

Notice of Meeting

Schools Forum

Monday 15 June 2026 at 5.00 pm
in Virtual Zoom Meeting

Date of despatch of Agenda: Monday 8 June 2026

For further information about this Agenda, or to inspect any background documents referred to in Part I reports, please contact Jessica Bailiss on (01635) 503124
e-mail: jessica.bailiss@westberks.gov.uk

Further information and Minutes are also available on the Council's website at www.westberks.gov.uk



Agenda - Schools Forum to be held on Monday 15 June 2026 (continued)

Forum Members: Jay Armstrong, Kavash Bamfield, Reverend Mark Bennet, Catherine Bernie, Nicolle Browning, Heather Codling, Iain Cottingham, Jacquie Davies, David Fitter, Mel Godliman, Richard Hand, Michelle Harrison, Rebecca Hartley, Keith Harvey, Jon Hewitt, Jo Lagares, Steve Lewis, Julie Lewry, Jo MacArthur, Gary Norman, David Ramsden, Graham Spellman (Chairman), Chloe Summerville, Edwin Towill and Charlotte Wilson

Agenda

Part I

Page No.

1	Election of Chair and Vice-Chair 2026-27	
2	Apologies	
3	Minutes of previous meeting dated 19th January	1 - 8
4	Actions arising from previous meetings	9 - 10
5	Minutes from the Heads' Funding Group for Information	11 - 14
6	Declarations of Interest	
7	Membership	

Items for Decision

8	Scheme for Financing Schools Consultation 2026/27 (Edith Cheng)	15 - 64
---	--	---------

Items for Discussion and Comment

9	EHCP Timeliness (Emma Ferrey)	65 - 68
10	Trade Union Facilities Time - Annual Report for 2025/26 (Richard Hand)	69 - 74
11	DSG Outturn (Mollie Mquade)	75 - 76
12	School Balances 2025/26 (Edith Cheng)	77 - 82
13	Forward Plan	83 - 84



Agenda - Schools Forum to be held on Monday 15 June 2026 *(continued)*

- 14 **Date of the next meeting**
Monday 13th July 2026 at 5pm on Zoom.

Sarah Clarke
Executive Director - Resources

If you require this information in a different format or translation, please contact
Jesicca Bailiss on telephone (01635) 503124.



This page is intentionally left blank

Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

SCHOOLS FORUM

MINUTES OF THE MEETING HELD ON MONDAY 19 JANUARY 2026

Forum Members Present: Kavash Bamfield (Maintained Primary Schools), Reverend Mark Bennet (Church of England Diocese), Catherine Bernie (Academy Special Schools), Councillor Heather Codling (Deputy Leader & Executive Portfolio Holder: Children and Family Services), Councillor Iain Cottingham (Executive Portfolio Holder: Finance and Resources), Mel Godliman (Early Years PVI Settings), Richard Hand (Trade Union), Chris Prosser (Maintained Secondary Schools), Michelle Harrison (Maintained Primary Schools), Rebecca Hartley (Maintained Primary Schools), Jo Lagares (Maintained Primary Schools), Stephen Lewis (Academy Schools), Phil Spray (Maintained Primary Schools), Graham Spellman (Roman Catholic Diocese (Chair)), Chloe Summerville (Maintained Nursery Schools) and Edwin Towill (Academy Schools)

Also Present: Emma Ferrey (Interim Service Manager of SEN), Edith Cheng (Finance Manager), Hine Thompson (Senior Finance Business Partner), Joshua Ngeresa (Finance Manager) Kirstie Hanson (Head of Early Years), Crystal Elkabbas (Principal Educational Psychologist & SEMH Service Manager) and Jessica Bailiss (Democratic Services Officer)

Apologies for inability to attend the meeting: Jay Armstrong (Maintained Primary Schools), Jacquie Davies (PRU), David Fitter (Academy Schools), Keith Harvey (Maintained Primary Schools), Jon Hewitt (Maintained Special Schools), Julie Lewry (Maintained Academy Schools), Jo MacArthur (Maintained Primary Schools), Lisa Potts (Finance Manager), David Ramsden (Maintained Secondary Schools), Charlotte Wilson (Academy Schools) and Neil Goddard (Service Director - Education and SEND)

PART I

1 Minutes of previous meeting dated 1st December 2025

The Minutes of the meeting held on 1st December were approved as a true and correct record and signed by the Chair.

2 Actions arising from previous meetings

Emma Ferrey reported on the two actions arising from the December meeting. Regarding Dec25-Ac1 she confirmed that work continued to improve the quality of Education Health and Care Plan (EHCP) data, with monthly data-cleansing sessions leading to a significant reduction in errors. The second part of this action involved a review of the funding model, with a report on banding and funding expected for the next meeting, aiming for implementation from September 2026.

Emma Ferrey referred to Dec25-Ac2 and advised that work on developing a traded offer within the Educational Psychology Service, led by Crystal Elkabbas was underway. Initial discussions had already taken place at the Senior Management Team meeting and the project was moving forward.

SCHOOLS FORUM - 19 JANUARY 2026 - MINUTES

3 Minutes from the Heads' Funding Group for Information

The Schools' Forum noted the minutes of the last Heads' Funding Group meeting.

4 Declarations of Interest

There were no declarations of interest received.

5 Membership

Jess Bailiss reported that Reverend Mark Bennet and Richard Hand had reached the end of their term of office and following consultation had confirmed they would continue for a further term.

6 Work Programme 2026/27

Jess Bailiss reported that the item sought agreement of the Work Programme for 2026/27 included on page 15 of the agenda pack. Reporting largely followed the same pattern as in previous years and was subject to change. It was noted that the items due at the Schools' Forum in July would go to the Heads' Funding Group in May and this needed to be more accurately reflected on the work programme.

The Chair invited the Forum to consider the work programme for 2026/27. It was proposed and seconded that it be agreed and at the vote the motion was approved.

RESOLVED that the Schools' Forum agreed the work programme for 2026/27.

7 Central School Block Budget Proposals 2026/27

Hine Thompson introduced the report (Agenda Item 8), which set out the budget proposals for the Central School Services Block (CSSB) for 2026-27. No questions or observations were raised by members of the Forum.

The Chair invited the Forum to consider the recommendation to set the CSSB budget with a deficit as set out in the report. The recommendation was proposed and seconded and at the vote with all Forum members the motion was approved.

RESOLVED that the Schools' Forum approved the recommendation set out in section 2.1 of the report.

8 Budgets for Additional Funds 2026/27

Hine Thompson introduced the report (Agenda Item 9), which set out the proposed 2026/27 budgets for additional funds. It was noted that due to there being a deficit on the total Dedicated Schools Grant, the Department for Education had advised that the growth fund should be retained centrally. Hine Thompson reported that the Growth Fund balance at 31 March 2025 was £685k with an estimated balance of £1.9 million by March 2027 after contingencies and anticipated drawdowns. The Forum noted the information on growth funding and that agreement was sought to set the additional High Needs Fund at £272k. Hine Thompson explained that the additional High Needs budget had risen by £72k compared to the previous year (£200k). The additional funding was required to support a disproportionate rise in high-needs pupils, which was the main driver for the proposed increase. No questions were raised by members of the Forum.

The Chair invited the Forum to consider the recommendation to set the additional High Needs Fund at £272k. The recommendation was proposed and seconded and at the vote with all Forum members the motion was approved.

RESOLVED that the recommendation set out in section 2.2 of the report was noted.

9 Early Years Funding Rates to Providers and 2026/27 Early Years Budget

Hine Thompson presented the report (Agenda Item 10), which set out proposals for the 2026-27 Early Years budget and rates, based on recommendations from the Early Years Funding Group.

Hine Thompson reported that the proposed Local Authority rate was £1.15 for early years pupils, and the provider rate was £1.92, which was an 11.6% increase. She outlined the wider context, noting pressures arising from the government's planned expansion of the 30-hour childcare offer to children aged nine months to three years by 2027/28, combined with sector uncertainty relating to new entitlements and falling birth rates. Once the Early Years deficit was fully addressed, the intention was to retain a small contingency to manage volatility.

Hine Thompson noted that the historic Early Years deficit had reduced substantially and the reasons for this were set out in the report. A forecast deficit of £180k was expected at the end of 2025/26, shifting to a forecast surplus of £124k in 2026/27.

No questions were raised by the Forum, the Chair therefore invited members to consider the recommendation to agree the hourly rates for Early Years entitlement for 2026/27 and that the Early Years DSG budget for 2026/27 be set at the level detailed in the budget model. A proposal to agree the recommendations was proposed and seconded and at the vote with all forum members the motion was approved.

RESOLVED that the recommendations set out in section two of the report were agreed.

10 Final DSG Funding Settlement Overview 2026/27

Hine Thompson introduced the report (Agenda Item 11), which set out the final Dedicated Schools Grant (DSG) allocation for 2026/27. The table under section 4.3 of the report showed the 2026/27 DSG final allocation by block and was based on the October 2025 census pupil numbers. The table included both the monetary and percentage changes. More detail was provided on each of the blocks from section five of the report onwards.

Kavash Bamfield asked about the scale of the structural gap between the Council's statutory Special Education Needs and Disability (SEND) duties and the funding available. She noted that headteachers were concerned about delays in the Education Health and Care Plan (EHCP) process and queried whether the funding received was adequate to meet statutory timeframes.

Emma Ferrey sought clarification on whether the concern related to the need to ensure the Local Authority (LA) was delivering on the 20 week timeline and putting more of the LAs central service investment into that area or whether additional resources were felt to be required. Kavash Bamfield acknowledged that no additional funding was available but explained that headteachers were concerned about the LA's ability to meet statutory EHCP duties within required timescales. She said it appeared that the level of funding provided did not adequately support the work required.

Emma Ferrey noted that West Berkshire's SEND team was broadly comparable to that of neighbouring authorities. She noted that one of the differences they could look at was how the system worked compared to these areas and she had set up some time with the SEND Manager to review team structures and workflow.

Emma Ferrey commented that EHCPs produced locally were written to a very high standard, which could be contributing to delays, and that efficiencies might be possible while maintaining clear statements of needs and provision. Emma Ferrey highlighted delays caused by the need to wait for Educational Psychology (EP) assessments. Additional resource had been provided to the EP service to address backlogs, alongside

SCHOOLS FORUM - 19 JANUARY 2026 - MINUTES

work to clarify statutory and traded elements of the service. Emma Ferrey emphasised the need to balance statutory timelines with support to schools through services such as the autism support and inclusion teams and, as the new head of service for the area, this formed part of what she would be focusing on. She welcomed ideas from teachers about where improvements could be made and was open to suggestions.

Revered Mark Bennet asked how much additional funding would be required to meet statutory obligations in a timely way, noting that an indicative figure would be helpful when making representations to Members of Parliament.

Emma responded that this was difficult to calculate until national SEND reforms were confirmed. She explained that possible changes, such as thresholds for EHCP eligibility, remained uncertain. She advised that national policy direction was focused on building capacity in mainstream schools through training, support and the development of additional resource provisions.

Councillor Iain Cottingham provided further context on wider local government funding. He explained that the government's fair funding review classified West Berkshire as an area of low deprivation, resulting in a proposed reduction in the share of business rates retained locally. He reported that the LA currently retained around £30 million but that proposals would reduce this to £13 million, mitigated only temporarily through a Revenue Support Grant which was due to be withdrawn by 2027/28. Councillor Cottingham noted that this made additional LA funding unlikely in the foreseeable future. He commented that it was unclear whether deprivation metrics might also be used in future High Needs Block funding. Emma confirmed that the metric for future High Needs allocations had not yet been announced.

Rebecca Hartley asked whether work was being undertaken to quantify the funding gap more accurately, and whether consideration was being given to how much of individual schools' deficits were a direct result of a lack of funding for high needs and EHCPs. She suggested that these deficits might be obscuring the true extent of the local funding shortfall.

Emma Ferrey agreed that this was an important issue and confirmed that finance colleagues would have greater awareness of how school deficit positions were reported to the LA. She explained that the position was complex and involved both statutory pressures and the need for early intervention and prevention. She also highlighted concerns about the rising costs of placements in independent and non-maintained special schools, noting that some placement costs had doubled over the past year despite efforts to reduce demand for such placements.

Kavash Bamfield asked a further question. She noted the increasing demand for SEND support and pressures on statutory timeframes and asked whether portfolio holders were prepared to invest in additional SEND officers to increase capacity and improve timeliness. She expressed concern that the current staffing level of two SEND Officers was not sufficient to meet statutory duties.

Councillor Cottingham explained that the LA faced a significant budget shortfall for 2026/27 and had required Exceptional Financial Support in the previous two financial years, with further support likely to be necessary. He advised that any request for additional staffing would require a business case which would be considered through the budget-setting process. He noted that commissioning reviews were underway across Adults and Children's Services which might release funding for reinvestment.

Kavash Bamfield indicated that she would welcome a transparent discussion involving senior officers and portfolio holders going forward, because she was concerned statutory duties were not being met with the resources provided. Councillor Cottingham confirmed that this would be a matter for the Executive Director and Service Director for Education.

SCHOOLS FORUM - 19 JANUARY 2026 - MINUTES

Kavash Bamfield felt that it was important that Councillors were part of these discussions as they would be key in making requests to Council for increased funding to meet statutory duties. Kavash Bamfield stated that she would follow this up with AnnMarie Dodds and Neil Goddard. Emma Ferrey proposed that officers bring back data on statutory timelines to the next Heads' Funding Group in June and subsequent Schools' Forum meeting. The Chair thanked members for the discussion and noted that the issues raised would be taken forward by Officers.

RESOLVED that a report would be brought to the next round of meetings in June, which provided data on statutory timelines.

11 **Final School Funding 2026/27**

Hine Thompson introduced the report (Agenda Item 12), which set out the final school funding formula allocations for 2026/27. Political ratification was required for the LA to be able to issue budgets to maintained schools and allocations had to be distributed to schools by 27th February 2026.

RESOLVED that the Schools' Forum noted the report.

12 **Growth Fund Applications 2025/26**

Hine Thompson introduced the report (Agenda Item 13), which aimed to inform Schools' Forum members of payments recommended to be made to schools from the Growth Fund budget in 2025/26. With reference to the October 2025 Census data, no schools had met the criteria for growth in relation to basic need requirements and therefore it was noted that no payments would be made.

RESOLVED that the Schools' Forum noted the report.

13 **High Needs Block Budget Proposals 2026/27**

Emma Ferrey introduced the report (Agenda Item 14), which set out the current financial position of the high needs budget for 2025/26 and the position as far as it could be predicted for 2026/27, including the likely shortfall. Emma Ferrey explained that it provided an overview of the ongoing strategy to reduce pressure on the High Needs Block. She noted that whilst an overspend was still projected for 2026/27, the rate of increase had reduced significantly compared with previous years when in-year overspends had nearly doubled annually. Emma Ferrey attributed this improvement to the Delivering Better Value (DBV) programme and to strengthened central services. She outlined the range of work underway, including the creation of sufficient specialist places, increased early intervention and prevention, and greater support for mainstream settings. She confirmed, however, that the budget remained some distance from being brought into balance.

Rebecca Hartley commented that the proposals did not specifically reference pressures on small schools, which she felt were disproportionately affected by the costs of meeting additional needs due to limited space, resources and specialist expertise. She highlighted that parents often chose small schools for children with SEND without realising that provision could be more costly to deliver. Emma Ferrey acknowledged this issue and confirmed that, as part of the new banding model, this would be reviewed annually to ensure disparities were identified and addressed.

Rebecca Hartley further questioned the extent to which education services were covering needs that should sit within health. She expressed concern that schools were increasingly taking on responsibilities that had historically been funded by health services. Emma Ferrey agreed that this was an area requiring attention and confirmed she had raised it with the Executive Director. It was noted that some needs currently treated as educational might more appropriately fall under social care or health, and that

SCHOOLS FORUM - 19 JANUARY 2026 - MINUTES

the restructuring of Integrated Care Boards created uncertainty. Emma Ferrey added that health, including public health, should be held to account for its responsibilities, and she hoped upcoming national policy statements would reinforce shared accountability across agencies.

Councillor Iain Cottingham referred to data in Table 4.1 of the report and observed that West Berkshire's percentage increase in demand since 2019 appeared higher than the national trend. He asked what might be driving this increase, given the associated budget pressures. Emma Ferrey said there was no single explanation but outlined several contributing factors. These included insufficient funding for SEND Support within schools and a significant increase for EHCPs from parents, due to the additional resources associated. It was noted that there were incentives, but these were counterproductive in some cases.

Revered Mark Bennet raised concerns about the impact on small schools of any standard baseline expectations for SEND provision. He felt such developments could place significant strain on small settings, many of which were church schools, and asked for ongoing dialogue with the Diocese on this. Emma Ferrey confirmed that both she and the Service Director for Education would welcome continued engagement with the Oxford Diocese to understand pressures and support schools appropriately.

Chris Prosser asked whether Castle at Theale was at full capacity. Emma Ferrey believed the school was operating at capacity, though she noted there might be one remaining allocation panel. She added that the number of special school places was increasing and that demand for specialist places remained high.

Councillor Cottingham sought clarification on whether the sufficiency strategy referenced in the report related to place planning across the authority. Emma Ferrey explained that the strategy had formed part of the DBV programme and had originally covered 2024/25. She noted that updated SEN projection data was now available and that she and colleagues were working with schools to consider potential additional provision. Work was planned to update the sufficiency strategy for 2026/27.

The Chair thanked members for their questions and Emma Ferrey for her detailed responses.

RESOLVED that the Schools' Forum noted the report.

14 **DSG Monitoring 2025/26 - Quarter 3**

Hine Thompson introduced the report (Agenda Item 15), which set out the forecast financial position of the services funded by the Dedicated Schools Grant (DSG), highlighting any under or overspends, and to highlight the cumulative deficit on the DSG.

It was noted that the DSG expenditure budget was £156.3 million which was £14 million more than the available funding. The Quarter three forecast showed a in-year deficit of £13.8 million, and the cumulative year-end deficit at £29.9 million. It was noted that with new funding streams in 2025/26 within the Early Years Block it was difficult to forecast accurately.

Hine Thompson concluded that total forecast deficit on the DSG amounted to £30.4m, with the position to be continuously monitored. No questions or comments were raised by members.

RESOLVED that the Schools' Forum noted the report.

15 **Contracts Forward Plan**

The Schools' Forum noted the contracts forward plan.

SCHOOLS FORUM - 19 JANUARY 2026 - MINUTES

16 Date of the next meeting

The Chair announced the next formal meeting would be on Monday 15th June, via Zoom.

The Chair highlighted an upcoming training session due to take place on 16th March, which would be held in person at the Roger Croft Room at Market Street. The current start time of the session was 5pm however, Forum members could let Jess Bailiss know if they would prefer a slightly earlier start time. Forum members were encouraged to attend for its importance and the opportunity to meet in person. Members were also asked to let Jess Bailiss know if there were any specific areas they would like covered.

(The meeting commenced at 5pm and closed at 6.10pm)

CHAIR

Date of Signature

This page is intentionally left blank

Agenda Item 4

Actions from previous meetings

Ref No.	Date of meeting(s) raised	Item	Action	Responsible Officer	Update
Jan26-Ac1	19th January 2026	Final DSG Funding Settlement Overview 2026/27	A report would be brought to the next round of meetings in June, which provided data on statutory timelines (EHCPs).	Emma Ferrey	This report is on the agenda for 15th June Schools' Forum meeting.

This page is intentionally left blank

Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

HEADS FUNDING GROUP

MINUTES OF THE MEETING HELD ON WEDNESDAY 13 MAY 2026

HFG Members Present: Kavash Bamfield, Catherine Bernie, Nicolle Browning, Jacquie Davies, David Fitter, Michelle Harrison, Keith Harvey, Jon Hewitt, Jo Lagares, Jo MacArthur, Chris Prosser, Chloe Summerville and Edwin Towill

Also Present: Edith Cheng (Finance Manager), Emma Ferrey (Interim Service Manager of SEN), Kirstie Hanson (Head of Early Years), Ashley Milum (Service Director for Education and SEND), Joshua Ngeresa (Finance Manager), Hine Thompson (Senior Finance Business Partner), Tony Parker (Service Lead for Children’s Commissioning), Ash Hussain (Senior Commissioner SEND and Joint Commissioning) and Jessica Bailiss (Democratic Services Officer)

Apologies for inability to attend the meeting: AnnMarie Dodds (Executive Director - People), Crystal Elkabbas (Principal Educational Psychologist & SEMH Service Manager), Julie Lewry, David Ramsden and Charlotte Wilson

PART I

1 Minutes of the Previous Meeting

The minutes of the previous meeting were agreed as a true and accurate record.

2 SEND Commissioning and Efficiency Planning

Tony Parker introduced the item, explaining that Children’s Commissioning in West Berkshire was a newly established service, with Ash Hussain having recently been appointed as SEND Joint Commissioner. A presentation was provided which outlined the establishment of the Children’s Commissioning Team, its role in Special Educational Needs and Disabilities (SEND) and wider Children’s Services, current priorities, and future plans to strengthen joint working, improve value for money and develop local provision in line with national expectations.

The purpose of the presentation was also to seek feedback from schools on how the commissioning service could work more effectively with them. The HFG was invited to consider how feedback on commissioned services could be gathered and how schools could contribute to future commissioning decisions.

The HFG acknowledged the importance of the new commissioning function in improving quality assurance and ensuring services met the needs of children and young people. It was noted that the development of the service was at an early stage and would continue to be brought back to the HFG for further discussion.

RESOLVED that the update on commissioning arrangements was noted.

3 EHCP Timeliness

Emma Ferrey introduced the report, which outlined the current position in relation to EHCP timeliness. The HFG noted that the key performance indicator around timeliness for completing EHCPs had significantly reduced between 2024 and 2025, driven by increasing demand and capacity pressures within the SEN Assessment Team, which had

HEADS FUNDING GROUP - 13 MAY 2026 - MINUTES

not expanded in line with rising demand. It was reported that demand had continued to increase following the publication of the Government's White Paper in February 2026 and that this was a situation that required ongoing monitoring. It was noted that there had been a significant increase in assessment requests from parents.

Following discussion at the previous meeting and subsequent analysis, it was considered that reduced timeliness was attributable to a combination of factors which were set out in section 4.6 onwards of the report.

The HFG discussed the specific factors contributing to demand and system pressures. It was noted that further work was planned to support schools and strengthen a system wide approach to inclusion.

It was noted that some queries raised by members, including in relation to the use of HIVE Educational Psychologist reports in assessment reports and consultation processes with schools for EHCP placements, would be taken forward for further review.

The HFG noted that information on the average length of time to complete an EHCP request would be provided following this meeting.

RESOLVED that:

- The report was noted.
- Information on average EHCP processing times would be provided following the meeting. (*post-minute note: this information is included in the EHCP Timeliness Report for the Forum on 15 June.*)

4 School Balances 2025/26

Edith Cheng introduced the report, which outlined the position of maintained school balances at the end of the 2025/26 financial year. The HFG noted that overall balances had reduced compared to the previous year, reflecting ongoing financial pressures across schools, particularly within the primary sector.

It was reported that the reduction in balances was driven by a combination of falling pupil numbers, sustained staffing costs and increasing SEND pressures. The HFG noted that while overall balances were declining, a small number of schools continued to hold surplus balances above the agreed threshold and would be required to submit balance statements for further review.

The HFG discussed the financial pressures facing schools, particularly in relation to the sustainability of smaller schools, and noted this as a key area of focus going forward.

RESOLVED that the report was noted.

5 Scheme for Financing Schools Consultation 2026/27

Edith Cheng introduced the report, which provided information on the updated Scheme for Financing Schools (SFS) and recommended that it should go out for consultation with schools from 15th until 25th June 2026.

The HFG noted that the scheme set out the financial relationship between the Local Authority and maintained schools. It was reported that no major changes had been suggested by the Department for Education and that the updates proposed related to local practice, including additional clarity around financial monitoring and deficit recovery arrangements. The HFG noted that the proposals would be subject to consultation with maintained schools ahead of final approval by Schools' Forum in July.

HEADS FUNDING GROUP - 13 MAY 2026 - MINUTES

RESOLVED that the HFG supported the recommendation set out in the report, which would go forward to the Schools' Forum on 15th June for consideration and decision.

6 **Surplus Balances and School Balance Statements**

Edith Cheng introduced the report, which outlined the position regarding surplus balances held by schools and the process for reviewing balances above the agreed threshold. It was noted that the report would go to the Schools' Forum in July for decision.

Five schools had been identified as having a balance greater than 10 percent of their budget share and would be asked to provide a statement explaining how the balance was committed.

The HFG sought clarification on the process for reviewing surplus balances, noting that it had been contentious in the past. It was clarified that the agreed approach was for Officers to review the balance statements and present a report to the Schools' Forum, enabling a decision to be made on whether to claw back or not. Edith Cheng confirmed that a report could be prepared in line with this approach and shared with the HFG for comment in advance of the Schools' Forum meeting.

RESOLVED that a report setting out recommendations on surplus balances to be circulated to the HFG for comment in advance of it going forward to the Schools' Forum in July.

7 **Deficit Schools**

Edith Cheng introduced the report, which outlined the position regarding schools in deficit. The HFG noted that both the number of schools in deficit and the overall level of deficit had increased compared to the previous financial year.

It was reported that a number of schools had set planned deficit budgets, with a small number also ending the year in unplanned deficit. The main drivers of deficits were noted as falling pupil numbers, rising staffing costs and increasing SEND pressures.

The HFG discussed the position of schools in long-term deficit, noting that some schools had been in deficit for a number of years and that there was a need for a consistent approach to supporting schools alongside appropriate challenge. It was noted that further work was underway to strengthen this approach and provide greater clarity for schools.

RESOLVED that the report was noted.

8 **Any Other Business**

The HFG noted an update regarding training for Schools' Forum members. It was reported that an induction-style approach was being considered, to allow time to identify key areas for development. The induction training would be offered to new members and could also be shared with existing members to support their understanding. Feedback on the proposed approach was welcomed. It was noted that further work would be undertaken to develop this approach.

9 **Date of the next Heads Funding Group meeting**

The next meeting would take place at 3.30pm on Tuesday 22nd September 2026.

(The meeting commenced at 3.30pm and closed at 4.45pm)

This page is intentionally left blank

Scheme for Financing Schools

Report being considered by: Schools' Forum

Date of Meeting: 15 June 2026

Report Owner: Ashley Milum

Report Author: Kirsty Bray/Edith Cheng

Item for: Decision **By:** All Maintained Schools Representatives

Consulted by:
 Section 151 Officer/Deputy
 Service Director

1. Purpose of the Report

1.1 To approve the proposed consultation on the updated Scheme for Financing Schools.

2. Recommendation

2.1 That the updated Scheme for Financing Schools goes out to consultation from 15 to 25 June 2025 and that the updated scheme is adopted after Schools Forum approval.

Is the Schools' Forum required to make a decision as part of this report or subsequent versions due to be considered later in the meeting cycle?	
Yes: <input checked="" type="checkbox"/>	No: <input type="checkbox"/>

3. Implications and Impact Assessment

Equalities Impact:				Commentary
	Positive	No Impact	Negative	

Scheme for Financing Schools

<p>A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?</p>		x		
<p>B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?</p>		x		
<p>Data Impact:</p>		x		

4. Executive Summary

- 4.1 Local authorities are required to publish schemes for financing schools which set out the financial relationship between the local authority and the schools they maintain.
- 4.2 The Department for Education (DfE) issues statutory guidance for local authorities on schemes for financing schools. The DfE guidance lists the provisions which a local authority must, should or may include. Local schemes need not follow the exact format used in the DfE guidance, except for the text of directed revisions. The DfE guidance is updated annually.
- 4.3 Issue 17 was published on 26 March 2026 and can be found at:
[Schemes for financing local authority maintained schools 2026 to 2027 - GOV.UK](#)
- 4.4 In making any changes to the scheme, a local authority must consult all maintained schools in their area and receive the approval of the members of their Schools' Forum representing maintained schools.
- 4.5 The local authority has reviewed the current scheme to ensure that all sections are still appropriate. The proposed Scheme for Financing Schools (2026 update) and Appendix B highlighting the proposed updates are attached.

5. Supporting Information

- 5.1 The proposed Scheme for Financing Schools is attached to this document, along with a guide to changes that have been made.

6. Proposals

- 6.1 A consultation with maintained schools to be undertaken between 15 and 25 June 2026.

7. Appendices

- 7.1 Appendix A – Proposed Scheme for Financing Schools

Scheme for Financing Schools

7.2 Appendix B – Changes from previous version

7.3 Appendix C – Consultation cover document

This page is intentionally left blank

West Berkshire Council DRAFT Scheme For Financing Schools 2026/27

Reference: SFS2026
Version No: 1.6
Issue Date:

Document Control

Document Ref:	SFS2026	Date Created:	23.05.24
Version:	1.6	Date Modified:	28.04.26
Revision due	Following publication by DfE of Issue 17, published 26.03.26 and consultation with schools 17.06.25 – 26.06.25		
Author:	Kirsty Bray / Edith Cheng	Sign & Date:	
Head of Service:	Toby Bradley	Sign & Date:	
Equality Impact Assessment: (EIA)	Date undertaken:	N/A	
	Issues (if any):	N/A	

Change History

Version	Date	Description	Change ID
1.0	12.09.23	Updated for issue 14	
		Paragraph 8.4 income from sale of assets. Further guidance added on retention of funds from the sale of land assets.	
1.1	10.01.24	Updated for clawback mechanism.	
1.4	09.07.24	Updated for issue 15 and consultation with schools 18.06-27.06.24.	
1.5	14.05.25	Updated for Issue 16 and consultation with schools 17.06.25 – 26.06.25	
1.6	28.04.26	Updated for Issue 17 and consultation with schools 17.06.26-26.06.26	

Related Documents

Reference	Title	Tier
	Statutory guidance Schemes for financing local authority maintained schools 2026 to 2027 (Updated 26 March 2026) (https://www.gov.uk/government/publications/schemes-for-financing-schools/schemes-for-financing-local-authority-maintained-schools)	



Contents

1.	Purpose	3
2.	Applicability	3
3.	Roles and Responsibilities	3
4.	Introduction	4
5.	Financial Controls	6
6.	Instalments of Budget Share: Banking Arrangements.....	16
7.	The Treatment of Surplus and Deficit Balances in Relation to Budget Shares	19
8.	Income	22
9.	The Charging of School Budgets	24
10.	Taxation	26
11.	The Provision of Services and Facilities by the Authority	27
12.	Private finance initiative (PFI) / Public private partnerships (PPP)	29
13.	Insurance	29
14.	Miscellaneous.....	29
15.	Responsibility for repairs and maintenance	32
16.	Community facilities.....	32
	Annex A: LIST OF SCHOOLS TO WHICH THIS SCHEME APPLIES.....	36
	Annex B: GLOSSARY	38
	Annex C: EARLIER DIRECTED REVISIONS	39

1. Purpose

1.1. This scheme sets out the financial relationship between the authority and the maintained schools which it funds. It contains requirements relating to financial management and associated issues, binding on both the authority and on the schools.

2. Applicability

2.1. The scheme applies to all community, nursery, special, voluntary, foundation schools (including trust), foundation special schools and pupil referral units (PRUs) maintained by the authority, (as listed in Annex A), whether they are situated in the area of the authority or elsewhere. It does not apply to schools situated in the authority's area which are maintained by another authority, nor does it apply to academies.

3. Roles and Responsibilities

3.1. The Chief Finance Officer has overall responsibility for ensuring that this scheme is managed appropriately in accordance with these agreed standards.

3.2. The Schools Forum is responsible for:

- Directing and reviewing this scheme.
- Ensuring that there is effective consultation and communication on scheme related matters in terms of changes and updates issued by the Department for Education (DfE).
- Ensuring compliance with the DfE's directions in relation to the scheme.

Any proposed revisions to the scheme will be the subject of consultation with the governing body and the headteacher of every school maintained by the authority before they are submitted to the schools forum for approval.

All proposed revisions must be submitted to the schools forum for approval by members of the forum representing maintained schools. Where the schools forum does not approve them or approves them subject to modifications which are not acceptable to the authority, the authority may apply to the Secretary of State for approval.

It is also possible for the Secretary of State to make directed revisions to schemes after consultation. Such revisions become part of the scheme from the date of the direction.

3.3. The West Berkshire Council (WBC) Finance and Audit Teams are responsible for the day-to-day management of the scheme including ensuring implementation of this standard.

3.4. All WBC staff who have financial dealings with and the relevant staff and governors of all schools listed in Annex A are responsible for familiarizing themselves with and ensuring that they comply with this scheme.

4. Introduction

4.1. The funding framework: main features

The funding framework, which replaces Local Management of Schools, is set out in the legislative provisions in sections 45 to 53 of the School Standards and Framework Act 1998 (the act).

Under this legislation, local authorities determine for themselves the size of their schools budget and their non-schools education budget, although at a minimum an authority must appropriate its entire Dedicated Schools Grant (DSG) to its schools budget.

The categories of expenditure which fall within the 2 budgets are prescribed under regulations made by the Secretary of State, but included within the 2, taken together, is all expenditure, direct and indirect, on an authority's maintained schools except for capital and certain miscellaneous items.

Authorities may deduct funds from their schools budget for purposes specified in regulations made by the Secretary of State under section 45A of the act (the centrally retained expenditure).

The amounts to be deducted for these purposes are decided by the authority concerned, subject to any limits or conditions, including gaining the approval of their schools' forum or the Secretary of State in certain instances, as prescribed by the Secretary of State.

The balance of the schools budget left after deduction of centrally retained expenditure is termed the Individual Schools Budget (ISB). Expenditure items in the non-schools education budget must be retained centrally, although earmarked allocations may be made to schools.

Authorities must distribute the ISB amongst their maintained schools using a formula which accords with regulations made by the Secretary of State and enables the calculation of a budget share for each maintained school.

This budget share is then delegated to the governing body of the school concerned, unless the school is a new school which has not yet received a delegated budget, or the right to a delegated budget has been suspended in accordance with section 51 of the act.

The financial controls within which delegation works are set out in a scheme made by the authority in accordance with section 48 of the act and regulations made under that section.

All proposals to revise the scheme must be approved by the schools forum, though the authority may apply to the Secretary of State for approval in the event of the forum rejecting a proposal or approving it subject to modifications that are not acceptable to the authority.

Subject to any provision made by or under the scheme, governing bodies of schools may spend such amounts of their budget shares as they think fit for any purposes of their school and for any additional purposes prescribed by the Secretary of State in regulations made under section 50 of the act.

Section 50 has been amended to provide that the amounts spent by a governing body on providing community facilities or services under section 27 of the Education Act 2002 are treated as if they were amounts spent for the purposes of the school (section 50 (3A) of the act).

The authority may suspend a school's right to a delegated budget if the provisions of the authority's financial scheme, or rules applied by the scheme, have been substantially or persistently breached, or if the budget share has not been managed satisfactorily.

A school's right to a delegated budget share may also be suspended for other reasons, under schedule 17 to the act.

Each authority is obliged to publish each year a statement setting out details of its planned schools budget and other expenditure on children's services, showing the amounts to be centrally retained and funding delegated to schools; after each financial year the authority must publish a statement showing outturn expenditure.

The detailed publication requirements for financial statements are set out in directions issued by the Secretary of State.

A copy of each year's budget and outturn statement should be made easily accessible to all schools.

As required by regulations the authority will publish its scheme and any revisions to it on the WBC website, <https://www.westberks.gov.uk/> which is accessible to the general public, by the date the revisions come into force, together with a statement that the revised scheme comes into force on that date.

4.2. Delegation of powers to the headteacher

Each governing body should consider the extent to which it wishes to delegate its financial powers to the headteacher and record its decision (and any revisions) in the minutes of the governing body.

The first formal budget plan of each financial year must be approved by the governing body, or by a committee of the governing body.

In terms of the headteachers' role in financial management, governors may wish to delegate powers as follows:

- Responsibility for day-to-day management of resources (practical day to day management of resources may also be delegated to other senior staff and/or the school business manager/finance officer);
- Signing off of all orders/cheques/BACS payments within a monitoring system approved by governors or under a certain sum to be decided by governors;
- Administration of the expenditure budget within the annual amount of any budget heading or authorisation of spending up to (a sum agreed with the governing body) within a budget heading;
- Authority over virement up to a sum agreed with the governing body;

- Monitor day to day management of the budget;
- Provision of regular reports to the governing body on expenditure and income;
- Preparation of the budget estimates of expenditure and income for governing body approval.

It is recognised that the level of delegation will be based on practice, experience, knowledge, size and resources of the school.

4.3. Maintenance of schools

The authority is responsible for maintaining the schools covered by the scheme, and this includes the duty of defraying all the expenses of maintaining them (except in the case of a voluntary-aided school where some of the expenses are, by statute, payable by the governing body). Part of the way an authority maintains schools is through the funding system put in place under sections 45 to 53 of the act.

5. Financial Controls

5.1. General Procedures

5.1.1 Application of financial controls to schools

In managing their delegated budgets schools are required to abide by the authority's requirements on financial controls and monitoring.

Certain of these are directly referred to in this scheme while others are included in the authority's Constitution Parts 9 Financial Rules and 8 Contract Rules of Procedure. Copies of these can be found on the following web page:

[Council Constitution - West Berkshire Council](#)

The authority's requirements can differ for schools with their own bank accounts.

5.1.2 Provision of financial information and reports

Schools are required to provide the authority with details of anticipated and actual expenditure and income, in a form determined by the authority, compatible with the Consistent Financial Reporting framework. This information must be provided within one month of each quarter end (i.e. by 31 July, 31 October, 31 January and 30 April) unless:

- the authority has notified the school in writing that in its view the school's financial position requires more frequent submission or;
- the school is in its first year of operation or;
- the information is required in connection with tax or banking reconciliation when it can be requested more frequently.

This provision also applies to schools submitting an imprest and which are part of the financial accounting system operated by the authority (Agresso). These schools are required to submit their month three, six and nine budget monitoring forecasts within one month of each quarter end unless

- the authority has notified the school in writing that in its view the school's financial position requires more frequent submission or;
- the school has applied for or is operating with a licensed deficit budget or;
- the school ended the previous financial with an unlicensed deficit budget.

This is in addition to the requirement for annual budget plans.

5.1.3 Payment of salaries and payment of bills

The procedures for these will vary according to the choices schools make about the holding of bank accounts and any buyback of services from the authority.

5.1.3.1 Payment of salaries

In all cases schools are required to abide by the authority's financial regulations covering payments to staff.

Schools buying back the authority's payroll service

The authority can provide a payroll service that complies with all the statutory requirements and the conditions of service requirements for teaching and local government staff. The payroll service will also cover the deduction and paying over of contributions to both the Local Government Pension Scheme and the Teachers' Pension Scheme.

Under this service, all payments to staff, HM Revenues and Customs (HMRC), Teachers' Pension Agency etc. will be made from the authority's bank accounts either direct to the school's ledger accounts if on the council's financial system, or by the issue of an invoice to the school.

All Pay as You Earn (PAYE) matters will be dealt with under the authority's PAYE registration number, except where the school's annual salaries exceed £3million in which case the school's own PAYE registration number will be used.

The processing timetables and documents to be used for notification of all payroll variations are issued to schools by the payroll section.

Details of the buyback services and charges will be notified to schools ahead of each financial year.

Schools making alternative payroll arrangements

The school, as payroll provider, would need to ensure separate registration with the HMRC, Teachers' Pension Agency and Local Government Pension Scheme and would need upon request to satisfy the authority that all payments of deductions and contributions were being made in an

appropriate and timely manner and all statutory reporting requirements can be met for HMRC, Teachers Pensions and Berkshire Pensions.

5.1.3.2. Payment of bills

All schools are required to abide by the authority's financial regulations covering payments to creditors.

5.1.4. Control of assets

Each school must maintain an inventory in accordance with the authority's financial regulations recording its moveable non-capital assets worth more than £1,000 and setting out the basic authorisation procedures for disposal of assets.

For assets worth less than £1,000, schools should keep a register, but this may be in a form as determined by the school. Schools are encouraged to register anything that is portable and attractive, such as a camera.

5.1.5. Accounting policies, including year-end procedures

Schools are required to comply with the procedures, requirements and regulations relating to the accounting policies and end of year financial procedures issued and determined by the authority as being applicable to schools.

This will include the setting of a de-minimus level for capital spend which as a guideline will be in the range of £2,000 to £5,000. As a default the authority determined de-minimus will apply currently £5,000 or £2,000 for VA schools.

Year-end guidance will be issued annually to schools on the practical arrangements e.g. accruals and other end of year financial procedures.

5.1.6. Writing off debts

No debt shall be discharged other than by payment in full or being written off.

The writing-off of non-recoverable debts is subject to individual consideration of the debt and appropriate approval. Those debts less than £2,000 may be written-off subject to the authorisation of the authority's Chief Finance Officer (or nominated officer) and the Executive Director (People – Children's Services) after the consideration of a report by the headteacher. All other debts may only be written off by the above after consideration of a recommendation from the appropriate governing body.

This provision does not apply to the cancellation of invoices because a debt is deemed to be no longer due. Invoice cancellations can be approved by the headteacher.

5.2. Basis of Accounting

The authority prepares its statutory accounts on an accruals basis. Maintained schools are required to ensure that annual spending notified to the authority and Consistent Financial Reporting (CFR) returns are on an accruals basis. However, schools can choose their own basis of accounting for internal accounting and reporting.

Schools can choose which financial software they wish to use, provided they meet any costs of modification to provide the output required by the authority. Schools should engage with the Authority, including the S151 Officer or their representatives, in advance of any proposed change to ensure compatibility with reporting and statutory requirements.

In particular schools should be able to report separately to the authority on revenue and capital expenditure, and on any funds held by them on behalf of collaborative ventures with other schools where specified by the authority in order to demonstrate that only public funds have been reported to the authority and provide an audit trail back to the accounts for each of the separate funds.

5.3. Submission of budget plans

Each school is required to submit a budget plan to the authority **by 1st May each year**. The plan must show the school's intentions for expenditure in the current financial year and the assumptions underpinning the budget plan, which include taking full account of any estimated deficits/surpluses at the previous 31st March.

The format of the budget submission must be as specified by the authority, consistent with the CFR framework, and must be approved by the governing body or a committee of the governing body.

Where the authority deems it necessary it may also require the submission of revised plans throughout the year. Such revised plans shall not be required at intervals of less than three months.

The authority will supply schools with their monthly income and expenditure data, which it holds, and which is necessary to efficient planning by schools.

5.3.1. Submission of financial forecasts

From the 2021 to 2022 funding year each school is required to submit to the authority a three-year budget forecast each year. If the school is in deficit this forecast should show the deficit being recovered within the three-year period. This is required in the agreed format **by 1st May each year**.

This is to provide evidence of

- schools undertaking effective strategic financial planning,
- adhering to best financial management practice,
- to alert the authority of any schools having difficulty in balancing future year budgets and
- may be used as evidence to support the authority's assessment of schools financial value standards or in support of the authority's balance control mechanism.

5.4. School resource management

Schools must seek to achieve effective management of resources and value for money, to optimise the use of their resources and to invest in teaching and learning, taking into account the authority's purchasing, tendering and contracting requirements.

It is for headteachers and governors to determine at school level how to optimise the use of resources and maximise value for money.

There are significant variations in the effective management of resources between similar schools, and so it is important for schools to review their current expenditure, compare it to other schools and think about how to make improvements.

5.5. Budget virement

Schools may vire budgets between ledger codes in the expenditure of their budgets within the criteria determined by the authority. Governors are advised to establish financial limits above which the approval of the governors is required. Schools are also advised to refer to paragraph 4.2 when considering virement between cost centres.

5.6. Audit General

Schools are required to co-operate with the audit regimes determined by the authority as regards internal audit, and the authority's external audit as determined by the Local Audit and Accountability Act 2014.

Schools must provide access to the school's records for both internal and external auditors.

The depth and frequency of internal audit coverage of individual schools will depend on an assessment of each school's strength in financial management and by reference to the School's SFVS annual return. The authority's Internal Audit service will contact each school to arrange the appropriate audit coverage.

Schools operating outside the authority's financial system (non imprest schools) and producing their own accounts are required to commission an external audit if the local authority requests it.

Different audit arrangements may also be applied to schools having their own bank account, compared with non-bank account schools.

5.7. Separate external audits

There is no expectation by the Secretary of State that routine annual external audit at school level should take place but where a school wishes to seek an additional source of assurance at its own expense, a governing body is permitted to spend funds from its budget share to obtain external audit certification of its accounts, separate from any authority internal or external audit process.

5.8. Audit of voluntary and private funds

Schools are required to provide audit certificates in respect of voluntary and private funds held by the school and of the accounts of any trading organisations controlled by the school.

The purpose of such a provision is to allow the authority to satisfy itself that public funds are not being misused.

A school refusing to provide audit certificates to the authority as required by the scheme is in breach of the scheme and the authority can take action on that basis. Access to the accounts of such funds by other agencies is a matter for them. Any other requirement as to audit of such funds is a matter for those making the funds available, and any Charity Commission requirements.

5.9. Register of business interests

The governing body of each school is required to maintain a register which lists for each member of the governing body and the headteacher:

- a) any business interests they or any member of their immediate family have
- b) details of any other educational establishments that they govern
- c) any relationship between school staff and members of the governing body

And to keep the register up to date with notification of changes and through annual review of entries, to make the register available for inspection by governors, staff, parents and the authority and to publish the register, for example on a publicly accessible website.

5.10. Purchasing, tendering and contracting requirements

Schools are required to abide by the authority's financial rules and standing orders in purchasing, tendering and contracting matters. This includes a requirement to assess in advance the professional competence of any contractors in areas such as compliance with health and safety regulations, safeguarding practices etc., taking account of the authority's policies and procedures.

However, any section of the authority's financial rules and standing orders must be **disapplied** if it requires schools:

- a) to do anything incompatible with any of the provisions of this scheme, any statutory provision, or anything which did not comply with The Public Contracts Regulations;
- b) to seek local authority officer countersignature for any contracts for goods or services for a value below £60,000 in any one year;
- c) to select suppliers only from an approved list;
- d) or would permit schools to seek fewer than three tenders or quotations in respect of any contract with a value exceeding £10,000 in any one year, subject to specific listed exceptions.

The fact that an authority contract has been let in accordance with Public Contracts Regulations procedures does not in itself make it possible to bind a school into being part of that contract. For the purposes of the procurement directives schools are viewed as discrete contracting authorities.

The countersignature requirement should be applied sensibly by authorities and schools alike, avoiding attempts to artificially aggregate or disaggregate orders to avoid or impose the requirement.

Schools may seek advice on a range of compliant deals via [Buying for schools](#).

5.11. Application of contracts to schools

Schools are free to opt out of authority arranged contracts.

Although governing bodies are empowered under paragraph 3 of schedule 1 to the Education Act 2002 to enter into contracts, in most cases they do so on behalf of the authority as the maintainer of the school and owner of the funds in the budget share (this is the main reason for allowing authorities to require authority countersignature of contracts exceeding a certain value).

However, some contracts may be made solely on behalf of the governing body, when the governing body has clear statutory obligations e.g. contracts made by aided or foundation schools for the employment of staff.

5.12. Central funds and earmarking

The authority is authorised to make sums available to schools from central funds, in the form of allocations which are additional to and separate from the schools' budget shares.

Such allocations should be subject to conditions setting out the purpose or purposes for which the funds may be used; and while these conditions need not preclude virement (except where the funding is supported by a specific grant which the authority itself is not permitted to vire), this should not be carried to the point of assimilating the allocations into the school's budget share.

Such allocations might, for example, be sums for SEN or other initiatives funded from the central expenditure of the authority's schools budget or other authority budget.

Such earmarked funding from centrally retained funds is to be spent only on the purposes for which it is given, or on other cost centres for which earmarked funding is given and is not to be vired into the school's budget share. Schools should maintain an accounting mechanism in order to demonstrate that this requirement has been met.

Unless previously agreed with the Executive Director (People – Children's Services), schools are required to return to the authority any earmarked funds if not spent within the period over which schools are allowed to use the funding as stipulated by the authority.

The authority is not allowed to make any deduction, in respect of interest costs to the authority, from payments to schools of devolved specific grant.

5.13. Spending for the purposes of the school

Section 50(3) of the School Standards and Framework Act 1998 allows governing bodies to spend budget shares for the purpose of the school, subject to the regulations made by the Secretary of State and any provisions of the scheme.

From 1 April 2011, under section 50(3a) amounts spent by governing bodies on community facilities or services under section 27 of the Education Act 2002 will be treated as spent for the purposes of the school.

Under section 50(3)(b) the Secretary of State may prescribe additional purposes for which expenditure of the budget share may occur. Such regulations are prescribed in the School Budget Shares (Prescribed Purposes) (England) Regulations 2002 (SI 2002/378) which have been amended by the School Budget Shares (Prescribed Purposes) (England) Amendment Regulations 2010 (SI 2010/190).

These allow schools to spend their budgets on pupils who are on the roll of other maintained schools or academies.

5.14. Capital spending from budget shares (Transfer of Revenue to Capital)

Governing bodies are permitted to use their Budget Share to meet the cost of capital expenditure on the school premises. This includes expenditure by the governing body of a voluntary aided school on work which is their responsibility under paragraph 3 of schedule 3 of the act.

Schools must notify the authority of **all** proposed capital spending from their budget share. It is recommended that schools discuss their proposals with the authority (both an education and a finance expert) prior to the final authorisation of such proposals and in particular that they ensure that the proposed works do not already form part of the council's approved capital programme.

Governing bodies are permitted to use up to £20,000 of their revenue budget shares per annum to meet the cost of capital projects without any additional authorisation from the Authority.

If the expected capital expenditure from the revenue budget share in any one year is expected to exceed £20,000, the governing body **must** complete a Request to Transfer Revenue to Capital form (available on SLA Online) and following the accompanying instructions.

Where the premises are owned by the authority, or the school has voluntary controlled status, then the governing body shall seek the consent of the authority to the proposed works. However, consent will only be withheld on health and safety grounds.

The reason for these requirements is to help ensure compliance with the School Premises (England) Regulations 2012, the Workplace (Health, Safety and Welfare) Regulations 1992, the Regulatory Reform (Fire Safety) Order 2005, the Equality Act 2010, and the Building Regulations 2010.

These provisions would not affect expenditure from any capital allocation made available by the authority outside the delegated budget share.

5.15. Notice of concern

The authority may issue a notice of concern to the governing body of any school it maintains where, in the opinion of the Chief Finance Officer and the Executive Director (People – Children’s Services), the school has failed to comply with any provisions of the scheme, or where actions need to be taken to safeguard the financial position of the authority or the school.

The purpose of this provision is to enable the authority to set out formally any concerns it has regarding the financial management of a school it maintains and require a governing body to comply with any requirements the authority deems necessary.

Such a notice will set out the reasons and evidence for it being made and may place on the governing body restrictions, limitations or prohibitions in relation to the management of funds delegated to it.

A notice may be issued in the following circumstances:

1. When a school fails to comply with the conditions of a licensed deficit.
2. When a school does not have a robust plan to repay the deficit within a maximum of three years.
3. When monitoring meetings identify an unrealistic deficit recovery plan without any contingency plans, and failure to take on board the recommendations made by the local authority.
4. When a school’s deficit is budgeted to exceed 5% of its budget share*.
5. When a school’s deficit continues to grow and the repayment period increases.

*Budget Share is the budget allocation determined through the local funding formula.

The notice requires the following:

- Insisting that relevant staff undertake appropriate training to address any identified weaknesses in the financial management of the school.
- Insisting that an appropriately trained/qualified person chairs the finance committee of the governing body.
- Placing more stringent restrictions or conditions on the day-to-day financial management of a school than the scheme requires for all schools – this includes the provision of monthly accounts to the authority, with detailed explanations to variances both to budget and to the previous month.

- An expectation to attend regular financial monitoring meetings when requested by local authority officers.
- Requiring the governing body to buy into the authority's financial management systems (currently FMS) and the Schools Accountancy buy back service if it hasn't already done so. This buy back service may include additional chargeable hours to reflect the additional work necessary in the school's financial situation.
- Requiring a school to submit monthly income projections and/or financial monitoring reports on any out of hours provision. If there are financial concerns, this may lead to the local authority imposing restrictions or limitations on the manner in which the provision is run.

These requirements must be complied from the date of issue of the notice.

Any notice of concern issued by the authority will be withdrawn once the authority agrees the governing body has:

- Complied with the requirements of the notice,
- Implemented a robust and realistic deficit recovery plan to repay any deficit within three years,
- Reduced any deficit to below 5% of budget share.

The powers of intervention if the school does not comply with the notice are set out in Sections 63 to 66 of the Education and Inspection Act 2006. This enables the local authority to:

1. Require the governing body to enter into a particular arrangement for specified services of an advisory nature with a specified person.
2. Appoint additional governors.
3. Appoint an Interim Executive Board (subject to consent from the Secretary of State).
4. Suspend the governing body's right to a delegated budget.

Other options may include LA authorisation required for all purchase orders and/or LA authorisation for all staffing appointments.

It shall not be used in place of withdrawal of financial delegation where that is the appropriate action to take; however, it may provide a way of making a governing body aware of the authority's concerns short of withdrawing delegation and identifying the actions a governing body should take in order to improve their financial management to avoid withdrawal.

5.16. Schools Financial Value Standard (SFVS)

All local authority maintained schools (including nursery schools and PRUs that have a delegated budget) must demonstrate compliance with the SFVS and complete the assessment form on an annual basis. It is for the school to determine at what time of the year they wish to complete the form.

Governors must demonstrate compliance through the submission of the SFVS assessment form signed by the Chair of Governors. The form must include a summary of remedial actions with a clear timetable, ensuring that each action has

a specified deadline and an agreed owner. Governors must monitor the progress of these actions to ensure that all actions are cleared within specified deadlines.

All maintained schools with a delegated budget must submit the form to the authority before the end of the financial year (31st March).

5.17. Fraud

All schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets.

The governing body and the headteacher must inform all staff of school policies and procedures related to fraud and theft, the control in place to prevent them; and the consequences of breaching these controls. This information must also be included in induction for all new school staff and governors.

6. Instalments of Budget Share: Banking Arrangements

The authority has adopted the “CIPFA Code of Practice for Treasury Management in Local Authorities”.

For the purposes of this section, budget share includes place-led funding for special schools, resource units and PRUs.

6.1. Frequency of instalments

Schools with their own bank accounts will receive monthly instalments of their budget share normally on the Monday before the last Thursday of each month.

Schools that use West Berkshire’s Imprest system will have an imprest limit set based on a monthly instalment of their budget share less any central payments e.g. payroll.

Top-up payments for pupils with high needs will be made on a termly basis unless alternative arrangements have been agreed with the relevant provider.

6.2. Proportion of budget share payable at each instalment

Budget share payments to schools with their own external bank account will be made in accordance with the schedule of payment agreed with individual schools and the Service Lead, Finance, Property and Procurement; normally the monthly payment will be equal to one twelfth of the schools approved budget share, except for month one where an additional one third of the normal monthly payment is paid at the beginning of the month, and month twelve where two thirds of the normal monthly payment is paid.

Schools on the imprest system which use an external payroll provider will make their salary payments through their imprest account and reclaim the expenditure retrospectively. The imprest limit will reflect this payment.

6th form funding and other Education Funding Agency (EFA) grants such as pupil premium will be paid according to the schedule and receipt of the grant from the EFA.

6.3. Interest clawback

Where a school requests and the authority agrees to make available the budget share in advance (of what the authority believes to be reasonable cash flow needs taking account of the pattern of expenditure of schools of that size, and any particular representations relating to the individual school's circumstances), the authority may deduct from the budget share an amount equal to the estimated interest lost by the authority.

The calculation basis will be at a rate up to 2 per cent above the bank base rate at the time of the advance.

6.4. Interest on late budget share payments

The authority will add interest to budget share payments which are late as a result of authority error.

The interest rate used will be that used for clawback calculations in 6.3 above or if no such clawback mechanism is in place, at least the current Bank of England base rate.

6.5. Budget share for closing schools

Budget shares of schools for which approval for discontinuation has been secured, will be made available until closure on a monthly basis, net of estimated pay costs, even where some different basis was previously used.

6.6. Bank and building society accounts

Bank accounts as referred to here do not include imprest bank accounts.

All maintained schools may have an external bank account into which their budget share instalments (as determined by other provisions) are paid and any interest payable on the account can be retained by the school.

Where a school opens an external bank account, the authority must, if the school desires, transfer immediately to the account an amount agreed by both school and authority as the estimated surplus balance held by the authority in respect of the school's budget share, on the basis that there is a subsequent correction when the accounts for the relevant year are closed.

Any school in deficit requesting an external bank account shall not be able to have one until any deficit is cleared.

New bank account arrangements may only be requested with effect from the beginning of each financial year provided two months' notice has been given.

6.7. Restriction of accounts

The banks or building societies with which schools may hold an account for the purpose of receiving budget share payments must be as per the approved list consistent with the authority's Treasury Management Policy.

Any school closing an account used to receive its budget share and opening another must select the new bank or building society which meets the criteria set out in this paragraph even if the closed account was with an institution which did not.

Schools are allowed to have bank accounts for budget share purposes which are in the name of the school rather than the authority. The account mandate should provide that the authority is;

- the owner of the funds in the account,
- entitled to receive statements on request, and
- can take control of the account if the school's right to a delegated budget is suspended by the authority.

Budget share funds paid by the authority and held in school accounts remain authority property until spent (section 49 (5) of the act).

Signatories for external bank accounts are restricted to authority and school employees only. No account should be restricted to authority employees only, because this is not practicable for foundation or aided schools. Governors who are not members of staff are barred from being signatories.

6.8. Borrowing by schools

With the exception of loan schemes run by the authority (7.10) and the financial instruments outlined in the scheme (section 5.10), governing bodies may borrow money (which includes the use of finance leases) only with the written permission of the Secretary of State. The introduction of IFRS16 for local authorities from 1 April 2024 ends the distinction between operating and finance leases at maintained schools for accounting purposes. Under the Education Act 2002, all leases will be classed as borrowing and will require the Secretary of State for Education's consent.

Details of all such requests and subsequent approvals or otherwise should be supplied in writing to the authority's Chief Finance Officer.

The Secretary of State has, however, agreed to provide blanket consent to a range of the most common leasing activities, as set out in the [Leasing for maintained schools - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/leasing-for-maintained-schools). Leases not included in this Order will still require the written consent of the Secretary of State, and it remains the general position that schools will only be granted permission for other types of borrowing in exceptional circumstances. From time to time, however, the Secretary of State may introduce limited schemes to meet broader policy objectives. The Secretary of State's general position is that schools will only be granted permission for borrowing in exceptional circumstances. From time to time, however, the Secretary of State may introduce limited schemes in order to meet broader policy objectives.

Schools may use any scheme that the Secretary of State has said is available to schools without specific approval.

Schools are barred from using interest bearing credit cards and overdrafts (external bank accounts) which are regarded as borrowing. However, schools may use a Government Procurement Card in order to facilitate electronic purchases. Schools are required to adhere to the authority protocol on the use of procurement cards. No interest charges should be incurred by the school, with balances fully cleared on a monthly basis.

The restrictions do not apply to Trustees or Foundations, whose borrowing as private bodies makes no impact on government accounts. These debts may not be serviced directly from delegated budgets, but schools are free to agree a charge for a service which the Trustees or Foundation are able to provide as a consequence of their own borrowing.

Governing bodies do not act as agents of the authority when repaying loans.

This provision does not apply to loan schemes run by the authority.

7. The Treatment of Surplus and Deficit Balances in Relation to Budget Shares

7.1. Right to carry forward surplus balances

Schools must carry forward from one financial year to the next any surplus in net expenditure relative to the school's budget share for the year plus/minus any balance brought forward from the previous year.

If a school requests to set up its own external bank account, an amount will be paid into the school's new account on the 1 April representing any invested balances held by the council on behalf of the school, plus an estimate of any underspend in the financial year immediately prior to the opening of the account. If the school is expected to overspend in the preceding financial year, the amount of the estimated overspend will be deducted from the invested balances transferred to the new account. The estimate of any under or overspend will be agreed between the authority and the school. When the school's final outturn position for the previous financial year is known and agreed between the authority and the school, an adjustment will, if necessary, be made to the opening balance paid into the account by adding to or deducting an amount from the next instalment of the school's budget share to be paid into its bank account.

The amount of a surplus balance would be shown in the relevant outturn statement published in accordance with directions given by the Secretary of State under section 251 of the Apprenticeships, Skills, Children and Learning Act 2009; although there may be commitments against any figure shown in such a statement.

7.2. Controls on surplus budgets

Although schools have the autonomy to plan for and use their funding in the way that best meets the purposes of their school, they should not be carrying forward significant excessive surplus balances which are uncommitted and without a plan for their use. An excessive balance for this purpose is deemed to be 10% of the school's budget share for the financial year or £50,000, whichever sum is the greatest.

In order to control surplus balances, the authority will report the balances held by each school at the end of the financial year to the schools' forum (during the summer term), alongside the actual and planned balance for the previous three years and any other data deemed to be of relevance.

Individual schools with excessive balances should provide further information on a School Balance Statement, to be reviewed by the Heads Funding Group to ensure information surrounding commitments is justified and reasonable. Any uncommitted balance and anything in the statement that it is deemed should be covered by future budgets rather than balances, could be subject to clawback.

The maximum that could be clawed back each year is the amount of school balance in excess of 10% of their budget share, subject to leaving the schools with a minimum balance of £50,000. The actual amount of clawback will be recommended by the Heads Funding Group to the Schools Forum.

7.3. Interest on surplus balances

Balances held by the authority on behalf of schools will attract no interest unless it is invested in the authority's reserve account where this accrues directly to the school. The rate of interest paid will be based on the average rate earned by the council on its investments.

7.4. Obligation to carry forward deficit balances

Deficit balances will be carried forward by the deduction of the relevant amounts from the following year's budget share.

The deficit balance would be shown on the outturn statement published in accordance with directions given by the Secretary of State under section 251 of the Apprenticeships, Skills, Children and Learning Act 2009; although this might be shown gross of committed expenditure and therefore appear lower than would otherwise be the case.

Schools closing the financial year with an unplanned deficit, though setting a balanced budget for the current year, may be asked to submit the same additional information (for one year only) as those schools with a licensed deficit (see paragraph 7.9) and will be notified accordingly.

7.5. Planning for deficit budgets

Schools must submit a recovery plan to the authority when they have a revenue deficit at 31 March of any year.

Schools may only plan for a deficit budget in accordance with the terms of paragraph 7.9 below.

7.6. Charging interest on deficit balances

The authority may charge interest on any deficit balance at the bank base rate depending on the reason why the deficit has occurred. The Chief Finance Officer,

in consultation with the Service Director (Education & SEND), will determine whether interest will be payable and will advise the school accordingly when the deficit is approved.

7.7. Writing off deficits

The authority has no power to write off the deficit balance of any school.

7.8. Balances of closing and replacement schools

Where in the funding period, a school has been established or is subject to a prescribed alteration as a result of the closure of a school, the authority may add an amount to the budget share of the new or enlarged school to reflect all or part of the unspent budget share, including any surplus carried over from previous funding periods, of the closing school for the funding period in which it closes.

7.9. Licensed deficits

The authority will permit schools to plan for a deficit budget in particular circumstances.

The funding to allow such a deficit budget shall be provided from the collective surplus of school balances held by the authority on behalf of schools, although it is open to the authority, in circumstances where there is no such surplus, to make alternative arrangements if it can do so within the relevant local authority finance legislation.

The detailed arrangements applying to this scheme are set out below:

- The recommended length over which schools may repay the deficit, i.e. reach at least a zero balance, with appropriate mechanism to ensure that the deficit is not simply extended indefinitely, is three years. The maximum length of repayment is three years.
- The deficit will only be agreed to allow a school in the short term to maintain a level of spend which, in the opinion of the Service Director (Education & SEND), is the minimum required to deliver the National Curriculum.
- The maximum size of the deficit in normal circumstances will not exceed 5% of the school's budget share.
- The maximum proportion of the collective balances held by the authority, which would be used to back the arrangement, shall not exceed 20%.
- Before a deficit budget is approved, the school must produce a detailed deficit recovery plan in the prescribed format for the duration of the planned period of the deficit, which will be reviewed at least annually.
- The school must meet with the authority at least every 6 months to review progress of the deficit recovery plan and attend schools forum if requested.

- The school must submit monthly budget monitoring reports to Schools Accountancy.
- The school must submit a copy of any governor meeting minutes (both draft and signed) where the budget is discussed (a member of the authority may also attend such meetings).
- The school must take part in
 - any review the authority commissions on the school's budget deficit position and recovery plan, including a Schools Resource Management Advisor deployment paid for by the DfE and
 - the introduction and use of any additional analysis and data tools deemed appropriate including Integrated curriculum and financial planning (ICFP).
 - at its own cost any financial training identified by the authority as being of possible benefit to the school's financial management and deficit recovery.
- The Service Director (Education & Send), jointly with the Chief Finance Officer will be responsible for approving any deficit.

In circumstances where a school requires a budget share advance in order not to be to be overdrawn at their bank, this shall be treated as a cash advance and not a loan. This will have no effect on the school's budget and outturn statements.

7.10.Loan Schemes

There is no loan scheme available.

Credit union approach

Schools may wish to group together to utilise externally held balances for a credit union approach to loans. Where schools choose to borrow money through such a scheme the authority will require audit certification of the running of the scheme.

8. Income

The basic principle is that schools should be able to retain income except in certain specified circumstances.

8.1. Income from lettings

Schools may retain income from lettings of the school premises which would otherwise accrue to the authority, subject to alternative provisions arising from any joint use or private finance initiative (PFI) or purchasing power parity (PPP) agreements.

Schools are allowed to cross-subsidise lettings for community and voluntary use with income from other lettings, provided the governing body is satisfied that this will not interfere to a significant extent with the performance of any duties imposed on them by the education acts, including the requirement to conduct the school with a view to promoting high standards of educational achievement.

Schools are required to have regard to directions issued by the authority as to the use of school premises as permitted under the act for various categories of schools.

Income from lettings of school premises should not normally be payable into voluntary or private funds held by the school. However, where land is held by a charitable trust, it will be for the school's trustees to determine the use of any income generated by the land.

8.2. Income from fees and charges

Schools may retain income from fees and charges except where a service is provided by the authority from centrally retained funds. However, schools are required to have regard to any policy statements on charging produced by the authority.

8.3. Income from fund-raising activities

Schools may retain income from fund-raising activities.

8.4. Income from sale of assets

Schools may retain the proceeds of sale of assets, except in cases where the asset was purchased with non-delegated funds (in which case it should be for the authority to decide whether the school should retain the proceeds), or the asset concerned is land or buildings forming part of the school premises and is owned by the authority. Any retention of funds from the sale of land assets is subject to the consent of the Secretary of State, and any conditions the Secretary of State may attach to that consent relating to use of proceeds.

The retention of proceeds of sale for premises not owned by the authority will not be a matter for the scheme.

8.5. Administrative procedures for the collection of income

Schools shall, where possible, process income that accrues to the Authority (e.g. where a school has contracted with the Council meal service) in accordance with the authorities financial regulations see Constitution Part 9 – Financial Rules, Appendix F - Income

8.6. Purposes for which income may be used

Income from the sale of assets purchased with delegated funds may only be spent for the purposes of the school.

9. The Charging of School Budgets

9.1. General provision

The budget share of a school may be charged by the authority without the consent of the governing body only in circumstances set out in 9.3 below. The authority shall consult a school as to the intention to so charge and shall notify a school when it has been done.

The authority cannot act unreasonably in the exercise of any power given by this scheme, or it may be the subject of a direction under section 496 of the Education Act 1996. The authority shall make arrangements for a disputes procedure for such charges that will include both council member and headteacher representation.

For each of the circumstances in 9.3 below the authority would have to be able to demonstrate that the authority had necessarily incurred the expenditure now charged to the budget share. This means that where the authority cannot incur a liability because the statutory responsibility rests elsewhere, no charging is possible. Therefore, the position on charging will vary between categories of school.

In some cases, the ability to charge budget shares depends on the authority having given prior advice to the governing body.

Local authorities may de-delegate funding for permitted services without the express permission of the governing body, provided this has been approved by the appropriate phase representatives at the schools forum.

9.2. Charging of salaries at cost

The authority will charge salaries of school-based staff to school budget shares at actual cost.

9.3. Circumstances in which charges may be made

- Where premature retirement costs have been incurred without the prior written agreement of the authority to bear such costs (the amount chargeable being only the excess over any amount agreed by the authority).
- Other expenditure incurred to secure resignations where there is good reason to charge this to the school.
- Awards by courts and industrial tribunals against the authority or out of court settlements, arising from action or inaction by the governing body contrary to the authority's advice. Awards may sometimes be against the governing body directly and would fall to be met from the budget share. Where the authority is joined with the governing body in the action and has expenditure as a result of the governing body not taking authority advice, the charging of the budget share with the authority expenditure protects the authority's position. Authorities should ensure in framing any such advice that they have taken proper account of the role of aided school governing bodies.

- Expenditure by the authority in carrying out health and safety work or capital expenditure for which the authority is liable where funds have been delegated to the governing body for such work, but the governing body has failed to carry out the required work.
- Expenditure by the authority incurred in making good defects in building work funded by capital spending from budget shares, where the premises are owned by the authority, or the school has voluntary controlled status.
- Expenditure by the authority incurred in insuring its own interests in a school where funding has been delegated but the school has failed to demonstrate that it has arranged cover at least as good as that which would be arranged by the authority. The authority itself needs to consider whether it has an insurable interest in any particular case.
- Recovery of monies due from a school for services provided to the school, where a dispute over the monies due has been referred to a disputes procedure set out in a service level agreement and the result is that monies are owed by the school to the authority.
- Recovery of penalties imposed on the authority by the Board of Inland Revenue, the Contributions Agency, HM Revenue and Customs (HMRC), Teachers' Pensions, the Environment Agency or other regulatory authorities as a result of school negligence.
- Correction of authority errors in calculating charges to a budget share (e.g. pension deductions). Before applying any such provision, the authority should consider whether it is reasonable to do so. If the error dates back several years it may be questionable whether such charging is reasonable.
- Additional transport costs incurred by the authority arising from decisions by the governing body on the length of the school day, and/or failure to notify the authority of non-pupil days resulting in unnecessary transport costs.
- Legal costs which are incurred by the authority because the governing body did not accept the advice of the authority.
- Costs of necessary health and safety training for staff employed by the authority, where funding for training had been delegated but the necessary training not carried out.
- Compensation paid to a lender where a school enters into a contract for borrowing beyond its legal powers, and the contract is of no effect.
- Cost of work done in respect of teacher pension remittance and records for schools using non-authority payroll contractors, the charge to be the minimum needed to meet the cost of the authority's compliance with its statutory obligations.
- Costs incurred by the authority in securing provision specified in an Education and Health Care Plan (EHCP) where the governing body of a

school fails to secure such provision despite the delegation of funds in respect of low cost high incidence SEN and/or specific funding for a pupil with high needs.

- Costs incurred by the authority due to submission by the school of incorrect data.
- Recovery of amounts spent from specific grants on ineligible purposes.
- Costs incurred by the authority as a result of the governing body being in breach of the terms of a contract.
- Costs incurred by the authority or another school as a result of a school withdrawing from a cluster arrangement, for example where this has funded staff providing services across the cluster.
- Costs incurred by the authority in administering admission appeals, where the authority is the admissions authority and the funding for admission appeals has been delegated to all schools as part of their formula allocation.
- Costs incurred by the authority in relation to the conversion of a school to an academy
- The cost of an undisputed invoice for energy where a school has entered into an agreement with the Secretary of State for the supply of energy and failed to pay such an invoice (Regulation 23 of the regulations).

10. Taxation

10.1. Value Added Tax (VAT)

VAT amounts reclaimed through the appropriate procedure below will be passed back to the school.

- a) Schools with an Imprest bank account should reclaim the net of VAT paid and VAT charged by submitting (at least monthly except for August) an Imprest Claim to the authority, once checked the reimbursement is paid by the authority to school's Imprest bank account. More detailed guidance on how to claim and timescales is available electronically at SLA Online.

or

- b) Non imprest schools should claim the net of VAT paid and VAT charged by submitting (at least monthly except for August) an appropriately authorised VAT Submittal form generated by the school's accounting system. Correctly completed VAT submittals received by 12 noon on a Tuesday will normally be included on that week's weekly payment sheet, so the school's bank account will be reimbursed the following Tuesday.

HMRC has agreed that VAT incurred by schools when spending any funding made available by the authority is treated as being incurred by the authority and qualifies for reclaim by the authority.

This does not include expenditure by the governors of a voluntary aided school when carrying out their statutory responsibilities to maintain the external fabric of their buildings. See section 15 below.

Maintained schools should seek advice of the WBC Schools Accountancy team in relation to VAT if there is any doubt as to how a particular transaction should be treated.

10.2. Construction Industry Taxation Scheme (CIS)

Schools are required to abide by the procedures issued by the authority in connection with CIS.

11. The Provision of Services and Facilities by the Authority

11.1. Provision of services from centrally retained budgets

The authority shall determine on what basis services from centrally-retained funds (including existing commitments for premature retirement costs and redundancy payments) will be provided to schools.

The authority is barred from discriminating in its provision of services on the basis of categories of schools, except in cases where this would be allowable under the School and Early Years Finance Regulations or the dedicated schools grant (DSG) conditions of grant.

11.2. Provision of services bought back from authority using delegated budgets

The term of any arrangement with a school to buy services or facilities from the authority shall be limited to a maximum of 3 years from the inception of the scheme or the date of the agreement, whichever is the later, and periods not exceeding 5 years for any subsequent agreement relating to the same services.

There is an exception in the case of contracts for the supply of catering services which shall be limited to a maximum of 5 years, which may be extended for a maximum of 7 years.

Services provided to schools, for which funding is not retained centrally by the authority (under the regulations made under section 45A of the act) will be offered at prices which are intended to generate sufficient income to cover the cost of providing those services. The total cost of those services will be met by the total income, even if schools are charged differentially.

11.3. Packaging

The authority may provide any services for which funding has been delegated. But where the authority is offering the service on a buyback basis it must do so in a way that does not unreasonably restrict schools' freedom of choice among the services available. Where practicable, this will include provision on a service-by-service basis as well as in packages of services.

This provision will not prevent the authority offering packages of services which

offer a discount for schools taking up a wider range of services.

11.4. Service level agreements

Service level agreements for services to be provided by the authority to schools must be in place (i.e. signed and returned by headteachers/chairs of governor) by 31 March to be effective for the following financial year and schools will have at least a month to consider the terms of agreements prior to finalising them. In practice the authority will aim to make available any new service level agreements for the coming financial year by at least 1 January each year.

Where services or facilities are provided under a service level agreement, whether free or a buyback basis, the terms of any such agreement starting on or after the inception of the scheme will be reviewed at least every 3 years if the agreement lasts longer than that.

Services, if offered at all by the authority, shall be available on a basis that is not related to an extended agreement, as well as on the basis of such agreements.

Where such services are provided on an ad-hoc basis they may be charged for at a different rate than if those services were provided on the basis of an extended agreement.

Centrally-arranged provision for premises and liability insurance are excluded from the requirements as to service supply, as the limitations envisaged may be impracticable for insurance purposes.

11.5. Teachers' pensions

In order to ensure that the performance of the duty on the authority to supply Teachers' Pensions with information under the Teachers' Pension Scheme Regulations 2014, the following conditions are imposed on the authority and governing bodies of all maintained schools covered by this scheme in relation to their budget shares.

These conditions only apply to governing bodies of maintained schools that have not entered into an arrangement with the authority to provide payroll services.

A governing body of any maintained school, whether or not the employer of the teachers at such a school, which has entered into any arrangement or agreement with a person other than the authority to provide payroll services, shall ensure that any such arrangement or agreement is varied to require that person to supply salary, service and pensions data to the authority which the authority requires to submit its monthly return of salary and service to Teachers' Pensions and to produce its audited contributions certificate.

A governing body of any maintained school which directly administers its payroll shall supply salary, service and pensions data to the authority which the authority requires to submit its monthly return of salary and service to Teachers' Pensions and to produce its audited contributions certificate.

The authority will advise schools each year of the timing, format and specification of the information required from each school. A governing body shall also ensure that AVCs are passed to the authority within the time limit specified in the AVC scheme. The governing body shall meet any consequential costs from the school's budget share.

12. Private finance initiative (PFI) / Public private partnerships (PPP)

12.1. PFI/PPP

It may be necessary to vary the terms of this scheme in the event of contracts being let under the framework for PFI/PPP, in such cases the authority will undertake appropriate prior consultation.

13. Insurance

13.1. Insurance cover

If funds for insurance are delegated to any school, the authority may require the school to demonstrate that cover relevant to the authority's insurable interests, under a policy arranged by the governing body, is at least as good as the relevant minimum cover arranged by the authority if the authority makes such arrangements, either paid for from central funds or from contributions from schools' delegated budgets.

The evidence required to demonstrate the parity of cover will be reasonable, not place an undue burden upon the school, nor act as a barrier to the school exercising their choice of supplier.

The authority will have regard to the actual risks which might reasonably be expected to arise at the school in question in operating such a requirement, rather than applying an arbitrary minimum level of cover for all schools.

Instead of taking out insurance, a school may after 1st April 2020 join the Secretary of State's Risk Protection Arrangement (RPA) for risks that are covered by the RPA. Schools may do this individually when any insurance contract of which they are part expires. Alternatively, all primary and/or secondary maintained schools may join the RPA collectively by agreeing through the schools forum to de-delegate funding.

14. Miscellaneous

14.1. Right of access to information

Governing bodies shall supply to the authority all financial and other information which might reasonably be required to enable the authority to satisfy itself as to the school's management of its delegated budget share, or the use made of any central expenditure by the authority on the school (e.g. earmarked funds).

14.2. Liability of governors

Because the governing body is a corporate body, and because of the terms of section 50(7) of the act, governors of maintained schools will not incur personal

liability in the exercise of their power to spend the delegated budget share provided they act in good faith.

An example of behaviour which is not in good faith is the carrying out of fraudulent acts. Breaches of the scheme are not in themselves failures to act in good faith; neither is rejection of authority advice as to financial management.

14.3. Governors' allowances

Schools without delegated budgets

The authority may delegate to the governing body of a school yet to receive a delegated budget, funds to meet governors' expenses.

Governing bodies would not normally have discretion in the amounts of such allowances which would be set by the authority.

Schools with delegated budgets

Under section 50(5) of the act, only allowances in respect of purposes specified in in regulations made under section 19 of the Education Act 2002 may be paid to governors from a school's delegated budget share.

Schools are expressly forbidden from paying any other allowances to governors.

Schools are also barred from payment of expenses duplicating those paid by the Secretary of State to additional governors appointed by him to schools under special measures.

14.4. Responsibility for legal costs

Legal costs incurred by the governing body may be charged to the school's budget share, unless the governing body acts in accordance with the advice of the authority; although this is the responsibility of the authority, as part of the cost of maintaining the school unless they relate to the statutory responsibility of voluntary aided school governors for buildings.

The effect of this is that a school cannot expect to be reimbursed for the cost of legal action against the authority itself; although there is nothing to stop an authority making such reimbursement if it believes this to be desirable or necessary in the circumstances.

The costs referred to are those of legal actions, including costs awarded against an authority; not the cost of legal advice provided.

In instances where there appears to be a conflict of interest between the authority and the governing body, schools are advised to obtain a list of suitably qualified firms of solicitors practicing in the area available from the Law Society, 113 Chancery Lane, London WC2, telephone number 0870 606 2500 or www.lawsociety.org.uk

14.5. Health and Safety

In expending the school's budget share, governing bodies should have due regard to duties placed on the authority in relation to health and safety, and the authority's policy on health and safety matters in the management of the budget share.

14.6. Right of attendance for Chief Finance Officer

Governing bodies are required to permit the Chief Finance Officer (Section 151 Officer) of the authority, or any officer of the authority nominated by the Chief Finance Officer, to attend meetings of the governing body at which any agenda items are relevant to the exercise of their responsibilities.

The Chief Finance Officer's attendance shall normally be limited to items which relate to issues of probity or overall financial management and shall not be regarded as routine. The authority will give prior notice of the Chief Finance Officer intention to attend unless it is impracticable to do so.

14.7. Special Education Needs

Schools are required to use their best endeavours in spending the budget share, to secure the special educational needs of their pupils.

If the authority is advised that this is not being achieved, it may suspend delegation where a situation is serious enough to warrant it; this would not normally relate to an individual pupil.

14.8. Interest on late payments

The terms of the scheme cannot affect statutory requirements now introduced on this matter.

14.9. Whistle blowing

If any person working at a school, or a school governor, wishes to make a complaint about financial management or financial propriety at the school they should contact the Chief Finance Officer at the authority.

All complaints will be treated confidentially.

14.10. Child protection

Schools should be prepared to release staff to attend child protection case conferences and other related events. Costs in this regard should be met from school delegated budgets.

14.11. Redundancy / Early retirement costs

The 2002 Education Act sets out how premature retirement and redundancy costs should normally be funded.

The responsibility and procedure for the payment of redundancy/early retirement costs is set out in the West Berkshire Council School Severance Funding Policy, which can be accessed by schools on WBC SLA Online.

15. Responsibility for repairs and maintenance

15.1. Responsibility for repairs and maintenance

The authority delegates funding for repairs and maintenance to schools. Only capital expenditure is retained by the authority.

For these purposes, expenditure may be treated as capital only if it fits the definition of capital used by the authority for financial accounting purposes in line with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on local authority accounting.

The authority uses a de-minimis limit of £10,000 for defining capital in its own financial accounts, this sum applies to the total cost of the scheme and not individual items.

The same de minimus limit is used in defining what is delegated.

For voluntary aided schools, the liability of the authority for repairs and maintenance (albeit met by delegation of funds through the budget share) is the same as for other maintained schools, so no separate list of responsibilities is necessary for such schools.

However, eligibility for capital grant from the Secretary of State for capital works at voluntary aided schools depends on the *de-minimis* limit applied by DfE to categorise such work, not the *de-minimis* limit used by the authority.

16. Community facilities

Note: This section of the scheme does not extend to joint-use agreements; transfer of control agreements, or agreements between the authority and schools to secure the provision of adult and community learning.

Schools which choose to exercise the power conferred by section 27 (1) of the Education Act 2002 to provide community facilities will be subject to controls. Regulations made under section 28 (2), if made, can specify activities which may not be undertaken at all under the main enabling power.

Section 88 of the Children and Families Act 2014, has removed the requirements in section 28(4) and section 28(5) of the Education Act 2002 for maintained schools in England. Under section 28(4) a school was obliged to consult the authority and under section 28(5) a school must have regard to advice or guidance from the Secretary of State or their authority when offering this type of provision.

Under section 28(1), the main limitations and restrictions on the power will be those contained in the maintaining authority's scheme for financing schools made under section 48 of the Schools Standards and Framework Act 1998 as amended by Paragraph 2 of Schedule 3 to the Education Act 2002 which extends the coverage of schemes to include the exercise of the powers of governing bodies to provide community facilities.

Schools are therefore subject to prohibitions, restrictions and limitations in the scheme for financing schools.

The mismanagement of community facilities funds can be grounds for suspension of the right to a delegated budget.

16.1.Consultation with the authority: financial aspects

Changes made by the Children and Families Act 2014 mean that schools no longer need to consult the authority when establishing community facilities under Section 27 of the Education Act 2002. Nor do they have to have regard to advice given to them by their authority.

However, as public bodies, schools are expected to act reasonably, and this includes consulting those affected by decisions that they make.

16.2.Funding agreements: authority powers

The provision of community facilities in many schools may be dependent on the conclusion of a funding agreement with a third party which will either be supplying funding or supplying funding and taking part in the provision. A very wide range of bodies and organisations are potentially involved.

Before concluding any such third party funding agreements, the Governing Body is required to submit detailed proposals to the Section 151 Officer for consideration by the authority at least eight weeks prior to signing any agreement.

The Secretary of State does not consider that it is appropriate for authorities to have a general power of veto for these agreements.

However, if a third party funding agreement has been or is to be concluded against the wishes of the authority, or has been concluded without informing the authority, which in the view of the authority is seriously prejudicial to the interests of the school or the authority, that may constitute grounds for suspension of the right to a delegated budget.

16.3.Other prohibitions, restrictions and limitations

Where the authority considers that such an agreement constitutes a significant financial risk, then the governing body may be required to make arrangements to protect the authority's financial interest. This may be by carrying out the activity concerned through the vehicle of a private limited company formed for the purpose or by obtaining indemnity insurance for risks associated with the project in question, as specified by the authority.

16.4.Supply of financial information

Schools which exercise the community facilities power should provide the authority with a statement at the end of P9, in a form determined by the authority, showing the income and expenditure for the school arising from the facilities in question for the year to date and on a forecast basis, for the remainder of the financial year.

If the authority has concerns about the financial arrangements for the provision of community use, then on giving notice to the school it may require such financial statements to be supplied every 3 months and, if the authority sees fit, to require the submission of a recovery plan for the activity in question.

Financial information relating to community facilities will be included in returns made by schools under the consistent financial reporting (CFR) framework, and these will be relied upon by the authority as its main source of information for the financial aspects of community facilities.

However, the CFR timetable is such that the authority is likely to want supplementary information in order to ensure that schools are not at financial risk. Schedule 15 of the act provides that mismanagement of funds spent or received for community facilities is a basis for suspension of the right to delegation of the budget share.

16.5.Audit

The school is required to grant access to the school's records connected with the exercise of the community facilities power, in order to facilitate internal and external audit of relevant income and expenditure.

Where funding agreements are entered into with third parties for the provision of community facilities, the school is required to ensure that provision is made for access by the authority to records and other property held on school premises, or held elsewhere insofar as they relate to the activity in question, in order for the authority to satisfy itself as to the propriety of expenditure on the facilities in question.

16.6.Treatment of income and surpluses

Schools may retain all net income derived from community facilities except where otherwise agreed with a funding provider, whether that be the authority or some other person.

Schools may carry such retained net income over from one financial year to the next as a separate community facilities surplus.

16.7.Health and safety matters

It will be the responsibility of the school's governing body to ensure that any health and safety provisions of the main scheme also apply to the community facilities power.

It will be the governing body's responsibility to meet the costs of securing Disclosure and Barring Service clearance, where appropriate for all adults involved in community activities taking place during the school day.

Governing bodies are free to pass on such costs to a funding partner as part of an agreement with that partner.

16.8.Insurance

It is the responsibility of the governing body to ensure adequate arrangements are made for insurance against risks arising from the exercise of the community facilities power, taking professional advice as necessary.

Such insurance should not be funded from the school budget share. Schools should seek the authority's advice before finalising any insurance arrangement for community facilities.

In principle, the insurance issues arising from use of the community facilities power are the same as those which already arise from non-school use of school premises. However, a school proposing to provide community facilities should, as an integral part of its plans, undertake an assessment of the insurance implications and costs, seeking professional advice if necessary.

The authority is empowered to undertake its own assessment of the insurance arrangements made by a school in respect of community facilities, and if it judges those arrangements to be inadequate, make arrangements itself and charge the resultant cost to the school.

Such a provision is necessary in order for the authority to protect itself against possible third-party claims.

Instead of taking out insurance, a school may join the RPA for risks that are covered by the RPA.

16.9. Taxation

Schools should seek the advice of the authority and the local VAT office on any issues relating to the possible imposition of VAT on expenditure in connection with community facilities; including the use of the authority's VAT reclaim facility.

If any member of staff employed by the school or authority in connection with community facilities at the school is paid from funds held in a school's own bank account (whether a separate account is used for community facilities or not – see section 11), the school is likely to be held liable for payment of income tax and National Insurance, in line with HMRC rules.

School should follow authority advice in relation to the CIS where this is relevant to the exercise of the community facilities power.

16.10. Banking

Schools should either maintain separate bank accounts for budget share and community facilities or have one account but with adequate internal accounting controls to maintain separation of funds.

Schools should also have regard to the provisions at 6.6 and 6.7 above relating to the banks which may be used, signing of cheques, the titles of bank accounts, the contents of bank account mandates, and similar matters. The general approach to these matters should mirror the main part of the scheme.

Annex A: LIST OF SCHOOLS TO WHICH THIS SCHEME APPLIES

PRIMARY SCHOOLS

Aldermaston Church of England Primary School
Basildon Church of England Primary School
Beedon Church of England Controlled Primary School
Beenham Primary School
Birch Copse Primary School
Bradfield Church of England Primary School
Brightwalton Church of England Aided Primary School
Brimpton Church of England Primary School
Bucklebury Church of England Primary School
Burghfield St. Mary's Church of England Primary
Calcot Infant School and Nursery
Calcot Junior School
Chaddleworth St. Andrew's Church of England Primary School
Chieveley Primary School
Cold Ash St Mark's Church of England Primary School
Compton Church of England Primary School
Curridge Primary School
Downsway Primary School
Enborne Church of England Primary School
Englefield Church of England Primary School
Falkland Primary School
Garland Junior School
Hampstead Norreys Church of England Primary School
Hermitage Primary School
Hungerford Primary School
The Ilsleys Primary School
Inkpen Primary School
John Rankin Infant and Nursery School
John Rankin Junior School
Kennet Valley Primary School
Kintbury St. Mary's Church of England Primary School
Long Lane Primary School
Mrs Bland's Infant School
Mortimer St John's Church of England Infant School
Mortimer St Mary's Church of England Junior School
Pangbourne Primary School
Parsons Down Infant and Nursery School
Parsons Down Junior School
Purley Church of England Infant School
Robert Sandilands Primary School and Nursery
Shaw-cum-Donnington Church of England Primary School
Shefford Church of England Primary School
Springfield Primary School
Spurcroft Primary School
St. Finian's Catholic Primary School
St. John the Evangelist Infant and Nursery School
St. Joseph's RC Primary

St. Nicolas Church of England Junior School
St. Paul's Catholic Primary School
Stockcross Church of England Primary School
Streatley Church of England Voluntary Controlled School
Sulhamstead & Ufton Nervet Church of England Voluntary Aided Primary School
Thatcham Park Primary School
Theale Church of England Primary School
Welford & Wickham Church of England Primary School
Westwood Farm Infant School
Westwood Farm Junior School
The Willows
Winchcombe School
Woolhampton Church of England Primary School
Yattendon Church of England Primary School

SPECIAL SCHOOLS

The Castle School

SECONDARY SCHOOLS

The Downs School
Little Heath School
The Willink School

NURSERY SCHOOLS

Hungerford Nursery School Centre for Children & Families
Victoria Park Nursery School

PUPIL REFERRAL UNITS

iCollege –

- Inspiration (Key Stages 1 & 2)
- Integration (Key Stages 3 & 4)
- Intervention (Years 9 & 10)
- Independence (Year 11 and Key Stage 5)

Annex B: GLOSSARY

“Chief Finance Officer”	Section 151 Officer (An officer appointed under section 151 of the Local Government Act 1972 which requires every local authority to appoint a suitably qualified officer responsible for the proper administration of its affairs.)
“the act”	School Standards and Framework Act 1998
“the authority”	West Berkshire Council
“the regulations”	School and Early Years Finance (England) (No. 2) Regulations 2018
AVC	Additional Voluntary Contributions
CFR	Consistent Financial Reporting
CIPFA	Chartered Institute of Public Finance Association
CIS	Construction Industry Taxation Scheme
DfE	Department for Education
DSG	Dedicated Schools Grant
HMRC	HM Revenues and Customs
ISB	Individual Schools Budget
PAYE	Pay As You Earn
PFI	Private Finance Initiative
PPP	Public Private Partnerships
SFVS	Schools Financial Value Standard
VAT	Value Added Tax

Annex C: EARLIER DIRECTED REVISIONS

Issue 17 - There are no new directed revisions in this issue.

Following consultation that closed on 19 March 2012, the Secretary of State directs that from 1 April 2012 the text below should be incorporated into the schemes of all local authorities in England. The revised text was included in the 26 March 2013 version of the guidance.

Efficiency and value for money

The scheme must include the following provision, which imposes a requirement on schools to achieve efficiencies and value for money, to optimise their resources and invest in teaching and learning, taking into account the purchasing, tendering and contracting requirements.

Schools must seek to achieve efficiencies and value for money, to optimize the use of their resources and to invest in teaching and learning, taking into account the local authority's purchasing, tendering and contracting requirements.

It is for heads and governors to determine at school level how to secure better value for money. There are significant variations in efficiency between similar schools, and so it is important for schools to review their current expenditure, compare it to other schools and think about how to make improvements

Schools financial value standard (SFVS)

All local authority maintained schools, including nursery schools and PRUs that have a delegated budget) must demonstrate compliance with the SFVS and complete the assessment form on an annual basis. It is for the school to determine at which time of the year they wish to complete the form.

Governors must demonstrate compliance through the submission of the SFVS assessment form signed by the chair of governors. The form must include a summary of remedial actions with a clear timetable, ensuring that each action has a specified deadline and an agreed owner. Governors must monitor the progress of these actions to ensure that all actions are cleared within specified deadlines.

Fraud

All schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets.

The governing body and head teacher must inform all staff of school policies and procedures related to fraud and theft, the controls in place to prevent them and the consequences of breaching those controls. This information must also be included in the induction for new school staff and governors.

Following consultation, the Secretary of State directs that from 19 August 2015 the text below shall be incorporated into the schemes of all local authorities in England.

Register of business interests

The scheme must contain a provision which requires the governing body of each maintained school to have a register which lists for each member of the governing body and the head teacher:

- any business interests that they or any member of their immediate family have
- details of any other educational establishments that they govern
- any relationships between school staff and members of the governing body

And to keep the register up to date with notification of changes and through annual review of entries, to make the register available for inspection by governors, staff and parents, and the local authority, and to publish the register, for example on a publicly accessible website.

Borrowing by schools

The scheme should contain a provision reminding schools that governing bodies may borrow money (which includes the use of finance leases) only with the written permission of the Secretary of State. The Secretary of State's general position is that schools will only be granted permission for borrowing in exceptional circumstances.

From time to time, however, the Secretary of State may introduce limited schemes in order to meet broader policy objectives. The scheme must contain a provision that allows schools to use any scheme that the Secretary of State has said is available to schools without specific approval, currently including the including the Salix scheme, which is designed to support energy saving.

Following consultation, the Secretary of State directs that from 22 March 2018 the text below shall be incorporated into the schemes of all local authorities in England.

Loan schemes

Loans will only be used to assist schools in spreading the cost over more than one year of large one-off individual items of a capital nature that have a benefit to the school lasting more than one financial or academic year.

Loans will not be used as a means of funding a deficit that has arisen because a school's recurrent costs exceed its current income.

If loans are made to fund a deficit and a school subsequently converts to academy status, the Secretary of State will consider using the power under paragraph 13(4)(d) of Schedule 1 to the Academies Act 2010 to make a direction to the effect that such a loan does not transfer, either in full or part, to the new academy school.

Submission of financial forecasts

Following consultation that closed on 30 September 2019, from the 2021 to 2022 funding year each school must submit a 3-year budget forecast each year, at a date determined by the local authority between 1 May and 30 June.

Following consultation that closed on 30 September 2019, the Secretary of State directs that the text below shall be incorporated into the schemes of all local authorities in England, however due to coronavirus (COVID-19) the directed revision to follow will only be expected to be enforced from the 2021 to 2022 funding year.

Planning for deficit budgets

Schools must submit a recovery plan to the local authority when their revenue deficit rises above 5% at 31 March of any year. Local authorities may set a lower threshold than 5% for

the submission of a recovery plan if they wish. The 5% deficit threshold will apply when deficits are measured as at 31 March 2026.

This page is intentionally left blank

Changes from Issue 16 of this guidance

1.1 Updates as shown in the Department for Education guidance:
[Schemes for financing local authority maintained schools 2026 to 2027 - GOV.UK](#)

1.2 Directed revisions

The Secretary of State may by a direction revise the whole or any part of the scheme as from such date as may be specified in the direction. To make a directed revision to schemes, the Secretary of State is required, by provisions in the School Standards and Framework Act 1998, to consult the relevant local authorities and other interested parties.

There are no new directed revisions in this issue.

1.3 Changes for 2026 to 2027

There are no changes in this issue.

1.4 The following updates have been made to better reflect current local policy positions and clarify information already contained in the scheme:

- 1) Front page updated (version 1.6) and the issue number of the statutory guidance from “issue 16” to “issue 17”
- 2) Annex A: LIST OF SCHOOLS TO WHICH THIS SCHEME APPLIES
 - a. Basildon removed – academising 1 May 2026
 - b. Compton removed – academised 1 April 2026
 - c. The Downs removed – academised 1 May 2026
 - d. John Rankin Infant & Nursery – academised 1 January 2026
 - e. John Rankin Junior School – academised 1 January 2026
- 3) Annex C: EARLIER DIRECTED REVISIONS
 - a. added “Issue 17 - There are no new directed revisions in this issue.”
 - b. Planning for deficit budgets updated to 2026
- 4) Point 5.1.2 updated to request all maintained schools submit P3, P6, and P9 budget monitoring forecasts within one month of each quarter end.
- 5) Point 5.2 updated to include procedure proposing change of financial software.
- 6) Point 5.3.1 updated to remove requirement for a deficit school to submit a 5 year budget plan.
- 7) Point 5.3.1 updated to confirm that deficit schools should show deficit recovery in three-year period.
- 8) Point 5.15 updated to confirm notice of concern may be issued when a school does not have a robust plan to repay the deficit within a maximum of three years.

This page is intentionally left blank

Proposed update to the Scheme for Financing Schools

Consultation Document for Schools 15 June to 25 June 2026

- 1.1 Local authorities are required to publish schemes for financing schools which set out the financial relationship between the local authority and the schools they maintain.
- 1.2 The Department for Education (DfE) issues statutory guidance for local authorities on schemes for financing schools. The DfE guidance lists the provisions which a local authority must, should or may include. Local schemes need not follow the exact format used in the DfE guidance, except for the text of directed revisions. The DfE guidance is updated annually.
- 1.3 Issue 17 was published on 26 March 2026 and can be found at:
<https://www.gov.uk/government/publications/schemes-for-financing-schools/schemes-for-financing-local-authority-maintained-schools>
- 1.4 In making any changes to the scheme, a local authority must consult all maintained schools in their area and receive the approval of the members of their Schools' Forum representing maintained schools.
- 1.5 The local authority has reviewed the current scheme to ensure that all sections are still appropriate. The proposed Scheme for Financing Schools (2026 update) and Appendix B highlighting the proposed updates are attached to this email.
- 1.6 In order to respond to this consultation, please email your comments to edith.cheng@westberks.gov.uk stating the corresponding paragraph number(s) at the start of each comment you make.
- 1.7 If a response is not received it will be assumed that the school has no comment to make and agrees the updated scheme.
- 1.8 The timetable for this consultation is as follows:

15 June to 25 June 2026	Consultation with Schools
13 July 2026	Schools' Forum approve revisions
14 July 2026	Revised scheme comes into operation

This page is intentionally left blank

EHCP Timeliness

Report being considered by: Schools' Forum / HFG
 Date of Meeting: 15 June 2026
 Report Author: Emma Ferrey
 Item for: Discussion By: All Forum Members

1. Purpose of the Report

1.1 This report sets out the current position on timeliness of finalising EHCPs and measures in place to improve.

2. Recommendation

2.1 Report is for information and discussion.

Is the Schools' Forum required to make a decision as part of this report or subsequent versions due to be considered later in the meeting cycle?	
Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>

3. Executive Summary

- 3.1 The KPI for EHCP timeliness has reduced from 47% in 2024 to 22% in 2025.
- 3.2 The SEN Assessment Team are over capacity and have been for some time. There has been no increase in the size of the team, despite the trebling of demand.
- 3.3 The demand for EHCPs, in terms of numbers, is significantly increasing, likely due to concerns from parent carers, and schools, regarding the implementation of the SEND White Paper Reforms over the coming years.

4. Introduction and background

- 4.1 The Statutory timescale is 6 weeks from request for an EHCP made by parent, young person, school or other agency to the LA deciding whether to carry out an Education, Health and Care Needs Assessment (EHCNA).
- 4.2 The Statutory timescale is 16 weeks from request made by parent, young person, school or other agency at which point the LA should issue a draft EHCP. The intent of the SEN Code of Practice (2015) is that the Draft EHCP is issued at week 16, enabling the parents to make representations, identify their preferred school for the local authority to consult with, as well as consulting with its own preference

EHCP Timeliness

- 4.3 The statutory timescale to issue a Final EHCP is at week 20. The Final EHCP should contain an educational provision, and its type, named in Section I (placement). At this time, parents are given their right to appeal the content of EHCP, namely B (SEN Needs), F (Provision) and I (placement). Parents can raise an extended appeal to include Health (G) and Social Care (H) provision.
- 4.4 Over the past 4 years, EHCP timeliness has decreased, both in numbers of Plans and as a percentage. Table 1 below shows the number of Plans completed within the 20-week timescale, this number as a percentage and the total number of EHCP assessments.

Table 1

Year	All EHCP assessments	No. completed within 20 weeks	% completed within 20 weeks
2020	83	60	72%
2021	157	98	62%
2022	190	114	60%
2023	281	177	63%
2024	266	125	47%
2025	259	58	22%
2026 (to April)	101	2	2%

- 4.5 To note: from 2020 to 2024, the number of Plans issued within the deadline had doubled, but the overall percentage had increased due to the escalation of requests for EHCP. 2025 data shows approximately the same number of Plans issued within deadline but a significantly reduced percentage as a whole.
- 4.6 The reduction in timeliness in 2025 and 2026 is due to a number of factors:
- (1) Capacity of the SEN Assessment Team
 - (2) Awaiting EP assessment report
 - (3) Parents challenging the content of the EHCP, particularly when they have commissioned private specialists
 - (4) Schools responding to consults with 'cannot meet need' which leads to further consultations required

EHCP Timeliness

- (5) Schools challenging banding/ funding agreements in Plans and requesting increased funding
- 4.7 As at March 2026, there were 122 statutory assessments in progress awaiting information and evidence, of which, 45 were over 16 weeks. Of these 122, 34 were awaiting EP assessments and 13 of these were over 16 weeks.
- 4.8 Demand for EHCP assessments is being driven by parents. Almost 40% of requests for EHCP assessments now come from parents (compared to 14% in 2020 and 21% in 2023).
- 4.9 A decision was made in June 2024, to reduce the threshold for EHC assessments. This was due to the number of appeals to Tribunal because of 'Refuse to Assess'. This has had a significant impact on the number of assessments processed.
- 4.10 HFG requested that average time to EHCP issue was included in this report. For calendar year 2025, average time was 25.7 weeks. For YTD (i.e. June 2025-May 2026) average time was 29.2 weeks.
- 4.11 The publication, in February, of the White Paper SEND Reforms has caused concerns amongst both parent carers and school staff around what the new threshold will be for EHCPs (although this will not be included in the revised Code of Practice until around 2029 or later, it is not yet clear).
 - (1) From February 2026 to March 2026 we have seen a 68% increase in EHC needs Assessments requests; from 31 to 52 respectively.
 - (2) For the same period in 2025 there was a 21% increase (from 33 to 40).

5. Conclusion

- 5.1 The SEN Assessment Team is a small team that has, up until last year, managed to keep up with increasing demand. However, there are not enough EHC Coordinators to draft and finalise the Plans. The Team has also been significantly impacted due to delays in receiving EP and other professional assessments.
- 5.2 The service also recognise the demand on schools, which can lead to an increase in rejections of consults, which in turn adds further delay.

6. Appendices

- 6.1 None.

This page is intentionally left blank

Trade Union Annual Report 2026

Report being considered by: Schools' Forum

Date of Meeting: 15 June 2026

Report Author:

Item for: Discussion/Comment **By** All Forum Members

1. Purpose of the Report

1.1 To outline the work of the Teaching Trade Unions to Schools' Forum.

2. Recommendation

2.1 That Schools' Forum note the report.

Is the Schools' Forum required to make a decision as part of this report or subsequent versions due to be considered later in the meeting cycle?	
Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>

3. Introduction and Background

As of 18.5.26, the STPRB's recommendations have not been released. This in spite of a promise by the education secretary to publish by the end of April so that schools can sort their budgets out promptly without the endless delays and last day of term arrival of decisions in previous years. A leak in The Times last week¹ suggests that, whilst this year's potential offer of 3.5% may be in line with the current rate of inflation, the anticipated rises by the autumn term will wipe this out. It is also expected that this would mean that only another 3% pay increase would accrue over the following 2 years as part of the recommended 6.5% 3 year deal that the DfE proposed to the STRB. However, the fundamental problem is that it looks like the deal will be unfunded. This represents another real terms cut in overall funding for schools. The IFS annual report on school funding states the following: "Public spending on education has also fallen as a share of national income, from about 5.6% of national income in 2010–11 down to about 4.1% in 2024–25. This equals the historic lows seen in the late 1990s, late 1980s and mid 1960s. There has been no long-run increase in the share of national income devoted to public spending on education, despite rises in post-compulsory education participation over the long run."² Add to this the SEN funding crisis and the increased expectations of the White

¹ [Teacher pay deal set to fall well below inflation. Expect more strikes](#)

² [Annual report on education spending in England: 2025–26 | Institute for Fiscal Studies](#)

Paper with its 400 million (expected to not touch the sides), then education is in as parlous a state as it has been for many years.

Unless the fundamental model of how governments choose to see funding for public services as an investment, rather than as spending which has to be balanced against self imposed fiscal rules and the tyranny of the bond and banking sectors, then it is difficult to see anything other than further managed decline being the norm.

NEU are moving to ballot for strike action in the Autumn.³ This will include Support members and support staff in GMB, Unite and Unison may also be balloted. It is believed that this will also be the case with the NASUWT and NAHT. Supportive noises have been made by ASCL without any direct call for action as yet. This notwithstanding, it is expected that school leaders will be more supportive of strike action by staff in these unions than last time and this could prove pivotal in any industrial dispute.

There is some good news from the NFER annual report on the Education Workforce⁴ which indicates there has been an increase in staffing, but a fall in support staff. Workload measures are having some impact, including the flexible working changes, but these still often compare unfavourably to other countries of similar size and GDP.

3.1 Casework

Facility time enables trained and elected local officers to support schools and members in a variety of ways. The NEU has the highest density of membership across the LA. Some head teachers are members of the NEU, but most belong to NAHT or ASCL. Membership amongst NASUWT has fallen. Support staff can be members of the NEU, but they have no collective bargaining rights unlike those members in Unison, Unite or GMB. Support staff union membership is, however, relatively low.

Where a school does not contribute to facility time, certain restrictions in the ability to cover those workplaces apply. There are only reps in less than a third of schools. Heads are encouraged to seek to establish a rep and their workplace, but members are mostly reluctant to do so owing to perceived workload or fear that they will be viewed negatively by management. This does mean that the facility pot is important to maintain as much support as possible given most workplaces are lacking in reps or, where they do exist, reps who are fully trained.

Please see appendices Letter to Heads of schools who do not contribute to facilities.

3.2 III Health and Absence Management

We continue to see high levels of absence related to workload and stress. The TES Wellbeing Report 2026⁵ relates to this and also offers useful insight into alleviating some of the issues which lead to staff absence. The key drivers of stress are workload and pupil behaviour. Issues around pupil violence have also increased both locally and nationally.

Useful guidance from HSE exists around what staff should expect from workplaces to protect them against violence at work.⁶

³ [NEU to launch a formal ballot for strike action | National Education Union](#)

⁴ [The Education Workforce in England: Summary Report 2026 - NFER](#)

⁵ [Tes Wellbeing Report 2026 | Tes](#)

⁶ [violence-at-work-a-guide-for-employers.pdf](#)

Since COVID, many workplaces have begun using HEPA filters. There is strong and accumulating evidence that absence rates amongst both staff and students in schools where these filters have been installed are falling. This has obvious advantages for both costs and learning.

Tools for Healthy Schools⁷ has a useful calculator which schools can use to estimate the potential benefits of installing HEPA filters.

SAMHE (Schools Air Quality Monitoring for Health and Education) also provides some compelling evidence. In London, the Schools Filters Programme⁸ is combatting pollution by installing filters and countering the potential learning damage done by fumes in urban or industrial areas.

Hertfordshire LA has installed HEPA filters across all 63 of its primaries⁹ in collaboration with SAMHE¹⁰

Unions would urge both the authority and schools to consider a cost benefit analysis of rolling out a similar programme.

3.3 Malicious and Vexatious Complaints

Sadly, these continue to be a major bugbear for both staff members and leaders who have to deal with them. In collaboration with the LA, the NAHT and the NEU have set up a working party of school leaders to try and address how complaints of this nature can be addressed and mitigated. Such complaints often lead to prolonged, stressful investigations which cause absence and occasionally resignation. They take up an inordinate amount of time which could be better spent focussing on what children need in the classroom and are a major distraction from this primary purpose.

3.4 Capability and Appraisal

Unions emphasise again that appraisal policies should have a clear interim review under the no alarms no surprises approach so that performance management flags the need for capability at the earliest possible stage. Pay rises should be automatic unless a member of staff is on capability as agreed in the STPCD. It is also important that any informal capability interventions are not conflated with appraisal.

3.5 Disciplinary

The number of disciplinaries has increased. We are seeing more cases of younger teachers often making poor judgement calls in classroom management which results in parental complaint. In a profession where a 2018 TALIS¹¹ survey revealed that teachers in England were the youngest in Europe averaging 38 years old in comparison to the European average of 44 (and this is probably much lower in England now given it is 8 years out of date), it is perhaps not surprising that errors emerge as a result of lack of experience. A February 2026 report by QE Insights¹² also offers some revealing data on

⁷ coschools.org.uk/CHEPAcalculator

⁸ [School Filters Programme | London City Hall](#)

⁹ [What we're doing across Hertfordshire](#)

¹⁰ [SAMHE+HSVP | SEI](#)

¹¹ [TALIS 2018 research](#)

¹² [How does teaching in England compare internationally?](#)

the workforce demographic in England compared to international settings: “27.6% of primary school teachers and 19% of secondary teachers in the UK are under 30 – the [highest proportion](#) of young teachers in the OECD. The OECD average for under-30s is 12.7% of primary and 9.2% of secondary teachers.”

3.6 Contracts, Pay and Conditions

Fixed terms contracts still occasionally emerge as an issue. Some are connected to the employment of overseas staff and sponsorship of visas. Unions discourage fixed term contracts unless there is a compelling reason to use them. The STPCD made it clear that by September 2026, all TLRs should be paid in their entirety to the member of staff to whom they are awarded if they have full responsibility for that subject area. The pro rata principle for part time staff should not exist beyond this point. Some schools have already adopted this early and the union makes it clear to its members that such workplaces are to be credited as good employers.

The unions¹³ flag the benefits of flexible working and how the STPCD has attempted to emphasise this recently. ACAS also has some useful guidance.¹⁴ Whilst the nature of teaching means that working from home options are not as straight forward, especially in secondaries, as other professions, the issue is ignored at our peril in terms of recruitment and retention. Most local workplaces have at last opted to allow much greater flexibility around using PPA as work from home option, and this is to be welcomed. If it isn't offered, it makes one school a far less attractive prospect when compared to one that does and, as ever, the union reminds its members to be mindful of this.

3.7 Grievances

There has been no notable increase in the number of grievances in the last year. Union intervention means that they continue to be managed via advice before escalation. When they do become formal, they are often time consuming and divisive. They are certainly not to be encouraged but sometimes do become the only remaining option for staff and the union does have a duty to support members if they choose it.

3.8 Settlements

There have been a few settlement agreements this year. They are often time consuming and expensive but occur when relations between employer and employee break down beyond repair and often offer the best solution for all parties to move on.

3.9 Governance

Having good governors in place is vital and the union enthusiastically recommends that as much training as possible is offered. Conversely, poor governance can create more problems than it solves and can make processes protracted, especially in relation to breaches of policy and employment law if governors do not know the details, or indeed, understand them.

¹³ [Flexible working | National Education Union](#)

¹⁴ [Code of Practice on requests for flexible working | Acas](#)

3.10 Collective Issues

Around this time of year the issue of gained time emerges. What staff can be asked to do used to be clearer, but it remains nebulous and we urge members to accept what is reasonable. Gained time should work in tandem with rarely cover and making staff aware of what is going on and what is deemed reasonable can avoid this becoming a divisive issue.

Mandatory training being done in staff's own time can also be an issue and we advise our members that it should only be undertaken as part of directed time.

3.11 LA Polices and Guidance and Negotiating Forum

Rationalising the approach to dealing with policies that need reviewing was always discussed at ECM. Key policy documents are prioritised and unions meet separately in order to give them proper scrutiny.

The unions also welcome the fact that a new negotiating forum has been established JNCC (Joint Negotiating and Consultation Committee) which replaces ECM. It has a clearer and stronger remit and the unions are very grateful in particular to Olimpia Byrne from HR for all her hard work in making this happen.

4. Conclusion

Schools that continue to contribute to facility time demonstrate that they value their workforce and the support that the teaching unions offer. With a lack of workplace reps, support from experienced caseworkers is crucial. A school which supports and recognises the constructive role that unions play makes itself a far more appealing prospect as an employer and we would argue gives those schools a competitive edge in a demanding recruitment market place and is also a strong influence over staff retention which is arguably just as important.

5. Appendices

5.1 Appendix A – Letter to Heads of schools who do not contribute to school facilities:

Dear Headteacher

We are experiencing a significant increase in members contacting us for help and advice, along with requests for support at meetings.

You may not be aware that NEU branches do not have paid case workers to do this job.

Instead, schools contribute to a pooled resource pot which is used to release teachers who are elected officers of the branch – West Berkshire in your case. It is called facility time.

All local authority schools contribute to this.

Unfortunately, some schools in West Berkshire do not have work place reps. This is where local officers can help.

Employers have a statutory obligation under the Employment Relations Act 1999 to enable their employees to be properly supported in the workplace.

Contributing to the facility time pot has many advantages:

- Effective workplace mechanisms which help perceptions of fairness and countering discrimination*
- Union representatives who have experience in representing members and have been trained to do so*

- *Co-operation when dealing with the exponential growth over recent years in legislation and guidance covering schools*
- *Trade union facility time is usually far less than comparable management time and subsequent costs e.g. HR, consultants, lawyers*
- *Hidden costs to morale in terms of excluding or limiting trade union voice*
- *The positive contribution that is made by involving educators via their trade union. This was clearly demonstrated and more widely appreciated during the pandemic*
- *The increasingly complex issues that students face that educators are expected to deal with*
- *Recognizing the commitment that the new government made in their manifesto page (p16) to 'ensure there is sufficient facilities time for all trade union reps so that they have capacity to represent and defend workers, negotiate with employers and train'.*

Even if a school has a rep, there are often occasions when they do not have the time, expertise or experience to deal with some cases or may be uncomfortable supporting colleagues in confidential matters.

We would ask that, at the very least, you encourage a member of your staff who is in the NEU to stand as a rep if you don't have one and give them some protected time to discharge their responsibilities

Ideally, we ask that you contribute to the facilities time pot so that you have timely access to the support of branch officers. The amount paid is calculated based on the number of pupils at the school. You can contribute even if your school does not have a trade union recognition agreement. We would, however, urge you to adopt one.

We support all of our members at all schools, but we are unable to offer timely support at meetings to schools who do not contribute to the facility pot any longer given increase in workload. This will mean that we will need to request a postponement for meeting requests of at least 5 working days, offering alternative dates when a paid Regional Officer is available. The delay may be longer if the request cannot be reasonably accommodated. Delays create further stress for all involved.

If you would like to contribute to the facility pot you can do so by arranging this with West Berkshire LA and contacting hfforschools@westberks.gov.uk

Should you wish to discuss this proposal in more detail, please contact Richard Hand and/or Keith Watts at the e mail addresses below.

Richard.hand@neu.org.uk

Keith.Watts@neu.org.uk

Yours sincerely

Richard Hand

Keith Watts

Joint District and Branch Secretaries, West Berkshire NEU

Please also see footnotes

2025/26 Dedicated Schools Grant: Year End Outturn Report

Schools' Forum

Report Being Considered By:**Date of Meeting:**15th June 2026**Report Owner**

Ashley Milun

Report Author:

Mollie McQuade / Hine Thompson

Item for:

Discussion/Comment

Consulted By

Section 151 Officer/Deputy

Service Director

1. Purpose of the Report

- (1) The purpose of the DSG year-end outturn report is to provide Schools Forum with a clear and transparent overview of the Dedicated Schools Grant financial position at year-end. It sets out actual expenditure against budget, highlights key variances, and reports the resulting surplus or deficit for each DSG block.

2. Recommendation(s)

- 2.1 No recommendation, no decision required.

Is the Schools' Forum required to make a decision as part of this report or subsequent versions due to be considered later in the meeting cycle?

Yes: No:

3. Executive Summary

3.1 **24/25** Cumulative Deficit **£16,133k**

3.2 **25/26** In Year Deficit **£8,765k**

3.3 **25/26** Cumulative Deficit **£24,898k**

Block	Income	Expenditure	Net
Schools Block	(£84,526k)	£84,199k	(£327k)
Central School Services Block	(£1,156k)	£1,049k	(£106k)
Early Years Block	(£29,432k)	£27,586k	(£1,846k)
High Needs Block	(£27,812k)	£38,856k	£11,044k
Total	(£142,925k)	£151,690k	£8,765k

Key: () means income or surplus

- 3.4 The Schools Block outturn position shows a £327k surplus, primarily due to underspends within de-delegated budgets. The Ethnic Minority and Traveller Achievement Service also underspent significantly as the service was wound down and subsequently closed.
- 3.5 The Central School Services Block outturn shows a £106k surplus, driven by higher-than-budgeted fixed penalty notice income and savings across supplies and services.
- 3.6 The Early Years Block outturn position shows a £1.846m surplus 2025/2026 only. This is predominantly due to higher than anticipated uptake of the new Early years entitlements, reduced central staffing costs, and a lower than expected DfE clawback relating to 2024/25
- 3.7 Controls are now in place, with regular reviews carried out jointly by Finance and the service team. Finance staff are attending DfE training sessions and reviewing all DfE updates to ensure we are applying the correct and most up-to-date accounting practices. Internal controls also include quarterly budget monitoring alongside service colleagues. Going forward where uptake increases significantly Finance and service with review potential scope for additional resources to be deployed, to support Early Years provision across West Berkshire.
- 3.8 The High Needs Block outturn position shows a £11.044m deficit, driven by continued pressures on top-up funding (£17.360m) and Independent Special School placements (£9.839m).

4. Statutory Override

- 4.1 As at 31 March 2026, the council's unusable reserve holds a total DSG deficit balance of £24.898m.
- 4.2 Under the 2020 Capital Finance Regulations, any DSG deficit must be calculated and presented as a single unusable reserve, referred to as the statutory override. The Council has compiled the reserve in accordance with the regulatory guidance, and confirmed with the DfE that, due to the overall DSG deficit position, the council is not permitted to hold a cumulative growth fund or carry forward any underspends on de-delegations.

5. Conclusion

- 5.1 Overall, the DSG outturn position reflects surpluses across the Schools Block, Central School Services Block, and Early Years Block, offset by a significant deficit within the High Needs Block.
- 5.2 While efficiencies, additional income, and reduced central costs have contributed positively in several areas, sustained pressures within the High Needs Block continue to drive the overall DSG deficit

6. Appendices

- 6.1 None

School Balances 2025/26

Report being considered by: Schools' Forum

Date of Meeting: 15 June 2026

Report Author: Kirsty Bray

Item for: Discussion/Comment **By:** All Maintained Schools Representatives

1. Purpose of the Report

1.1 This report sets out for information purposes the year end balances for all maintained schools, highlighting those schools with a deficit or significant surplus.

2. Recommendation

2.1 To discuss the report and consider if further information is required on surplus balances.

Is the Schools' Forum required to make a decision as part of this report or subsequent versions due to be considered later in the meeting cycle?

Yes:

No:

3. Introduction and Background

3.1 This report provides an overview of school balances at the end of 2025/26. The Scheme for Financing Schools 2025 (issue 16) para 7.2 states:

In order to control surplus balances, the authority will report the balances held by each school at the end of the financial year to the schools' forum (during the summer term), alongside the actual and planned balance for the previous three years and any other data deemed to be of relevance.

Individual schools with excessive balances should provide further information on a School Balance Statement, to be reviewed by the Heads Funding Group to ensure information surrounding commitments is justified and reasonable. Any uncommitted balance and anything in the statement that it is deemed should be covered by future budgets rather than balances, could be subject to clawback.

The maximum that could be clawed back each year is the amount of school balance in excess of 10% of their budget share, subject to leaving the schools with a minimum balance of £50,000, The actual amount of clawback will be recommended by the Heads Funding Group to the Schools Forum.

3.2 The calculations will be made on balances as at 31 March 2026.

4. Overview of School Balances as at 31 March 2026

4.1 Table 1 summarises the overall closing balances (all funds) of West Berkshire maintained schools compared to the previous year.

TABLE 1	As at 31	As at 31	Increase/(Decrease)	
	March 2025	March 2026	£'000	%
Total Balances Summary	£'000	£'000	£'000	%
Nursery Schools	280	372	92	32.8%
Primary Schools	3,532	2,810	(721)	(20.4%)
Secondary Schools	2,822	2,923	102	3.6%
Special Schools	842	1,261	419	49.8%
Pupil Referral Units	563	270	(293)	(52.1%)
Total for all Schools	8,039	7,637	(402)	(5.0%)

Split of Balances	As at 31	As at 31	Increase/(Decrease)	
	March 2025	March 2026	£'000	%
Split of Balances	£'000	£'000	£'000	%
Surplus	8,895	9,086	192	2.2%
Deficit	(856)	(1,450)	(594)	69.3%
Total for all Schools	8,039	7,637	(402)	(5.0%)

4.2 The school balances (revenue and capital) as at 31 March 2025 total £7.6m, a decrease of £0.4m from 2024/25. Primary schools and PRU's have seen a decrease, whilst nursery, secondary and special schools have all seen increased YE balances.

4.3 Table 2 summarises the balances of West Berkshire maintained schools by fund.

TABLE 2	Main School Budget	Pupil Premium	Revenue			Revenue Total	Community (Before & After school clubs)	Capital	Total Balances
			Sports Fund	Resource Units					
2025/26 Balances by type of fund	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Nursery Schools	365	0	0	0	365	0	7	372	
Primary Schools	986	180	72	163	1,401	610	800	2,810	
Secondary Schools	2,526	0	0	0	2,526	0	398	2,923	
Special Schools	1,215	17	0	0	1,232	0	29	1,261	
Pupil Referral Units	223	0	4	0	228	0	42	270	
Total for all Schools	5,314	198	77	163	5,752	610	1,276	7,637	
2024/25 Balance	5,865	170	191	141	6,367	555	1,116	8,039	
Increase/(Decrease)	(551)	28	(115)	22	(616)	55	159	(402)	
%	(9.4%)	16.2%	(60.0%)	(15.6%)	(9.7%)	9.8%	14.3%	(5.0%)	

4.4 In addition to the £5.75m being held in revenue balances, £610k is held in extended day funds and £1.27m in capital balances.

- (1) Of the revenue balances, £198k is unspent pupil premium grant (though note that not all schools account for this separately and include within the main school budget), and £77k is unspent sports premium grant. All unspent sports funding must be spent by the end of this academic year (July 2026).

- (2) The £610k balance in the before and after school clubs is an increase on 2024/25 and builds upon the increase in the previous year.

4.5 Table 3 summaries the main school balances:

TABLE 3	As at 31	As at 31	Inc/(Dec)	Balance as a
Main School Balances	March 2025	March 2026		% of funding
	£'000	£'000	£'000	
Nursery Schools	278	365	87	22%
Primary Schools	1,989	986	(1,003)	1%
Secondary Schools	2,299	2,526	226	9%
Special Schools	777	1,215	438	23%
Pupil Referral Units	522	223	(299)	6%
Total for all Schools	5,865	5,314	(551)	5%

- (1) Primary school balances have decreased for a third year in a row. The balance of £986k represents 1% of the main school funding. 26 primary schools have seen an increase in balances (£737k), and 25 a decrease (£1740k). A detailed breakdown per school is shown in Appendix A.
- (2) One of the maintained secondary schools has a decreased balance in 2025/26 of £47k. Two of the maintained secondary schools have seen an increase in their balance (£273k). Appendix B provides details of these.
- (3) The maintained special schools main school balance has increased by £438k. Please see Appendix B for the breakdown.
- (4) The nursery school balances have increased by £87k as shown in Appendix B.

5. Schools with Significant Surpluses

- 5.1 The Schools' Forum agreed to reintroduce the claw back scheme for schools with excess surplus balances as at 31 March 2026. Information on high surplus balances is to be reported for 2025/26. Table 4 shows those schools with a main school surplus balance greater than 10% of their funding in 2025/26.
- 5.2 All of the schools in the table above, with the exception of The Castle, also held a balance greater than 10% as at 31 March 2025.

TABLE 4 Main School Surplus Balances	As at 31 March 2025	As at 31 March 2026	School Budget Share 2025/26	Percentage of Funding %	Balance in excess of 10%
<u>Nursery</u>					
Hungerford Nursery School	116,824	164,574	927,316	18%	-71,842
Victoria Park Nursery	160,976	200,345	942,238	21%	-106,121
<u>Primary</u>					
Beedon Primary	76,597	79,302	374,187	21%	-29,302
Beenham Primary	55,902	60,094	512,876	12%	-8,806
<u>Special</u>					
Castle	522,347	848,373	6,098,472	14%	-238,526
Total for all Schools					-454,596

5.3 The above significant surpluses will be subject to clawback upon decision of Schools Forum.

6. Conclusion

6.1 School reserves had been increasing overall year on year since 2017/18, when the reserves were £3.7m.

6.2 Primary school main school balances have decreased for a third year in a row. The balance represents 1% of the main school funding. Given the continued combination of reduced pupil numbers, a reported growing number of children presenting with additional needs who are creating increasing budgetary pressure in schools and the removal of additional funding to support education recovery, the primary school balances are forecast to continue to reduce in the coming year.

6.3 Schools with surplus balances have been contacted in relation to the clawback of surplus funds.

7. Appendices

7.1 Appendix A – Main School Budget Balances Maintained Primary Schools

7.2 Appendix B – Main School Budget Balances Maintained Other Schools

School Balances 2025/26

Appendix A

	Main School Budget Balance					Inc/Dec
	2021/22	2022/23	2023/24	2024/25	2025/26	
	£	£	£	£	£	£
Primary Schools						
Aldermaston Church of England Primary School	94,133	76,480	2,263	(47,526)	36,180	83,706
Basildon Church of England Primary School	(23,004)	(9,986)	29,151	43,242	76,265	33,023
Beedon Church of England (Controlled) Primary School	49,431	67,618	65,718	76,597	79,302	2,705
Beenham Primary School	20,936	(31,015)	(9,894)	55,902	60,094	4,191
Birch Copse Primary School	26,569	60,025	18,642	12,764	45,681	32,918
Bradfield Church of England Primary School	12,596	15,476	9,246	25,397	1,854	(23,543)
Brightwalton Church of England Aided Primary School	42,967	35,015	48,594	34,758	(24,731)	(59,489)
Brimpton Church of England Primary School	11,308	(30,834)	(14,162)	(24,864)	(4,662)	20,202
Bucklebury Church of England Primary School	2,712	(18,734)	21,238	(3,790)	(31,144)	(27,354)
Burghfield St Mary's Church of England Primary School	43,292	46,588	77,028	59,912	77,781	17,868
Calcot Schools Federation	220,266	198,116	175,182	97,697	22,716	(74,981)
Chaddleworth Shefford Federation Cof E Primary School	80,762	87,012	86,479	69,297	70,580	1,284
Chieveley Primary School	59,104	75,856	90,251	52,760	(64,877)	(117,637)
Cold Ash St Mark's Church of England Primary School	17,698	879	6,137	10,837	14,026	3,189
Compton Church of England Primary School	68,759	99,784	89,873	270,709	96,208	(174,501)
Curridge Primary School	82,835	53,622	75,025	20,193	24,663	4,470
Downsway Primary School	26,948	31,417	52,020	76,987	94,236	17,249
Enborne Church of England Primary School	3,574	0	(32,598)	(14,048)	5,205	19,253
Englefield Church of England Primary School	70,244	60,450	42,075	14,279	24,881	10,602
Falkland Primary School	329,663	188,834	105,890	86,137	127,408	41,271
Garland Junior School					0	0
Hampstead Norreys & The Ilsleys	12,493	68,065	95,029	112,005	48,825	(63,180)
Hermitage Primary School	(7,151)	1,911	(13,311)	(40,499)	(190,567)	(150,069)
Hungerford Primary School	106,570	111,060	159,448	155,356	148,376	(6,981)
Inkpen Primary School	(17,964)	5,782	36,075	62,366	36,823	(25,542)
John Rankin Schools Federation	445,104	414,775	503,665	362,211	223,118	(139,093)
Kennet Valley Primary School	82,901	50,592	3,875	1,800	(30,519)	(32,319)
Kintbury St Mary's Church of England Primary School	18,523	56,700	59,209	71,433	98,504	27,071
Long Lane Primary School	10,279	(76,173)	(29,745)	31,672	84,634	52,961
Mortimer Federation	49,510	63,658	82,899	56,620	39,248	(17,372)
Mrs Bland's Infant School					0	0
Pangbourne Primary School	3,804	520	(77,778)	(88,050)	(111,155)	(23,104)
The Burghfield Common Federation	133,145	189,310	183,632	13,171	(134,301)	(147,472)
Parsons Down Schools Federation	101,146	218,432	288,513	196,812	95,194	(101,618)
Purley Church of England Infant School	64,326	74,704	45,390	14,829	(24,456)	(39,284)
Robert Sandilands Primary School and Nursery	170,993	146,824	127,157	127,038	127,939	900
Shaw-cum-Donnington Church of England Primary School	4,973	16,737	8,253	12,582	19,691	7,109
Springfield Primary School	274,906	352,615	400,089	259,723	145,664	(114,060)
Spurcroft Primary School	(79,302)	(138,281)	(199,639)	(154,340)	(130,215)	24,125
St Finian's Catholic Primary School	0	(33,935)	(87,161)	(75,444)	(62,952)	12,493
St John & St Nics Federation	74,283	11,214	(47,172)	58,895	122,919	64,023
St Joseph's Catholic Primary School	(7,173)	(85,585)	(158,621)	(182,853)	(175,149)	7,704
St Paul's Catholic Primary School	228,677	196,548	104,347	14,776	190	(14,586)
Streatley Church of England Voluntary Controlled School	13,960	19,451	29,266	52,757	51,123	(1,635)
Sulhamstead and Ufton Nervet CofE VA Primary School	16,993	28,714	45,908	52,159	68,706	16,547
Thatcham Park Church of England Primary School	150,148	111,216	111,581	95,106	19,793	(75,313)
The Kite Federation	(37,097)	73,182	58,193	(91,131)	(260,929)	(169,798)
The Willows Primary School	232,354	129,060	47,375	33,387	101,700	68,313
The Wincombe School	21,573	31,821	57,886	60,543	5,477	(55,066)
Theale Church of England Primary School	37,384	8,626	(39,994)	(234,747)	(101,947)	132,800
Westwood Farm Schools Federation	44,253	77,699	47,080	100,749	24,120	(76,630)
Woolhampton Church of England Primary School	23,094	39,782	(133)	(38,500)	(7,275)	31,225
Yattendon Church of England Primary School	22,423	14,086	22,545	31,247	21,695	(9,552)
Total Primary Schools	3,435,921	3,185,714	2,802,018	1,988,913	985,937	(1,002,976)

School Balances 2025/26

Appendix B

	Main School Budget Balance					Inc/Dec
	2021/22	2022/23	2023/24	2024/25	2025/26	
	£	£	£	£	£	£
Nursery Schools						
Hungerford Nursery School	42,439	12,082	8,319	116,824	164,574	47,750
Victoria Park Nursery School	98,679	72,277	149,760	160,976	200,345	39,368
Total Nursery Schools	141,119	84,359	158,079	277,800	364,918	87,118
Secondary Schools						
The Downs School	662,609	1,211,610	1,467,308	889,694	842,818	(46,876)
Little Heath School	607,454	603,436	716,598	851,603	1,075,064	223,461
The Willink School	707,494	678,716	816,683	557,859	607,670	49,810
Total Secondary Schools	1,977,557	2,493,762	3,000,590	2,299,156	2,525,552	226,396
Special Schools						
The Castle School	749,418	1,147,535	847,633	776,823	848,373	71,549
Total Special Schools	749,418	1,147,535	847,633	776,823	848,373	71,549
Pupil Referral Units						
iCollege Alternative Provision	423,079	413,937	551,982	522,347	223,412	(298,935)
Total PRUs	423,079	413,937	551,982	522,347	223,412	(298,935)
Total for all Schools	6,727,094	7,325,308	7,360,301	5,865,040	4,948,192	(916,848)

Agenda Item 13

Schools Forum Work Programme 2026/27

	Item	Heads Funding Group Deadline	Heads Funding Group	Schools Forum Deadline	Schools Forum Meeting	Action required	Author and role
Term 6	Schools' Forum Membership and Constitution from September 2026			07/07/2026	13/07/2026	Decision	Jessica Bailiss (<i>Democratic Services Officer</i>)
	Scheme for Financing Schools 2026/27	06/05/2026	13/05/2026	07/07/2026	13/07/2026	Decision	Edith Cheng (<i>Finance Manager - Schools & Child Care Services</i>)
	Surplus Balances and School Balance Statements	06/05/2026	13/05/2026	07/07/2026	13/07/2026	Decision	Edith Cheng
	SEND Commissioning and Efficiency Planning			07/07/2026	13/07/2026	Discussion/Comment	Tony Parker (<i>Service Lead - Children's Commissioning</i>) Ash Hussain (<i>Senior Commissioner SEND and Joint Commissioning</i>)
	Deficit Schools	06/05/2026	13/05/2026	07/07/2026	13/07/2026	Discussion/Comment	Edith Cheng
Term 1	Schools Funding Formula Consultation 2027/28	15/09/2026	22/09/2026	06/10/2026	12/10/2026	Decision	Edith Cheng
	Vulnerable Children's Grant - Annual Report for 2025/26			06/10/2026	12/10/2026	Discussion/Comment	Crystal Elkabbas (<i>Principal Educational Psychologist & SEMH Service Manager</i>)
	Draft High Needs Budget Proposals 2027/28	15/09/2026	22/09/2026	06/10/2026	12/10/2026	Discussion/Comment	Joshua Ngeresa/Emma Ferrey
	Early Years Budget 2026/27 - In Year Position	15/09/2026	22/09/2026	06/10/2026	12/10/2026	Discussion/Comment	Joshua Ngeresa/Kirstie Hanson (<i>Head of Early Years</i>)
	Education Budget Monitoring - Quarter 1	15/09/2026	22/09/2026	06/10/2026	12/10/2026	Discussion/Comment	Joshua Ngeresa/Ashley Milum (<i>Service Director Education and SEND</i>)
	DSG Monitoring 2026/27 - Quarter 2			06/10/2026	12/10/2026	Discussion/Comment	Joshua Ngeresa/Ashley Milum
	Deficit Schools	15/09/2026	22/09/2026	06/10/2026	12/10/2026	Discussion/Comment	Edith Cheng
	Draft De-delegations 2027/28	15/09/2026	22/09/2026	06/10/2026	12/10/2026	Decision	Edith Cheng
Term 2	School Funding Formula 2027/28	04/11/2026	11/11/2026	01/12/2026	07/12/2026	Decision	Edith Cheng
	Budgets for Additional Funds 2027/28	04/11/2026	11/11/2026	01/12/2026	07/12/2026	Decision	Edith Cheng
	Provisional DSG Funding Settlement Overview 2026/27	04/11/2026	11/11/2026	01/12/2026	07/12/2026	Discussion/Comment	Joshua Ngeresa
	Draft Central Schools Block Budget 2027/28	04/11/2026	11/11/2026	01/12/2026	07/12/2026	Discussion/Comment	Joshua Ngeresa
	High Needs Block Budget Proposals 2027/28	04/11/2026	11/11/2026	01/12/2026	07/12/2026	Discussion/Comment	Joshua Ngeresa/Emma Ferrey
	Final De-delegations 2027/28	04/11/2026	11/11/2026	01/12/2026	07/12/2026	Decision	Edith Cheng
Term 3	Work Programme 2027/28			12/01/2027	18/01/2027	Decision	Jessica Bailiss
	Early Years Funding Rates to Providers and 2027/28 Early Years Budget	16/12/2026	06/01/2027	12/01/2027	18/01/2027	Decision	Joshua Ngeresa/Kirstie Hanson
	Central School Block Budget Proposals 2027/28	16/12/2026	06/01/2027	12/01/2027	18/01/2027	Decision	Joshua Ngeresa
	Final DSG Funding Settlement Overview 2027/28	16/12/2026	06/01/2027	12/01/2027	18/01/2027	Discussion/Comment	Joshua Ngeresa
	Final School Funding 2027/28	16/12/2026	06/01/2027	12/01/2027	18/01/2027	Discussion/Comment	Edith Cheng
	Growth Fund Applications 2026/27	16/12/2026	06/01/2027	12/01/2027	18/01/2027	Discussion/Comment	Edith Cheng
	High Needs Block Budget Proposals 2027/28	16/12/2026	06/01/2027	12/01/2027	18/01/2027	Discussion/Comment	Joshua Ngeresa/Emma Ferrey
	Education Budget Monitoring - Quarter 2	16/12/2026	06/01/2027	12/01/2027	18/01/2027	Discussion/Comment	Joshua Ngeresa/Ashley Milum
	DSG Monitoring 2026/27 - Quarter 3			12/01/2027	18/01/2027	Discussion/Comment	Joshua Ngeresa/Ashley Milum
	Deficit Schools	16/12/2026	06/01/2027	12/01/2027	18/01/2027	Discussion/Comment	Edith Cheng

This page is intentionally left blank