

Annex Three: School Affordability Testing Models

[Mainstream schools funding through the DSG](#) is increasing by an average 2% per pupil compared to 2023-24. Including the additional funding for teachers' pay (which is outside the DSG), overall mainstream schools funding will increase by 2.6% per pupil.

Using [School Level Data](#) , [NFF 24/25 Impact data](#) and [Schools Financial Benchmarking](#) from Gov.uk we have considered affordability in the context of income growth and known cost pressures. We have looked at typical mainstream schools in the following age ranges

- Two form entry primary
- 11-16 secondary
- 11-18 secondary with sixth form.

We have made the following assumptions in our modelling

- School costs are more closely aligned with CPI than the GDP deflator as a measure of inflation. We have used [OBR](#) forecast for [CPI across 2024](#).
- A CPI uplift for teachers pay. This does not address accumulated pay erosion.
- NJC uplift for 2024/25 at 10%. This is the current claim and negotiations are ongoing.
- We have assumed that the pension grant pledged by HMT to cover increases in employer contributions to the Teachers Pension Scheme (TPS) will fully offset increased costs. For simplicity we have not included increased costs or grant funding relating to this TPS change.
- Pupil roll numbers and characteristics will not change between 2023/24 and 2024/25.
- Schools are funded on or just above (<5% above) the 2024/25 minimum per pupil funding level (MPPL).
- Proportion of spend on teachers is aligned (or closely aligned) to relevant DfE ICFP Metrics green flag for the phase of school.

Model 1: Two form entry primary school: 405 on roll: MPPL for primary £4610

	23/24 Funding			24/25 Funding estimate	
Revenue income		% Available income in 23/24	ICFP metrics for spend on teachers		% Uplift
NFF	£ 1,784,025.00			£ 1,867,050.00	
Other grants	£ 189,732.00			£ 139,127.00	
Total revenue	£ 1,973,757.00			£ 2,006,177.00	1.6%
Expenditure					
Teachers	£ 937,534.58	47.50	45-49	£ 965,661.00	3%
Supply	£ 73,029.01	3.70		£ 75,219.00	3%
Support staff	£ 544,756.93	27.60		£ 599,233.00	10%
Non staff spend	£ 394,751.40	20.00		£ 430,989.00	3%
In year balance	£ 23,685.08			-£ 64,925.00	

This school does not achieve the average revenue income uplift of 2.6%. The school cannot set a balanced budget. In year deficit **£64,925** is projected.

Model 2: 11- 16 Secondary school: 960 on roll: <5% above MPPL for Secondary £5995

	23/24 Funding			24/25 Funding estimate	
Revenue income		% Available income in 23/24	ICFP metrics for spend on teachers		% Uplift
NFF	£ 5,503,912.00			£ 5,837,760.00	
Other grants	£ 381,752.00			£ 197,303.00	
Total revenue	£ 5,885,664.00			£ 6,035,063.00	2.50%
Expenditure					
Teachers	£ 3,248,886.53	55.2	49-54	£ 3,346,354.00	3%
Supply	£ 94,170.62	1.6		£ 96,996.00	3%
Support staff	£ 1,159,475.81	19.7		£ 1,275,424.00	10%
Non staff spend	£ 1,235,989.44	21		£ 1,424,625.00	3%
In year balance	£ 147,141.60			-£ 108,336.00	

This school does not achieve the average revenue income uplift of 2.6%. The school cannot set a balanced budget. In year deficit £108,336 is projected.

Model 3: 11-18 Secondary school with sixth form: 1449 on roll: MPPL for secondary £5995

	23/24 Funding			24/25 Funding estimate	
Revenue income		% Available income in 23/24	ICFP metrics for spend on teachers		% Uplift
NFF	£ 8,281,035.00			£ 8,686,755.00	
16-19	£ 3,491,610.00			£ 3,550,269.00	
Other grants	£ 559,188.00			£ 288,715.00	
Total revenue	£ 12,331,833.00			£ 12,525,739.00	1.57%
Expenditure					
Teachers	£ 5,647,979.51	45.8	49-54	£ 5,817,419.00	3%
Supply	£ 197,309.33	1.6		£ 203,228.00	3%
Support staff	£ 2,269,057.27	18.4		£ 2,495,963.00	10%
Non staff spend	£ 4,069,504.89	33		£ 4,191,590.00	3%
In year balance	£ 147,982.00			-£ 182,461.00	

This school does not achieve the average revenue income uplift of 2.6%. The school cannot set a balanced budget. In year deficit £182,461 is projected.

Specialist provision

In 2024/25 each local authority will receive a [minimum uplift of 3% to the high needs block](#). We have used the [Schools Financial Benchmarking](#) website to test affordability in an all-through special school setting. Special schools by their nature, are difficult to compare. All funding is delivered via the LA and there tends to be greater levels of flexibility in distribution methodology than for mainstream. There are other structural funding issues that complicate

funding comparisons, such as transfers between schools and high needs block to support increased demand for SEN provision. In our special school model we have assumed that

- LAs will pass on 100% of the three percent uplift announced by government.
- School costs are more closely aligned with CPI than the GDP deflator as a measure of inflation. We have used [OBR](#) forecast for [CPI across 2024](#).
- A CPI uplift for teachers pay. This does not address accumulated pay erosion in any way.
- NJC uplift for 2024/25 at 10%. This is the current claim and negotiations are ongoing.
- We have assumed that the pension grant pledged by HMT to cover increases in employer contributions to the Teachers' Pension Scheme (TPS) will fully offset increased costs.
- Pupil roll numbers and characteristics will not change between 2023/24 and 2024/25.
- Proportion of spend on teachers is aligned (or closely aligned) to relevant DfE ICFP Metrics green flag for the type of school.

Model 4: Community special school 4-19 : 213 on roll : Total grant funding per pupil in base year £23K.

	Base year			24/25 Funding estimate	
Revenue income		% Available income	ICFP metrics for spend on teachers		% Uplift
Grant Funding	£ 4,983,006.00			£ 5,045,970.00	
Total revenue	£ 4,983,006.00			£ 5,045,970.00	3.00%
Expenditure	£ -			£ -	
Teachers	£ 1,870,127.00	38.3	37-42	£ 1,926,231.00	3%
Supply	£ 41,591.00	0.9		£ 42,839.00	3%
Support staff	£ 2,073,259.00	42.4		£ 2,280,585.00	10%
Non staff spend	£ 739,128.00	15.1		£ 761,302.00	3%
In year balance	£ 258,901.00			£ 35,013.00	

If this school does achieve the uplift confirmed at LA level indications are that it could set a balanced budget but with < 1% to spare.

ASCL
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