

Briefing note

Item 2b – Annex C – Primary and Secondary Schools Budget Shares.

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1 Purpose

- 1.1 To advise the Schools Forum of the primary and secondary school funding formula budget shares for the financial year 2025/26.

2 Recommendations

- 2.1 To **note** the unit rates for the Primary and Secondary School Funding Formula for 2025/26.

3 Primary and Secondary Schools

- 3.1 Local authorities will only be allowed to use National Funding Formula (NFF) factors in their local formulae, with transition requirements to move their factor values at least 10% closer to the NFF, except where formulae are already reflecting the NFF. In the October budget the government announced an additional £2.3 billion for mainstream schools and young people with high needs in 2025/26. This means that core school funding will total almost £63.9 billion next financial year.

£1 billion of this increase is being allocated as high needs funding in 2025/26, recognising the continued increase in costs. This brings total high needs funding to £11.9 billion.

The further £1.3 billion will cover the remaining costs of the 2024 teachers' pay award in mainstream schools, so that the full 12 months of salary costs are fully funded at a national level; an increase to the mainstream schools national funding formula (NFF) and increases to the pupil premium and other elements of core funding.

- 3.2 From 2020/21 the National Funding Formula (NFF) introduced a mandatory per-pupil funding (MPPF). For 2025/26 the rates will increase to at least £4,955 for all primary schools (2024/25 £4,610) and £6,465 for all secondary schools (2024/25 £5,995). In exceptional circumstances LAs have the option to submit a disapplication request to the DfE to not apply the full MPPF values on the grounds of affordability. MK does not propose to submit a request to the DfE.

- 3.3 The 2025/26 funding formula is based on the October 2024 census data which was provided to LAs by the DfE in late December. The following table shows the percentages of the school population attracting funding under each of the formula factors supplied by the ESFA:

	Primary Schools			Secondary Schools		
	% Pupils Funded Oct 23	% Pupils Funded Oct 24	Variance	% Pupils Funded Oct 23	% Pupils Funded Oct 24	Variance
FSM	22.69	23.89	1.20	23.53	25.15	1.62
FSM6	23.25	24.42	1.17	25.96	27.38	1.42
IDACI Band F	9.62	9.59	-0.03	9.51	9.17	-0.35
IDACI Band E	9.35	9.16	-0.19	9.83	9.56	-0.27
IDACI Band D	5.22	5.28	0.07	5.04	4.86	-0.18
IDACI Band C	2.84	2.64	-0.20	3.34	3.17	-0.17
IDACI Band B	2.16	1.96	-0.21	2.46	2.34	-0.12
IDACI Band A	0.90	0.83	-0.07	0.98	0.87	-0.12
Prior Attainment	29.18	29.89	0.71	22.19	22.23	0.05
EAL	20.10	20.90	0.80	5.67	5.96	0.29
Mobility	3.01	3.12	0.11	0.96	1.15	0.19

- 3.4 As detailed in the main report, MFG will now be set at 0.0%. There are 15 primary schools and 1 all-through school that are receiving MFG protection for 2025/26. The overall protection provided through the MFG is £0.124m (2024/25 £0.058m).
- 3.5 Pupil led funding accounts for 92.86% (2024/25 92.48%) of overall funding compared with the Government's requirement for a minimum of 80%.
- 3.6 There will be a further review of the criteria and funding of growth during 2025/26 which will be effective for new schemes. For the purpose of the 2025/26 budget the criteria as agreed at the Schools Forum meeting on 17 October 2024 will be used.
- 3.7 From 2025/26 the 2024/25 teachers pay additional grant (TPAG), the teachers pension employers contribution grant (TPECG) 2024, and the core schools budget grant (CSBG) will be rolled into the NFF through age weighted pupil unit (AWPU), the lump sum and free school meals ever6 (FSM6). The minimum per pupil values will be uplifted for the basic per-pupil values, and an additional amount which represents the average amount of funding schools receive from AWPU, FSM6 and lump sum parts of the grants.
- 3.8 The unit rates and number of funded units to be used in 2025/26, comparing the data used for 2024/25 are shown in the tables that follow:

Formula Factors	Primary 2024/25				Primary 2025/26				Year on Year Change		
	Number of Units Funded	Unit Rate £	£m	%	Number of Units Funded	Unit Rate £	£m	%	Number of Units Funded	Unit Rate £	£m
AWPU Primary*	27,198.08	3,591.01	97.669	65.3	27,156.25	3,902.59	105.980	70.9	-41.83	311.58	8.311
FSM*	6,171.63	504.59	3.114	2.1	6,488.03	509.80	3.308	2.2	316.40	5.21	0.193
FSM6*	6,323.11	844.41	5.339	3.6	6,632.24	1,091.69	7.240	4.8	309.13	247.28	1.901
IDACI Band F*	2,617.41	242.00	0.633	0.4	2,605.24	242.03	0.631	0.4	-12.17	0.03	-0.003
IDACI Band E*	2,542.64	293.48	0.746	0.5	2,486.57	293.52	0.730	0.5	-56.07	0.04	-0.016
IDACI Band D*	1,418.64	458.25	0.650	0.4	1,434.87	458.31	0.658	0.4	16.23	0.06	0.008
IDACI Band C*	773.59	499.44	0.386	0.3	717.50	504.65	0.362	0.2	-56.09	5.21	-0.024
IDACI Band B*	588.13	530.33	0.312	0.2	531.39	535.55	0.285	0.2	-56.74	5.22	-0.027
IDACI Band A*	245.55	700.24	0.172	0.1	225.30	705.48	0.159	0.1	-20.25	5.24	-0.013
Prior Attainment*	7,936.21	1,204.83	9.562	6.4	8,116.85	1,210.13	9.822	6.6	180.64	5.30	0.261
EAL*	5,466.64	607.56	3.321	2.2	5,675.10	612.79	3.478	2.3	208.46	5.23	0.156
Mobility*	818.72	988.58	0.809	0.5	846.12	993.85	0.841	0.6	27.40	5.27	0.032
Lump Sum**	90.00	138,401.09	12.456	8.3	90.00	149,438.49	13.449	9.0	0.00	11,037.40	0.993
Split Site***	4.00	-	0.332	0.2	4.00	-	0.334	0.2	0.00	-	0.002
Rates**	90.00	-	2.078	1.4	90.00	-	1.928	1.3	0.00	-	-0.150
Sparsity	5.00	-	0.292	0.2	5.00	-	0.289	0.2	0.00	-	-0.003
Total	62,289.35	148,865.81	137.872		63,104.46	160,498.88	149.492		815.11	11,633.07	11.620

* Pupil led factors

** Premises factors for all-through schools have been shown within Secondary

*** Split site rates - basic eligibility £55,615, distance funding £27,807

Formula Factors	Secondary 2024/25				Secondary 2025/26				Year on Year Change		
	Number of Units Funded	Unit Rate £	£m	%	Number of Units Funded	Unit Rate £	£m	%	Number of Units Funded	Unit Rate £	£m
AWPU Key Stage 3*	11,830.00	5,062.90	59.894	42.8	11,728.50	5,500.36	64.511	46.0	-101.50	437.46	4.617
AWPU Key Stage 4*	7,328.00	5,707.11	41.822	29.9	7,709.50	6,201.34	47.809	34.1	381.50	494.23	5.988
FSM*	4,508.24	504.59	2.275	1.6	4,888.54	509.80	2.492	1.8	380.30	5.21	0.217
FSM6*	4,973.46	1,235.72	6.146	4.4	5,323.02	1,601.49	8.525	6.1	349.56	365.77	2.379
IDACI Band F*	1,822.69	350.12	0.638	0.5	1,782.17	350.17	0.624	0.4	-40.52	0.05	-0.014
IDACI Band E*	1,883.00	463.40	0.873	0.6	1,857.74	463.46	0.861	0.6	-25.26	0.06	-0.012
IDACI Band D*	966.23	648.76	0.627	0.4	944.83	653.99	0.618	0.4	-21.40	5.23	-0.009
IDACI Band C*	639.99	710.54	0.455	0.3	617.13	715.78	0.442	0.3	-22.86	5.24	-0.013
IDACI Band B*	470.63	762.03	0.359	0.3	454.68	767.28	0.349	0.2	-15.95	5.25	-0.010
IDACI Band A*	188.59	973.13	0.184	0.1	168.79	978.41	0.165	0.1	-19.80	5.28	-0.018
Prior Attainment*	4,250.57	1,827.84	7.769	5.5	4,322.03	1,838.37	7.945	5.7	71.46	10.53	0.176
EAL*	1,087.05	1,632.19	1.774	1.3	1,158.95	1,642.69	1.904	1.4	71.90	10.50	0.130
Mobility*	184.24	1,421.08	0.262	0.2	224.05	1,426.41	0.320	0.2	39.81	5.33	0.058
Lump Sum**	15.00	138,401.09	2.076	1.5	15.00	149,438.49	2.242	1.6	0.00	11,037.40	0.166
Split Site***	4.00	-	0.329	0.2	4.00	-	0.331	0.2	0.00	-	0.002
Rates**	15.00	-	1.009	0.7	15.00	-	0.956	0.7	0.00	-	-0.053
Sparsity	0.00	-	0.000	0.0	0.00	-	0.000	0.0	0.00	-	0.000
Total	40,166.70	159,700.50	126.490		41,213.93	172,088.04	140.093		1,047.23	12,387.54	13.603

* Pupil led factors

** Premises factors for all-through schools have been shown within Secondary

*** Split site rates - basic eligibility £55,615, distance funding £27,807

Formula Factors	Total 2024/25			Total 2025/26			Year on Year Change	
	Number of Units Funded	£m	%	Number of Units Funded	£m	%	Number of Units Funded	£m
AWPU Primary*	27,198.08	97.669	36.9	27,156.25	105.980	36.6	-41.83	8.311
AWPU Key Stage 3*	11,830.00	59.894	22.7	11,728.50	64.511	22.3	-101.50	4.617
AWPU Key Stage 4*	7,328.00	41.822	15.8	7,709.50	47.809	16.5	381.50	5.988
FSM*	10,679.88	5.389	2.0	11,376.57	5.800	2.0	696.69	0.411
FSM6*	11,296.58	11.485	4.3	11,955.26	15.765	5.4	658.68	4.280
IDACI Band F*	4,440.10	1.272	0.5	4,387.41	1.255	0.4	-52.69	-0.017
IDACI Band E*	4,425.64	1.619	0.6	4,344.31	1.591	0.5	-81.33	-0.028
IDACI Band D*	2,384.86	1.277	0.5	2,379.70	1.276	0.4	-5.16	-0.001
IDACI Band C*	1,413.58	0.841	0.3	1,334.63	0.804	0.3	-78.95	-0.037
IDACI Band B*	1,058.76	0.671	0.3	986.07	0.633	0.2	-72.69	-0.037
IDACI Band A*	434.15	0.355	0.1	394.09	0.324	0.1	-40.06	-0.031
Prior Attainment*	12,186.78	17.331	6.6	12,438.88	17.768	6.1	252.10	0.437
EAL*	6,553.69	5.096	1.9	6,834.05	5.381	1.9	280.36	0.286
Mobility*	1,002.96	1.071	0.4	1,070.17	1.161	0.4	67.21	0.089
Lump Sum**	105.00	14.532	5.5	105.00	15.691	5.4	0.00	1.159
Split Site***	8.00	0.661	0.3	8.00	0.664	0.2	0.00	0.003
Rates**	105.00	3.087	1.2	105.00	2.884	1.0	0.00	-0.203
Sparsity	5.00	0.292	0.1	5.00	0.289	0.1	0.00	-0.003
Total	102,456.05	264.363		104,318.39	289.585			25.223
MFG	10.00	0.058		10.00	0.124		0.00	0.066
MPPF	14.00	1.410		14.00	1.221		0.00	-0.189
Total		265.831			290.930			25.099

* Pupil led factors

** Premises factors for all-through schools have been shown within Secondary

*** Split site rates - basic eligibility £55,615, distance funding £27,807

Pupil led funding accounts for 92.86% of overall funding distributed through the formula (24/25 92.48%)