

(BARKING AND DAGENHAM SCHOOLS FORUM)

16 December 2025

Title: Schools' Forum Report	
Open	For Decision / For Information
Wards Affected: All	Key Decision: No
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<p>Summary: The purpose of this report is to update the Barking and Dagenham Schools Forum on:</p> <ol style="list-style-type: none">1. Update to DSG allocation 2025/262. 2025/26 Projected DSG Outturn3. Update on 2025/26 Projected High Needs Outturn4. Mainstream Top-Up payment for EHCP & Non-EHCP5. Update on Early Years projection for 2025/266. National Funding Formula for 2026/27	

7. Schools Block Funding Formula – 2026/27

8. Revised Growth Fund allocation for 2025/26

9. Charging Policy for Permanent Exclusion

10. Any other Business

Recommendation(s)

The Schools' Forum is requested to:

1. Note changes to DSG allocation for 2025/26
2. Note the projected DSG outturn for 2025/26
3. Note and comment on the 2025/26 High Needs outturn position
4. Note and comment on the mainstream top-up payment for EHCP & Non-EHCP
5. Note the projected Early Years forecast for 2025/26
6. Note and comment on National Funding Formula for 2026/27
7. Note and comment on proposed Local formula funding model for 2026/27
8. Note changes to the growth fund allocation for 2025/26
9. Note and comment on Charging policy for Permanent Exclusions
10. Any other business

Reason(s)

The Schools Forum Regulations 2012 requires that the Schools' Forum meets regularly and is consulted by the local authority concerning the Dedicated Schools Budget and various related matters.

1. Update on Schools, Central, High Needs, and Early Years Block

- 1.1** The DfE has published a revised allocation for the 2025/26 Dedicated Schools Grant (DSG), in November 2025. The current DSG allocation for LBBD is a total of **£399.392m** across the four blocks (excluding academy recoupment). Adjustments have been made to the latest allocation published on the 24th of November. There has been an increase of **£0.411m** to the overall DSG allocation.

The updates from November are detailed in the table below.

2025/26 DSG allocation as at July 2025				2025/26 DSG allocation as at Nov 2025			
	Before recoup't	Less recoup't & Rates	Net	Before recoup't	Less recoup't & Rates	Net	Movement
	£'000 (a)	£'000 (b)	£'000 (c) = (a) - (b)	£'000 (d)	£'000 (e)	£'000 (f) = (d) - (e)	£'000 (g) = (f) - (c)
Schools Block	299,589	86,875	212,714	299,589	86,875	212,714	0
Central Block	2,237	0	2,237	2,237	0	2,237	0
High Needs	62,245	5,238	57,007	62,233	5,238	56,995	-12
Early Years	34,910	0	34,910	35,333	0	35,333	423
	398,981	92,114	306,867	399,392	92,114	307,278	411

Table - Updated DSG Grant Allocation for 2025/26 (in £'000s)

- 1.2.** There has been an increase of **£0.423m** in the Early Years funding. This change is due to an increase in take up of the 2-year-old entitlement for working parents.
- 1.3** The High Needs allocation has been reduced by **£0.012m** due to the revised import/export adjustment. The schools block and Central Services schools block remain unchanged.

Recommendation (i) Schools forum is requested to:

- (a) Note the updated 2025/26 DSG funding.

2. DSG projected outturn – 2025/26

- 2.1 The table below outlines the projected DSG outturn for 2025/26. The latest forecast indicates a total expenditure of **£310.378m** resulting in an overall deficit of **£3.1m**. All the funding blocks apart from the High Needs budget are anticipated to breakeven at year end. The budget pressure of **£3.1m** on high needs block is due to growth and demand for special school places, demand for home tuition service, post-16 placements, SEND commissioned services, mainstream top up payments and historic top-up payments.
- 2.2 The DSG reserve brought forward from 2024/25 is **£1.158m**. The net overspend on the DSG of **£3.1m** has resulted in an overall projected net deficit of **£1.942m**. This is an adverse movement of **£0.084m** from the position reported in October.

			Dec-25	Oct-25	
	2025/26 DSG Funding	2025/26 Projected Outturn Nov 2025	Surplus / (Deficit)	Surplus / (Deficit)	Movement from October
	£'000	£'000	£'000	£'000	£'000
Schools Block (ISB)	212,714	212,714	0	0	0
Central Services Block	2,237	2,237	0	0	0
High Needs Block	56,995	60,095	(3,100)	(3,016)	(84)
Early Years Block	35,333	35,333	0	0	0
	307,278	310,378	(3,100)	(3,016)	(84)
DSG reserves B/f Surplus/	1,158		1,158	1,158	0
Revised DSG Carried forward-Surplus/(Deficit)			(1,942)	(1,858)	(84)

Recommendation (ii): Schools Forum are requested to:

- (a) Note the 2025/26 projected outturn

3. 2025/26 Update on High Needs and Projected Outturn

- 3.1 The High needs budget continues to be under pressure due to:
- increased demand and complex cases of children presenting with SEND
 - and the financial pressures schools are facing especially the primary phase in managing these cohort of children.

The table below shows the projected outturn forecast for the year:

2025-26 High Needs Projected Outturn						
High Needs Budget and Outturn	2023/24 Outturn £	2024/25 Outturn £	2025/26 Budget £	2025/26 Outturn Forecast £	+Surplus (Deficit) Month 7	+Surplus (Deficit) Month 6
Alternative Provision (excl PRU)	3,369,139	4,145,018	4,083,002	4,339,020	(256,018)	(300,000)
ARP Funding	9,789,848	10,001,189	10,276,640	10,107,353	169,287	(454,320)
Education Inclusion	1,945,955	1,866,872	2,392,321	2,395,480	(3,159)	0.00
SEN - Non maintained	5,501,905	3,901,597	3,993,776	2,894,541	1,099,235	0.00
High Needs Top Ups - OB	2,661,046	3,109,263	2,939,727	3,814,224	(874,497)	0.00
SEND (Commissioned Services)	1,369,200	2,045,491	1,016,317	2,146,174	(1,129,857)	0.00
Legal fees & CiC Residential Education	839,121	1,219,200	1,460,850	1,260,747	200,103	0.00
HN Top Ups - Post 16	2,664,888	3,977,999	4,055,150	5,693,454	(1,638,304)	0.00
Mainstream Top Ups	5,474,350	5,175,066	5,750,000	6,801,770	(1,051,770)	0.00
Provisional Payments	2,790,000	2,440,000	0.00	0.00	0.00	0.00
Aspire Virtual School	380,035	377,667	382,324	421,752	(39,428)	0.00
Initiatives (Rapid Response)	903,872	817,251	791,917	791,917	0.00	0.00
Special School Funding	14,438,249	16,930,529	18,175,947	17,339,981	835,966	(1,261,449)
EY Portage & Youth Service	471,527	404,597	395,049	530,049	(135,000)	0.00
Wordfirst & Salt Projects	570,315	1,130,509	568,000	568,000	0.00	0.00
Gatekeeping		620,580	713,651	0.00	713,651	0.00
Historic Pressure			0	1,000,000	(1,000,000)	(1,000,000)
Total Expenditure	53,169,450	58,162,829		60,104,461	(3,109,790)	(3,015,769)
Total Budget	49,836,711	51,567,397		56,994,671		
Variance (Overspend)	(3,332,739)	(6,595,432)		(3,109,790)		

Table – High Needs Outturn

3.2 The pressures in the budget are driven by the following:

1. Growth & Demand for Special school places
2. Demand for Home Tuition Outreach service.
3. Historic top-up payments
4. Post 16 placements
5. SEND commissioned Services
6. Mainstream top-up payments for LBBD schools

3.3 Growth & Demand for Special school places

The table below shows the increased commissioned places within local special schools for 25/26. Oxlow Bridge is a new special school that opened in September 2025, specifically for pupils with profound and multiple learning difficulties, capacity will increase to 90 in the coming years.

Special Schools Commissioned Numbers 2025-26			
	24-25	25-26	Growth
Pathways	60	72	12
Riverside Bridge	210	246	36
Trinity	303	320	17
Oxlow Bridge	0	30	30
Total	573	668	95

3.4 Post 16 placements

There is ongoing increase demand for post 16 SEND places. The table below show the trend in demand for post 16 places.

Post 16 Special Schools & College Places	2024/25	2025/26	% Increase
Post 16 College Places	330	352	7%
Post 16 Special School places	63	59	-6%
Grand Total	393	411	5%

3.5 SEND commissioned Services

Barking and Dagenham continues to face significant financial pressures in meeting the needs of pupils with SEND, particularly due to a sharp increase in demand from families newly arriving in the borough.

3.6 The requirement to secure interim placements—often at short notice—has led to a substantial rise in expenditure. This is driven by unprecedented levels of demand and the high number of children and young people moving into the area who require specialist provision.

3.7 The SEND Code of Practice 2015 sets out a clear statutory duty for local authorities to secure suitable education for all children and young people with SEND, ensuring their needs are met without delay. When a child or young person with an Education, Health and Care (EHC) plan moves into Barking and Dagenham from another authority, the previous authority must transfer the EHC plan to the new authority on the day of the move, or within 15 working days if prior notice was not given. Upon transfer, Barking and Dagenham becomes responsible for maintaining the plan and securing the special educational provision specified within it, as well as arranging interim tuition if a suitable placement is not immediately available. This statutory duty, combined with lagged funding mechanisms and a shortage of local specialist places, means the borough must often resort to costly interim solutions to uphold its legal obligations, further stretching already limited resources.

3.8 The High Needs working group met on 2nd December 2025 and reviewed the in-year position and ongoing pressures. The group also discussed the following:

- New membership and new terms of reference for the group
- Appointment of a new chair
- Funding model for mainstream top-ups for non-EHCP pupils.

Recommendation (iii) Schools forum is requested to:

(a) Note and comment on the 2025/26 High Needs outturn position

4. Update on Mainstream top-up funding for non-EHCP pupils

The table below shows the funding position for mainstream top-up payments.

Distribution of Mainstream Top-Up Funding		
Top-up Budget	5,750,000	
Central Services Savings	1,004,332	
Total funding Available		6,754,332
EHCP Payments (30th June)	-4,149,755	
EHCP Payments (July - Oct)	-253,877	
Total EHCP Payments		-4,403,632
Distribute Equally to Non-EHCP		2,350,700

- Budget Allocation for the year is £5,750,000
- One-off in year savings from centrally managed High needs services is £1, 004,322
- Total budget available for top-up payment is £6,754,332
- Payments made for 792 pupils with EHCP @ 30 June 2025 was £4,149,755
- Further payments for 61 pupils (53 prim & 8 sec) issued with EHCP between July – October will be paid. (£253,877).
- Balance available for distribution to non-EHCP pupils is 2,350,700. This amount will be distributed equally to 738 primary pupils only. This is the preferred option by the HN working group.
- A second option was considered, which involved distributing the balance of £2,350,700 to the number of non-EHCP applications above 1% of respective school's population. This option was not preferred.

Recommendation (iv) Schools forum is requested to:

(a) Note the distribution of mainstream top-up funding for pupils with EHCP & Non-EHCP.

5. Early Years Update

5.1 The 2026–27 Early Years allocation & funding formula, and provider funding rates will be presented to Schools Forum in January 2026. We are expecting the publication of the EY allocation by DfE, later this month, December 2025.

5.2 The following changes to local rules has been applied from 2025-26:

- **Pass-through requirement has increased from 95% to 96% in 2025-26**, with plans to move to 97% once the new entitlements are sufficiently embedded.
- On the timing of local funding rates to providers: The DfE has abolished the 8-week window within which LAs need to communicate providers' rates. Instead, from 2025-26, the Early Years funding operational guidance has been updated for all LAs to inform providers of their rates no later than **28th February**, this will be formalised in regulations from 2026-27 onwards.

5.3 The table below shows the projected forecast for early years for 2025-26.

2025-26 Early Years Funding	Budget Allocation	Actual Spend @ Month 8	Projected Forecast	Variance (Deficit) Underspend
Centrally Retained	1,396,407	999,554	1,609,601	-213,194
Total 3&4 YO EY Block	19,717,931	11,070,011	17,405,016	2,312,915
Total Entitlement 2 Y O	8,331,638	5,805,696	8,708,544	-376,906
Under 2 Funding Total	5,887,330	2,772,969	4,759,453	1,127,877
TOTAL EY BLOCK	35,333,306	20,648,230	32,482,614	2,850,692

5.4 The provisional forecast is estimated to be circa £2.8m underspend, this is due to low take-up of places for 3- & 4-year-olds and under 2-year-old places.

5.5 The service is modelling different options to increase the hourly rate paid to nurseries & Private, Voluntary & Independent providers. This will be presented to schools' forum for approval at the Spring meeting.

Recommendation (v) Schools forum is requested to:

(a) Note the provisional outturn forecast for Early Years for 2025/26.

6. National Funding Formula (NFF) - Indicative Funding 2026/27

- 6.1 On 19 November 2025, the Department for Education announced provisional funding allocations through the National Funding Formula (NFF) for the 2026/27 financial year. Please note that these figures do not include High Needs funding, as details for that allocation will be published later. The total provisional funding for mainstream schools nationally is **£50.9bn**. The comparator figure for 2025/26 was **£48.7bn** which is a 4.6% increase from last year's allocation. The **£50.9bn** incorporates the Schools Budget Support Grant (SBSG) and the National Insurance Contributions (NICs) grant, which the DfE previously distributed as separate grants in 2025/26. For 2026/27, these grants have been "rolled into" the NFF to simplify and streamline the funding system.
- 6.2 Starting from September 2026, the government have committed to extending the Free School Meals (FSM) to all children in households in receipt of Universal Credit. The DfE is not proposing any changes to the NFF FSM allocation, instead the additional funding for the FSM expansion will be provide through a separate grant.
- 6.3 Local Authorities will continue to determine the funding allocations to individual schools by adopting their own Local Funding Formulae (LFF) but for authorities which are not already mirroring the NFF will be required to move their values at least 10% closer to the NFF values than the previous year.
- 6.4 The 2 grants paid separately in 2025/26 will now be rolled into the core school budget these are:
- **Schools Budget Support Grant (SBSG):** – additional funding to support schools with overall costs, including the costs of the school's teacher pay award and the local government services pay award for support staff.
 - **National Insurance Contributions (NICs):** funding to support schools with the increased NICs costs. The DfE provided the grant to support both teachers and support staff as they are both affected by the increase to NICs.
- 6.5 There has been no change to the overall structure of the schools NFF. The funding factors remain the same as for 2025 to 2026. Funding protections will continue to be based on a minimum per pupil level (MPPLs) and a funding floor will be cash flat at 0% so that schools will be protected from cash reductions in their pupil led funding.
- 6.6 The LA will take advantage of the flexibility to model different basic entitlement values to achieve the optimum values to get closest to the NFF cash envelope.

The DfE have set minimum and maximum values for the basic entitlement for primary, KS3 & KS4. Keeping within this range of values enforces 'tightening', bringing the local funding formula closer to the NFF.

Factor	2026 to 2027 national funding formula (NFF) value including area cost adjustment (ACA)	2026 to 2027 authority proforma tool (APT) minimum value	2026 to 2027 APT maximum value
Primary basic entitlement	£4,576.71	£4,462.30	£4,691.13
KS3 basic entitlement	£6,403.35	£6,243.26	£6,563.43
KS4 basic entitlement	£7,218.69	£7,038.22	£7,399.15

6.7 The provisional NFF allocation for LBBD Schools block is shown in the table below.

LBBD NFF Allocation	2025-26	2026-27	Change	% change
Pupil Nos*	40,519	40,641	122	0.30%
Primary Unit of Funding (PUF)	£6,165	£6,427	£262	4.25%
Secondary Unit of Funding (SUF)	£8,351	£8,732	£381	4.56%
LA Allocation excl growth & premises factors	£285,227,768	£299,158,150	£13,930,382	4.88%
LA Allocation through premises funding	£11,721,990	£11,952,138	£230,148	1.96%
Allocations through additional grants	£7,386,954	£0	-£7,386,954	
Total SB baseline (excluding growth)	£304,336,712	£311,110,288	£6,773,576	2.23%
Baseline per pupil (excluding growth)	£7,511	£7,655		1.92%
Provisional % change in 2026/27 DSG Baseline			2.23%	

Table – Estimated provisional allocation.

*NOR is yet to be updated: we are waiting the release of 26/27 Pupil numbers via APT (Authority Proforma Tool).

Recommendation (vi) Schools forum is requested to:

(a) Note the National Funding Formula allocation for 2026/27

7. Schools Block Funding Formula- 2026/27

- 7.1 LBBD will continue to use its restricted local budget setting powers, to set the 2026/27 individual school's budget. The national funding factor rates will be adopted across all the mandatory factors except for the basic entitlement (AWPU). The DfE have set limits on the amounts that can be allocated to Age Weighted Pupil Unit (AWPU), this ensures a move closer to the NFF.
- 7.2 Pending the publication of the Authority Pro-Forma Tool (APT), we will consult schools on the principles to be adopted for setting 2026/27 school level budget. The principles are the same as previous years and are stated below:

- (a) To Apply National Funding Formula (NFF) rates for all funding factors including area cost adjustment with the exception of basic entitlement (AWPU)
- (b) To adjust the AWPU rates to remain within the cash limit and to achieve a ratio to shift funding between primary and secondary phases or as close to it as possible.
- (c) To apply no capping and scaling unless necessary to allow the formula to operate in a reasonable, fair and stable manner. This means that schools will retain all their gains under the formula. However, it may be necessary to apply capping and scaling to ensure that the formula remains affordable.

Recommendation (vii): School Forum are requested to:

- (a) Note the principles to be consulted with schools for the funding formula calculations
- (b) Note deadline for consultation with schools will be on 19 January 2026.

8. 2025/26 Growth Fund

- 8.1 Growth funding is allocated to Schools to manage an increase in pupil numbers in 2025/26 before the lagged funding catches up. The DFE allocate growth funding based on the differences between primary and secondary pupils at school within each Middle Layer Super Output Area (MSOA) between the October 2023 and October 2024 census figures. Only positive MSOA growth will be used in calculating the number of pupils to be funded. The criteria set by LBBD for the growth fund is as below:
- Support growth in Pre-16 pupil numbers to meet basic need.
 - Support additional classes needed to meet the infant class size regulation.
 - Meet the costs of new schools.
 - Where a school or academy has agreed with the local authority to provide an extra class to meet basic need in the area (either as a bulge class or as an ongoing commitment).
- 8.2 The 2025/26 DFE growth fund allocation is **£1.302m** and the growth fund requirement, following the admissions data being revised is **£0.451m**. The rate of growth allocation per pupil is **£1,771.05** and **£2,650.94** for primary and secondary schools respectively.

- 8.3 The Boroughs admissions team has confirmed the expansion in class sizes for September 2025, as detailed in the table below. This growth reflects the revised allocations for schools that meet the criteria for the Growth Fund. The Department for Education (DfE) rates referenced in section 7.2 have been applied to the updated growth figures.

School	Prim Nos	Sec Nos	Prim. Growth	Sec. Growth	Total Growth Allocation 2025/26 incl ACA
			£1,771	£2,651	
Greatfields Secondary School		30		£79,528	£79,528
Riverside Primary (Free School)	60		£106,263		£106,263
Robert Clack School of Science	60	60	£106,263	£159,056	£265,319
Payment to Academies (Apr 25-Aug25)					
Riverside Primary (Free School)			£66,429		£66,429
Riverside School				£49,714	£49,714
Greatfields Secondary School				£49,714	£49,714
Total	120	90	£278,955	£338,013	£616,968
DFE Growth Fund Allocation 2025/26					£1,302,413
Falling Rolls					£373,794
Surplus/(Shortfall)Growth Allocation to be held in contingency					£311,651

Table – 2025/26 Revised Growth Fund

- 8.4 The following changes have been made to the provisional growth fund allocation reported at last Schools forum:
- Eastbrook – planned expansion in the secondary school of 90 did not materialise as the school is currently operating at lower PAN.
 - Thames View Junior School – there is no real growth at the school as the school is operating at a lower PAN across its year groups.
 - Greatfields Primary School – The growth for this new school will be included in the APT rather than via the LA growth fund as the school qualifies as a new and growing school.
- 8.5 Following the changes outlined above, the total Growth Fund requirement has decreased to **£0.616m**. Of this, **£0.165m** has been allocated to three academies (as detailed in Table 7.3) to cover growth costs for the period April to August 2025. The Schools Forum is now required to determine how the remaining surplus of **£0.685m** should be utilised. It should be noted that, as reported in October, **£0.373m** had previously been earmarked for falling rolls

Recommendation (viii): School Forum are requested to:

- (a) Approve the revised growth fund allocations for 2025/26
- (b) Note that falling rolls allocation to be funded from the growth funding balance

9. Charging Arrangement for Permanently Excluded Pupils

The report is to update Schools Forum on the funding arrangements for permanently excluded pupils.

Local authorities are responsible for adjusting the budget shares of mainstream maintained schools if a pupil is permanently excluded, so that funding follows the child.

Academies are also covered by the same policy once a formal agreement with the Council has agreed.

Please refer to **Appendix B** for full details of the charging arrangement to be introduced from September 2025/26.

Recommendation (ix): School Forum are requested to:

- (a) Comment & agree the arrangements for making funding adjustments for permanently excluded pupils from maintained schools and academies; and
- (b) Note that, following the agreement, the LA will contact each academy and free school to enter into an Exclusions Agreement.

10 AOB

11 Financial implications

As presented in this document.

12 Legal implications

The schools' forums (England) regulations 2012 govern the constitution and conduct of meetings of the forum. The schools finance (England) regulations 2012 determine those matters on which the local authority must or may consult the schools' forum and those in respect of which the school's forum can make decisions. These regulations make provision for the financial arrangements of local authorities in relation to the funding of maintained schools and providers of prescribed Early Years provision in England.

13 Other implications

- a. Risk management - None
- b. Contractual issues - None
- c. Staffing issues – None

- d. Customer impact – None
- e. Safeguarding children - None
- f. Health Issues - None
- g. Crime and Disorder Issues – None
- h. Property / Asset Issues – None

Background papers used in the preparation of the report:

None.

List of appendices:

Appendix A _Provisional top-up funding allocations for mainstream schools
Appendix B_ Charging Model for Permanently Excluded Pupils