

## WESTMORLAND AND FURNESS SCHOOLS FORUM

15th January 2025, Microsoft Teams Meeting, 9.30am

### DRAFT MINUTES

<b>Attendees:</b> Roz de Fraine (on behalf Matt Hardwick) Huw Davies Peter Graveson Simon Laheney Andy Brewerton Daniel Hinton Nicola Carruthers Stephen Gilby (Chair) David Nattrass Lisa Balderstone	<b>Officers in attendance:</b> Katherine Dalglish (Clerk) Marie Barnes Susan Milburn Amanda Chew  <b>Observers:</b> Cllr Janet Battye Chris Allen NASUWT Karen Brocklebank NASUWT
<b>Apologies:</b> Isobel Booler Ian Nicol Laura Watson Jon Hayes Nicola Cove Dawn Dyer	

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

- 1. Membership Update - Consideration of Forum Member vacancies**  
Noted.
- 2. Apologies for Absence**  
As above.
- 3. Exclusion of Press and Public**  
It was agreed that the press and public should not be excluded from the meeting during consideration of any item on the agenda.
- 4. Declarations of Interest**  
None.

## 5. Minutes of Previous Meeting (6<sup>th</sup> November 2024) and Matters Arising (Action Log)

The minutes were approved.

JB confirmed that Cabinet approved the Schools Forum recommendation that the National Funding Formula should be applied in full and any balance remaining after taking into account the growth fund should be transferred to the High Needs Block (Option 1 presented at the previous Schools Forum meeting) at their meeting on 17<sup>th</sup> December 2024.

All actions on the log were addressed or updated.

- SG and SM have discussed the action on the flowchart, and this will be progressed in due course.
- AB has contacted Unison as member required from Green Book unions.

## 6. Dedicated Schools Grant – Schools Funding Formula 2025/26

AC reported that the 2025/26 Dedicated Schools Grant (DSG) Schools Block allocation for Westmorland & Furness is £174.985m.

Approval was sought to set the growth fund budget at £0.071m in 2025/26 and continue to use the current growth fund allocation methodology as set out in the paper at appendix 1 in 2025/26.

**APPROVED** (8 members voted to approve).

The ESFA have approved the continued use of the optional exceptional circumstances factor in the 2025/26 school funding formula for rent costs. Three schools meet the criteria to receive funding through this factor totalling £308,073.

After calculating the school budget shares using the national funding formula and after taking into account the proposed growth fund budget there is a balance remaining in the Schools Block of £0.106m (0.06%) which will be transferred to the High Needs Block to support the budget pressures.

Approval was sought for the proposed growth fund allocation criteria

**APPROVED** (8 members voted to approve).

In response to questions and comments from Forum members, AC clarified the per pupil rates reflect the pupil characteristics based on Oct 2024, multiplied by pupil numbers which results in a shortfall or surplus. This doesn't capture in-year changes to pupil characteristics which is affected by the increasing number of families eligible for Free School Meals. In the event of a roll-out of universal Free School Meals there would need to be additional government funding to cover this. Members highlighted that eligible families should be encouraged to apply for Free School Meals.

AC confirmed that the Core Schools Grant is going to be rolled into the funding formula, and schools will receive the next allocation to cover Sept 2024 to Mar 2025 as this has been annualised. The teachers' pension grant has also been rolled-in.

With reference to the academy which missed 17 pupils from their census due to staff absence, the ESFA have changed the census process and its now more complex. SG asked colleagues to share need to complete census return accurately as the impact on funding can be significant. W&FC have been able to adjust funding, but there will be no further funding available if any of those pupils would have been eligible for pupil premium.

Some of the de-delegated budgets include staffing costs. AC clarified that pay awards are not finalised until some time after de-delegated budgets have been set. There was a desire to keep the per pupil amounts at a minimum, with 2% being consistent with the percentage included in the Council's MTFP. Any surplus or pressures would be transferred to the DSG reserves.

Approval was sought from maintained schools (Primary) including special schools and PRU to de-delegate in 2025/26 the following services:

- Contingencies
- Staff Costs
- Library Services
- School Improvement

**APPROVED** (3 eligible members voted to approve)

Approval was sought from maintained schools (Secondary) including special schools and PRU to de-delegate in 2025/26 the following services:

- Contingencies
- Staff Costs

**APPROVED** (4 eligible members voted to approve).

Approval was sought from the Forum membership for the proposed 2025/26 de-delegated budgets totally £1.380m.

**APPROVED** (8 members voted to approve)

## **7. DSG – Other Blocks**

AC reported on the 2025/26 Dedicated Schools Grant (DSG) for Central School Services, Early Years and High Needs Blocks. The total DSG to be allocated through these blocks in 2025/26 for Westmorland & Furness is £62.824m.

The Schools Forum was asked to note the DSG Central School Services, Early Years and High Needs Block allocations for 2025/26 and approve the proposed centrally retained expenditure budgets for the Central School Services and Early Years Blocks.

The High Needs Block funding formula includes an historic element based on 50% of expenditure in 2017/18. The proportion of historic funding reduces each year, but still funds a significant proportion of the High Needs Block. In 2017/18 Cumbria had lower expenditure than in other years meaning our funding is lower than it could have been. Other local authorities are still benefitting from the fact they spent more that year. W&F are the 14<sup>th</sup> lowest funded authority out of 150 local authorities.

Forum members asked what can be done, given that we have some areas of higher deprivation eg. Barrow, and in response SM outlined action that is being taken, for example working to increase take-up of Free School Meals, and writing to and meeting with the DfE.

DH highlighted the ramifications for special schools and PRU. Funding for uplifts for EHCPs where students have increasing levels of need is not forthcoming, and there are new students coming into schools. There has been a lack of communication from the local authority regarding applications for funding at correct bandings.

**ACTION** – meet to discuss impact of low funding on special schools (IB/MB/DH)

JB stated that W&FC are listening to the feedback received from schools and it is helpful to hear these comments from Forum membership. She referred to the work that is ongoing to address this issue, including Team Barrow and the working groups that involve families, children, health and educational attainment.

Concern was noted that the increase is 0% as it has previously been an increase of 0.5%.

Approval was sought for the the provisional CSSB budget of £1.646m.

**APPROVED** (8 members voted to approve).

Approval was sought for the provision centrally retained EYB of £0.568m.

**APPROVED** (8 members voted to approve).

## 8. **Payroll Contracts**

SM informed Schools Forum members that a new framework for payroll and HR Admin services for maintained non-cheque book schools will be procured during 2025. There is a requirement to consult Schools Forum members on the terms of the contract.

**ACTION:** Chair to meet with SM to discuss any necessary amendments before this is brought back to Schools Forum for approval.

## **9. Maintained Schools Balances**

AC presented a summary of the maintained schools balances as at 31 March 2024 and projected balances for 31 March 2025. The schools balances position as at 31 March 2024 was a net surplus of (£0.450m).

Based on school budget plans submitted in May the net school balances as at 31 March 2025 are projected to be net deficit of £2.533m, a reduction of £2.983m compared to the position as at 31 March 2024. This is a cause for concern and steps are being taken by local authority officers to address this including finance review meetings in early Spring term with schools in deficit causing concern, a review of the current deficit schools policy (Appendix 1 in the papers) and targeted financial training for schools.

Forecast year-end outturn projections have been received from 29 of the 34 schools that proposed deficit budgets in May. These returns predict a net decrease in pressure of (£0.380m) compared to their proposed deficit budgets of £5.583m.

An updated maintained school balances projection as at 31 March 2025 to reflect the school budgets plans submitted in October together with the outcome of the excess surplus balances review and proposed changes to the schools in deficit policy will be provided at the next Schools Forum meeting.

SG commented that deficits will soon go beyond the High Needs Block and affect all schools. The actions outlined, for example, support and training cannot be optional.

DH highlighted the position for special schools: it is within gift of the local authority to pay the appropriate level of funding for pupils according to need, but if the local authority chooses not to increase the value of each band, they are choosing for those schools to go into a deficit position. Any deficit review meetings should include someone independent as the position is very different to mainstream schools.

SG recognised the complexity around panel meetings which shouldn't be a financially driven process, but based on need. The same is experienced in mainstream schools with regard to the EHCP process.

HD requested clarification that the support processes described in the paper had been in place for some time and that there was now more emphasis on applying those processes given the financial situation. SM confirmed that recruitment is underway to provide capacity within the team to deliver this. The situation will not turn around quickly, but we need to

work towards reducing the deficit as soon as possible because this is a significant risk for the local authority.

LB stressed that there is only one PRU within W&F and that all EHCP provision is funded at the same rate. There are already discussions ongoing regarding the opening of Channelside, and the concern that the funding originally planned will not be available.

AB highlighted concerns that the new government are asking schools to make efficiency savings, while also paying a 2.8% increase to teachers' pay, which may lead to job losses.

SL commented on the falling school rolls in some areas, and whether school organisation and sufficiency is under pressure. Reducing numbers is driving a reduction of money coming into the system, alongside increasing costs. Some schools will be able to recover from a deficit position with increasing numbers next year, but others will not.

In response AC clarified that the three-year budget plans for schools are showing projections for the next two years with the pattern expected to continue. The concern is not just for schools already in deficit, but those who's reserves are depleting, with little experience of having to address a deficit and make efficiency savings or produce a balanced budget. This is why the investment in training and accountability is so important.

DH and LB reiterated that ultimately this may lead to reduced numbers of staff which then affects levels of student safety.

#### **10. Dedicated Schools Grant Final Outturn 2023/24**

AC confirmed that a provisional DSG outturn position for 2023/24 was reported to Schools Forum on 9 October 2024 and this report confirms the final Dedicated Schools Grant (DSG) earmarked reserves position for financial year 2023/24.

The overall DSG earmarked reserves stand at a net deficit of £13.927m of which there is a net surplus of (£4.433m) relating to the Early Years and Central Services Blocks offset by a net deficit of £18.360m relating to the High Needs (HN) Block. The overall net deficit has increased by £5.185m during 2023/24.

The Forum noted this report.

#### **11. High Needs Budget Monitoring Q2 2024-25**

AC presented the report on the High Needs (HN) Block deficit position as at 30 September 2024 which is forecast to be £26.772m as at 31 March 2025, an increase of £8.348m compared to the provisional closing deficit at

the end of financial year 2023/24 of £18.424m. Expenditure has increased since the report to Schools Forum at Quarter One.

In response to queries, AC reported that local authorities are obliged to set balanced budgets, so it is not possible to set the budget higher than allocation even where this may be considered more realistic.

By way of explanation for the variances reported in the paper, AC highlighted the increased top-up funding and new special school places, together with increases in the cost of ISPs, particularly post-16 placements. SG highlighted that Social, Emotional and Mental Health is the fastest growing area in EHCPs, and that conversations are ongoing with health colleagues about their input.

Forum members discussed the plans which have been developed to address this and save money in the long-term, including the work of the HNB working group and SEND Task Force. There is a need for the local authority to commit to these plans. There will be capital investment in building new special schools to reduce the number of ISPs. This goes beyond individual schools' circumstances and will be a monumental amount of work but we will come together to address this.

JB referred to the new Sufficiency Strategy and the existing working groups, and the work that is ongoing to address capacity and shape these services going forward.

#### **12. De-delegated Contingency Budget Monitoring Q2 2024-25**

AC presented that the forecast outturn position on the de-delegated contingency budget for the 2024/25 financial year as at 30 September 2024. The budget is projected to underspend by £0.038m.

In accordance with the Dedicated Schools Grant (DSG) conditions, the underspend will be carried forward into the Central DSG earmarked reserve.

Forum members noted the report.

#### **13. Consideration of further Working Groups**

There is currently an existing High Needs Block Working Group linked to the Schools Forum, and a SEND Task Force. Participation is encouraged and details will be circulated to Forum members when available.

**ACTION** – KD to set date for HNB working group meeting in February (after half term)

#### **14. Dates of Future Meetings**

- i. The next meeting of the Schools Forum will be held on Wednesday 11<sup>th</sup> June 2025. The meeting will begin at 9.30am and will be via Microsoft Teams.

**ACTION** - KD to circulate provisional dates for next academic year