



## **CUMBERLAND SCHOOLS FORUM**

### **MINUTES OF THE MEETING HELD ON 5 November 2024 via Microsoft Teams**

#### **PRESENT**

Andy Curtis (Teachers' Professional Associations – NASUWT)  
Danny Gee (PRUs)  
David Grimshaw (Maintained Primary Schools)  
Tom Hailwood (Maintained Secondary)  
Vicki Jackson (Secondary Academy)  
Elaine Lynch (Cumberland Portfolio Holder – Lifelong Learning & Development)  
Chris McAree (Secondary Academy)  
Nerissa Nicholas (Maintained Primary)  
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)
Sophie Scott	(Finance)
Lesley Nixon	(Senior Manager – Learning Improvement Service)
Nicola Shiels	(Forum Support)

#### **Observers:**

None

#### **Apologies for Absence**

Amanda Chew	(Finance Manager)
Rhiannon Hughes	(Maintained Nursery)
Simon Jackson	(Secondary Academy)
Sally Senejko	(Senior Manager – SEND, Education & Inclusion)

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

The Chair and AD – Education, SEND & Inclusion had discussed the future operation of the School Forum. With regard to questions raised during discussion of reports, members were asked to ensure that they were related to the content of the report and not more general education issues. In order to reset the business of the Forum, the Chair indicated that he would be raising a number of items under any other business that would cover a range of issues including membership, training, circulation of papers, etc.

Each member of Schools Forum introduced themselves to the group.

### **1. Exclusion of Press and Public**

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

### **2. Declarations of Interest**

There were no declarations of interest at this stage.

### **3. Minutes of Previous Meeting and Matters Arising**

The minutes of the meeting held on 10 October 2024 had been shared prior to the meeting. As members had not had adequate opportunity to read and consider the draft minutes, it was proposed that members should read these outside of the meeting and forward amendments and corrections directly to Nicola Shiels.

### **4. School Funding Formula 2025-26**

Schools Forum considered a report that presented the outcome of the Schools Forum consultation with all Cumberland schools and academies on the school funding formula for 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 no indicative allocations for 2025-26 had been published with the actual allocation due to be published in December 2024. As the National Funding Formula (NFF) was still a soft formula, local authorities were obliged to consult all maintained schools and academies each year.

On 10 October Schools Forum had agreed to consult all maintained schools and academies on whether to adopt the NFF, and also to consult on the principle of how to deal with either a shortfall or a surplus in the NFF. Cumberland Schools Forum was asked to review the responses to the consultation and to make a recommendation to the Executive on the formula that should be used in 2025-26 to allocate funding to schools and academies as well as the principles that should be applied if there was a shortfall or balance remaining in the Schools Block after calculating the school budget shares.

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 considering 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 considering 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.

The consultation had opened on 11 October and closed on 25 October. The number of schools responding to the consultation was significantly lower than in previous years with only five responses compared to twenty-six schools in 2023, however, there was clear support for two of the three proposals. The responses were set out in the report.

Three of the schools had disagreed with the proposal to reduce the basic pupil funding factor values if the NFF was unaffordable. If Forum did not agree to reduce the basic per pupil factor values in the formula the other options would be to reduce the Growth Fund budget or transfer from other blocks however there were significant implications to these options.

In 2024-25 the growth fund was £0.362m and the forecast to 31 March 2025 showed an underspend of £0.138m. Although the proposed figures for the growth fund in 2025-26 was not yet available, it was not expected to increase significantly from the prior year.

The report set out three options and Schools Forum were asked to recommend one of these to the Executive that would make the final decision on the school funding formula on 26 November. It was noted that if Schools Forum recommended Option 2 or 3 there was a risk that 'topping up' the NFF factor values by allocating additional funding through the formula would create greater turbulence for some schools in future years. It may also make applying the NFF in full unaffordable in future years as the additional funding would be built into the school budget share baselines, but the funding for this was not reflected in the notional school budgets used by the ESFA to calculate local authority level core NFF funding.

The low level of responses to the consultation was disappointing and there was some concern at the lack of engagement from schools, particularly given the importance of school finance. There was a view that the low response rate was related to the consultation seeking to maintain the status quo rather than asking for views on any significant changes. However, it was acknowledged that Schools Forum had an active role in ensuring that constituents knew about, and understood, the consultation and that all schools, as well as Schools Forum members should be encouraged to respond.

It was also noted that schools may have felt it was difficult to make an informed response when there was no modelling available to illustrate the potential impact.

In future, consideration to be given to communications relating to the consultation including ensuring full understanding of what was being asked and ensuring better awareness by circulating and publicising as widely as possible using Forum members, PHA, CASL, LASL, etc as well as the Schools Portal.

Having taken account of the consultation responses and following a vote, the Schools Forum recommended that:

- i) the NFF was implemented in Cumberland in full in 2025-26, impacting maintained schools from April 2025 and academies from September 2025;

- ii) after taking into account the growth fund budget, any residual balance up to a maximum of 0.5% to be transferred from the Schools Block into the High Needs Block;
- iii) any balance remaining in the Schools block after transfer of a maximum of 0.5% to be allocated to schools through the school funding formula and;
- iv) if the NFF was not affordable, the basic per pupil factor values in the formula would be reduced.

## 5. **Maintained School Balances 2024-25**

A report was presented that summarised the projected maintained school balances. Based on school budget plans submitted in May 2024 the net deficit balance was projected to be £3.435m as at 31 March 2025. This comprised of 98 schools proposing surplus balances totalling (£5.003m) and 27 schools proposing deficit balances totalling £8.438m.

In accordance with the LA Scheme for Financing Schools and policy for schools with deficit budgets, the Local Authority reviewed the financial position of maintained schools and PRUs with a licensed deficit agreement and a summary report was provided to the Schools Forum.

Maintained schools are required to submit a three-year budget plan each year by the 31 May to the finance team. These plans were reviewed and a summary report was provided to the Assistant Director, Education, SEND & Inclusion who approved the budgets. Schools that submitted a budget that could not be approved were required to re-submit a revised budget by 31 October. Schools that proposed a deficit budget in May must apply for a licensed deficit and return a forecast year-end outturn as at 30 September and 31 December. In accordance with LA Scheme for Financing Schools a summary report was provided to Schools Forum.

As at 31 March 2024 the forecast net surplus balance for maintained schools was (£1.473m). Based on schools' own projections from their May budget submissions the net surplus balance was predicted to become a deficit balance of £3.435m as at 31 March 2025. This did not include schools that had converted to academies; to date only one school, St Cuthberts Catholic Primary School, Wigton, had converted to academy status on 1 September 2024 with a net surplus balance brought forward from 2023-24 of (£0.010m) that would transfer to the academy trust together with any in-year surplus/deficit balances accrued in 2024-25.

Of the 98 schools that were predicting surplus balances for 2024-25 a total of 15 schools were predicting balances in excess of the allowable 8% (primaries/ nurseries/ specials/ PRUs) and 5% (secondaries) thresholds.

The number of schools with deficit balances was predicted to be 27 as at 31 March 2025. Of the 27 forecasting deficit balances from 2024-25 one was predicting to have a surplus balance at the end of 2025-26 and 21 schools that were forecasting deficit balances from 2024-25 were also predicting deficit balances at the end of 2025-26.

Secondary schools continued to display significant budget difficulties with 5 out of 7 secondaries predicting deficit budgets in 2024-25. The 5 secondary schools predicting deficit budgets in 2024-25 were in deficit in 2023-24 and the net deficit balance for these secondaries was predicted to increase by £2.116m to £6.086m.

In accordance with the LA Scheme for Financing Schools applications for licensed deficits had been received from 6 out of the 27 schools that had proposed deficit budgets for 2024-25. Applications had been requested from those schools who had not yet applied for a licensed deficit to ensure they were compliant with the policy.

In discussing the report, there were a number of questions and comments:

- It had been reported that 15 schools were predicting balances in excess of the allowable 5% (primary) and 8% (secondary); there was a question about how many schools were there in each sector over the thresholds; it was confirmed that all 15 schools were primary schools.
- A helpful paper. Noting that behind figures were individual schools, was it possible to provide more transparency behind numbers eg. were all the problems in one place/one phase, does one single school have an exceptionally large deficit – more context behind the absolute headlines would be useful.
- Was there a reason schools had not applied for licenced deficit? Was there any consequence and did schools understand the implications around budgets and working with the LA?
- How many schools had significant deficits and how many of those were in the Ofsted window? What risk did the deficit pose to the wider budget?
- A new group had been established that would look at the whole of the school estate and this should capture schools in the Ofsted window to match up with finance issues. Some school visits had already been instigated as a result of this.
- The report could be updated with October information.
- It was stressed that the amount of time that finance team colleagues spent chasing schools for information was significant.
- There was a lack of accountability which had led to a challenging set of circumstances that needed to be addressed. In future, if the LA needed to remove powers, it would do so very quickly as the situation could not continue. It was also important to ensure that the LA had appropriate staffing in place to support the work.
- Members supported the ongoing work, support and challenge to schools, and it was vital that school finance managers were aware of the situation in schools. Training was key.
- Welcomed greater challenge going into schools and the stronger line from LA was very helpful.

(Post meeting note: of the 27 schools forecasting a deficit balances from 2024-25, 6 were located in the former district of Carlisle, 10 in the former district of Allerdale and 11 in the former district of Copeland).

The Schools Forum noted the projected school balances for maintained schools.

## 6. Any Other Business

- i) **High Needs Working Group** – previously, anyone (including non-forum members) was able to attend the working groups. As these were a sub-group of the Forum, membership should consist of Schools Forum members only.

The initial meeting of the HNB/SEND Working Group was due to be held, in person on 12 November; it was suggested that the group should consist of 2 secondary representatives, 2 primary representatives, 1 special and 1 PRU. Membership of the HNB/SEND Working Group was confirmed as:

- Danny Gee

- Kris William
- Chris McAree
- Tom Hailwood
- David Grimshaw
- Nerissa Nicholas

ii) **Schools Forum Membership** – Vicki Jackson and Simon Jackson had recently joined the Forum representing secondary academies meaning that there should be full secondary representation. A number of vacancies for primary representatives remained unfilled.

There had also been a number on expressions of interest for the single maintained secondary position on the Forum. Whist it was possible for an alternate to represent an absent Forum member, it was not possible to split the role. To resolve this, it was agreed that a ballot would be held, giving the seven maintained schools the opportunity to vote for their preferred candidate. Each candidate would be asked to provide a biography that would be shared with the maintained secondary schools to consider before casting their vote.

A record of attendance at meetings would also be maintained and terms of membership would be revisited.

Forum membership and the primary vacancies had been raised at the last PHA meeting with a number of volunteers putting names forward. This would be followed up as soon as possible to ensure that the primary vacancies on Schools Forum were also filled.

iii) **Training** – once the membership has been finalised, training for Schools Forum would be arranged. The next full meeting would be held on 16 January 2025 so ideally, the training should be delivered before that meeting. It was also suggested that training should be compulsory for all Schools Forum members but whilst meetings would move to in-person, training could be delivered via Teams. Training for Schools Forum members was widely supported; as well as that, there was a request to include an item at each meeting that gave members the opportunity to ask questions and reflect.

A potential date for a training session before the end of the autumn term would be identified and shared.

iv) **Meetings** – the next meeting would be held on 16 January 2025. There was a strong preference for future meetings to be held in person with a hybrid option available in extreme circumstances.

Papers would be circulated a week before the date of the Forum meeting and draft minutes would be shared by the end of the week of the Forum meeting.

Terms of reference, regulations and Schools Forum Guidance would be shared ahead of the next meeting in January 2025, along with the Cumberland School Forum Constitution.

v) **Questions** – should Schools Forum have any questions or if there was anything that they were unsure of relating to finance, they were encouraged to contact the Schools Finance team.

There were no other items of business.

**7. Date of forthcoming Meetings**

- i) The next meeting of the Schools Forum would be held on 16 January 2025. The meeting would begin at 9.30am. Final arrangements will be circulated prior to the meeting.
- ii) The first meeting of the High Needs Working Group had been arranged for 12 November 2024. The meeting would begin at 2:30pm and is in person at Cumbria House.

NS/E,S&I  
October 2024