

DRAFT

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

HEADS FUNDING GROUP

MINUTES OF THE MEETING HELD ON TUESDAY 18 NOVEMBER 2025

HFG Members Present: Kavash Bamfield, Catherine Bernie, Nicolle Browning, David Fitter, Michelle Harrison, Keith Harvey, Julie Lewry, Jo MacArthur, David Ramsden, Chloe Summerville and Edwin Towill

Also Present: Toby Bradley (Service Lead, Financial Management), Neil Goddard (Service Director - Education and SEND), Emma Ferrey (Interim Service Manager Of SEN), Beth Kelly (Head of Early Years), Vanessa Grizzle (Principal Educational Psychologist) Lisa Potts (Finance Manager) and Jessica Bailiss (Democratic Services Officer)

Apologies for inability to attend the meeting: Jacquie Davies, Jon Hewitt, Beth Kelly, Chris Prosser and Charlotte Wilson

PART I

8 Minutes of the Previous Meeting

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

9 Heads' Funding Group Terms of Reference

Neil Goddard introduced the draft revised Terms of Reference for the Heads' Funding Group (HFG), which reflected changes agreed by the Schools' Forum in October. A version of the ToR showing the proposed changes was circulated with the agenda.

RESOLVED that

- the HFG were happy with the proposed changes and that they accurately reflected the recommendations agreed by the Schools' Forum in October.
- The ToR would go forward to the Schools' Forum on 1st December for consideration and approval.

10 School Funding Formula 2026/27 (Lisa Potts)

Lisa Potts introduced the report, which set out the result of the consultation with all schools on the proposed primary and secondary schools funding formula for 2026/27.

The HFG considered the responses from schools to each of the questions set out in the consultation in forming their recommendations to the Schools' Forum. The HFG discussed the potential block transfer in detail, where the majority of schools that had responded to the consultation had supported no transfer. The HFG voiced concerns about the financial situation facing schools and reduced funding along with the lack of impact analysis when block transfers had been agreed in the past.

It was noted that the data that the criteria for agreeing the additional high needs funding was based on was incorrect. This needed to represent the number of Education, Health and Care Plans (EHCPs), and students in different schools. It was also noted that this data was only based on West Berkshire EHCPs, which did not feel fair. **Lisa Potts would update the incorrect data in time for the Schools' Forum meeting in December.**

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The HFG was thankful to the schools that had responded but the response rate of 20 schools was deemed disappointing. Going forward increased effort would be placed on encouraging more schools to respond to the consultation as it was important it was as reflective as possible.

RESOLVED that:

- Lisa Potts would update the incorrect data regarding additional high needs funding in time for the Schools' Forum meeting in December.
- The HFG recommended that the following points be added to the report in time for the Schools' Forum meeting:
 1. Clarity around the timing of data captured to ensure accuracy.
 2. That going forward officers would look into how cross border EHCP placements should be reflected in the criteria for allocating additional high needs funding.
- The HFG recommended to the Schools' Forum:
 - a) To mirror the Department for Education (DfE) 2026/27 National Funding Formula (NFF) to calculated funding allocations.
 - b) To address any surplus or shortfall in funding by adjusting the AWPU values.
 - c) That a 0% block transfer be agreed. *Regarding whether the Local Authority would subsequently appeal this decision if agreed, it was noted that this would be a political decision based on the outcome of the Schools' Forum decision.*
 - d) To approve the criteria to be used for the allocation of additional funds.
 - e) The HFG was supportive of the principle of de-delegating services, however, each service would be considered in more detail as part of the next two items.

11 Draft De-delegations 2026/27 (Lisa Potts)

Lisa Potts introduced the report, which set out the details, cost and charges to schools of the services on which maintained school representatives were required to vote (on an annual basis). The group reviewed annual de-delegation proposals, noting changes from previous years. It was noted that the Ethnic and Traveller Achievement Service (EMTAS) would be delivered in a different way in 2026/27 and not de-delegated. It was also noted that the school improvement service would no longer be de-delegated and would be funded as a strategic local authority (LA) function.

Questions and concerns were raised regarding the Promoting Inclusive Practice Service (PIPS) particularly around the need for evidence to ensure value for money however, it was noted that this would be discussed in more detail as part of the next item on the agenda. Queries were raised about the name of the service 'PIPS' noting it was very close to the name of another service used by schools, so this would be looked into to avoid confusion.

RESOLVED that the HFG recommended that the proposed de-delegations (*apart from PIPS, which was discussed in more detail as part of the next item*) go forward to the Schools' Forum on 1st December for consideration.

12 Promoting Inclusive Practice Service (Formerly Therapeutic Thinking) Report (Vanessa Grizzle)

Vanessa Grizzle introduced the report, which provided an outline of the Promoting Inclusive Practice Service (PIPS) offer for consideration to maintain de-delegation funding. The group considered the proposals for PIPS, its role in supporting pupils with

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complex Social, Emotional and Mental Health (SEMH) needs and options for funding. Key points included the need for service redesign, evidence of impact and future sustainability.

It was noted that the proposal in the report was to continue with de-delegation of the service. The HFG discussed the potential move to a traded model after a transition period and suggested that, for the Schools' Forum meeting, PIPS be separated from the other de-delegations where there was already evidence of impact.

RESOLVED that:

- The HFG recommended that PIPS be considered and voted on separately to the other proposed delegations at the Schools' Forum meeting on 1st December.
- The PIPS report would be updated to reflect the HFG's discussion and address concerns including the suggestion to retain PIPS funding via de-delegation for one year to allow service redevelopment, with a view to moving to a traded model thereafter.

13 Early Years Budget 2025/26 - In Year Position (Beth Kelly)

Lisa Potts introduced the report, which provided an overview of the current Early Years Block (EYB) Position following childcare entitlement expansions and highlighted issues with the MRI system affecting forecasting. Despite previous deficits in the EYB, updated calculations showed a significantly reduced deficit due to higher funding streams and lower central spend. It was expected that a more accurate forecast could be provided once there was more reliable data on actual hours across each funding stream.

The HFG discussed the possibility of a block transfer from the early years block to support high needs however, acknowledged this would be subject to governance and consultation with the Early Years Funding Group.

RESOLVED that the HFG recommended that:

- Finance Officers to investigate feasibility of a block transfer from the Early Years block to High Needs, including financial governance requirements, compliance with pass-through rate, and assessment of corporate impact on weighted average cost of debt and associated interest implications.
- The HFG noted the report, which would go forward to the Schools' Forum meeting on 1st December for discussion and comment.

14 Draft Central Schools Block Budget 2026/27 (Lisa Potts)

Lisa Potts introduced the report, which set out the budget proposals for services funded from the Central Schools Services (CSSB) block of the Dedicated Schools Grant ((DSG)). It was noted that to date there had been no indication of the value of the grant to be received. The DfE were due to communicate an update in late November 2025.

RESOLVED that the HFG noted the report, which would go forward to the Schools' Forum meeting on 1st December for discussion and comment.

15 High Needs Block Budget Proposals 2026/27 (Lisa Potts)

Lisa Potts introduced the report, 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. The HFG noted the estimated High Needs Block budget for 2026/27, projecting costs of £47 million against a £30 million allocation, leaving a

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significant overspend. Detail on the key drivers of this overspend were included within the report.

It was clarified that the HNB deficit recovery plan formed part of the SEND action plan that had resulted from the Delivering Better Value programme. The commissioning team and early intervention work were highlighted as critical to reducing future costs. Concern was raised about the limbo being faced regarding the awaited SEND Strategy and strategic view from central government expected in January 2026.

RESOLVED that:

- Lisa Potts to add a column showing the number of pupils supported by top up funding. This would help improve transparency and understanding of how funding related to pupil numbers.
- Tony Parker, the new Service Lead for Children's Commissioning, would be invited to a to a future HFG/Schools' Forum to explain efficiency plans.
- The HFG noted the report, which would go forward to the Schools' Forum meeting on 1st December for discussion and comment.
- Updated High Needs Block figures and final budget proposals would be brought to the January round of meetings for consideration.

16 Education Budget Monitoring - Quarter 2 (Neil Goddard/Lisa Potts)

Neil Goddard introduced the report, which provided an overview of the Education Service budget for Quarter two. Lisa Potts clarified that SEN Assessments were included in the School Improvement and SEN Services line on page 77 of the report.

It was noted that the figures were from the end of September 2025 and therefore were likely to change for quarter three. Lisa Potts provided detailed key figures within the report.

RESOLVED that The HFG noted the report, which would go forward to the Schools' Forum meeting on 1st December for discussion and comment.

17 Any Other Business

The group discussed concerns about a recent request for detailed financial data from schools. Heads raised workload implications and questioned whether existing reporting mechanisms could be used instead. Finance Officers explained the request was driven by an audit highlighting a significant decline in school balances and the need for data to enable statistical analysis and forecasting. Some of the information required was not held by the LA and needed to come from schools. An email would be issued shortly providing further context to the request. It was noted that the LA was working hard to minimise demand on schools as much as possible.

18 Date of the next Heads Funding Group meeting

The next HFG meeting of the HFG would take place on 7th January 2026.

(The meeting commenced at 3.30pm and closed at 5.37pm)