**Schools Forum Agenda**

Wednesday 17th September 2025, **Hamptons Sports & Leisure, Chelmsford, CM2 9FH**

8am for an **8.30am start**; breakfast **10.00am**, finish by **11.45am**.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **Presenter** | **Voting / Relevance** | **Page** |
| 1 | Apologies for Absence (and substitute notices) | Chair |  |  |

**Decision Papers**

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| 2 | Early Years Funding 2025/26 | Carolyn Terry | All schools | 2 |
| 3 | SEN Top-Up Funding | Clare Kershaw | All schools | 10 |
| 4 | Split Site Funding for Special Schools and PRUs | Yannick Stupples-Whyley | All schools | 16 |
| 5 | Falling Rolls Fund | Yannick Stupples-Whyley | All schools | 18 |
| 6 | School Funding 2026/27 | Yannick Stupples-Whyley | All schools | 22 |
| 7 | De-Delegation 2026/27 | Yannick Stupples-Whyley | All schools | 41 |

**Forum Business**

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| 8 | Any other business, feedback from schools through Associations and from Schools Forum representatives on other Bodies | Chair | All schools | 49 |
| 9 | Minutes of 21st May 2025 | Chair | All schools | 62 |
| 10 | Minutes Action Log | Yannick Stupples-Whyley | All schools | 83 |

**Information Papers for Discussion**

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| 11 | Half Year Schools Budget & Education Functions Update 2025/26 | Yannick Stupples-Whyley | All schools | 84 |
| 12 | Forward Plan | Yannick Stupples-Whyley | All schools | 88 |

**Closing Comments**

|  |  |  |  |  |
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| 13 | Closing Comments | Chair |  |  |

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| --- | --- |
| Schools Forum | **Agenda Item 2** |
| Date: 17 September 2025 |  |

**REPORT TITLE: EARLY YEARS FUNDING 2025-26**

Report by Carolyn Terry

Contact details: Telephone (03330 136481); e-mail: Carolyn.terry@essex.gov.uk

**1. Purpose of report**

* 1. To update Forum on the forecast budget requirement for 2025/26 of the two, three & four year old Free Early Education Entitlement (FEEE).
  2. To update Forum on the ongoing take up of the new working parent entitlements for eligible parents of children aged from 9 months old.
  3. To update Forum on the progress of the roll out of the Childcare Reforms Expansion.
  4. To update Forum on proposals to distribute a proportion of the Early Years Block surplus.

1. **Recommendations** 
   1. That Forum notes the forecast outturn for 2025/26 at 5.1.
   2. That Forum endorses the proposals to distribute a proportion of the Early Years Block surplus at 5.8.
2. **Relevant Schools Forum Power and Responsibility**
   1. Table 1 shows the relevant responsibilities in relation to Early Years which is taken from the Education and Skills Funding Agency’s Schools forum powers and responsibilities published in September 2018.

|  |  |  |
| --- | --- | --- |
| Local Authority | Schools Forum | DfE |
| Early Years Funding Formula – Proposes and Decides | Must be consulted | Checks compliance with regulations. |
| Retained Expenditure - Proposes | Decides | Adjudicates where Schools Forum does not agree local authority proposal. |

1. Background
   1. FEEE funding supports the statutory universal offer to all three- and four-year-olds, up to 40% of the least advantaged two-year-olds; these are children who meet predetermined eligibility criteria and access to a funded place for eligible working parents for children from the term after they turn 9 months old.
   2. At the end of the Summer 2025 term: -

* The take up of the universal three- and four-year-old FEEE at the Sumer term 2025 headcount was 31,710, which is 92.2% of the eligible three- and four-year-olds. This is marginally lower than the national take up of 93.1%.

Across Essex, currently 18.4% of all two-year-olds are eligible to access the funding. The take-up of the disadvantaged two-year-old FEEE during the Summer 2025 term was 2,150, which was 69.5% of the 3,094 eligible two-year-olds in the county. This take-up figure is higher than the national take up level for the Summer 2025 term of 65.17%.

* The take up of the new working parents two-year-old FEEE during the Summer term was 7,389. This is a 44% take-up, this is slightly lower than the figures for last term, but it is expected that this % will continue to increase over the coming terms. At this point we do not have access to any comparable national or east region data for comparison purposes.
* The take up of the new working parents with children aged 9 months and over two-year-old FEEE during the Summer 2025 term was 5,589. This is a 35.2% take-up, which is the same % take up figure as the last term It is expected that this % will increase over the coming terms, and at this point we do not have access to any comparable national or east region data for comparison purposes.
  1. The following table shows the breakdown of working parent eligibility codes have been issued for the new working parent entitlements for the Autumn 2025 term.



1. **Financial Implications**
   1. Table 2 shows the forecast outturn for 2025/26.

|  |  |  |  |
| --- | --- | --- | --- |
|  | Budget  £’000 | Forecast Outturn  £’000 | Variance  £’000 |
| Under 2s | 65,671 | 65,671 | 0 |
| 2 Year Olds Deprived Backgrounds | 13,221 | 13,221 | 0 |
| 2 Year Olds Working Families | 43,898 | 43,898 | 0 |
| 3 and 4 Year Olds | 97,924 | 97,924 | 0 |
| Inclusion Fund | 2,000 | 2,000 | 0 |
| Early Years SENCOs | 1,300 | 1,300 | 0 |
| EY Quadrant Teams | 838 | 786 | (52) |
| Quality & Improvement | 871 | 864 | (7) |
| DfE Clawback | (586) | 85 | 669 |
| Education Service Recharge | 151 | 151 | 0 |
| Corporate Overheads | 498 | 498 | 0 |
| Total | **225,787** | **226,397** | **610** |

* 1. The DfE confirmed in July that the clawback for 2024/25 was **£669,000**, which is the predominant cause of the forecast overspend. This is offset by staffing vacancies **£59,000**.
  2. Table 3 shows the impact of the provisional outturn on the overall Early Years Block surplus balance.

|  |  |
| --- | --- |
|  | £m |
| Opening balance 1st April 2025 | (9.9) |
| Provisional Outturn 2025/26 | (0.1) |
| DfE Clawback | 0.7 |
| Use of Carry Forward agreed May 2025 | 4.2 |
| Remaining Surplus at September 2025 | **(5.1)** |
| Use of Carry Forward September proposals | 2.0 |
| Forecast Balance 31st March 2026 | **(3.1)** |

* 1. It is proposed to distribute a proportion of the remaining **£5.1m** surplus through the following mechanisms.
  2. As part of the SEND Transformation Programme objectives to: -
  + Further develop and implement an early pathway of support for children with emerging SEND in Early Years settings
  + Increase the development and funding of a county-wide resource to support EY settings to improve practice

additional resource has been scoped to enable this to effectively be rolled out to provide further support for pre-school aged children at a cost of £524k, broken down as follows: -

* + - 1. Four additional Early Years Early Intervention Partner (EYEIP) roles to complement the existing EYEIP team 4 fte 21-month fixed term posts at a cost of £394,566
      2. An additional Early Years Language & Communication Strategy Officer 1 fte 21-month fixed term post at a cost of £129,573
  1. Due to the ongoing volatility of the Early Years Block allocation, it is proposed to ring fence a contingency of £1.5m to ensure that the budget does not move into a deficit position through future DfE clawbacks. This contingency can be reviewed on an annual basis and adjustments made as required.
  2. This reduces the Early Years Block surplus figure to £3.1m.

* 1. As part of the Government’s *Plan for Change: Best Start in Life* mission, a national target has been set for 75% of children to achieve a Good Level of Development (GLD) by the end of the Early Years Foundation Stage (EYFS) by 2028. For Essex, as the outcomes are above the current national figure a stretched target of 78.4% of children achieving GLD has been set. To support the delivery of this target, work in underway to plan the resource and interventions that will be required. It is proposed to utilise some of the Early Years Block surplus to fund this work and plans to achieve this will be brought to the November 2025 Schools Forum meeting to discuss these further.
  2. It is requested that Forum supports the ringfencing of £524,000 for the SEND Transformation support posts and the retention of a £1.5m contingency, and to consider further proposals at the November 2025 Schools Forum meeting.

1. **Update on the roll out of the Childcare Reforms Expansion programme**
   1. Since the start of the roll out of the Childcare Reforms Expansion programme funding has been agreed, or in the process of being agreed to create: -

* 2,079 new wraparound childcare places
* 480 new under 3 early years places
  1. The tables below set out the number and value of applications received, along with the district these relate to.

|  |  |
| --- | --- |
| **Total Capital placed created with capital investment only** | **951** |
| **Total funding spent / committed / ringfenced** | **£2,395,442** |
| **Allocated Budget** | **£2,857,359** |
| **Budget remaining** | **£461,917** |

|  |  |  |
| --- | --- | --- |
| **Capital Funding for Under 3’s places**  **All Phases (Spent; awaiting governance, and ringfenced)** | | |
| **FEEE1&2W** | | |
| **District** | **Places created** | **Funding Spent / Committed** |
| **Basildon** | **17** | **£54,460** |
| **Braintree** | **10** | **£24,712** |
| **Brentwood** | **16** | **£46,500** |
| **Castle Point** | **85** | **£294,000** |
| **Chelmsford** | **22** | **£20,500** |
| **Colchester** | **51** | **£152,420** |
| **Epping Forest** | **85** | **£112,000** |
| **Harlow** | **50** | **£152,835** |
| **Maldon** | **18** | **£ 48,558** |
| **Rochford** | **20** | **£295,000** |
| **Tendring** | **40** | **£131,550** |
| **Uttlesford** | **66** | **£198,950** |
| **Total** | **480** | **£1,531,485** |

|  |  |  |
| --- | --- | --- |
| **Capital Funding for Wraparound places**  **All Phases (Spent; awaiting governance, and ringfenced)** | | |
| **WA Capital** | | |
| **District** | **Places created** | **Funding Spent / Committed** |
| **Basildon** | **40** | **£57,000** |
| **Braintree** | **118** | **£198,348** |
| **Brentwood** | **72** | **£153,232** |
| **Castle Point** | **0** | **£0** |
| **Chelmsford** | **25** | **£125,469** |
| **Colchester** | **60** | **£ 99,890** |
| **Epping Forest** | **0** | **£0** |
| **Harlow** | **60** | **£ 23,443** |
| **Maldon** | **20** | **£ 20,000** |
| **Rochford** | **20** | **£140,532** |
| **Tendring** | **26** | **£ 10,715** |
| **Uttlesford** | **0** | **£0** |
| **Total** | **471** | **£978,629** |

**6.3** Throughout this process, the DfE are requiring local authorities to submit regular updates and progress reports on the allocation of funding and creation of new places

|  |  |  |  |
| --- | --- | --- | --- |
| **Wraparound Revenue Funding** | | | |
| **District** | **Places**  **Created** | **Funding Awarded** | **Maximum Funding Allocated** |
| **Basildon** | **218** | **£60,000** | **£210,000** |
| **Braintree** | **324** | **£218,697** | **£420,000** |
| **Brentwood** | **30** | **£10,000** | **£30,000** |
| **Castle Point** | **40** | **£57,816** | **£150,000** |
| **Chelmsford** | **151** | **£20,202** | **£90,000** |
| **Colchester** | **529** | **£118,515** | **£480,000** |
| **Epping Forest** | **105** | **£46,163** | **£180,000** |
| **Harlow** | **106** | **£64,172** | **£99,663** |
| **Maldon** | **68** | **£29,000** | **£12,000** |
| **Rochford** | **90** | **£40,000** | **£90,000** |
| **Tendring** | **188** | **£97,493** | **£212,500** |
| **Uttlesford** | **220** | **£67,095** | **£270,000** |
| **Total** | **1,428** | **£541,100** | **£1,662,163** |

6.4 Next steps

Based on the value of the Capital funding applications received, it is anticipated that there will be enough funding left for a 3rd round of funding applications, and opportunities a total of £416,000.

1. The Department for Education (DfE) has introduced greater flexibility to fund partial wraparound childcare places, aiming to support the final schools in joining the initiative. The priority remains on delivering full wraparound childcare, and any settings currently offering partial provision should be encouraged to move toward a full offer. A minimum provision of three days per week is required. Breakfast clubs must operate for at least 30 minutes prior to the school day. Afterschool clubs must run for a minimum of 90 minutes beyond the end of the school day. Variations for SEND schools may be considered on a case-by-case basis to support extended school days with adjusted hours or days.
   * 1. Wraparound Revenue - the rolling monthly application process will continue with applications due in for deadlines The recent school survey responses are being analysed and work underway to match schools with third party providers or offering 1:1 support where this has been requested.
     2. As previously reported, funding has been ringfenced from the grant received from the DfE to ensure there is financial support for schools and settings for any enhanced staffing levels that may be needed to support children with SEND to access a wraparound place. To date £46,000 has been awarded.
   1. **Schools Based Nurseries Phase 2**
      1. The DfE has launched Phase 2 of the Schools Based Nursery capital funding. The second round of funding opens on 22 September 2025 and closes on 11 December. State funded primary phase schools and maintained nursery schools will be eligible to apply for up to £150,000 in capital funding to create or expand on-site nursery provision.

As with the first phase, nurseries may be school run or delivered by private, voluntary providers or childminders operating on the school site. The guidance covers 0 to 4 years, with a focus on meeting local childcare needs.

Information on the process has been shared with schools and will continue to be shared during the term.

1. **Schools Forum Early Years and Childcare Reference Group**

The Schools Forum Early Years and Childcare Reference Group has continued to meet during 2025, with ongoing representation from all early years’ sector types and each district.

The key areas of discussion have continued to be around the increasing level of need of children and recruitment and retention of qualified staff.

From the start of this term, the working parent funded entitlements has increased to 30 hours for eligible children the term after they turn 9 months old. As previously reported, in practice this means that for the majority of providers at least 80% of their income will be via the funded entitlements thus limiting their ability to offset any financial shortfalls the funded entitlements hourly rates may cause.

Future meetings have been scheduled to coincide with reporting to Schools Forum.

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| Schools Forum | **Agenda Item 3** |
| Date: 17th September 2025 |  |

**Allocation of SEN top up funding**

Report by Ralph Holloway

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**1. Purpose of report**

* 1. To brief Schools Forum on the option agreed at the High Needs Review Group for the allocation of EHCP top up funding to mainstream schools for children and young people undergoing a needs assessment where the 20-week statutory timescale for completion will be exceeded.
  2. To seek Schools Forum agreement on the option.
  3. To brief Schools Forum on the financial implications of the option on the High Needs Block position.

**2. Recommendations**

2.1 That the Schools Forum agrees the option for the allocation of EHCP top up funding from September 2025 (4.1 to 4.3).

2.2 That the Schools Forum notes the impact of the option on the High Needs Block (5.1 to 5.20).

###### 3. Background

3.1 Although there have been improvements to the number and percentage of EHC needs assessments being completed within the 20-week timescale the majority are still completed beyond the statutory time.

3.2 Although the focus of this report is financial rather than performance against timescales it should be noted that the availability of Educational Psychologists remains the overwhelming factor impacting upon the timeliness of assessments.

3.3 At present EHCP top up funding is backdated at the point at which the plan is issued. Mainstream schools will receive the full amount of funding that they would have been allocated based on the band identified in the needs assessment backdated to the point at which it should have been issued – week 20. Whilst this has been favourably received it still presents challenges for schools as they will be required to continue to support a child/young person during their needs assessment but without access to any funding specifically identified for their needs. Schools have been clear that this presents difficulties with ensuring that the necessary resource is available to meet the child/young person’s needs and that the risks of permanent exclusion, non-attendance and disengagement from education are increased.

3.4 Work was undertaken to explore the options for moving from a backdated system of allocating funds to a proactive allocation from week 20 of the assessment regardless of what stage has been achieved. The following factors have been taken into account:

* The amount of top up to be applied. As we will be applying a top up amount before the assessment has been completed, we need to determine a fair methodology for reaching a financial figure to fund our mainstream schools. The options that have been considered are set out in more detail in the financial implications section.
* The system needs to be as easy to administrate as possible and to not create additional work for the quadrants or the central Finance team. This would mean that a school does not get an adjustment upwards or downwards if the band issued is higher or lower than the amount that we are funding. This is the simplest, least labour-intensive method. It will also mean that there will be a small number of cases where the assessment does not result in a plan being issued where a school will have received funding, but we do not seek a reclaim. At the point at which a plan is issued we would adjust the future funding to reflect the allocated band.

3.5 It is recognised that there still needs to be a mechanism for exceptional cases where a significantly higher rate of top of funding is likely to be applied once the EHCP is finalised. This will be considered via the Quadrant Resource Panel.

**4. Options Considered by the High Needs Review Group**

4.1 Option 1: to test a funding methodology to allocate funding for assessments where plans have not been agreed at the 20-week stage based a “lower” and “higher” banding rate.

Option 2: to test a funding methodology to allocate funding for assessments where plans have not been agreed at the 20-week stage based on a universal average banding rate.

4.2 Both options were considered at the High Needs Review Group on 27th June 2025 and option 2 was agreed to be taken forward for further financial testing. Option 2 was considered to be more practicable to administrate and to offer greater financial certainty to both schools and the High Needs Block. This paper will now outline the process for and impact of implementing option 2.

* 1. The following will apply:

1. For all plans that are in excess of the 20 week statutory period an initial payment will be made to provide top up funding backdated to the date at which the plan should have been finalised using a universal average top up rate. The universal average top up rate will be pro-rated over the number of school days in the Local Authority’s financial year. The number of school days from the 20 week date to the end of the summer/spring term will be funded.
2. Where a plan exceeds the 20 week period during a term, funding payments made to schools will be as follows:

* Autumn Term – where a plan exceeds the 20 week period during the term a funding payment will be made to the school for the remainder of the Autumn term and the Spring term.
* Spring Term – funding will be provided for the remainder of the Spring term
* Summer Term - funding will be provided for the remainder of the Summer term

1. When an EHCP is finalised, no further interim top up payments will be made and the funding as set out in the plan will then be applicable. Where the value of the funding in the plan differs from the universal average allocated from week 20, no correcting adjustment will be made to the interim funding provided from week 20 to the date the plan was finalised.
2. In instances where the school has been provided interim top up funding in advance for either the current or following term(s) and the plan is agreed during that period a funding adjustment will be applied so a school does not receive interim top up funding after the date a plan is finalised.
   1. Funding Example:

**Scenario 1:**

|  |  |
| --- | --- |
| Assessment Start Date: | 04/12/2024 |
| 20 Week Date: | 23/04/2025 |
| Plan Finalised Date: | 03/09/2025 |
| Band 03 Awarded | £4,800 |
| No Weeks Over 20 Weeks[[1]](#footnote-2) | 12 |
| Average Band Rate | £5,951 |

Current Funding Approach:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Band Value £** | **Paid from** | **Paid to** | **Weeks** | **Funding** |
| £4,800 | 23/04/2025 | 31/03/2026 | 38 | **£4,775** |

Proposed Funding Approach:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Band Value £** | **Paid from** | **Paid To** | **Weeks** | **Funding** |
| £5,951 | 23/04/2025 | 02/09/2025 | 12 | £1,911 |
| £4,800 | 03/09/2025 | 31/03/2026 | 26 | £3,234 |
| **Total** | | | **38** | **£5,145** |

Further funding examples are included within Appendix A.

**5. Financial Implications**

5.1 Table 1 below sets out the current profile of bandings in the allocation of top up for children and young people with an EHCP in mainstream provision by band.

5.2 The average band value based on the total number of plans is £5,951.

**Table 1**

|  |  |  |  |
| --- | --- | --- | --- |
| **10/06/2025** |  |  |  |
| **PROVISION BAND** | **COUNT OF PUPILS** | **% ON BAND** | **BAND VALUE** |
| B00 | 78 | 1% | £0 |
| B01 | 636 | 10% | £1,800 |
| B02 | 1415 | 22% | £2,700 |
| B03 | 1292 | 21% | £4,800 |
| B04 | 1763 | 28% | £7,500 |
| B04+ | 420 | 7% | £8,500 |
| B05 | 306 | 5% | £10,000 |
| B05+ | 13 | 0% | £12,500 |
| B06 | 307 | 5% | £15,000 |
| B07 | 35 | 1% | £20,000 |
| B08 | 9 | 0% | £25,000 |
| B09 | 9 | 0% | £30,000 |
| B10 | 12 | 0% | £40,000 |
| **Total** | **6,302** | **100%** |  |
| **Average Band Value** |  |  | **£5,951** |

5.3 The provision of interim top up funding as set out in 4.1 to 4.3 will require an initial payment that will:

* provide top up funding based on the universal average to schools that have a young person on roll with a needs assessment in which the assessment duration has exceeded the 20-week statutory timeframe and:
* provide top up funding that would be due for the following Autumn and Spring terms.

5.4 If during the following term a plan is finalised, the top up funding as set out in the plan will take effect at the point the plan is finalised. A funding adjustment to the interim top up funding will then be applied to ensure the interim top up funding only applies from week 20 to the date at which the plan is agreed.

5.5 Until a plan is finalised, a payment of interim top up funding will continue to be paid to either the end of the Summer or Spring Term. The table below sets out the financial implication of applying a universal average rate to the current number of EHC needs assessments in excess of 20 weeks:

**Table 2**

|  |  |  |
| --- | --- | --- |
| **Average Band Rate** (£5,951) |  |  |
| **Month** | **Vol. EHCNA's > 20 weeks** | **Cost £000** |
| September (Autumn Term) | 1,792 | 10,509 |
| January (Spring Term) | 1,260 | 1,904 |
| **Total** |  | **12,412** |

5.6 Therefore, the total interim funding forecast to be provided in the 2025/26 financial year is £12.4m, which is to be provided to schools during the current Autumn term.

5.7 The principle of this funding approach is to take a proactive approach to providing funding and will bring forward the cost of plans where the 20 week period has been exceeded.

5.8 Therefore, the timing and profile of cost to be borne by the HNB will change and will adversely impact the HNB deficit in 2025/26. However, as the principle of this approach is to remove the delay in schools receiving funding where a plan has yet to be agreed at end of the 20-week assessment period, the proposal is expected to be materially cost neutral in totality but will assist in mitigating cash flow issues experienced by schools where a plan is delayed. However, there will be a cashflow cost to the Council by providing funding from the end of the 20-week statutory assessment period for outstanding assessments.

5.9 It is to be noted that although £12.4m of interim top up funding is expected to be paid to schools in 2025/26 a proportion of this expenditure is already expected to be incurred during the current financial year (£8.1m). This is due to a proportion of the plans eligible for interim funding being scheduled for completion later this financial year. The interim funding provided at week 20 will replace the current arrangement of backdating funding at the point the plan is finalised.

5.10 Based on current completion rates of needs assessments it is forecast that £8.1m of top up funding relating to the outstanding needs assessments in Table 5 will be provided in 2025/26 therefore the true additional cost to be borne by the HNB in 2025/26 is £4.3m as set out in the table below.

**Table 3**

|  |  |
| --- | --- |
|  | 2025/26 £000 |
| Interim Top Up funding | 12,412 |
| Less: Top Up funding forecast to be paid in year relating to delayed plans | 8,100 |
| Net additional cost to HNB | 4,312 |

5.11 It is to be noted that the overall volume of assessments and the rate at which the local authority can complete an assessment and issue a plan is dependent on a mix of variables which gives an underlying risk to the forecasts provided in the tables above.

5.12 The above forecasts are also based on average funding values, however in practice the value of the funding set out in a finalised plan will often be different to the average values assumed in the forecast above.

5.13 As the current practice of backdating funding will cease, and the value of the funding as set out in a plan will only commence at the date the plan is agreed, no funding adjustment will be applied from week 20 to the date of the agreed plan if the funding provided from week 20 is different from the plan value.

5.14 This presents a risk to the school if the funding provided is less than the funding agreed in a plan. Conversely, there will also be instances where the value of the interim funding provided will be greater than the finalised plan value and therefore the school in such instances will receive a financial benefit.

5.15 Similarly, this also presents risks and benefits to the High Needs Block. In instances where the interim funding based on the current average rate of £5,951 is applied from week 20 onwards but the final plan sets out a lower funding value, the High Needs Block would in effect pay a premium for providing interim funding and overpay a school from week 20 to the date the plan is completed.

5.16 In recognition of the volume of payments to be made and risks noted above, close monitoring of the funding process will be undertaken to ensure payments are made as described and the proposal operates as intended.

5.17 As set out in paragraph 3.5 a mechanism will be in place for exceptional cases where a significantly higher rate of top of funding is likely to be applied once the EHCP is finalised. This will be considered via the Quadrant Resource Panel.

5.18 A summary of the impact of the recommended proposal on the HNB in 2025/26 is set out below:

**Table 4**

|  |  |
| --- | --- |
| **High Needs Block** | **£000** |
| 2025/26 forecast HNB deficit | 24,841 |
| Net cost of interim top up funding | 4,312 |
| 2025/26 revised HNB deficit | 29,153 |

5.19 It is also to be noted that in adopting this funding approach any existing application of IPRA or transition funding (known as Starting Well) would not be applied to any pupil receiving the new top up from week 20 onwards.

5.20 The Council has also invested the following from its own resources outside of its DSG allocation to reduce the time taken to complete assessments.

**Table 5**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 2024/25 £000 | 2025/26 £000 | 2026/27 £000 | Total £000 |
| ECC Funding | 2,530 | 3,620 | 807 | 6,955 |

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 4** |
| Date 17 September 2025 |  |

**REPORT TITLE: SPECIAL SCHOOLS SPLIT SITE FUNDING 2026/27**

Report by Yannick Stupples-Whyley

Contact details: Telephone (03330 138464); e-mail: yannick.stupples-whyley@essex.gov.uk

**1. Purpose of report**

1.1 To present to Schools Forum the recommendation of the High Needs Review Group (HNRG) that the calculation of split site funding for special schools and PRUs is aligned with the calculation for mainstream schools.

**2. Recommendations**

2.1 To agree the recommendation of HNRG that split site funding for special schools and PRUs should be calculated the same way as for mainstream schools.

###### 3. Relevant Schools Forum Power and Responsibility

3.1 **Table 1** is an extract from the Schools Forum Operational and Good Practice Guide (September 2018), which sets out the role of the Authority, Schools Forum and the Secretary of State in setting the Schools Budget.

|  |  |  |  |
| --- | --- | --- | --- |
| Function | Local authority | Schools forum | DfE role |
| Formula change (including redistributions) | Proposes and decides | Must be consulted | Checks for compliance with regulations |

###### 4. Background

4.1 Split Site funding for special schools and PRUs was introduced in 2019/20 and was based on the same methodology as mainstream schools.

* Schools with split sites that are between 0.5km and 4km apart receive £139 per pupil.
* Schools with split sites that are more than 4km apart receive £169 per pupil.

4.2 In 2024/25 the DfE introduced a new formula for mainstream schools with split sites

* Basic eligibility funding – a lump sum is awarded to schools for each additional eligible sites up to a maximum of 5 additional sites.
* Distance funding – additional funding above the basic eligibility allocation where eligible sites are more than 100 metres (by road distance) from the main site. Funding up to 500m is tapered, for example 100m receives 20% of the distance funding.

4.3 From 2026/27 it is proposed to change split site funding for special schools and PRUs to the same formula as mainstream schools to ensure that all schools with split sites are funded in same way.

**5. Financial Implications**

5.1 There are currently 3 special schools and 3 PRUs that receive split site funding under the current methodology for special schools. **Table 2** shows the financial implications of changing the methodology for special schools to that of mainstream school.

|  |  |  |  |
| --- | --- | --- | --- |
| School | 2025/26  £ | Indicative 2026/27  £ | Difference  £ |
| Lexden Springs | 41,422 | 81,000 | 39,578 |
| Thriftwood | 44,954 | 81,000 | 36,046 |
| Market Field | 84,331 | 81,000 | (3,331) |
| CSS - South | 33,800 | 81,000 | 47,200 |
| Mid-Essex Co-operative Academy | 22,815 | 81,000 | 58,185 |
| NE Essex Co-operative Academy | 28,730 | 81,000 | 52,270 |
| Columbus School | 0 | 59,400 | 59,400 |
| Total | **256,052** | **545,400** | **289,348** |

5.2 Columbus School has a split site that is separated by a public road. The distance between sites is approximately 100m which under the current methodology does not qualify for funding. Under the proposed methodology the school will qualify for the basic eligibility lump sum and 20% of the distance funding.

5.3 The cost of ensuring consistency between all schools is £289,000 and this will be funded by the High Needs Block, which will add further pressure to the forecast overspend.

**6. Other Resource Implications**

**7. Consultation with stakeholders**

**8. Background / Supporting papers.**

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 5** |
| Date 17 September 2025 |  |

**REPORT TITLE: FALLING ROLLS FUND**

Report by Yannick Stupples-Whyley

Contact details: Telephone (03330 138464); e-mail: yannick.stupples-whyley@essex.gov.uk

**1. Purpose of report**

1.1 To present to Schools Forum the recommendation of the Finance Review Group (FRG)

**2. Recommendations**

2.1 To agree the recommendation of FRG that transitional funding is allocated to schools within the falling rolls fund at 4.10, 4.11 and 5.1

2.2 To approve that all new schools meeting the falling rolls requirements are funded for 3 years subject to meeting the criteria annually at 4.12.

###### 3. Relevant Schools Forum Power and Responsibility

3.1 **Table 1** is an extract from the Schools Forum Operational and Good Practice Guide (September 2018), which sets out the role of the Authority, Schools Forum and the Secretary of State for the Falling Rolls Fund.

|  |  |  |  |
| --- | --- | --- | --- |
| Function | Local Authority | Schools Forum | DfE |
| Central spend on and the criteria for allocating funding for [falling rolls](#_Falling_rolls_fund) where growth in pupil numbers is expected within three years. | Proposes | Decides | Adjudicates where schools forum does not agree local authority proposal |

###### 4. Background

4.1 The Falling Rolls Fund has gone through a number of recent changes to ensure it meets the needs of schools with falling rolls, without it becoming a financial burden to all schools.

4.2 At the meeting of 15 January 2025 Schools Forum approved the revised falling roll criteria:

* The NOR must have fallen by 4% in both previous years for infant schools with 90 pupils or fewer, junior schools with 120 pupils or fewer and primary schools with 210 pupils or fewer; or
* The NOR must have fallen by 7% in both previous years for infant schools with pupil numbers between 91 and 180, junior schools with pupil numbers between 121 and 240 and primary schools with pupil numbers between 211 and 420; or
* The NOR must have fallen by 10% in both previous years for infant schools with more than 180 pupils, junior schools with more than 240, primary schools with more than 420 pupils and all secondary schools.

4.3 At the same meeting Schools Forum approved the revised balance criteria shown in **Table 2** below.

|  |  |
| --- | --- |
|  | Balance Criteria |
| Infant schools with 90 pupils or fewer Junior schools with 120 pupils or fewer Primary schools with 210 pupils or fewer | The balance should be less than or equal to the average balance for small schools or 8% of the relevant budget share, whichever is the greater. |
| Infant schools with 91 pupils or greater  Junior schools with 121 pupils or greater  Primary schools with 211 pupils or greater | The balance should be less than or equal to 8% of the relevant budget share. |
| Secondary schools | The balance should be less than or equal to 5% of the relevant budget share. |
| Trusts that Pool Balances – average balance per sector will be calculated pro-rata basis using pupil numbers. | The overall Trust balance as a percentage of the total budget should be less than less than 5% for secondary schools and 8% for primary schools. |

4.4 At the meeting of 21 May 2025 Schools Forum approved the change to the methodology in how schools are funded which was based on the concerns of FRG that the published admission number (PAN) for some schools did not reflect the actual intake of pupils.

* for 2026/27 schools will be funded for the difference between 80% of PAN and the actual reception NOR. Schools will also receive funding for a maximum 3 years as long as schools meet the falling rolls criteria.

4.5 Also at the May meeting the methodology for assessing balances for an academy that applies for falling rolls funding that is within a Trust that pools balances was clarified.  
  
The Authority adopted the principle of allocating the pooled balance between each relevant phase using pupil numbers to pro-rata the balance. The balance used is taken from the accounts recorded on the Companies House website.

4.6 The Authority proposed in the paper to FRG on 24 April that the schools that were in their third year of being in the falling rolls fund, should be funded for a fourth year to allow schools to plan for the change. It was argued at FRG there was sufficient time for schools to adjust and therefore FRG did not support the Authority’s proposal.

4.7 The schools that are in the falling rolls fund are small schools with PANs of 30 pupils or less. Schools were expecting funding up to seven years and small schools will find it difficult to make reductions without reducing staff.

4.8 The Authority is therefore proposing the following option which allows all schools within the falling rolls fund the same amount of time to plan for the reduction in the number of years funded:

* Schools in Year 3 are funded for 5 years allowing two years to prepare for the loss of funding.
* Schools in Year 2 are funded for 4 years again allowing two years to prepare.
* Schools in Year 1 are funded for 3 years which again allows two years to prepare.

4.9 The funding for schools in Year 3 will be 75% of the 2025/26 allocation in 2026/27 and 50% of the 2025/26 allocation in 2027/28. Funding will cease from 2028/29.

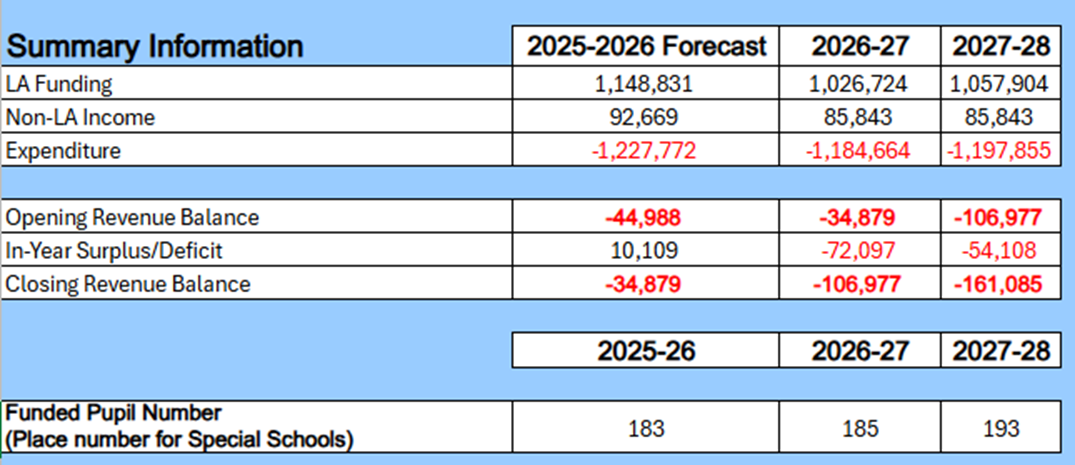
4.10 The funding for schools in Year 2 for 2026/27 will be the same as 2025/26 to ensure Year 3 and Year 2 schools have been funded consistently. In 2027/28 schools will receive 75% of the 2026/27 allocation. Funding will cease from 2028/29.

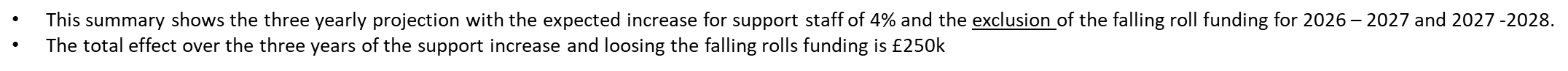
4.11 New schools entering the falling rolls fund will be funded for the difference between 80% of PAN and the actual admission number as agreed by Schools multiplied by the relevant basic entitlement for a maximum of 3 years.

4.12 The Authority has been contacted by both Clavering Primary and The Canonium Learning Trust on the impact the decision to reduce funding to three years will have on their schools. Both schools are present today to inform FRG on the impact of ceasing funding at the end of 2025/26.

4.13 The Canonium Learning Trust has provided the following paragraph.  
  
*Falling Rolls funding has been vital for our small schools experiencing a decline in pupil numbers. Without it, teachers are often required to teach three or four year groups simultaneously, which is challenging for staff and disadvantageous for pupils. This has made it more difficult to attract and retain excellent teachers and can influence parents’ school choices, further reducing future pupil numbers. The funding has enabled schools to maintain balanced budgets and continue delivering high-quality education. We believe it is both strategically and morally important that schools are supported to remain financially viable and educationally successful, regardless of location. Where pupil numbers remain low, and Falling Rolls funding is not sustained, the Local Authority must provide practical support and strategies for schools and communities, including seriously considering school closures or amalgamations in areas where supply significantly exceeds demand. Running schools without sufficient funding is unacceptable. We would also welcome an extension of Falling Rolls funding for additional years, as originally planned.*

4.14 Clavering Primary are concerned with the short timeline schools have been given that funding will cease and that the falling rolls fund was originally for 7 years. The school has provided the following financial information.





**5. Financial Implications**

5.1 **Table 3** shows the forecast impact of the Authority’s proposal at 4.8 – 4.10

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| School | Year | 2025/26  £ | 2026/27  £ | 2027/28  £ |
| Clavering Primary | 3 | 121,215 | 90,911 | 60,607 |
| Wethersfield Primary | 3 | 45,456 | 34,092 | 22,728 |
| Finchingfield Primary | 3 | 94,699 | 71,024 | 47,350 |
| Dr Walker’s Primary | 2 | 178,034 | 178,034 | 133,526 |
| St John the Baptist Primary, Pebmarsh | 2 | 37,880 | 37,880 | 28,410 |
| Chigwell Primary | 2 | 79,547 | 79,547 | 59,660 |
| Stourview CE Academy | 2 | 109,851 | 109,851 | 82,388 |
| St Mary’s Primary, Ardleigh | 2 | 75,759 | 75,759 | 56,819 |
| Total |  | **742,441** | **677,098** | **491,488** |

5.2 The additional cost for 2026//27 is £388,000 and £491,000 for 2027/28. It is intended to fund this through the Falling Rolls Fund allocation for 2026/27 and 2027/28, subject to the allocation being sufficient.

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 6** |
| Date 17 September 2025 |  |

**REPORT TITLE: SCHOOLS and HIGH NEEDS FUNDING 2026/27**

Report by Yannick Stupples-Whyley and Gareth Rott

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**1. Purpose of report**

* 1. To update Schools Forum of the delay of the announcement of the provisional funding settlement for 2026/27.
  2. To update Schools Forum of the pressures within the High Needs Block for 2025/26 to 2029/30.
  3. To present the proposal to Schools Forum to transfer 1% (est. £13m) from the Schools Block to the High Needs Block in 2026/27.
  4. To present to Schools Forum the consultation paper for Schools that has been recommended by the Finance Review Group (FRG) and High Needs Review Group (HNRG).

**2. Recommendations**

2.1 To note the pressures within the High Needs Block.

2.2 To confirm the May 2018 Tendring PPP buyout agreement to support the disapplication request to continue to use an exceptional premises factor at 5.7.

2.3 To agree the recommendation of the FRG and the HNRG to support the 1% request to transfer funding from the Schools Block to the High Needs Block.

2.4 To agree the recommendation of FRG to approve the consultation paper at Annex A.

**3.** **Relevant Schools Forum Power and Responsibility**

3.1 **Table 1** is an extract from the Schools Forum Operational and Good Practice Guide (September 2018), which sets out the role of the Authority, Schools Forum and the Secretary of State in setting the Schools Budget.

|  |  |  |  |
| --- | --- | --- | --- |
| Function | Local authority | Schools forum | DfE role |
| Formula change (including redistributions) | Proposes and decides | Must be consulted | Checks for compliance with regulations |
| Movement of up to 0.5% from the schools block to other blocks | Proposes | Decides | Adjudicates where schools forum does not agree local authority proposal |
| Movement of above 0.5% from the schools block to other blocks. | Proposes | Must be consulted | Secretary of State will decide. |

**4. DSG Provisional Settlement 2026/27**

4.1 The provisional DSG settlement is usually announced in the third week of July along with the School Operational Guide which sets out the timetable in setting the DSG budget.

4.2 The DfE announced on 30 June that following the 2025 Spending Review the national funding formula (NFF) allocations for schools, central schools services and high needs will be published in the autumn. **Table 2** shows the Schools Core Budget announced at the spending review.



4.3 Whilst the year-on-year increase is smaller than the previous year, pupil numbers are declining due to the lower birth rate. The DfE forecast that nationally pupil numbers will not start to rise until 2029/20.

4.4 The 2026/27 DSG allocation updated for the October 2025 schools census will be published in December.

**5. Schools Block**

5.1 On 30 June the DfE published a Schools NFF Summary Policy Document for 2026/27. It has been confirmed that the Schools Budget Support Grant (SBSG) and the National Insurance Contributions (NICs) Grant will both be rolled into the Schools NFF in 2026/27. **Table 3** shows the effect of rolling in the grants.

|  |  |  |  |
| --- | --- | --- | --- |
| Factor | NICs  £ | SBSG  £ | Total  £ |
| Primary Basic Entitlement | 78 | 55 | 133 |
| Key Stage 3 Basic Entitlement | 68 | 78 | 146 |
| Key Stage 4 Basic Entitlement | 77 | 88 | 165 |
| Primary FSM6 | 75 | 49 | 124 |
| Secondary FSM6 | 60 | 72 | 132 |
| Lump Sum | 2,400 | 2,086 | 4,486 |

5.2 The Minimum per Pupil Level (MPPL) will also be uplifted as shown in **Table 4**.

|  |  |  |  |
| --- | --- | --- | --- |
| MPPL | NICs  £ | SBSG  £ | Total  £ |
| Primary | 93 | 66 | 159 |
| Secondary | 83 | 91 | 174 |

5.3 To avoid a gap in support to academies, a further grant payment of NICs and SBSG will be paid for the period April 2026 to August 2026.

5.4 Local authorities will be required to move their local formula factors at least 10% closer to the corresponding NFF values, except where local formulae are already ‘mirroring’ the NFF. These criteria do not apply to rates, PFI or exceptional circumstances.

5.5 If local factors are within +/- 2.5% of the respective NFF values they ‘mirror’ NFF. In 2025/26 Essex fully ‘mirrored’ NFF. Whilst the London Weighting multiplier will need to move at least 10% closer to NFF, it is excluded from the ‘mirroring’ classification.

5.6 Disapplications, such as exceptional premises factors and school block movements, must be submitted by 17 November.

5.7 In May 2018 Schools Forum agreed that the cost of the Tendring PPP buyout will be repaid through an exceptional premises factor within the primary schools funding formula. The DfE now require all exceptional premises factors to be agreed on an annual basis and therefore a disapplication request needs to be submitted. Forum are asked to confirm the May 2018 agreement. The total amount to be funded in 2026/27 is £2.9m which is the same as 2025/26.

5.8 Although local authorities have more information than this time last year without a provisional settlement the Authority must start planning on estimated funding levels.

5.9 The Authority will need to comply with the following rules to determine budget allocations for schools:

* setting the value for each funding formula factor within the allowed minimum / maximum values;
* implementing the set minimum per pupil level: and
* setting the minimum funding guarantee within the allowed limit.

5.10 Depending upon the allocation within the Schools Block it may be necessary to take action should it not be possible to afford the Essex Formula for Funding Schools. This could be achieved through the following actions:

* Adjusting the value of local factors within the allowable minimum / maximum funding levels.
* Adjusting the minimum funding guarantee within the allowable range.
* Adjust allocations to schools above an agreed level through capping and scaling.

5.11 Under exceptional circumstances where the local formula is still not affordable after using the above actions, local authorities may seek a disapplication from the Secretary of State to set a lower value for MPPL or MFG.

**Minimum / Maximum Allowable Local Factor Values**

5.12 Prior to 2025/26, since the requirement to fund local factors within a minimum and maximum range of the NFF factor value, Essex funded schools at the midpoint. In 2025/26, due to the affordability of the Essex formula for funding schools, schools were funded at the lowest value permitted. This resulted in some factors being funded at a lower value than the 2024/25 value.

5.13 As Essex is at the lowest value allowed in 2025/26, should there be an increase in NFF values for 2026/27 there will be an increase in local values.

5.14 Essex will be required to move the London Fringe multiplier at least 10% closer to the NFF value of 1.0347. The London Fringe multiplier was 1.0192 in 2025/26, so it will need to move to a minimum of 1.021 in 2026/27.

**KS3 / KS4 Basic Entitlement Weighting**

5.15 To reflect the additional costs of key stage 4 the basic entitlement is weighted compared to the key stage 3 basic entitlement. The current weighting in Essex is 1.01:1.183, whereas the weighting used in the NFF is 1:1.128.

5.16 The Authority has previously been required to reduce the weighting to be able to set a KS4 basic entitlement value within the maximum value allowed.

**Minimum Funding Guarantee**

5.17 The minimum funding guarantee (MFG) protects schools from excessive year-on-year changes. In 2025/26 local authorities could set the MFG between -0.5% and 0.0% per pupil.

5.18 Essex set the MFG at -0.5% for 2025/26 to ensure the Essex formula for funding schools remained affordable. Depending on the funding allocated for 2026/27 the Authority aims to set MFG within the range allowed.

5.19 In extreme circumstances where a local formula remains unaffordable, local authorities can apply to set a lower MFG on the grounds of affordability if all other flexibilities have been exhausted.

**Capping and Scaling**

5.20 To ensure the local formula is affordable local authorities can choose to cap any gains schools receive. Capping must be applied on the same basis to all schools, but cannot be applied to new schools that have opened in the last 7 years and have not reached their full number of year groups.

5.21 Local authorities in consultation with their Schools Forum must determine whether and how to limit gains. Capping cannot take a school below the minimum per pupil level and must be set at least as high as the MFG threshold to ensure schools retain any gains due through MFG.

5.22 An example of where capping could be needed is where there in insufficient funding in the schools block to set the basic entitlement at or above the minimum value allowed. This can occur where the cost of protecting schools through the minimum funding guarantee and the minimum per pupil level is high. The use of capping will allow sufficient funding to set an allowable basic entitlement value.

5.23 **Table 5** shows an example of how capping works, for example, if the Authority sets the maximum amount a school can gain is 3%.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| School | 2025/26  £ | 2026/27  £ | % Change | 3% Threshold  £ | Reduction  £ |
| School A | 1,000,000 | 1,090,000 | 9% | 1,030,000 | 60,000 |
| School B | 750,000 | 771,000 | 2.8% | 772,500 | 0 |
| School C | 500,000 | 522,500 | 4.5% | 515,000 | 7,500 |
| School D | 1,200,000 | 1,236,000 | 3% | 1,236,000 | 0 |

5.24 Essex set a cap of 0.5% in 2025/26 which deducted £489,000 from 51 schools. The Authority may need to use capping and scaling in 2026/27 to ensure the local formula remains affordable.

**Minimum per Pupil Level**

5.25 The MPPL must be used in local funding formulae at the NFF values set. Local authorities have the option to request to disapply the use of the full MPPL values on the grounds of affordability.

5.26 In 2024/25, two local authorities set MPPL values below the NFF value.

**6. The Proposal for Transferring 1% from the Schools Block to the High Needs Block.**

6.1 Essex working in partnership with schools has a vital role in supporting children with SEND to achieve the best possible educational and other outcomes. However, the system is driving the volume which along with funding constraints, makes it very difficult for the Authority administering the system. The 2025/26 deficit is forecast to be £32.6m.

6.2 The Authority does not believe the composition of the High Needs National Funding Formula funds the increased demand appropriately. The National Funding Formula also fails to recognise the interaction between the SB and the HNB. There needs to be sufficient funding for all funding blocks which would prevent the need to move funding between blocks.

6.3 The Authority will continue to work with local MPs, the Local Government Association, the Chartered Institute of Public Finance and Accountancy, the Department of Housing and Local Government and the Department of Education to lobby the Treasury for additional funding for the HNB.

6.4 The Authority has recently joined f40 which was established to campaign on fairer funding for the lowest funding authorities. The group also campaigns for additional school and high needs funding and is lobbying for major reform and investment in SEND. There are 44 local authorities within the group.

6.5 In 2025/26 £222.96m of High Needs Funding post-recoupment and a further £12.5m transfer from the Schools Block and a £1m one-off transfer from the Central School Services Block is available to fund High Needs. **Chart 1** shows how this funded is to be allocated in 2025/26.

6.6 In comparison, **Chart 2** sets out how the HNB was allocated in 2024/25.

6.7 From the charts above it is noted that the proportion of High Needs costs for Alternative Provision has increased from 4% to 10% and costs for Mainstream have increased from 20% to 22%. The proportion of the High Needs Block budget incurred by Special and Mainstream have seen small proportional decreases of 2% and 1% respectively.

6.8 To understand the composition of costs across the HNB over time **Chart 3** sets out where costs were incurred when a block transfer was made in 2018/19. It can be seen that Special schools were higher in 2018/19 when compared to 2025/26 at 35% with mainstream 3% lower in 2018/19. The proportion of funding incurred on Independent schools has increased by 4% and the funding retained by ECC has decreased by 4%.

**Previous Movements between Blocks and the Pressures that were Covered by the Movement**

6.9 **Table 6** shows previous movements between blocks.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Financial Year | Schools Block £m | High Needs Block  £m | Central School Services Block  £m | Early Years Block  £m |
| 2015/16 | (1.6) | 1.6 | 0 | 0 |
| 2016/17 | (4.6) | 1.6 | 0 | 3.0 |
| 2017/18 | (1.6) | 1.6 | 0 | 0 |
| 2018/19 | 0 | 0 | 0 | 0 |
| 2019/20 | (4.3) | 4.3 | 0 | 0 |
| 2020/21 | 0 | 0 | 0 | 0 |
| 2021/22 | 0 | 0 | 0 | 0 |
| 2022/23 | 0 | 0 | 0 | 0 |
| 2023/24 | 0 | 0 | 0 | 0 |
| 2024/25 | 0 | 0 | 0 | 0 |
| 2025/26 | (12.5) | 13.5 | (1.0) | 0 |
| Total | **(24.6)** | **22.6** | **(1.0)** | **3.0** |

6.10 There were no movements between blocks between 2020/21 and 2024/25.

6.11 In 2015/16 the £1.6m movement to the HNB was to fund the pressure created from the incremental growth of 197 places in Essex special schools. This prevented additional expenditure as it prevented pupils going into more expensive Independent School Provision. In 2015/16 the HNB over spent by £512,000.

6.12 In 2016/17 there was an additional £1.6m movement to the HNB to fund the

pressure in the Post 16 FE created from an increase from 123 places to 475 places. In 2016/17 the High Needs Block over spent by £325,000. The £3m transfer to the Early Years Block was needed due to the insufficient early years guaranteed unit of funding. The Early Years Block was £3m over spent at the end of 2016/17.

6.13 For 2017/18 the Authority reported to Forum that there was a £4.9m pressure on the High Needs Block primarily around the incremental growth in Essex special school places (184 places) and an increase in Post 16 FE places (73 places). It was agreed to move a further £1.6m from the Schools Block to the High Needs Block. The High Needs Block over spent by £2.9m in 2017/18.

6.14 For 2018/19 the Authority chose not to request a transfer from the Schools Block. At the January 2018 meeting it was reported that there were financial pressures of £4.3m, which the Authority would attempt to mitigate. The High Needs Block over spent by £1m in 2018/19.

6.15 In 2019/20 the Authority asked Schools Forum to approve a 0.5% transfer from the Schools Block, £4.3m, due to a forecast £4.8m over spend. Schools Forum did not approve the transfer so a disapplication request was submitted to the Secretary of State who did approve the 0.5% transfer to the High Needs Block. The High Needs Block over spent by £8.5m resulting in a cumulative deficit of £10.1m.

6.16 The Authority re-organised the Specialist Teachers team and overall reduced central expenditure within the High Needs Block by £2m. At the same time, the Government significantly increased the funding within the High Needs Block and Essex received increases of 11.5% or above for 2021/22, 2022/23 and 2023/24.

6.17 In 2024/25, the High Needs Block allocation was subject to a funding cap, limiting the increase to 5%. This resulted in additional funding of £12.3 million. However, expenditure rose by 17% compared to 2023/24, equating to a total cost increase of £39.1 million. Consequently, the HNB overspent by £23 million during the year and reported a cumulative deficit of £11.6 million.

6.18 In 2025/26 the Block is reporting an overspend of £19.1million. Without the Block transfers of £13.5m in 2025/26 the in year deficit would be £32.6m. This clearly demonstrates the necessity for the block transfer in limiting financial pressures and contributing to the overall sustainability of the High Needs Block.

6.19 The key pressures and high growth budgets are shown in **Table 7**

|  |  |  |
| --- | --- | --- |
| Pressures | 2025-26 Pressure £m | Increase from 2024/25 £m |
| Special Schools Top-up – due to an increase in volume and cost of placements. | 1.1 | 5.7 |
| Independent Schools – due to an increase in cost and volume of placements | (0.5) | 5.5 |
| Top-up Funding Mainstream Schools - due to an increase in volume of EHCPs. | 2.4 | 5.3 |
| Individual Packages of Education Support – due to an increase in pupils not in a school setting who access education through tuition services within the IPES framework. | (3.2) | 4.4 |
| Enhanced Provision – due to an increase in volume and top up | (0.3) | 2.0 |
| Essex Pupils attending other local authority schools – due to an increase in the volume of placements and an increase in cost of placements. | 1.1 | 1.3 |
| IPRA – increase in volume | 1.5 | 0.8 |
| High Needs Block Contingency – contingency held to offset pressures. | 17.0 |  |
|  | **19.1** | **25.0** |

**Why the block movements have not been adequate to mitigate cost pressures**

6.20 The transfers between the Schools Block and the High Needs Block in 2015/16 and 2016/17 contained the pressures the transfers were made for.

6.21 The transfer in 2017/18 was based on the historic £1.6m transfer that had occurred in the previous two financial years and was to ensure schools received an increase in the basic entitlement. There was an insufficient increase in the Schools Block to allow a transfer for the full pressure of £4.9m.

6.22 Due to the ongoing funding pressures schools had faced the decision was made not to seek a transfer in 2018/19 despite pressures on the High Needs Block (£4.3m).

6.23 Due to an increase in funding and a reduction in the specialist teacher teams the High Needs Block under spent in 2020/21 and moved into a surplus position in 2021/22. A surplus position has been maintained through to the start of 2024/25, although there was a £2.2m over spend in 2023/24. Therefore, no requests have been sought to transfer funding from the Schools Block.

6.24 The 2024/25 financial year concluded with an in-year pressure of £23 million, resulting in a residual deficit of £11.6 million. In 2024/25 the High Needs Block continued to experience significant cost pressures, particularly in the following areas: Mainstream SEN Top-Ups (£8.9 million), driven by the rising number of Education, Health and Care Plans (EHCPs); Special Schools (£5.3 million), due to increased volumes and higher Top-Up costs; Alternative Provision (£4.4 million); and Post-16 placements (£2 million) also impacted by growing demand.

6.25 The block is vulnerable to further adverse movements on the deficit as increases in the volume of EHCP’s, the cost of Top Ups and provision in Independent Schools result in additional cost pressures that are not met through the funding settlement. It was forecast in 2024/25 that DSG would be in a deficit position at 31st March 2026. The current forecast on the HNB indicates that the overall DSG position will have worsened and will almost certainly be in deficit in the 2025/26 financial year.

**Budget pressures in 2025/26 and beyond**

**Education, Health and Care Plans**

6.26 When the original request for a Schools Block transfer was made in November 2018 there were 8,759 EHCPs. By the end of 2024/25 the volume of EHCP’s had increased to 14,087 with a further projected increase to 15,410 in 2025/26. This represents a 75.9% increase since November 2018. The forecast to 2029/30 is a further increase to 20,565 EHCPs, an increase of 33.5% from 2025/26. **Chart 4** shows the increase from 2018/19 to 2025/26 and the forecast through to 2029/30.

6.27 **Chart 5** shows the growth in EHCPs across both mainstream and special school settings. While the number of EHCPs is rising in both settings, the rate of increase in mainstream schools continues to outpace that of special schools. This trend is projected to accelerate further by 2029/30, with the widening gap between the two lines indicating a sharper rise in mainstream EHCPs compared to 2025/26.

6.28 **Chart 6** shows the average cost of Top-Up funding for both mainstream and special schools is projected to rise steadily through to 2029/30. Notably, the average cost of top ups in mainstream settings is forecast to increase by 25% over this period. This significant growth in unit cost, combined with the continued rise in the number of EHCPs in mainstream schools, is expected to drive substantial overall cost pressures.

**Independent Schools**

6.29 **Chart 7** shows the forecast cost of Independent School placements. This stood at £28.9m in 2022/23 and is forecast to increase to £85.5m by 2028/29. This is an increase of 195% over this period.

6.30 **Chart 8** shows the growth in placements for independent schools where it can be seen there is significant growth forecast in 38 week day places. This is consistent with the trend in prior years.

6.31 **Chart 9** shows the average cost of independent placements is set out below. In addition to the steep growth rate in 38 week placement volumes the cost of these placements is forecast to increase by 18% by 2029/30 when compared to 2025/26. Furthermore, significant increases in unit costs are forecast for both 38 week and 52 week residential places. This is attributable to both inflationary cost pressures being faced by independent providers and the growing complexity of children’s needs.

**Individual Package of Education Support (IPES)**

6.32 IPES supports pupils with EHCPs who are not in a school setting and pupils who are excluded from schools. Significant increases in demand for this provision has been experienced since 2022/23 with the rate of growth expected to increase through to 2029/30 as the needs of pupils are not met in the mainstream school setting and the volume of exclusions increase. IPES supports pupils with EHCPs who are not in a school setting and pupils who are excluded from schools. Significant increases in demand for this provision has been experienced since 2022/23 with the rate of growth expected to increase through to 2029/30 as the needs of pupils are not met in the mainstream school setting and the volume of exclusions increase.

6.33 **Chart 10** shows the forecast growth in cost for pupils with EHCPs accessing IPES provision.

6.34 **Chart 11** shows the forecast growth in the cost of excluded pupils accessing IPES provision. This is driven by the increased volume both permanent and fixed term exclusions and the limited available capacity at Pupil Referral Units. This has resulted in a greater reliance on this provision type.

6.35 **Chart 12** shows the increasing levels of fixed term exclusions and permanent exclusions which are contributing to the increase in the cost of pupils accessing IPES provision.

**7. Financial Implications**

7.1 **Table 8** shows the forecast High Needs Block position based on the forecast increase in demand, price and the increasing complexity of pupils.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2025/26  £m | 2026/27  £m | 2027/28  £m | 2028/29  £m | 2029/30 £m |
| Expenditure | 294.0 | 329.9 | 363.0 | 396.8 | 434.4 |
| Income | (261.4) | (269.2) | (277.3) | (285.6) | (294.2) |
| (Surplus) / Deficit | 32.6 | 60.7 | 85.7 | 111.2 | 140.2 |
| Block Transfers |  |  |  |  |  |
| 1% SB Transfer | (12.5) |  |  |  |  |
| CSSB | (1.0) |  |  |  |  |
| (Surplus) / Deficit | **19.1** | **60.7** | **85.7** | **111.2** | **140.2** |
| Balance b/fwd | 11.6 | 30.7 | 91.4 | 177.1 | 288.3 |
| Balance c/fwd | **30.7** | **91.4** | **177.1** | **288.3** | **428.5** |

7.2 The Authority proposes the following to reduce the deficit in 2026/27:

1. To transfer 1% (c.£13.2m) from the Schools Block to the High Needs Block. It is to be noted that £13.2m is an estimate of a 1% and the financial value may change depending on the funding settlement.

7.3 **Table 9** represents the forecast High Needs Block financial position including the above proposal.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2025/26  £m | 2026/27  £m | 2027/28  £m | 2028/29  £m | 2029/30 £m |
| Expenditure | 294.0 | 329.9 | 363.0 | 396.8 | 434.4 |
| Income | (261.4) | (269.2) | (277.3) | (285.6) | (294.2) |
| (Surplus) / Deficit | 32.6 | 60.7 | 85.7 | 111.2 | 140.2 |
| 1% SB Transfer | (12.5) | (13.2) | (13.2) | (13.2) | (13.2) |
| CSSB | (1.0) | 0 | 0 | 0 | 0 |
| (Surplus) / Deficit | **19.1** | **47.5** | **72.5** | **98.0** | **127.0** |
| Balance b/fwd | 11.6 | 30.7 | 78.2 | 150.7 | 248.7 |
| Balance c/fwd | **30.7** | **78.2** | **150.7** | **248.7** | **375.7** |

7.4 Whilst funding levels are currently unknown, **Table 10** shows the level of school balances which demonstrate that a 1% transfer is affordable.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Phase | No. of Schools | Maintained School Balances at 31/03/25  £000 | Academy Balances at 31/08/24  £000 | Total Balances  £000 |
| Nursery | 2 | 408 | 0 | 408 |
| Primary | 447 | 36,108 | 47,092 | 83,200 |
| Secondary | 79 | 3,125 | 67,119 | 70,244 |
| All-Through | 2 | 0 | 2,507 | 2,507 |
| Special | 22 | 111 | 8,691 | 8,802 |
| PRU | 6 | 1,773 | 4,327 | 6,100 |
| Total | **556** | **41,525** | **129,736** | **171,261** |

**8. How will the Transfer be Utilised**

8.1 The Authority will continue to invest in early intervention strategies such as the Inclusion Framework and Outreach.

8.2 The Authority will continue to invest in enhanced provision to provide specialist units for pupils in mainstream schools.

**9. Actions taken to Address the Overspend**

9.1 Schools Forum approved funding for the Inclusion Framework which enables schools to access pre-statutory funding to develop inclusive practice. An update report will be presented to Schools Forum in November that will cite a number of case studies where investment has supported the development of inclusive practices within the school. As schools have been able to meet pupil needs without an EHCP this has resulted in the avoidance of costs to the High Needs Block.

9.2 Schools Forum also agreed funding for Outreach in 2024/25. To recap, outreach is focussed on meeting needs in mainstream both at SEN Support and at EHCP to prevent escalation to special school; the outreach from PRUs is focussed on reducing permanent exclusions. As illustrated in Chart 12 above, there is some evidence to suggest that the rate of permanent exclusions are slowing.

9.3 The Authority has invested significant funding in the system as shown in **Table 11.**

|  |  |  |
| --- | --- | --- |
| Investment | £000 |  |
| SEND Assistance Plan | 2,896 | Funding to accelerate the pace of improvement in SEND statutory responsibilities. |
| Inclusion Strategy | 2,029 |  |
| Assistant Education Psychologists | 5,861 | Included funding to fund award a contract for the processing of 2820 EHCP applications. |
| SEND Business Case[[2]](#footnote-3) | 1,307 | A mix of intervention approaches from Early Years through to the Independent sector to limit demands on the HNB |
| Total | **12,093** |  |

**10. SEND Strategy**

10.1 The Councils priority is the continued focus and investment in the SEN system to enable a systemic change and support long-term sustainability rather than making cuts to individual budgets which may have adverse impacts.

10.2 We have invested in a SEN workforce via ECC funding and HNB which allows strategic as well as operational support to schools. We have strong special schools but increased pressure on their physical capacity is making that more challenging.

10.3 Our sufficiency intentions, sets out a plan to manage special school growth by reducing the numbers of children and young people with lower levels of need overtime as we work with mainstream schools to be better able to manage their needs locally. This will enable us to accommodate more children and young people with higher levels of need in special schools.

10.4 There are 4 key intentions in order to support SEND sufficiency:

1. Ensure Inclusive Mainstream Provision Implementation of the agreed Ordinarily Available Provision across all Essex mainstream schools, at universal and targeted levels will enable high quality inclusive teaching for all pupils.

1. Enhance the Mainstream Offer for Children and Young People with EHCPs
2. Review and redesign the Enhanced Provision Model
3. Enhance Special School Capacity Appropriately

**11. Timeline to Setting School Budgets**

11.1 Schools Forum is asked to approve the consultation with schools and to support the request for a 1% transfer.

11.2 Consultation will be held with schools between Monday 22nd September and Sunday 26th October.

11.3 Results of the consultation will be presented to a joint FRG and HNRG on 10th November where the outcome of the consultation will be discussed along with the recommendations to take to Schools Forum.

11.4 Schools Forum will be presented with the results of the consultation and the outcome of the discussion on 10th November along with the recommendations of the FRG and HNRG. Schools Forum will then decide whether or not to support the 1% transfer.

11.5 Any disapplication request will be submitted to the Secretary of State by the deadline of 17th November. The disapplication will be updated after Schools Forum to update the outcome of Schools Forum’s decision.

11.6 DSG final settlement expected week commencing 15 December.

11.7 The DSG budget for 2026/27 will be presented to Schools Forum at the January meeting.

**12. Impact of Transfer on School Budgets**

12.1 The impact of a second consecutive schools block transfer has less of a financial impact on schools as any increase in funding for 2026/27 will be delegated to schools in full except for the amount of increase in the transfer. **Table 12** shows an example of how this could impact on schools.

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2024/25  £m | 2025/26  £m | 2026/27  £m |
| Schools Block | 1,226.3 | 1,250.9 | 1,271.5 |
| Increase |  | 24.6 | 20.6 |
| Delegation to Schools:  Schools Block Allocation  Growth Fund  Falling Rolls Fund  Premature Retirement Costs  Transfer to HNB | 1,226.3  (7.1)  (0.4)  (1.2)  0 | 1,250.9  (4.5)  (0.6)  (1.2)  (12.5) | 1,271.5  (4.5)  (0.6)  (1.2)  (12.8) |
| Total Delegation | **1,217.6** | **1,232.1** | **1,252.4[[3]](#footnote-4)** |
| Increase in delegation |  | 14.5 | 20.3 |

12.2 The figures in **Table 13** are an **estimate** as the provisional settlement has not been published. Whilst funding will be increased for NICs and SBSG, the amounts allocated to academies are only available for NICs to date. Therefore, funding has been increased by **£20m** for NICs and FSM6, the Lump Sum and MPPL have been updated as per Tables 3 and 4 above.

|  |  |  |  |
| --- | --- | --- | --- |
| Basic Entitlement | Primary  £ | KS3  £ | KS4  £ |
| 2025/26 | 3,787.88 | 5,307.53 | 6,108.97 |
| 2026/27 – No Transfer | 3,949.54 | 5,505.02 | 6,336.27 |
| 2026/27 – 1% Transfer to HNB | 3,891.22 | 5,411.31 | 6,228.41 |

**13. Consultation with Stakeholders**

13.1 School Funding regulations require any Formula change and / or Schools Block transfer to be consulted in full, with all mainstream schools.

13.2 Annex A shows the proposed consultation document. The language of the consultation paper is the same as last year.

13.3 Consultation will be held with schools from Monday 22nd September to Sunday 26th October.

13.4 It is usual for the consultation to contain an annex showing the impact on each school but due to so many unknowns it has been decided not to model the impact.

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 7** |
| Date 17 September 2025 |  |

**REPORT TITLE: DE-DELEGATION & EDUCATION FUNCTIONS 2026/27**

Report by Yannick Stupples-Whyley

Contact details: Telephone (03330 138464); e-mail: yannick.stupples-whyley@essex.gov.uk

**1. Purpose of report**

1.1 To present Schools Forum with the Authority’s proposal for de-delegation and education functions for 2026/27.

**2. Recommendations**

2.1 To agree the recommendation of the Finance Review Group (FRG) that primary maintained members agree the proposal for de-delegation for public duties at 4.4;

2.2 To agree the recommendation of FRG that the secondary maintained member agrees the proposal for de-delegation for public duties at 4.5;

2.3 To agree the recommendation of FRG that all members agree to top-slice **£1.3m** for premature retirement costs at 4.7;

2.4 To agree the recommendation of FRG that all members agree the proposals for education functions funded by the ongoing responsibilities element of the Central School Services Block at 5.9; and

2.5 To agree the recommendation of FRG that all maintained members agree the proposals for education functions to be funded by maintained schools at 5.10.

**3.** **Relevant Schools Forum Power and Responsibility**

3.1 **Table 1** shows the relevant responsibilities in relation to de-delegation and education functions, which are taken from the Education and Skills Funding Agency’s **Schools forum powers and responsibilities** published in September 2018.

|  |  |  |  |
| --- | --- | --- | --- |
| Function | Local Authority | Schools Forum | DfE |
| De-delegation | Proposes | Decided by the relevant maintained school members (primary and secondary) | Adjudicates where Schools Forum does not agree local authority proposal. |
| Contribution to responsibilities local authorities have for all schools | Proposes | Decides | Adjudicates where Schools Forum does not agree local authority proposal. |
| Contribution to responsibilities that local authorities hold for maintained schools | Proposes | Decided by the relevant maintained school members (primary, secondary, special and PRU) | Adjudicates where Schools Forum does not agree local authority proposal. |

**4. Background**

4.1 The School Funding Reforms of 2013/14 required local authorities to delegate funding to schools for the following services:

* Contingencies
* Behaviour Support Services
* School meals Eligibility
* Support for ethnic minority pupils/underachieving groups
* Insurance
* Museum and Library services
* Licences and Subscriptions
* Staff costs supply cover
* School Improvement

4.2 Maintained members of Schools Forum can decide on behalf of all maintained schools to de-delegate funding for the Authority to provide services to all maintained schools.

4.3 Funding cannot be de-delegated from academies however they can choose to procure these services from the Authority or an alternative provider.

4.4 **Table 2** shows the Authority’s proposals for de-delegation for maintained primary schools for 2026/27 and shows a comparison with previous years.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Primary | 2023/24  Per Pupil  £ | 2024/25  Per Pupil  £ | 2025/26  Per Pupil  £ | 2026/27 Provisional  Per Pupil  £ | 2026/27  Provisional  Budget  £ |
| Basic Entitlement | 3,385.51 | 3,552.59 | 3,787.88 | 3,891.22 |  |
| Public Duties (1) | 1.00 | 1.00 | 1.00 | 1.00 | 46,536 |
| Total De-delegation | **1.00** | **1.00** | **1.00** | **1.00** | **46,536** |

1. The de-delegation requested for Public Duties enables schools to receive funding for employees who undertake union duties, employees who undertake magistrate duties and for employees who attend jury service. It also enables schools to receive support from the trade unions.

4.5 **Table 3** shows the Authority’s proposals for de-delegation for maintained secondary schools for Public Duties for 2026/27 and shows a comparison with previous years.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Primary | 2023/24  Per Pupil  £ | 2024/25  Per Pupil  £ | 2025/26  Per Pupil  £ | 2026/27 Provisional  Per Pupil  £ | 2026/27  Provisional  Budget  £ |
| Basic Entitlement  KS3  KS4 | 4,683.47  5,573.32 | 4,975.15  5,826.84 | 5,307.53  6,108.97 | 5,411.31  6,228.41 |  |
| Public Duties (1) | 1.00 | 1.00 | 1.00 | 1.00 | 3,833 |
| Total De-delegation | **1.00** | **1.00** | **1.00** | **1.00** | **3,833** |

1. The de-delegation requested for Public Duties enables schools to receive funding for employees who undertake union duties, employees who undertake magistrate duties and for employees who attend jury service. It also enables schools to receive support from the trade unions.

**Premature Retirement Costs**

4.6 In October 2021 Schools Forum approved to top-slice funding from the Schools Block, High Needs Block and Early Years Block to fund **£1.3m** for premature retirement costs relating to former school employees.

4.7 **Table 4** shows the funding top-sliced in 2025/26 and the request for 2026/27.

|  |  |  |  |
| --- | --- | --- | --- |
| Phase | 2025/26  £ | 2026/27  £ | Difference  £ |
| Nursery | 22,023 | 22,023 | 0 |
| Primary – Maintained | 160,185 | 160,185 | 0 |
| Primary – Academy | 238,214 | 238,214 | 0 |
| Secondary – Maintained | 131,288 | 131,288 | 0 |
| Secondary – Academy | 680,974 | 680,974 | 0 |
| Special – Maintained | 17,948 | 17,948 | 0 |
| Special – Academy | 19,509 | 19,509 | 0 |
| Total | **1,270,142** | **1,270,142** | **0** |

4.8 The cost of premature retirement costs has increased by £105,000 over the last two years as pension payments have increased with inflation. This increase has not been passed to schools as the £1.3m has been maintained for the last few years. The Authority has therefore absorbed the additional cost.

**5. Central Services – Education Functions**

5.1 The responsibilities of services provided by the local authority are split between:

* those that are for all schools, which are funded through the Central Schools Services Block, with the agreement of Schools Forum; and
* those that relate to maintained schools only, which are charged on a per pupil basis, with agreement of the maintained school members of Schools Forum.

**Education Functions for all Schools**

5.2 Following the termination of the Education Services Grant (ESG), the DfE transferred **£3.1m** directly into the Central School Services Block (CSSB) to fund the statutory responsibilities that the authority has for all schools. The Authority has maintained the amount at **£3.1m** between 2017/18 and 2024/25, thus containing inflation. In 2025/26 Schools Forum agreed the charge increased to **£3.3m**. This amount is insufficient to fund the total cost of statutory services for all schools (**£3.9m**), however there is forecast headroom in the Central School Services Block so the Authority proposes to increase the contribution to **£3.4m** in 2026/27 which accounts for inflation.

5.3 **Table 5** shows the Authority’s proposals for 2026/27.

|  |  |  |
| --- | --- | --- |
| Central Services for all schools | 2025/26 | 2026/27 |
|  | **£’000** | **£’000** |
| Statutory & Regulatory services: |  |  |
|  |  |  |
| Education Welfare | 1,837 | 1,952 |
| - School attendance |  |  |
| - Employment of children |  |  |
| - Children missing education and elective home education |  |  |
|  |  |  |
| Statutory Regulatory Duties - | 1,210 | 1,340 |
| - Director Education |  |  |
| - Senior Education Management Team |  |  |
| - Planning for education service as a whole |  |  |
| - Revenue budget preparation / external audit |  |  |
|  |  |  |
| Asset Management | 233 | 106 |
| - Management of the LA's capital programme |  |  |
| - Preparation and review of the asset management plan |  |  |
| - Negotiation and management of private finance transactions |  |  |
|  |  |  |
| Total | **3,280** | **3,398** |

**Education Functions for Maintained Schools**

5.4 Following the cessation of the Education Services Grant, the DfE changed the funding regulations to allow local authorities to request that the central services for maintained schools are funded by maintained schools. **Table 6** shows the Authority’s proposal for central services for maintained schools.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Central Services for maintained schools | 2025/26 | 2025/26 | 2026/27 | 2026/27 |
|  | **Cost of service**  **£** | **Per Pupil**  **£** | **Cost of service**  **£** | **Per Pupil**  **£** |
| Asset Management | 268 | 4.85 | 121 | 2.33 |
| - General landlord duties including: |  |  |  |  |
| i) appropriate facilities for pupils / staff |  |  |  |  |
| ii) ability to sustain appropriate loads |  |  |  |  |
| iii) reasonable weather resistance |  |  |  |  |
| iv) safe escape routes |  |  |  |  |
| vi) adequate water supplies and drainage |  |  |  |  |
| vii) playing fields of appropriate standards |  |  |  |  |
| - General health and safety |  |  |  |  |
| - Management of the risk of asbestos in community schools |  |  |  |  |
|  |  |  |  |  |
| Statutory & regulatory Duties | 2,168 | 36.65 | 2,389 | 46.06 |
| - maintaining computer systems |  |  |  |  |
| - data storage |  |  |  |  |
| - Budgeting and accounting functions |  |  |  |  |
| - planning sufficient school places |  |  |  |  |
| - compliance with Health & Safety regs |  |  |  |  |
| - pupil access to education |  |  |  |  |
|  |  |  |  |  |
| School Improvement |  |  |  |  |
| - core school improvement function | 438 | 7.41 | 454 | 8.75 |
| Total Education Functions | **2,874** | **51.98** | **2,964** | **57.15** |

5.5 The Authority has been able to maintain the charge at **£2.9m** for the last 3 years, however due to inflation the cost increases to **£3m** for 2026/27. Although the increase is **£90,000**, due to academisation and the low birth rate the actual charge per pupil increases by **£5.17** (9.9%).

5.6 The Authority recognises this is a large increase for schools that will add **£1,000** in costs for a 1FE primary school and **£4,700** for a 6FE secondary school. The Authority therefore proposes to mitigate the impact on maintained schools as shown in **Table 7**.



5.7 The proposal is to transfer a further £200,000 to be funded by the CSSB. At 5.2 it can be seen the total costs of education functions for all schools is **£3.9m**, so there is sufficient expenditure to charge **£3.6m** for education functions for all schools. This will be an ongoing commitment and therefore the ability to offset costs for maintained schools will be limited.

5.8 The impact for maintained schools is that the charge per pupil will now be **£53.29**, which is an increase of **£1.31** (2.5%) per pupil. This will add **£275** in costs for a 1FE primary school and **£1,179** for a 6FE secondary school.

5.9 **Table 8** shows the revised charges for all schools.

|  |  |  |
| --- | --- | --- |
| Central Services for all schools | 2025/26 | 2026/27 |
|  | **£’000** | **£’000** |
| Statutory & Regulatory services: |  |  |
|  |  |  |
| Education Welfare | 1,837 | 2,052 |
| - School attendance |  |  |
| - Employment of children |  |  |
| - Children missing education and elective home education |  |  |
|  |  |  |
| Statutory Regulatory Duties - | 1,210 | 1,440 |
| - Director Education |  |  |
| - Senior Education Management Team |  |  |
| - Planning for education service as a whole |  |  |
| - Revenue budget preparation / external audit |  |  |
|  |  |  |
| Asset Management | 233 | 106 |
| - Management of the LA's capital programme |  |  |
| - Preparation and review of the asset management plan |  |  |
| - Negotiation and management of private finance transactions |  |  |
|  |  |  |
| Total | **3,280** | **3,598** |

5.10 **Table 9** shows the revised proposal for maintained schools.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Central Services for maintained schools | 2025/26 | 2025/26 | 2026/27 | 2026/27 |
|  | **Cost of service** | **Per Pupil** | **Cost of service** | **Per Pupil** |
| Asset Management | 268 | 4.85 | 121 | 2.33 |
| - General landlord duties including: |  |  |  |  |
| i) appropriate facilities for pupils / staff |  |  |  |  |
| ii) ability to sustain appropriate loads |  |  |  |  |
| iii) reasonable weather resistance |  |  |  |  |
| iv) safe escape routes |  |  |  |  |
| vi) adequate water supplies and drainage |  |  |  |  |
| vii) playing fields of appropriate standards |  |  |  |  |
| - General health and safety |  |  |  |  |
| - Management of the risk of asbestos in community schools |  |  |  |  |
|  |  |  |  |  |
| Statutory & regulatory Duties | 2,168 | 36.65 | 2,189 | 42.21 |
| - maintaining computer systems |  |  |  |  |
| - data storage |  |  |  |  |
| - Budgeting and accounting functions |  |  |  |  |
| - planning sufficient school places |  |  |  |  |
| - compliance with Health & Safety regs |  |  |  |  |
| - pupil access to education |  |  |  |  |
|  |  |  |  |  |
| School Improvement |  |  |  |  |
| - core school improvement function | 438 | 7.41 | 454 | 8.75 |
| Total Education Functions | **2,874** | **51.98** | **2,764** | **53.29** |

**6. Financial Implications**

6.1 The Authority has forecasted pupil numbers allowing for a similar number of academy conversions and also allowing for a reduction in pupil numbers due to the national fall in birth rate. There however remains a risk that pupil numbers may be lower than forecast which will result in a financial risk for the Authority.

**7. Consultation with stakeholders**

**8. Background / Supporting papers.**

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 8** |
| Date: 17 September 2025 |  |

Any other business and feedback from associations and other Forum members

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 8a** |
| Date: 17 September 2025 |  |

**School Forum Early Years Sub-group**

**MINUTES**

**Thursday 4th September 2025**

**Meeting cancelled**

**Attended**

* Carolyn Terry - ECC
* Yannick Stupples-Whyley - ECC
* Sandie Leader - ECC
* 17 attendees – see below

**Apologies**

* Donna Thresher - The Hullbridge Preschool
* Michelle Wisbey - Westwood Montessori
* Zoe Orr - Harwich Connexions Noahs Nursery (left)
* Ruth Bird – Schools Forum

**Review of minutes and action log**

* June meeting cancelled. April minutes agreed as accurate. All actions on action log completed.

**Schools Forum meeting feedback – 9th July 2025**

* Meeting was cancelled

**Early Years items discussed**

* **Review of funding rates** – LA receive an annual update from DfE. Based on National Funding Formula no update can be given until end of autumn term. If any increase it will come in from April 2026 for new contract.

Concern with increase minimum wage & NI increases.

Rates this year did include increases minimum wage.

NI threshold changed, DfE informed as a private sector can get relieve from HMRC.

Do continue to feed back to DfE impact this has on early years providers. As majority of income now FEEE providers are not able to cover costs by private fees.

BMC advice to review consumable rates. BMC can work with any provider to offer support with business model.

Difficult to have a set rate for all providers as costs to provide consumables, food & activities will vary.

* **Support for settings hiring male staff and the way to handle parents who complain or object.**

Angie employed a male practitioner; all checks were carried out. Parents are not happy with this, do not want practitioner having personal care for their children. Has anyone else had similar experience.

Sandie advised to look at research to share with parents

Helen has had 2 male practitioners, 1 has now left, other is SENCO and worked with under 2’s. Could consider holding a meet and greet with parents and staff.

Linda employed male practitioner last year, now left. Took approach that if parents did not approve, they could look for alternative childcare.

Carolyn – suggested may want to contact Andree Race for further support

Ruth – Has multiple member of male staff. Have a male practitioner who is very proactive in supporting male workforce. Happy to give his contact details.

**Action:** Sandie to give Ruth Angie’s contact details

**Early Years Updates**

Budget & Schools Forum

* Budget – Presentation delivered by Yannick

Surplus have to take to schools forum for approval. Hourly rate is based on what DfE allocate for each entitlement.

May Schools Forum, needed to wait for adjustment figure in July. SF agreed in principle to pay out. Surplus being paid to providers based on hours claimed 2024/25 this month at £0.14p per hour.

Will be recommending further passport out of the surplus, also possibly training, sufficiency grants etc to next 2 schools forum meetings

**Action** – Members of group can submit suggestions for underspend for LA to consider. Must be one off costs cannot be to increase the funding rates.

* FEEE – Website requirements January 2026

DfE guidance April 2025 states providers should have the details of how funded hours are offered and a breakdown of voluntary charges, food/snack, consumables and additional activities on their website by January 2026. If a provider does not have a website, we are looking at how this can be added to the FIS childcare search as a self-update for providers. Childminders are exempt from this requirement in line with the guidance. DfE have produced a template to support with how this should look.

Happy to support with content if any providers needs help.

**Items to take to the Essex Schools Forum 17th September 2025**

Chanel to take the Teachers Pay and Pension Grant (TPPG) to SF meeting to discuss further – query from group why is this only paid to schools?

Suggestions for surplus by next week for Sept meeting, or by middle of October for November meeting

**Action –** Carolyn & Yannick to set up meeting with Chanel & Helen to discuss TPPG

**AOB**

Linda – New food guidance from DfE, parents are concerned about what children will eat and not eat so will not adhere to provider policy.

Gaynor - The NOF project is so helpful to help us guide our parents to making healthier choices and actually it can cost less than there think

Helen – Information is guidance, so long as food provided by provider is taking account of guidance. Cannot insist parents follow this, children do need to have food during the day. Suggest giving the information to parents so aware of why you have taken certain stance on food to be supplied in lunch boxes.

Linda - Inconsistency with rooms as to whether give food and snacks provided by parent.

**Date of next meeting –** 6th November 20257.00-8.30pm via TEAMs

**Future dates –** TBA

**Attendees – 17 attendees**

Claire Macklin – Christ Church Preschool

Annalei Smith - Roydon Preschool

Linda Reynolds - Home from Home Childcarers

Helen Taylor - Tiddlywinks Preschool

Tina Carnegie-Dielhenn - Whipper-snappers Daycare Nursery

Angie Craig - Yellow Brick Road Nursery

Lisa Rozee - Roydon Preschool

Gaynor Baker - Buzzee Beez Preschool

Ruth Edwards - The Treehouse Forestry Nursery

Vicki Wellen - Tolleshunt D'Arcy Preschool

Claire Owers - Bright Stars Preschool

Sharlin Paul - Childminder

Kelly Stallward - Buzzee Beez preschool

Deb Watson – Tanglewood Nursery

Anthonia Fasae - St. Margaret's Pre-School Doddinghurst

Dawn Saunders - Wivenhoe Park Day Nursery

Chanel Lassman – Safari Childcare

**Action Log**

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| --- | --- | --- | --- |
| Action | Action for | Date to be completed | Action completed |
| Set up meeting with Chanel & Helen to discuss TPPG before taking to schools forum | Carolyn & Yannick | By end of September |  |
| Give Ruth Angie’s contact details | Sandie | 5/9/25 | 5/9/25 |
| Submit suggestions for underspend for LA to consider. Must be one off costs cannot be to increase the funding rates. Email to Chanel, Helen, Carolyn or Sandie | Member of group | By 12th September 25 |  |

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| Schools Forum | **Agenda Item 8b** |
| Date: 17 September 2025 |  |

Minutes of Joint Finance Review Group and High Needs Review Group

Wednesday 10th May, 08:30 – 11:20

In Attendance:

|  |  |  |
| --- | --- | --- |
| Jeff Fair – Chair (JF) | Ruth Bird (RB) | John Hunter (JH) |
| Sue Bardetti (SB) | Harriet Phelps-Knights (H-PK) | Rod Lane (RL) |
| Pam Langmead (PL) | Scott Bowak (SBo) | Carole Herman (CH) |
| Maggie Loveday (ML) | Lydia Sherborne (LS) | James Saunders (JS) |
| Ros Allsopp (RA) | Kevin Panrucker (KP) | Stuart Roberts (SR) |
|  |  |  |
| Clare Kershaw (CK) | Yannick Stupples-Whyley (YSW) | Gareth Rott (GR) |
| Candice Thompson (CT) |  |  |

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| --- | --- | --- |
| 1 | Welcome & Introductions | JF welcomed everyone to the meeting and commented that that some of the decisions made today will have implications for the reorganisation of local government which may work for a larger authority but not smaller authorities. We need to think of our students today and what we know rather than what we do not know.  Apologies have been received from Sean Moriarty, Robin Taverner and Michelle Steadman.  CK echoed JF comments in that we must start to consider local government review but it is too early today. |
| 2 | SEN Top-up Funding | CK introduced the report on behalf of Ralph Holloway with the proposal to fund schools from week 20 at an average rate of £5,951.  PL agreed this was a positive but raised a concern that £5,951 could be an underpayment for higher banded pupils and queried if schools will be reimbursed. Are assessments for higher banded pupils prioritised?  CK responded that at the moment schools are waiting for funding until the plan is agreed where this proposal gives funding to schools from 20 weeks. At the point of assessment vulnerability of the pupil is considered and those identified as vulnerable are allocated an EP sooner.  PL reiterated her first question on funding. CK replied that schools concerned can contact the Authority and discuss their concerns.  SB questioned whether schools will be funded monthly.  CT responded that this is not how it currently works. Schools will be funded upfront for the rest of the financial year. If during that time the plan is agreed funding will be clawed back and the banding will be paid instead.  SB stated that some assessments have not been agreed at 40 weeks or 50 weeks and queried how does the money come to schools.  CT responded that if an assessment was at week 50 funded will be paid and backdated to week 20. If the plan is then agreed in February, the proportion of £5,951 for March would be clawed back and the banding would be paid instead.  SB asked how much do you know you’re going to give out of the £5,951 per month.  CT stated it will not be paid monthly. If a child is at week 20 today, the school will get a portion of the £5,951 until 31st March. It is pro-rata based on the number of the school days left until the end of the financial year.  SB asked if schools will continue to receive funding until they receive £5,951.  CT responded that rate is for the whole year.  CK asked CT to add some examples of how the funding will be paid in the paper for Schools Forum.  HP-K stated that CK has said there will be no clawback but CT said there will be clawback. Schools will have spent the funding so where will it be clawed back from?  CT responded it is due to the banding being a different value. The system does not allow the difference to be paid so once the plan starts the band value is paid and any interim payment paid for the same period is clawed backed.  HP-K stated from a headteachers point of view you are giving money to take it back and to put schools into deficit.  CT responded that if we were not doing this schools would have no money until the plan is agreed.  PL stated it contradicts what is in the paper.  CT responded it is only a proportion of the £5,951 from the date of the agreed plan to the end of the financial year.  JF confirmed his understanding of what has been said. We pay at £5,900 upfront until week 40 but if at week 30 the plan is agreed, between week 30 and week 40 the new rate is paid.  CK confirmed that was correct. If band 3 is agreed at week 30, the school will receive £5,900 for 10 weeks and then the £4,800 for band 3 going forward from week 30.  HP-K stated the messaging needs to be really clear and the word clawback should be avoided.  RL queried 5.2 where in the second line £8.2m is mentioned but at 5.1 it says £8.1m. The correct figure should be in the paper.  CK responded that of the total cost of £12.4m, £8.2m will be paid in September.  RL understood but queried why the figure was different at 5.9.  GR explained the figures are two different things. Table 5 is showing the overall impact of the decision. Although the cost is £12.4m, the forecast of plans not yet agreed to be paid in this financial year is £8.1m, so the impact is bringing forward £4.3m expenditure from 2026/27. The figure in 5.2 is the amount of the £12.4m that will be paid in September.  RL stated that the £12.4m is in both tables, but £8.2m is stated at 5.2 and £8.1m in Table 5.  JF responded that the £8.2m is interim funding that will be paid in September. They are saying they expect to finished and signed of £8.1m of EHCP payments. The £8.2m is what is currently owed as interim payments and out of the total interim payments £8.1m will be finalised and paid as EHCPs.  RL responded that affects net cost.  JF responded it will not as you are assuming only the ones that are outstanding at September will be cleared.  CK stated the confusion is being caused as the figures are so close. This proposal is to provide interim funding for every outstanding EHCP that is in the system. The total cost of this is £12.4m of which £8.2m will be paid in September. The table at 5.9 is saying if we look at the overall impact on the high needs block of the £12.4m cost we are anticipated that we will have finalised plans and paid out £8.1m under the existing system. Therefore, the additional cost is £4.3m.  RL ask for confirmation the £8.1m will be paid this year.  CK confirmed that is correct.  It was approved for the proposal to be put forward to Schools Forum. |
| 3 | Split Site Funding for Special Schools and PRUs | YSW introduced the report setting out the proposal to fund split site funding for special schools and PRUs in the same way as mainstream schools are funded.  It was recommended that Schools Forum approves the proposal. |
| 4 | School and High Needs Funding 2026/27 | YSW introduced the Schools Block element of the report explaining the information released by the DfE and the mechanism that may be required to afford the Essex Formula for Funding Schools.  GR then introduced the case for transferring 1% from the Schools Block to the High Needs Block.  CH thanked GR for explaining the High Needs Block so carefully. What a poisoned chalice this is and a holy mess. We all know, there is insufficient funding into a system which is not fit for purpose in terms of EHCP. So, we understand that's absolutely the bottom of the position that the local authority finds itself in, and therefore schools find themselves in. You mention the Authority has joined the f40 campaign group, do you feel that is going to have any effect?  CK explained she has seen a letter from the Chair of f40 to the Secretary of State. The response was from Catherine McKinnell, the Minister for School Standards, it says we are determined to fix the send system and restore the trust of parents. The government is committed regarding the funding. The funding announced in the spending review means a significant investment. The question is the f40 group going to have any influence? I think the jury's out on that. Is there work going on at the DfE? This response does indicate there is. Interestingly, we also had a visit last week from Tim Coulson, the new Director general for the Regions Group. He was also talking at a very high level around the key issue around the escalating rise in EHCPS, which is the key causal factor in this.  CH responded I absolutely understand the awful position that local authority is in. You have very little choice and it's an argument which we rehash every year for probably as many years as I've worked in Essex. So, you know, I do get that. But I still think it's worth recording the concerns.  CH continued my second question is about the potential 1% transfer and again we've had this argument on many occasions and I absolutely understand that the money that could potentially be transferred directly into schools. Again, it links back, doesn't it, to the first principles of the fact the system doesn't work and is quite wrong. But you know you're in a position where you're forced to do this because you can't be seen not to be making every effort you can to reduce the deficit so. The second question is linked to what Gareth has said is the affordability because of school balances. Not all schools have exceptionally high balances, and therefore that 1%, even though we know that the high needs block, you know, goes directly into supporting special needs children in various settings.  CK noted CH’s comments. I would like to note that Essex County Council, we're just about to take another business case through the system, but if approved the County Council has also invested over £12 million in the SEND system from our reserves. So, I think that the Council is trying to respond as much as we possibly can and it is the volume that is the key issue. I think we have to recognise the increase in the forecast spend within the IPES system. We have put that forward numerous years about the concern around that that that does need looking at because that is driven predominantly from children coming out of mainstream education and needing an education provision.  SB asked what's the comparison between school applications and parental application? Is the increase due to the parental applications going up considerably? Because from my point of view that's something that I'm noticing parents will come to say I'm going to apply and they get they get the EHCP as well, even though we don't think that child needs an EHCP.  CK asked SB if she could send in some examples.  HP-K stated if schools forum disagree the 1% transfer, then I'm assuming the LA will apply to Secretary of State and it will go through anyway. It's sort of is a matter of principle that we're discussing this, but what are the other options?  CK responded that the option of not requesting a transfer is not an option. The expectation of politicians is that we pursue a transfer. School balances are not equal across all schools but there is still £171m in the system. Other options would be to seek a higher transfer as some authorities seek 1.5%.  JF stated that it’s between a rock and a hard place. The funding coming into the schools block will come through to schools. I was in a meeting with Cllr Whitbread who has responsibility for Finance. There are some significant issues the Council are facing and the risk of the overspend lies with the Authority even though it is caused by education.  RL queried whether the recommendation should state 0.5% + a further 0.5%.  YSW replied that at this stage we are looking for support for the proposal. The decision in November will reflect how the 1% is split.  JF asked members to vote on the recommendation and asked for a position.  YSW confirmed it was tied at 4 votes for and 4 votes against. JF stated he has the casting vote as Chair and said that he will support it with the reluctance already indicated. |
| 5 | Falling Rolls Fund | YSW introduced Ros Allsop from Clavering Primary and Kevin Panrucker from the Canonium Learning Trust.  YSW introduced the report setting out the case to support schools in Years 2 and 3 of the falling rolls fund with transitional funding.  RB suggested an alternative option to fund Year 3 schools 75% of their 2025/26 allocation in 2026/27 and 50% of the 2025/26 allocation in 2027/28.  YSW confirmed this would add a further £67,000 to the additional cost for 2026/27.  SB asked if we were looking at different schools to the ones looked at earlier in the year.  JF confirmed they are the same schools.  SB asked are we sure academy pooled balances are not sufficient.  JF responded the Authority is proposing to give schools more time to adapt to a change in the funding system. Schools were expecting 5 or 7 years and were changed to 3 years midway into going into year 3.  HP-K asked are these the schools only negatively impacted.  YSW responded these are the only schools to make representation to the LA.  HP-K stated more schools will be affected.  YSW replied yes, all the schools in Table 3 will be affected.  RA explained the situation for Clavering Primary. The school were expecting funding for 7 years to be told it had been reduced to 3 and funding would end on 31st March. The school is losing £100,000. Staffing has already been restructured and the loss of funding will have a detrimental impact on the cohort it is supporting.  KP explained there are 12 schools in the Canonium Learning Trust where 11 are smaller than 1FE. Finchingfield and Ardleigh St Mary have 3 classes and Stourview has 2 classes. Nine schools are in rural locations. It is impossible to make changes in these schools other than amalgamating or closure. Most schools are in Victorian buildings that cost a fortune to run.  SB asked does the funding for the falling rolls fund come from maintained schools or academies.  YSW explained the funding mechanism and therefore both maintained schools and academies generate the allocation.  SB raised that academy trusts should be able to manage issues across the Trust.  PL stated it is not whether it is an academy or maintained school. Canonium have a lot of really small schools. The issue is schools were promised 7 years funding and that has been taken away by a decision we made.  JF stated he believed it was 5 years not 7.  CK stated it is fair that the LA is presenting a case for a fair and equitable system. The purpose of the schools being in the falling rolls fund is that they will recover.  JH questioned what effect will this have on children if the funding is ceased after 3 years.  RL asked if schools in Table 3 are aware of the revised figures.  YSW replied no but depending of the decision of Schools Forum they will be shared after the Forum meeting.  JF stated the Authority had 3 options.  CK asked that the principle be agreed and that the Authority will consider the preferred option.  JF asked members if they were happy to support transitional arrangements which was agreed. |
| 6 | De-delegation & Education Functions 2026/27 | YSW introduced the paper splitting it into 3 sections, de-delegation for public duties, the top-slice for premature retirement costs and funding for Education Functions.  JF asked members to agree to put the proposals to Schools Forum. Members agreed. |

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| Schools Forum | **Agenda Item 9** |
| Date: 17 September 2025 |  |

**Schools Forum Meeting Minutes of 21st May 2025**

**held via Microsoft Teams**

**08:30 am – 11:15 am**

*(subject to forum approval)*

In Attendance

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| Ruth Bird – Chair | Jody Gee (JGe) | Jinnie Nichols (JN) |
| Jeff Fair (JF) | Carole Herman (CH) | Chanel Lassman (CL) |
| James Saunders (JaS) | Stuart Roberts (SR) | Ferliene Willis (FW) |
| Don Wry (DW) | Marilyn Smith (MSm) | Robin Taverner (RT) |
| John Hunter (JH) | Sue Bardetti (SBa) | Lydia Sherborne (LS) |
| Pam Langmead (PL) | Rod Lane (RL) | Sean Moriarty (SM) |
|  |  |  |
| **LA Officers** |  |  |
| Yannick Stupples-Whyley (YSW) | Andrew Page (AP) | Cllr Tony Ball (TB) |
| Clare Kershaw | Carolyn Terry | Val Cleare – Minute Taker |
|  |  |  |
| **Observer:**  Louise Davy |  |  |

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| --- | --- |
| **1.** | **Apologies for Absence and substitute notices**  Apologies were received from Jennifer Grotier, Scott Bowak, Charlotte Little,  Harriet Phelps-Knights, Jo Santinelli, Maggie Loveday, Natalie Christie, Michelle Steadman, Polly Lankester, Emily Welton, Lyn Wright.  Pam Langmead substituted for Harriet Phelps-Knights and Carol Herman for Polly Lankester.  RB welcomed Louise Davy as an observer from the South East Essex Academy Trust.  RB gave thanks to Claire Styles and Nigel Hill who have now left the Forum as they are no longer governors. Especial thanks were given to Nigel who has been on the Forum for many years and will be greatly missed. |
| **2.** | **Early Years and Childcare Update (Carolyn Terry)**  CT updated Schools Forum on the draft outturn for 2024/25, the take-up of the new entitlement for under 2s and 2-year-olds from working families, the rollout of the childcare reforms expansion and proposals to utilise the Early Years Block surplus balance.  CT gave some background in that FEEE funding supports the statutory universal offer to all three- and four-year-olds, up to 40% of the least advantaged two-year-olds; these are children who meet predetermined eligibility criteria and access to a funded place for eligible working parents for children from the term after they turn 9 months old.  It was noted the take up of the universal three- and four-year-old FEEE at the Spring term 2025 headcount was 32,101, which is 93.4% of the eligible three- and four-year-olds. This is marginally lower than the national take up of 93.7%.  Across Essex, currently 20% of all two-year-olds are eligible to access the funding. The take-up of the disadvantaged two-year-old FEEE during the Spring 2025 term was 2,343, which was 68.9% of the 3,370 eligible two-year-olds in the county. This term the take-up figure is lower than the national take up level for the Spring 2025 term of 73.9%. This drop has been investigated and is due to 66 children accessing a funded place via the working parents’ entitlement. If these children are added to the disadvantaged funding, this increases the take-up to 81.3%. We are currently looking into how these children can be allocated against the correct funding source going forward, but in the meantime, we will report take-up including any eligible children that have accessed the working parents’ entitlement.  The take up of the new working parents with children aged 9 months and over two-year-old FEEE during the Spring 2025 term was 6,531. This is a 35.25% take-up, which is slightly higher than the take-up figure for last term. It is expected that this percentage will increase over the coming terms, and at this point we do not have access to any comparable national or eastern region data for comparison purposes.  4.3 set out parent eligibility codes format for the first time. We are slightly above other Local Authorities and the national level. We will continue to monitor this.  5.1 Table 2 shows the provisional outturn for 2024/25.  The overall take-up of free entitlement places is less than the funding received form the DfE, resulting in a **£2m** underspend. It is expected that the DfE will clawback the **£2m** when the final adjustment for 2024/25 is calculated in July 2025. The **£13m** overspend on the contingency budget represents the clawbacks for 2022/23 and 2023/24 which have been previously discussed with Forum.  5.3 Table 3 shows the impact of the provision outturn on the overall Early Years Block surplus balance, predicting a forecast of **£7.9m**.  5.4 It is proposed to distribute a proportion of the current Early Years Block surplus through the following mechanisms, subject to the outcome of the Census data confirming whether the DfE will be seeking to clawback **£2m** of this in July 2025.  There are two elements:  One element of the proposal is to distribute £3m of the surplus, and for this figure to be divided by the 21,225,362 hours that were funded in the 2024/25 financial year. This would equate to an additional payment of **£0.14** for every funded hour paid to each childcare provider and would be equal to **£79.80** for each full-time funded place.  The second element is to extend the current Early Years Early Intervention Partner roles for a further 3 years, once the current contracts expire in August 2026, at a total cost of **£383,000**.  Further plans to distribute any remaining surplus will be brought back to Forum, once the DfE clawback figure is confirmed in July 2025.  It is requested that Forum endorses this approach in principle, to distribute £3m to the Early Years sector and to ringfence **£838,000** to extend the current EYEIP roles for a further 3 years up to March 2029, subject to there being sufficient funding after the DfE adjustment in July 2025.  Update on the roll-out of the childcare Reforms Expansion programme  Since the roll-out funding has been agreed, or is in the process of being agreed, to create:   * 1,604 new wraparound childcare places * 516 new under 3 Early Years places   The tables set out the number and value of applications received, along with the district these relate to. These included:   * Capital Funding for Under 3’s places * Capital Funding for Wraparound places * Wraparound Revenue Funding.   The budget remaining is **£345,000**. Throughout this process, the DfE are requiring Local Authorities to submit regular updates and progress reports on the allocation of funding and creation of new places.  **Next Steps**  Based on the value of the Capital funding applications received, it is not anticipated that there will be enough funding left for a third round of funding applications. Should any of the schemes not go ahead, this will be revisited.  Wraparound Revenue – the rolling monthly application process will continue with applications due in for deadlines. The recent school survey responses are being analysed and work is underway to match schools with third party providers or offering 1:1 support where this has been requested.  As previously reported, funding has been ringfenced from the grant received from the DfE to ensure there is financial support for schools and settings for any enhanced staffing levels that may be needed to support children with SEND to access a wraparound place. To date **£28,000** has been awarded.  **School Based Nurseries**  **Phase One**  We will continue to work with the successful schools and support them to be open within the timescales outlined in their application.  **Phase Two**  The allocation of funds for 300 schools in the initial phase, was part of the Government’s commitment to establishing 3,000 new school-based nurseries within the current term of office.  While no details have been announced as yet, in anticipation of future funding we will be working internally with schools and SEND colleagues to prepare to strategic overview of school space and potential opportunities for expansion.  **6.9 Pilot Breakfast Clubs**  15 early adopters from Essex began offering free breakfast in school from the beginning of April. The Government’s aim is that pupils start every day read to learn, and in turn will improve behaviour, attendance and attainment.  The DfE is setting up a working group for the best way we can offer to schools. No dates have yet been given for a full national rollout.  7. **Schools Forum Early Years and Childcare Reference Group**  CT reported there are ongoing pressures the sector is feeling and along with the Budget announcements around increasing the minimum wage and changes to the National Insurance Contributions (NICs) has a huge impact on the sector. This will be further compounded by the additional increase to the number of funded hours working parents of children aged from 9 months to 2 increasing from 15 hours per week to up to 30.  **Questions**  PL noted wraparound support and particularly for children with special needs and that **£28k** has been awarded which feels very low. Can you just confirm how much money is ringfenced there and encourage schools to apply for?  CT confirmed we have allocated and anyone accessing revenue funding we are promoting this to them.  PL – with regards to the Breakfast Clubs. For information, we understand the Headteachers running the pilot schools that this will run until March 2026 and is unlikely to roll out nationally until September 2026. They have clearly extended the pilot which has taken the pressure off people.  PL – with regards to Early Years settings, PL endorsed the funding for them. The new safeguarding requirements from September which will not impact schools, but will similarly settings?  JaS – In 4.2, it talked about the difference between take-up and taken into account further funding. Is that taken into account in the national number? In the Spring term this take-up figure is lower than the national take-up level 73.9%.  CT responded those children are accessing some of the systems in place. Some Local Authorities are finding it easier to recruit from the start.  JaS asked has there been an evaluation of the effectiveness of Early Years if continuing for a further 3 years?  CT stated at the last Forum there had been a reduction in the amount of money to pay out. This was fed back and updated recently.  CK commented we issue a high number of EHCPs in that range.  **Recommendations**  The Forum noted the provisional outturn for 2024/25 at 5.1  The Forum endorsed the proposals to distribute a proportion of the Early Years Block Surplus at 5.4.1, 5.4.4 and 5.4.2. |
| **3.** | **Falling Rolls Fund (Yannick Stupples-Whyley)**  Conflicts of interest were noted from Jinnie Nichols and Don Wry and they were asked to leave the meeting whilst this item was discussed.  JF informed this was a recommendation from the Finance Review Group (FRG) where various items had been discussed. There are concerns about looking at the current stability of the Falling Rolls Fund and how it is implemented in each case, and what we anticipate it should be doing to support them.  YSW presented to the Schools Forum the schools recommended by the FRG to be funded through the Falling Rolls Fund for 2025/26 and the proposed change to the methodology for funding schools from 2026/27.  YSW stated that Schools Forum had approved the Falling Rolls Fund at the meeting on 15th January 2025. The DfE has put in mandatory criteria whereby the latest School Capacity Plan must show that the places are expected to be required in 2025/26 or the subsequent 2 years.  4.3 clarifies how we treat balances. YSW explained the number is shown in Item 4.2 and to maintain consistency we use the balance from the accounts registered with Companies House to see if the balance criteria is met.  4.4 It was agreed at the meeting of 15th January 2025 that the FRG undertake a review of how funding is allocated to schools. Currently schools receive the relevant basic entitlement multiplied by the agreed number of pupils to fund.  4.5 Methodologies for distributing funding allowed by the DfE include:   * A rate per vacant place, up to a specified maximum number of places, or * A lump sum payment with clear parameters for calculation.   4.6 Essex’s current methodology:   * For the first year – the difference between the reception Published Admission Number (PAN) and actual Number On Roll (NOR) in reception for the two years that qualify the school for the Falling Rolls Fund is funded. The number of pupils to fund is multiplied by the primary basic entitlement value. * The following year in addition to the pupils funded for year 1, the difference between reception PAN and actual NOR is also funded to reflect that the total NOR is allowed to fall in year 2. At this point the total pupils funded is set for future years.   4.7 Table 2 shows an example of how this works.  4.8 in 2024/25 there were 22 authorities which operated a Falling Rolls Fun. The majority of Local Authorities use the basic entitlement as the unit value of funding. However, the majority do not fund the full difference between PAN and NOR and opt to use a threshold.  4.10 The following options were discussed by FRG:   * Option 1 – No change. * Option 2 – to allocate funding for the vacant places below a threshold of 80% of PAN multiplied by the basic entitlement, for 3 years. * Option 3 – to allocate funding for the vacant places multiplied by 1/30th of a main scale 5 teacher for 3 years. * Option 4 – to restrict funding the vacant places to the difference between PAN and NOR for reception / Year 7 for the two years which qualified the school to be eligible for Falling Rolls funding, for 3 years.   4.13 FRG recommended that schools are funded using option 2 for 2026/27 which funds the difference between 80% of PAN and the actual reception NOR. FRG also recommended that funding is restricted to a maximum of 3 years as long as schools meet the Falling Rolls criteria.  **2025/26**  Table 4 shows the schools in their third year need to meet the rising roll and balance criteria to remain within the Falling Rolls Fund for 2025/26.  It was noted Finchingfield Primary meets the rising roll criteria. However, the balance criteria will be assessed on the balance at 31st August 2025. This one will be discussed at the November Forum meeting.  4.18 The remaining schools in the Falling Rolls Fund will be in year 2 in 2025/26, so the NOR can still fall, so they must meet both the DfE and balances criteria.  Table 5 shows if each school meets the criteria.  4.20 Chigwell Primary, Stourview Primary and St Mary’s Primary, Ardleigh meet the DfE criteria. However, the balance criteria will be assessed on the balance at 31st August 2025.  4.21 Tollesbury Primary does not meet the balance criteria and FRG recommended that the school is removed from the Falling Rolls Fund.  4.22 There are sixteen schools which met the Falling Rolls criteria for 2025/26, however only 6 schools met the DfE’s mandatory criteria. These will be discussed further at the Schools Forum November meeting.  4.23 Hilltop Infant School – at the last FRG meeting on 10th December 2024 it had been decided to defer the decision on Hilltop Infant’s application to the next FRG meeting. The school had submitted their pupil forecast.  4.26 The Hearts Academy Trust has started to pool balances from 2023/24 and has a pooled balance of **£1,245,593**. A balance has been provided for Hilltop Infant at 31st August 2024 which is a surplus of **£34,508** (2.8%) which meets the balance criteria.  **Questions**  DW said we were asked in April and a summary provided, YSW stated academy to be treated consistently. Therefore, it was too high to meet the criteria. We responded to FRG questioning when that criteria was agreed to January 2023 and May 2023 for balance criteria. We asked for further clarity how the figures were arrived at. For us we pooled our reserves.  YSW responded we had received from Companies House, a balance of 1.2.  We are questioning around 8% increase funding?  2024/25 we applied for Falling Rolls Fund.  **£206,534** is 23.4%, which is too high?  methodology and pooling the balance. Mid-point **£419k**, other trust fund **£10,449**. Methodology seems unfair to our trustees and questioning this. Has anyone else had to deal with this in such detail?  It was questioned the calculation used to arrive at that figure. It feels the trust has been penalised when got saving decisions and got reserve balance and turned down for Falling Rolls Fund.  Urging Schools Forum to reconsider the decision put forward today.  JN believed this was complicated. She said, having been on the Forum for a number of years, she had certainly seen an increase in schools becoming eligible for Falling Rolls Fund. That reflects a wider picture with the national birth rate falling and how that impacts, and in Essex. There are a number of small schools (the impact is particularly significant particularly looking at where you have small numbers where educationally pooled years 2, 3, 4, 5 to maintain 3 classes in a small school is challenging.  The cost of a teacher is UPF. The new performance related pay will make it more challenging but particularly for small schools.  Table 3 shows the impact from small schools with significantly reduced amount of money being provided, i.e., Wethersfield Primary and Finchingfield Primary. Looking at costs will not cover a teacher.  It is proposed next year or the year after potentially to have to look at closure. Is that the next discussion to happen because there are not enough pupils?  Does the Forum foresee potentially to support schools?  When going from 90 to 60 it is still sustainable, however going from 40 – 35 it is not sustainable. There is the equality and difficult to maintain at levels of funding.  The impact for Wethersfield – in Table 4 shows whilst other schools are increasing, Wethersfield is not. There are other circumstances impacting what should have been increasing roll, only a tiny increase.  **DW and JN left the meeting at 9.25 am.**  JF spoke about the decisions about the balance of calculation per pupil. This is in line with DfE process. They take the public balance and that is divided out.  Reassured the FRG have asked for more details to be provided. Where one school produced for more information than on a regular basis.  Focus on Falling Rolls Fund. We are not looking at small schools. There is difficulty in population change. It was noted a large number of London Boroughs are shutting a significant number of primary schools because they have fallen significantly.  SBa – regarding maintained schools, what criteria is used by academies to decide whether the money they have in their pot is money that they share or pool? Is this a national criteria or own school?  YSW responded that is the choice of each MAT whether to pool funding.  CH mentioned Shenfield was previously put through its pace and we were supported through the Falling Rolls Fund. The issue for us at the time was that we were a standalone academy and did not have resources. The point SBa is making is the bottom-line number. The amount is sitting with the MAT. They have a choice. There is an application to the Falling Rolls Fund. The money is sitting in there in the reserve. It is their duty to support schools. We understand what JN is saying, but that is the issue as a Forum we need to think about.  CK reminded the Forum it was set out that MAT balance that was appropriate was set at 8% which has Central Government enforcement. The DfE recommend this.  PL agreed with colleagues. The Hearts Academy Trust are doing what they are allowed to do. You can argue the Chief Finance Officer is doing the right thing.  JaS stated we are only talking about two schools here. We do not have all the schools here to argue their points equally. Everyone should have an opportunity.  SR reminded that the DfE had set 5-8% as a guideline. We have got to have a balance, and it needs to be consistent.  SM informed with maintained schools you have got one overall balance. SM referred to Page 26 in the pack that the particular school is projecting to have an in-year surplus of **£49,000**. It was noted DW had stated that amount of money will be available to the school.  RT stated as a trustee of a MAT and Chair of Governors of an academy, he agreed with everything that has been said. However, looking at the Hearts submission he could not see why considering any funding for them.  CL was interested in the discussion but did not feel informed enough to vote on the proposals.  JF stated FRG are noting whether to reduce the PAN number. Part of the Hilltop submission, they were not even intending to fill. Should we fund? In theory there will be just about sufficient money covering staff involved. We have always tried to make decisions fair to all students, regardless of age and situation so that they are getting the best education in Essex.  **Recommendations**  Forum noted that since academy trusts have been pooling balances, the principle for determining an individual school’s balance at 4.3  **Voting**: Unanimously accepted.  With 1 abstention.  The following Recommendations were voted for unanimously:  Forum agreed the recommendation of FRG to allocate funding to schools from April 2026 for any vacant places between 80% of the published admission number and the actual number on roll for a maximum of 3 years at 4.13.  Forum agreed the recommendation of FRG that Clavering Primary, Wethersfield Primary, Dr Walker’s Primary and St John the Baptist Primary receive Falling Rolls funding in 2025/26 at 4.16 and 4.19.  Forum noted that Finchingfield Primary, Chigwell Primary, Stourview Primary and St Mary’s Primary Ardleigh are assessed for meeting the balance criteria on their actual balances at 31st August 2025 at 4.16 and 4.20.  Forum agreed the recommendation of FRG that Prettygate Infant and Tollesbury Primary are removed from the Falling Rolls Fund as both schools do not meet the balance criteria at 4.17 and 4.21.  Forum noted that the applications for Stambridge Primary and Waterman Primary will be brought to the meeting on 26 November 2025 at 4.22.  Forum agreed the recommendation of FRG that Hilltop Infant is not eligible to receive funding as the balance criteria is not met at 4.29.  PL commented, finally, that Stambridge Primary and Waterman Primary are both part of the Hearts Academy Trust. Make it clear to them that we did not get a similar submission for those two schools based on the balance decided in the November meeting.  CK added, however, Hearts Trust decided to pool that is how we apply. It will be a question if they are eligible to apply.  YSW informed one school meets the criteria and one school does not meet the criteria. |
| **4.** | **School and Academy Balances (Yannick Stupples-Whyley)**  YSW updated the Schools Forum on the level of school balances held across all schools in Essex.  JF commented this is a huge issue to come forward with a way to do something constructive to justify or highlight difficulties schools are in because they are sitting on balances. Over the past few years, every school should be several pounds in deficit now. Cumulatively, they have all spent more than they have actually had. Each year balances have been upwards but this year there is a small decrease. We should be looking at a balance figure at least half the size it actually is.  YSW reported the combined balances for maintained schools and academies are **£171.3m**, which is a decrease of **£8.7m**. Table 1 shows the balances for maintained schools as at 31st March 2025 and for academies as at 31st March 2024.  We use the academy balances from the accounts published on the Companies House website as follows:-   * Standalone academies – Unrestricted general funds + restricted general funds (excluding the pension reserve). * Essex MATs – The Funds section lists the balances held by each school in the MAT. Also taken into account is the central services balance held by the MAT. * Multi-authority MATs – The balances listed for each Essex academy, plus a pro-rata share of the central services balance based on the proportion of Essex pupils within the MAT. * Essex MATs that pool balances – the whole Trust balance is used and where there are schools in different phases the Trust balance is split between each phased based on pupil numbers. * Multi-Authority MATs that pool balances – a pro-rata share of the Trust balance based on the proportion of Essex pupils in the MAT.   Table 2 shows academy balances, broken down between balances held by schools, central services and pooled balances.  Table 3 shows the Trusts that pool balances and shows how many Essex schools are in the Trust.  Table 4 shows the movement in balances for maintained schools between 2023/24 and 2024/25. The balances for all maintained schools are shown in Annex A.  4.6 Balances for maintained schools have decreased by **£1.7m**, which is broken down as follows:   * There is a **£2.1m** reduction due to 7 schools converting to academies in 2024/25. * Buttsbury Infant closed when amalgamating with Buttsbury Junior reducing balances by **£300,000**. * Balances for the remaining maintained schools increased **£759,000**.   Table 5 shows for maintained schools the number of schools by phase that had an in-year surplus or in-year deficit.  Table 6 shows for maintained schools the number of schools in surplus and deficit. For the schools in surplus, it is also shown the number of schools above the DfE thresholds.  Table 6 also shows there are 7 maintained schools with deficit balances, which is a decrease of 7 schools compared to 31st March 2024. There are 147 maintained schools (72.1%) above the recommended DfE threshold.  Chart 1 shows how maintained schools plan to use their balances.  4.11 In comparison to previous year the main three categories are balancing the budget, to use in a future year and general contingency. The planned use of balances for each maintained school are shown in Annex B.  4.12 Looking back to the planned use of balances last year, balances for maintained schools should have decreased by **£22.2m** based on how schools informed the Authority they will spend their balances.  Table 7 shows the movement in balances for academies between 2022/23 and 2023/24. The balances for each academy or Trust are shown in Annex C.  4.14 Balances for academies have decreased by **£7million**.  Table 8 shows for academies the number of schools by phase that had an in-year surplus or an in-year deficit.  Table 9 shows for academies the number of schools in surplus and deficit. For the schools in surplus, it is also shown the number of schools above the DfE thresholds.  Table 9 shows there are 21 academies in deficit which is an increase of 3 academies compared to the previous years. The pooling of balances has increased from 89 schools last year to 107 schools. The other 12 schools where no change is reported are schools which have converted in-year (7 schools), 2 schools that are new and no balance has been reported and 3 schools have no change in balance.  4.18 Chart 2 shows the movement in school balances over the last 5 years.  4.19 It can be seen in Chart 2 that since 2020/21 balances have increased by **£29.4million** (20.7%).  Annex A – Maintained School Balances 2024/25.  Annex B – Maintained Schools Planned Use of Balances.  Annex C – Academy Balances 2023/24.  **Questions**  SM noted under 4.12 there was a calculated decrease by **£22.2million**.  SM could not see the figure for academies.  YSW responded, from academies we do not get to see how they plan to use their balances.  SR reiterated frustration about an academy that strives to make balances had a reasonable year. But there are cuts having to make for next year so that we are not going out of business. Something has to be done.  JaS – with regards to Table 3 where you have all these Trusts and schools and balances. Is that whole balances for that Trust or Essex schools?  YSW responded, it is the balance for all Essex schools in the Trust.  JGe commented these are Essex MATs that pool balances. The information is in Annex C.  SR indicated it was showing as a big drop.  SM responded there is a parallel between maintained schools and academies.  In the secondary sector both have gone down.  In the primary sector the balances are going up.  However, do not know the reason why as they do not have enough knowledge of running of primary schools.  SM asked, what can the FRG achieve if ability to get hard information out of academies has been restricted?  JF responded that FRG will talk to some academies who have large academies and try to pin down why people are holding on to these large balances. Politically, for the last 3-4 years Headteacher professionals have reported there is trouble because there is insufficient funding in the system. We know from a small number of schools there is building work being undertaken. There has been an issue, and they are sitting on a large amount of money with the intention to do something with it. We are trying to do the right thing and spend money on pupils but are also hit by unexpected increases. When the DfE says everything is funded at the top-level Figure 1 will be funded. Some schools will have to manage, some too little.  DW referred to MATs Table 3 and wondered if a column could be added to show what percentages are in line with the balances? DW also said on behalf of the Trust we have our own reserves policy and wanted to know if an exercise could be done for deciding why those funds are and where they go.  JF felt that Tables 9 and 6 give a number of schools/academies are over the current DfE guidelines/balances. 147 of them are over the DfE thresholds. Academies within Essex, 149 of those are above the DfE thresholds.  SR spoke about large balances for capital projects. If we had a project, we could start putting in money, but if we do not deliver that is taken back. From the use of funds chart, it was a lot smaller projects. We have to submit an accounts policy and there has to be accountability. It was noted Shenfield is light and no resources.  Cllr Ball added there are political difficulties. He referred to the previous paper where balances have been increasing. Th difficulty has been to identify the increasing balances.  CK informed it is important to stress this is a factual paper for all schools. It is different between the narrative year-on-year which schools face. We cannot explain the level of balances. We tried to do it last year, but it was pretty meaningless. Cllr Ball and CK noted in the national forum that the education sector is struggling. We again argued the balances. It was noted 8% is due to be spent on capital in the next 5 years. We also know there are a number of schools have challenges particularly running small schools. We cannot say anything about the balances sitting in reserves in Essex, because we cannot give further narrative. It will take a long time. We recognise that pay awards were not fully funded and likewise National Insurance. It is really difficult to keep that narrative going with balances so high.  JN, as a maintained school headteacher, could see what CK was saying that it is challenging. JN felt, from her own knowledge, it is the level of uncertainty of not knowing and there is a need to be super cautious. JN has set a budget, but it is almost like fiction because there is so much that we do not know.  CK completely understood and relevant points have been made. How much do you spend on your children today.? Year on year children have more needs, and staff have more needs too. It is not an easy answer between how as school headteachers and business managers versus what is saved and a healthy amount to save for children in the financial climate.  SR stated the biggest problem is uncertainties on budgeting and teacher pay rises. We have to make an assumption. SR appreciated the 5-8% guidance which should be a buffer for National Insurance. SBa commented as a maintained school headteacher, we do not always have the same understanding but do our best to go through it.  **Recommendation**  Forum agreed a review into a select number of schools to determine why schools are holding balances and to delegate authority to the Finance Review Group to approve the schools to be included in the review.  **Voting**: There were two abstentions. |
| **5.** | **Any other business, feedback from schools through Associations and from Schools Forum representatives on other Bodies.**  **ASHE**  CH reported a focus on continuing with the discussion about concerns with academies and balances. We have done a piece of work recently and have received bank statements. SR has collated these on behalf of ASHE. We put out a survey which allowed schools to show what they are funding.  CH shared that 45 schools responded out of 79 secondary schools. Headlines affects all the money going into schools. 37 out of 45 schools are reporting a reduction per pupil funding. Of that 37, 20 are receiving a reduction in excess of 0.5% per pupil funding. 29 out of 45 schools are receiving less funding. We have anonymised the spreadsheet giving that information. We are looking at this survey closely.  31st May 2025 looms when people can resign and schools are up against recruiting and retaining their staff, and also being short staffed.  We continue to have concerns about the level of pupil’s needs, particularly mental health needs, SEND and collaboration for provision. The amount of money going into the independent sector because parents are winning tribunals.  Parental complaints continue to be an issue and the amount of time taken up by schools to deal with complaints. We are now putting on training courses with solicitors and barristers to support staff in dealing with this.  We are awaiting the new Ofsted framework. Also, awaiting results of the curriculum review, national forum, interim report we will be looking at very closely in the early Autumn. We need more freedom to offer a broader curriculum to our pupils.  On a positive note, ASHE is engaging with the Year of Opportunity and trying to be part of the planning for that. We are linking in with aspects already started. We are looking at broadening horizons linked with a focus through teaching and learning work with our residential conference with secondary Headteachers.  Regarding the funding issue, if we can find a pathway forward where we can see academy balances on the one hand and also understand as CK stated the issues that schools have on the ground.  **EPHA**  PL represented HPK and gave the following report on her behalf.  Primary headteachers are reporting that they are facing escalating funding challenges; Government funding decisions are chipping away at schools’ budgets and, despite being told that they are receiving more funding than ever, more and more schools – both maintained and academy – are facing an in-year deficit or even a deficit budget next year. Those with large balances are finding they are being chipped away in the next 3 years to a deficit position.  Ironically, the DfE has acknowledged the limited headroom in schools’ budgets; in its latest Schools’ costs 2024 to 2026 Technical Note, the DfE estimate that there is only 1.3% financial headroom available in the ‘average school’ for 2025/26 pay award. Although there has not yet been an official announcement, a recent article in The Times suggests that the final pay offer will be “close to 4%”. There is no suggestion that the Government will offer a grant to fund the increase in teacher pay.  Many schools have reported that the National Insurance Employer’s Contribution Grant has not covered the whole cost of the increase, or even the 755 that the DfE suggested would be the average grant. Paltry increase in Universal Free School Meal Funding (UIFSM) +3p (now £2.61).  Primary schools are increasingly frustrated at the lack of official announcements about pay awards, and other funding to schools. There is still no confirmation of whether or not schools will receive the PE and Sports funding grant in 2025/26. Whilst most schools have assumed this in their budget it cannot be guaranteed; the loss of this funding will have a devastating effect on schools’ budgets, on the viability of sports and coaching companies that offer services to schools and, not least, on the engagement and activities that schools can provide for their pupils. This is also likely to put schools in a deficit as timescales for redundancy or termination of external contractors if the grant does not come through will cause an issue.  Providing effective SEND support continues to be a huge challenge to primary schools, and we are watching with interest – and some concern – the possible proposal to remove EHCPs from mainstream schools. This cannot be solely a cost cutting exercise, but must address the issues for both schools and families who are supporting children with complex needs.  **EPHA priorities**:   * Priority 1 – SEND * Priority 2 – the curriculum * Priority 3 – headteacher wellbeing * Priority 4 – recruitment and retention of headteachers and school staff.   Small schools:   * Falling rolls * Impact of high numbers of children with special and additional needs, impact on cash flow and staffing capacity.   National Headteachers Association Network – funding survey is being developed. This network was started in January and is bringing together as many Headteacher issues as possible across the country. HPK will feedback on the survey in due course.  **ESSET**  No rep.  **PRU’s**  LS reported AP’s from Mid and North East Essex commented our role is to include more young people in schools. There will be a full need for support back into the mainstream schools. We need to think about if our role, staff, curriculum is going to shift. From the AP area we are pushing to have more allegiance and support for more inclusion for children. Barriers continue and there are huge dependence issues and continue to work with Essex and partner schools. There has been outreach work with schools which has been more successful.  **Early Years**  FW informed there is uncertainty with the 5-year plan which is challenging. We have September changes which the Government has promoted. Many families believe they are entitled to these. It is worrying how the gap will widen for disadvantaged children. Will there be a higher uptake of 9-month-olds and 2-year places. Recruitment for us is really difficult. We have two people on maternity leave and have two retirements. We are using lots of apprenticeships, but the quality of the applications is not good. We need to recruit good staff. Schools need to be more flexible with two-year-olds. We may need to consider applicants for each term.  There has been positivity by working closely with primary schools, we have attended events and got information for parents. We have also done speed dating.  CL reported about nurseries. Some settings on school site now looking at preferred choice. We work with day nursery. There is wraparound with providers and one invoice and communication which makes it seamless. There has been a big change in tidying up of guidance to charge parents a consumables charge. The preschool is in the village hall, and we are getting some income, 30-40% business rate. We are now on a level playing field. We have six sites, currently one is closed. We are looking to see if we can re-open that site, but it is not looking viable.  Nine-month places have been created. We have a business model where we take 3- and 4-year-olds, and settings are starting to limit this.  **ESGA**  RL agreed with everything that has been said. RB informed we have a conference on 12th June 2025 at Anglia Ruskin University when Cllr Ball will be one of the speakers.  **Unions**  MSm reported there were the normal concerns with budgets which affects staff and children’s education. MSu thanked JF for pushing forward Agenda Item 4 for discussion. We are frustrated when attending consultations that schools are struggling with a lot of budgets. This has an impact on children’s education but obviously the impact on our staff is going through restructure process again and again.  JF stated from the teaching union perspective, the biggest problem this half term is the high-level contact on work related stress. Recruitment is difficult and there are difficulties getting jobs. As unions we are very concerned about the pay rise proposed and the “smoke and mirrors” and that anything is vaguely fully funded maybe problematic.  **Church Reps**  No report.  **High Needs Review Group** has met on 24th April 2025 – see Agenda Item 5a and this was discussed under Item 3.  **Finance Review Group** – Group has met on 24th April 2025 – see Agenda item 5b, and this was discussed under Items 2 and 3.  **Early Years Minutes** – Group has met on 24th April 2025 – see Agenda item 5c, and this was discussed under Item 2.  **Any Other Business** - None. |
| **6.** | **Minutes of 15th January 2025 (Chair)**  The minutes were agreed and accepted as a true record.  There were no matters arising. |
| **7.** | **Minutes Action Log (Yannick Stupples-Whyley)**   |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | Date of Meeting | Report | Action Owner | Action | Response | Status | | 18 May 2022 | Agenda Item 9 – Early Years Update | Carolyn Terry | To bring proposals for allocating the surplus balance to the July / September meeting. | An update is included in Agenda Item 2. | In progress | | 10 July 2024 | Agenda Item 12 – School and Academy Balances | Yannick Stupples-Whyley | To review if interest on balances should be clawed back from schools | The Authority is not proposing to clawback interest on maintained school balances. | Complete | |
| **8.** | **Schools Budget and Education Functions Draft Outturn 2024/25 (Yannick Stupples-Whyley)**  YSW updated the Schools Forum on the draft outturn position for the year-ended 31st March 2025 for both the Schools Budget and Education Functions.  3.1 Table 1 shows the relevant responsibilities that Forum has in relation to the Schools Budget, which are taken from the Education and Skills Funding Agency’s **Schools Forum powers and responsibilities** published in September 2018.  The total Dedicated Schools Grant (DSG) received for 2024/25 after academy recoupment is **£674m**.  The DSG provisional overspend for 2024/25 is £34.6m.  Table 2 shows the overall DSG balance at 31st March 2025.  The significant variations contributing to the outturn position are:  **Schools Block - £504,000 overspend.**  **Central School Services Block - £176,000 underspend.**  **This was as a result of additional funding of £113,000 for the increased cost of licences.**  **High Needs Block - £23m overspend.**  **Top-up funding for maintained schools, academies and Post 16FE - £19.8m.**  **Top-up funding for Independent Providers - £396,000 overspend.**  **SEN Support Services - £5.1m underspend.**  **Other Alternative Provision - £9.3m overspend.**  **Support for Inclusion - £1.1m underspend.**  **Education Functions**  Table 3 shows the funding the Schools Forum agreed at the meeting of 27th September 2023 for the statutory duties the Authority holds for all schools for 2024/25.  Table 4 shows the funding-maintained school members agreed at the meeting of 27th September 2023, to de-delegate **£48.59** per pupil to fund the statutory duties the Authority holds for maintained schools for 2024/25.  The funding shown in Table 4 is subject to academy recoupment when maintained schools convert to academies.  Table 5 shows the impact for the 7 schools that have converted in 2024/25.  Table 6 shows the provisional outturn position for Education Functions 2024/25 which is a **£34,000** overspend.  Annex A shows the Schools Budget Provisional Outturn 2024/25.  **Recommendation**  The Forum noted the draft outturn position for the year ended 31st March 2025. |
| **9.** | **School Funding Update (Yannick Stupples-Whyley)**  YSW updated the Schools Forum on School Funding.  4.1 The DfE announced the Pupil Premium rates for 2025/26 on 18th March, which are shown in Table 1.  Table 2 shows mainstream schools will receive funding based on the funding rates per pupil.  The special schools, pupil referral units, alternative provision academies / free schools and independent schools will receive funding through the Core Schools Budget Grant (CSBG). The CSBG in 20225/26 also incorporates the Teachers’ Pay Additional Grant (TPAG), the Teachers’ Pension Employers Contribution Grant and CSBG grants from 2024/25. The funding rates are shown in Table 3.  Early Years settings in mainstream schools, governor-run nursery schools and maintained nursery schools will receive additional funding. Table 4 shows the rates payable per part time equivalent pupil (PTE) for 2025/26. |
| **10.** | **Constitution and Membership of Schools Forum (Yannick Stupples-Whyley)**  YSW reported on the current membership of the Schools Forum in the light of the continuing transfer of maintained schools to the Academy sector and the change in pupil numbers.  Table 1 shows the relevant responsibilities that Forum has in relation to the Schools Forum.  Table 2 shows the agreed structure Forum approved in December 2020.  Table 3 shows the ratio of pupils between primary and secondary schools as at the January Census 2025.  Table 4 shows a breakdown of pupils for primary and secondary between maintained schools and academies as at the January Census 2025.  A full list of members is shown at Annex A.  Table 5 shows the members who within the next twelve months will reach the end of their current term of office. If members wish to stand for a further time, to advise YSW.  **Extra Notes**  Jeff Fair is due to finish in 2026.  Sue Bardetti does not appear on the list and is due to finish in November 2025.  **Recommendations**  Forum noted that no changes are required to membership of Schools Forum.  Forum noted the members whose current term ends in the next 12 months.  **Action**: YSW will add Sue Bardetti to the list for November 2025.  **Note**: PL asked to note there are a number of vacancies and action should be taken. |
| **11.** | **Forward Plan (Yannick Stupples-Whyley)**  YSW read this out and confirmed the dates of future meetings.  **Recommendations**  **The Forum noted the dates of future meetings**  **The additional items as proposed by Schools Forum were included in the Forward Plan.** |
| **12.** | **Election of Chair and Vice Chair (Yannick Stupples-Whyley)**  **Election of Chair**  Ruth Bird is willing to stand, and was unanimously elected.  **Election of Vice Chair**  Jeff Fair is willing to stand, and was unanimously elected.  **Note**: Cllr Ball congratulated both RB and JF on the work they have done and looked forward to continuing to work with everyone. |
| **13.** | **Chair’s Closing Comments (Ruth Bird)**  RB thanked everyone for attending this meeting and we will see everyone again in July. |
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|  | **Next Meeting**  **Wednesday, 9th July 2025 at 8.30 a.m. – Microsoft Teams** |
|  | **Dates of Future Meetings**  **Wednesday, 17th September 2025 at 8.30 a.m. – IN PERSON**  **Wednesday, 26th November 2025 at 8.30 a.m. Microsoft Teams**  **Wednesday, 14th January 2026 at 8.30 a.m. – Microsoft Teams.** |

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| Schools Forum | **Agenda Item 10** |
| Date: 17 September 2025 |  |

**REPORT TITLE: Minute Action Log**

Report by Yannick Stupples-Whyley

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| Date of Meeting | Report | Action Owner | Action | Response | Status |
| 18 May 2022 | Agenda Item 9 – Early Years Update | Carolyn Terry | To bring proposals for allocating the surplus balance to the July / September meeting. | An update is included in Agenda Item 2 | In progress |

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| Schools Forum | **Agenda Item 11** |
| Date: 17 September 2025 |  |

**REPORT TITLE: SCHOOLS BUDGET & EDUCATION FUNCTIONS Q2 UPDATE 2025/26**

Report by Yannick Stupples-Whyley

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**1. Purpose of report**

1.1 To update Schools Forum on the forecast outturn position for the year-ended 31st March 2026 for both the Schools Budget and Education Functions.

**2. Recommendations**

2.1 That Forum notes the forecast outturn position for the year ended 31st March 2026.

###### 3. Relevant Schools Forum Power and Responsibility

3.1 Table 1 shows the relevant responsibilities that Forum has in relation to the Schools Budget, which are taken from the Education and Skills Funding Agency’s **Schools forum powers and responsibilities** published in September 2018.

|  |  |  |
| --- | --- | --- |
| Local Authority | Schools Forum | DfE |
| De-delegation – proposes | Decides | Adjudicates where Forum disagrees with the Authority’s proposals |
| General Duties for maintained schools – proposes | Decides | Adjudicates where Forum disagrees with the Authority’s proposals |
| Growth Fund and Falling Rolls Fund – proposes | Decides | Adjudicates where Forum disagrees with the Authority’s proposals |
| Central Spend on Early Years and Central School Services – proposes | Decides | Adjudicates where Forum disagrees with the Authority’s proposals |
| Central Spend on High Needs – Decides | None, but good practice to consult. | None |

###### 4. Background

4.1 The forecast outturn for 2025/26 is set out at Annex A.

4.2 The total Dedicated Schools Grant (DSG) expected to be received for 2025/26 after academy recoupment is **£772.2m**.

4.3 The DSG forecast overspend for 2025/26 is **£18.9m**. Table 2 shows the overall forecast DSG balance at 31st March 2026.



4.4 The significant variations contributing to the outturn position are:

**Schools Block - £2.5m overspend**

4.5 The outturn reflects the outstanding loan payments from maintained schools (**£1.2m**) where loans have been paid to help schools in financial difficulties. Loans are repaid over 3 years.

4.6 The overspend in the growth fund reflects a last minute adjustment the Authority needed to make to ensure the Essex formula for funding schools was affordable for 2025/26. Due to a late notification of an increase in estimated pupil numbers the Authority needed to reduce the top-slice for premature retirement costs. The Growth Fund budget has been reduced to ensure the agreed contribution to premature retirement costs is made in 2025/26. This results in an overspend to be funded from the surplus balance within the Schools Block.

**Central School Services Block - £2.1m underspend**

4.7 The forecast underspend is due to the CSSB contingency where the budget allocation is higher than the forecast expenditure for 2024/25 (**£1.7m**) and due to the charge for the national licences the DfE purchases for schools being lower than expected (**£371,000**).

**High Needs Block - £17.8m overspend**

4.8 Top-up funding for maintained schools, academies and Post 16 FE is forecasting a **£4.3m overspend** due to an increase in demand and the increase in the average cost of banding, as more pupils are awarded higher bands.

4.9 Top-up funding for Independent Providers is forecasting a **£1.4m underspend** due to 27 fewer places than forecast.

4.10 SEN Support Services is forecasting a **£18.7m overspend** which is predominantly due to the HNB contingency where funding is lower than the forecast demand for 2025/26 **£16.8m** overspend. There is an increase in demand for Individual Pupil Resourcing Agreements **£1.5m** overspend. In addition, there are staffing pressures predominantly in the specialist teacher teams **£388,000** overspend.

4.11 Other Alternative Provision is forecasting a **£3.5m underspend** due to the demand for places being funded through the IPES contract being less than forecast.

4.12 Support for Inclusion is forecasting a **£366,000 underspend** due to 5.81 vacant posts in the quadrant Inclusion Partner teams.

4.13 Direct Payments is forecasting a **£853,000** overspend due to increased demand for personal budgets for pupils with EHCPs.

4.14 Therapies is forecasting a **£138,000** underspend due to demand being less than forecast.

**Early Years Block** – **£59,000 underspend**

4.15 The underspend is due to vacancies within early years teams.

4.16 In July the DfE announced the final allocation for 2024/25 which resulted in a clawback of **£669,000** as the number of children taking up the free entitlement was lower than the DfE forecast.

**Education Functions**

4.17 Table 3 shows the funding Schools Forum agreed at the meeting of 25th September 2024 for the statutory duties the Authority holds for all schools for 2025/26.

|  |  |
| --- | --- |
| Education Functions – All Schools | £’000 |
| Education Welfare | 1,837 |
| Strategic Management | 1,210 |
| Asset Management | 233 |
|  | **3,280** |

4.18 Table 4 shows the funding maintained school members agreed at the meeting of 25th September 2024, to de-delegate £51.98 per pupil to fund the statutory duties the Authority holds for maintained schools for 2025/26.

|  |  |
| --- | --- |
| Education Functions – Maintained Schools | £000 |
| Asset Management | 268 |
| Statutory & Regulatory Duties | 2,168 |
| School Improvement | 438 |
|  | **2,874** |

4.19 Table 5 shows the forecast outturn position for Education Functions 2025/26 which is a **£22,000** underspend.

|  |  |  |  |
| --- | --- | --- | --- |
| Education Functions | Budget  £000 | Forecast  Outturn  £000 | Variance  £000 |
| Education Welfare | 1,837 | 1,812 | (25) |
| Strategic Management | 1,210 | 1,289 | 79 |
| Asset Management – all schools | 233 | 233 | 0 |
| Asset Management – maintained schools | 268 | 268 | 0 |
| Statutory & Regulatory Duties | 2,168 | 2,092 | (76) |
| School Improvement | 438 | 438 | 0 |
| Total | **6,154** | **6,132** | **(22)** |

4.20 The underspend is due to staffing vacancies.

**Annex A**



|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 12** |
| Date: 17 September 2025 |  |

**REPORT TITLE: Forward Plan**

Report by Yannick Stupples-Whyley

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**1. Purpose of report**

1.1 To bring the Schools Forum Forward Plan and confirm the dates of future meetings.

**2. Recommendations**

2.1That the Forum notes the dates of future meetings.

2.2 That additional items as proposed by Schools Forum are included in the Forward Plan

###### 3. Background

3.1Following a review of School Forum Agendas a Forward Plan has been created. The items included are as follows:

|  |
| --- |
| **Regular and Administrative items** |
| Apologies |
| Any other business and feedback from schools through Associations |
| Feedback from Schools Forum representatives on other bodies |
| Minutes from previous meetings |
| Forward Plan and dates of next meetings |
| Sub Group updates (HNRG, Early Years, FRG) |

|  |  |
| --- | --- |
| **Date of Schools Forum** | **Agenda Items** |
| Wednesday 26th November 2025 | Early Years and Childcare Update (I) |
| (Microsoft Teams) | School and High Needs Funding 2026/27 (D) |
|  | Inclusion Framework (D/I) |
|  | Impact of Outreach (D/I) |
|  | Constitution and Membership of Schools Forum (D / I) |
|  | Falling Rolls Fund (D) |
|  | DSG Management Plan (D/I) |
|  | Scheme for Financing Schools (D) |
|  | DSG Benchmarking (I) |
|  | Schools Budget & Education Functions Update (I) |
|  | Feedback - School Meals Advisory Service (I) |
|  |  |
| Wednesday 14th January 2026 | DSG Budget 2026/27 (D) |
| (Microsoft Teams) | Third Quarter Schools Budget & Education Functions Update 2025/26 (I) |
|  | DSG Management Plan (D/I) |
|  | Election of Chair / Vice-Chair |
|  | Audit Common Themes for Schools Financial Management (I) |
|  |  |
| Wednesday 20th May 2026 | Falling Rolls Fund (D) |
| (In Person tbc) | Schools Budget & Education Functions Draft Outturn 2025/26 (I) |
|  | School and Academy Balances (I) |
|  | Constitution and Membership of Schools Forum (D/I) |
|  | Early Years and Childcare Update (D/I) |
|  | Update on School Funding 2026/27 |
|  | DSG Management Plan / SEND Early Intervention Strategies |
|  |  |
| Wednesday 8th July 2026 | High Needs Block Forecast & DSG Management Plan (I) |
| (Microsoft Teams) | First Quarter Schools Budget & Education Functions Update 2025/26 (I) |
|  |  |
|  |  |
|  |  |
| Wednesday 30th September 2026 | Half Year Schools Budget & Education Functions Update 2025/26 (I) |
| (Hamptons Sports & Leisure) | Scheme for Financing Schools (D) |
|  | DSG Provisional Settlement 2026/27 including school funding consultation (D) |
|  | DSG Management Plan (D/I) |
|  | Impact of Outreach (I) |
|  | De-Delegation 2026/27 (D) |

1. Term time weeks [↑](#footnote-ref-2)
2. The SEND Business Case has not yet been approved. [↑](#footnote-ref-3)
3. 2026/27 figures are for illustrative purposes only [↑](#footnote-ref-4)