

SCHOOLS FORUM MEETING
HELD ON 18 DECEMBER 2025

PRESENT:

Primary Headteacher Representative: Mrs K Coe

Primary Academy Headteacher Representatives: Mrs S Richardson (Chair)

Secondary School Headteacher Representative: Mr R Henderson

Secondary School Headteacher Academy Rep: Mrs L Spellman, Mr R Parkinson and Mrs C Humble

Special School Representative: Mr M Little

Local Authority Representative: Cllr. C Clark

Pupil Referral Representative: Dr N Munro (substitute)

Primary School Governor Representative: Mrs S Symington

Secondary School Governor Representative: Mr C Wilkinson

OFFICIALS: Mr A Bryson – Chief Accountant

Mr G Waller – Senior Accountant

Mr M Ellwood – Senior Finance Technician

Mrs E Dyball – Stratgeic Lead SEND Practice

Mrs M McCarthy – Director of Children's Services

Mrs V Housley – Head of Service Education and Inclusion

Cllr. C Besford – Councillor LA

Mrs S Hewitson - Secretary to the Forum

OBSERVORS: Mr D Leane and Mrs S Gummerson

It was clarified that Mrs S Gummerson was an observer and Dr N Munro was a substitute for Mrs G Warby, Pupil Referral Unit Representative.

1. APOLOGIES FOR ABSENCE

RESOLVED that the apologies for absence were received from Mr L Russell, Mrs D Law and Mr E Squire be accepted by the Forum.

2. DECLARATION OF INTERESTS

Members were invited to declare any personal or business interests they may have in any item included on the agenda.

No interests were declared.

3. MINUTES OF THE LAST MEETINGS – 10th NOVEMBER 2025

RESOLVED that the minutes of the meetings held on 10th November 2025 be approved by members.

4. MATTERS ARISING

4.1 Section 19 Funding

Mr Bryson clarified that this wasn't a decision for Schools Forum however the

forum could put forward their recommendations/opinion.

5. SCHOOLS NATIONAL FUNDING FORUMAL 2026/27

This paper was intended to inform the Schools Forum of the latest information regarding the 2026/27 National Funding Formula (NFF) for schools and central school services however, this had been delayed and only received yesterday. Details on the allocations for high needs funding for 2026/27 and early years would be published at a later date.

For 2026 to 2027, DfE were making no changes to the structure of the schools National Funding Formula (NFF), with the same factors used in the formula as in 2025 to 2026.

In response to a member's question, the reports that had been released yesterday would be brought back to the next Schools Forum meeting.

National Increases

Total provisional funding for mainstream schools through the schools NFF will total £50.9 billion in 2026 to 2027. This included funding that was allocated in 2025 to 2026 through the school's budget support grant (SBSG) and National Insurance Contributions (NICs) Grant, which has been "rolled in" to the schools NFF in 2026 to 2027 to help simplify the funding system. On top of this rolled in funding, factor values in the school NFF have been increased.

In 2026 to 2027, local funding formulae would continue to determine funding allocations for individual schools, but as in recent years local authorities which were not already "mirroring" the NFF would be required to move their factor values at least 10% closer to the NFF values than the previous year.

Mrs C Humble joined the meeting.

Central school services funding funds local authorities for the ongoing responsibilities they continue to have for all schools, and some historic commitments entered into before 2013 to 2014. The total provisional funding for ongoing responsibilities is £379 million in 2026 to 2027.

Final allocations of mainstream schools and central schools services funding for 2026 to 2027 would be calculated in December 2025, based on the latest pupil data at that point, when they announce local authorities' Dedicated Schools Grant (DSG) allocations.

Extension of the Dedicated Schools Grant Statutory Override

The government would set out substantial plans for reform of special educational needs provision early in the new year to deliver a sustainable system which supported children and families effectively. The 2025 Spending Review provided investment for SEND reform. Future funding implications would be managed within the overall government Departmental Expenditure Limits envelope, such that the government would not expect local authorities to need to fund future special educational needs costs from general funds, once the Statutory Override ends at the end of 2027-28. The government would set out further details on its plans to support local authorities with historic and accruing deficits and conditions for accessing such support through the upcoming Local Government Finance Settlement.

The National Funding Formula for Schools

For 2026 to 2027, DfE were making no changes to the structure of the schools National Funding Formula (NFF), with the same factors used in the formula as in 2025 to 2026.

The mainstream school's elements of the Schools Budget Support Grant (SBSG) and the National Insurance Contribution (NICs) grant were being rolled into the schools NFF for 2026 to 2027.

The approach to rolling in these grants is very similar to how earlier grants were rolled into the 2025 to 2026 NFF. DfE had rolled in the grants in three ways, to reflect the three different ways in which schools attract funding through the NFF:

- Increasing the basic entitlement, FSM6 and the lump sum factor values for schools funded through the main formula factors (before protections);
- Increasing the minimum per pupil levels; and
- Increasing the baseline for each school, which is used to calculate funding protections for schools funded through the funding floor.

The rolling in of these grants into the schools' notional NFF allocations would affect the core budgets that maintained schools would receive from April 2026, and that academies would receive from September 2026. Because of this, academies would receive further grant payments for the period April 2026 to August 2026.

Almost all factor values in the schools NFF have increased from 2025 to 2026. The amount of the increase varies between factors:

- a) The basic entitlement values, FSM6 values, the lump sum and the minimum per pupil funding values had increased to reflect the rolling in of the Schools Budget Support Grant (SBSG) and the National Insurance Contribution (NICs) Grant from 2025 to 2026 factor.
- b) On top of this, a further 2.11% increase had been applied to the basic entitlement; FSM6 values and the lump sum factors per pupil levels.
- c) A 2.11% increase had also been applied to the IDACI, low prior attainment (LPA), English was an Additional Language (EAL), mobility, sparsity and split sites factors.
- d) A 1.66% uplift had been applied to the FSM factor in the NFF, in line with inflation forecasts – as of the GDP deflator forecast of March 2025.
- e) The funding floor would continue to protect schools from sudden drops in their funding. The 2026 to 2027 NFF funding floor was set at 0%. This ensured that no school would see a cash reduction in its pupil-led per pupil funding they attract, compared to the 2025 to 2026 baseline. For 2026 to 2027 the baseline includes rolled in funding to reflect the NICs Grant and the annualised equivalent of the SBSG.
- f) Local authorities would continue to set a minimum funding guarantee in local formulae, which in 2026-27 must be between 0% and -0.5%.
- g) Local authorities would continue to be able to transfer up to 0.5% of their schools block to other blocks of the Dedicated Schools Grant (DSG), with Schools Forum approval. A disapplication would be required for transfers above 0.5%, or for any amount without Schools Forum approval. This was approved at the last Schools Forum meeting following a period of consultation.

The National Funding Formula for High Needs

The high needs block of the DSG supports provision for children and young people

with SEND, from ages 0 to 25, and AP for children of compulsory school age who, because of exclusion, illness, or other reasons, cannot receive their education in mainstream schools.

High needs funding allocations for 2026 to 2027 have not yet been published.

National Funding Formula for Early Years

Early Years allocations had not yet been published. It was anticipated that the Early Years 2026/27 allocations would be issued as usual in December 2025.

DfE had however published a review copy of the 2026-27 Early Years Funding Operational Guide. This confirmed an increase in the required minimum pass-through rate from 96% to 97% and a move to a termly funding system to LAs for all early year's funding streams.

The National Funding Formula for Central Schools Services

The central school services block (CSSB) within the DSG provides funding for local authorities to deliver central functions on behalf of maintained schools and academies. The block will continue to consist of two elements: ongoing responsibilities and historic commitments. For the 2026 to 2027 financial year, the funding formula will remain unchanged from the 2025 to 2026 approach.

The CSSB would continue to fund local authorities for the ongoing responsibilities they deliver for all pupils in maintained schools and academies. The total provisional funding for ongoing responsibilities is £379 million in 2026 to 2027. This included funding for the rolling in of the centrally employed staff elements of both the SBSG and NICs grant into the CSSB for 2026 to 2027 – with the SBSG grant element recalculated on a full-year basis.

Funding for ongoing responsibilities in the CSSB is calculated using a simple per pupil formula, the structure of which is unchanged from 2025 to 2026. 90% of the funding will be distributed through a basic per pupil factor, and 10% of the funding through a deprivation factor based on the proportion of pupils eligible for free school meals within the past six years (FSM6) in mainstream schools.

Local authorities would continue to be protected so that the maximum per pupil year-on-year reduction in funding for ongoing responsibilities was at -2.5% as in the previous year, while the year-on-year gains cap will be set at the highest affordable rate, of 2.13%.

In 2026-27, the historic commitments element would continue to reduce by 20% on 2025-26 allocations, the same rate as the reduction in previous years.

In response to a member's question, it was confirmed that 0.5% had been voted into the High Needs Fund. Mr Bryson advised that clawback would not occur until the 2028/29 financial year, meaning these issues would persist for the next three years. The deficit would become a cost to Stockton Council and other councils were going through the same issue nationally, which would impact their budgets. No further details were available regarding how this would be implemented.

In response to a member's question, a query was raised regarding whether the two grants would be consolidated for mainstream schools, while special schools would remain unchanged. It was noted that academies might still require a grant for one element. In addition, it was noted that there was no funding for FSM from the High

Needs Block, as a new separate grant had been introduced. Clarification was required on whether special schools would be eligible. Guidance had only been released the previous day and needed to be reviewed.

Cllr. C Besford withdrew from the meeting.

There was no reference to next year's High Needs funding within the Schools Block. Figures were expected to be included in the DSG document and Mr Waller agreed to provide headline information. Mr Little stated that the same changes should apply so that no school would be disadvantaged. Members requested that headings for special school uplifts be presented in January, and it was agreed that further detail would be provided at the January meeting.

Mr Waller

It was noted that a white paper was expected in February 2026. The Banding Subgroup meeting was scheduled for January to discuss EP funding and TA costs, with outcomes to be reported back to the group. A £4 billion national deficit was highlighted by a member and Stockton was identified within the top 50 authorities for deficits. Mitigation plans had been reviewed with the government and Mr Waller agreed to present further details.

Mr Waller

Mrs L Spellman withdrew from the meeting.

Mr Waller tabled and shared a brief Excel document on DSG allocations. Further details were scheduled to be provided at the meeting on 20th January.

Forecast information showed that pupil numbers had decreased since last year. There was a £274k increase overall, with a significant increase in the Early Years block. The High Needs block had increased by £2.8m, and a forecasted £5m deficit on High Needs overspend was reported.

6. SCHOOLS FUNDING CONSULTATION 2026/27

Dedicated School Grant (DSG) to Local Authorities was allocated in blocks. There were blocks of funding for Early Years, Schools, High Needs and Central School Services. The Department for Education (DfE) uses the national funding formula to calculate the blocks within the DSG that are allocated to local authorities. Local authorities currently have some flexibility in how this funding was allocated to schools, within the framework and constraints set out by DfE.

Following verbal update to the Schools Forum on 10th November 2025 on the delay to the publication of the National Schools Funding Formula there was a requirement to undertake the remaining part of the annual funding consultation exercise with all schools on proposals for next year's funding arrangements.

The Schools Forum should take into account the views of the schools responding before making their decision.

Schools Forum was asked to support the proposals for the schools funding formula for 2026/27 (Q1-3) noting that:-

- All Schools Forum members may vote on these proposals.
- The local authority is required to consult with Schools Forum on the funding formula, however the local authority retains the final decision on the formula to be used.

The council recently held a consultation on school funding arrangements for 2026/27. This consultation closed on the 10th December. A copy of the consultation document issued to schools is attached at **Appendix A** to this report.

The local authority NFF allocations are due to be confirmed in December 2025. A Schools Forum meeting has been arranged for 20th January 2026, where the final proposals will be confirmed prior to submission to DfE on 22nd January 2026.

Summary of the Consultation Responses

Of the 78 schools consulted with, 27 responses were received. The responses include a block of 11 votes from one Academy Trust and a block of 11 votes from another, but please note that this second block was received on the 11th December which was after the closing date of the 10th.

The breakdown of the 27 responses (which is a 35% response rate) is as shown in the table below:

LA Primary	1
LA Secondary	1
Primary Academy	22
Secondary Academy	3
AP / Special Academy	0
TOTAL	27

The three questions related to the Schools Funding formula and were considered together.

Question 1 - Do you agree, funding permitting to increase the formula factors in line with the NFF?, except for the PFI factor which will increase in line with the Retail Prices Index as specified in the PFI contract.

Question 2 - The Council seeks your views on whether you agree with the proposal to set the MFG at the maximum of 0%, assuming the level of funding permits this?

Question 3 - Do you agree to adjust the Basic Entitlement AWPU if funding allocated to the LA is greater than that needed to fulfil the National Funding Formula?

Consultation Responses

All responses fully supported the proposals in Questions 1 to 3.

- Q1 - 27 Responded Yes,
- Q2 - 27 Responded Yes,
- Q3 - 27 Responded Yes.

Even after excluding the 11 block votes that were received after the deadline the responses still fully supported the proposals in Questions 1 to 3.

- Q1 - 16 Responded Yes,
- Q2 - 16 Responded Yes,
- Q3 - 16 Responded Yes.

Schools Forum was asked to support the proposals for the schools funding formula for 2026/27 noting that:

- a) All Schools Forum members may vote on this proposal.

Action

b) The local authority was required to consult with Schools Forum on the funding formula, however the local authority retains the final decision on the formula to be used.

RESOLVED that all voting members agreed with all three questions,

Mr C Wilkinson withdrew from the meeting.

7. ANY OTHER BUSINESS

7.1 Sub-Group Update

Mrs Dyball had not set the dates for the High Needs Sub-group yet but would circulate them before she broke up for Christmas. This would be an agenda item at the next meeting.

Agenda

8. DATE AND TIME OF NEXT MEETING

RESOLVED that the next meeting of Schools Forum be held at 1:00pm on 20th January 2026.

Signature of Chair

Date