

To Headteachers of maintained schools and PRUs

Dear Colleague

Decisions regarding top-slicing and de-delegation – 2026-27

I am writing to update you on decisions made by the Council and Schools Funding Forum (Forum) regarding funding for some services the Council provides to maintained schools and pupil referral units (PRUs).

You will recall that as from 1 April 2025, maintained schools and PRUs began paying from their delegated budgets (via either de-delegation or top-slicing) for:

- School improvement support
- Moderation of end of key stage assessments
- Redundancy costs
- Supply cover – trade union duties
- Free school meals eligibility checks

Following discussion with the Forum, it has been agreed that with the exception of redundancy costs, the rate per pupil to be charged in 2026-27 for the above will remain as per the 2025-26 rate. There will be no inflationary uplift.

The decision regarding redundancy costs is different. In July 2025, the Council raised concerns with the Forum over the level of spending against this central fund. As a result, the Forum agreed to tighten the criteria and to review the rate for 2026-27. The new rate would need to repay the overspend against the fund in 2025-26. The current overspend to date in 2025-26 is £40,784, with further spend expected before year end. Therefore, the revised rate would be £7.04 per pupil.

In the summer of 2025, maintained schools and PRUs were consulted on some further de-delegation and top-slicing proposals:

- Statutory compliance testing and surveys, including tree surveys
- Health and Safety advice and training
- Employment Tribunal awards and legal costs
- Administration of teachers' pensions

Both the Council and the Forum appreciated that the proposals would place further pressures on the delegated budgets of schools and PRUs. The proposals were debated at two Forum meetings, and a separate meeting took place with the Council's Infrastructure Service to explore how value for money is secured, the providers held to account, and the contract managed. With heavy hearts, the Forum agreed the Council's proposal that from 1 April 2026 the costs of these services are met by top-slicing/de-delegating funds from maintained schools' and PRUs' delegated budgets. The proposal that decisions should be made on rolling two year basis to give both schools and the Council greater certainty and planning time was seen as sensible.

The Council has committed to continuing to work with the Forum to review these services, and to put in place a more formal mechanism for working with schools/PRUs to ensure they can help shape the services the Council provides to or commissions for them.

I appreciate that the current financial climate is challenging for your schools and PRUs, and I know you understand the significant pressures faced by the Council. Our decisions have been informed by the principle of equity – academy budgets have to pay for these services, and we should not be spending council tax money on only a proportion of state schools and their pupils. The Forum recognised this too.

Your budget will reflect these decisions when you receive details of it next month. For ease, I attach a table which sets out the areas of top-slicing and de-delegation with the 2026-27 per pupil rates.

Yours sincerely

David Adams

De-delegation and Top-slice rates for 2026-27

De-delegation rates (£p per pupil)	Primary	Secondary	Special	PRUs
Free School Meal (FSM) eligibility	£0.62	£0.62	£0.62	£0.62
Supply Cover - Trade Union Duties	£2.01	£2.01	£2.01	£2.01
Moderation of end of key stage assessments	£3.18	n/a	£3.18	£3.18
School Improvement and Intervention Fund	£20.51	£12.42	£14.97	£24.13

Education Functions (£p per pupil)	Primary	Secondary	Special and PRUs
Statutory compliance testing and surveys, including tree surveys	£23.06	£23.06	£23.06
Health and Safety advice and training	£1.85	£1.85	£1.85
Employment Tribunal awards and legal costs	£0.84	£0.84	£0.84
Administration of teachers' pensions	£1.60	£1.60	£1.60
Redundancy and related early retirement costs fund	£7.04	£7.04	£7.04