

**Agenda Item
6**



Report Status

For information/note ☒
For decision ☒

Report to Haringey Schools Forum – 16 October 2025

Report Title: 2026-2027 DSG FUNDING MODEL STRATEGY

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Purpose: Approach to consultation with schools on 2026/27 Schools Funding

Recommendations:

- a. Schools's Forum to note 2026–27 Funding Level Adjustments.
- b. Schools's Forum to note LA's intention to submit a disapplication request to the DfE/SoS to transfer > 0.5% out of the Schools Block (0.5% to HNB + £122K to CSSB for EWS functions) by 17th November 2025, prior to consultation with schools and Schools' Forum decision in January 2026.
- c. Schools' Forum to agree to delegate to the Schools Block working group the local authority formula models for 2026-27 for consultation with schools in October/November 2025.

1 Introduction.

- 1.1 This paper outlines the proposed strategy for allocating schools' budget shares through the Dedicated Schools Grant (DSG) formula for the financial year 2026–27.
- 1.2 The structure of the DSG remains unchanged and continues to comprise of four notional blocks: Schools Block, High Need Block, Early Years Block, and Central School Services Block.
- 1.3 The Department for Education (DfE) has not yet fully implemented the transition to National Funding Formula (NFF) values, meaning local authorities continue to exercise some discretion in their funding allocations. However, the DfE's policy guidance for 2026–27 requires all local authorities to move a further 10% closer to the NFF values, as per previous years. It may be worth highlighting that Haringey's Authority Proforma Tool (APT) has already been aligned with the NFF values from the financial year 2024-25.
- 1.4 Graph A below presents Haringey's Dedicated Schools Grant (DSG) allocations over the past three years. This is provided for information purposes only and reflects historical funding trends.

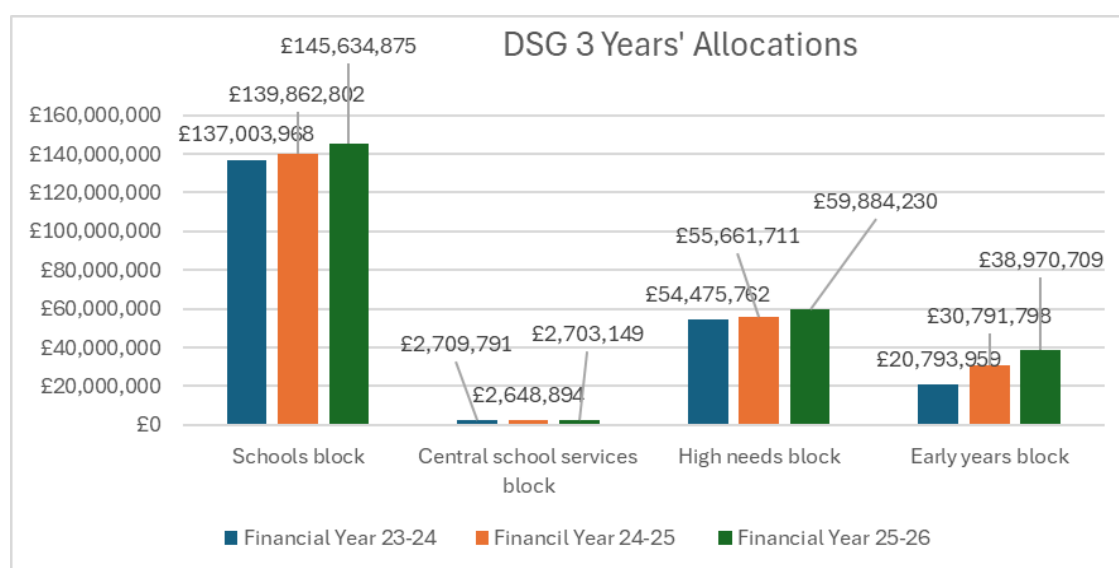


Table A: Dedicated Schools Grant Year on Year Allocations

| Funding breakdown | Financial Year 23-24 | Financial Year 24-25 | Financial Year 25-26 |
|--------------------------------------|----------------------|----------------------|-----------------------------|
| Schools block * | £137,003,968 | £139,862,802 | £145,634,875 |
| Central school services block | £2,709,791 | £2,648,894 | £2,703,149 |
| High needs block | £54,475,762 | £55,661,711 | £59,884,230 |
| Early years block | £20,793,959 | £30,791,798 | £38,970,709 (indicative) |
| Total | £214,983,480 | £228,965,205 | £247,192,963 |

* Schools block increased in 2024/25 due to CSSBG grant being rolled into DSG

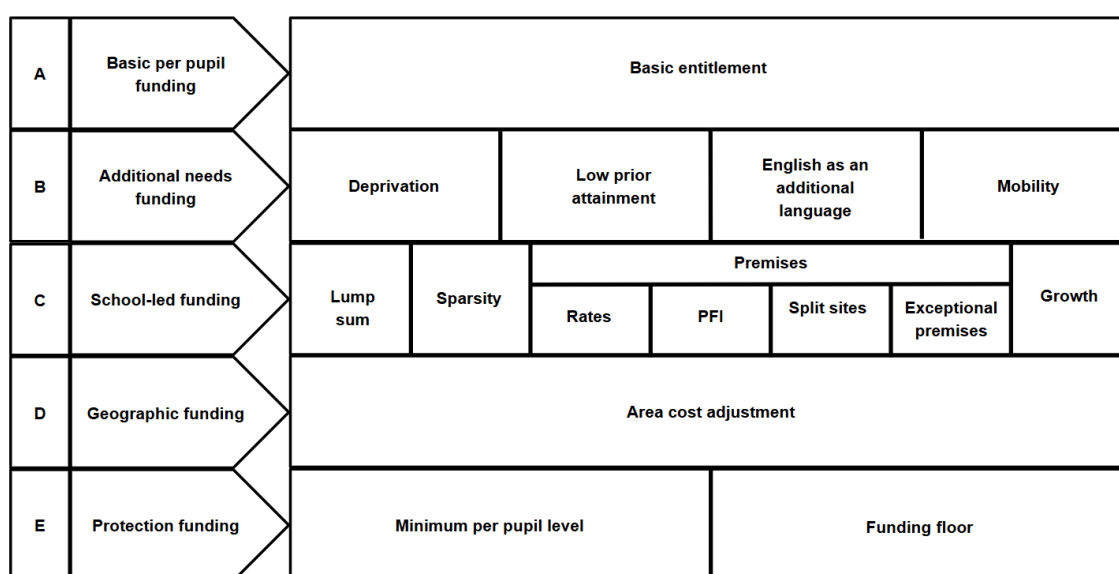
** Schools block increased in 2025/26 due to TPAG, TPEG & CSBG grants being rolled into DSG

- 1.5 The Department for Education (DfE) published its summary policy document for the financial year 2026-27 on the National Funding Formula (NFF) on 4th August 2025. This document provides the context and guiding principles for school funding under the NFF and is available at:

Website Link: [Schools national funding formula \(NFF\) summary policy document for 2026 to 2027 - GOV.UK](https://www.gov.uk/government/policies/schools-national-funding-formula)

2 **Overview of the Schools National Funding Formula (NFF) Policy.**

- 2.1 The summary policy for the schools National Funding Formula (NFF) sets out the framework for its application in 2026–27. The structure and funding factors used in the 2026–27 NFF will remain consistent with those applied in the 2025–26 cycle. **Figure 1** illustrates the provisional factor values for the 2026–27 NFF.



2.2 **National Funding Formula (NFF) Updates:**

- **Increased Factor Values:** The NFF will see an uplift in factor values to boost the overall funding available to schools.
- The minimum per pupil funding levels (**MPPLs**) have not been published in the current summary policy documents. The policy document confirms that the Schools Budget Support Grant (SBSG) and the National Insurance Contributions (NICs) grant will be incorporated into NFF for 2026–27. Changes to factor values for 2026–27 are presented in Tables 1.
- **Table 1** below outlines the additional amounts incorporated into the core factor values of the 2026–27 NFF, reflecting the integration of relevant grants.

Table 1: Factor value uplifts from the rolling in of 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 |

- **Table 2** below presents the amounts applied to the minimum per pupil funding levels (MPPLs) within the 2026–27 NFF, reflecting the integration of relevant grants.

Table 2: Minimum per pupil (MPPL) funding uplifts

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

- **Funding Protection:** Schools will continue to be safeguarded against sudden changes in per-pupil funding through the MPPLs and Funding floor mechanism.
- **Expansion of Free School Meals (FSM):** 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. For the 2026–27 financial year, no changes are proposed to the NFF to reflect this expansion. Instead, the additional funding required will be provided to schools through a separate grant allocation.

3 Approach to consultation with schools on 2026/27 Schools Funding

- 3.1 **Delegation of Responsibilities:** The Schools' Forum to delegate authority to the Schools Block Working Group to review potential funding formula models for 2026–27, in preparation for consultation with schools and subsequent Schools Forum approval in January 2026
- 3.2 **Recommendation of Funding Model:** Following the consultation, the Schools' Block Working Group will present a recommended model to the Schools' Forum. This will align with Department for Education (DfE) grant requirements.
- 3.3 **Proposed Consultation Timeline for the 2026–27 DSG Formula**
- **October 2025:** The Schools' Forum to:
 - Note the proposed 0.5% transfer from the Schools Block to the High Needs Block, for disapplication request to the Secretary of State in November 2025.
 - Note the proposed £122,000 transfer from the Schools Block to the Central Services Schools Block (CSSB), for disapplication request to the Secretary of State in November 2025.
 - The Schools' Block Working Group to agree on the funding models to be included in the consultation.
 - **November 2025**
 - The Schools' Block Working Group will: Meet to finalise the funding models for consultation.
 - Schools Finance team will submit a disapplication request for a transfer above 0.5% for approval by the Secretary of State.
 - The Schools Finance team will launch the consultation with schools.
 - **December 2025**
 - Consultation responses will be collated and analysed.
 - Recommendations will be prepared for presentation to the Schools' Forum in January.
 - **January 2026**
 - The Schools' Forum will review and approve the proposed funding formula and Authority Proforma Tool (APT) based on consultation feedback.
 - Subject to Lead Member approval, the APT will be submitted to the Education and Skills Funding Agency (ESFA).

4 **Schools Block DSG Funding formula 2026-27 proposed models**

- 4.1 Due to the timing of this report, it is not yet possible to present potential funding formula models for 2026–27. This is because the Department for Education (DfE) has not yet announced the funding allocations or any changes to the National Funding Formula (NFF) for that year.
- 4.2 The **table B** below sets out the values for block transfers and de-delegation as agreed by the Schools Forum for the 2025–26 financial year. These figures will be reviewed by the Schools Block Working Group as part of the development of funding models for consultation with Haringey schools. Following consultation, the proposed models will be submitted to the Schools Forum for final approval.

| Table B: Allocation type | Schools Affected | Description | Proposed Final Amount |
|---|-----------------------------|--------------------------------|--------------------------------------|
| Block Transfer | All Schools | HNB transfer at 0.5% | £1,167,130 |
| Top Slice | All Schools | Growth Fund/Falling Rolls Fund | £300,000 |
| De-Delegation | Maintained only | Trade Union Facility | £210,147 |
| Block Transfer | All Schools | CSSB for Education Welfare | £122,000 |

- 4.3 **Funding Formula Models:** As referenced in paragraph 3.3, the Schools Block Working Group will develop initial funding formula models for consultation with Haringey schools, ahead of submission to the Schools Forum for approval.
- 4.4 **Scope for Changes in School Funding:** There is limited scope for changes to school funding, as Haringey's Authority Proforma Tool (APT) was aligned with the National Funding Formula (NFF) values in the previous years. The only areas where adjustments can be made to the schools funding are through Minimum Funding Guarantee (MFG) variations, de-delegation decisions, and Growth Fund allocations.
- 4.5 **Timing of DfE Funding Announcements and APT Release:** The timing of the DfE funding announcements and the release of the Authority Proforma Tool (APT) is a critical factor in the Schools Block Working Group's ability to effectively model Haringey's funding for 2026–27.