

Item 12

Recommendations of the Schools Block Working Group

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Brief Summary

On 24 September 2026, the Schools Block Working Group considered several reports, including:

- 1. Dedicated Schools Grant Monitoring 2026/27**
- 2. School Funding Formula and De-delegation 2027/28 Consultation**
- 3. Upfront Funding for Mainstream Schools: Creating a Local SEND Inclusion Formula DfE Consultation**

A summary of the information presented, and the Working Group's recommendations are provided in this report.

Recommendations

The Forum is asked to:

- Note the report from the Schools Block Working Group held on 24 September 2026.
- Ratify the Working Group's recommendations.

On 24 September 2026, the Schools Block Working Group considered several reports. A summary of the information presented, and the Working Group's recommendations are provided below:

1. Dedicated Schools Grant Monitoring 2026/27

As noted under Item 11.

The working group:
Noted the report

Discussed:

- **Updated financial data indicates an improved position compared to budget assumptions, with the Schools Block and Central School Services Block forecast to budget.**



- The improved position reflects the use of updated data and the clearance of a backlog of EHCPs. Additional costs have arisen, but no significant further changes to projections are expected.
- An update was provided on the High Needs Block Stability Grant. Confirmation remains subject to approval of the SEND recovery/improvement plan. The grant is expected to continue for a further two years, pending national funding reforms.
- Members raised concerns regarding Pupil Premium eligibility, particularly the interpretation of the "Ever 6" criteria and the potential impact on school funding. Officers advised that assurances had been received that there should be no adverse impact; however, further clarification and data from the DfE are awaited. Members requested clearer guidance and communications for schools to support budget planning and understanding of eligibility criteria. Officers to seek further clarification on Pupil Premium eligibility, review examples provided by members, and provide updated guidance to schools.

2. School Funding Formula and De-delegation 2027/28 Consultation

The working group noted that the School Funding Formula and De-delegation Consultation 2027/28 was sent to schools on Friday 18th September on the school portal. The deadline for responses is 11 October 2026.

The consultation seeks view on:

- The continuation of the 0.50% Schools Block transfer to the HNB, which is anticipated to continue the HNB mitigation work which was agreed for the 2026/27 usage of the block transfer
- Views on the level of Minimum Funding Guarantee (MFG) that should be applied in Lancashire for 2027/28.
- Proposal for the service de-delegations in 2027/28, which are:
 - Staff costs – Public Duties/Suspensions – Proposals remain the same as 2026/27 with charges increasing by 2%.
 - Heritage Learning Service (Museum Service) - Primary Schools Only – Proposals remain the same 2026/27 and charges are held at the same level.

Please note that the Local Authority is anticipating that DfE operational guidance for 2027/28 which is due to be released later in the autumn term will continue to allow the factors outlined above.

**The working group:
Noted the report.**

Discussed:

- Members suggested that information be shared through existing school communication channels.
- Officers welcomed invitations to local meetings and Headteacher briefings where further updates or discussion would be beneficial.

3. Upfront Funding for Mainstream Schools: Creating a Local SEND Inclusion Formula DfE Consultation

In July 2026, DfE launched the Upfront funding for mainstream schools: creating a 'local SEND inclusion formula consultation. This consultation proposes a new local



SEND inclusion formula that would allow local authorities to transfer more funding to mainstream schools, providing upfront resources to support pupils with SEND rather than relying heavily on top-up funding. This is voluntary for authorities in 2027/28. The DfE believes the current system puts too much emphasis on accessing additional high needs funding through assessments and formal processes. The £6,000 threshold that schools are expected to meet from their own budgets has remained unchanged since 2013 and has fallen significantly in real terms. As a result, more schools rely on top-up funding and statutory processes to secure support.

At this stage, the authority has chosen not to participate in the DfE scheme due to the current mitigations within the High Needs Block and the anticipated pressure this would create. In addition to this, the unitary councils included in Local Government Reorganisation across Lancashire, are not considering joining the DfE proposal and is therefore consistent across all authorities.

The working group:
Noted the report

Discussed:

- **Noted concerns regarding the use of High Needs Block funding.**
- **Officers advised that outcomes would be shared when available.**
- **Due to Local Government Reorganisation, participation in the pilot was not considered appropriate at this time.**

