



CUMBERLAND SCHOOLS FORUM
MINUTES OF THE MEETING HELD ON
14 January 2026
Cabinet Meeting Room, Cumbria House, Carlisle
(and Microsoft Teams)

PRESENT

Nicky Corfield	(Maintained Primary Schools)
Danny Gee	(PRUs)
David Grimshaw	(Maintained Primary Schools)
Rhiannon Hughes	(Maintained Nursery Schools)
Ruth Lawler	(Secondary Academy)
Joanne Lloyd	(Maintained Primary Schools)
Elaine Lynch	(Cumberland Portfolio – Lifelong Learning & Development)
Chris McAree	(Secondary Academy)
Sophie McCabe	(Maintained Special Schools)
Joanne Ormond	(Maintained Primary Schools)
Michael Smillie	(Secondary Academy)
Kris Williams	(Special Academy)

Officers in Attendance:

Emma Hamer	(Assistant Director – Education, SEND & Inclusion)
Sarah Flockton	(Senior Manager – Strategic Development)
Sue Lowndes	(Interim Service Manager – Learning Improvement Service)
Teresa Barrowclough	(Early Years and Sufficiency Manager)
Paula Gledhill	(Interim Group Accountant)
Sophie Scott	(Finance Manager – Education, SEND & Inclusion)
Ally McGuinness	(Finance Manager – Pensions Administration)
Nicola Shiels	(Forum Support)

Observers:

None

Apologies for Absence

Natalie Bevan	(SEND & AP Lead and Transformation Manager)
James Blackwell	(Maintained Primary Schools)
Andy Curtis	(Teachers' Associations)
Terentius Jackson	(Maintained Primary Schools)
Declan McArdle	(Maintained Secondary)
Mandie Phinn	(Non-Teaching Unions – Unison)

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

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 5 November 2025 were agreed as an accurate record.

There were no matters arising.

4. Cumbria Local Government Pension Scheme Triennial Valuation 2025

Schools Forum received a report that provided details of the triennial valuation of the Cumbria Local Government Pension Scheme (the Fund) and the implication for employer contributions for the period 1 April 2026 to 31 March 2029 for non-teaching school based staff in Cumberland maintained schools who were members of the Local Government Pension Scheme.

Westmorland & Furness Council was the administering authority for the Fund and were responsible for obtaining an actuarial valuation of the assets and liabilities of the fund on a triennial basis by a recognised qualified professional.

The purpose of the triennial actuarial valuation was to calculate the value of the assets and the liabilities of the Fund and to set employer contribution rates for the next three-year period to assist the future solvency of the Fund. The valuation was based on the assets and liabilities of the Fund as at 31 March 2025 with the calculated employer contribution rates being effective from 1 April 2026 to 31 March 2029.

The Actuary would formally sign off the 2025 valuation on 31 March 2026 and had the ability to refine the results of the valuation at any time up to that date. Whilst the results were not expected to change, if there was any adjustment to the final employer contributions rates, a further report would be provided to the Schools Forum.

The parameters on which the 2025 valuation was calculated were considered by the Cumbria Pensions Committee in September and December 2025. Scheme employers (including academies) were consulted on these parameters, concluding on 13 January 2026.

It was noted that the provisional employer contributions rate for maintained schools in Cumberland for the period 2026 to 2029 would be 8.7%. This compared to an employer contribution rate for all maintained schools in Council of 18.3% in 2025-26.

Academies had been advised separately of their provisional employer contribution rates.

Schools Forum welcomed the reduced contributions for schools although it was also noted that there had been increases in previous triennial valuations of the scheme.

Schools would be notified of the change via the monthly newsletter that was shared on the School Portal and there was a request that this should include an example to illustrate the impact of the reduction for schools. In terms of the message to schools and staff, while there would be a saving for employers, staff would see no change at all. Relevant colleagues on Schools Forum would report this back to PHA and CASH at the next scheduled meetings.

The Schools Forum:

- noted that for maintained schools within Cumberland Council the provisional employer contribution rate to the Cumbria LGPS for the period 1 April 2026 to 31 March 2029 is 8.7% (compared to 18.3% for the period 2023 to 2026); and
- noted that Academies had been advised separately of their respective employer contribution rate to the Cumbria LGPS.

5. Dedicated Schools Grant – School Budgets 2026-27

A report that informed Schools Forum that the 2026-27 Dedicated Schools Grant (DSG) Schools Block allocation for Cumberland was £236.437m which represented an increase of £10.614m compared to 2025-26.

Schools Forum were asked to approve the growth fund budget at £0.298m in 2026-27 to support schools experiencing a growth in pupil numbers in their own catchment areas above their Published Admission Numbers (PAN).

After calculating the school budget shares using the national funding formula and after considering the proposed growth fund budget there was a shortfall on the funding formula of £0.485m therefore resulting in a necessary reduction of AWPU and therefore there will be no transfer to the High Needs Block to support budget pressures.

The report also asked the maintained schools forum representatives to approve the de-delegated budgets for 2026-27 and the primary and secondary per pupil rates.

On 5 November 2025, following the outcome of the consultation with all maintained schools and academies, Schools Forum agreed to recommend to Executive that Cumberland should adopt the National Funding Formula (NFF) in 2026-27 and that any shortfall in school block funding would be managed by reducing the basic per pupil funding factor values in the formula (if applicable). Any surplus balance remaining in the Schools Block, after considering the growth fund budget, up to a maximum of 0.5% should be transferred to the High Needs Block. Executive approved this recommendation on 25 November 2025.

The Department for Education (DfE) had published the final 2026-27 DSG allocations for local authorities on 17 December 2025. The Schools Block funding had increased compared to 2025-26. The Core NFF had increased by £10.262m but this included some grants that were funded outside of the DSG in 2025-26 but had now been 'rolled into' the DSG while being offset by pupil number reductions. The primary unit of funding and the secondary unit of funding had increased but there had also been a reduction in pupil numbers.

A minor census issue had been identified by the local authority of 2 pupils missing from a primary school the October 2025 census. This had been raised with the DfE and the relevant adjustments had been made through the APT. Schools were reminded of the importance of submitting their census data accurately due to the impact on the funding formula if pupils were omitted.

The premises factor at LA level, had increased based on estimated National Non-Domestic Rates (NNDR) costs in 2026-27 for each maintained school and academy in Cumberland plus any rates adjustments for 2025-26 (either positive or negative) and exceptional rents costs for 2025-26.

The growth fund factor at LA level had increased by £0.113m compared to 2025-26; the units of funding had not changed in 2026-27 in comparison to 2025-26. It also included a lump sum of £141,890 where the reduction in primary and secondary pupil numbers in each MSOA was at least 10% of the October 2024 pupil number count. The growth fund factor was not ring-fenced and could be used to support the school funding formula, if required.

Local authorities were permitted, with the agreement of their Schools Forum, to retain a growth fund to support mainstream maintained schools and academies in its area in meeting increased local pre-16 demand for school places resulting from 'natural' demographic changes or nearby housing developments within a school's own catchment area.

As in previous years, the budget required for the growth fund was deducted from the Schools Block before calculating the school budget shares. In 2025-26 the growth fund budget was £0.288m; as at 30 September 2025 the spend forecast for 2025-26 was £0.062m showing an underspend of £0.226m which would transfer to DSG reserves.

Work was ongoing to identify potential growth funding requirements for 2026-27 however approval was sought from Schools Forum for the growth fund budget to £0.298m to fund ongoing and new growth in schools that were admitting pupils over PAN at the LA's request to meet basic need. It was expected that growth funding of £0.198m would be needed for approximately 60 secondary places and £0.100m for approximately 25 primary places. As in previous years, any under or overspend against the Growth Fund budget would transfer to the DSG reserves.

The Cumberland growth fund criteria was attached as an appendix to the report. It was not proposed to make any changes to the criteria for 2026-27. When considering growth fund allocations for 2026-27, a check would be completed to ensure that all allocations complied with the minimum requirement.

Local authorities were also permitted to have a discretionary falling rolls fund. It was not proposed to have a falling rolls fund in 2026-27 as Cumberland and formerly Cumbria had not had a falling rolls fund in previous years as the expectation was that falling rolls were foreseen and planned for by schools and academies by adjusting staffing levels accordingly.

After calculating the School Budget Shares through the APT and applying the National Funding Formula (NFF) in full, the formula for 2026-27 was unaffordable with a shortfall on the Formula of £0.485m. This shortfall was related to falling rolls across the Local Authority and also the increase in national non-domestic rates for the financial year.

As agreed by Schools Forum in November 2025, and approved by Cumberland Council Executive, school AWPU rates had been reduced to make the formula affordable for 2026-27 within the financial funding envelope. School AWPU rates were still above the NFF minimum funding threshold. After calculation school budget shares and having considered the proposed growth fund budget there was no balance remaining to transfer to the High Needs Block in 2026-27.

The report also detailed the maintained schools de-delegated budgets for 2026-27, and the primary and secondary per pupil rates that would be used in Cumberland. The services that the de-delegated budgets apply to also impact maintained special schools and nursery schools and therefore an element is centrally retained in both the Early Years and HN Blocks for these services, although there is no de-delegation process for these two areas.

The school budget shares calculated by the local authority were due to be submitted to the DfE by 22 January 2026 and would be subject to validation and approval by the DfE before final school budget shares could be confirmed. The deadline set by the DfE for mainstream maintained schools to be notified of their budget by the LA was 28 February 2026. Academies would be informed of their budgets by the DfE by 31 March 2026.

There followed a discussion relating to the growth fund, how the growth fund amount was arrived at and that any underspend reverted to DSG reserves.

Schools that received growth funding were determined annually, based on circumstances. They did not receive funding year on year, and it was allocated to those schools where the LA had required them to admit additional numbers and not to schools who admitted by choice. Although the LA, and schools were aware of admissions and budget deadlines and could use these to plan ahead, the outcome of appeals was an unknown as were changes in trends. It was not possible to forecast for changes in school circumstances such as an Ofsted outcome or an issue within the school. As a result, it was felt that not having a growth fund would pose a risk to schools and to school organisation being able to place children. Part of the forecasting took account of all ongoing development and impacts that new building could have on schools, pupil numbers, etc. Colleagues were now more sighted on S106 applications and work was ongoing to improve this process. Falling school rolls was a national issue but colleagues would keep sight of the potential impact of this on schools in Cumberland.

Overall, Schools Forum were supportive of having a growth fund to support schools.

Forum was reminded about the deadlines for notifying schools of budget allocations for 2026-27; LA to advised maintained schools by 28 February 2026 and DfE would advise academies by 31 March 2026. However, Schools Forum members were encouraged to update primary and secondary colleagues of the current position while emphasising that at this stage, the allocations were indicative.

As in previous years, Forum was asked to approve the continued use of exceptional circumstances factor for Ireby School; this was due to the school having insufficient space, so additional space needed to be used for 'hall' activities such as PE.

There was some concern regarding the census issue, particularly with this having been an issue in the previous year. It was noted that the two children had been recorded on the census incorrectly and schools had indicated that there had been an issue with MIS and a change in system. However, it was emphasised again that schools needed to be aware of the importance of recording numbers accurately on the census. Schools Forum

representatives were asked to take this message back to the schools that they represented while officers would also raise with the performance team.

Schools Forum approved:

- i) a growth fund budget of £0.288m;
- ii) the growth fund allocation criteria at Appendix 2 of the report; and
- iii) approved the continued use of the exceptional circumstances factor for Ireby Schools, as in previous years.

The maintained primary school representatives approved the maintained schools De-delegated budgets for 2026-27, as set out in the report.

Due to proportionality across phases, there was a single representative of maintained secondary schools on the Cumberland Schools Forum. The maintained secondary school representative was unable to attend the meeting but the maintained secondary schools de-delegated budgets for 2026-27, as set out in the report were considered and approved remotely by the maintained secondary school representative. Written confirmation of approval has been received.

6. Dedicated Schools Grant – Other Budgets 2026-27

A report that informed Schools Forum of the 2026-27 Dedicated Schools Grant (DSG) for Central School Services, Early Years and the High Needs Blocks was presented. The total DSG to be allocated through these blocks in 2026/27 for Cumberland was £93.967m.

The Education and Skills Funding Agency (ESFA) published the DSG allocations for 2026-27 on 17 December 2025. The DSG was allocated in 4 blocks: Schools Block, High Needs Block, Early Years Block, and Central Schools Services Block. The total allocation across these 4 blocks for Cumberland was £330.405m.

The Schools Forum members were asked to note DSG Central School Services, Early Years and High Needs Block allocations for 2026-27. The Schools Forum was also asked to approve the proposed 2026-27 centrally retained expenditure budgets for the Central School Services and Early Years Blocks for Cumberland.

Central Schools Services Block – This was made up of two elements, historic commitments and ongoing commitments and had decreased by £0.054m. This was due to an increase in unit funding for ongoing responsibilities but a decline in pupil numbers. Since 2020-21, DfE had committed to reduce the historic commitments element by 20% each year. Most of the historic commitments related to contributions towards Council school-related children's services staffing, health and safety and people management budgets in addition to prudential borrowing.

The proposed CSSB budgets for 2026-27 were set out in the report. There was an overall increase in the budget for Schools Forum and the School Finance Team and for the School Admissions Team due to a reprofile of budget in relation to these savings plus allowance for estimated pay award in the 2026-27 financial year. The annual charge for copyright licences, was set by the ESFA and re-charged to local authorities.

Early Years Block – The Early Years Block allocation had increased by £7.106m. Most of the increase in the EYB was to fund the Under 2s and 2-year-olds entitlements. The EYB allocation was provisional and would be adjusted throughout the year to reflect the actual hourly take up of all funded entitlements.

The increases in under 2s, 2-year-old and 3–4-year-old funding also represented an increase in the LA level hourly funding rates. The hourly rates were set out in the report but it was noted that they included an amount that was proposed to be centrally retained by the LA, therefore these would not be the rates that providers would receive.

In line with regulations, the funding rates would be announced to childcare providers by 28 February 2026. This would become a legal requirement by 2026-27.

The report also detailed the early years pupil premium, the disability access fund and maintained nursery schools supplementary funding as well as setting out how the early years block was made up.

The centrally retained EYB budget was proposed to increase by £0.483m compared to 2026-27. This included an increase to the contribution to the Early Years Team as a result of additional requirements from new entitlements in recent years and an allowance for expected pay inflation.

In line with the Schools Forum regulations, the Schools Forum must approve the proposed centrally retained early years expenditure budgets of £0.909m for Cumberland in 2026-27. The proposed provider hourly rates for 2026-27 were dependent on Schools Forum approval of the proposed centrally retained budgets, as set out in the report.

High Needs Block – The High Needs Block allocation, before deduction for directly funded places by the DfE, was £45.132m and had increased by £2.095m compared to 2025-26.

Much of the High Needs Block funded special school place funding, pupil referral unit place funding, as well as ISPs and High Needs top up funding for children with Education Health Care Plans.

The minimum funding guarantee (MFG) for Special Schools must be set at a minimum of 0% against the 2025-26 baseline.

As with mainstream schools, the maintained special school and PRU budget shares would be published on 28 February 2026. The High Needs Block allocation was provisional and was subject to later adjustments including DfE direct funded places in academies and further education colleges.

The government had confirmed in the 2025 budget announcement that the statutory override would end on 31 March 2028. Due to this, the local authority would continue to review the forecasted spend within the High Needs Block and continue to try to mitigate the deficit costs transferred to the authority with collaboration with the High Needs Working Group.

In discussing the report there was a query relating to the level of increased contribution to the Early Years Team. Officers explained that this was due to a need to increase capacity to enable the team to deal with a large increase in entitlement claims (383% over two terms). The additional capacity also meant that the team was able to cover all aspects of EY entitlements, develop smarter ways of working and work with providers as well as offering support and advice. The complexity of EY funding was acknowledged and a number of members expressed thanks to the EY team for the invaluable support provided.

Early years was a key service with Better Start to Life and early intervention vital to delivering more preventative services in the future and the comments about how much support from the team was valued were welcomed.

There were challenges with funding for early years with providers were not getting the level of funding they required, and it was noted that although there had been an increase in the funding rates, they were still below the national average. This was one of the issues that the F40 group were actively lobbying about.

Schools Forum approved:

- i) the allocated spend on the Central School Services Block budget of £1.781m; and
- ii) the allocation on the centrally retained Early Years expenditure budget of £0.978m.

7. **De-delegated Contingency Budget Monitoring Q2 2025-26**

A report presenting the forecast outturn position on the de-delegated contingency budget for the 2025-26 financial year as at 30 September 2025 was presented. The budget was forecast to underspend by £0.245m and in accordance with the Dedicated Schools Grant conditions, the underspend would be transferred back to the DSG at year end.

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

The de-delegated contingency budget for 2025-26 was £0.378m. 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 difficulty
- Additional costs relating to new, reorganised or closing schools

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

Expenditure related to the temporary accommodation costs at the Gillford Centre PRU and the estimated cost for the removal of these buildings as well as some costs related to the Teachers' Pension Return.

The temporary buildings at the Gillford Centre had been removed over summer 2025, therefore these costs would cease in the longer term.

Also, after appropriate challenge at previous Schools Forum meetings in relation to the Teacher Pension Returns Costs and whether it was appropriate for these costs to be met from the contingency fund budget, these costs had also ceased. The amount reflected in the report was for the initial contract up to and including 31 August 2025. Further costs in relation to this spend would be covered by other council budgets rather than the schools contingency fund.

In the current financial year, it was expected that there would be costs to come from this fund in relation to the academisation of schools. In the 2025-26 financial year, one school was expected to academise, with a further two schools to academise early in 2026-27.

The conversion date of the school academizing in 2025-26 was 31 January 2026; the deficit amount set out in the report was 50% of the deficit expected to be paid at conversion. The remaining 50% was due to be picked up corporately by the Local Authority. The schools finance team ensured that there would be an appropriate level of challenge to all three academising schools to ensure expenditure prior to conversion was kept to a minimum.

The maintained schools' Schools Forum members noted the forecast outturn position as at Q2 for the contingency budget.

8. De-Delegated Contingency Fund Arrangements

A report setting out proposed changes to the Cumberland LA Scheme for Financing Schools and PRUs, specifically the Contingency Fund Arrangements element of the scheme was presented. Forum members had requested this report at their meeting held in November 2025.

In the 2025 Budget announcement on 28 November 2025, Government confirmed that the Dedicated Schools Grant Statutory Override would end on 31 March 2028. This meant that the balance on the Dedicated Schools Grant Reserve would transfer to the council's balance sheet on 1 April 2028, including the high needs deficit and school balances.

As a result of the impending end to the statutory override, and as detailed in the School Performance Statistics paper brought to each Schools Forum, the Schools Finance Team have undertaken significant work alongside Education colleagues to increase the challenge to schools in line with the LA Scheme for financing of Schools and PRUs, particularly those with deficit budgets.

Therefore, as proposed by Schools Forum colleagues it was suggested that the Contingency Fund Arrangements should be amended to allow for any underspend on the Contingency Fund, in agreement with the Schools Forum, to be utilised to support this challenge to schools and to contribute additional resource to the work involved to reduce deficit balances across maintained schools in Cumberland.

The report set out the current terms of the Cumberland Council de-delegated contingency fund arrangements, the conditions that should be met for the schools in financial difficulty element of the budget to be used to fund redundancy and severance costs and the circumstances when the local authority would not consider funding redundancy and severance costs. The contingency budget was also used to fund ill-health retirements in line with these relating to circumstances which were unforeseen when the school's budget share was initially determined.

It was proposed that the Contingency Fund Arrangements element of the Cumberland LA Scheme for Financing Schools and PRUs be amended to include, 'to provide additional resource to the local authority for targeted support in challenging schools with significant deficit budgets and providing additional training where required'. DfE guidance stated that Schools Forum had flexibility around the conditions of the de-delegated contingency funding and that such conditions could be determined at the discretion of the Forum.

This fund would only be used where there was an underspend position and that the use of such funding in this manner should be in consultation with Schools Forum annually. It was proposed that £30,000 be allocated from the contingency in 2025-26, to the local authority to provide tailored resource in relation to deficit school budgets.

The report set out three options for consideration by Schools Forum:

Option 1

- Support the amendment to the Contingency Fund Arrangements detailed in the LA Scheme for Financing of Schools and PRUs.

- Approve £30,000 of the 2025-26 underspend on the contingency fund to be reallocated to provide tailored resource to the local authority in relation to deficit school budgets.

Option 2

- Support the amendment to the Contingency Fund Arrangements detailed in the LA Scheme for Financing of Schools and PRUs.
- Reject the £30,000 of the 2025-26 underspend on the contingency fund to be reallocated to provide tailored resource to the local authority in relation to deficit school budgets, or:

Option 3

- Schools Forum can propose an alternative amendment to the Contingency Fund Arrangements within the LA Scheme for Financing of Schools and PRUs.
- School Forum can propose an alternative amount of underspend to be reallocated to provide tailored resource to the local authority in relation to deficit school budgets.

Schools Forum thanked officers for bringing this report for consideration and noted their need to measure and hold to account.

It was further noted that the School Performance Statistics and Compliance report later in the agenda included an update to Forum on the removal of delegation from one maintained school. Continuing deficits were unacceptable and it was hoped that this action would encourage other schools to work with the LA to manage budgets effectively. It was emphasised that this was not a decision that had been taken lightly but the LA were not assured that the position was moving forward as would have been expected. Council budgets were also facing pressure from central government and Cumberland Council continued to identify areas of savings with significant efficiencies coming from Children's Services. It was not possible to allow school budgets to be in this position. There was pressure from DfE for LAs to challenge schools in relation to school budgets. Continuing and growing deficits could not be sustained and this was a significant but necessary challenge that would have an impact, particularly on the LA finance team who would be managing the schools' budget for a period going forward. Schools Forum requested that an update paragraph on this situation be included in the next budget monitoring report.

Schools Forum had been expressing concern around school budgets for some time and welcomed this level of challenge.

In previous meetings, there had been discussions about providing additional training and support to schools in relation to school finance and there was a request that, if agreed, some of the £30,000 be used to develop some finance training for schools.

Following a unanimous vote, the maintained school representatives on the Schools Forum agreed to support option 1 above:

- To amend the Contingency Fund Arrangements detailed in the LA Scheme for Financing Schools and PRUs; and
- Approve £30,000 of the 2025-26 underspend on the contingency fund to be reallocated to provide tailored resource to the local authority in relation to deficit school budgets.

9. High Needs Block Budget Monitoring Q2 2025-26

A report was presented that provided an update on the High Needs (HN) block deficit position as at 30 September 2025 which was forecast to be £31.803 as at 31 March 2026.

A balanced High Needs budget had been set for 2025-26 with no planned transfer to or from reserves. The initial budget available for the HN Block was £39.556m based on the provisional HN block allocation from central government as confirmed in December 2024. There were no transfers from the Schools Block and since the initial budget was set the HN block allocation had been updated to reflect adjusted recouptment for HN places.

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 Q2 showed that the budget was projected to overspend by £6.264m as at 31 March 2026.

The key variances were detailed in the report and related to special schools, resourced provision, ISP and other placements, central SEN, residential ISPs, invest to save initiatives, post-16 ISPs, post-16 FE colleges, EHCP top-ups for pupils in mainstream school and early years providers and PRU budgets.

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.

Cumbria had been part of the Department for Education's Delivering Better Value for SEND programme and had successfully applied for and received approval for a £1m grant for both Cumberland and Westmorland & Furness to support their improvement plans, the impact of which had been incorporated into Cumberland's DSG management plan. This programme had ceased on 31 March 2025 with Cumberland Council having an underspend. As the service had identified committed spend against these monies, the Department for Education had confirmed that the underspend could be carried forward in 2025-26.

Following previous requests from Forum, the report also included a table providing additional detail about the numbers of places that the forecast related to.

Forum thanks officers for including additional detail about place numbers in the report but requested whether top-up details could also be added to future reports.

It was noted that there had been a significant amount of work undertaken in relation to the EHCP process, addressing backlogs, adherence to statutory requirement timelines and having more oversight of the process.

There was a brief discussion about Post 19 SEND and potential numbers of young people that would be coming through seeking FE provisions. There was some concern that in the Carlisle area college places were limited and young people with SLD from mainstream provision were filling these places making it more difficult for young people in specialist provision to access places. It was suggested that the Schools Forum High Needs Working Group should consider this at their next meeting, looking at prospective EHCP numbers that will be moving through to FE in coming years, places available, potential impact on budgets and general implications.

It was also noted that the Schools Forum High Needs Working Group would consider the establishment of an Inclusive School Forum.

Just before Christmas, government had made an announcement regarding the Free School Building Programme. LAs had been asked to decide if they wished to proceed with the AP free school secured bid as planned or to use the funding to deliver something else.

Colleagues from the LA were considering this, looking at the data and if the same decision would be taken now and was taken 3 years previously. A decision needed to be taken by the end of February and the Assistant Director – Education, SEND & Inclusion would be meeting with the CEO of the academy trust involved on a regular basis between now and then. A further update would be provided when available.

Cumberland Schools Forum noted the current projection on the HN Budget as at 30 September 2025.

10. Maintained School Balances 2025-26

Schools Forum considered a report that summarised the projected maintained school balances.

Based on school budget plans submitted in May 2025, the net deficit balance was projected to be £7.838m as at 31 March 2026. This was made up of 92 schools proposing surplus balances totalling (£4.657m) and 32 schools proposing deficit balances totalling £12.495m.

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 were required to submit a three-year budget plan to the finance team each year by the 31 May. These plans were reviewed to check that the funding assumptions made were reasonable and that the expenditure plans were achievable. A summary report was provided to the Assistant Director, Education, SEND & Inclusion who approved the budgets. Those 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.

Although not all schools were required to submit a budget in October, it was good practice for schools to take this opportunity to review their budget again to ensure they were on track for the year.

As at 31 March 2025, subject to finalising the local authority accounts, the forecast net deficit balance for maintained schools was (£2.292m). Based on schools' own projections from their October budget submissions the net deficit balance was predicted to become a deficit balance of (£7.784m) as at 31 March 2026, an increase of £5.493m compared to the 2024-25 financial year, but an improvement of £0.340m in comparison to the May 2025 budget packs submitted.

The projections did not include balances for schools that had converted to Academies; to date no schools had converted to academy status in the current financial year.

Of the 94 schools that were predicting surplus balances for 2025-26, a total of 15 schools were predicting balances more than the allowable 8% (primaries/nurseries/specials/ PRUs) and 5% (secondaries) thresholds.

The number of schools with deficit balances was predicted to be 32 as at 31 March 2026. Of the 32 forecasting deficit balances from 2025-26, two were predicting a surplus balance at the end of 2026-27. 21 schools that that were forecasting deficit balances from 2025-26 were also predicting deficit balances at the end of 2027-28.

Secondary schools continued to display the most significant budget difficulties with 6 out of 7 secondaries predicting deficit budgets in 2025-26. The 5 secondaries predicting deficit budgets in 2025-26 were in deficit in 2024-25 and the net deficit balance for these secondaries was predicted to increase by £2.484m to £8.495m.

In accordance with the LA Scheme for Financing Schools all deficit schools had been asked to submit Deficit Recovery Plans; of these, eight remained outstanding and the school finance team would continue to follow up with the schools until they were received. All Deficit Recovery Plans received were reviewed by the team and if they failed to make the necessary savings to obtain an 'in year' balanced budget additional work was required by the school.

In discussing the report there was a request for future reports to include details about increasing deficits, recovering deficits, the number of schools making positive moves to reduce a deficit and the main reasons that were being sighted in relation to a deficit budget.

There was not an assumption that being in a deficit position was always due to financial mismanagement. However, most budget issues in schools were related to staffing costs and it was vital that schools looked to plan based on future projections. There were also occasions where there were barriers from the governing body, or situations when the school were struggling to address the problems which was why more financial training was essential.

To support governing bodies more, particularly with training, it was reported that some additional governor services posts had recently been approved. It was hoped these additional staff, plus continuing challenge to schools would help to equip colleagues in schools to manage more effectively and be more reactive to LA requests.

It was also suggested that all schools should be accountable and the position of special schools should be more explicit, perhaps with a separate line in future reports.

Schools Forum welcomed the report and noted the projected school balances for maintained schools.

11. School Performance Statistics and Compliance

A report that set out the schools' performance data for Cumberland maintained schools and PRUs in relation to financial data returns was presented. The report also included details about the LA Finance Team for transparency. This regular report highlighted the compliance to deadlines of both schools and the Local Authority Schools Finance Team and provided the Forum with the wider implications of such deadlines not being met effectively.

From 1 April 2023 until the end of the 2024-25 financial year, the Schools Finance Team had been hosted by colleagues in Westmorland and Furness. This arrangement ceased on 31 March 2025, and a Cumberland Schools Finance Team was established. The Cumberland Schools Finance Team had worked in the lead up to this transfer, and since, to increase the dialogue between schools and the local authority as well as to improve the communications coming from the team.

As part of the LA Scheme for Financing of Schools and PRUs there was an expectation on every school to submit specific financial returns by set deadlines with a similar expectation on the Schools Finance Team to provide schools with the data needed to make informed decisions.

To date there had been six main deadlines in 2025-26 that maintained schools had been asked to comply with. The report detailed each of the returns, the compliance rates for all deadlines as well as the methods that had been used to inform and remind schools of the requirement to submit the returns.

As well as the maintained school deadlines, the Local Authority Schools Finance Team had also had nine deadlines to meet - the publication of monthly tabs, circulation of the Excess Surplus Balances letters to schools and issuing of the October Budget Pack.

Some monthly tab reports had been issued late due to technical issues arising out of our control. It was noted that there had been a further problem with issuing the most recent monthly tabs but work was ongoing to resolve this. The Schools Finance Team continued to work actively with IT colleagues to ensure that the issues were rectified and although the position had improved the process still needed to improve further. The team were also working to improve communication around the dates that tabs could be expected to help schools to plan workloads more effectively.

As reported previously, there were also delays in the excess surplus balances process however allowances had been made to schools as a result.

The intention of this report was to highlight the compliance to deadlines of both schools and the Local Authority School Finance Team and to illustrate to Forum the wider implications of deadlines not being met effectively. By increasing communications and improving the relationship with schools it was hoped compliance would improve as the implications of missed deadlines could be identified. Schools that used bursary services were reminded about the importance of arranging visits well in advance to ensure that the required deadlines could be met.

Whilst reviewing the returns submitted from schools, the School Finance Team had also been increasing their challenge to deficit schools.

It was reported previously that meetings had been held with 22 schools, providing the opportunity to provide additional challenge to those schools with deficit and allow for open and frank discussions about the challenges faced and resources available to support schools. These meetings were generally held alongside the Schools Improvement Service which enabled all-round support to schools to be considered.

As part of the increased challenge to schools, and in line with the LA Scheme for Financing of Schools and PRUs, the local authority had removed financial delegation from one Cumberland school.

The decision of the Local Authority to take financial delegation from the school was not made lightly and came after regular meetings with the school over a twelve-month period. However, the school had been unable to take the action required to achieve a balanced budget position. The removal of delegation meant that no expenditure could be incurred by the school without approval from the local authority and the school's budget was being managed by the local authority's finance team. The school's leadership team and governors did not have any powers to approve spend while these measures were in place.

In line with the Education Act the decision to de-delegate a school's budget must be reviewed before the beginning of each financial year and would be assessed on the progress made and the abilities of the school and governing body to manage the budget effectively. The local authority intended to work collaboratively with school governors and

the school leadership team throughout the process, and the governing body retained strategic oversight of the school.

The Cumberland Schools Forum welcomed the report and noted the position and the implications of the delays in submissions.

12. Date of Next Meeting

The next meeting of the Schools Forum would be held on 18 March 2026. The meeting will be held in The Council Chamber, Allerdale House, Workington. This would be an in-person meeting beginning at 9.30am.

13. Any Other Business

There were no other items of business.

NS/ES&I

January 2026