

THE CUMBRIAN SCHOOLS' FORUM

Draft MINUTES OF THE MEETING HELD ON

21 October 2020

via Microsoft Teams

PRESENT

Richard Aindow (Special Academies)

Lisa Balderstone (PRU)

Alison Claricoats (North Maintained Primary)

Louise Donnelly-Stott (Small Schools)

Stephen Gilby (North Maintained Secondary)

Matthew Hardwick (South Maintained Secondary)

Daniel Hinton (Special Schools)

Steven Holmes (South Secondary Academy)

James Jackson (West Secondary Academy)

Matthew Jessop (South Maintained Primary)

Simon Laheney (FEC)

Chris McAree (North Secondary Academy)

John McAuley (RC Diocese)

Amanda McDonald (Nursery Schools)

David Nattrass (North Maintained Primary)

Jennifer Rowlands (West Secondary – representing Judith Schafer)

Alan Rutter (Teachers Professional Associations and Chair of Forum)

Sue Sanderson (Cabinet Member – Schools and Learning)

Cathy Styles (South Maintained Primary)

Ruth Webster (South Maintained Primary)

Kris Williams (North Secondary Academy)

Officers in Attendance:

Dan Barton (AD – Education and Skills)

Susan Milburn (Group Finance Manager)

Amanda Chew (Finance Manager)

Nicola Shiels (Forum Support)

Observers:

Val Tarbitt (CCC Conservative Group Member)

Sandy Todd (CASH)

Apologies for Absence

Marie Barnes (Senior Adviser – South and Assistant Manager – Learning Improvement)

Jane Faulkner (PVI)

Gerry Garvey (PVI)

Judith Schafer (West Secondary)

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. Membership

The following membership changes were noted:

- i) Des Bird, Workington Academy and west secondary academy representative has resigned from the Forum and has been replaced by James Jackson from West Lakes Academy; and
- ii) Ty Power, south secondary academy had resigned.

James was welcomed to the Forum as was Richard Aindow, Cumbria Academy for Autism and new Special Academy representative.

4. Minutes of Previous Meeting and Matters Arising

The minutes of the meeting of the Schools Forum held on 3 July 2020 were agreed as an accurate record.

There were no matters arising from the minutes.

5. School Budgets and High Needs Working Groups

A combined meeting of the School Budgets and High Needs Working Groups had taken place on 30 September 2020. The draft notes would be circulated separately. All items that had been discussed would be considered again at this meeting.

6. Schools De-delegated Contingency Fund Budget Monitoring Q1 2020-21

A report presenting the forecast outturn position on the de-delegated contingency budget for the 2020-21 financial year as at 30 June 2020 was presented. The budget was currently projected to overspend by £0.273m and in accordance with the Dedicated Schools Grant conditions, the overspend on the de-delegated contingencies budget as at 31 March 2021 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 2020-21 was £0.686m. 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, reorganised or closing schools

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

The main areas of expenditure were ill health retirements, settlement agreements in schools in line with the agreed policy, administration costs of the Teachers Annual Return and other miscellaneous costs including school rates bill adjustments and temporary accommodation at the Gillford Centre PRU.

Additional costs relating to new, closing or amalgamated schools

Two schools, Caldew Lea and Hensingham Primary, had received academy orders to become sponsored academies during 2019-20. The final accounts for these academies had been agreed and had resulted in an additional £0.049m chargeable to the contingency fund.

Two schools had closed on 31 August 2020 (Bram Longstaffe Nursery School and Newtown Primary School which became a sponsored academy). The combined deficit for these two schools was estimated to be £0.534m.

The Schools Forum noted the forecast outturn position on the contingencies budget for 2020-21.

7. High Needs Block Budget Monitoring Q1 2020-21

A report was presented that provided an update on the forecast deficit on the High Needs (HN) block as at 30 June 2020 which was forecast to rise compared to the closing deficit at the end of the financial year 2019-20.

A balanced High Needs budget had been set for 2020-21 with no planned transfer to reserves. As reported to Schools Forum at its meeting held on 17 January 2020 the original budget available for the HN Block was £45.894m. This represented an increase of £6.151m compared to the budget available in 2019-20.

Although a balanced budget had been set for 2020-21 and despite a significant increase in funding available there still continued to be specific budget pressure relating to the growth in demand for Education Health Care Plans (EHCPs). The number of children with EHCPs had risen continuously month on month for some time and reached 3,769 as at Q1. Between the period April 2018 and June 2020 numbers had increased by a total of 840 which represented an increase of 28%.

A significant proportion of the HN Block funding from central government was still based on historic spend using 2017-18 planned HN Block expenditure as a baseline. For 2020-21, 40% of the total allocation was allocated through the historic spend factor meaning that the formula used to calculate the HN Block funding for 2020-21 did not fully recognise the continued growth in demand for specialist places that had been experienced at local and national level.

As reported previously to Schools Forum, the additional HN funding received from central government in 2018-19 and 2019-20 from central government and the transfer from Schools Block in 2019-20 had been earmarked specifically for Invest to Save initiatives to manage the rising demand on SEND services whilst at the same time achieving savings to manage down the HN deficit. As at 31 March 2021 the underspend against this budget of £0.835m was transferred to the DSG Earmarked reserves to continue to support the development of invest to save initiatives in 2020-21.

Performance against the High Needs Block budget was monitored on a monthly basis with reports presented to senior management each month, and to Cabinet on a quarterly

basis, as well as to each Schools Forum meeting. The projection against the budget as at Q1 showed that the budget was projected to overspend by £4.169m at 31 March 2021 with a projected deficit of £15.190m.

The main in-year pressures related to the EHCP top-up payments, the cost of independent placements, top-ups for post, residential placements and additional Covid-19 related expenditure.

The Invest to Save Initiatives earmarked reserve was held within the DSG reserves and was made up of underspends carried forward from 2018-19 and 2019-20. Commitments in 2020-21 included the Sandgate Early Intervention Programme and Greengate Junior Alternative Provision in Schools the continuation of other invest to save initiatives agreed in 2018-19 and 2019-20.

The projected forecast expenditure in 2020-21 would be funded from the Invest to Save reserves and from the additional HN block funding made available in 2020-21.

As previously reported, the anticipated savings for the some of the invest to save initiatives were not immediate but were expected to have an impact in future years. For example, the Sandgate early intervention project and the 2 new AP centres in the North and South of the County were expected to increase the number of children that were able to remain in mainstream education and reduce the number of pupils being permanently excluded resulting in a reduction in the use of high cost independent sector placements and other alternative education arrangements.

There were some concerns that, despite the receipt of additional funding, the overspend continued to increase; areas for continued monitoring and challenge included the cost of independent provision. It was suggested that benchmarking data looking at statistical neighbours in terms of overspend would be useful information to consider.

The Schools Forum noted the report and the current projection as at 30 June 2020.

8. High Needs Deficit Recovery Plan

A report that provided an update on the progress made on the High Needs (HN) Block Recovery Plan following confirmation of the provisional HN Block allocations for 2021-22 and a meeting with the DfE on 23 September 2020 was presented.

The deficit recovery plan submitted to DfE by 20 June 2019 showed that it was not possible to balance the budget in-year within the timescale stipulated by DfE of three years and the HN deficit was predicted to continue to increase despite a number of invest to save initiatives.

Since the plan was submitted there had been a number of updates to it and LA officers had recently met with the DfE to discuss the latest version. The plan had been updated to reflect the increase in HN Block funding in 2020-21 and included the transfer in of £1.511m from the Schools Block. The HN budget for 2021-22 reflected the HN Block provisional allocation as announced by the DfE in July and included estimated special school pupil number growth, adjustments to academy recoupment for HN places and the roll in of the Teachers Pay Grant (TPG) and Teachers Pension Employers Contribution Grant (TPECG) for special schools and PRUs.

For 2022-23, the plan assumed the funding increase would be a minimum of 8% per head of aged 2-18 year old population. Pupil number growth had also been factored in. Beyond 2022-23 the plan assumed no further increases in funding available; the figures were indicative and would be updated once the final allocations for each year were confirmed.

For 2020-21 the position was as reported in the Q1 monitoring report. The special school and PRU budgets allowed for the roll in of the TPG and TPECG in the HN Block which would be allocated on a per place basis and would be no less than the amounts received in 2020-21.

The invest to Save Initiatives had been updated to reflect the revised planned opening dates for the two new AP Centres of September 2021 (North) and January 2022 (South) creating an additional 80 AP/SEMH places. The impact of these additional places were not expected to achieve savings against the cost of independent placements until 2025-26 onwards. It had also been updated to include the further expansion of Sandgate Special School to raise the number of places to 120 by November 2020 ahead of the co-location with Queen Katherine School and the Alternative Provision in Schools pilot at Greengate Junior which aimed to improve SEMH pupil outcomes and reduce the number of pupils at risk of permanent exclusion had been factored in.

Appendix 1 showed the position on the HN block before and after the impact of the invest to save initiatives and the overall projected deficit balance on the DSG is summarised. For 2020-21 it was expected that the HN Block deficit would increase because the full impact of the invest to save initiatives were not immediate but in future years. For 2021-22 a deficit was still predicted however this was before any potential transfer from the Schools Block. Further invest to save initiatives included the potential to roll out the early intervention programme pilot at Sandgate Special School across all 5 special schools and further alternative provision in schools that could demonstrate a saving against the HN block.

The DfE would continue to monitor progress against the plan and have made a number of helpful suggestions worthy of further investigation including potential transfer from the Central School Services Block, review of special schools funding and an over time analysis of the drivers of growth in demand for EHCPs and increasing complexity of need. DfE had also recently produced a new DSG management plan template which LAs with DSG deficits were being encouraged to use to present their plans at Schools Forum meetings as an evidenced-based tool. It would be a live document, updated at least termly and the intention was that it would be presented before the January 2021 meeting.

Schools Forum noted the report and the current projection on the High Needs Recovery Plan.

9. School Funding Formula 2021-22

A report was presented that set out details of the dedicated schools grant (DSG) funding for 2021-22 and proposed that the National Funding Formula should be applied in full with any balance remaining within the Schools Block after taking into account the Growth Fund up to a maximum of 0.5% being transferred to the High Needs (HN) block to support the budget pressures.

The report sets out the rationale behind this proposal which was supported by the Schools Forum Budget Working and High Needs sub-groups and included a draft consultation document showing illustrative impact on school budget shares with a view to the consultation being launched on 22 October for a period of 3 weeks.

A national funding formula was introduced for schools from 2018-19 and in 2021-22 local authorities would continue to decide, following consultation with their schools and Schools Forum, whether this formula was applied or a locally determined formula was used. In 2020-21, as in previous years, Cabinet members decided on 19 December 2019 that the National Funding Formula would be used to allocate funding to schools following consultation with all local schools and recommendation from the Schools Forum.

On 20 July 2020, the Education & Skills Funding Agency announced details of the dedicated schools grant (DSG) funding arrangements and provisional funding allocations for 2021-22. These figures were subject to change following updated pupil numbers and other later adjustments. Final allocations would be published in December 2020 and would include Early Years funding which had not yet been announced.

Overall, it was expected that there would be an increase in the level of funding received; the biggest increase would be to the Schools Block but there would also be additional funding for the High Needs Block and a reduction to the Central Services Block.

As in 2020-21 the national funding formula for 2021-22 would constitute a 'soft year' which meant that the DfE would set notional budgets for each school using the national funding formula and October 2019 pupil data and this was then aggregated and used to calculate the total schools block received by each local authority.

There was a requirement that all maintained and academy schools were consulted on any changes to the local funding formula each year. Even if it was proposed to continue to follow the National Funding Formula, if the formula factors and/or the minimum funding guarantee (MFG) was different to that of the preceding year then all schools must be consulted on the changes. Following this consultation, Schools Forum would then be asked to make a recommendation to Cabinet on a proposed approach and Cabinet would then decide on the final formula for 2021-22.

It was proposed that schools were consulted on adopting the National Funding Formula in 2021-22 as in previous years. DfE had announced in July that later this year they would put forward proposals to move to a 'hard' NFF in future which would determine schools' budgets directly rather than through local formulae set independently by each local authority. The timing of this was not yet known but indications were that 2022-23 was likely to continue to be 'soft' year. In Cumbria, since the NFF was first introduced in 2018-19 Cabinet had decided following Schools Forum recommendation to adopt the NFF. Nationally, the majority of local authorities had either adopted or moved their own local formula closer towards the NFF.

Last year, through the consultation process it was possible to adopt the NFF in full with enough budget leftover to transfer 0.5% to support the High Needs Block without having a negative impact on school budget shares. For 2021-22 it was recommended that the same principle was applied.

This proposed method of allocating the Schools Block would be the most prudent given the uncertainties of the impact of the 'hard' NFF as it provided schools with the full funding due to them under the NFF including the mandatory minimum per pupil funding levels which was protected in future years.

The alternative option would be not to transfer any funding to the HN Block and allocate any surplus budget, after taking into account the Growth Fund budget, to schools through increasing the basic per pupil AWPU factor. There was a risk however that this option would, in future years make applying the NFF in full unaffordable as the increase in funding would be built into the schools budget share baselines and may result in a requirement to reduce the level of MFG protection in future years below the level of that used in the NFF.

A timeline for the consultation with schools and subsequent decision making process in relation to agreeing the final formula for 2021-22 was detailed in the report. Following the end of the consultation a report would be presented to the next Schools Forum meeting on 27 November ahead of Cabinet who would make the final decision on the school funding formula for 2021-22 at its meeting on 17 December.

Schools Forum

- i) noted the provisional school funding settlement;
- ii) recommended that all schools be consulted on the proposal to apply the National Funding Formula in full in 2021-22 with any remaining balance up to 0.5% transferring to the HN Block after taking into account the growth fund budget; and
- iii) noted the draft schools consultation document and feedback ahead of the consultation launch.

10. Cumbria Schools Forum Membership

Schools Forums must have schools members, non-schools members and academy members if there was at least one academy in the local authority area. The balance between primary, secondary and academy members should be broadly proportionate to the pupil numbers in each category.

Where a local authority maintained one or more special school the schools forum must have at least one schools member from that sector. The same applied to nursery schools and pupil referral units (PRUs). In addition, there must be one member for special academies and alternative provision academies, including free schools, if such existed in the local authority area.

As schools converted to academy status the school member representation on the Schools Forum should periodically be reviewed in terms of proportionality. A report was presented that set out a review of school member representation on the Forum based on pupil numbers as reported in the January 2020 census update.

Currently, the Schools Forum was made up of 24 school members (9 maintained primary, 3 maintained secondary, 8 academy (6 secondary and 2 primary), 1 special, 1 special academy, 1 nursery and 1 PRU) and 6 non-school members.

To maintain a membership that was broadly proportionate to the pupil numbers in each category, it was proposed that, from 1 January 2021, the split of school members should remain unchanged.

At the meeting on held on 26 November 2019, Schools Forum agreed that attendance at meetings should be monitored and recorded so that instances of non-attendance could be reported to the Schools Forum in order to determine what action should be taken. The report included a copy of the record of attendance at meetings. In view of the unusual circumstances of 2020, it was suggested that no action be taken at this stage but that attendance should continue to be monitored and recorded so that issues of non-attendance could be reported back to Forum for decisions to be taken as appropriate.

The report detailed a number a number of 'vacant' constituencies that would need to be filled; Forum members were encouraged to highlight the vacancies to colleagues in other schools. A letter would be sent to all schools via the School Portal to notify them about Forum representatives and current vacancies.

Schools Forum

- i) noted the report and the proportionate split between maintained school representatives and academy representatives, based on pupil numbers in each sector as at January 2020;
- ii) agreed that the number of school member/constituencies should remain unchanged at 24, and that constituencies should continue to be represented as set out in paragraphs 4.11 and 4.12; and
- iii) agreed that membership of the Forum should be reviewed again in relation to proportionality during the autumn term 2020.

11. Date of Next Meeting

The next meeting of the Schools Forum would be held on Friday, 27 November 2020. The meeting would be held via Microsoft Teams. Arrangements and start time would be advised prior to the meeting.

12. Any Other Business

An issue relating to high needs funding was raised on behalf of PHA. It was not possible to provide an immediate response but officers would develop a response and report back at a later date.

There were no other items of business.

SAA/NS

November 2020