

Report to the Schools Forum

Meeting to be held on 14 October 2025

Item 9

Schools Block Funding 2026/27

Contact for further information:
Schools Forum Clerk
schoolsforum@lancashire.gov.uk

Brief Summary

This report provides information on the Schools Block funding arrangements for 2026/27.

Recommendation

The Working Group is asked to:

- a) Support the submission of the exceptional circumstances factor with schools with rents
- b) Vote on the schools funding arrangements for 2026/27 including a 0.5% transfer from schools block to the high needs block, and minimum funding guarantee (MFG) level
- c) Vote on the de-delegation proposals for 2026/27

Detail

At the September 2025 working group meeting, proposals for 2026/27 schools funding arrangements were noted and subsequent consultation documents sent to all schools and academies on 19 September 2025, with a deadline of 3 October 2025 for responses.

Part A of the consultation included the proposal to transfer 0.5% from schools block to the high needs block to assist with the ongoing pressures facing the funding block. The consultation also asked for views from schools and academies regarding the level of MFG to be set in 2026/27, with the proposal to mirror the funding floor with the national funding formula (NFF).

Part B of the consultation included de-delegation proposals as supported by the schools block working group as below:



- Staff costs – Public Duties/Suspensions
- Heritage Learning Service (Museum Service) - Primary Schools Only
- Schools Requiring additional Support
- Children's Champions

A copy and summary of the consultation document has been provided at **Appendices A & B**. The results of the consultation are provided at **Appendix C**.

In addition, the schools block working group were also asked to support the disapplication request to support four Lancashire schools who needed to rent premises to deliver premises, with the information regarding this NFF factor provided below

2026/27 Exceptional Circumstances Factor

The exceptional circumstances factor must relate to premises costs and is only applicable where the value of the factor is more than 1% of a school's budget and applies to fewer than 5% of the schools in the local authority's area.

This factor has been utilised by Lancashire for several years and in 2025/26 supported 4 schools for a 'rents' payment where the schools needed to rent premises to deliver the curriculum. Guidance states that where agreement was received from the DfE in 2025/26 a further disapplication request would be needed to be submitted in future years. The 4 schools involved will continue to rent premises in 2026/27 and initial modelling indicates that the criteria for the value of the factor to be more than 1% of a school's budget and applicable to fewer than 5% of the schools in the area are still met.

The disapplication deadline has been confirmed by the DfE as **17 November 2025**.

The schools forum is asked to support the disapplication to the DfE to request the continued use of an Exceptional Factor in the Lancashire formula, to provide allocations to 4 schools to cover the costs of renting premises for the schools.

