

Schools Forum

22nd January 2026



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Vice Chair Election



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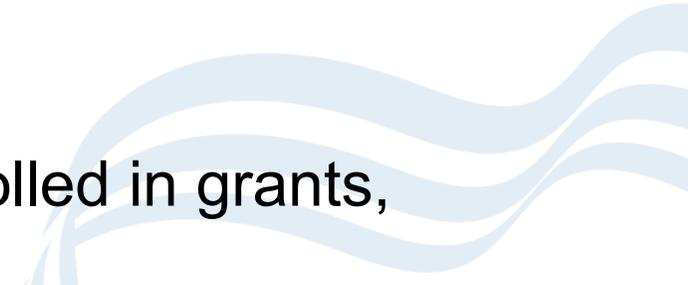
National & Local Update



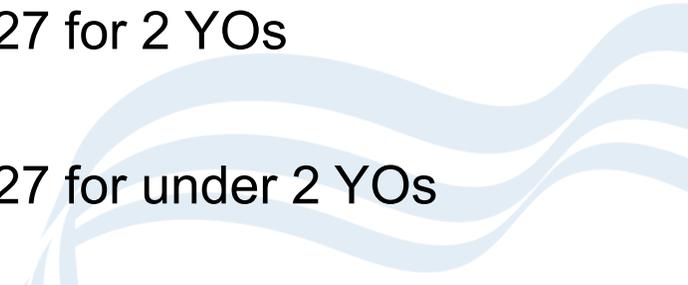
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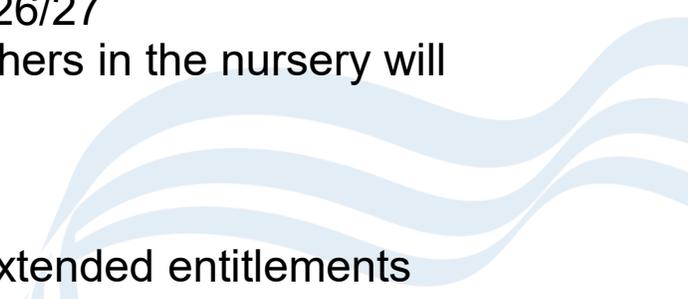
2026/27 Dedicated Schools Grant

- DSG Allocation & APT published 17th December
 - One year settlement
 - Schools Block: £359.7m
 - Pupil number reduction = -£2.6m
 - NFF Increase = £17.6m
 - Of which £10.1m relates to National Insurance Contribution Funding & Schools Budget Support Grant being rolled into the DSG
 - Growth Fund reduction = -£0.5m
 - As a reminder, NFF factor values increased by 2.1% on average
 - Central Services: £3.3m
 - Historic Commitments £106k reduction
 - Ongoing Commitments £123k increase (if excluding rolled in grants, this is a reduction of £98k)
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Early Years

- 2026/27 provisional allocation is £58.8m
 - Currently funding received for 3 & 4 Year Olds (YOs) & FRAS 2 Year Olds is based on January (annual) headcounts
 - For 2025/26, 5/12ths based on January 2025 and 7/12ths based on January 2026
 - LA's make payments to providers on the basis on termly headcounts, so inconsistent
 - From 2026/27 all entitlements will be funded by DfE based on termly headcounts
 - £0.28 (4.7%) increase in per child per hour funding received in 2026/27 for 3 & 4 YOs
 - The DfE has provided an additional uplift to compensate LA's for the termly census transition
 - This equates to £0.17 for the LA (overall uplift of 7.6%)
 - DfE expectation is that once LA's have assessed affordability the uplift to providers will be closer to the lower of the two percentage uplifts.
 - £0.32 (3.7%) increase in per child per hour funding received in 2026/27 for 2 YOs
 - £0.40 (3.4%) increase in per child per hour funding received in 2026/27 for under 2 YOs
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Early Years

- The LA needs to assess affordability to set the funding rates that providers will receive
 - £0.15 (15%) increase in the per child per hour funding received for Early Years Pupil Premium
 - £37 (3.9%) increase to annual Disability Access Fund rates
 - 2025/26 EYNTPG allocation rolled into NFF funding rates
 - DfE previously encouraged the use of a quality supplement to distribute additional funding received for teachers pay and pensions. In Coventry we based this on the number of teachers employed within school nurseries
 - In 2026/27 the historic pay & pensions funding is no longer separately identified by the DfE and the distribution of historic pay pensions is no longer listed as an appropriate supplement.
 - As a result of the DfE changes the quality supplement will not be used in 2026/27
 - This means that funding that would have been provided to schools with teachers in the nursery will now be added to the funding rate
 - LA must pass on at least 97% of EY funding to providers.
 - Previously 96%. Change due to increased levels of overall funding due to extended entitlements
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Early Years

- Schools Forum have to approve the value of centrally retained funding at the March meeting
 - The LA has a statutory deadline of 28th February to announce funding rates to providers
 - We are proposing to retain the maximum amount as has been the case in previous years
 - 5% in 2024/25
 - 4% in 2025/26
 - 3% in 2026/27
 - Does anybody have any thoughts on this ahead of the formal decision in March?
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Early Years

- Quote from the Giving every child the best start in life policy paper published in 2025: “To make sure that the early years funding system is hardwired to benefit those children and parts of the country that have higher levels of additional need, we will review Early Years funding, including national funding formulae, and consult the sector on changes by Summer 2026.”



2026/27 High Needs

- DfE have suspended the use of the High Needs NFF in 2026/27
 - Allocation will be based on 2025/26
 - This means no additional spending power for the LA compared to 2025/26
 - As a reminder the Council increased 2025/26 budgets by £9.5m, resulting in a £2m in-year deficit. Current projections indicate this could be lower at outturn (ca. £1.3m)
 - This means 2026/27 budget setting will be challenging and there will be a significant reliance on use of reserves. Estimated DSG reserve balance as at March 2026 is ca £14m
 - Currently, Special & AP schools are receiving 3 supplementary grants:
 - Historic teachers pay and pensions (within DSG)
 - High Needs Additional Grant (within DSG)
 - Core Schools Budget Grant (separate Grant)
 - The Core Schools Budget Grant is being rolled into the DSG
 - In 2026/27, these will all be concatenated into one legacy payment
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2026/27 High Needs

- Special School MFG = 0%
 - NIC's and SBSG for specialist places in mainstream schools also rolled into High Needs DSG
 - Response published to consultation on recoupment of education costs for children in care placed out of area. LA needs to work through implications.
 - Budget setting to be finalised ahead of the next Schools Forum meeting
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Schools White Paper

- Expected to be published in early 2026.
 - Will set out proposed changes to SEND system (expected to be significant).
 - There will be additional funding provided to support these changes.
 - National allocation is £547m in 2026/27.
 - Allocation methodology is currently unknown, and we expect there will be specific conditions attached to this funding (i.e. not to support business as usual High Needs overspends)
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Schools White Paper

- DfE and NHS England wrote to Chief Executives of Coventry City Council and Integrated Care Board in December.
- Following publication of the Schools White Paper all areas will be asked to produce a Local SEND Reform Plan, setting out how they will move to a new SEND System built on the 5 principles set out by the Secretary of State (early, local, fair, effective and shared).
- Announcement last week: £200m landmark SEND teacher training programme

2026/27 DSG Allocation

Coventry City Council DSG PPR - 2026/27	Early Years Block (£000)	Schools Block & Growth (£000)	Central Sch.Serv Block (£000)	High Needs Block (£000)	Total (£000)
1 <u>25/26 Total resources (at budget setting)</u>	51,053	345,305	3,237	78,622	478,217
1.1 Removal of one-off reserve funding 25/26		(89)		(1,763)	(1,852)
1.2 Pupil number adjustment	(840)				(840)
25/26 DSG (current)	50,213	345,216	3,237	76,859	475,525
2 <u>Changes to forecast DSG resource</u>					
2.1 Pupil number changes		(2,643)	(25)		(2,668)
2.2 National funding formula increase	8,554	7,530	(179)		15,905
2.3 Grants Included in DSG		10,119	221	4,650	14,990
2.4 Formulaic growth fund allocation change		(512)			(512)
26/27 DSG (estimated)	58,768	359,710	3,254	81,509	503,240
3 <u>Additional resource</u>					
3.1 26/27 Contribution from DSG reserves			220		220
26/27 Total resources (estimated)	58,768	359,930	3,254	81,509	503,461

2026/27 DSG Allocation

Coventry City Council DSG PPR - 2026/27

	Early Years Block (£000)	Schools Block (£000)	Central Sch.Serv Block (£000)	High Needs Block (£000)	Total (£000)
Total increase in resources (estimated)	8,554	14,494	17	4,650	27,715
4 Adjustments to Base Budget/Technical Adjustments					
4.1 Reduced expenditure - historic commitments			(106)		(106)
4.2 National Funding Formula increase/(decrease)	8,554	7,492	(73)		15,972
4.3 Grants rolled into DSG		10,119	221	4,650	14,990
4.4 Pupil number changes (Oct-24 & Jan-25)		(2,643)	(25)		(2,668)
4.5 Historic Premises Factors (NNDR)		38			38
4.6 Explicit Growth Fund reduction		(512)			(512)
Remaining resources for Budget Proposals	0	0	0	0	0

2026/27 DSG Way Forward

- Finalise Schools Block budget today to feed into APT including:
 - School Funding Formula
 - Growth Fund
 - Finalise CSSB budget today
 - Separate agenda item
 - Early Years & High Needs will finalise at March meeting, including
 - Early years block – approval of central early years expenditure
 - Overall high needs budget setting, no Schools Forum approval required but will be consulted
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Maximising Value for Pupils

- Programme designed to tackle systemic barriers and support schools & trusts to allocate resource effectively across 4 pillars
 - Commercial
 - Assets
 - Workforce
 - Developing capability, including digital & commercial
 - Ensure every pound delivers for children
 - Utilising collective power to take on key spending areas to secure better deals for schools
 - E.G. negotiated rate caps for agency supply that will provide significant value for money via CCS framework due June 2026
 - [Maximising value for pupils - GOV.UK](#)
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Coventry City Council Budget Setting

- We expect to be able to plan our 2026/27 budget without needing to make major cuts to services. This means we can invest more in key services and focus on issues that matter most to our residents.
 - Implementation of Fair Funding Review from 2026/27 which reallocates resources using updated needs-based formulae.
 - To help make sure we invest in the right areas, we would like to hear views and ideas as we shape the future budget.
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Pre-budget engagement and KPI review

We consulted in October 2025 on which Council priorities were most important to focus on

We also reviewed which of our performance indicators suggested improvements are required

This identified a number of themes as set out here

Your views are sought on how we might consider these in our budget plans for next year

Keeping people safe – crime, clean, well lit, city centre improvements

Anti-social behaviour – fly tipping

Local environments – deprived neighbourhoods

Protecting vulnerable people – child poverty

Good jobs, investment and prosperity – NEET, youth unemployment, education achievement

Helping people to manage – bills, energy, to help themselves

Roads and pavements – conditions and safety



What we would like to know...

Any comments on the policy themes, including other ideas on how the Council can deliver services

What impact the themes (or ideas) could have on different groups of people

Find out more and answer the short survey

[Budget Consultation 2026-27 | Let's Talk Coventry](#)

Deadline: 28th January 2026

Council Meeting with DfE

- The LA has made representation to the DfE in recent times about the difficulties that schools are facing with the financial constraints they are operating under
 - At the last Schools Forum meeting Cllr Sandhu stated that a DfE representative had agreed to visit Coventry to further understand these issues
 - Still working on the details of the meeting but wanted to finalise attendance
 - Proposed attendance
 - Cabinet Member – Cllr Sandhu
 - Officers – Rachael Sugars, Sarah Kinsell, Paul Hammond
 - Chair of Schools Forum &/or Vice Chair of Schools Forum
 - Special School representative?
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Schools National Funding Formula



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DSG Schools Block Funding Update

- Schools are funded via the schools block of the Dedicated Schools Grant (DSG) which is calculated using a National Funding Formula
 - Within the funding formula values are attached to pupil led factors & premises led factors
 - Premises led factors include
 - Business Rates
 - Lump Sum
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DSG Schools Block Funding Update

- Pupil led factors include
 - Pupil numbers
 - Free School Meal Eligibility
 - Pupils with English as an Additional Language
 - Deprivation
- There is also 2 protection mechanisms within the NFF:
 - Minimum per pupil funding – Ensures schools receive a certain amount per pupil. In 2026/27 this is £5,115 per primary pupils & £6,640 per secondary pupil
 - Minimum funding guarantee – Ensures schools will see a change in per pupil funding compared to 2026/27 of between -0.5% and 0%

DSG Schools Block Funding Update

- School budgets including historic premises factors and the Growth Fund which all form part of the Schools Block
 - For 2026/27 we have an affordability issue on the formula if we mirror the NFF and set the MFG at 0%
 - This is not unexpected & has happened previously
 - Data changes and pupil number changes
 - In 2025/26 we had a £1.3m deficit on the formula
 - Funded by scaling all schools gains by 36.2%
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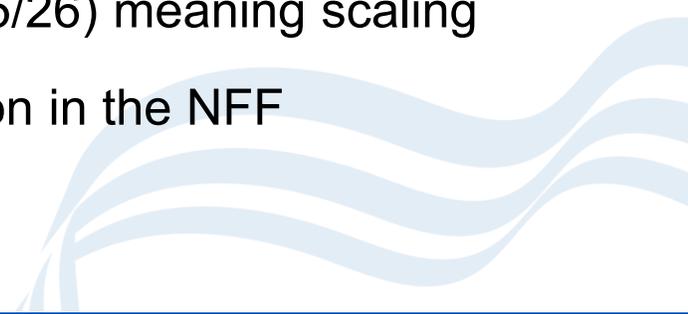
Schools Funding Formula Deficit

- Data eligibility changes
 - Funding the LA receives is based on October 24 data (FSM, EAL etc) but the LA sets school budgets based on October 25 data
 - Pupil number change can also contribute to the deficit
 - Pupil numbers are funded at the October 25 level, however, they are funded on an average cost basis
 - The per pupil amount a school receives varies from school to school depending on factors such as data eligibility & fixed costs such as rates
 - We have gained pupils in the schools that cost more than the average & lost pupils in schools that cost less than the average
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Schools Funding Formula Deficit

	Impact £000	Suplus/(Deficit) £000
2025/26 pre December APT Surplus		80
<u>Pupil Number Changes</u>		
DSG Income Reduction	-2,643	
Formula Cost Reduction	2,416	
	-227	-147
<u>Data Changes Cost (Increase)/Decrease</u>		
FSM	-169	
FSM Ever 6	-703	
IDACI	166	
Low Prior Attainment (LPA)	-494	
English as an Additional Language (EAL)	150	
Mobility	182	
Final Shortfall	-867	-1,013

Schools Funding Formula Deficit

- In the Fair Funding Consultation, the LA consulted on what to do in this circumstance
 - Reduce the amount distributed through the funding formula
 - This would be done by
 - Keeping the MFG at 0% and the full £1m deficit is taken from schools above the MFG funding floor. This means gains under the NFF would need to be scaled by 12.2%
 - This was 36.2% in 2025/26
 - Scaling not as significant as previous year because
 - affordability gap is smaller
 - less schools on the MFG (12 in 2026/27 compared to 18 in 2025/26) meaning scaling impacts more schools to a lesser extent
 - Majority of schools gains are higher in 26/27 due to more inflation in the NFF
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Impact of Scaling Gains

Before Scaling	Primary	Secondary	Total
Schools on MFG	11	1	12
Schools between 0% & 2.1%	28	1	29
Schools Above 2.1%	47	19	66
Total	86	21	107

After Scaling	Primary	Secondary	Total
Schools on MFG	11	1	12
Schools between 0% & 2.1%	33	4	37
Schools Above 2.1%	42	16	58
Total	86	21	107

	Primary	Secondary
Max Scaling Value	-30,860	-56,202
Average Scaling Value (Excl MFG)	-6,344	-28,145
Max YoY Change	4.99%	5.04%
Average YoY Change (Excl MFG)	2.27%	2.72%

Schools Funding Formula: Approval/Ratification

- **The Schools Forum should ratify the recommended setting of the MFG at 0% and scaling gains by 12.2% to make the Schools Funding Formula affordable**

Voting: All Members



Growth Fund (Report)



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Background

- The growth fund is a funding stream that helps schools who are seeing increasing pupil numbers deal with the impact of the lagged funding system.
 - Funding is received by the LA on a formulaic basis
 - The LA in conjunction with schools forum can choose how to distribute this funding within certain guidelines
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Background

- **Infant Class Size Funding**

- Helps schools abide by infant class size regulations
- Full form of entry schools receive funding where pupil numbers in KS1 exceed a multiple of 30 by 25.71 or fewer pupils
- Half form of entry schools receive funding where pupil numbers in KS1 exceed a multiple of 30 by 28 or fewer pupils
- Total cost in 2025/26 - £206k

- **Secondary Growth**

- Funding for planned permanent growth from Year 7.
- Funding is paid while the growth passes through Year 7, Year 8 & Year 9
- Total cost in 2025/26 - £299k

- **Implicit Growth**

- Funding for new schools filling up a year at a time
 - Total cost in 2025/26 - £0
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Background

- **Bulge Classes**

- Funding for one off bulge classes in the year they open
- Total cost in 2025/26 - £0

- **Bulge Classes Future Years**

- Funding for vacant places within bulge classes that have opened prior to the October census date
- Total cost in 2025/26 - £434k

- **Secondary Capacity**

- Designed to support a secondary school that has surplus places in Years 7 or 8 to ensure sufficient places can be maintained in those year groups.
- Where a school has more than 25 vacant places, funding is provided for a maximum of 30
- Total cost in 2025/26 - £499k

- **Increasing Forms of Entry**

- Funding for permanent growth from reception as growth passes through KS1
 - Total cost in 2025/26 - £0
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2026/27 Growth Fund

- The LA's growth fund allocation for 2026/27 is £1m
 - A reduction from £1.6m in 2025/26
 - This is due to a reduced level of pupil growth across the city
 - Forecast expenditure in 2026/27 if methodology remains unchanged is £1.6m
 - This results in a forecast overspend of £0.6m
 - Schools Forum sub-group met on 9th January to discuss the operation of the growth fund and consider all existing aspects of the Growth Fund
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Sub-Group Proposals

- Proposed changes are driven by a change in the sufficiency picture across the city.
 - Class size funding, bulge class funding, secondary growth funding & implicit growth funding would operate in the same way as in 2025/26
 - Secondary Capacity Funding is proposed to only be eligible for Year 7 vacancies, not Year 7 & 8 as was the case in previous years
 - There are now sufficient vacant places in year 8 citywide meaning there is no longer a need for those vacant places to be held for in year admissions
 - No funding was provided for year 8 vacancies in 2025/26
 - Implementing this proposal avoids expenditure of £428k being incurred in 2026/27
 - Schools Forum Sub-Group was supportive of this proposal
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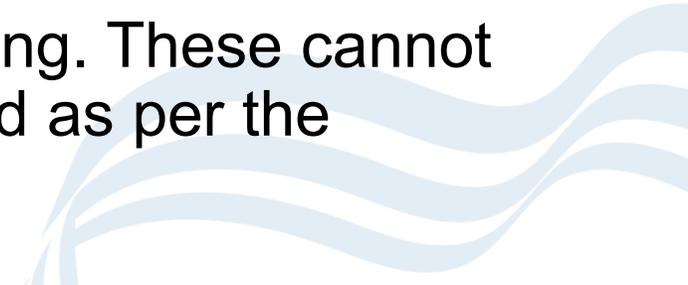
Sub-Group Proposals

- Bulge Class future year funding currently funds all vacant places in bulge classes opened in previous years
 - This level of protection is not afforded to any other classes in the city
 - The LA wanted to make the system more equitable across the sector whilst recognising that bulge class schools have supported the LA to manage sufficiency requirements
 - Proposal is for the school to fund the 1st 2 vacant places, with the growth fund funding any further vacant places
 - Implementing this proposal will reduce expenditure by £66k in 2026/27
 - Schools Forum Sub-Group was supportive of this proposal
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Sub-Group Proposals

- Increasing Forms of Entry Funding currently only funds primary schools increasing forms of entry annually starting in Reception
 - In 2026/27 there is a school increasing PAN across all year groups at one time
 - 5 year groups are at the LA's request
 - This is growth that is funded as a compulsory requirement of the Growth Fund
 - Proposal is to fund all increases in PAN that are requested by the LA
 - Funding is for one year only – from then on, the places will be funded through the NFF (assuming they are full)
 - Funding is based on the cost of a teacher & teaching assistant
 - The cost of implementing this proposal is £138k
 - The Sub-Group were supportive of this proposal
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Sub-Group Proposals

- A sub-Group review meeting in 2019 felt that where the Growth Fund was not affordable in any given year, spend must be reduced in order to make it affordable again
 - In 2025/26 it was agreed that the following steps to affordability should be followed:
 - Step 1 – utilise prior year underspends
 - Step 2 – reduce class size funding for full form of entry schools
 - Step 3 – reduce class size funding for half form of entry schools
 - Step 4 – reduce secondary capacity funding
 - Step 5 – reduce secondary growth & bulge class funding. These cannot drop below the minimum funding that must be provided as per the Growth Fund guidance
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Sub-Group Proposals

- The Sub-Group supported a proposal to change this ranking as follows, due to the changing sufficiency picture across the city
 - Step 1 – utilise prior year underspends
 - Step 2 – reduce secondary capacity funding
 - Step 3 – reduce bulge class future years funding
 - Step 4 – reduce class size funding for full form of entry schools
 - Step 5 – reduce class size funding for half form of entry schools
 - Step 6 – reduce secondary growth, bulge class, increasing forms of entry & implicit growth funding. These cannot drop below the minimum funding that must be provided as per the Growth Fund guidance
 - The sub-group was supportive of this proposal
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Potential Growth Fund Position 26/27

Growth Fund Strands	2025/26 Requirement £	2026/27 Requirement £	Variance £
Class Size	205,772	404,049	198,277
Increasing Form of Entry	-	138,866	138,866
Secondary Growth	299,309	91,368	(207,941)
Secondary Capacity	499,341	436,435	(62,906)
Bulge Classes	-	69,433	69,433
Bulge Classes 3rd Year	433,859	121,012	(312,848)
Total Cost	1,438,282	1,261,162	(177,120)

	2025/26 £	2026/27 £	Variance £
Growth Fund cost	1,438,282	1,261,162	(177,120)
DSG Growth Fund Allocation	1,552,545	1,040,826	(511,719)
Funding (Gap)/Surplus	114,263	(220,336)	(334,599)

Growth Fund: Approval/Ratification

- **The Schools Forum should approve the proposed criteria for the growth fund and the use of the resource allocated as set out in the report**

Voting: All Members



De-Delegation (Report)



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De-Delegation

- Maintained schools can opt to ‘pool’ resources for a number of services for the LA to manage on their behalf.

2025/26 De-delegated Amounts			
	Total Amount	Amount Per Pupil	Comments
Free School Meal Eligibility	12,619	2.63	Per FSM pupil
Statutory Parental Payments	634,125	33.02	Per pupil
Trade Union Facility	76,812	4.00	Per pupil
New Arrivals Fund	170,150	38.15	Per EAL pupil
Total	893,706		

- LA proposal is to continue with the same per pupil rates & arrangements in all areas in 2026/27
- The LA intends to conduct a full review of existing de-delegation arrangements ahead of 2027/28
 - In response to a Schools Forum request to review the New Arrivals Fund
 - Alongside the need to review how statutory & regulatory duties the LA holds for maintained schools and resourced & funded

De-Delegation: Approval/Ratification

- **The Schools Forum should approve the de-delegation proposal**

Voting: Maintained Primary Members



Central Expenditure (Report)



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Central School Services Block (CSSB)

- CSSB breaks down into 2 parts:
 - Ongoing responsibilities – National formula driven (£ per pupil)
 - Historic Commitments – Historic allocation
- Historic element to reduce by a further 20% in 2026/27
 - Ca £0.1m – total reduction since 2020/21 is now £1.6m



Central School Services Block (CSSB)

- Ongoing responsibilities increased by ca £0.1m
 - However rolling in of NIC's & SBSG increased allocation by £0.2m
 - Formula driven element a reduction of ca £0.1m
 - Due to a fall in pupil numbers and the LA is on the funding formula floor seeing an annual per pupil rate reduction of 2.5%

	£000
2025/26 Baseline	2,706
Roll in NIC's	115
Roll in SBSG	107
2.5% Per Pupil Rate Reduction	-73
Pupil Number Decrease (Oct 24 to Oct 25)	-25
2026/27 Allocation	2,830



CSSB – 2026/27 Proposed Amounts

	Historic	Ongoing	Total
	Commitments	Responsibilities	CSSB
	£000	£000	£000
School Admissions		668	668
Servicing of Schools Forums		3	3
Termination of Employment Costs	323		323
Equal Pay	101		101
Copyright Licenses		394	394
TPECG April 2024		182	182
CSBG September 2024		351	351
NIC's April 2025		115	115
SBSG September 2025		107	107
Education Welfare		554	554
Asset Management		166	166
Statutory / Regulatory Duties		290	290
Total	424	2,830	3,254
SEN Transport	310		

Central Budget Approval

- The Schools Forum is required on an annual basis to approve the level of budget for centrally provided services (exception is copyright licenses)

Reminder:

As a result of previous CSSB reviews, and the continued unwinding of historic commitment funding it was agreed at the November meeting of Schools Forum that a detailed exercise would not be required this year.



Central School Services Block: Approval/Ratification

- **The Schools Forum should approve proposed 2026/27 CSSB budgets**

Voting: All Members



Fair Funding Scheme of Delegation (Report)



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Fair Funding Scheme of Delegation

- FFSD is the contract between maintained schools the LA
 - Maintained Schools Forum members need to formally approve proposed changes
 - Several areas of change including areas such as
 - Virement limits
 - Procurement
 - Deficit recovery plan
 - Circumstances where charges may be made to the school budget share
 - Community facilities
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Fair Funding Scheme of Delegation

- We covered the detail at the November meeting to provide a response to the fair funding consultation
 - The fair funding consultation asked stakeholders to feed back any general comments on the revised scheme. The responses were unanimously in favour of adopting the proposed changes.
 - When discussing the proposed changes, maintained schools asked for further clarity on some of the procurement aspects and implications. A response will be provided to schools in due course.
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Fair Funding Scheme of Delegation: Approval/Ratification

- **The Schools Forum should agree the change to the FFSD as set out in the report**

Voting: Maintained Members

