

Schools and Academies Funding Update 2026-27

1. Dedicated Schools Grant 2026-27

Following the publication of the Dedicated Schools Grant (DSG) allocations on 17 December 2025, which takes into account the fully validated October 2025 pupil census, the 2026-27 DSG for Bury is summarised in the table below.

*Please note that the 2025-26 baselines shown below include the Core Schools Budget Grant, Schools Budget Support Grant and National Insurance Contribution Grant. This is for the purpose of demonstrating the actual variance as these have been incorporated into the 2026-27 DSG.

2026 to 2027 DSG allocations, before recoupment and deductions for national non-domestic rates, and for direct funding of high needs places by DfE						
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 2025-26 DSG, including additional grants	170,803,013	1,149,642	53,538,534	31,754,242	257,245,431
	2026-27	176,712,533	1,175,003	53,538,534	39,464,722	270,890,792
	Variance to 2025-26 £	5,909,520	25,361	0	7,710,480	13,645,361
	Variance to 2025-26 %	3.5%	2.2%	0.0%	24.3%	5.3%

2 Schools Block

The application of the NFF unit values, agreed at Schools Forum in December 2025, 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 2024 and 2025 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 334 funded pupils.
Secondary schools have seen an overall net reduction of 69 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. Although overall pupil numbers have fallen, there are increases in the number of pupils attracting funding

due to being eligible for Free School Meals. 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.

Table 1 – Pupil Data

Factor	Sub-level	2025-26 Data	2026-27 Data	Variance	Variance %
Basic Entitlement Age Weighted Pupil Unit (AWPU)	Primary	15,637.00	15,303.00	-334.00	-2.1%
	Key Stage 3	6,982.50	6,891.50	-91.00	-1.3%
	Key Stage 4	4,509.00	4,531.00	22.00	0.5%
Deprivation Factors					
Free School Meals	Primary	3,427.00	3,457.00	30.00	0.9%
	Secondary	3,238.00	3,402.24	164.24	5.1%
Free School Meals - Ever 6	Primary	3,458.00	3,504.00	46.00	1.3%
	Secondary	3,388.76	3,527.98	139.22	4.1%
Income Deprivation Affecting Children Indices (IDACI) Primary	IDACI F	1,366.18	1,370.79	4.61	0.3%
	IDACI E	2,638.85	2,560.07	-78.78	-3.0%
	IDACI D	1,022.15	1,013.51	-8.64	-0.8%
	IDACI C	1,732.18	1,663.40	-68.78	-4.0%
	IDACI B	603.23	618.16	14.93	2.5%
	IDACI A	441.52	423.58	-17.94	-4.1%
Income Deprivation Affecting Children Indices (IDACI) Secondary	IDACI F	1,016.00	1,006.10	-9.90	-1.0%
	IDACI E	1,941.42	1,947.95	6.53	0.3%
	IDACI D	735.81	755.87	20.06	2.7%
	IDACI C	1,325.37	1,274.75	-50.62	-3.8%
	IDACI B	522.93	505.53	-17.40	-3.3%
	IDACI A	404.23	390.95	-13.28	-3.3%
Additional Educational Needs Factors					
English as an Additional Language (EAL)	Primary	1,847.44	1,874.64	27.20	1.5%
	Secondary	400.26	360.79	-39.47	-9.9%
Low Prior Attainment	Primary	5,134.68	5,264.53	129.85	2.5%
	Secondary	2,529.00	2,481.94	-47.06	-1.9%
Mobility	Primary	117.23	130.30	13.07	11.1%
	Secondary	71.13	70.91	-0.22	-0.3%
School Factors					
Lump Sum	Primary	64.00	64.00	0.00	0.0%
	Secondary	14.00	14.00	0.00	0.0%

Table 2 – Application of Funding Formula

Note – this table shows DSG only and does not include additional grants.

Factor	Sub-level	2025-26	2026-27	Variance £	Variance %
Basic Entitlement Age Weighted Pupil Unit (AWPU)	Primary	£60,155,539	£62,191,396	£2,035,857	3.4%
	Key Stage 3	£37,859,115	£39,185,069	£1,325,954	3.5%
	Key Stage 4	£27,563,517	£29,043,710	£1,480,193	5.4%
Deprivation Factors					
Free School Meals	Primary	£1,696,365	£1,745,785	£49,420	2.9%
	Secondary	£1,602,808	£1,718,131	£115,323	7.2%
Free School Meals - Ever 6	Primary	£3,665,480	£4,239,840	£574,360	15.7%
	Secondary	£5,269,519	£6,085,766	£816,246	15.5%
Income Deprivation Affecting Children Indices (IDACI) Primary	IDACI F	£321,052	£328,990	£7,938	2.5%
	IDACI E	£752,072	£742,420	-£9,652	-1.3%
	IDACI D	£454,855	£461,147	£6,292	1.4%
	IDACI C	£848,769	£831,700	-£17,069	-2.0%
	IDACI B	£313,680	£327,625	£13,945	4.4%
	IDACI A	£302,440	£296,506	-£5,934	-2.0%
Income Deprivation Affecting Children Indices (IDACI) Secondary	IDACI F	£345,440	£347,105	£1,665	0.5%
	IDACI E	£873,639	£896,057	£22,418	2.6%
	IDACI D	£467,240	£491,316	£24,076	5.2%
	IDACI C	£921,132	£905,073	-£16,059	-1.7%
	IDACI B	£389,583	£384,203	-£5,380	-1.4%
	IDACI A	£384,015	£379,222	-£4,793	-1.2%
Additional Educational Needs Factors					
English as an Additional Language (EAL)	Primary	£1,099,228	£1,143,532	£44,304	4.0%
	Secondary	£638,413	£588,094	-£50,319	-7.9%
Low Prior Attainment	Primary	£6,033,252	£6,317,436	£284,184	4.7%
	Secondary	£4,514,267	£4,529,541	£15,274	0.3%
Mobility	Primary	£113,125	£128,346	£15,221	13.5%
	Secondary	£98,515	£100,338	£1,823	1.9%
School Factors					
Lump Sum	Primary	£9,286,400	£9,772,800	£486,400	5.2%
	Secondary	£2,031,400	£2,137,800	£106,400	5.2%
Total Allocated via NFF		£168,000,858	£175,318,944	£7,318,086	4.4%
Other Factors					
Rates		£1,533,120	£1,614,282	£81,162	5.3%
Minimum Funding Level		£302,982	£20,960	-£282,022	-93.1%
Minimum Funding Guarantee		£198,906	£28,597	-£170,309	-85.6%
Growth fund		£0	£0	£0	-
LA prior commitment to DfE for growth in pupil numbers for new high school Sep-26 to Mar-27		-£620,000	-£620,000	£0	-
Available for transfer to High Needs Block		£184,170	£349,750	£165,579	89.9%
TOTAL		£169,600,036	£176,712,533	£7,112,497	4.2%

Note: £349,750 transfer to the High Needs Block is 0.2% of the total Schools Block. This is within the 0.5% permitted, which was approved at the last meeting. The increase from the previous year is due to the lower amount available last year as a result of the increase in deprivation factors.

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 to help sustain the services that it is intended to support.

The overall amount of grant in the 2026-27 CSSB has increased by 2.2%.

The following should be noted:

- each service funded via the CSSB has been increased in line with the overall funding increase.

This leaves an unallocated balance of £131,200 available to transfer to High Needs.

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)	2025-26	2026-27	Variance £	Variance %
Section 251 – Central Provision				
1.4.2 Admissions	£220,400	£225,200	£4,800	2.2%
1.4.3 Schools' Forum	£18,900	£19,300	£400	2.1%
1.4.14 National Copyright Licences	£212,200	£216,900	£4,700	2.2%
Section 251 - Former ESG Services				
1.5.1 Education Welfare	£298,500	£305,100	£6,600	2.2%
1.5.2 Asset Management	£103,000	£105,300	£2,300	2.2%
1.5.3 Statutory / Regulatory inc SACRE	£72,200	£73,800	£1,600	2.2%
Section 251 - Other				
1.4.14 Teachers Pay, Pension & NIC Grant	£96,042	£98,203	£2,161	2.3%
Transfer to High Needs	£128,400	£131,200	£2,800	2.2%
Total Central School Services Block (CSSB)	£1,149,642	£1,175,003	£25,361	2.2%

PROPOSAL 1:

Bury's Schools' Forum recommend the allocation of CSSB budgets as outlined to the applicable services for 2026-27 and to transfer the remaining balance of £131,200 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.

Due to the pending review of High Needs funding, the overall amount of grant in the 2026-27 High Needs Block has been frozen at the 2025-26 grant level, with the addition of the previously separate grants.

The final allocations do not include any adjustments for census data.

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

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

High Needs Block	2025-26	2026-27	Variance £	Variance %
Number of pupils in special schools/academies	764	779	15	2.0%
2025-26 Allocation	£50,991,838	£50,991,838		
2025-26 Additional Grants for Independent Provision		£518,276		
2025-26 Additional Grants for LA Special Schools & AP		£2,395,184		
2025-26 Additional Grants for SEN/RP Units		£35,235		
Import/Export Adjustment	-£402,000	-£402,000		
Total High Needs Block before Recoupment	£50,589,838	£53,538,533	£2,948,695	5.8%

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 for 2026-27 will be based on termly census data:

Summer Term data collection 13/38ths

Autumn Term data collection 14/38ths

Spring Term data collection 11/38ths

Therefore, the funding received from the DfE is based on take up of places at the termly 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 up to 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. The full year effect of this increase is included in the 2026-27 indicative allocation.

There has also been a further above inflation increase to the Pupil Premium funding rate in the Early Years Block. This has increased from £1.00 per hour to £1.15 per hour.

The table below shows the initial indicative funding for 2026-27, based on indicative data.

DSG Early Years Block	2025-26	2026-27	Variance	
3&4 YO Basic Entitlement	£8,810,311	£9,293,396	£483,085	5%
3&4 YO Extended Entitlement	£4,355,407	£4,492,492	£137,085	3%
2-year-old disadvantaged entitlement	£1,604,536	£1,918,499	£313,963	20%
2-year-old entitlement for working parents	£6,346,552	£8,804,894	£2,458,342	39%
Under 2s entitlement	£9,435,938	£14,135,613	£4,699,675	50%
Early Years pupil premium for 3 & 4-year-olds	£215,449	£233,798	£18,349	9%
Early Years pupil premium for 2-year-olds	£78,341	£133,893	£55,552	71%
Early Years pupil premium for under 2s	£11,634	£22,550	£10,916	94%
Disability access fund for 3 & 4-year-olds	£129,444	£117,000	-£12,444	-10%
Disability access fund for 2-year-olds	£30,016	£46,800	£16,784	56%
Disability access fund for under 2s	£9,380	£7,800	-£1,580	-17%
Maintained Nursery Supplementary Funding	£255,680	£257,987	£2,307	1%
TOTAL	£31,282,688	£39,464,722	£8,182,034	26%

For 2026-27 Local authorities are required to pass-through at least 97% of funding for each of the following funding entitlement streams individually:

- 3 & 4YO entitlements
- Under 2s
- 2YO disadvantaged
- 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% in 2024-25, to 96% for 2025-26, and 97% in 2026-27.

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 meets or exceeds the 97% 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 2.8% of the total funding.

Individual pass-through rates:

3&4 YO 97.00%

2 YO 97.40%

Under 2s 97.00%

DSG Early Years Block	2026-27	Proposed Central Budget	
3&4 YO Basic Entitlement	£9,293,396	£229,882	
3&4 YO Extended Entitlement	£4,492,492	£177,784	
2-year-old disadvantaged entitlement	£1,918,499	£48,946	
2-year-old entitlement for working parents	£8,804,894	£224,775	
Under 2s entitlement	£14,135,613	£423,285	
Early Years pupil premium for 3 & 4-year-olds	£233,798	£0	
Early Years pupil premium for 2-year-olds	£133,893	£0	
Early Years pupil premium for under 2s	£22,550	£0	
Disability access fund for 3 & 4-year-olds	£117,000	£0	
Disability access fund for 2-year-olds	£46,800	£0	
Disability access fund for under 2s	£7,800	£0	
Maintained Nursery Supplementary Funding	£257,987	£0	
TOTAL	£39,464,722	£1,104,673	2.8%

PROPOSAL 2:

Bury's Schools' Forum approves the above central budget allocation within the Early Years Block.

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