is responding to the increased notional SEN allocations held within schools budget shares. The approach is fair, equitable, transparent, efficient, and aligns to the NFF.

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**Open Report on behalf of Heather Sandy,
Executive Director – Children's Services**

Report to:	Children and Young People Scrutiny Committee
Date:	15 January 2021
Subject:	Children Missing Out on Education Annual Report 2019/20

Summary:

This report collates data and commentary on groups of children who are identified as being at increased risk of missing education. It is the fourth report in this format and compares, where possible, three years of data.

Actions Required:

The Children and Young People Scrutiny Committee is invited to review and comment on the Children Missing Out on Education Annual Report 2019/20.

1. Background

The local authority has a duty under **section 436A of the Education Act 1996** to have processes in place to identify children who are not receiving a full time suitable education. This report provides an update on the processes in place to capture this information and explains any trends where possible.

The definition 'Children missing out on education' is used in this report to encompass children who are out of any form of education i.e. they are not on a school roll, not receiving full time education because their attendance is irregular or they are not receiving a suitable education elsewhere.

Covid-19 resulted in schools closing in March 2020 and reopening to all pupils in September 2020 which resulted in a significant impact on attendance at school. Therefore, some of the data presented in this report is limited to the period in which schools were fully open which was September 2019 until end of February 2020.

The following points are highlights of the activities and trends for the academic year 2019-20:

- The number of children being removed from school to be electively home educated continued to grow despite the period of non compulsory schooling from March to September 2020. This was in line with a national growth in

this area. During the lockdown, contact with families was limited and initially this impacted on the ability to assess the education being provided at home. This improved by June 2020; however, the lack of visits to a child's home has made it difficult to truly assess the education and welfare of those children causing most concern.

- The process for reporting children missing education and following up notifications continues to improve with the introduction of the new data management system, Synergy. Children reported as Children Missing Education (CME) dropped during the lockdown as schools found it difficult to establish the education status of some of the children and visits did not initially take place to find the whereabouts of the family. The latter recommenced in June 2020.
- During the first part of the academic year, schools continued to use Fixed Penalty Notices (FPN) as a tool for addressing irregular attendance. The number of FPN's by February 2020 was more than half that of the previous year indicating that total numbers would have been higher for 2019/20 than 2018/9 if the process had not been suspended in March. During the period FPN's were being used, a higher percentage were issued for persistence absence than previously, which indicates that schools were more prepared to use this strategy to address long term absences. Prosecutions also increased mainly due to the introduction of the Single Justice Process to address non payment of Fixed Penalty Notices for holiday leave.
- The school absence rates refer to 2018/19 and show that Lincolnshire's persistent absence rate increased compared with national data. This accounts for 171 primary schools sitting above the national average for overall absence. Covid-19 has made it difficult to address this individually with the schools however a high number of schools have attended virtual workshops on managing attendance which indicates a will to improve. It will also be challenging to show improvements as 2019/20 attendance data will be seriously impacted by the pandemic.
- Between September 2019 and March 2020, the use of the reduced timetable increased as more schools followed the guidance introduced in June 2019. The guidance states that the implementation of a reduced timetable should only be done with the consultation of the SEND team, Pupil Re-integration Team (PRT) and the Social Worker if the child is known to these services. This has raised the awareness of the importance of monitoring the use of a reduced timetable to ensure the child is receiving the education they are entitled to. Understanding the reduced timetable process has been essential going into the new academic year, as schools use it to reintegrate children with anxiety due to Covid-19 back into school.

2. Conclusion

The Committee is invited to review and comment on the Children Missing Out on Education Annual Report 2019/20 attached at Appendix A.

3. Consultation

a) Risks and Impact Analysis

Not Applicable

4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Children Missing Out on Education Annual Report 2019/20

5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Jill Chandar-Nair, who can be contacted on 07717 320089 or jill.chandar-nair@lincolnshire.gov.uk.

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1. Background

The local authority has a statutory duty to arrange suitable full-time education for children of compulsory school age at school or otherwise. This education must be suitable to their age, aptitude and any special educational needs they might have. The local authority have a duty under **section 436A of the Education Act 1996** to make arrangements to establish the identities of children in their area who are not receiving a suitable full-time education, as described.

The groups of children who are identified as being at an increased risk of missing out on education are:

- **Children missing education (CME)**
children who are not on roll of a school
- **Children who are electively home educated (EHE)** where parents are failing to provide a suitable, efficient education that meets the needs of their child
- **Children not attending regularly**
pupils who have not attended school for a period of 10 consecutive school days and their absences have been unauthorised (**PNAR**)
pupils for whom a fixed penalty notice has been issued due to persistent absence/unauthorised holiday
pupils whose parents are being prosecuted due to their child's poor attendance
- **Pupils on reduced timetables**
pupils who are not receiving a full-time education due to e.g. medical needs

2. Coronavirus (Covid-19) and School Attendance

Due to the spread of the pandemic Coronavirus (Covid-19), on the 20th March 2020, schools were closed for the majority of children, remaining open only for those children of workers critical to the Covid-19 response - who absolutely needed to attend, and vulnerable children. On 1st June 2020, schools were asked to open to allow children to attend who were in Reception, Year 1, Year 6 and Year 10 as well

as continuing to be open for vulnerable children and critical workers. Schools were expected to continue to provide learning opportunities to children at home through online resources and teaching.

Due to the disruption in the physical attendance at school, school attendance was deemed as 'non compulsory' for a period of time, which resulted in the following suspension of data collection and non-attendance processes from the 20th March until the end of the 2019/20 academic year:

- DfE attendance data
- Children not attending regularly (issuing of fixed penalty notices for non-attendance and legal action)
- Reduced timetables

The data in this report that relates to the above areas is for the period of the academic year 2019/20 when education at school was compulsory.

3. Notification of children who are missing out on education (CMOE)

2016/17 saw the introduction of online surveys that allow schools to notify the local authority of children who are or may be at risk of missing education. The introduction and use of Synergy in 2018 allowed the local authority to improve the processing of the two new DfE files, CMJ- child joining a school and CML – child leaving a school. Most school management information system (MIS) providers have now built the use of these files into their system and schools are therefore more easily able to provide the local authority with the data it requires. Once received, the system matches leavers and joiners; when a child is not matched, further enquiries are made with schools, to ensure that they have used the notification survey as required. If the child's whereabouts cannot be confirmed, the child is considered as missing education and the search for this child is supported through the child missing education process.

4. Children Missing Education

Since November 2016, schools have used the notification survey to report a child as missing education. Other authorities that wish to report a child missing education refer directly to the CME team. In 2019/20 **1207** CME notifications were received, **962** were reported by Lincolnshire schools, **245** were referred from out of county. Overall there has been a 17% decrease in the total number of CME children most likely explained by the lack of reporting during the first Covid-19 lockdown when attendance at school was not compulsory. There was also a lower rate of closure as it was difficult to determine if a child had returned to school until September 2020. The CME team continue to find children and close cases from previous years; A further 253 children were found in education from the 474 remaining open cases in 2018/19 and 117 from the 183 remaining open cases for 2017/18.

New sets of information were collected for 2019/20 which includes the source of the referral, the reason a child has been referred as missing education and the district breakdown of the location of the CME. Just over half of the referrals received are from Lincolnshire schools when a child does not return to school or start when expected. Approximately 10% of the referrals are passed to the CME team from Admissions when a school place is not taken up. 27% of cases become CME because they have moved out of county and 22% are reported CME when they arrive in the county without a school place. Nearly 20% move out of the UK with no known destination address. A fifth of the CME notifications for 2019/20 were from the Boston area most likely due to the high number of Eastern European families who return to their home country without stating a next destination school.

In 2017 Her Majesty's Revenue and Customs (HMRC) introduced a process which allowed local authorities to report a Child Missing Education to them following which they will inform the local authority if the family is still living at the same address, a different address or not found. This process was suspended during lockdown and restarted for the new academic year 2020/21. The conditions are that the child must have been CME for 10 weeks and that a recent home visit had been carried out prior to the referral. Lincolnshire began this process on the 5th February 2018. There are also plans to liaise with the district councils who may have information on housing

and benefits that will help to locate the family and child if they remain in the county. CME referrals continue to be risk assessed in order for the team to prioritise those classed as red rating i.e. known to social care, a victim of crime etc.

5. Children not attending regularly

5.1. School Assurance

Most recent data	National Unauthorised absence		Lincs. Unauthorised absence		National Authorised absence		Lincs. Authorised absence		National Persistent absence		Lincs. Persistent absence	
	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18
All schools	1.4%	1.4%	1.02%	1.1%	3.3%	3.5%	4.15%	3.7%	10.9%	11.2%	14.22%	11.5%
Primary	1.1%	1.1%	0.88%	1.0%	2.9%	3.0%	3.47%	3.1%	8.2%	8.7%	11.61%	8.6%
Secondary	1.8%	1.6%	1.12%	1.2%	3.7%	3.9%	4.79%	4.2%	13.7%	13.9%	16.63%	14.2%
Special	2.3%	2.2%	2.47%	1.9%	7.8%	8.0%	8.09%	10.5%	28.8%	29.6%	30.82%	32%

- Lincolnshire's unauthorised absence in mainstream schools decreased compared with an increase nationally. Unauthorised absences in special schools increased.
- Lincolnshire's authorised absence in mainstream schools increased compared with a decrease nationally. Authorised absences in special school decreased.
- Lincolnshire's persistent absence increased compared with a decrease nationally. Persistent absence in special schools decreased.

The particular concerns are the continued increase in persistent absences in primary and secondary schools. Whilst absence in Lincolnshire special schools is still higher than national data, the gap has reduced.

There will be no comparable data for 2019/20 and the full 2020/21 year due to Covid-19 however hopefully there may be data available for the spring and summer term of 2021 which will be available for the 2021/22 annual report.

There were 171 primary schools, 26 secondary schools and 10 special schools who had higher than national average overall absence and 52 primary, 24 secondary and 6 special schools that had higher than national average for unauthorised absence. The local authority routinely writes to these schools raising its concerns however, due to the pressures that schools were under due to coronavirus, this did not

happen. The Inclusion and Attendance team continue to promote the Managing Attendance package of workshops, audit and advice and guidance which 140 schools have purchased for 2020/21. The attendance of schools at the 'managing attendance' workshops is very high indicating that there is a will to achieve better.

5.2. Pupils not attending regularly: 10 consecutive days unauthorised absence

The Children Missing Education guidance September 2016 stated that schools should agree with the local authority, an interval at which they will inform the local authority of a pupil that fails to attend regularly. To support this, a notification survey has been designed that allows schools to notify the local authority of any child who has been absent from school without permission for more than 10 consecutive school days.

The table below shows the number of pupils notified as not attending regularly for the period September 2019 and March 2020.

School type	No. submitted	No. repeat
Primary	37	9
Secondary	161	36
Special	33	13

In 2019/20 there were 231 entries and 58 pupils entered more than once. This is an increase on 2018/19 and only covers a 7 month period.

Schools are supported to explore all possible strategies to return the child to school or alternative provision and, where appropriate, the local authority may write to parents on behalf of the school reminding them of their duty and requesting the child returns to school. Schools are requested to review and resubmit every four weeks in order for the local authority to monitor children with long term absence from school.

6. Fixed Penalty Notices (FPN)

When a child has unauthorised absence of more than 4.5 days over a six week period, schools are permitted to request the issue of a penalty notice. There were

1600 FPN's issued in 2019/20. If the process had not ceased in March due to the pandemic, there would have been at least the same number of FPN's as 2018/19. With the introduction of the Single Justice Process (SJP), cases of non-payment were being heard by the courts, hence the significant increase in prosecutions. Based on the first six months, payments of fines had increased to 66%. The introduction of the new web portal for schools to request FPN's and for parents to pay was delayed until September 2020 due to issues with the new JADU platform. This will hopefully reduce the amount of time allocated to processing an FPN and may see an increase in fine payment and less court hearings.

Lincolnshire is usually required to complete an annual return to the DFE as part of the Parental Responsibilities - Attendance data collection; however, this was not required for 2019/20.

7. Prosecutions for non-attendance

Over the 2019/20 period, 293 cases were presented to the courts for poor attendance which includes those cases heard through the Single Justice Process. This is significantly more than previous years due to the prosecution for non-payment of FPN's. Prosecution for persistent absences which are ordinarily heard in the live courts was on a trajectory to be higher than last year. This would reflect the strategies that schools are taking to address the increase in persistently absent pupils. No cases were heard in the courts either on-line (SJP) or live from March to September 2020.

8. Children on Reduced Timetables

The legislation states that all children have a right to a full-time education which is defined by Ofsted as 25 hours per week. If at any point in a child's education, it is deemed that he/she is not capable of doing a full-time education principally due to medical needs, the school must inform the local authority. The school must indicate why the reduced hours timetable is in place and for how long; this must be for no longer than 6 weeks and be in agreement with the parents.

A revised 'Reduced Timetable' protocol is now available to schools and the local authority will monitor the use of this, principally looking at children who are subject to a number of periods of reduced timetables and schools who frequently use this approach.

The data below shows the number of reduced timetable notifications from schools from September 2019 to March 2020. There were no notifications for the remainder of the year due to non-compulsory education.

School type	No. submitted	No. repeat	No. Closed
Primary	238	90	47
Secondary	209	68	33
Special	40	6	3

Throughout 2019/20, 486 children were reported to be on a reduced timetable. Considering this is data for only 7 months of the academic year, this is a significant increase on the previous year. This is likely to reflect an increase in reporting since the release of the new protocol rather than an increase in the use of reduced timetables in school. 164 children were assessed at the 6 week maximum period for a period of reduced timetable and re-entered on to the system for a further period. A third re-entry would have resulted in a dialogue with the school, however reduced timetables ceased until September 2020 when children returned to compulsory school.

9. Children who are electively home educated

The local authority maintains a register of children who are home educated. Schools are legally required to inform the local authority when a parent decides to remove their child from school, to home educate. Other children, who have never entered the education system, are often identified by other agencies. At the end of the academic year 2019/20 there was 1123 EHE children known to the local authority. This is slightly higher than the numbers for 2018/19 despite the fact that there were few

notifications from March to August due to the lockdown, only 138 were received compared with 293 over the same period for 2019.

In Lincolnshire and nationally, home education numbers have been increasing. This can be for many reasons and with more publicity being given to home education, parents may perceive it as a viable and even more desirable alternative to school, without understanding the complexities of providing a suitable education at home.

The result has been that a growing number of children are out of school for a significant amount of time whilst they move through the EHE process only to be returned to school when it becomes evident that no full-time, suitable education is being provided.

In April 2019, the local authority adopted a more robust process to address this concern. Parents are now required to demonstrate that they have an intention to educate and have an awareness of how they are going to approach this. Initially parents could either have a visit from a Safeguarding and Education Welfare Officer to allow them the opportunity to discuss their intention to educate or they could provide written information. However, since March 2020, visits have had to be curtailed due to the Coronavirus pandemic and parents can now either submit information or have a phone or video call. Whilst for the majority, these methods of communication have been effective; there is added value to making a home visit to assess the suitability of the environment for learning and the overall wellbeing of the child.

Once a judgement of 'satisfactory' with regard to intent to home educate has been given, parents can receive a visit by an education provision advisor or they can send the LA information about the provision they are making. Up until March 2020 this was the process which was followed. From September 2019 to the end of February 2020, 385 children were visited and 93% were judged as suitable compared with 91% of 316 children for the same period a year previously.

Where the parents have opted to send information, the rate of suitable judgements is lower. There were 97 submissions from September 2019 to the end of February

2020, with 78% being judged suitable. This is, however, higher than the previous year which was 60% of 57 submissions. This improvement in outcomes for both visits and submissions, is likely to be due to the initial stage of the process when parents who are unable to provide evidence of their intention to educate are directed to send their child back to school, thus increasing the possibility that the remaining families are able to provide a good level of education at home. This improvement to the process has also impacted on the number of failed visits reported due to family not being present or did not expect a visit (all visits are confirmed in writing). This has decreased compared to the previous year from 185 to 139 for the same period September 2019 to February 2020.

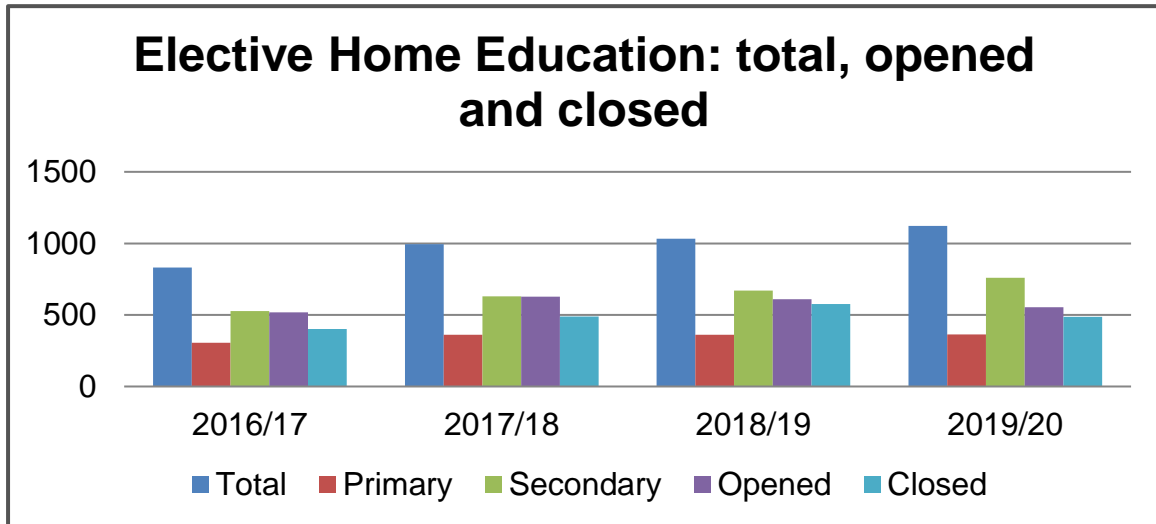
In March 2020 when it was clear that the coronavirus situation was becoming increasingly serious, the process changed due to parental anxiety over visits and the need to keep staff safe. The process was temporarily on hold until a new way of working could be established; this has impacted on the data for 2019/20. By the end of March, it was agreed that all parents could provide a submission of information about the provision they were making for their child and a longer period was given for the return. The number of submissions returned in the timescale was under 50%. To respond to this, the team began to offer a phone or video call as an alternative to a home visit, this was more successful in eliciting a reply.

Moving into the new academic year, the team has continued with the new ways of working. The legacy of delayed notifications, limited contact with parents and in some cases, poor evidence provided during the lockdown, is currently having a negative impact and this will continue whilst the numbers of children being home educated continue to significantly increase. One of the consequences is the increase in School Attendance Orders issued by the local authority.

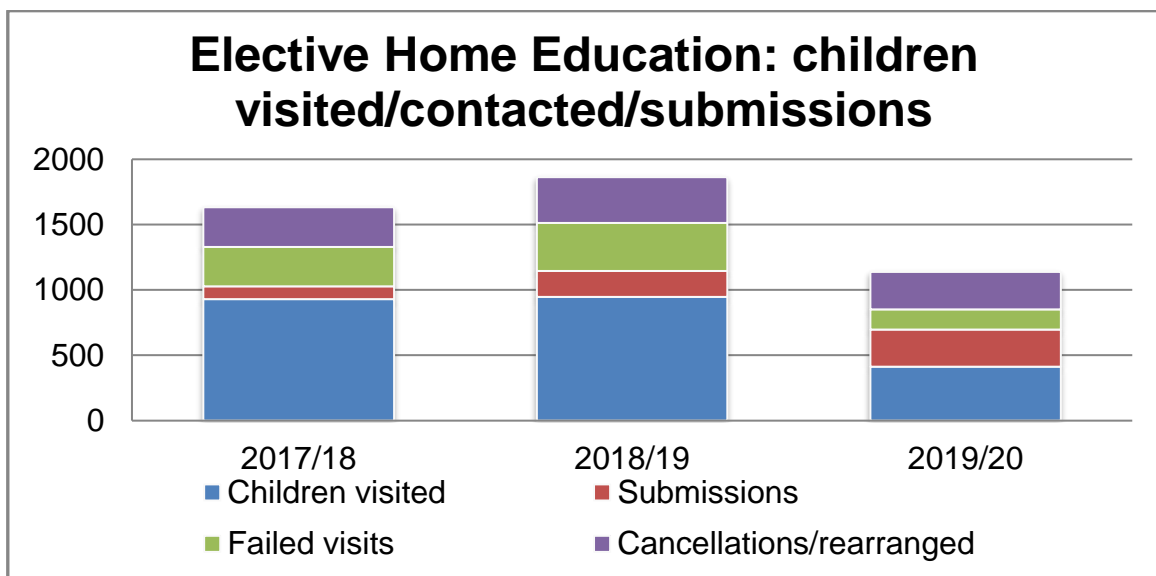
The number of children who were electively home educated and on a Child in Need (CiN) or Children Protection (CP) plan or receiving Early Help was collated and is included in the report. There have been some data quality issues which were unable to be resolved by the time of submission of the report. Additional data has been collated for this year, however, to include children who have been previously CiN, CP or Early Help. This information gives a more informed idea of the vulnerability of

the children being home educated. Currently there are 24 EHE children on a child in need plan with 274 previously CiN. There are 2 children currently in child protection and 72 previously on a CP plan. It also shows that 13 children who are currently being home educated were previously Looked After. Finally the number of children who have an Education, Health and Care Plan (EHCP) has increased this year by 40%. From December 2020, this data will be available on a monthly basis as part of the Children's Services monthly reporting which will allow a more thorough analysis.

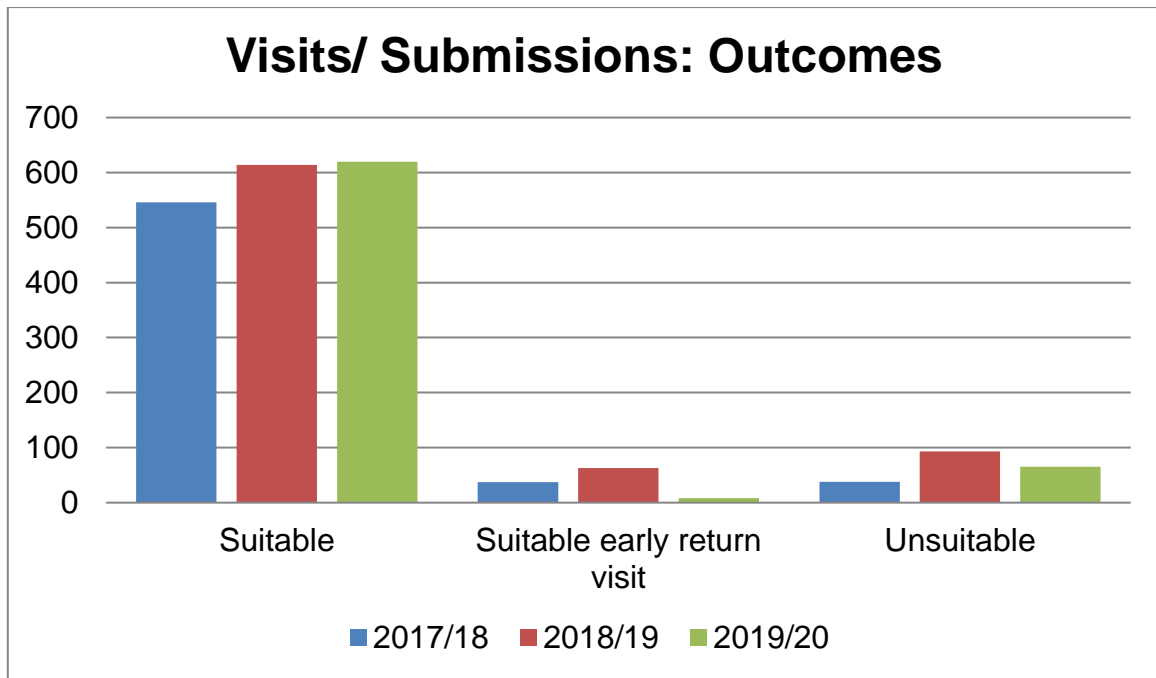
Elective Home Education



Key Messages: Number of children being Electively Home Educated continues to grow despite fewer referrals during the school closure.

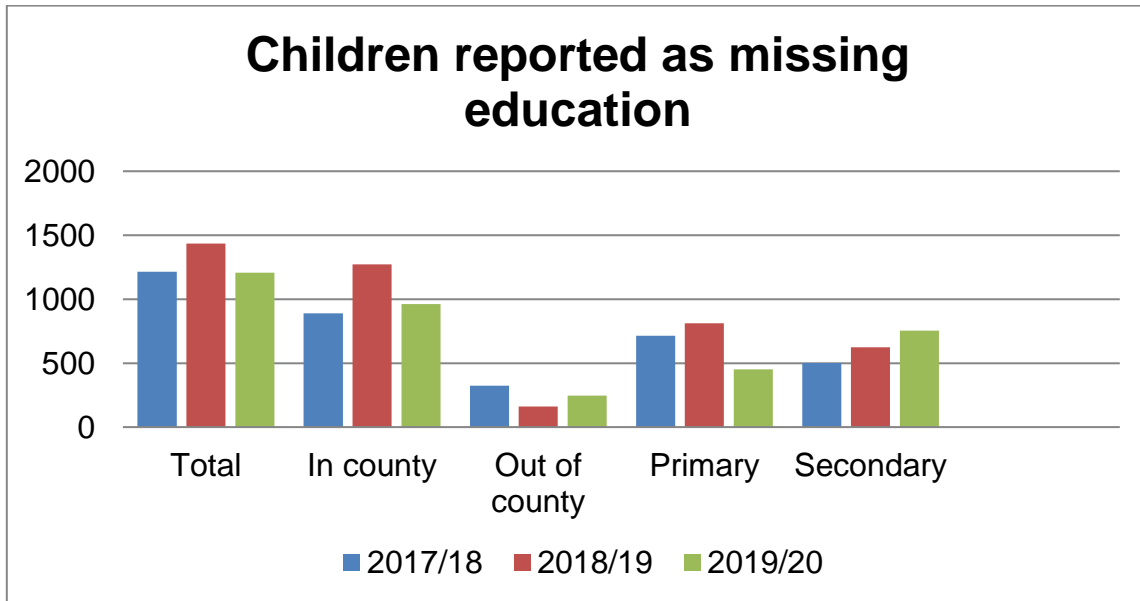


Key Messages: The lower number of visits and increase in submissions reflects the change in practice due to the pandemic. There are lower numbers of contacts overall as the process was delayed. A decrease in cancellations and failed visits reflects the lack of visits but also the improved process.

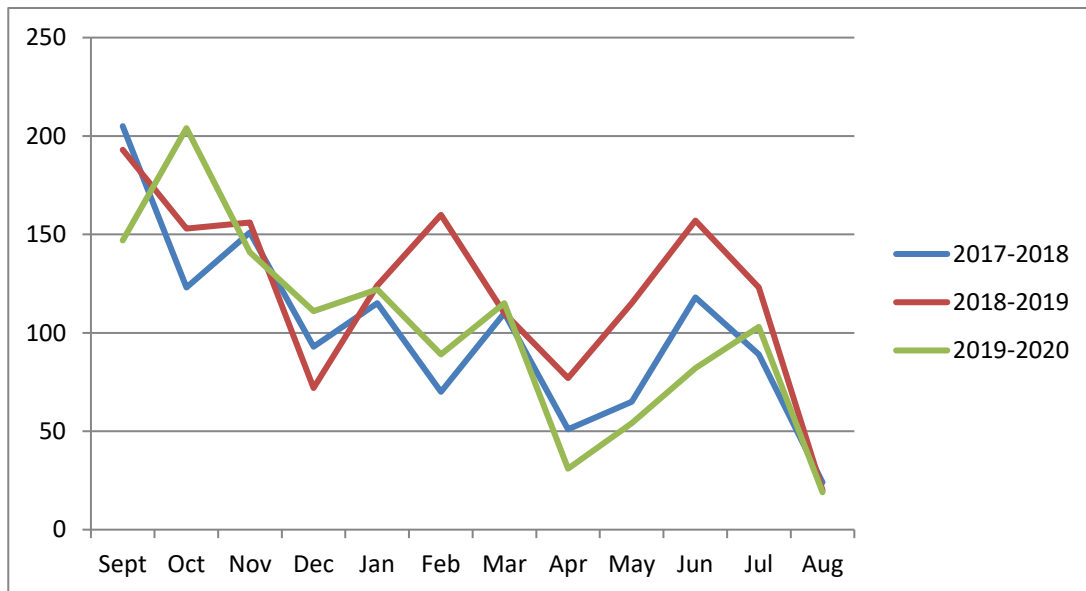


Key Messages: There has been an increase in suitable visits/submissions based on the current process of requesting information, phone or video call.

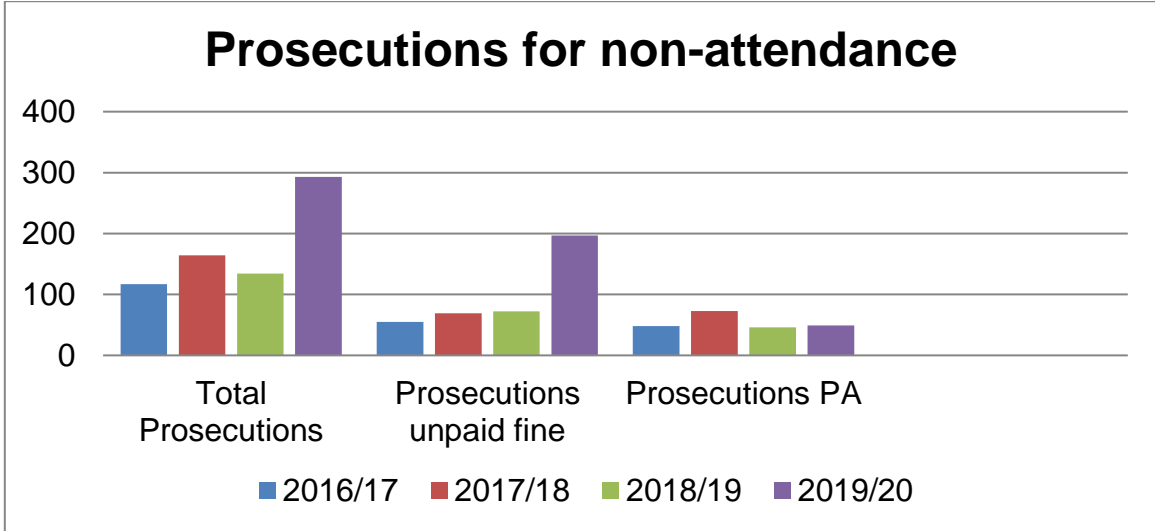
Children Missing Education



Key Messages: the number of children reported as missing this year has decreased compared with last year. Over the period March to July when attendance at school was non-compulsory, there was a drop in the reporting of CME children as can be seen in the chart below.



Children not attending regularly



Key Messages: Prosecutions due to unpaid FPN fines has increased considerably due to the introduction of the Single Justice Process. This represents only 6 months of data therefore would have been significantly higher.



Key Messages: Total Fixed Penalty Notices issued were low due to processes ceasing in March 2020. This is reflected in other categories except prosecution for non-payment due to the introduction of the Single Justice Process.

Children Electively Home Educated

Reported August 2019

School Age Group	2016/17			2017/18			2018/19		
	Pri	Sec	Total	Pri	Sec	Total	Pri	Sec	Total
Current number EHE	305	527	832	361	631	995	361	671	1032

Starters and Leavers	2016/17	2017/18	2018/19
Number of new starters	518	628	610
Number closed	402	488	577

EHE Advisor visits and outcomes	2017/18	2018/19	2019/20
Number children visited	931	946 (369 failed)	-
Number families visited	800	760	413
Number of submissions reviewed	98	199	285
Number of suitable (visits and submissions)	546	614	620
Number of early returns following suitable (visits and submissions)	37	63	8
Number of unsuitable (visits and submissions)	38	93	65
Failed visits	300	369	153
Cancelled or rearranged visits	304	349	286

	Pupil	Male	Female
Reception	11	5	6
Yr 1	37	16	21
Yr 2	52	27	25
Yr 3	46	29	17
Yr 4	70	38	32
Yr 5	67	34	33
Yr 6	81	39	42
Yr 7	108	52	56
Yr 8	115	52	63
Yr 9	160	76	84
Yr 10	171	80	91
Yr 11	205	99	106

Area	2018/19	2019/20	% increase/decrease
Boston	69	82	18%
East Lindsey	269	312	16%
Lincoln	114	113	-1%
North Kesteven	134	150	12%
South Holland	141	148	5%
South Kesteven	144	158	10%
West Lindsey	161	160	-0.5%
	1032		

	CIN	Previously CIN	CP	Previously CP	TAC	Previously Early Help	EHCP	Looked After Child
2015/16	110	n/a	5	n/a	100	n/a	57	n/a
2016/17	114	n/a	9	n/a	78	n/a	57	n/a
2017/18	82	n/a	2	n/a	80	n/a	51	n/a
2018/19	74	n/a	6	n/a	61*	n/a	52	n/a
2019/20	24	274	2	72		48	73	13

*The TAC Number represents TAC External only due to a current issue with the TAC Internal Report therefore numbers may be slightly lower.

Children Missing Education

Reported August 2020

2017/18	In County				Out of County				Total			
	Open	Closed	Reached School Leaving Age	Total	Open	Closed	Reached School Leaving Age	Total	Open	Closed	Reached School Leaving Age	Total
Primary	118	398	0	516	49	148	0	197	167	546	0	713
Secondary	84	272	18	374	26	92	9	127	110	364	27	501
Total	202	670	18	890	75	240	9	324	277	910	27	1214
%	22.70%	75.28%	2.02%		23.15%	74.07%	2.78%		22.82%	74.96%	2.22%	

	In County				Out of County				Total			
2018/19	Open	Closed	Reached School Leaving Age	Total	Open	Closed	Reached School Leaving Age	Total	Open	Closed	Reached School Leaving Age	Total
Primary	289	432	n/a	721	13	77	n/a	90	302	509	n/a	811
Secondary	159	363	29	551	13	56	3	72	172	419	32	623
Total	448	795	29	1272	26	133	3	162	474	928	32	1434
%	35.22%	62.5%	2.27%		16.04%	82.09%	1.8%		33.05%	64.71%	2.23%	
	In County				Out of County				Total			
2019/20	Open	Closed	Reached School Leaving Age	Total	Open	Closed	Reached School Leaving Age	Total	Open	Closed	Reached School Leaving Age	Total
Primary	253	289	n/a	542	39	89	n/a	128	292	378	n/a	452
Secondary	180	210	30	420	26	90	1	117	206	300	31	755
Total	433	499	30	962	65	179	1	245	498	678	31	1207
%	45%	52%	3%		26.5%	73%	0.5%		41%	56%	3%	

CME cases logged each month													
	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
2017/2018	205	123	151	93	115	70	110	51	65	118	89	24	1214
2018/2019	193	153	156	72	124	160	110	77	115	157	123	20	1460
2019/2020	147	204	141	111	122	89	115	31	54	82	103	19	1218

Source of Referral	2019/2020	%
EHE	65	5.39%
Lincs School	670	55.51%
Out of County School	18	1.49%
Leavers Form	5	0.41%
Admissions	112	9.28%
Other LA CME Teams	247	20.46%
Other (i.e. SAO, Social Care, Anonymous Referral, etc)	90	7.46%

Reason for CME (where given)	2019/2020	
Ex EHE	21	1.74%
Moved OOC	332	27.51%
Moved out of UK	218	18.06%
Moved within Lincs	92	7.62%
Possibly EHE	0	0.00%
Moved into Lincs	277	22.95%
Unknown	109	9.03%
Proof of Address Required	58	4.81%
Other	100	8.29%

In County CME referral area	2019/2020	
Lincoln	163	13.50%
Boston	262	21.71%
North Kesteven	42	3.48%
South Kesteven	106	8.78%
South Holland	134	11.10%
East Lindsey	142	11.76%
West Lindsey	105	8.70%
OOO	253	20.96%

	Fixed Penalty Notice Summary	2016/17	2017/18	2018/19	2019/20
1	Total FPNs issued for unauthorised absence	741	2237	3059	1600
1a	Total FPNs issued: main reason-family holiday	503	1953	2732	1139
1b	Total FPNs issued: main reason- late	0	0	0	0
1c	Total FPNs issued: main reason: other unauthorised	238	284	327	185
2	FPNs paid within 21 days	439	1435	1830	1056
3	FPNs paid within 22-28 days	5	14	23	-
4	FPNs withdrawn	42	153	93	148
4a	FPNs withdrawn as issued outside the terms of the local code of conduct	11	4	13	-
4b	FPNs withdrawn as ought not to have been issued to the named recipient	26	49	33	-
4c	FPNs withdrawn as notice appears have material errors	2	27	27	-

4d	FPNs withdrawn as after 28 day expiry, penalty is unpaid and LA do not wish to bring legal proceedings	3	73	20	-
5	Cases prosecuted following non payment	58	69	72	(396) non payment but no prosecution
6	Unresolved	196	93	84	-
7	FPNs unpaid	276	473	728	396

Pupils not attending regularly: Fixed Penalty Notices and Prosecutions

Prosecutions	2016/17	2017/18	2018/19	2019/20
Total Prosecutions	117	85	134	293
Prosecutions due to unpaid FPN's	55	69	72	197
Persistent absence – 1 st Prosecution	48	73	46	49
Aggravated – 2 nd Prosecution	6	12	-	-
Withdrawn	0	5	0	0
Education Supervision Orders	4	4	3	3
School Attendance Orders	2	1	13	20

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Open Report on behalf of Andrew Crookham, Executive Director - Resources

Report to:	Children and Young People Scrutiny Committee
Date:	15 January 2021
Subject:	Children and Young People Scrutiny Committee Work Programme

Summary:

This item enables the Committee to consider and comment on the content of its work programme to ensure that its scrutiny activity is focused where it can be of greatest benefit. The Committee is encouraged to highlight items that could be included for consideration in the work programme.

Actions Required:

- (1) To review and agree the Committee's work programme as set out in this report.
- (2) To highlight for discussion any additional scrutiny activity which could be considered for inclusion in the work programme.

1. Background

Current Items

For reference, the Committee's items for this meeting are set out below: -

15 January 2021		
Item	Contributor	Purpose
Council Budget 2021/22	Heather Sandy, Executive Director – Children's Services	Budget Scrutiny
Schools Funding Update 2021/22 - Mainstream Schools	Mark Popplewell, Head of Finance – Children's	Pre-Decision Scrutiny (Executive Councillor Decision on 20 January 2021)

15 January 2021		
Item	Contributor	Purpose
Children Missing Out on Education Annual Report 2019/20	Jill Chandar-Nair, Inclusion and Attendance Manager	Policy Review
Helpringham and Osgodby Primary Schools Scheme Appraisal (EXEMPT)	Dave Pennington, Head of Property Development	Pre-Decision Scrutiny (Leader decision between 4 – 12 February 2021)
Expansion of St Bernard's School, Louth (EXEMPT)	Dave Pennington, Head of Property Development	Pre-Decision Scrutiny (Leader decision between 25 - 29 January 2021)
Exception to the Contract and Procurement Procedure Rules – Behaviour Outreach Support Service (EXEMPT)	Sara Gregory, Interim Commissioning Manager - Commercial	Pre-Decision Scrutiny (Executive Councillor decision between 18 - 21 January 2021)
Briefing Papers – By email		
School Admission Polices and Co-ordinated Schemes for 2022 Intake report	Emily Nicholls, School Admissions Manager	Policy Review

Planned Items

The Committee's planned items are listed below:

5 March 2021		
Item	Contributor	Purpose
Lincolnshire Safeguarding Children Partnership (LSCP) Update	Chris Cook, Chair of LSCP Stacey Waller, LSCP Manager	Performance Scrutiny

5 March 2021		
Item	Contributor	Purpose
The future of the boarding provision at The St Francis Special School, Lincoln (Final decision)	Matthew Clayton, Admissions and Education Provision Manager	Pre-Decision Scrutiny (Executive Councillor decision between 8 and 12 March 2021)
Service Level Performance against the Corporate Performance Framework – Quarter 3	Jo Kavanagh, Assistant Director – Early Help	Performance Scrutiny
Lincolnshire Local Authority School Performance 2019-20	Martin Smith, Interim Assistant Director - Education	Performance Scrutiny
Briefing Papers – By email		
Progress Report on Transitions Scrutiny Review Recommendations	Sheridan Dodsworth, Head of Special Educational Needs and Disability Joanna Tubb, Head of Learning Disabilities, Adult Care and Community Wellbeing	Scrutiny Review Activity

23 April 2021		
Item	Contributor	Purpose

18 June 2021		
Item	Contributor	Purpose
Introduction to Children's Services	Heather Sandy, Executive Director – Children's Services	Induction
The expansion of the Priory School, Spalding (EXEMPT)	Dave Pennington, Head of Property Development	Pre-Decision Scrutiny (Leader decision between 28 June – 2 July 2021)

18 June 2021		
Item	Contributor	Purpose
The expansion of St Lawrence's School, Horncastle (EXEMPT)	Dave Pennington, Head of Property Development	Pre-Decision Scrutiny (Leader decision between 28 June – 2 July 2021)

16 July 2021		
Item	Contributor	Purpose
Sustainable Modes of Transport to School (SMOTS) Action Plan Update	Mark Rainey, Commissioning Manager - Commercial	Performance Scrutiny
Service Level Performance against the Corporate Performance Framework – Quarter 4	Jo Kavanagh, Assistant Director – Early Help	Performance Scrutiny

3 September 2021		
Item	Contributor	Purpose
Family Adoption Links - Regional Adoption Agency Progress Update	Bryan Glover RAA Service Development Manager	Performance Scrutiny
Service Level Performance against the Corporate Performance Framework – Quarter 1	Jo Kavanagh, Assistant Director – Early Help	Performance Scrutiny

15 October 2021		
Item	Contributor	Purpose
Update on the Building Communities of Specialist Provision Strategy	Sheridan Dodsworth, Head of Special Educational Needs and Disability Eileen McMorrow, Senior Project Officer, Special Schools Project Dave Pennington, Head of Property Development	Policy Review (Yearly Update)
Children's Services Annual Statutory Complaints Report 2020-21	Jo Kavanagh, Assistant Director, Early Help	Performance Scrutiny

19 November 2021		
Item	Contributor	Purpose
Lincolnshire Safeguarding Children Partnership (LSCP) Update	Chris Cook, Chair of LSCP Stacey Waller LSCP Manager	Performance Scrutiny
Service Level Performance against the Corporate Performance Framework – Quarter 2	Jo Kavanagh, Assistant Director – Early Help	Performance Scrutiny
The expansion of St Christopher's School, Lincoln (EXEMPT)	Dave Pennington, Head of Property Development	Pre-Decision Scrutiny (Leader decision between 29 November – 3 December 2021)

Items to be scheduled

- Local Area SEND Inspection by Ofsted and Care Quality Commission – Update on Action Plan
- Inclusive Lincolnshire Strategy – Policy Review

2. Conclusion

The Committee is invited to review, consider and comment on the work programme as set out above and highlight for discussion any additional scrutiny activity which could be included for consideration in the work programme.

A list of all upcoming Forward Plan decisions relating to the Committee is also attached at Appendix A.

3. Appendices

These are listed below and attached at the back of the report	
Appendix A	Forward Plan of Decisions relating to the Children and Young People Scrutiny Committee

4. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Tracy Johnson, Senior Scrutiny Officer, who can be contacted by e-mail at Tracy.Johnson@lincolnshire.gov.uk

FORWARD PLAN OF DECISIONS RELATING TO CHILDREN'S SERVICES FROM 01 JANUARY 2021

DEC REF	MATTERS FOR DECISION	REPORT STATUS	DECISION MAKER AND DATE OF DECISION	PEOPLE/GROUPS CONSULTED PRIOR TO DECISION	DOCUMENTS TO BE CONSIDERED	OFFICER(S) FROM WHOM FURTHER INFORMATION CAN BE OBTAINED AND REPRESENTATIONS MADE (All officers are based at County Offices, Newland, Lincoln LN1 1YL unless otherwise stated)	DIVISIONS AFFECTED
I021480	Exception to the Contract and Procurement Procedure Rules - Behaviour Outreach Support Service	Exempt	Executive Councillor: Adult Care, Health and Children's Services Between 18 Jan 2021 and 21 Jan 2021	Children and Young People Scrutiny Committee	Report	Interim Commissioning Manager - Commercial Email: saraj.gregory@lincolnshire.gov.uk	All Divisions
I021123	Schools funding update 2021/22 - mainstream schools	Open	Executive Councillor: Adult Care, Health and Children's Services 20 Jan 2021	Children and Young People Scrutiny Committee	Reports	Head of Finance (Children's Services) Email: mark.popplewell@lincolnshire.gov.uk	All Divisions
I021047	The expansion of St Bernard's School, Louth	Exempt	Leader of the Council (Executive Councillor: Resources and Communications) Between 25 Jan 2021 and 29 Jan 2021	Children and Young People Scrutiny Committee	Reports	Head of Property Development Email: dave.pennington@lincolnshire.gov.uk Programme Manager, Special Schools Strategy Email: eileen.mcmorrow@lincolnshire.gov.uk	Louth South
I021680	Helpringham and Osgodby Primary Schools Scheme Appraisal	Exempt	Leader of the Council (Executive Councillor: Resources and Communications) Between 4 Feb 2021 and 12 Feb 2021	Children and Young People Scrutiny Committee	Reports	Head of Property Development Email: dave.pennington@lincolnshire.gov.uk	

I021497	The future of the boarding provision at The St Francis Special School, Lincoln (Final decision)	Open	Executive Councillor: Adult Care, Health and Children's Services Between 8 Mar 2021 and 12 Mar 2021	Interested parties as DfE guidance including: school staff, schools, County, Parish and District Councils, MPs, Trade Unions; Diocese; local NHS; and the Children and Young People Scrutiny Committee	Reports	Interim Head of Education Support Email: matthew.clayton@lincolnshire.gov.uk	All Divisions
I021049	The expansion of St Lawrence's School, Horncastle	Exempt	Leader of the Council (Executive Councillor: Resources and Communications) Between 28 Jun 2021 and 2 Jul 2021	Children and Young People Scrutiny Committee	Reports	Head of Property Development Email: dave.pennington@lincolnshire.gov.uk Programme Manager, Special Schools Strategy Email: eileen.mcmorrow@lincolnshire.gov.uk	Horncastle and the Keals
I021050	The expansion of St Christopher's School, Lincoln	Exempt	Leader of the Council (Executive Councillor: Resources and Communications) Between 29 Nov 2021 and 3 Dec 2021	Children and Young People Scrutiny Committee	Reports	Head of Property Development Email: dave.pennington@lincolnshire.gov.uk Programme Manager, Special Schools Strategy Email: eileen.mcmorrow@lincolnshire.gov.uk	Swallow Beck and Witham

Agenda Item 10

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Agenda Item 11

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