

**SCHOOL FUNDING 2026-27:
RECOMMENDATION FOR THE SCHOOLS LOCAL FUNDING FORMULA.****Purpose of the Report**

1. To inform the Early Years and Schools Forum of the responses from schools and academies to the Local Authority's local funding formula consultation.
2. To seek agreement of a recommendation for the 2026-27 local funding formula for mainstream schools and academies to be presented to Local Authority Members.

Information and Advice

3. Consultation proposals were discussed and approved by Schools Forum under agenda item 3b of the 13 November 2025 Forum meeting.
4. The formal consultation on the proposals for mainstream schools and academies was held from 19th November to 3rd December 2025.
5. In order to agree the recommendation for the local funding formula, Schools Forum members will need to vote on the proposals, in consideration with the financial models and responses to the consultation.
6. Forum members are reminded that, in accordance with the Schools Forum (England) Regulations 2012, only the following members are allowed to participate in a vote regarding the local funding formula:
 - Schools (Primary, Secondary and Special)
 - Academies
 - Governors
 - Private, Voluntary and Independent providers

Other non- schools' members (Diocesan and Trade Union) can engage and participate in any discussions held but are not eligible to participate in a vote. The Chair of the Forum has a casting vote in the event of a tied result.

Consultation responses

7. A total of 86 (81 in 2024) responses were received to the consultation which was a response rate of 25%
8. A full analysis of the responses received, along with the comments for each question are attached as **Appendix A**.

9. The responses to the consultation questions are summarised below.

Consultation Proposals

10. All proposals requiring a decision for 2026-27 are outlined in paragraphs 12 to 25 below.

11. Prior to each proposal; reference will be made to the consultation responses and comments received, at **Appendix A**, for consideration by the Forum.

Schools Local Funding Formula

12. Question one: *If it is not affordable to fund all schools and academies at National Funding Formula levels, how should mitigation be actioned. Please select one of the three models?*

Model	Preference
1 – Reduce formula factor values	
2 – Set a negative MFG	
3 – Set a gains cap	

13. Responses received were as follows:

Model	1 st preference	2 nd preference	3 rd preference	No vote
1 – Reduce formula factor values	14	49	13	10
2 – Set a negative MFG	45	18	16	7
3 – Set a gains cap	24	8	42	12

14. The consultation also asked for additional comments on the models. These are listed in **Appendix A**.

15. **Early Years and School Forum are invited to vote on its preferred model.**

De-delegation of funding for maintained primary and secondary schools

16. As outlined in the consultation document, there are six services that the local authority wishes to operate centrally, with funding contributed through de-delegation of budget from maintained schools.

Service	Primary per pupil de-delegation	Secondary per pupil de-delegation
Free school meal eligibility assessment	£0.70	£0.70
Support to underperforming ethnic minority groups and bilingual learners	£10.01	£10.01
Contingency for primary crisis communications	£0.96	£0.96
Trade Union Facilities	£2.30	£2.30
School Improvement	£17.92	£17.92
Outdoor Education	£2.02	£2.02

17. Of the 86 responses; 38 were from maintained schools. The consultation responses showed that the majority of maintained school respondents felt that all six of the services should be centrally operated with funding from de-delegation. A summary of the responses can be seen in the table below:

Service	Yes	No	Unsure
Free school meal eligibility assessment	30	6	1
Support to underperforming ethnic minority groups and bilingual learners	20	11	6
Contingency for primary crisis communications	26	7	4
Trade Union Facilities	27	7	3
School Improvement	26	8	3
Outdoor Education	25	7	4

18. The decision on whether to de-delegate funding for these services is made by the members of the Forum who represent the maintained primary and secondary sector. As de-delegation decisions can differ between the sectors, separate votes will need to take place.

19. A vote is required by primary and secondary phase of **maintained school members** on each of the following services and rates:

Question 2 (to be answered by maintained schools only):

Do you agree to the de-delegation of the amounts shown in paragraph 16 in 2026-27?

- *Free schools' meals eligibility assessment?*
- *Support to underperforming ethnic minority groups and bilingual learners?*
- *Contingency for crisis communications?*
- *Trade Union Facilities?*
- *School Improvement Service?*
- *Outdoor Education*

20. **Maintained members of the Early Years and School Forum are invited to vote on the whether to de-delegate funding for services.**

0.5% Transfer of Schools Block Funding to High Needs Block.

21. Due to the current and expected future overspends in the High Needs Block the local authority has sought views on a proposal to transfer 0.5% of the Schools Block to the High Needs Block. Based on 2025/26 funding, the transfer would equate to circa £3.5 million.

22. If approved the transfer would be made by reducing local funding factors in line with the preferred option from Question one.

23. If approved the funding transferred to the high needs block would be used to support inclusivity in mainstream schools via budgets including AFN, HLN and FNF.

Question 3: *Do you agree with transferring 0.5% of the Schools Block into the High Needs Block to help mitigate against the anticipated overspend driven by the continued increase in demand for provision for children with SEND.*

24. The consultation responses received are summarised below with additional comments submitted shown at **Appendix A**

Yes	No	Unsure
34	26	26

25. **Early Years and School Forum are invited to vote on whether to recommend the transfer of 0.5% of the Schools Block into the High Needs Block.**

RECOMMENDATIONS

That the Schools Forum

- 1) Notes the content of the report
- 2) Undertakes the votes required to recommend the schools local funding formula for 2026-27.
The schools local funding formula will be discussed at a Cabinet Member Briefing meeting in January 2026, with final approval by 22 January 2026. The funding formula will be submitted to the DfE on 22 January 2026.

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