



CUMBERLAND SCHOOLS FORUM

MINUTES OF THE MEETING HELD ON 10 October 2024 via Microsoft Teams

PRESENT

Andy Curtis (Teachers' Professional Associations – NASUWT)

Danny Gee (PRUs)

David Grimshaw (Maintained Primary Schools)

Tom Hailwood (Maintained Secondary)

Rhiannon Hughes (Maintained Nursery)

Vicki Jackson (Secondary Academy)

Chris McAree (Secondary Academy)

Michael Smillie (Secondary Academy)

Kris Williams (Special Academy)

Officers in Attendance:

Emma Hamer (AD – Education and Skills)

Susan Milburn (Group Accountant – Education & Inclusion)

Claire Marshall (Group Accountant – Children's Social Care & Education)

Amanda Chew (Finance Manager)

Sophie Scott (Finance)

Sally Senejko (Senior Manager – SEND, Education & Inclusion)

Lesley Nixon (Senior Manager – Learning Improvement Service)

Nicola Shiels (Forum Support)

Michael Roper (Internal Audit – item 7 Summary of Audit Findings – School Audits)

Observers:

None

Apologies for Absence

Elaine Lynch (Cumberland Portfolio Holder – Lifelong Learning & Development)

PART 1: ITEMS LIKELY TO BE CONSIDERED IN THE PRESENCE OF THE PRESS AND PUBLIC

1. Appointment of Chair

Chris McAree, was appointed as Chair of the Cumberland Schools Forum for the coming year.

2. Appointment of Vice-Chair

Michael Smillie was appointed as Vice-Chair of the Cumberland Schools Forum for the coming year.

Each member of Schools Forum introduced themselves to the group.

It was also noted that Emma Hamer and Susan Milburn would be joining the meeting slightly later.

3. Exclusion of Press and Public

It was agreed that all items would be considered in the public domain.

4. Declarations of Interest

There were no declarations of interest at this stage.

5. Minutes of Previous Meeting and Matters Arising

The minutes of the meeting held on 11 June 2024 were agreed as an accurate record.

It was reported that there should be full secondary representation on the Forum; however, some primary vacancies remained.

6. Summary of Audit Findings – School Audits 2023-24

A report was presented that summarised the findings of the school audits that had been undertaken during 2023-24. The findings would be shared more widely to all schools via the Schools Portal which would allow all schools to consider their own arrangements in line with the findings and put in place any appropriate improvements.

Three school reviews had been completed during 2023-24, one secondary, one special and one infant school. Internal Audit reports were agreed with the Headteacher at the individual schools, including an action plan for improving controls. The agreed report was also provided to the Chair of Governors/Chair of Finance Committee so that governors could support Heads in implementing agreed actions and individual school audit findings were provided to the Audit Committee as part of Internal Audit's regular progress reports.

As there are a limited number of audits undertaken each year, Internal Audit collate the findings from each review into a summary report that could be shared with all schools to assist them in ensuring that they operated appropriate controls in the areas that had been identified.

In 2025-26, the intention was to look at the wider risk environment and develop the school programme to include strategic risks and cyber risks.

In discussing the report it was suggested that as well as sharing the report via the Schools Portal, it should be circulated via CASH and PHA. There was also a suggestion that it

would be helpful to share standard terms of reference for finance committees of governing bodies to ensure that finance committees were meeting sufficiently regularly.

The Schools Forum noted the content of the report and the findings as well as the intention to circulate to all schools for information via the Schools Portal.

7. Provisional De-Delegated Contingency Budget Outturn 2023-24

A report presenting the provisional outturn position on the de-delegated contingency budget for the 2023-24 financial year as at 31 March 2024 was considered. The budget was underspent by £0.363m and in accordance with the Dedicated Schools Grant conditions, the underspend on the de-delegated contingencies budget as at 31 March 2024 would be carried forward into the Dedicated Schools Grant earmarked reserve.

As this was a de-delegated budget it therefore only related to maintained schools and not academies.

The de-delegated contingency budget for 2023-24 was £0.379m. DfE guidance stated that the contingency budget could be used for three purposes:

- Circumstances which were unforeseen when the school's budget share was initially determined.
- Schools in financial difficulties
- Additional costs relating to new, closing or amalgamated schools

Circumstances which were unforeseen when the school's budget share was initially determined

The main areas of expenditure related to St Bridget's, Parton temporary site costs due to the landslip investigations, ill health retirements, settlement agreements and other staff termination costs in schools in line with the agreed policy, temporary accommodation costs at the Gillford Centre PRU, administration costs relating to the administration of the Teachers Annual Return and other miscellaneous costs.

Additional Costs relating to new, closing or amalgamated schools

The £0.035m expenditure mainly related to transactions arising from the closure of St Joseph's Catholic Primary School, Whitehaven.

The figures presented in the report were provisional as the Cumberland Council Year End Outturn process and accounts for 2023-24 had not yet been finalised. The maintained school representatives on Cumberland Schools Forum noted the provisional outturn position for the 2023-24 contingency budget.

8. Provisional Dedicated Schools Grant Earmarked Reserves Outturn for 2023-24

Schools Forum considered a report that set out the provisional outturn position on the Dedicated Schools Grant (DSG) Earmarked Reserves Outturn for the financial year 2023-24. The balance was a deficit of £14.134m and was provisional as the year-end closedown process for Cumberland Council for 2023-24 was ongoing. The final position would be confirmed when the closedown process had been completed.

As at 31 March 2023 the DSG earmarked reserves position was a deficit of £12.290m. The DSG had an overall in-year pressure of £1.844m as at 31 March 2024, which was comprised of a £2.857m pressure on High Needs offset by an underspend of (£1.013m) on Central DSG. The overall cumulative deficit was therefore £14.134m split as a deficit

balance on High Needs of £19.452m offset by a surplus balance on Central DSG of (£5.318m).

The provisional outturn represented a decrease in pressure of (£1.198m) compared to the Q3 forecast due to a reduced pressure on the High Needs Block of (£0.623m) and a reduced pressure of (£0.575m) Central DSG.

The key variances on the Central DSG related to:

- nursery grants and an underspend on the early years block against 2, 3 and 4 year old take up of free entitlement of provision and an underspend against the Disability Access Fund;
- De-delegated contingency fund and non-material variances.

Pressures on the High Needs block related to EHCP top-ups in special schools as well as the costs related to the expansion of new places and pre-existing budget pressures, independent specialist placements and other placements, residential ISPs, Post 16 ISPs, high needs invest to save initiatives and EHCP top-ups in mainstream and early years providers.

The pressure against the High Needs Block continued to be due to specific budget pressures relating to the growth in demand for Education Health Care Plans (EHCPs) for children and young people with SEN. The number of children with EHCPs as at Q4 was 2,764; this figure was provisional pending the completion of the disaggregation of cases between the two new authorities.

Cumbria had taken part in the Department for Education's Delivering Better Value for SEND programme and successfully applied for and received approval for a £1m grant for each new authority to support their improvement plans. The impact of this would be incorporated into Cumberland's DSG Management plan in due course.

It was suggested that it might be useful to see a graph that illustrated the changes in EHCP numbers and the impact on the HNB over time. This would be taken away by officers to follow up for a future meeting.

The Schools Forum noted the provisional outturn on the Cumberland DSG Earmarked Reserves for 2023-24.

9. School Funding Formula 2025-26

In July of each year the Education & Skills Funding Agency (ESFA) usually announced details of the dedicated schools grant (DSG) funding for the next financial year. However, following the general election the indicative allocations for 2025-26 had not yet been published and there was no indication of when these would be published. The Schools Block Operational Guide which was usually published alongside the indicative allocations had also not yet been published meaning policy changes around DSG were not yet known.

In previous years, the Cumberland school funding formula had mirrored the NFF in full but if there was a shortfall in Schools Block funding after allocating funding on this basis, and after taking into account the Growth Fund budget, a shortfall was managed by reducing the basic per pupil funding factor in the formula.

Similarly, if a balance remained within the Schools Block after applying the NFF in full and after taking into account the Growth Fund budget, up to a maximum of 0.5% had

been transferred to the High Needs (HN) block to support the ongoing budget pressures. Thereafter, any residual balance remaining had been allocated to schools through the school funding formula by increasing the basic per pupil funding factor.

LAs were required to consult schools on whether to adopt the NFF. The outcome of the consultation would be presented to Schools Forum on 5 November and Forum would be asked to agree a recommendation to Executive who were the statutory decision maker on the Schools Funding Formula. Due to the lead in timescale for the Executive, the time needed to consult schools and report to Schools Forum, it was proposed that a consultation be undertaken on the principles of applying the NFF in full and the treatment of a shortfall or surplus in the formula, but that no modelling of potential budget shares would be included as the data was unavailable.

A draft consultation document was included with the report that set out three recommended questions for schools. If the proposal was supported by Schools Forum, the consultation document would be finalised and launched on 11 October for a period of 2 weeks. A further report would be presented to Schools Forum on 5 November to share the outcomes from the consultation; the Executive meeting on 7 January would make the final decision on the school funding formula for 2025-26.

Following a vote, Schools Forum:

- noted that the provisional DSG allocations for 2025-26 had not yet been published, and the impact of this;
- supported the recommendation to consult all schools on the proposal to apply the National Funding Formula in full in 2025-26;
- supported the recommendations to
 - a) reduce the basic per pupil funding factor values in the formula if there was a shortfall, after applying the National Funding Formula in full and taking into account the Growth Fund budget;
 - b) transfer any remaining balance up to 0.5% to the HN Block and allocate any leftover balance thereafter, to schools by increasing basic per pupil funding factor values in the formula; and
- supported the draft consultation document at Appendix 1 which included three recommended questions.

10. High Needs Budget Monitoring Q1

A report was presented that set out the High Needs (HN) Block deficit position as at 30 June 2024 which was forecast to be £23.697m as at 31 March 2025.

A balanced High Needs budget had been set for 2024-25 with no planned transfer to or from reserves. The initial budget available for the HN Block was £36.491m based on the provisional HN Block allocation from central government as confirmed in December 2023. There were transfers of £0.224m from the Schools Block. Since the initial budget was set the HN block allocation had been updated to reflect adjusted recoupment for HN places with the total HN budget as at Q1 £36.667m.

Performance against the High Needs Block budget was monitored monthly with reports presented to senior management and to Executive on a quarterly basis, as well as to each Schools Forum meeting.

The projection against the budget as at Q1 was a forecast budget of £40.46m which represented an overspend of £3.955m at 31 March 2025.

The key variances related to the EHCP top-up payments for mainstream schools and EY providers, the cost of independent specialist and other placements, residential placements, post-16 ISPs and top-ups, post 16 further education (FE) colleges, invest to save initiatives, special schools and individual non-material variances.

The pressure against the High Needs Block continued to be due to specific budget pressures relating to the growth in demand for Education Health Care Plans (EHCPs) for children and young people with SEN which continued to rise. The number of children with an EHCP as at Q1 was 3142 which was an increase of 433 from Q3 in 2023-24. This figure was provisional pending the completion of the disaggregation of cases between the two new authorities. Benchmarking showed Cumberland's percentage of pupils with EHCPs was higher compared to the national rate and to Cumbria's statistical neighbours. The rate of increase for Cumbria overall was matched by the rate of increase nationally and compared to Cumbria statistical neighbours.

In the discussion that followed several points/concerns were raised:

- Complexity and demand continued to grow.
- What was the level of confidence that future workforce would have the appropriate skills to meet the changing need, and would there be sufficient numbers to deliver services in the future?
- Demand for places increasing – need to look at differently, and through a different lens. Statutory Schools Organisation Plan available that would be supported with a sufficiency strategy.
- Desire for children in Cumberland to be educated in local communities rather than ISPs but currently there was a lack of the right provision/infrastructure locally.
- Urgent need to reconvene the HN Working Group – to move the conversation forward and consider ways to manage demand rather than focussing on expenditure. Identify a date to meet as soon as possible after October half term.
- Potential impacts on young people, special schools and secondary schools in 3, 4, 5 years time related to children with needs that were currently being met by primary schools.
- Was it possible to identify when need for EHCP was presenting – at what point/phase of education?
- Data was available that supports where spikes were presenting and there was a desire in schools to support children and young people with SEND but there would need to be a cultural shift across all schools to enable more support to be provided in mainstream for additional need/SEND.
- Need to come together to develop solutions.

A date would be identified for the SEND HN Working Group to meet as soon as possible and that meeting would, ideally, be an in person meeting.

Schools Forum noted the current projection on the HN budget as at 30 June 2024.

11. Date of Next Meeting

- i) The next meeting of the Schools Forum would be held on 5 November 2024, starting at 9.00am. It was likely to be held via Microsoft Teams; final arrangements would be circulated prior to the meeting.
- ii) A proposed schedule of dates for meetings of the Cumberland Schools Forum and associated working groups during 2025 had been circulated with the agenda. Any comments on the proposed dates to be forwarded to Nicola Shiels otherwise the proposed dates would be finalised and shared. Future meetings would be a mix of in person and online meetings.

12. Any Other Business

- i) Membership – a question was raised about shared representation and alternate attendance at meetings. This would be considered outside the meeting with a response to be provided in due course.

There were no other items of business.

NS/E,S&I

October 2024