

# 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 WEDNESDAY 7 JANUARY 2026

**HFG Members Present:** Kavash Bamfield, Nicolle Browning, David Fitter, Jo MacArthur, Chloe Summerville and Edwin Towill

**Also Present:** Edith Cheng (Finance Manager), Crystal Elkabbas (Principal Educational Psychologist & SEMH Service Manager), Emma Ferrey (Interim Service Manager of SEN), Neil Goddard (Service Director - Education and SEND), Kirstie Hanson (Head of Early Years), Lisa Potts (Finance Manager), Hine Thompson (Senior Finance Business Partner), Jessica Bailiss (Democratic Services Officer)

**Apologies for inability to attend the meeting:** Catherine Bernie, Jacquie Davies, Michelle Harrison, Keith Harvey, Jon Hewitt, Jo Lagares, Chris Prosser, 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 Actions Arising from Previous Meetings

The minutes from the last meeting were noted.

##### 3 Central School Block Budget Proposals 2026/27 (Lisa Potts)

Lisa Potts introduced the report, which set out the budget proposal for services funded from the Central Schools' Services (CSSB) block of the DSG.

The HFG noted that the confirmed grant for the Central Schools Services Block resulted in a shortfall of £65,647. It was reported that the grant had continued to reduce by 2.5% annually and was based on pupil numbers, which had declined.

The HFG noted that a deficit would need to be set for 2026/27 to reflect actual costs and demonstrate funding pressures to the Government. It was acknowledged that savings might be identified during the year but agreed that the proposed budget and approach should proceed to Schools' Forum for decision.

**RESOLVED that** the HFG agreed that the proposed CSSB budget should go forward to the Schools' Forum on 19<sup>th</sup> January for consideration and decision.

##### 4 Early Years Funding Rates to Providers and 2026/27 Early Years Budget (Lisa Potts)

Lisa Potts introduced the report, which set out the proposal for the Early Years budget 2026/27, which is based upon the recommendations of the Early Years Funding Group.

The Heads' Funding Group (HFG) noted that the forecast for 2025/26 indicated an overspend of £180k, which represented a significant improvement compared to previous years. It was reported that this change was due to a year-end adjustment of £400k and streamlined pass-through rates to providers.

## HEADS FUNDING GROUP - 7 JANUARY 2026 - MINUTES

The HFG noted that the proposed funding rates for 2026/27 needed to be set by the end of February 2026. The rates had been discussed with the Early Years Funding Group, which had supported the proposed values put forward for the different funding streams.

It was acknowledged that a Quality Rate Funding Group had been established and that work on revising the quality rate was ongoing and would continue into the next financial year.

The HFG noted that the 2026/27 budget was expected to deliver a small surplus of £103k and that it was hoped that this would enable a contingency fund to be set up to manage future risks such as low birth rates and new funding streams.

**RESOLVED that** the HFG agreed that the proposed Early Years Block budget and funding rates should go forward to the Schools' Forum on 19th January for consideration and decision.

### 5 High Needs Block Budget Proposals (Lisa Potts)

Lisa Potts introduced the report, which set out the current financial position of the High Needs Block (HNB) budget for 2025/26 and the position as far as it can be predicted for 2026/27. The HFG noted the proposed budget for 2026/27 set out in paragraph 3.2 and Table 1 of the report, including the in-year and cumulative overspend. The main cost pressures related to top-up funding, particularly for independent special schools, and increasing demand for Education Other Than at School (EOTAS) packages.

It was noted that there was a calculation error in the table under paragraph 4.1 of the report and this would be corrected in time for the Schools' Forum. A line would also be added to the table providing the 2025 data.

The HFG noted that the budget included an estimated allowance for changes arising from the banding review, although final figures had not yet been agreed. It was acknowledged that mitigations were being implemented, including commissioning strategies, early intervention, and partnership working, to manage costs and reduce the rate of deficit growth.

The HFG discussed that for 2026/27 it was likely the Local Authority would have little ability to change the national funding formula. Therefore, proposals regarding adding weighting for EHCPs should be sent directly to the Department for Education and the present time was prime time to make that contact. It was noted that the LA would also be having these conversations with the DfE.

**RESOLVED that:**

- The table under paragraph 4.2 of the report, would be amended in time for the Schools' Forum meeting.
- The HFG noted the reported, which would go forward to the Schools' Forum on 19<sup>th</sup> January for discussion and comment.

### 6 Final DSG Funding Settlement Overview 2026/27 (Lisa Potts)

Lisa Potts introduced the report, which set out the final Dedicated Schools Grant (DSG) allocation for 2026/27. The HFG noted that the settlement had been received just before Christmas and was summarised in Table 3.1 of the report.

**RESOLVED that** the HFG noted the report that would go forward to the Schools' Forum on 19<sup>th</sup> January for discussion and comment.

## HEADS FUNDING GROUP - 7 JANUARY 2026 - MINUTES

### 7 **Final School Funding 2026/27 (Edith Cheng)**

Lisa Potts introduced the report, which set out the final school funding formula allocations for 2026/27. The HFG noted that the team had lost some key members of staff and this had resulted in a delay in being able to send the information out.

The final formula rates could be found in Appendix A and including allocations for deprivation, additional needs, and school-led funding elements. Appendix B provided the final funding allocations for schools for 2026/27. The HFG noted that clarification was being sought regarding the application of the Minimum Funding Guarantee, particularly for schools with increased pupil numbers but reduced per-pupil funding. It was explained that queries had been raised with regional colleagues and would be escalated to the DfE if necessary.

**RESOLVED** that the HFG noted the report which would go forward to the Schools' Forum on 19th January for discussion and comment. c

### 8 **Growth Applications 2025/26 (Edith Cheng)**

Lisa Potts introduced the report, which set out the position regarding the Growth Fund for 2026/27. The HFG noted that the annual process to invite applications from schools meeting the agreed growth criteria had been completed in early December. It was reported that no applications had been received and no schools were identified as meeting the criteria for additional funding.

**RESOLVED** the HFG noted the position of the Growth Fund for 2026/27 and the report that would go forward to the Schools' Forum on 19th January for discussion and comment.

### 9 **Budgets for Additional Funds 2026/27 (Lisa Potts)**

Lisa Potts confirmed that the paper on budgets for additional funds had not yet been finalised and would be circulated prior to the Schools' Forum meeting. It was noted that no significant changes were anticipated.

### 10 **Any Other Business**

There was no other business raised.

### 11 **Date of the next Heads Funding Group meeting**

The next HFG meeting would take place virtually on 13th May 2026.

*(The meeting commenced at 3.30pm and closed at 4.10pm)*