

Equality impact assessment (EIA) form: evidencing paying due regard to protected characteristics

(form updated June 2023)

2026/2027 School Funding Consultation

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যদি আপনি এই ডকুমেন্ট অন্য ভাষায় বা ফরমেটে চান, তাহলে দয়া করে আমাদেরকে বলুন।

如欲索取以另一語文印製或另一格式製作的資料，請與我們聯絡。

اگر آپ کو معلومات کسی دیگر زبان یا دیگر شکل میں درکار ہوں تو برائے مہربانی ہم سے پوچھئے۔

Equality Impact Assessments (EIAs) are public documents. EIAs accompanying reports going to County Councillors for decisions are published with the committee papers on our website and are available in hard copy at the relevant meeting. To help people find completed EIAs, we also publish them in our website's Equality and Diversity section. This will help people to see for themselves how we have paid due regard in order to meet statutory requirements.

Name of Directorate and Service Area	Central Services - Resources
Lead Officer and contact details	Howard Emmett – Assistant Director – Resources howard.emmett@northyorks.gov.uk
Names and roles of other people involved in carrying out the EIA	Sally Dunn – Head of Finance – Schools, Early Years & High Needs sally.dunn@northyorks.gov.uk
How will you pay due regard? for example, working group, individual officer	The proposal will be subject to a school wide consultation process from 19 September 2025 ending 24 October 2025 and this EIA will be updated during and following the consultation responses. The item will be discussed at the North Yorkshire School Forum meetings on 18 September 2025 and 20 November 2025.
When did the due regard process start?	In setting School Funding each year, it is necessary to consider the level at which the Minimum Funding Guarantee (MFG) is set within the parameters determined by the DfE

	<p>and to consider any other local school funding formula decisions for the following financial year.</p> <p>This EIA considers these issues in respect of 2026-27 School Funding.</p>
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Section 1. Please describe briefly what this EIA is about. (for example, are you starting a new service, changing how you do something, stopping doing something?)

The EIA considers the review of the level of the MFG and school funding decisions to be considered for the 2026-27 financial year.

In setting School Funding each year, it is necessary to consider the level at which the Minimum Funding Guarantee (MFG) is set within the parameters determined by the DfE. The DfE allow local authorities to set a MFG in local funding formulae between a minimum and a maximum level. This allows every school, dependent on the local decision on the level of the MFG, the opportunity to benefit up to the maximum level in pupil-led funding per pupil compared to its 2025-2026 National Funding Formula (NFF) baseline.

In the event of there being a funding shortfall or funding surplus in the Schools Block Dedicated Schools Grant (DSG) after the school funding formula allocations have been calculated using the NFF values as determined by the DfE, the methodology which will be used to allocate funding to or clawback funding from school budgets needs to be considered.

NYC is intending to consult schools on a request to transfer either 0.5% or 1% funding from the Schools Block DSG to the High Needs budget for the 2026-2027 financial year. This request is based on the continued and increasing cost pressures on the High Needs block in North Yorkshire; the High Needs cumulative budget deficit is forecast to be c£24m by March 2026 and the deficit position is forecast to continue to escalate for future financial years if the present demand trend for high needs support continues. Based on the 2025-26 Schools Block funding, a 0.5% transfer would equate to £2.3m and a 1% would equate to £4.6m; the proposed block transfer options for the 2026-27 financial are expected to be similar amounts. The unmitigated in-year deficit on the High Needs Block for 2026-27 is estimated to be £16m based on assumptions on the continued trend for an increase in the number of children and young people assessed as requiring a funded Education, Health and Care Plan (EHCP), inflationary pressures, and the mix of placements across different types of education provision.

Section 2. Why is this being proposed? What are the aims? What does the authority hope to achieve by it? (for example, to save money, meet increased demand, do things in a better way.)

The DfE require each local authority to determine the level of the MFG to be used within their local school funding formula each financial year.

In order to ensure the effective and affordable use of the Schools Block DSG funding, consideration needs to be given to the methodology for managing any surplus or shortfall in funding after the calculation of school funding formula allocations using the NFF values as determined by the DfE.

The deficit on the High Needs Block DSG for NYC is forecast to be £24m at the end of the 2025-2026 financial year. Unmitigated, this position is forecast to deteriorate further for the 2026-2027 financial year by a further £16m based on assumptions on the continued trend for an increase in the number of children and young people assessed as requiring a funded EHCP, inflationary

pressures, and the mix of placements across different types of education provision. It is recognised that the proposed funding transfer from the Schools Block to the High Needs budget for the 2026-2027 financial year presents a cost pressure to school budgets. However, given the significance of the levels of concern, at both local authority level and national DfE level, in relation to the High Needs budget deficit position within North Yorkshire, the local authority feels that this option must be considered as part of the overall financial recovery plan strategy for the High Needs budget. The local authority is seeking to mitigate the impact of the funding transfer through the use of additional funding support from reserves and other funding sources.

Section 3. What will change? What will be different for customers and/or staff?

The impact on individual schools may vary in relation to:

- the proposed level of the MFG to be implemented in 2026-2027 and the methodology used for managing any surplus or shortfall in funding on the Schools Block DSG after the calculation of school funding formula allocations using the NFF values as determined by the DfE
- the level of deficit on the DSG high needs budget will be partially mitigated by a transfer of funding from the Schools Block DSG and the High Needs budget. The transfer is reflective of the shared budget responsibility within the high needs system for the provision of support for pupils with SEN. However, it is recognised that any funding transfer will result in an additional cost pressure on school budgets. The local authority is seeking to mitigate the impact of the funding transfer through the use of additional funding support from reserves and other funding sources.

Section 4. Involvement and consultation (What involvement and consultation has been done regarding the proposal and what are the results? What consultation will be needed and how will it be done?)

Whilst the DfE have provided summary policy information for the 2026-2027 financial year, the detailed funding information has not been released; this is expected later in the Autumn 2025 term. In this respect the 2026-2027 school funding consultation will be principle-based. The North Yorkshire Schools Forum will be updated on the 2026-2027 funding arrangements and notified on the intention to consult with schools at its meeting the 18 September 2025.

A consultation will be undertaken with schools and academies will be undertaken between 19 September 2025 and 24 October 2025.

The responses and results from the consultation exercise will be presented at the Schools Forum on 20 November 2025. This EIA will be updated during and following the consultation responses. Schools will be notified of the outcome of this process in early / mid-December 2025

Section 5. What impact will this proposal have on council budgets? Will it be cost neutral, have increased cost or reduce costs?

Please explain briefly why this will be the result.

The specific proposal in the EIA is cost neutral as all costs will be contained within the ring-fence of the 2026-2027 Schools and High Needs Block DSG

Section 6. How will this proposal affect people with protected characteristics?	No impact	Make things better	Make things worse	Why will it have this effect? Provide evidence from engagement, consultation and/or service user data or demographic information etc.
Age	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic. The proposal will be applied to both primary and secondary schools.
Disability		✓		It is anticipated that the proposal will provide additional funding support to the High Needs budget, thus supporting provision to pupils with SEND
Sex	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic.
Race	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic
Gender reassignment	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic
Sexual orientation	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic
Religion or belief	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic
Pregnancy or maternity	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic
Marriage or civil partnership	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic

Section 7. How will this proposal affect people who...	No impact	Make things better	Make things worse	Why will it have this effect? Provide evidence from engagement, consultation and/or service user data or demographic information etc.
...live in a rural area?	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic
...have a low income?	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic
...are carers (unpaid family or friend)?	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic
..... are from the Armed Forces Community	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic

Section 8. Geographic impact – Please detail where the impact will be (please tick all that apply)	
North Yorkshire wide	✓
Craven district	
Hambleton district	
Harrogate district	
Richmondshire district	
Ryedale district	
Scarborough district	
Selby district	
If you have ticked one or more districts, will specific town(s)/village(s) be particularly impacted? If so, please specify below.	

<p>Section 9. Will the proposal affect anyone more because of a combination of protected characteristics? (for example, older women or young gay men) State what you think the effect may be and why, providing evidence from engagement, consultation and/or service user data or demographic information etc.</p> <p>None identified</p>
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Section 10. Next steps to address the anticipated impact. Select one of the following options and explain why this has been chosen. (Remember: we have an anticipatory duty to make reasonable adjustments so that disabled people can access services and work for us)	Tick option chosen
1. No adverse impact - no major change is needed to the proposal. There is no potential for discrimination or adverse impact identified.	✓
2. Adverse impact - adjust the proposal - The EIA identifies potential problems or missed opportunities. We will change our proposal to reduce or remove these adverse impacts, or we will achieve our aim in another way which will not make things worse for people.	
3. Adverse impact - continue the proposal - The EIA identifies potential problems or missed opportunities. We cannot change our proposal to reduce or remove these adverse impacts, nor can we achieve our aim in another way which will not make things worse for people. (There must be compelling reasons for continuing with proposals which will have the most adverse impacts. Get advice from Legal Services)	

4. Actual or potential unlawful discrimination - stop and remove the proposal – The EIA identifies actual or potential unlawful discrimination. It must be stopped.	
Explanation of why the option has been chosen (include any advice given by Legal Services.) No significant adverse impacts have been identified from the EIA affecting one or more protected characteristic. Whilst it is acknowledged that the proposed funding transfer from the Schools Block DSG to the High Needs budget for the 2026-2027 financial year presents a cost pressure to school budgets, the funding reduction will be implemented proportionately across all primary and secondary schools. It is considered that the impact will be across all mainstream schools within North Yorkshire and no greater adverse impact will be experienced by anyone with a protected characteristic. The consultation with schools will conclude on the 24 October 2025. This EIA will be updated during and following the consultation responses should this be required.	

Section 11. If the proposal is to be implemented how will you find out how it is really affecting people? (How will you monitor and review the changes?) The school financial governance processes operating within the LA monitor the position of school budgets and the associated impact on the operations of schools. The high needs budget is monitored on a monthly basis, with quarterly formal reporting.
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Section 12. Action plan. List any actions you need to take which have been identified in this EIA, including post implementation review to find out how the outcomes have been achieved in practice and what impacts there have actually been on people with protected characteristics.				
Action	Lead	By when	Progress	Monitoring arrangements
1. To undertake a formal consultation with schools	Howard Emmett – Asst. Director	24 October 2025		
2. To report outcomes to School Forum	Howard Emmett – Asst. Director	20 November 2025		

Section 13. Summary Summarise the findings of your EIA, including impacts, recommendation in relation to addressing impacts, including any legal advice, and next steps. This summary should be used as part of the report to the decision maker. The Equality Impact Assessment has assessed the impact of the proposal namely: <ul style="list-style-type: none"> To consider MFG levels between the minimum and maximum percentage thresholds set by the DfE for the 2026-2027 financial year To consider the methodology to be used, if required, for managing any surplus or shortfall in funding after the calculation of school funding formula allocations using the NFF values as determined by the DfE.

- To consider a transfer of either 0.5% or 1% funding from the Schools Block DSG to the High Needs budget for the 2026-2027 financial year.
- To hold a consultation with all schools and academies in North Yorkshire over these proposals
- To report findings, conclusions and recommendations to the School Forum

At this stage of the EIA there is no evidence to suggest that the proposal made will significantly disadvantage one or more protected characteristics

Section 14. Sign off section

This full EIA was completed by:

Name: Sally Dunn

Job title: Head of Finance – Schools, Early Years & High Needs

Directorate: Central Services - Resources

Signature: *Sally Dunn*

Completion date: 10/09/2025

Authorised by relevant Assistant Director (signature):

Date: