

Schools Block Update September 2025

Key Messages

Forum members are asked to note:

- That the Dedicated Schools Grant (DSG) Illustrative figures have not yet been published.
- There are no major changes to the National Funding Formula (NFF).
- That local authorities (LAs) need to move 10% closer to the NFF.
- The free school meal (FSM) eligibility changes.

1. Introduction/background

- 1.1. The Government has not yet published the DSG illustrative figures yet, therefore no detail has been published relating to the expected increase in school funding.
- 1.2. DSG illustrative figures are expected in the Autumn Term.
- 1.3. There are no specific changes expected to the NFF, however the Department for Education (DfE) has issued guidance around forthcoming policy changes in other areas which may have an impact in future years.

2. National Funding Formula (NFF)

- 2.1. Local authorities must continue to move their local formula factor values at least a further 10% closer to the corresponding NFF values.
- 2.2. As in previous years, local factor values within 2.5% of the respective NFF values will be taken as 'mirroring' the NFF, and no further move will be required.
- 2.3. There has been no detail issued around the national Minimum Funding Guarantee (MFG) requirement, or the minimum or maximum thresholds for factor values that LAs are to use.

3. Rolled in Grants (National Insurance Contribution/Core Schools Budget Grant)

- 3.1. The Schools Budget Support Grant (SBSG) and the National Insurance contributions (NICs) grant will be rolled into the NFF for 2026 to 2027.

- 3.2. For the **NICs grant**, the funding rolled in to the NFF will use the published funding rates directly.
- 3.3. For **SBSG**, the cash values rolled into the NFF in 2026 to 2027 will reflect the full-year equivalent funding rates.
- 3.4. **Table 1** below shows the amounts that we will add to the core factor values in the 2026 to 2027 NFF in respect of the grants.

Factor	NICs	SBSG	Total
Primary basic per-pupil	£78	£55	£133
Key stage 3 basic per-pupil	£68	£78	£146
Key stage 4 basic per-pupil	£77	£88	£165
Primary FSM6 per-pupil	£75	£49	£124
Secondary FSM6 per-pupil	£60	£72	£132
Lump sum	£2,400	£2,086	£4,486

- 3.5. **Table 2** below shows the amounts that will be added to the minimum per pupil (MPPLs) in the 2026 to 2027 NFF in respect of the grants. This also reflects the full-year equivalent uplift in respect of the SBSG grant.

Table 2: Minimum per pupil (MPPL) funding uplifts

MPPL	NICs uplifts	SBSG uplifts	Total
Primary MPPL	£93	£66	£159
Secondary MPPL	£83	£91	£174

4. Free School Meal Eligibility Changes

- 4.1. 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.
- 4.2. For 2026 to 2027, there are no proposals for any changes to the schools NFF to allocate funding for this expansion of FSM.
- 4.3. Instead, the funding needed for the FSM expansion will be provided through a separate grant. Further details on how this grant will be calculated will be published separately in due course.

5. Recommendations

Forum members are asked to:

- **Note** the information above.