

Schools and Academies Funding Update 2025-26

1. Dedicated Schools Grant 2025-26

Following the publication of the Dedicated Schools Grant (DSG) allocations on 18 December 2024, which takes into account the fully validated October 2024 pupil census, the 2025-26 DSG for Bury is summarised in the table below.

*Please note that the 2024-25 baseline shown below includes the Core Schools Budget Grant, Teachers Pension Grant and Teachers Pay Grant in the Schools Block and the Early Years Budget Grant in the Early Years Block. This is for the purpose of demonstrating the actual variance as these have been incorporated into the 2025-26 DSG.

Dedicated schools grant (DSG):		Schools block	Central school services block	High needs block *	Early years block	Total DSG allocation
351	BURY	(£s)	(£s)	(£s)	(£s)	(£s)
	* Final 2024-25 DSG, including additional grants	166,733,379	1,089,065	47,578,209	22,602,115	238,002,768
	2025-26	169,600,036	1,123,603	50,736,577	31,636,291	253,096,507
	Variance to 2024-25 £	2,866,657	34,538	3,158,368	9,034,176	15,093,739
	Variance to 2024-25 %	1.7%	3.2%	6.6%	40.0%	6.3%

2 Schools Block

The application of the NFF unit values, agreed at Schools Forum in December 2024, results in the allocations shown in Table 2 below. The amount of funding distributed to schools, including the centralised Rates payments, equates to almost 100% of the Schools Block Funding. The effect of pupil number variances between the October funding census collections for 2023 and 2024 needs to be noted in respect to the impact on the figures included in the table below.

Primary schools have seen an overall net reduction of 226 funded pupils. Secondary schools have seen an overall net increase of 7 funded pupils.

For both sectors Forum will be aware that there will be individual schools with reductions, and others with gains to pupil numbers. They will all need to financially plan for pupil number changes, in order to achieve a balanced budget position.

Table 1 shows the pupil data variances in the individual factors. There are increases, particularly in Secondary schools, in the number of pupils attracting funding due to Deprivation, English as an Additional Language, and Mobility. It should be noted that the funding rate paid to each Local authority is based on the number of pupils, and

their funding characteristics. However, where we have increases in individual factors that would attract additional funding, the DfE funding is lagged by a year. This will mean that, in 2025-26, the balance available for transfer to the High Needs Block is significantly reduced.

Table 1 – Pupil Data

Factor	Sub-level	2024-25 Data	2024-26 Data	Variance	Variance %
Basic Entitlement Age Weighted Pupil Unit (AWPU)	Primary	15,863.00	15,637.00	-226.00	-1.4%
	Key Stage 3	6,965.50	6,982.50	17.00	0.2%
	Key Stage 4	4,519.00	4,509.00	-10.00	-0.2%
Deprivation Factors					
Free School Meals	Primary	3,455.36	3,427.00	-28.36	-0.8%
	Secondary	2,927.74	3,238.00	310.26	10.6%
Free School Meals - Ever 6	Primary	3,505.41	3,458.00	-47.41	-1.4%
	Secondary	3,097.25	3,388.76	291.51	9.4%
Income Deprivation Affecting Children Indices (IDACI) Primary	IDACI F	1,409.09	1,366.18	-42.91	-3.0%
	IDACI E	2,654.46	2,638.85	-15.61	-0.6%
	IDACI D	990.69	1,022.15	31.46	3.2%
	IDACI C	1,739.44	1,732.18	-7.26	-0.4%
	IDACI B	619.36	603.23	-16.13	-2.6%
	IDACI A	473.95	441.52	-32.43	-6.8%
Income Deprivation Affecting Children Indices (IDACI) Secondary	IDACI F	1,026.65	1,016.00	-10.65	-1.0%
	IDACI E	1,900.30	1,941.42	41.12	2.2%
	IDACI D	695.90	735.81	39.91	5.7%
	IDACI C	1,287.96	1,325.37	37.41	2.9%
	IDACI B	467.16	522.93	55.77	11.9%
	IDACI A	399.26	404.23	4.97	1.2%
Additional Educational Needs Factors					
English as an Additional Language (EAL)	Primary	1,748.33	1,847.44	99.11	5.7%
	Secondary	336.90	400.26	63.36	18.8%
Low Prior Attainment	Primary	5,102.33	5,134.68	32.35	0.6%
	Secondary	2,540.49	2,529.00	-11.49	-0.5%
Mobility	Primary	110.91	117.23	6.32	5.7%
	Secondary	37.82	71.13	33.31	100.0%
School Factors					
Lump Sum	Primary	63.00	63.00	0.00	0.0%
	Secondary	14.58	15.00	0.42	2.9%

Table 2 – Application of Funding Formula

Factor	Sub-level	2024-25	2025-26	Variance £	Variance %
Basic Entitlement Age Weighted Pupil Unit (AWPU)	Primary	£56,504,006	£60,155,539	£3,651,533	6.5%
	Key Stage 3	£34,980,741	£37,859,115	£2,878,374	8.2%
	Key Stage 4	£25,582,059	£27,563,517	£1,981,458	7.7%
Deprivation Factors					
Free School Meals	Primary	£1,693,126	£1,696,365.34	£3,239	0.2%
	Secondary	£1,434,593	£1,602,808.00	£168,215	11.7%
Free School Meals - Ever 6	Primary	£2,874,437	£3,665,480.30	£791,043	27.5%
	Secondary	£3,716,695	£5,269,519.00	£1,552,824	41.8%
Income Deprivation Affecting Children Indices (IDACI) Primary	IDACI F	£331,136	£321,052.00	-£10,084	-3.0%
	IDACI E	£756,521	£752,072.13	-£4,449	-0.6%
	IDACI D	£440,859	£454,854.65	£13,996	3.2%
	IDACI C	£843,627	£848,768.77	£5,142	0.6%
	IDACI B	£318,970	£313,679.60	-£5,290	-1.7%
	IDACI A	£322,286	£302,440.20	-£19,846	-6.2%
Income Deprivation Affecting Children Indices (IDACI) Secondary	IDACI F	£349,061	£345,440.00	-£3,621	-1.0%
	IDACI E	£855,135	£873,639.00	£18,504	2.2%
	IDACI D	£438,418	£467,239.84	£28,822	6.6%
	IDACI C	£888,689	£921,131.80	£32,443	3.7%
	IDACI B	£345,696	£389,582.95	£43,887	12.7%
	IDACI A	£377,304	£384,014.50	£6,710	1.8%
Additional Educational Needs Factors					
English as an Additional Language (EAL)	Primary	£1,031,515	£1,099,228	£67,713	6.6%
	Secondary	£533,990	£638,413	£104,423	19.6%
Low Prior Attainment	Primary	£5,969,730	£6,033,252	£63,522	1.1%
	Secondary	£4,509,362	£4,514,267	£4,905	0.1%
Mobility	Primary	£106,472	£113,125	£6,653	6.2%
	Secondary	£52,187	£98,515	£46,328	100.0%
School Factors					
Lump Sum	Primary	£8,467,200	£9,141,300	£674,100	8.0%
	Secondary	£1,960,000	£2,176,500	£216,500	11.0%
Total Allocated via NFF		£155,683,814	£168,000,858.19	£12,317,044	7.9%
Other Factors					
Rates		£1,538,229	£1,533,120	-£5,109	-0.3%
Minimum Funding Level		£341,724	£302,982	-£38,742	-11.3%
Minimum Funding Guarantee		£61,590	£198,906	£137,316	223.0%
Growth fund		£0	£0	£0	-
LA prior commitment to DfE for guaranteed pupil numbers for new high school Sep-25 to Mar-26		-£620,000	-£620,000	£0	-
Available for transfer to High Needs Block		£621,511	£184,170	-£437,341	-70.4%
TOTAL		£157,626,868	£169,600,036	£11,973,168	7.6%

Note: £184,170 transfer to the High Needs Block is 0.11% of the total Schools Block. This is within the permitted 0.5% which was approved at the last meeting.

3. Central Schools Services Block (CSSB)

Schools' Forum is required to approve the allocation of budgets included under the CSSB, which was created several years ago in place of the former Education Services Grant (ESG) retained functions funding for Local Authorities. The former ESG funding was added to the DSG in April 2018 in order to help sustain the services that it is intended to support.

The overall amount of grant in the 2025-26 CSSB has increased by 3.2%.

The following should be noted:

- The centralised National Copyright Licences cost increases are not yet known but they have increased by more than the standard funding increase in recent years. Therefore provision is made for this in the figures below;
- there is a reduced requirement for the former Teachers' Pay and Pension Grant funding for teachers employed in central services due to restructures in CYP;
- the other services funded via the CSSB have been increased in line with the overall funding increase.

This leaves an unallocated balance of £128,400.

Movements from the Central Services Block to any other block are not subject to any limit and can be made in consultation with Schools Forum.

Central Schools Services Block (CSSB)	2024-25	2025-26	Variance £	Variance %
Section 251 – Central Provision				
1.4.2 Admissions	£213,600	£220,400	£6,800	3.2%
1.4.3 Schools' Forum	£18,300	£18,900	£600	3.3%
1.4.14 National Copyright Licences	£196,437	£212,200	£15,763	8.0%
Section 251 - Former ESG Services				
1.5.1 Education Welfare	£289,200	£298,500	£9,300	3.2%
1.5.2 Asset Management	£99,800	£103,000	£3,200	3.2%
1.5.3 Statutory / Regulatory inc SACRE	£70,000	£72,200	£2,200	3.1%
Section 251 - Other				
1.4.14 Teachers Pay and Pension Grant	£101,428	£70,003	−£31,425	−31.0%
Transfer to High Needs	£100,300	£128,400	£28,100	28.0%
Total Central School Services Block (CSSB)	£1,089,065	£1,123,603	£34,538	3.2%

PROPOSAL 1:

Bury's Schools' Forum recommend the allocation of CSSB budgets as outlined to the applicable services for 2025-26 and to transfer the remaining balance of £128,400 to the High Needs Block in support of High Needs cost pressures and the DSG Management Plan.

4. High Needs Block

High needs funding is provided to local authorities through the high needs block of the DSG, enabling them to meet their statutory duties under the Children and Families Act 2014.

The overall amount of grant in the 2025-26 High Needs Block has increased by 6.6%.

The final allocations include adjustments for:

- October 2024 Special Schools census data;
- the new Brookhaven School (academy) – this will be adjusted by the DfE, as the new school funding was only applicable to 2024-25;

Further changes to the High Needs Block funding are made in-year where there are changes, particularly in relation to import/export adjustments.

As separate report on the High Needs position is included in the papers for this meeting.

High Needs Block	2024-25	2025-26	Variance £	Variance %
Basic entitlement factor unit of funding (area cost adjusted)	£4,699.78	£4,699.79	£0	0%
Number of pupils in special schools/academies	739	764	25	3.4%
Basic entitlement factor	£3,473,138	£3,590,640	£117,501	3.4%
High needs elements in the funding floor and gains calculation	£43,067,032	£46,067,444	£3,000,412	7.0%
Additional funding for new and growing special free schools	£629,167	£629,167	£0	0.0%
Import/export adjustment (based on January 2024 school census and February R06 2023/24 ILR)	-£294,000	-£294,000	£0	0.0%
Hospital Education plus historic teachers pay/pension	£702,872	£0	-£702,872	
Hospital Education	£0	£618,350	£618,350	
Historic teachers pay/pension	£0	£124,976	£124,976	
Hospital Education plus historic teachers pay/pension	£702,872	£743,326	£40,454	5.8%
Total High Needs Block before deductions	£47,578,209	£50,736,577	£3,158,367	6.6%
FE/Academy Recoupment	-£5,272,169	-£5,468,000	-£195,831	3.7%
Total High Needs Block after FE/Academy Recoupment	£42,306,040	£45,268,577	£2,962,536	7.0%

5. Early Years Block

Forum should note that the Early Years Block will be adjusted in-year in respect to fluctuations in Early Years participation. The final funding allocation is based on two sets of January census data:

January 2025 accounts for April 2025 to August 2025 (5/12ths)

January 2026 accounts for September 2025 to March 2026 (7/12ths)

Therefore, the funding received from the DfE is based on take up of places as at the two census dates. The Authority funds Early Years providers on actual take up of places, as notified by providers through the Early Years Portal which means that there is inevitably a variance in the funding allocated and the actual costs each year.

The free childcare offer has been extended so that eligible working parents in England will be able to access 30 hours of free childcare per week for 38 weeks per year from the term after their child turns 9 months to when they start school.

There has also been an above inflation increase to the Pupil Premium funding rate in the Early Years Block. This has risen from £0.68 per hour to £1.00 per hour.

The initial indicative funding for 2025-26 is therefore significantly higher than in 2024-25.

DSG Early Years Block	2024-25	2025-26	Variance	
3&4 YO Basic Entitlement	£8,371,250	£8,738,545	£367,295	4%
3&4 YO Extended Entitlement	£4,448,121	£4,643,286	£195,165	4%
2-year-old disadvantaged entitlement	£2,033,443	£2,138,531	£105,088	5%
2-year-old entitlement for working parents	£3,815,766	£6,227,912	£2,412,146	63%
Under 2s entitlement	£3,230,511	£9,217,120	£5,986,609	185%
Early Years pupil premium for 3 & 4-year-olds	£116,269	£170,983	£54,714	47%
Early Years pupil premium for 2-year-olds	£44,187	£64,980	£20,793	47%
Early Years pupil premium for under 2s	£5,256	£5,849	£593	11%
Disability access fund for 3 & 4-year-olds	£123,760	£129,444	£5,684	5%
Disability access fund for 2-year-olds	£32,760	£30,016	£-2,744	-8%
Disability access fund for under 2s	£11,830	£9,380	£-2,450	-21%
Maintained Nursery Supplementary Funding	£235,878	£260,245	£24,367	10%
TOTAL	£22,469,031	£31,636,291	£9,167,260	41%

For 2025-26 Local authorities are required to pass-through at least 96% of funding for each of the following funding entitlement streams individually:

- 3 & 4YO entitlements
- Under 2s
- 2YO disadvantaged offer
- 2YO working parents

This pass-through requirement ensures that most of the government funding reaches providers so that they can deliver the government's free entitlements. Bury has historically passported more than the minimum requirement for 2, 3 and 4 year-olds.

It should be noted that the DfE has increased the minimum pass-through requirement from 95% to 96% for 2025-26, and it is likely to be further increased in future years following the increase in Early Years funding.

The percentage retained by Local Authorities is used to contribute to Early Years SEN inclusion costs, central support services covering advisory support, sufficiency requirements, free entitlement eligibility checking, and management and administration of the complex Early Years Single Funding Formula determinations, allocations, systems, and statutory reporting requirements.

The table below shows the proposed Central Early Years budget.

The proposed budget exceeds the 96% pass-through requirement for each funding stream, as the Pupil Premium and Disability Access Funds are passed on in full. The overall proposed central budget is 3.7% of the total funding.

DSG Early Years Block	2025-26	Proposed Central Budget	
3&4 YO Basic Entitlement	£8,738,545	£264,638	
3&4 YO Extended Entitlement	£4,643,286	£286,992	
2-year-old disadvantaged entitlement	£2,138,531	£53,313	
2-year-old entitlement for working parents	£6,227,912	£155,257	
Under 2s entitlement	£9,217,120	£419,124	
Early Years pupil premium for 3 & 4-year-olds	£170,983	£0	
Early Years pupil premium for 2-year-olds	£64,980	£0	
Early Years pupil premium for under 2s	£5,849	£0	
Disability access fund for 3 & 4-year-olds	£129,444	£0	
Disability access fund for 2-year-olds	£30,016	£0	
Disability access fund for under 2s	£9,380	£0	
Maintained Nursery Supplementary Funding	£260,245	£0	
TOTAL	£31,636,291	£1,179,324	3.7%

PROPOSAL 2:

Bury's Schools' Forum approve the above allocation of the Early Years Block.

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