



Shropshire Council
Legal and Democratic Services
Guildhall,
Frankwell Quay,
Shrewsbury
SY3 8HQ

Date:

**Committee:
Schools Forum**

Date: Thursday, 11 September 2025
Time: 8.30 am
Venue: MS Teams

You are requested to attend the above meeting.
The Agenda is attached

Tim Collard
Service Director - Legal and Governance

Members of Schools Forum

Mark Rogers
Marilyn Hunt
Stephen Matthews
Reuben Thorley
Sandra Holloway
Alison Ashley
Georgia Moss
Mark Cooper
Bill Dowell
Carla Whelan
Sue Lovecy
Sarah North

Sarah Finch
Lisa Henshall
Rachel Williams
Sarah Godden
James Pearson
James Staniforth
John Hitchings
Shelly Hurdley
Sian Lines
Charles Thomas
Andrew Smith

Your Committee Officer is:

Samantha Bradley Performance & Integration Manager, Learning and Skills

Tel: 01743 256411

Email: Samantha.Bradley@shropshire.gov.uk

AGENDA

- 1 Apologies** (Pages 1 - 34)
- 2 Minutes and Matters Arising - 19 June 2025** (Pages 35 - 38)
Paper A attached.
- 3 Verbal Update on Shropshire Council Financial Sustainability** (John Rowe)
- 4 School Library Service** (Sarah Browne)
A presentation will be given.
- 5 Final Dedicated Schools Grant 2024-25** (Stephen Waters/Collins Elechi)
A presentation will be given.
- 6 Updated Dedicated School Grant Monitoring 2025-2026** (Stephen Waters/Collins Elechi)
A presentation will be given.
- 7 Schools Revenue Funding Update 2025-26** (Collins Elechi) (Pages 39 - 44)
Paper B attached.
- 8 Dedicated School Monitoring 2025-26** (Collins Elechi) (Pages 45 - 48)
Paper C attached.
- 9 HNB Monitoring Group** (representatives required)
- 10 Communications**
- 11 Future meeting dates**

Thursday 13 November 2025	9.00 - 11.00	Face to Face (tbc)
Thursday 11 December 2025	8.30 – 10.30	Microsoft (MS) Teams
Thursday 22 January 2026	8.30 - 10.30	Microsoft (MS) Teams
Thursday 19 March 2026	8.30 - 10.30	Microsoft (MS) Teams
Thursday 18 June 2026	8.30 - 10.30	Microsoft (MS) Teams

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Schools Forum

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Thursday 11 September 2025

Via MS Teams

Agenda Item 1

Schools Forum online meeting

- In order to facilitate the smooth operation of the meeting:
- Please mute your microphones when not speaking
- Officers will briefly present their reports, using a PowerPoint presentation to get across the key aspects
- Use the 'Raise your hand' facility if you would like to raise a question or comment
- Alternatively use 'Chat' to advise the Chair that you would like to speak
- Turn off your video if bandwidth becomes an issue
- Please note that this meeting is being recorded and will be posted on YouTube





Paper A
Minutes and Matters Arising
19 June 2025
(Bill Dowell)

Minutes and matters arising - 19 June 2025

	Action	Name	Update
1.	Communication & Financial Statement updates from Central Government	JR	Draft letter to be worked on with AH and NB regarding funding challenges and circulated to BD prior to meeting for feedback
2.	Schools Forum Members	SB	EOI to be circulated to invite new members
3.	Funding Formula briefing	JR	Meeting to be set up to explain APT and NFF and mechanics behind the calculations including Growth Funding
4.	HN funding formula and methodology	CE	To be circulated
5.	Weekly newsletter from f40	CE/SB	To be shared with Schools Forum Members



School Library Service (Sarah Browne/John Rowe)

School Library Service

- There remain significant cost pressures on the SLS.
- Schools made a commitment to continue to support the library service. Removal of SLA and move to 'pay as you go', means an imperative for schools to use it.
- Some Shropshire schools aren't even meeting the minimum amount to qualify for delivery (£150)
- At the moment, the level of income is not presently sustainable to support the future operation
- Ask is for headteachers to consider how to best to support the future operation/organisation of the SLS

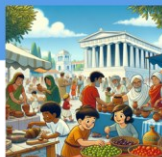


Topic Box

- 30 non-fiction books on a set topic
- Choose from a range of topics suited to the curriculum
- Available for key stage 1 & 2

Popular topics include: Ancient Rome, All About Me, Weather and Climate, Greek Culture, Religions of the World, Continents and Oceans.

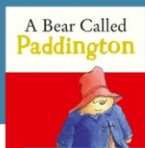
Price per Term: £75.00



- 30 fiction books from popular authors
- Titles chosen to suit relevant key stage

Fiction Collection

Price per Term: £60.00



Group Reader

- 6 group reading sets
- Each reading set contains 5-7 of the same books
- Titles chosen to suit relevant year group

Price per Term: £105.00



Artefact Experiences

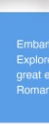
Dive into history with Shropshire School Library Service! Our educational adventures offer young children exciting themes and hands-on experiences, bringing the past to life and sparking curiosity in every young explorer.



Black History

African cultural artefact boxes, a range of African instruments to play PLUS Djembe drumming workshops.

Join us on a musical adventure, exploring African history through lively songs and stories! Dive into the rhythms, melodies, and vibrant tales bringing rich cultural traditions to life.



The Romans!

Embark on a journey through ancient Rome! Explore the legends, heroes, and history of this great empire with captivating stories, making Roman history fun for young explorers.

Roman artefact boxes PLUS a guided tour of Wroxeter Roman city!



WW2

Historical artefact boxes PLUS ukulele workshop!

Experience World War II history through music and stories! Discover the courage and resilience of this era with engaging songs and tales, making the lessons of the past accessible.



Climate Awareness

Discover the Amazon's wonders and learn about climate change through music and stories. This connects young children to the rainforest's beauty and the importance of protecting our planet.

Amazonian artefact box PLUS Samba drumming workshop!

Artefact Experiences

Price per half term including a half day 'experience': £300.00



NEW: Term Resource Package - £350 per half term

4 topic boxes

1 fiction box

1 artefact box

Saving of £110 (compared to buying separately)

Our new tariff:

- Is flexible: termly ordering allows you to order by affordability
- Features the most popular items requested by schools
- Is still delivered to your door
- Is – in many cases - more affordable

The following breakdowns show actual price comparisons of school buy-ins comparing the 2023/24 SLA cost to the new tariff:

TERM 1	TERM 2	TERM 3
60 non-fiction books 17 fiction books	138 non-fiction books 28 fiction books	60 non-fiction books
2023/24: £444	2023/24: £444	2023/24: £444
New tariff: £195.90	New tariff: £408.60	New tariff: £150

School 1
Cost saving:
£579.50

TERM 1	TERM 2	TERM 3
39 non-fiction books 1 group read	60 non-fiction books 30 fiction books 1 group read	128 non-fiction books 30 fiction
2023/24: £389	2023/24: £389	2023/24: £389
New tariff: £204.30	New tariff: £315	New tariff: £350 (TR Package)

School 2
Cost saving:
£297.70
PLUS free
artefact box

TERM 1	TERM 2	TERM 3
58 non-fiction books	90 non-fiction books	31 non-fiction books
2023/24: £419.33	2023/24: £419.33	2023/24: £419.33
New tariff: £150	New tariff: £225	New tariff: £77.70

School 3
Cost saving:
£805.30

SMS

Shropshire Music Service
TEACHING MUSIC - CHANGING LIVES

Ensembles

Groups include folk and guitar ensembles, in addition to Orchestras, Choirs and Stompers for all age groups.

Rehearsals take place weekly in term time, and are free of charge for all participants.

Get in touch today for further information and to register!

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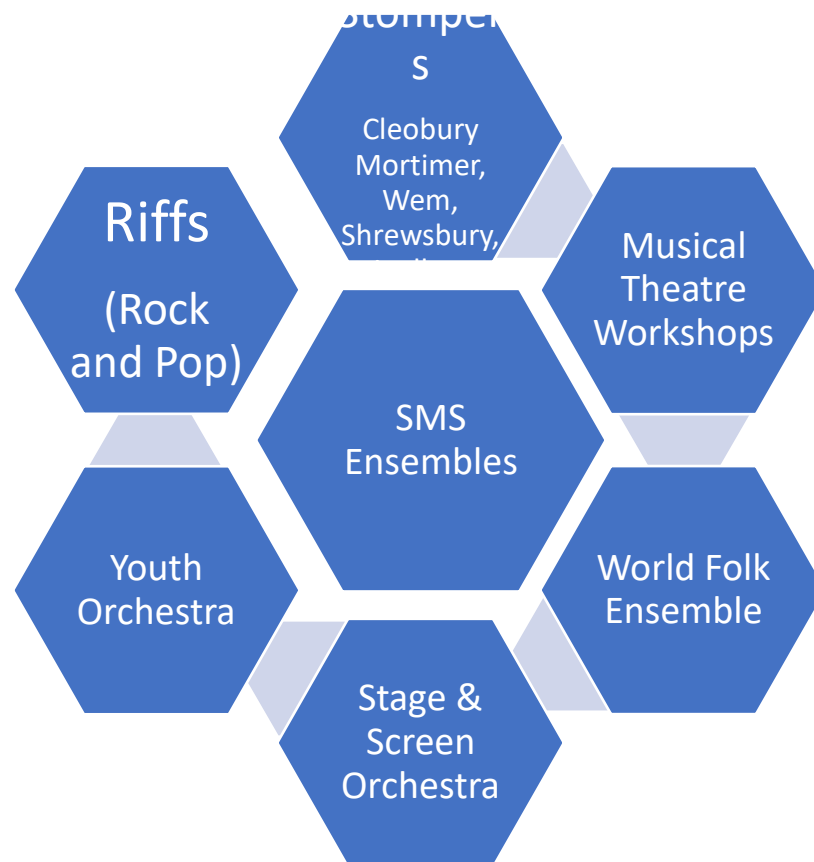
Scan me!



01743 874145

admin@shropshiremusicservice.org.uk

www.shropshiremusicservice.org.uk/ensembles



All our ensemble activities are FREE OF CHARGE. We're now based at
The Lantern, Meadow Farm Drive, Shrewsbury



Final Dedicated School Grant 2024-25 (Stephen Waters/Collins Elechi)

Final Dedicated School Grant 2024-25

- The final 2024-25 DSG allocation was published in July
- This included an increase to the Early Years Block DSG of £0.073m.
- This has reduced the cumulative DSG deficit carry forward figure from £17.638m to £17.566m



Updated Dedicated Schools Grant 2025-26 (Stephen Waters/Collins Elechi)

Updated Dedicated Schools Grant 2025-26

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	Provisional DSG (as at Mar 25) £m	Recoupment / Deductions for HN places (as at Mar 25) £m	Provisional DSG (as at Mar 25) £m	Recoupment / Early Years Adjustment / HN Import/Export Adjustment (as at July 25) £m	Latest DSG (as at July 25) £m
Schools Block	224.161	169.840	54.321	-3.810	50.511
Early Years Block (Provisional)	42.638	0	42.638	0.399	43.037
High Needs Block	46.113	8.029	38.084	-0.313	37.771
Central Schools Services Block (CSSB)	2.568	0	2.568		2.568
Total DSG	315.480	177.868	137.611	-3.724	133.888

Updated Dedicated Schools Grant 2025-26

- A further Recoupment of £3.810m in Schools Block Funding
- No Change in CSSB from March 2025 update
- An increase of £0.399m in Early Years Funding from Jan count
- Overall HNB allocation reduced by £0.313m due to £0.243m import/export adjustments & £0.070m reduction in Special Free School funding.
- Further import/export adjustment to be confirmed in November
- National Insurance Contributions (NICs) grant not part of DSG
- 2025 pay award not part of DSG but due in Oct 2025



Paper B

Schools Revenue Funding Update 2025-26 (Stephen Waters/Collins Elechi)

Schools Revenue Funding Update 2025-26

- National funding formula for DSG introduced in April 2018.
- Local authorities still set local funding formulas.
- Shropshire Council adopted national formula locally from 2018–19.
- ESFA published 2025–26 funding guidance in December 2024.
- 2026–27 guidance pending; minimal changes expected.
- **Schools Block Funding (2025–26)**
- **Shropshire funding for Primary & Secondary Unit Funding, PUF & SUF (2025–26):**
 - Primary: £5,661 (2024–25: £5,224; 2023–24: £4,960)
 - Secondary: £6,829 (2024–25: £6,314; 2023–24: £5,971)
- Based on October 2024 census pupil numbers

Schools Revenue Funding Update 2025-26

- **2025–26 Formula Changes**

- Split site funding must follow national formula.
- Growth and falling rolls now formula-driven.
- Teachers Pay Additional Grant (TPAG), Teachers Pension Employers Contribution Grant (TPECG) and Core Schools Budget Grant(CSBG) all consolidated into baseline.

- **Confirmed NFF Funding actors (2025–26):**

73.6% Basic Entitlement, 10.7% Deprivation, 5.9% Low Prior Attainment (LPA), 1.1% English as an Additional Language (EAL), and 0.18% Mobility.

- **Minimum Per Pupil Funding Levels**

- Primary: £4,955 (2024–25: £4,610) an increase of 7.5%
- Secondary: £6,465 (2024–25: £5,995) an increase of 7.9%
- Includes TPAG, TPECG, and CSBG grants

Schools Revenue Funding Update 2025-26

- **Minimum Funding Guarantee (MFG)**

- Local authorities set MFG between -0.5% and 0.0%.
- NFF funding floor is 0.0% for 2025–26.

- **Schools Block Transfers**

- Up to 0.5% transfer allowed with Schools Forum approval.
- Disapplication needed for transfers above 0.5%.

- **Shropshire has transferred balance to High Needs Block in previous years.**

- **Notional SEN budget** is part of delegated school funding and must cover up to £6,000 per pupil using basic entitlement, low prior attainment (LPA), and deprivation factors; high needs top-up funding applies beyond this threshold, and local authorities must review the calculation annually to ensure compliance

Schools Revenue Funding Update 2025-26

- **High Needs NFF – 2025–26**

- £850 million national funding increase (7% uplift).
- Funding floor: minimum 7% increase per head vs. 2024–25.
- Gains cap set at 10%.
- NFF structure unchanged:
 - Basic entitlement
 - Proxy factors: historic spend, population, FSM, IDACI, bad health, disability, LPA
 - Area Cost Adjustment (ACA) applies to all except historic spend.
- Hospital education funding increased by 7%.
- New/growing special free schools now funded within NFF.
- Import/export adjustments continue for cross-border placements.

Schools Revenue Funding Update 2025-26

- **Special Schools MFG & Future Outlook**
- **Minimum Funding Guarantee (MFG):**
 - Must be $\geq 0\%$; recommended range: 0% to 0.5%.
- **2026–27 Outlook:**
 - Same NFF structure expected.
 - Updates based on census and ILR data.
 - Operational guide to follow NFF allocations.
 - Continued focus on SEND reform, commissioning efficiencies, and budget sustainability

Schools Revenue Funding Update 2025-26

- **Central School Services Block (CSSB) – Overview**
- CSSB funds local authority central functions for pupils in maintained schools and academies.
- Two elements:
 - **Ongoing responsibilities** (e.g. education welfare, asset management, copyright licences)
 - **Historic commitments** (pre-2013–14), being phased out.
- **Protection & Funding Adjustments**
- Year-on-year funding reduction capped at **2.5% per pupil**.
- Funding gains capped at **5.51%**.
- **Historic commitments** funding reduced by **20%** from 2024–25.
- Funding protected for **prudential borrowing** and **termination employment costs**.

Schools Revenue Funding Update 2025-26

- **2026–27 Outlook**
- Continued **phasing out of historic commitments**.
- **Rolled-in grants** to remain in CSSB baseline.
- Adjustments expected based on **pupil count** and **cost pressures** (e.g. copyright licences, centrally employed staff).



Paper C

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Dedicated Schools Grant Monitoring 2025-26 (Stephen Waters/Collins Elechi)

Dedicated Schools Grant Monitoring 2025-26

- The 2025-26 forecast outturn position for the DSG is a £19.323m in-year deficit.
- This deficit needs to be added to the £17.566m DSG deficit carried forward from 2024-25 resulting in a cumulative DSG deficit of £36.888m

	£ m'
DSG Deficit carried forward from 2024-25	17.566
Forecast Outturn 2025-26	19.323
DSG deficit to be carried forward into 2026-27	36.888

Dedicated Schools Grant Monitoring 2025-26

- 2025-26 Outturn by Block:

	2025-26 DSG Allocation £ m'	2025-26 Expenditure £ m'	2025-26 Variance £ m'
Early Years Block	43.037	43.038	0.000
Centrally controlled or retained High Needs Block	35.455	54.859	19.404
Central Schools Services Block	2.568	2.592	0.024
De-Delegated Items from Schools Block	0.566	0.460	-0.106
School Growth Fund from Schools Block	0.381	0.381	0.000
Total	82.007	101.330	19.323

Dedicated Schools Grant Monitoring 2025-26

- **High Needs Block DSG**
- The outturn position for the High Needs Block is an in-year deficit of £15.464m against a centrally controlled High Needs Budget of £31.776m. This budget excludes the place funding element of the High Needs Block totalling £10.574m.
- Shropshire's 2025-26 High Needs Block DSG allocation of £45.800m has increased by £3.450m compared to the £42.350m allocation in 2024-25. An 8.1% increase.
- Schools Forum agreed up to a 0.5% transfer from the schools block to the High Needs Block DSG after fully funding the schools in line with the National Funding Formula. £0.476m was the value transferred, so High Needs Budget is £46.275m overall.
- According to an F40 report in 2024/25, Shropshire Council was the 15th worst funded Local Authority for High Needs Block DSG on a per pupil basis out of 151 Local Authorities

Dedicated Schools Grant Monitoring 2025-26

High Needs Block – Top-Up Funding to Mainstream Schools

- Forecast overspend of £5.318m relates to the top-up funding paid to mainstream schools (including SEND Hubs).
- Large increase in top-up funding to mainstream schools reflecting increasing requests for EHC Needs Assessment and issuing of EHC plans.

	2022-23 Outturn (£)	2023-24 Outturn (£)	2024-25 Outturn (£)	2025-26 Forecast Outturn (£)
Primary Mainstream	3,096,667	3,826,004	6,762,292	9,334,607
Secondary Mainstream	1,936,949	2,122,070	3,051,664	3,672,895
Mainstream Top-Up Funding	5,033,616	5,948,074	9,813,956	13,007,502
Primary Mainstream % Increase		24%	77%	38%
Secondary Mainstream % Increase		10%	44%	20%
Mainstream % Increase		18%	65%	33%

Dedicated Schools Grant Monitoring 2025-26

High Needs Block – Top-Up Funding to Special Schools

- Forecast overspend of £4.021m relates to the top-up funding paid to Special schools (including PRU).
- This review of, and subsequent increase in, banding levels in 2024 across the Council's special schools aligns with the strategy to build capacity in these settings where appropriate and significantly reduce the numbers of pupils placed in independent special school settings

	2022-23 Outturn (£)	2023-24 Outturn (£)	2024-25 Outturn (£)	2025-26 Forecast Outturn (£)
Special Schools (excluding PRU)	5,588,486	6,347,464	9,799,307	10,388,121
Special % Increase		14%	54%	6%

Dedicated Schools Grant Monitoring 2025-26

High Needs Block – Non-Maintained and Independent Providers

- Expenditure for 2025-26 is forecast to be 21% higher than 2024-25 levels at £22.134m, resulting in a forecast overspend of £7.546m.
- Continued demand shown by increase in numbers
- A 21% increase in expenditure indicates that increasing funding to Council's special schools and SEND hubs has helped to decrease the acceleration of expenditure in this area

	2022-23 Outturn (£)	2023-24 Outturn (£)	2024-25 Outturn (£)	Forecast Outturn (£)
Independent Providers	8.466	13.892	18.259	22.134
% increase		64%	31%	21%

Dedicated Schools Grant Monitoring 2025-26

Overall Position

- The Council's DSG financial position of a cumulative deficit of £36.888m as at the end of the 2025-26 financial year reflects a continuing pressure on the total High Needs budget as expenditure continues to increase sharply year on year. This increase has been particularly pronounced over the last 3 financial years; 2023-24, 2024-25 and now 2025-26.
- As it stands, there is a DSG Deficit statutory override in place. The government announced in June that it has extended the statutory override to keep councils' spending deficits for special educational needs and disabilities (SEND) off their books for another two years until March 2028.
- Council Officers met with representatives of the Department for Education (DfE) on 7th July to focus on addressing the DSG deficit. This meeting focused on progress with the DSG management plan



HNB Monitoring Group (representatives required) (John Rowe)

Creation of HNB Monitoring group

- Establish a representative interest group from schools' forum
- To analyse more closely the HNB management plan and jointly develop the strategy to support recovery work and communication
 - "To ensure impartiality, it is crucial that the schools forum includes representation from the various types of education providers in the area. This will simultaneously increase the awareness of ongoing issues locally. The research project found that more regular reporting to the schools forum and the use of High Needs Working Groups had enabled greater transparency and stakeholders were more aware of emerging trends." (Source: [Local authority guidance on high needs sustainability](#))
- Link to SEND and AP Partnership Board

Communications

(Bill Dowell)

f40 opinion piece

<https://www.politicshome.com/members/article/now-time-grasp-nettle-around-send-reform-fairer-education-funding>

Schools Week

[SEND: Urgently set out plan for 'cliff-edge', MPs tell DfE](#)

Finance Briefings for schools and forum members (Dates TBC and circulated)
Covering NFF, DSG management, and de-delegation options



Schools Forum

Date: 11 September 2025

Time: 08.30 to 10.30

Venue: Face to Face

Paper

A

Public

MINUTES OF SCHOOLS FORUM HELD ON 19 JUNE 2025 – HELD VIA MS TEAMS

NOTES WERE PRODUCED USING AI VIA COPILOT AS AGREED BY FORUM AT THE BEGINNING OF THE MEETING

1	Apologies	
	Apologies received from Rachael Williams, Mark Cooper, James Staniforth	
2	Minutes and Matters Arising	
	The minutes <u>were / were not</u> accepted as a true record	tbc
3	Opening to Meeting	BD/DS
	<p>New member introductions: David introduced new elected members Andy Hall, Portfolio Holder, Neil Bentley, Deputy Portfolio Holder and Roger Evans, Finance Portfolio Holder.</p> <p>Meeting protocols: David explained the meeting protocol, including muting microphones when not speaking, using a slide deck for key points, and raising hands for questions.</p> <p>Minutes and Matters Arising: David mentioned that the meeting will be recorded and transcribed using copilot AI, and notes will be shared accordingly. David discussed the accuracy of the minutes from the previous meeting, noting amendments made by Sam.</p> <p>Updated Constitution listing: Sam circulated the updated list, noting three vacancies in the Academy area and plans to address them in September (see follow up tasks for action)</p>	SB
4	Updated Dedicated School Grant 2025-26	CE
	<p>DSG Update: Collins provided an update on the dedicated schools grant, noting a £210,000 increase in central school support due to historical commitments. He mentioned that there is no change in high needs block funding, but there are further deductions, resulting in a reduced disposable income for Shropshire by £245,000. The overall high needs settlement figure remains the same, with potential increases in import-export adjustments subject to confirmation.</p>	



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General Enquiries: 0345 678 9000

	Additional Funding: Collins mentioned additional funding outside the DSG, including National Insurance contributions and the 2025 pay award, which are due in October 2025.	
5	National Benchmarking F40 Findings: Collins presented findings from the F40 Campaign group, highlighting that Shropshire is the 15th lowest funded local authority in terms of high needs block funding per pupil. He compared Shropshire's funding levels to other local authorities, noting that Shropshire's funding is significantly lower than the highest funded London Borough and other boroughs. Funding Analysis: Collins provided a detailed analysis of the funding levels, showing that Shropshire's funding is 65% of the F40 group average and 54% of other local authorities' average. He also mentioned that Shropshire's funding is 30% of the highest funded London Borough.	CE
6	School Balances as at March 2025 School Balances: Stephen reported that the overall level of school balances held by maintained schools in Shropshire decreased from £6.082 million to £4.701 million, mainly due to Academy conversions. He noted that 16 schools converted to academies in the 2024-2025 financial year, leaving 63 maintained schools as of the end of March. Deficit Balances: Stephen mentioned that deficit balances decreased by £48,000 in total, with a £27,000 decrease in the primary sector and a £22,000 decrease in the secondary sector. He highlighted the importance of financial monitoring meetings to address deficit balances and the requirement for maintained schools to submit three-year budget plans.	SW
7	Growth Fund Allocations 2024-25 and 2025-26 Growth Fund: Andy provided an update on the Growth Fund allocations, noting that the budget for 2024-2025 is £350,000, with £259,000 allocated, resulting in an underspend of £91,000. He mentioned that the budget for 2025-2026 is set at £300,000, with £142,000 allocated so far. Future Budgets: Andy mentioned that they will be asking for a budget of £300,000 for 2026-2027, anticipating a bulge year in the Shrewsbury area. He highlighted the importance of supporting schools with expansion and additional classes, particularly for the new school in Shrewsbury.	AN



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8	<p>Early Years Block Allocation 2025-26</p> <p>Early Years Allocation: Andy discussed the early years block allocation, noting that the block has not changed from the budget presented in January. He highlighted additional grants of 13 pence per hour for nine-month-olds and 17 pence per hour for two-year-olds to support National Insurance costs.</p> <p>Funding Lag: Andy mentioned efforts to reduce the funding lag by using termly headcounts instead of census data, allowing for more reactive funding. He emphasized the importance of keeping centrally retained costs below the 4% threshold, aiming for 2.49% to ensure more money goes back to settings.</p>	AN
9	<p>Dedicated School Grant Monitoring 2024-25 Outturn</p> <p>DSG Deficit: Stephen reported an in-year deficit of £15.097 million for the DSG, adding to the previous year's deficit of £2.542 million, resulting in a cumulative deficit of £17.639 million. He highlighted the main pressure areas, including top-up funding to mainstream schools, special schools, and independent providers.</p> <p>High Needs Block: Stephen detailed the pressures on the high needs block, noting an overspend of £15.644 million. He mentioned the increase in top-up funding to mainstream schools, special schools, and independent providers, driven by the rising number of education healthcare needs assessments, and plans.</p> <p>Independent Providers: Stephen highlighted the overspend on independent special schools, noting a total expenditure of £18.259 million, with a 31% increase in 2024-2025. He mentioned the factors contributing to the increase, including higher placement fees due to increased complexity and more frequent use of independent alternative providers for post-16 children.</p> <p>Sen Support Services: Stephen reported an overspend of £2.121 million on Sen support services, driven by additional staffing and increased use of external speech and language therapists.</p>	SW
10	<p>Impact of the AP/Inclusion Development Fund</p> <p>John reported on the impact of the AP Fund, showing a reduction in permanent exclusions and plans for a primary AP Fund.</p>	JR



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11	<p>Communication</p> <p>David mentioned ongoing engagement with Andy, Neil, and the leader regarding communication and financial settlement updates from central government.</p> <p>David shared links to articles on DSG funding and statutory override, suggesting weekly updates from the F40 group.</p>	
12	<p>Follow Up Tasks</p> <p>Expression of interest in joining Schools Forum to be circulated and shared September 2025 meeting</p> <p>Funding Formula briefing to be set up to explain APT and NFF and mechanics behind the calculations including Growth Funding</p> <p>HN funding formula and methodology to be circulated with minutes</p> <p>Weekly newsletter from f40 to be shared with Schools Forum members</p> <p>Draft letter review to be worked on with Andy and Neil regarding funding challenges and to be circulated to Bill prior to September 2025 Schools Forum meeting for feedback</p>	<p>SB</p> <p>DS</p> <p>CE</p> <p>SB/CE</p> <p>DS</p>
13	<p>Future Meeting Dates</p> <p>Thursday 11 September 2025 (tbc) Face to Face</p> <p>Thursday 13 November 2025 (tbc) MS Teams</p> <p>Thursday 11 December 2025 (tbc) MS Teams</p> <p>Thursday 22 January 2026 (tbc) MS Teams</p> <p>Thursday 19 March 2026 (tbc) MS Teams</p> <p>Thursday 18 June 2026 (tbc) MS Teams</p>	
14	<p>Link to recording of Schools Forum Meeting – 19 June 2025</p> <p>Following email from Web Services, a SharePoint is being set up for ALL to have access to Schools Forum Documentation and Meeting Recordings.</p>	SB

Commented [DS1]: @Samantha Bradley action here to review the letter with the new administration following the elections in May.



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Schools Forum

Date: 11 September 2025

Time: 8.30 am to 10.30 am

Venue: MS Teams

Paper

B

Public

SCHOOLS REVENUE FUNDING 2025-26

Responsible Officer Sam Bradleye-mail: Samantha.bradley@shropshire.gov.uk Tel: 01743 256411
v.uk

Summary

In Dec 2024, the Education & Skills Funding Agency (ESFA) published schools revenue funding guidance for 2025-26 for local authorities and schools forums.

This report summaries the latest Government guidance for schools revenue funding for 2025-26. The full guidance document can be accessed at

[Schools operational guide: 2025 to 2026 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/schools-operational-guide-2025-to-2026)

Shropshire Council, with the agreement of Shropshire Schools Forum, agreed to replicate the national funding formula through Shropshire's local funding formula from 2018-19.

Recommendation

This report is for information only.

REPORT

Background

1. The Government introduced a national funding formula for allocating schools, high needs, and central school services funding through the Dedicated Schools Grant (DSG) to local authorities from April 2018.
2. Local authorities currently retain responsibility for determining local funding formulas for allocating funding to schools and academies in their area. Shropshire Council, with the agreement of Shropshire Schools Forum, agreed to replicate the national funding formula in Shropshire's local funding formula to schools from 2018-19.
3. The guidance on schools' revenue funding arrangements for 2025-26 published by the ESFA in December 2024 and we are awaiting announcement for the publication of 2026-27 guidance, but all indications show there will not be much change from 2026-27.



School Revenue Funding Arrangements 2025-26

4. The actual primary unit of funding (PUF) and secondary unit of funding (SUF) used to calculate each local authority's schools block allocation, as published for 2025-26 in December 2024. For Shropshire these equate to £5,661 per pupil and £6,829 per pupil, respectively. As a comparison, in 2024-25 Shropshire's PUF was £5,224 and SUF was £6,314. In 2023-24 Shropshire's PUF was £4,960 and SUF was £5,971.

These units of funding were applied to pupil numbers recorded in the October 2024 school census to determine final schools block allocations for 2025-26.

5. In 2024 to 2026, each local authority will continue to set a local schools funding formula, in consultation with local schools. To ensure a smooth transition towards the direct NFF, local authorities will continue to be required to bring their own formulae closer to the schools NFF. As a reminder, Shropshire has mirrored the NFF in its local schools funding formula since 2018-19.
6. The following were implemented in 2025-26 formula funding.
 - Split site funding must follow national formula and – for Shropshire, more funding will have to be allocated under this approach than in previous years with the local formula.
 - Growth and falling rolls now formula-
 - Grants consolidate into baseline.
7. The following key funding factors of the schools NFF have been confirmed by the Government in 2025-26:
 - 73.6% of funding allocated through Basic entitlement, 10.7% for Deprivation(FSM.FSM6.IDACI), 5.9% of funding to Low Prior Attainment(LPA), 1.1% to English as an Additional Language (EAL) and 0.18% of funding to Mobility.
 - The minimum per pupil funding levels will be set at £4,955 for primary schools and £6,050, for secondary schools. These levels were £4,655 and £6,465 respectively in 2024-25. This represents the rolling in of the following grant Teachers' Pay Additional Grant (TPAG), Teacher' Pensions Employer Contribution Grant (TPEGC) and Core Schools Budget Grant (CSBG).
 - Local authorities set the minimum funding guarantee (MFG) also known as the funding floor, between -0.5% and 0.0%. The NFF funding floor is 0.0% for 2025-26.
8. Local authorities will continue to be able to transfer up to 0.5% of their schools block to other blocks of the DSG, with schools forum approval. A disapplication will be required



for transfers above 0.5%, or any amount without schools forum approval. In previous years Shropshire schools forum has agreed to transfer any remaining balance, up to 0.5% of the schools block, to the high needs block to support the increasing pressures on the high needs block, after fully allocating individual school budget shares in line with the NFF.

9. Local authorities are required to engage in open and transparent consultation with all maintained schools and academies in their area, as well as with their schools forums, about any proposed changes to the local funding formula including the principles adopted and any movement of funds between blocks.
10. Local authorities are required to identify a notional budget for their mainstream schools which helps them comply with their duty to use their 'best endeavours' to meet the special educational needs (SEN) of their pupils. The notional SEN budget is not a separate budget but is identified within a maintained school's delegated budget share, or an academy's general annual grant and is calculated by local authorities using their local mainstream schools funding formula factors.

The guidance has been updated to help LA's review their notional SEN budget calculations and to help schools understand what the notional SEN budget is for. All LA's should review this calculation each year alongside their local formula to make sure that their schools' notional SEN budget must cover up to £6,000 per pupil and this should be calculated using a portion of basic entitlement and most or all of low prior attainment (LPA) and a portion of deprivation factors. High needs top-up funding applies beyond this threshold. [The notional SEN budget for mainstream schools: operational guide 2025 to 2026 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/the-notional-sen-budget-for-mainstream-schools-operational-guide-2025-to-2026)

High Needs Funding Arrangements 2024-25

11. The latest guidance confirms the following aspects of the High Needs national funding formula (NFF) for 2025-26:
 - The national increase in high needs funding from 2024–25 to 2025–26 is £850 million, representing a 7% uplift.
 - The funding floor ensures that all local authorities' allocations per head of population will increase by at least 7% compared to the 2024–25 baseline.
 - The gains cap is set at 10%, meaning local authorities can see an increase of up to 10% before gains are capped.
 - The basic structure of the high needs NFF remains unchanged, with funding distributed via:
 - Basic entitlement factor
 - Proxy factors: historic spend, population, free school meals, IDACI, bad health,



disability, and low prior attainment

- Area Cost Adjustment (ACA) applied to all factors except historic spend.
- Hospital education funding is increased by 7%, aligned with the funding floor.
- Additional funding is provided for new and growing special free schools, now included within the NFF rather than outside it.
- Import/export adjustments continue to ensure fair funding for cross-border placements.

12. Minimum Funding Guarantee (MFG) for special schools and academies in 2025–26:
- Must be set at, at least 0%, with local authorities encouraged to consider a range between 0% and 0.5%, consistent with mainstream schools.

13. 2026-27 Outlook:

- The 2026–27 High Needs NFF is expected to follow the same structure, with updates to datasets and adjustments based on census and ILR data.
- The DfE plans to publish the 2026–27 operational guide following the release of the national funding formula allocations.
- Continued focus on:
 - SEND system reform
 - Commissioning efficiencies
 - Sustainability of high needs budgets.

Central School Services Funding Arrangements 2025-26

14. The National Funding Formula (NFF) for the Central School Services Block (CSSB) of the Dedicated Schools Grant (DSG) continues to provide funding for local authorities to carry out central functions on behalf of compulsory school-age pupils in maintained schools and academies.

The CSSB will continue to have two distinct elements:

- Ongoing responsibilities: Funding for statutory services delivered by all local authorities, such as education welfare, asset management, and copyright licences.
- Historic commitments: Funding for commitments made prior to 2013–14, which are being gradually phased out.

15. Protection arrangements:

- Local authorities are protected from more than a 2.5% per pupil year-on-year reduction.
- Gains are capped at 5.51%.



- 16 Funding for historic commitments in 2025-26:
- Continues to be reduced by 20% from 2024–25 allocations.
 - Funding is protected from falling below the value of ongoing prudential borrowing or termination employment costs.
17. 2026-27 Outlook -While detailed figures are pending, it is expected that:
- - The phasing out of historic commitments will continue
 - - Rolled-in grants will remain part of the CSSB baseline
 - - Adjustments may be made based on pupil count and updated cost pressures, including copyright licenses and centrally employed staff



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DEDICATED SCHOOLS GRANT MONITORING

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Summary

This report outlines to Schools Forum members the centrally retained Dedicated Schools Grant (DSG) forecast outturn position at the end of August 2025.

Recommendation

This report is for information only.

REPORT

1. The overall 2025-26 outturn against centrally retained DSG is forecast to be £19.323m in deficit as at the end of August 2025. It should be noted that this figure is the in-year deficit and needs to be added to the £17.566m revised deficit carried forward from 2024-25 in order to give an overall cumulative DSG deficit position of £36.888m.
2. Please note that this cumulative DSG deficit carried forward of £17.566m from 2024-25 has decreased by £0.073m from the £17.639m reported in the 2024-25 DSG monitoring outturn paper presented to Schools Forum in June. The explanation for this is the publication of the final Early Years Block DSG allocation for 2024-25 in July. The final allocation was £0.073m higher than the provisional Early Years Block DSG allocation.

Centrally Controlled High Needs Budget

3. The centrally controlled High Needs Block for 2025-26 is £35.455m. This budget excludes the place funding element of the High Needs Block totalling £10.821m. The total High Needs Block DSG allocation (before deductions) is £45.800m. It is important to note that Shropshire's 2025-26 High Needs Block DSG allocation has increased by £3.450m compared to the £42.350m allocation in 2024-25. This is an 8.1% increase.
4. In January 2025, Schools Forum members confirmed that the National Funding Formula should be applied to funding factors and agreed that up to a 0.5% transfer from the schools block to the High Needs Block DSG could be applied after fully funding the schools in line with the National Funding Formula. The value available to transfer from the schools block to the High Needs Block DSG was £0.476m. Adding this figure to the £45.800m means that the overall High Needs Block budget for 2025-26 is £46.275m.
5. Due to forecast overall expenditure of £65.680m (including Place Funding), the forecast outturn position for the High Needs Block is an in-year deficit of £19.404m.



Lines 1.2.1 & Line 1.2.2 - Top Up funding – Mainstream Schools

6. On budget lines 1.2.1 and 1.2.2, shown in the Appendix, there is a forecast overspend of £9.474m.

Top Up funding - Mainstream Schools

7. Within this £9.474m forecast overspend, an overspend of £5.318m relates to the top-up funding paid to mainstream schools. Continuing on from the 2024-25 financial year, there has been a large increase in top-up funding to mainstream schools reflecting increasing requests for EHC Needs Assessment and issuing of EHC plans.
8. It is important to note that the top-up funding to SEND hubs attached to mainstream settings is coded to this budget so some of the increase will relate to an increase in capacity in SEND hubs.

Lines 1.2.1 & Line 1.2.2 - Top Up funding – Special Schools

9. There is a £4.021m overspend on top-up funding to special schools.
10. Total expenditure on top-up funding to special schools has increased significantly since 2024-25, due to changes to top-up funding levels payable to 2 Shropshire special schools as reported to Schools Forum in the June 2024 meeting.
11. This review of, and subsequent increase in, banding levels across the Council's special schools aligns with the strategy to build capacity in these settings where appropriate and significantly reduce the numbers of pupils placed in independent special school settings.
12. Another explanation for the increase in expenditure in this budget line is the full-year effect of an increase in numbers at Keystone Special School, to 120 pupils since September 2024.
13. These increases in top-up funding have resulted in forecast expenditure of £11.699m in relation to top-up funding to state-funded, special schools. This represents an increase of £1.900m compared to the 2024-25 financial year or 19%. This increase in expenditure aligns with the strategy to appropriately fund the Council's special schools. However, work now remains to realise the financial benefits to the DSG High Needs Block by being able to transfer pupils from independent special schools to our state funded special schools, from special schools to SEND Hubs and Hubs to mainstream schools. This is a complicated process that involves the view of parent carers, pupils, schools and the Local Authority but does provide the opportunity to deliver a more sustainable financial position for the DSG overall.

Line 1.2.2 - Post 16 Further Education Colleges

14. There is a budget of £1.859m allocated for Post 16 funding at further education colleges and sixth form colleges. The 2025-26 forecast outturn position is an overspend of £0.382m.
15. For 2025-26, there is a forecast increase in expenditure of £0.624m compared to 2024-25 outturn. This large, 39% increase is due to a combination of factors. Firstly, a few 2024-25 financial year invoices have been accounted for in 2025-26 as no accrual was processed for them in 2024-25. This had had the impact of lowering the 2024-25 expenditure level and increasing the 2025-26 expenditure figure. Secondly, there are 2 relatively new high cost placements at an Independent Special Post 16 provider in 2025-26. This accounts for an increase of £0.286m.
16. It is important to note that Shropshire has seen particularly significant growth in recent years in terms of the number of post 16 EHC Plans.

17. There continues to be a higher proportion of post 16 pupils attending Independent Special Schools or independent alternative providers and the expenditure for these young people is showing in the budget area relating to independent providers instead.

Lines 1.2.3 - Top Up funding - Non-Maintained and Independent Providers

18. The 2025-26 budget of £14.589m for Independent Providers has been increased by £2.287m compared to the 2024-25 budget level of £12.302m. The increase in budget reflects that Shropshire experienced a significant increase in expenditure in this budget area in 2022-23, 2023-24 and 2024-25, highlighted by actual expenditure totalling £18.259m in 2024-25. Increasing the budget to £14.589m, while increasing the budget by £2.287m still results in a budget that is £3.670m less than last year's outturn figure. This emphasises the need to bring down expenditure in this area and not only reduce the increase in expenditure.
19. Expenditure for 2025-26 is forecast to be 21% higher than 2024-25 levels at £22.134m, resulting in a forecast overspend of £7.546m.
20. There are several explanations for this large budget pressure in 2025-26. Firstly, the Council has continued to experience a sharp increase in demand year on year for Independent Special School placements as evidenced by the number of new placements. There also continues to be a more frequent use of independent alternative providers, particularly in relation to children who are post 16. This trend has continued in 2025-26.
21. The £22.134m forecast spend represents a 21% increase in expenditure on Independent Special School placements relative to the 2024-25 financial year. This indicates that increasing funding to Council's special schools and SEND hubs has helped to decrease the acceleration of expenditure in this area where expenditure increased by 64% in 2023-24 and by 31% in 2024-25.
22. The Council has established a SEND Commissioning and Procurement Panel to review requests and make decisions on high needs funding for Independent Special Schools and Mainstream Special Schools. The panel also acts as a forum to ratify and respond to fee up-lifts from all settings in conjunction with and accounting for decisions made at the West Midlands Price Review Panel on behalf of the 14 local authorities including Shropshire.

Lines 1.2.5 – SEN Support Services

23. There is a forecast overspend of £1.446m against the SEN Support Service budget of £1.947m. Similarly to 2022-23, 2023-24 and 2024-25, the overspend in 2025-26 relates to staffing where additional staff have been employed, sometimes as agency workers to support the wider increase in demand. Some of these employees are working with the Educational Psychology Service to address increasing demand. There has also been an increase in the use of external Speech and Language Therapists since 2024-25.

Overall position

24. The Council's DSG financial position of a cumulative deficit of £36.888m as at the end of the 2025-26 financial year reflects a continuing pressure on the total High Needs budget as expenditure continues to increase sharply year on year. This increase has been particularly pronounced over the last 3 financial years; 2023-24, 2024-25 and now 2025-26.
25. As it stands, there is a DSG Deficit statutory override in place. The government announced in June that it has extended the statutory override to keep councils' spending deficits for special educational needs and disabilities (SEND) off their books for another two years until March 2028.
26. Council Officers met with representatives of the Department for Education (DfE) on 7th July to focus on addressing the DSG deficit. This meeting focused on progress with the DSG management plan. DfE Officers confirmed that the forecast DSG funding income assumptions

that were forecast for 2026-27 and beyond were the correct approach and therefore no increase in funding beyond that level is expected. They also confirmed that the mitigations proposed on the expenditure side including increased capacity in Resourced or SEN Units, a reduction in Independent Special School placement numbers, full occupancy at Council Special Schools, and a planned reduction in Permanent Exclusions were the sorts of areas that we should be addressing and that they would continue to work alongside the Council to review the plan going forward. The internal review and monitoring of this DSG management plan can form part of the work that the new High Needs Block monitoring group will undertake.