



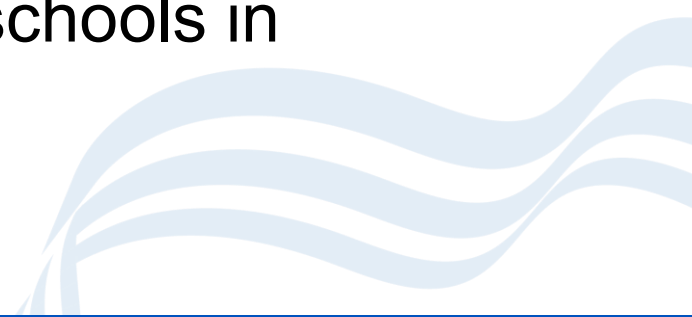
Schools Forum

10 July 2025




National Update

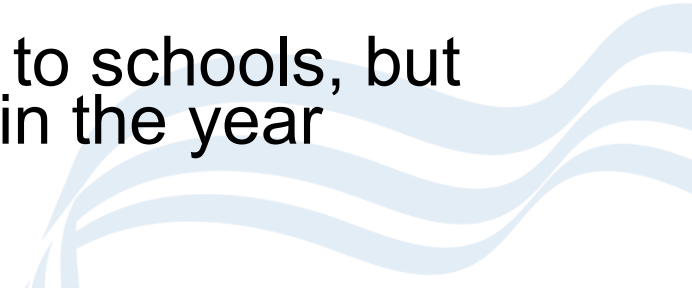
Comprehensive Spending Review

- The Chancellor confirmed that details of the government's intended approach to SEND reform will be set out in a White Paper in the autumn. While there is no funding for reform of the SEND system to improve pupil outcomes this year, £547m will be available in 2026-27 and £213m in 2027-28
 - DSG statutory override extended until March 2028
 - There will be a phased transition process which will include working with LA's to manage their SEND system including deficits
 - Expanding mental health support teams to 100% of schools in England by 2029-30
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Comprehensive Spending Review

- The government will increase the core schools budget by £2 billion in real terms over this SR. This provides a £4.7 billion cash increase per year by 2028-29, compared to 2025-26, which ensures average real terms growth of 1.1% a year per pupil.
 - Excluding the funding which the government has provided for the expansion of Free School Meals (£410M per year by 2028-29), the core schools budget will grow by an average of 0.9% per pupil in real terms each year.
 - Assumption is the £4.7 billion figure includes funding recently announced for pay.
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National Funding Formula (NFF)

- Normally in July/August the LA would receive details of the NFF for the following year E.G. what the factor values will be, what level the MFG has to be set at etc
 - On 30th June the DfE announced that the schools and high needs NFF would not be published until Autumn
 - The DfE have confirmed there will be no changes to how the NFF will operate in 2026-27
 - This will not impact the LA distributing budget shares to schools, but it means we can't update budget forecasts until later in the year
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Comprehensive Spending Review

- Around £2.4 billion per year for the School Rebuilding Programme over the next four years to improve the school estate
 - An increase in annual maintenance investment to improve the condition of the school estate in line with inflation, rising to around £2.3 billion in 2029-30, an increase of over £400 million per year by 2029-30, compared with 2024-25
 - Making available £2.6 billion from 2026-27 to 2029-30 to fund provision of mainstream school places needed to meet future demographic needs
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Comprehensive Spending Review

- An additional £1.6bn per year by 2028-29 on the expansion of government funded childcare for working parents
 - A total of almost £370 million across the next four years to support the government's commitment to deliver school-based nurseries across England.
 - The government has set out its plans to deliver breakfast clubs to every primary-aged child in England. The government will use the learning from these Early Adopters to confirm details of national rollout in due course.
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National Insurance Contribution Funding

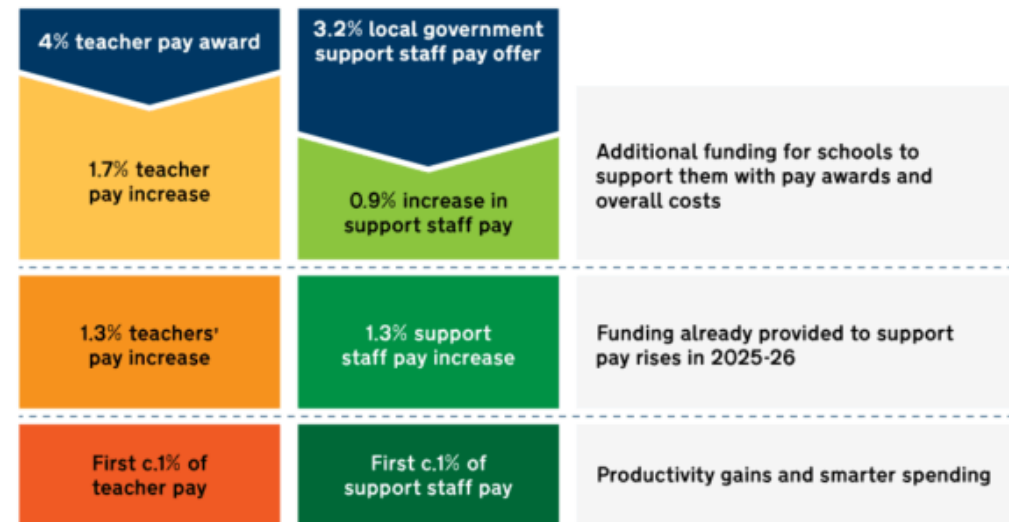
- The government has announced that National Insurance Contribution increases in schools will be funded.
- Mainstream school allocations are calculated formulaically with amounts per pupil, per FSM6 pupil plus a lump sum
- Will be rolled into budget shares in 2026-27



Schools Budget Support Grant


- The government has announced additional funding to support the cost of 2025 pay awards. £615m nationally in 2025-26
- Mainstream schools allocations calculated formulaically, with amounts per pupil & per FSM6 pupil plus a lump sum
- Will be rolled into budget shares in 2026-27

Funding the teacher pay award and local government support staff pay offer in 2025-26



*Chart is for illustrative purposes only

SBSG & NIC Funding for Special Schools

- Special schools are continuing to receive the Core Schools Budget Grant as a separate grant in 2025-26
 - For mainstream schools this was rolled into budget shares in 2025-26
 - This originally covered
 - Teachers Pay Additional Grant (TPAG) – funding for the Sept 23 teachers pay award
 - Teachers Pension Employer Contribution Grant (TPECG) – funding for the April 24 increase to teachers pension contributions
 - CSBG – funding for 2024-25 pay awards (both teachers & support staff)
 - Now been expanded to include
 - National Insurance Contribution Funding
 - Schools Budget Support Grant
 - This will be paid to schools on a per place basis.
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Early Years Census

- Long standing early years entitlements (3- & 4-year-olds and 2-Year-olds receiving additional support) have historically been funded on the basis of January census data
 - E.G. for 2025-26 5/12ths of the allocation is based on the January 2025 census & 7/12ths of the allocation is based on the January 2026 census
- New early years entitlements (children of working parents aged 9 months up to and including 2-year-olds) have been funded on the basis of termly census data



Early Years Census


- All payments are made to providers on the basis of termly census data.
 - Entitlements being funded on the basis of annual census data means funding received by the LA is calculated on a different basis to payments made by the LA to providers
 - Makes setting funding rates very difficult & exposes the LA to the risk of overspending
- From 2026-27 the DfE have announced that all early years entitlements will be funded on the basis of termly census data





2024/25 DSG Outturn & Reserves

Overview Outturn & Reserves

- Centrally held DSG had an underspend of £1.9m
 - Due to Early Years underspend of £1.3m, a £0.4m underspend on High Needs, an underspend on the Growth Fund of £0.3m, partially offset by a £0.1m overspend on de-delegated services
 - This left a £16.1m DSG reserve closing balance
 - Central - £15.7m; Other - £0.4m
 - After 2025-26 reserve contributions this leaves £12.9m
 - Central - £12.5m; Other - £0.4m
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DSG Outturn Block Analysis

Block	Central £000's	Other £000's	Comments
Schools Block	-252	21	Growth Fund and NNDR implications of 21 academisations
Early Years Block	-1,292		Activity levels not as high as budgeted (£1.2m), central underspend due to staffing vacancies (£0.1m), an underspend on DAF (£0.2) & a reduction in 23/24 DSG allocation (£0.2m)
De-delegated	52		Overspend on Teacher Maternity costs offset by an underspend on the New Arrivals Fund
High Needs	-454		£0.6m overspend on provision & £1m holding pot
Central	1		
Total	-1,946	21	

Early Years Underspend

- Take up of Early Years places was lower than budgeted for in 2024-25

	23/24 PTE	24/25 PTE	Difference
3 & 4 Year Olds	20,664	20,347	-317
FRAS 2 Year Olds	2,723	2,321	-401

- This means less was paid out to providers than was budgeted for, causing an underspend
 - The reduction in the January 25 census also means we are forecasting the LA will receive a significant reduction to our 2024-25 DSG allocation, which will be seen as a cash reduction to out 2025-26 DSG allocation
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Early Years Underspend

- In addition to the allocation reduction, the LA is also planning to utilise the underspend in DAF in 2025-26
- At March's meeting the LA stated there would be a budgeted overspend of £0.2m against provision for 2025-26
- This means the revised 2024-25 EY position, after considering how reserves will be used in 2025-26 is as follows:

Revised Early Years Position	£m
2024-25 Underspend	-1.3
Estimated July 2025 Funding Adjustment	0.7
Utilisation of Reserves - Provision	0.2
Utilisation of Reserves - DAF	0.2
Total	-0.2

High Needs Underspend

- Underspend on the HN block for 24/25 was £0.4m
 - Money put aside for future use of £1m
 - Overspend on provision of £0.6m (biggest variances detailed below)
 - Provision budgets increased by £8.7m in 25/26

High Needs Area	24/25 Budget £000's	24/25 Spend £000's	(Under)/overspend £000's
Enhanced Resource Provision	1,150	950	-200
High Needs Top Up - Mainstream	8,450	9,900	1,450
Independent Specialist Placements	7,850	6,650	-1,200
Education Other than at School	850	1,700	850
High Needs Top Up - Further Education	6,400	6,900	500
Total	24,700	26,100	1,400

DSG Reserve Position

24/25

	Central £m	Other £m
Opening Balance as @ 01/04/24	-13.8	-0.4
Budget Setting 2024/25- use of reserves	0.0	
In-year under/ overspend	-1.9	0.0
Closing Balance as @ 31/3/25	-15.7	-0.4
Budget Setting 25/26	2.5	
Early Years adj	0.7	
Remaining Balance	-12.5	-0.4
General	-12.4	
Earmarked: De-delegated	-0.1	
Earmarked: NNDR		-0.4



2024/25 School Balances

School Balances – Summary by Phase

- As at financial year end
 - 31st August 2024 for academies
 - 31st March 2025 for maintained schools
- Where academy trusts only provide trust level cash balances, balances have been split per school on the basis of pupil numbers

Total Reported Balances by Phase Including Academies

School Type	22-23	Change	23-24	Change	24-25	24-25 Balance % of budget
	Balance (£000's)		Balance (£000's)		Balance (£000's)	
Primary (inc Nursery)	29,082	+1,659	30,741	-1,945	28,797	15.3%
Secondary	19,616	+627	20,242	-1,424	18,818	11.6%
Special & PRU's	4,199	+1,018	5,217	+375	5,593	16.8%
Total	52,897	+3,304	56,201	-2,994	53,207	13.9%

School Balances as % of Budget Shares

Reported balances as a % of school budget shares across 3 years

	<5%			5% - 10%			>10%		
School Type	23-24	24-25	25-26	23-24	24-25	25-26	23-24	24-25	25-26
Primary	7	8	8	16	22	36	64	57	43
Secondary	3	3	5	2	6	6	16	12	10
Special & PRU	2	1	1	1	1	1	6	7	7
Total	12	12	14	19	29	43	86	76	60

Schools with reductions & increases


Schools showing a reduction in reserves vs an increase in reserves

School Type	Total Movement (£000's)	Number of Schools with increased balances	Number of Schools with reduced balances	Total amount of annual increases (£000's)	Total amount of reduced balances (£000's)
Primary (inc Nursery)	(1,945)	40	47	+2,382	-4,326
Secondary	(1,424)	10	11	+1,315	-2,739
Special & PRU's	+375	7	2	+981	-606
Total	(2,994)	57	60	+4,678	(7,671)



Membership Update

Membership Update

- Review of Schools Forum membership carried out
 - Just an update ahead of September at this stage
 - Structure based on May 25 census, not available yet.
 - Not anticipating any structural changes
 - No current vacancies, however, there will be one vacancy for academies from September
 - Full membership report at September meeting as usual
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Membership Update

Respresented sector	Current Membership	Updated Membership	Structural Changes	Vacancies at Sept-25
Primary Schools	6	6	0	0
Secondary Schools	0	0	0	0
Mainstream Academies	12	12	0	1
Special Schools	2	2	0	0
Special Academies	1	1	0	0
Maintained Nursery School	1	1	0	0
Pupil Refferal Unit (PRU)	1	1	0	0
Non School Group	5	5	0	0
Total	28	28	0	1