



Title of report: Dedicated Schools Grant Update and 2027/28 Budget Planning

Meeting: Herefordshire Schools Forum

Meeting date: Friday 10 July 2026

Report by: Head of Strategic Finance (Deputy S151)

Classification

Open

Decision type

This is not an executive decision

Wards affected

(All Wards)

Purpose

To provide an update to the Schools Forum on the items within the Dedicated Schools Grant (DSG) that are funded from the Schools Block and Central School Services Block, in preparation of the 2027/28 budget setting process.

Recommendation(s)

That:

- a) **Schools Forum note the contents of the report and give their views for consideration by Herefordshire Council in preparation of the 2027/28 Dedicated Schools Grant (DSG) budget.**

Alternative options

1. Schools Forum has the power to decide on which services are funded through the delegations and should be consulted by Herefordshire Council as part of the budget setting process.

Key considerations

2. During budget setting each year, Schools Forum will be asked to approve the de-delegation of funding for centrally provided support based on a per pupil rate, considered to be a fair way of accounting for the size of the school and its budget.
3. The final de-delegation budget will be determined once the October 2026 pupil numbers are confirmed in the Authority Pro Forma Tool (APT), which is used to calculate the schools' budgets. The details of which will be presented to Schools Forum in January 2027.
4. Schools block de-delegation does not apply to special schools or pupil referral units (PRUs).

2026/27 De-delegations

5. The 2026/27 De-delegated Services are funded as follows:

	2026/27	
	£	
Access budgeting software	23,056	Primary & Secondary
Free school meals eligibility checking	13,502	Primary & Secondary
English as an additional language	55,008	Primary & Secondary
Trade Unions	20,240	Primary only
School Improvement Service	67,170	Primary & Secondary
Contingencies	11,213	Primary & Secondary
Inclusion Outreach Team (previously the Behaviour Support Services)	31,110	Primary only
Total De-delegated Services	221,299	

6. This budget is top sliced from the Individual Schools Block (ISB) budget to allow the council to provide these services directly to maintained school.
7. Appendix A includes a summary of the activities undertaken by each service. Schools Forum are invited to review these services to determine if they would like to continue to fund them in 2027/28, with decision to be made at the October meeting.

2026/27 Central School Services Block (CSSB)

8. For 2026/27 the Central School Services Block (CSSB) is made up of 2 elements: ongoing responsibilities and historic commitments (Herefordshire Council has £0 historic commitments within their funding allocation). The budget is as follows:

	2026/27	
	£	
Statutory retained duties	390,000	Education Service Management
Schools Forum administration costs	19,000	Democratic Services supporting the Forum
School Admissions	71,288	Admissions Service & Democratic Services (i.e. appeals process)
National licences for schools	192,736	Awaiting final confirmation from DfE so estimated at 25/26 charge plus 4% inflation
SACRE funding for statutory duties	4,000	Religious education curriculum costs
Transfer to the High Needs Block	286,441	
TOTAL	963,465	

9. The council is currently undertaking a review of the ongoing commitments of the CSSB and Education Management Functions ISB top slice in preparation of the 2027/28 budget. We are currently reviewing the DSG technical guidance to look for ways that we can maximise the CSSB funding and reduce the burden to the ISB if possible. A further report will be presented to the October Schools Forum report, with recommended amendments which will form part of the 2027/28 budget setting process.

10. Timetable of 2027/28 budget setting process:

Date	Action
October 2026	School Census return and high needs place-change process between LA and providers. Schools Forum to decide 2027/28 De-delegated Services and Education Management Functions budgets. Schools Forum consider 2027/28 Disapplication requests for Secretary of State
November 2026	Local authority submit 2027/28 high needs place-change workbook to DfE
December 2026	DfE announces schools' revenue funding settlement for 2027/28
January 2027	Early Years Census return, DfE issues outcome of the high needs place-change review and Authority Proforma Tool (APT) submission. Schools Forum to approve 2027/28 budget for Schools, CSSB and Early Years.
February 2027	Deadline for confirmation of schools' budget shares to maintained schools.

March 2027	Deadline for confirmation of estimated Early Years funding allocations to providers. Schools Forum to approve 2027/28 High Needs budget.
Summer 2027	Early Years Block updated for Early Years pupils from January 2027 Early Years pupil numbers.
Summer 2028	Early Years Block updated for January 2028 Early Years pupil numbers (pro rata 7/12th for September 2027 to March 2028).

Community impact

11. Increasingly schools funding is directed by government, and the council can only allocate funding given by government. School governing bodies retain the responsibility to spend the school budget on meeting pupil needs. Schools, colleges and post-16 providers and potentially parents will need to be consulted on any changes to the high needs services.

Environmental Impact

12. This is a consultation with Schools Forum on school funding and will have no direct environmental impacts. School governing bodies and trustees are responsible for deciding on expenditure and they will be encouraged to minimise waste and resource use in line with the Council's Environmental Policy.

Equality duty

13. The Public Sector Equality Duty requires the Council to consider how it can positively contribute to the advancement of equality and good relations and demonstrate that it is paying 'due regard' in our decision making in the design of policies and in the delivery of services.
14. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows: A public authority must, in the exercise of its functions, have due regard to the need to – (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
15. In relation to school finance, it is the responsibility of individual governing bodies to commit expenditure according to individual pupil need. Changes in high needs provision will require consultation with users and further advice from legal services will be sought should this be necessary. However, the decisions of the school forum should have regard to this duty and the potential implications of any decisions made.

Resource implications

16. This report relates to the Dedicated Schools Grant (DSG) but may have an impact on the council's general fund budget if services charged to the DSG are deemed no longer appropriate following review by Schools Forum.

Legal implications

17. The Schools Forum is a statutory decision making and consultative body constituted in line with the School Standards and Framework Act 1998, and its associated regulations, including the Schools Forum (England) (Coronavirus) (Amendment) Regulations 2020, to enable members of the local school community to work in partnership with Herefordshire Council when making decisions about school funding and finances.
18. The funding of schools is prescribed by the Department for Education (DfE) through the School and Early Years Finance (England) Regulations 2026.

Risk management

19. Budget Working Group (BWG) reviews all reports and proposals in detail prior to making recommendations to the Schools Forum. This two-stage process helps to ensure greater scrutiny of budget proposals and mitigate against any risks that may be identified. Any identified risks will be monitored and managed by the Children's and Young People directorate jointly with the Schools Forum.

Consultees

20. Budget Working Group (BWG) was consulted on 30 June 2026, who noted the contents of the report.

Appendices

Appendix A – De-delegated Services Update

Background papers

None.

Glossary of terms, abbreviations and acronyms used in this report.

APT	Authority Proforma Tool
BWG	Budget Working Group (of Schools Forum)
CSSB	Central School Services Block
DfE	Department for Education
DSG	Dedicated Schools Grant
PRU	Pupil Referral Units