

2025-26 National Funding Formula for Schools and High Needs

An additional £2.3 billion has been allocated to the core schools budget for the 2025/26 funding year. Details of how most of this funding will be distributed is now available.

Mainstream schools

Funding through the mainstream schools national funding formula (NFF) is increasing by 2.23% per pupil on average in 2025 to 2026, compared to 2024 to 2025. This includes a 1.28% increase to ensure that the 2024 teachers and support staff pay awards continue to be funded.

Additional funding has been included to cover the remaining costs of the 2024 teachers' pay award in mainstream schools. This is referred to as the CSBG uplift. Appendix 1 includes a table of schools' NFF factor values for 2025/26.

Minimum per pupil funding levels (MPPL)

Through the minimum per pupil funding levels, every primary school will attract at least £4,955 per pupil, and every secondary school at least £6,465 per pupil. The MPPLs include funding to reflect the average amount MPPL schools received through the pay and pensions grants in 2024/25, the CSBG uplift, and a further increase on top.

The funding floor

The funding floor will be set at 0.0%. As the "CSBG uplift" has already been incorporated into the baseline, a 0.0% floor still represents an uplift compared to what schools attracted in 2024/25. The funding floor ensures that no school will see a drop in the amount of pupil-led per pupil funding (including CSBG, TPAG, TPECG) they attract, compared to 2024 /25.

Structure of the NFF for 2025/26

Whilst there are no significant changes to the structure next year the PFI factor is being treated differently.

- the NFF will provide pro-rata funding when a PFI contract comes to an end in-year.
- in calculating a school's PFI funding, the lower of the local authority's 2024 /25 PFI premises factor and the school's PFI funding from the 2024/25 NFF will be taken as the baseline for calculating the 2025/26 PFI factor. The baseline will then be uplifted in line with RPIX growth
- exceptions to this are made for local authorities that have provided the Department for Education (DfE) with an affordability model which demonstrates that a different amount is required.

Local formulae in 2025/26

School budgets will continue to be determined by local formulae in 2025/26. Many local authorities now mirror the NFF but those that don't are required to move closer to it.

Local authorities that are not already mirroring the NFF will be required to move their factor values 10% closer to NFF factor values, compared to how close local factors match to national factors in 2024/25. Local formulae

factor values are classed as mirroring the NFF when they are +/- 2.5% of the NFF factor values (including area cost adjustment (ACA)).

Local authorities' minimum funding guarantee (MFG) for 2025/26 must be between minus 0.5% and 0% compared to the baseline. As in the NFF, the baseline will include funding in respect of the additional grants, including the CSBG annualised uplift.

Growth and falling rolls funding

In addition to core funding allocated via the NFF, local authorities receive growth and falling rolls funding. Both elements are allocated according to a formula that reflects local population data.

Local authorities' growth funds can only be used to:

- support growth in pre-16 pupil numbers to meet basic need
- support additional classes needed to meet the infant class size regulation
- meet the revenue cost of new schools

Local authorities will continue to have discretion over whether or not to operate a falling rolls fund within their local formulae. Where local authorities operate a fund, they will only be able to provide funding where the most recent school capacity data (SCAP) shows that school places will be required in the subsequent three to five years.

High needs block funding

Of the £2.3 billion increase in total schools funding, almost £1 billion will be added to the overall high needs budget, bringing the total level of high needs funding in 2025-26 to £11.9 billion. This increase to high needs funding is over 9% compared to the 2024-25 baseline.

Of this £11.9 billion total, £480 million has been allocated to a 2025-26 core schools budget grant (CSBG) for special schools and alternative provision, which will combine the high needs elements of the 2024-25 TPAG, TPECG and full-year equivalent of the CSBG. We expect details of the funding rates for the special schools and AP CSBG to be available soon.

The high needs NFF includes a funding floor that provides a minimum increase of 7% per head, limited to 10% per head of 2-18 population at local authority level.

Special schools and alternative provision (AP) funding

Special schools (maintained and academies), pupil referral units and AP academies will continue to be funded primarily through place funding at £10,000 per place, and top-up funding for the additional costs of provision. This funding will be allocated to providers via local authorities.

Local authorities will also be required to allocate specific extra high needs funding, as follows:

- additional high needs funding originally allocated through separate teachers' pay and pensions grants in 2020 to 2021
- a 3.4% increase to funding introduced in 2023 to 2024
- the consolidated CSBG for 2025 to 2026, which brings together the additional funding for teachers' pay and pensions that was paid as separate grants in 2024 to 2025

It is reassuring to know that grants including the CSBG, pay (TPAG) and pension (TPECG) grants have now been baked into budgets, however, this accounts for the majority of the increases in available revenue funding. We think that many schools will still find themselves facing difficult choices driven by financial constraint. We must now wait for the spring 2025 spending review to find out how government will support the sector to address the affordability of pay awards for teachers and support staff in 2025.

Full detailed DfE policy documents and allocation tables for schools and high needs are now available using the following links:

- The **NFF policy document**
- The **NFF allocations tables, summary table, and technical notes**
- Operational guidance for LAs on **school funding** and **high needs funding**

Outstanding information at the time of writing includes:

- P16 learner rates for 2025/26
- funding for National Insurance increase to employer contributions

We want to know how the funding announcement is going to impact on your school budget. Please get in touch using **TellUs@ascl.org.uk** We collect evidence and use it anonymously in our lobbying and in our conversations with DfE and Ministers.

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Appendix 1: NFF National Funding Formula (NFF) for schools

The table below shows 2024/25 factor values, how additional grants have been rolled into the baseline, and **final factor values for 2025/26**.

| | 2024/25 NFF values | Additions to baselines from grants | CSBG uplift 25/26 | Final 2025/26 NFF values |
|--|-----------------------|--|-------------------|-----------------------------|
| Basic per pupil funding | | | | |
| Basic entitlement | | | | |
| Primary basic entitlement | £3,562 | £213 | £51 | £3,847 |
| Key stage 3 basic entitlement | £5,022 | £300 | £71 | £5,422 |
| Key stage 4 basic entitlement | £5,661 | £339 | £80 | £6,113 |
| Minimum per pupil | | | | |
| Primary minimum per pupil funding | £4,610 | £257 | £62 | £4,955 |
| Secondary minimum per pupil funding | £5,995 | £350 | £83 | £6,465 |
| Additional needs funding | | | | |
| Deprivation | | | | |
| Primary FSM | £490 | £0 | £0 | £495 |
| Secondary FSM | £490 | £0 | £0 | £495 |
| Primary FSM6 | £820 | £188 | £45 | £1,060 |
| Secondary FSM6 | £1,200 | £277 | £68 | £1,555 |
| Primary IDACI A | £680 | £0 | £0 | £685 |
| Primary IDACI B | £515 | £0 | £0 | £520 |
| Primary IDACI C | £485 | £0 | £0 | £490 |
| Primary IDACI D | £445 | £0 | £0 | £445 |
| Primary IDACI E | £285 | £0 | £0 | £285 |
| Primary IDACI F | £235 | £0 | £0 | £235 |
| Secondary IDACI A | £945 | £0 | £0 | £950 |
| Secondary IDACI B | £740 | £0 | £0 | £745 |
| Secondary IDACI C | £690 | £0 | £0 | £695 |
| Secondary IDACI D | £630 | £0 | £0 | £635 |
| Secondary IDACI E | £450 | £0 | £0 | £450 |
| Secondary IDACI F | £340 | £0 | £0 | £340 |
| Low prior attainment (LPA) | | | | |
| Primary LPA | £1,170 | £0 | £0 | £1,175 |
| Secondary LPA | £1,775 | £0 | £0 | £1,785 |
| English as an addnl. language (EAL) | | | | |
| Primary EAL | £590 | £0 | £0 | £595 |
| Secondary EAL | £1,585 | £0 | £0 | £1,595 |
| Mobility | | | | |
| Primary mobility | £960 | £0 | £0 | £965 |
| Secondary mobility | £1,380 | £0 | £0 | £1,385 |
| School-led Funding | | | | |
| Lump sum | | | | |
| Primary lump sum | £134,400 | £8,006 | £1,915 | £145,100 |
| Secondary lump sum | £134,400 | £8,006 | £1,915 | £145,100 |
| Sparsity | | | | |
| Primary sparsity | £57,100 | £0 | £0 | £57,400 |
| Secondary sparsity | £83,000 | £0 | £0 | £83,400 |
| Premises | | | | |
| Split sites | £80,600 | £0 | £0 | £81,000 |