

AGENDA ITEM 6

REPORT TO SCHOOLS FORUM

20th JANUARY 2026

SCHOOLS BUDGET 2026/27

SUMMARY

1. The purpose of this paper is to provide information and recommendations on the local distribution of the Dedicated Schools Grant (DSG) for the next financial year. This report sets out the proposed Schools budget and confirms the final Stockton funding formula arrangements for 2026/27.
2. In June 2025 the Government announced that, starting from September 2026, Free School Meals (FSM) will be extended to all children in households receiving Universal Credit (UC). For 2026 to 2027, DfE is not proposing any changes to the schools National Funding Formula (NFF) or high needs allocations in respect of the FSM expansion through the DSG. Instead, the additional funding for the FSM expansion will be provided through a separate grant. Further details on how this grant will be calculated will be published by DfE in due course.
3. For the Schools Block, DfE has now rolled into school baselines the funding equivalent to that previously allocated via the Schools Budget Support Grant (SBSG) and National Insurance Contributions (NICs) Grant. The 2026/27 NFF factor values for lump sum, basic per pupil rates and free school meals Ever6 (FSM6) have been increased accordingly.
4. In recognition of the funding cycle for academies, which follows the academic year (rather than the financial year used for local authority maintained schools), academies will receive additional funding relating to the SBSG and NIC grant, to cover April to August 2026. This is the period in advance of the funding being rolled into academies' core budget allocations through the NFF. DfE will provide further information at a later date.
5. Local authorities will continue to use funding through the schools NFF to determine final allocations for all local mainstream schools and the Government will continue with the same approach to "tightening" local formulae as in previous years. Local authorities will be required to move their local formulae factors 10% closer to the NFF values, compared to where they were in 2025 to 2026, unless they are already mirroring the NFF.
6. To agree the local formula, the authority consulted with all schools. This exercise was undertaken during November and December 2025 and the results were reported to the Schools Forum at its November meeting and in an additional meeting on the 18th December. The Forum subsequently agreed with the proposals for the schools funding formula including a 0.5% transfer from the Schools block to the High Needs block for 2026/27

of £0.924m (£0.896m in 2025/26). The budget presented in this report for 2026/27 is based on the agreed decisions.

7. The distribution of the DSG to local authorities by DfE is set out in four blocks for each authority: schools block, high needs block, early years block and central school services block (CSSB).
8. Within the overall budget setting process there are a few central spend decisions that the Forum has responsibility for and these are presented for approval in this document.

RECOMMENDATIONS

9. To support the approach and overall allocation of DSG for 2026/27, particularly:
 - a. To **note** the Dedicated School Grant settlement (para 12 and the tables in para 14 and 15)
 - b. **Support** the funding proposals for the Growth Fund (para 24)
 - c. **Note** that the authority intends to set the following early years rates;
 - 3 and 4 year old early years rate to £5.80 (para 25).
 - Early Years Pupil Premium funding on to all state-funded early years providers has been increased to £1.15 per hour per eligible pupil. (para 26)
 - Rate for 2 yr olds of families receiving additional support (Previously identified as Disadvantaged 2 year olds) will be set at £8.03 (para 27)
 - 2 year olds (now expanded to 30 hours) working entitlement rate will be set at £7.90 (para 28)
 - 9 month to 2 year olds (now expanded to 30 hours) working entitlement rate will be set at £10.90 (para 29)
 - d. **Note** that the authority intends to maintain the pass-through rate at 98% for 3 and 4 year olds. All other eligible entitlements will be increased from 96% to 97%. (paras 31 and 32).
 - e. **Agree** the Early Years central spend of £968k. (para 34)
 - f. **Note** the position on high needs spend (paras 35 to 42)
 - g. **Agree** the proposed central spend block items and associated budget for 2026/27 as detailed in paragraphs 43 to 45.
 - h. **Note** the estimated deficit position on the DSG (para 49).
 - i. **Note** the position re Pupil Premium and other grants (paras 56-58).
 - j. **Note** that if for any reason there is a need to convene a further Schools Forum meeting, 10th February 2026 is arranged for this purpose.

Summary of Key Points

10. The paper discusses and requests decisions where appropriate, on the following for 2026/27:-
- i. Dedicated Schools Grant Allocations
 - ii. Schools Block spend including Growth Fund
 - iii. Early Years Block Spend
 - iv. High Needs Block Spend
 - v. Central Services Block Spend
 - vi. Schools Budget 2026/27 and Projected Brought Forward School Budget Balance
11. There are significant continuing high needs pressures facing the Schools Budget which starts the financial year with a projected cumulative deficit of £13.62m at 31 March 2026. This is based on the current monitoring report (quarter 3) which is also presented at today's meeting.

GOVERNMENT FUNDING ALLOCATIONS

Dedicated Schools Grant (DSG) Allocations

12. The 2026/27 DSG allocation before deductions for Stockton is £270.86m compared to £256.1m in 2025/26.
13. DSG allocations are before recoupment and deductions for national non-domestic rates, and for direct funding of high needs places by Education and Skills Funding Agency (ESFA).
14. The distribution of the DSG to local authorities is set out in four blocks and includes the agreed 0.5% transfer. The allocated funding under each block is shown below:

	2026/27 £m
Schools Block	£183.95
High Needs Block	£47.90
Central Services Block	£1.48
Early Years Block	£37.53
Total 2026/27 DSG	£270.86

15. The level of funding under each block is represented in the table below:

	2026/27	2025/26	Change
	£m	£m	£m
<u>Schools Block</u>			
DSG - Main Funding	£184.88	£179.31	£5.57
Transfer to High Needs	-£0.92	-£0.89	-£0.03
Total Schools Block*	£183.96	£178.42	£5.54
<u>Early Years Block</u>			
3/4 Year Old - Universal Funding	£9.45	£9.47	-£0.02
3/4 Year Old - Additional 15 Hours	£4.37	£4.47	-£0.10
2 Year Old - Working Parents	£8.07	£5.77	£2.30
2 Year Old - Families receiving additional support	£2.14	£2.56	-£0.42
Under 2's entitlement	£12.83	£8.54	£4.29
Early Years Pupil Premium (From 9 mths)	£0.47	£0.35	£0.12
Disability Access Fund (From 9 mths)	£0.20	£0.22	-£0.02
Total Early Years Block	£37.53	£31.38	£6.15
<u>Central Services Block</u>			
Historic Spend	£0.03	£0.04	-£0.01
Pupil Numbers	£1.45	£1.16	£0.29
Total Central Service Block	£1.48	£1.20	£0.28
<u>High Needs Block</u>			
Transfer From School Block	£0.92	£0.89	£0.03
High Needs Main Funding	£46.97	£44.21	£2.76
Total High Needs Block	£47.89	£45.10	£2.79
Total DSG	£270.86	£256.10	£14.76

16. Schools Block:-

- The school's block has been allocated based on the primary units of funding (PUF), and secondary units of funding (SUF), and premises funding announced in November 2025, and growth and falling rolls funding.
- The 2026/27 primary unit of funding for Stockton is £5,836.21 and the secondary unit of funding is £7,543.59 (compared to £5,550.46 and £7,179.46 respectively in 2025/26). Stockton's allocation for 2026/27 is £183.95m (178.42m 2025/26) after the £0.924m transfer to High Needs (£0.896m in 2025/26). This will be the allocation before academy recoupment which will be taken by the ESFA (Education and Skills Funding Agency) for all Stockton's Academies and Free Schools from the DSG allocation.
- There is a total reduction of 537 pupils from 2025/26 down to 27,786 pupils (including those in the Free Schools) and this represents an overall decrease of 0.98%.

17. Early Years Block –

- The early years national funding formulae (EYNFF) are used to determine the hourly rates for individual local authorities for the early

years entitlements. For the financial year 2026 to 2027, DfE have provided each local authority with funding based on 3 separate hourly funding rates:

- an hourly funding rate for children aged 9 months up to 2 years for the eligible working parent entitlement
 - an hourly funding rate for both 2-year-old entitlements which will be the same for families of 2-year-olds receiving additional support and eligible working parents of 2-year-olds
 - an hourly funding rate for 3 and 4-year-olds for the universal and additional hours entitlements
- b. Funding provided through the 2025 to 2026 early years national insurance contributions and teachers' pay grant (EYNTPG) has been rolled into the funding rates for 3 and 4-year-olds, 2-year-olds and 9 months to 2-years-old. Local authorities will not, therefore, receive a separate EYNTPG allocation in 2026/27.
- c. Funding for all the early years funding streams except for Disability Access Funding (DAF) will now be based on data from termly early years and school censuses, and the annual alternative provision (AP) census, with funding adjustments to the early years block of the DSG following the termly collections.
- d. To reflect this significant change from an annual to a termly census, for 2026 to 2027 only, each LA will receive an 'adjusted' hourly rate for 3 and 4-year-olds after allowing for the termly funding adjustment. This is intended to compensate LAs for the budget reduction they would otherwise see from reduced headcounts under a termly funding model.
- e. Funding for DAF will continue to be based on an annual estimate of eligible children.
- f. DfE has increased the minimum pass-through rate to 97% (from 96% in 2025 to 2026). This new 97% requirement will apply separately to each of the entitlements for:
- 9-month-old children up to 2-year-olds of eligible working parents
 - 2-year-old children of eligible working parents
 - 2-year-old children from families receiving additional support
 - 3 and 4-year-olds (universal and additional hours)

Disability Access Fund (DAF)

- g. All early years providers delivering early years entitlements to children eligible for DAF are eligible to receive DAF payments.
- h. Local authorities must fund all settings providing a place for DAF-eligible children at the annual rate of at least £975 per child (£938 per child in 2025/26). These individual DAF payments will be distributed in their entirety to providers.

Early Years Pupil Premium (EYPP)

- i. For 2026 to 2027, EYPP covers all children who are accessing the entitlements and meeting the eligibility criteria.
- j. Local authorities must fund early years providers in their area at a rate of at least £1.15 per hour per eligible child on the first 15 hours only up to a maximum of 570 hours (a maximum of at least £655 per year).
- k. If a child qualifies for EYPP under more than one set of criteria, they will only attract the funding once.
- l. EYPP is only payable for the first 15 hours used by children taking up one or more entitlements and is not payable on any additional hours. Where a child is eligible for both EYPP and the 15 funded hours entitlement for **Families with 2-year-olds Receiving Additional forms Support (FRAS)**. DfE expects local authorities to apply the EYPP to the FRAS hours rather than working parent entitlement hours.
- m. For children who are eligible for EYPP by virtue of being looked after by a local authority, the local authority must fund the early years provider at a flat rate of at least £1.15 multiplied by 570 hours (at least £655 per year).

Special Educational Needs Inclusion Fund (SENIF)

- n. All local authorities are required to have a SENIF for all children eligible for the entitlements and who have SEN, regardless of the number of hours taken. These funds are intended to support local authorities to work with providers to recognise and support the low-level and emerging needs of individual children with SEN who are taking up the entitlements. These funds also support local authorities to undertake their responsibilities to strategically commission SEN services as required under the Children and Families Act 2014.

18. High Needs Block :-

- a. The high needs block supports provision for pupils and students with special educational needs and disabilities (SEND), up to the age of 25, and alternative provision for pupils who cannot receive their education in schools.
- b. **DfE has temporarily suspended the high needs national funding formula.** Instead, local authority 2026 to 2027 allocations will be based on their 2025 to 2026 allocations, with additional funding added equivalent to the National Insurance Grant (NIC), Core Schools Budget Grant (CSBG) and Schools Budget Support Grant (SBSG) paid in 2025/26 for High Needs settings. DfE will review the methodology for allocating high needs funding so that it supports the wider SEND reforms.
- c. The suspension of the high needs NFF means that the DSG high needs block allocations will include neither an update to the basic entitlement pupil numbers in special schools, nor a special free school adjustment. DfE are, however, retaining the import/export adjustment which reflects

changes in the balance of pupils and students educated within and outside the local authority's area, and consequent costs.

- d. For Stockton, high needs funding has increased by £2.76m over 2025/26 making the total £46.97m before recoupment. However, this increase simply represents the 2025/26 Import/Export adjustment and Free Schools adjustment plus funding equivalent to the following 2025/26 grants:

- Annualised 2025 to 2026 CSBG for Independent special schools, specialist post-16 institutions, independent learning providers and hospital education provision
- Annualised 2025 to 2026 CSBG funding for state funded special and AP schools
- The 2026 to 2027 equivalent NICs grant and SBSG funding for places in special units and resource provision in mainstream schools

			£m
Original 2025/26 HN block at Dec 2024			44.21
2025/26 in-year adjs (Import/export and Free Schools adj)			(0.05)
Revised 2025/26 HN block allocation Nov 2025			44.16
Add:			
ISS/SPIs, ILPS and Hospital Education CSBG funding			0.45
Special Schools/AP CSBG funding			2.25
Equivalent NICs/SBSG funding re special units/resourced provision			0.11
			46.97

- e. The allocation received is provisional as adjustments will be made in year for high needs places, including the import/export of places between authorities.
- f. Although Stockton's allocation for 2026/27 is £46.97m, this will be increased by the £0.924m transfer from Schools Block to £47.834m.

19. Central Schools Services Block (CSSB):-

- a. The CSSB covers funding allocated to LAs to carry out central functions on behalf of pupils in maintained schools and academies in England.
- b. This brings together funding previously allocated through the retained duties element of the Education Services Grant (ESG), funding for ongoing central functions such as admissions and residual funding for historic commitments. The 2026/27 allocation is £1.479m and includes a further 20% reduction for historic commitments.
- c. For 2026/27, funding has been rolled into CSSB (ongoing responsibilities) which was previously provided separately in 2025/26 in respect of centrally employed staff, through the National Insurance Contributions (NICs) grant and the Schools Budget Support grant (SBSG).

PROPOSED DISTRIBUTION

Schools Block Spend

20. In 2026/27 local authorities continue to have discretion over their schools funding formulae. The Authority consulted to increase the formula factors **where affordable** in line with the National Funding Formula except for the PFI factor which will increase in line with the Retail Prices Index as specified in the PFI contract.
21. The 2026/27 factors and associated values are shown in **Appendix 1** with 2025/26 figures included for comparison.
22. The minimum per pupil levels in 2026-27 are set by DfE at £5,115 for primary schools and £6,388 for KS3 and £7,018 for KS4, ensuring that standard secondary schools with 5 year groups receive at least £6,640 per pupil. For the purpose of calculating whether and how much a school should be 'topped up' to the minimum level, it's per pupil funding includes all funding it receives through the local schools formula, excluding premises and growth funding.
23. The minimum funding guarantee (MFG) will be set at 0% per pupil in 2026/27 as agreed following the consultation for all mainstream schools and academies during December 2025.
24. Growth Fund:-
 - a. The Council has an agreed investment strategy for Schools funded from Capital Basic Need allocations including expansions to address expected shortages in school places. To support the planned admission number increases the Forum has set up a Growth Fund and policy for access to enable schools to manage increases.
 - b. Based on current analysis, it is estimated that the Growth Fund requirements for 2026/27 should be maintained at £0.3m (As 2025/26) to accommodate requirements for the provision of secondary growth.
 - c. Please note that some secondary schools who have seen Capital Basic Need expenditure linked to significant housing developments have not yet seen the expected increased pupil numbers. This has been considered in requesting to maintain the Growth Fund at £0.3m.
 - d. **Therefore, it is recommended that School Forum approve an allocation of £0.3m for 2026/27.**

Early Years Block Spend

3 & 4 Year Old's

25. Stockton is proposing to pass on the funding rate increase from central Government. Overall base rate funding allocated per hour to each child will be £5.80 for 2026/27 (£5.40 in 2025/26).

For supplements:

- a. Sparsity will continue to be funded at £1.15 per hour.
 - b. Deprivation (mandatory) is calculated using the IDACI (income deprivation affecting children index) banding system.
26. The LA will continue to pass on the Early Years Pupil Premium funding on to all state-funded early years providers. This has been increased to £1.15 per hour per eligible pupil (£1 in 2025/26). This means settings will receive a maximum of £655 for each eligible 3 or 4 year-old who takes up the full 570 hours of state-funded early education they are entitled to.

2 yr olds of families receiving additional support

27. It is proposed that the hourly rate for 2 yr olds of families receiving additional support (FRAS) for 2026/27 will be set at £8.03 (2025/26 £7.66).

2 yr olds 15 hour working parent entitlement

28. It is proposed that the 2 year old entitlement hourly rate for 2026/27 will be set at £7.90 (2025/26 £7.53).

9 months to 2 Year Old 15 hour working parent entitlement

29. It is proposed that the 9 month to 2 year old entitlement hourly rate for 2026/27 will be set at £10.90 (2025/26 £10.20).

SEN Inclusion Fund (SENIF)

30. All local authorities are required to establish an SEN inclusion fund which applies to all funded children from 9 months. Therefore, for 2026/27 Stockton proposes to set a total SEN Inclusion Fund of £210k (2025/26 £240k).

Pass through Requirement

31. For 2026 to 2027, a DfE pass-through rate requirement of 97% will apply separately to the following entitlements:
- 9-month-old children up to 2-year-olds of eligible working parents
 - 2-year-old children of eligible working parents
 - 2-year-old children from families receiving additional support

- 3 and 4-year-olds (universal and additional hours)
32. For 3 and 4-year-olds it is proposed to maintain the increased pass-through rate of 98% as per 2025-26. For all other eligible entitlements, it is proposed to increase the pass-through rate to 97%.
33. All of the proposed rates shown above are provided to the Schools Forum for information only.
34. Based on the proposed pass-through rates above, in total the central allocation in 2026/27 will be £0.968m (£1.09m in 2025/26) to enable central staff to deliver on their statutory duty to support the expanded early years provision. **Therefore, it is recommended that School Forum approve an allocation of £0.968m for 2026/27.**

High Needs Block Spend

35. As Forum members are aware from regular updates that there are continuing significant pressures against the high needs areas which is also evident from the current year's Budget Monitoring Report on today's agenda. The budgets included within **Appendix 2** are based on historic trends, spend in the current financial year, projected growth and DBV interventions.
36. Previous reports presented on High Needs to the Forum have provided updates on the current issues, reasons, the scale of the challenges and the work being done to address the position. The Council will continue to report to Schools Forum as the work progresses.
37. The rolled in grant funding and other changes totaling £2.76m described in paragraph 18d above will be allocated to relevant budgets. The changes in budgets between 2025/26 and 2026/27 are detailed in **Appendix 2**.
38. The 2026/27 High Needs Operational Guide provides details of conditions on the MFG specifically for maintained special schools and special academies. In 2026 to 2027, the comparison for the MFG calculation will be 2025 to 2026 funding baselines.

[High needs funding: 2026 to 2027 operational guide - GOV.UK](#)

39. The local authority, in deciding on top-up funding rates for the pupils to be placed in its maintained special schools, special academies it previously maintained, and special free schools located in its area, must comply with the minimum percentage by which the budget of any special school or special academy would change from the 2025 to 2026 financial year to the 2026 to 2027 financial year. The calculation must assume that all the pupils in the special school or special academy (or free school) were placed by the local authority, and the number and type of places remained the same in the 2 financial years 2025 to 2026 and 2026 to 2027.

40. The rate for special schools MFG for 2026 to 2027, must be set at 0%. Finance will be working through the detailed calculations for special schools and will notify them of updated funding in due course.
41. Local authorities will be required to allocate specific extra high needs funding to those mainstream schools they maintain and academies (and free schools) in their area with SEN units and resourced provisions, using a rate of £539 per place for the number of places funded. This funding is in addition to the usual funding of £6,000 or £10,000 per place and continues the allocations in respect of SEN units and resourced provision made in 2025 to 2026 through the NICs grant and SBSG.
42. LAs are also required to pass on a number of legacy funding streams to maintained special schools and PRUs, special and AP academies and free schools, and maintained hospital schools and the equivalent academies based on an amount per place as described in detail in **Annex 4 of the High Needs Operational Guide**. These relate to:
- Teachers' pay grant (TPG)
 - Teachers' pension employer contributions grant (TPECG)
 - Cost pressures arising from the 2022 autumn statement
 - The 2025 to 2026 Core Schools Budget Grant (CSBG)

Central Services Block Spend

43. As noted in paragraph 19 the central services block is £1.479m comprising funding previously allocated through the retained element of DSG, central functions and historic commitments plus rolled in NICs and SBSG funding for centrally employed staff.
44. It is recommended that for 2026/27 the central items a. to d. shown below remain unchanged.
- a. Combined Budgets
 - i. Psychology and Intervention £3,748
 - ii. Virtual School Head £30,000
 - iii. First Contact Team £25,000
 - iv. Family Support £25,000
 - v. Local Safeguarding Board £25,000
 - vi. Public Health Team £30,000
 - b. School Admissions £212,000
 - c. Servicing of Schools Forum £22,000
 - d. Termination of employment costs £8,000
45. The remaining CSSB funding totaling £1.098m, will be utilised on copyright licences, statutory central services previously funded from the retained element of the old Education Services Grant and centrally employed staff funded from the rolled in NIC and SBSG.

Schools Budget 2026/27 and Projected Brought Forward School Budget Balance

46. The Schools' Budget is a ring-fenced account within the authority's books and this report sets out the budget and funding formula for 2026/27. Under Schedule 2 of the School and Early Years Finance (England) Regulations 2026, local authorities are required to carry forward overspends to their schools budget either in the immediately following year or the year after. They can apply to the Secretary of State to disregard this requirement. In the case of the Secretary of State giving such permission, this may be for all or part of the sum requested by a local authority, and permission may be given subject to conditions.
47. The impact of these statutory provisions means that an LA with a DSG deficit from the previous year must either: (1) carry the whole of the deficit forward to be dealt with in the schools budget for the new financial year (2) carry part of it forward into the new financial year and the rest of it into the following financial year (3) carry all of it into the following financial year.
48. A deficit must be carried forward to be dealt with from future DSG income, unless the Secretary of State authorises the LA not to do this.
49. The current (quarter 3) budgetary control exercise is evidence of the continuing pressures on high needs spending, with the overall DSG position showing an anticipated £13.62m cumulative deficit at 31st March 2026.
50. There are significant deficits across local authorities and at the end of 2024/25 Stockton ranked 100th nationally. The table below provides details of the top 5 LA's with deficits and a comparison to the other Tees Valley Councils.

	2023/24		2024/25	
	Cumulative (Surplus) / Deficit	Rank	Cumulative (Surplus) / Deficit	Rank
Hampshire	123,919,328	1	213,147,730	1
Surrey	79,522,574	4	141,890,320	2
Norfolk	81,512,840	3	131,890,646	3
Devon	111,548,000	2	125,670,000	4
West Sussex	70,534,000	6	123,205,742	5
<u>Compared to Tees Valley</u>				
Hartlepool	1,588,947	98	4,932,194	106
Middlesbrough	14,293,390	45	22,214,615	51
Redcar and Cleveland	6,011,719	82	12,454,885	85
Stockton-on-Tees	3,797,620	90	6,725,384	100
Darlington	1,848,408	96	333,644	120

51. Any local authority that has an overall deficit on its DSG account at the end of the 2025 to 2026 financial year, or whose DSG surplus has substantially reduced during the year, must co-operate with the Department for Education in handling that situation. In particular, the authority must:
- provide information as and when requested by the department about its plans for managing its DSG account in the 2026 to 2027 financial year and subsequently
 - provide information as and when requested by the department about pressures and potential savings on its high needs budget
 - meet with officials of the department as and when they request to discuss the authority's plans and financial situation
 - keep the school's forum regularly updated about the authority's DSG account and plans for handling it, including high needs pressures and potential savings.
52. Based on the information earlier in this paper the proposed 2026/27 Schools Budget for each funding block is set out in **Appendix 2**. It shows the DfE block funding allocation against the spending plans for that area.
53. Updates will be provided throughout the year to the Forum on projected spend against budget.
54. The government will set out substantial plans for reform of special educational needs provision early in the new year to deliver a sustainable system which – first and foremost – supports children and families effectively. The 2025 Spending Review provided investment for SEND reform.
55. Future funding implications will be managed within the overall government Departmental Expenditure Limits envelope, such that the government would not expect local authorities to need to fund future special educational needs costs from general funds, once the Statutory Override ends at the end of 2027-28. The government will set out further details on its plans to support local authorities with historic and accruing deficits and conditions for accessing such support through the upcoming Local Government Finance Settlement.

Pupil Premium and Other Grants

56. Funding rates for the pupil premium in the financial year 2026 to 2027 have now been published. These are as follows:

	2025/26	2026/27
Free School Meals Ever 6 - Secondary	£1,075	£1,100
- Primary	£1,515	£1,550
- Service Child Ever 6	£350	£360

The Looked After Children rate is £2,690 (£2,630 in 2025/26), with £1,400 to schools and £1,290 retained for management by the Virtual Head.

57. For 2026/27 October 2025 school census data will be used to allocate the pupil premium to local authorities. The total amount receivable for pupil premium in the Borough in 2025/26 was £13.633m (Dec 2025 allocation).

58. The below grants will continue for 2026/27 but the rates per pupil for the following grants have not yet been published:

- Universal Infant Free School Meals – NB Total funding may be affected when the eligibility criteria for Free School Meals (FSM) in England is expanded to all children in families receiving Universal Credit) from academic year 2026/27.
- The Primary PE and Sport Premium grant has not been announced for the 2026/27 academic year.

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Appendix 1

Formula Factors	2025/26 Unit Value	2025/26 Amount Distributed £m	2026/27 Proposed Unit Value	2026/27 Proposed Amount Distributed £m	Incr. / (Decr.) in Amount Distributed £m
AWPU – Primary	£3,796	61.952	£4,011	63.751	1.799
AWPU - Key Stage 3	£5,350	39.346	£5,612	40.114	0.768
AWPU - Key Stage 4	£6,031	28.046	£6,326	30.025	1.979
Current FSM – Primary	£495	2.369	£505	2.391	0.022
Current FSM – Secondary	£495	1.763	£505	1.813	0.050
Free School Meals Ever 6 – Primary	£1060	5.140	£1,210	5.796	0.656
Free School Meals Ever 6 – Secondary	£1,555	6.054	£1,725	6.817	0.763
IDACI band F – Primary	£235	0.228	£240	0.222	(0.006)
IDACI band E – Primary	£285	0.437	£290	0.416	(0.021)
IDACI band D – Primary	£445	0.466	£455	0.461	(0.005)
IDACI band C – Primary	£490	0.685	£500	0.666	(0.019)
IDACI band B – Primary	£520	0.760	£530	0.749	(0.011)
IDACI band A – Primary	£685	1.263	£700	1.252	(0.011)
IDACI band F – Secondary	£340	0.237	£345	0.235	(0.002)
IDACI band E – Secondary	£450	0.533	£460	0.535	0.002
IDACI band D – Secondary	£635	0.449	£650	0.442	(0.007)
IDACI band C – Secondary	£695	0.666	£710	0.697	0.031
IDACI band B – Secondary	£745	0.812	£760	0.776	(0.036)
IDACI band A – Secondary	£950	1.170	£970	1.171	0.001
Low Prior Attainment – Primary	£1,175	5.508	£1,200	5.684	0.176
Low Prior Attainment – Secondary	£1,785	3.942	£1,825	4.009	0.067
English as an additional language – Primary	£595	0.528	£610	0.532	0.004
English as an additional language – Secondary	£1,595	0.329	£1,630	0.326	(0.003)
Mobility - primary	£965	0.209	£985	0.171	(0.038)
Mobility - secondary	£1,385	0.088	£1,415	0.098	0.010
Lump Sum	£145,100	10.592	£152,700	11.147	0.555
Sparsity	Prim: £0-£57.4k Sec £0-£83.4k	0.131	Prim: £0-£58.6k Sec £0-£85.2k	0.127	(0.004)
Split Site	Basic: £54k Dist.: £27k	0.054	Basic: £55.1k Dist.: £27.6k	0.055	0.001
Rates	Actual	1.624	Actual	1.520	(0.104)
PFI	Actual	0.505	Actual	0.543	0.038
Min per pupil funding adj.	Actual	1.989	Actual	1.054	(0.935)
MFG / Limit on Gains	Actual	0.236	Actual	0.057	(0.179)
Add: Baselined grants	n/a	5.454	n/a	Incl. above	(5.454)
TOTAL for comparison purposes		183.565		183.652	0.087

Notes re above proposed distribution

MFG applied at 0% Max / Capping (limit on gains) applied at 6.05%.

The AWPU factor values have been scaled back from the 2026/27 NFF Factor values to ensure affordability.

The total figure for schools excludes the Growth Fund of £0.30m.

All other factor values are 2026-27 NFF factor values.

The mainstream elements of the Schools Budget Support Grant (SBSG) and the National Insurance Contribution (NICs) grant have been rolled into the schools NFF for 2026 to 2027 (total £5.454m).