

## Schools and Academies Funding 2025-26

### 1. Indicative Dedicated Schools Grant (DSG) 2025-26

The information below provides indicative DSG funding for Bury as announced by the Department for Education (DfE) in November 2024, with comparisons to the last financial year 2024-25.

Due to the change of Government in July 2024, information that is usually issued to Local Authorities in the Summer has not yet been received. The DfE issued a brief Summary Policy Statement in October. National Funding Formula information, along with Operational Guidance for 2025-26, is now due to be issued at the end of November and Dedicated Schools Grant allocations are due to be issued during the last week of the Autumn Term.

#### 1a. Schools Block

In 2024-25 schools received additional funding through separate grants, in addition to the Dedicated Schools Grant (DSG):

Core Schools Budget Grant (CSBG);  
 Teachers’ Pay Additional Grant (TPAG);  
 Teachers’ Pension Employer Contribution Grant (TPECG).

The funding for these additional grants will be added to the baseline funding for 2025-26. Initial estimates indicate a per pupil increase of 8% when compared with 2024-25. However, once the baseline is adjusted for the rolling-in of separate grants, the increase is around 0.6%.

Final DSG allocations will be based on October 2024 pupil census data. Provisional census data demonstrates a decline in pupil numbers in Bury Primary Schools, which will have an impact on the overall funding and on individual schools.

School	Funded Oct-23	Draft Oct-24	Variance
TOTAL PRIMARY	15863	15642	-221
TOTAL SECONDARY	11397	11429	32
TOTAL SPECIAL	645	695	50
<b>TOTAL</b>	<b>27905</b>	<b>27766</b>	<b>-139</b>

The DfE have given a commitment to providing additional funding to local authorities, schools and colleges for the increase in Employer National Insurance costs in 2025-26 with details to follow. At this stage a commitment has not been made to provide separate grant funding for the cost of the 2025 Teachers’ Pay Award.

As previously announced, the ‘reception uplift’ will be removed in 2025-26.

The minimum funding guarantee (MFG) is a protection against changes in per pupil school budget share (SBS) funding between the 2024-25 and 2025-26. The amount of protection will vary according to the impact of local changes in the funding formula and the effect of these on individual per pupil rates.

In 2025-26, local authorities have the flexibility to set local MFG between minus 0.5% and 0% compared to the baseline. The baseline will include funding in respect of the additional grants. The annualised CSBG rates in the baseline means that the baseline itself will include a funding uplift compared to 2024-25.

#### 1b. High Needs Block

The indication is that all local authorities should receive a funding increase of at least 7% per head of the age 2 to 18 projected population.

The MFG for special schools in 2025-26 will be 0%.

The 2024-25 teachers' pay, pensions and core schools budget grants will not be incorporated into DSG funding for Special Schools in 2025-26. Instead, they will be combined into a single CSBG for special schools and alternative provision for 2025-26.

#### 1c. Central Schools Services Block

The 2024-25 teachers' pensions and core schools budget grants will be rolled into the 2025-26 CSSB. This will be added to each local authority's baseline

Funding for historic commitments continues to be subject to a year-on-year reduction.

Additional funding will be allocated for increases in copyright licence costs.

#### 1d. Early Years Block

Early Years funding allocations are subject to future announcements. Additional funding has been provided through the Early Years Budget Grant to cover the period September 2024 to March 2025. This additional funding will be incorporated into the DSG allocation for 2025-26.

## 2 Formula Unit Values

Schools' Forum is required to recommend the formula unit values to be applied to all Mainstream Schools & Academies funding allocations on an annual basis.

The formula unit values applied to Bury Schools and Academies funding formula already directly mirror the DfE National Funding Formula (NFF) unit values.

For information, the provisional NFF Unit Values applicable to 2025-26 are set out below. Confirmation of the final values is due at the end of November and will be updated at the meeting if received.

Factor	Sub-level	2024-25	Provisional 2025-26	Variance to 2024-25		Of which = 24-25 grant transfer	Variance excl. grant transfer
		£	£	£	%	£	%
Basic Entitlement	Primary	3,562	3,847	285	8.0%	264	0.6%
Age Weighted Pupil Unit (AWPU)	Key Stage 3	5,022	5,422	400	8.0%	371	0.6%
	Key Stage 4	5,661	6,113	452	8.0%	419	0.6%
<b>Deprivation</b>							
Free School Meals	Primary FSM	490	495	5	1.0%	0	1.0%
	Secondary FSM	490	495	5	1.0%	0	1.0%
Free School Meals - Ever 6	Primary FSM 6	820	1,060	240	29.3%	233	0.9%
	Secondary FSM 6	1,200	1,555	355	29.6%	345	0.8%
Income Deprivation Affecting Children Indices (IDACI) Primary	IDACI F	235	235	0	0.0%	0	0.0%
	IDACI E	285	285	0	0.0%	0	0.0%
	IDACI D	445	445	0	0.0%	0	0.0%
	IDACI C	485	485	0	0.0%	0	0.0%
	IDACI B	515	515	0	0.0%	0	0.0%
	IDACI A	680	685	5	0.7%	0	0.7%
Income Deprivation Affecting Children Indices (IDACI) Secondary	IDACI F	340	340	0	0.0%	0	0.0%
	IDACI E	450	450	0	0.0%	0	0.0%
	IDACI D	630	630	0	0.0%	0	0.0%
	IDACI C	690	690	0	0.0%	0	0.0%
	IDACI B	740	740	0	0.0%	0	0.0%
	IDACI A	945	945	0	0.0%	0	0.0%
<b>Additional Education Needs Factors</b>							
English as an Additional Language (EAL)	EAL 3 Years Primary	590	595	5	0.8%	0	0.8%
	EAL 3 Years Secondary	1,585	1,595	10	0.6%	0	0.6%
Mobility	Pupils starting school outside normal entry	960	965	5	0.5%	0	0.5%
		1,380	1,385	5	0.4%	0	0.4%
Low cost, high incidence SEN	Low Attainment Primary (below expected EYFS)	1,170	1,175	5	0.4%	0	0.4%
	Pupils not achieving (KS2 level 4 English and Maths)	1,775	1,785	10	0.6%	0	0.6%
<b>School-Led Factors</b>							
Lump Sum	Primary	134,400	145,100	10,700	8.0%	9,921	0.6%
	Secondary	134,400	145,100	10,700	8.0%	9,921	0.6%
Split Site	Basic Eligibility	53,700	54,000	300	0.6%		
	Distance Eligibility Minimum		0				
	Distance Eligibility Maximum	26,900	27,000				
Minimum Per Pupil Funding Levels	MFL - Primary	4,610	4,995	385	8.4%		
	MFL - Secondary	5,995	6,465	470	7.8%		

### RECOMMENDATION 1:

Schools' Forum (all members) recommends all the unit values specified in the table provided, to be applied in compliance with the National Funding Formula (NFF) to Bury's Mainstream schools and academies funding formula for 2025-26.

#### 3. De-delegation

For maintained mainstream schools only, the formula mechanism contains options for schools to choose to de-delegate an amount from their formula allocation to contribute to Local Authority services that work to support them. Academies can buy back into Free School Meals Benefit Checking and Trade Union Facilities Time.

Schools' Forum (Maintained Mainstream only) is required to recommend the De-delegated items each year. The table below proposes the level of de-delegation to be recommended for 2025-26.

	Schools of Concern	FSM Benefits checking	Trade Union Facilities Time	Local Authority School Improvement
	Per pupil	Per FSM6	Per pupil	Per pupil
2024-25	£6.62	£5.51	£4.41	£15.75
Proposed 2025-26	£6.88	£5.73	£4.59	£16.38

### RECOMMENDATION 2:

Schools' Forum (maintained school representatives) recommends the de-delegated values for 2025-26, summarised as follows:

- Schools of Concern @ £6.88 per pupil
- Free School Meals Eligibility Checking @ £5.73 per FSM6
- Trade Union Facilities Time @ £4.59 per pupil
- School Improvement Brokerage and Monitoring Grant @ £16.38 per-pupil.

#### 4. Minimum Funding Guarantee (MFG)

The statutory guidance allows local authorities to set a pre-16 MFG in their local formulae, to protect schools from excessive year-on-year changes.

For 2025-26 Local authorities will be able to set an MFG between minus 0.5% and +0.0% per pupil.

### RECOMMENDATION 3:

Schools' Forum (all members) recommends that the MFG protection is set at +0.0% in line with DfE guidance.

#### 4. Headroom

After all formula factors have been updated as per the above recommendations and in accordance with the National Funding Formula unit values, there should be a balance of DSG Schools Block that remains unallocated. This balance is required to cover any outstanding updates to budget determinations as follows:

- October 2024 census variations – Pupil numbers will be adjusted for in the final Schools Block determination, however any increases in funding required due to variances in pupil cohort characteristics need to be covered from any available headroom monies, for example if increased deprivation funding is required once all up-to-date pupils have been mapped into the respective factors.
- Growth – where schools meet the criteria agreed by Schools Forum in 2023 for Local Authority approved bulge classes.
- Falling Rolls Fund – funding may be set aside from the Schools Block to create a small fund to support good schools with falling rolls, where local planning data shows that the surplus places will be needed within the next three financial years. This is unlikely to be needed.
- Minimum per pupil funding Level (MFL) and Minimum Funding Guarantee (MFG) protections – once all final data has been input there may be increased protections required on individual school budgets to ensure their actual budget allocations comply with the MFL and MFG funding per-pupil levels and protections.

If, when all items above have been updated to reflect the actual individual schools budget determinations, and any amounts to support growth and falling rolls have been allocated, there remains a balance of unallocated Schools Block funding, the Local Authority will factor a transfer of this balance by way of supporting the deficit recovery to the High Needs Block.

Schools' Forum may recommend up to 0.5% transfer of Schools' Block without any disapplication process being required to be approved by the Secretary of State for Education.

A 0.5% transfer to the High Needs Block has been factored into future years as part of DSG Safety Valve Management Plan submitted to the DfE.

If there is insufficient Headroom once all other updates have been completed, then Schools Forum may need to consider how to balance the overall Schools Block by reviewing all formula factors.

#### **RECOMMENDATION 5:**

Schools' Forum recommends the use of Headroom to address all outstanding items outlined above and a transfer of any balance, up to a maximum of 0.5%, of unallocated Schools Block Headroom to the High Needs Block, the amount to be confirmed at the meeting of Schools' Forum in January 2025.