

Summary policy note for schools and high needs national funding formula 2025 to 2026

Applies to England

Contents

1. [1.Introduction](#)
2. [2.Timetable](#)
3. [3.Total core schools funding](#)
4. [4.Funding levels: schools NFF](#)
5. [5.Funding levels: high needs NFF](#)
6. [6.Funding levels: CSSB](#)
7. [7.Structure of the national funding formulas](#)
8. [8.Rolling previous grants into the mainstream schools and CSSB NFF](#)
9. [9.Local authority mainstream schools formulae in 2025 to 2026](#)
10. [10.The structure of the high needs NFF for 2025 to 2026](#)
11. [11.Annex A: Disapplications](#)

[Print this page](#)

1. Introduction

The purpose of this document is to confirm key elements of the schools national funding formula (NFF), prior to the publication of the delayed NFF allocations for 2025 to 2026. It should support local authorities, schools and academy trusts in planning, by providing the structure of the schools NFF for 2025 to 2026 (that is, the factors that will be used in the NFF, and how they will operate) and indicative factor values. It also confirms the structure of the high needs NFF in 2025 to 2026. This is in advance of the department confirming the schools and high NFF allocations at school and local authority level for 2025 to 2026.

We aim to publish NFF allocations for schools and local authorities and all supporting documents on the NFF (including the schools operational guide and NFF technical note), for 2025 to 2026, by the end of November 2024. The dedicated schools grant (DSG) allocations will then be published in December 2024.

This policy document covers both mainstream and high needs funding.

2. Timetable

November 2024

- we wrote to local authorities on 3 October 2024 confirming that disapplication requests should be submitted by 18 November 2024 to ensure local authorities receive a decision before the authority proforma tool (APT) deadline of 22 January 2025. We encourage local authorities considering a request to engage with the Education and Skills Funding Agency (ESFA) at LA.DISAPPLICATIONS@education.gov.uk. Further information on disapplication requests is included in annex A below
- we aim to publish schools, high needs and central school services block (CSSB) NFF allocations for schools and local authorities and all supporting documents on the NFF (including the schools operational guide and NFF technical note), for 2025 to 2026 in late November 2024

December 2024

- DSG allocations will be published

January 2025

- APT submission deadline is 22 January 2025

February 2025

- local authorities will confirm school budget shares to mainstream and special maintained schools, and pupil referral units (PRUs)

March 2025

- ESFA will confirm general annual grant (GAG) allocations to academies

3. Total core schools funding

Total core school funding is increasing by £2.3 billion in 2025 to 2026, meaning that this funding will total almost £63.9 billion. This includes funding through the schools NFF, high needs funding, CSSB of the DSG, and pupil premium.

As set out below, funding provided to mainstream schools through the teachers' pay additional grant (TPAG), the teachers' pension employer contribution grant (TPECG) 2024 and the core schools budget grant (CSBG) will be rolled into the schools NFF for 2025 to 2026. Funding provided for special schools and alternative provision (AP) through these grants will be consolidated into a single CSBG.

In addition, we anticipate that further funding, in respect of the increase in employers' National Insurance contributions, will be provided in 2025 to 2026 by a grant outside the NFF. We will provide further details on this as soon as possible.

4. Funding levels: schools NFF

An additional £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 NFF; and increases to the pupil premium and other elements of core funding.

The department is now in the process of calculating the schools NFF allocations for 2025 to 2026. We expect to publish the NFF allocations by the end of November 2024.

We are providing this summary note to provide early sight of indicative figures which we understand are helpful to local financial planning. These are all subject to final quality assurance and so the precise uplifts to factors might be slightly different to those detailed below.

The mainstream schools' elements of TPAG, TPECG 2024 and CSBG will be rolled into the schools NFF for 2025 to 2026. More information on the rolling in of these grants is set out later in this note.

Factor values have been increased to take account of the rolling in of these grants, and the remaining funding available for schools in 2025 to 2026. The floor is 'cash flat' at 0%, after taking account of the funding that schools received through TPAG, TPECG and CSBG in 2024 to 2025.

Table 1: Provisional factor values in 2025 to 2026

	2024 to 2025 NFF values	Additions to baselines from grants	CSBG uplift	Provisional 2026 NFF value
Basic per pupil funding				
Basic entitlement				
Primary basic entitlement	£3,562	£213	£51	£3,826
Key stage 3 basic entitlement	£5,022	£300	£71	£5,393
Key stage 4 basic entitlement	£5,661	£339	£80	£6,080
Minimum per pupil				
Primary minimum per pupil funding	£4,610	£257	£62	£4,929

	2024 to 2025 NFF values	Additions to baselines from grants	CSBG uplift	Provisional 2026 NFF value
Secondary minimum per pupil funding	£5,995	£350	£83	£6,428
Additional needs funding				
Deprivation				
Primary free school meals (FSM)	£490	£0	£0	£490
Secondary FSM	£490	£0	£0	£490
Primary free school meals Ever 6 (FSM6)	£820	£188	£45	£1,053
Secondary FSM6	£1,200	£277	£68	£1,545

	2024 to 2025 NFF values	Additions to baselines from grants	CSBG uplift	Provisional 2025 2026 NFF value
Primary income deprivation affecting children index (IDACI) A	£680	£0	£0	£680
Primary IDACI B	£515	£0	£0	£515
Primary IDACI C	£485	£0	£0	£485
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	£945

	2024 to 2025 NFF values	Additions to baselines from grants	CSBG uplift	Provisional 2026 NFF value
Secondary IDACI B	£740	£0	£0	£740
Secondary IDACI C	£690	£0	£0	£690
Secondary IDACI D	£630	£0	£0	£630
Secondary IDACI E	£450	£0	£0	£450
Secondary IDACI F	£340	£0	£0	£340
Low prior attainment (LPA)				
Primary LPA	£1,170	£0	£0	£1,170

	2024 to 2025 NFF values	Additions to baselines from grants	CSBG uplift	Provisional 2026 2026 NFF value
Secondary LPA	£1,775	£0	£0	£1,775
English as an additional language (EAL)				
Primary EAL	£590	£0	£0	£590
Secondary EAL	£1,585	£0	£0	£1,585
Mobility				
Primary mobility	£960	£0	£0	£960
Secondary mobility	£1,380	£0	£0	£1,380

	2024 to 2025 NFF values	Additions to baselines from grants	CSBG uplift	Provisional 2026 NFF value
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	£57,100
Secondary sparsity	£83,000	£0	£0	£83,000
Premises				

	2024 to 2025 NFF values	Additions to baselines from grants	CSBG uplift	Provisional 2025 to 2026 NFF value
Split sites	£80,600	£0	£0	£81,000

Table 1 above shows the provisional unit values of each factor in the NFF for 2025 to 2026. The column ‘Addition to baseline from grants’ sets out the rolled in value of the 3 grants from 2024 to 2025 (TPAG, TPECG and CSBG). The column ‘CSBG uplift’ sets out the additional funding rolled into the baseline to reflect the full year cost of the 2024 teachers’ pay award.

5. Funding levels: high needs NFF

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 to 2026 to £11.9 billion. This increase to high needs funding is over 9% compared to the 2024 to 2025 baseline.

Of this total, we are setting aside £480 million for allocation through a 2025 to 2026 CSBG for special schools and AP, which will combine the high needs elements of the 2024 to 2025 TPAG, TPECG and full-year equivalent of the CSBG.

We expect to publish details of the methodology for this 2025 to 2026 CSBG before the end of 2024.

We also set aside an amount for allocations of high needs funding that are not calculated through the high needs NFF, and later NFF funding adjustments. The latter adjustments include the impact of the October 2024 school census special school numbers used for the basic entitlement factor of the NFF, which is updated through the DSG allocations published in December 2024. For 2025 to 2026 the amount we will hold back will be £145 million.

The remainder, a total of £11.3 billion, will be allocated through the high needs NFF.

The structure of the NFF will remain the same and, with the exception of the funding floor and gains limit percentages, the same factor values and weightings will apply as in previous years (see below). This is because the government wants to take more time to consider what changes are needed to the NFF, both to make sure that we establish a fair education funding system, that directs funding to where it is needed, and to support any special educational needs and disabilities (SEND) reforms that will be taken forward.

In particular, the historic spend factor will remain at the same cash value as in 2024 to 2025, which will be equivalent to an average of 25% of local authorities' 2025 to 2026 allocations. That percentage has reduced from 27% when the 2024 to 2025 NFF was published.

The increase in overall high needs funding has enabled the department to recognise the continuing high level of cost increases that most local authorities are experiencing. The high needs NFF therefore includes a funding floor that provides a minimum increase of 7% per head of a local authority's 2 to 18 population. Gains under the formula will be limited to 10% per head. Both calculations of the per head increases are applied to the majority of the formula allocations but exclude certain factors as in previous years.

The special schools protection, known as the minimum funding guarantee (MFG), will continue to apply to maintained special schools and special academies (including special free schools but excluding non-maintained special schools (NMSS) and independent schools) in 2025 to 2026. The MFG for 2025 to 2026 is 0% using schools' 2024 to 2025 funding baseline, which is equivalent to the upper end of the MFG range for mainstream schools. The operation of the MFG will be the same as in previous years and applies only to each school's place and top-up funding. The local authority must have a disapplication request approved to use a lower percentage.

6. Funding levels: CSSB

The CSSB within the DSG provides funding for local authorities to carry out central functions on behalf of maintained schools and academies.

The CSSB is comprised of 2 distinct elements: ongoing responsibilities and historic commitments. For 2025 to 2026 the formula for allocating this funding follows the same approach as in 2024 to 2025.

The CSSB will continue to fund local authorities for the ongoing responsibilities they deliver for all pupils in maintained schools and academies. The total provisional funding for ongoing responsibilities is £342 million in 2025 to 2026.

£338 million of this is calculated using a simple per pupil formula, the structure of which is unchanged from 2024 to 2025. 90% of the funding will be distributed through a basic per pupil factor, and 10% of the funding through a deprivation factor based on the proportion of pupils eligible for free school meals within the past 6 years (FSM6) in mainstream schools. This includes funding from the centrally employed teachers (CET) elements of the TPECG and CSBG, alongside funding for copyright licences which was issued separately in 2024 to 2025, which has now been rolled into the 2025 to 2026 CSSB.

A further £4 million will be provided to cover additional exceptional copyright license costs in 2025 to 2026. The additional funding each local authority will receive in respect of copyright licences will be calculated as 7.1% of their copyright licence costs in 2024 to 2025.

Local authorities are protected so that the maximum year-on-year per pupil reduction in ongoing responsibilities is at -2.5% and a cap is set at the highest affordable rate of 2.98%.

In 2025 to 2026, for those local authorities that receive it, historic commitments funding will continue to reduce by 20% on 2024 to 2025 allocations, the same rate as in previous years. We will also continue to protect any local authority from having a reduction that takes their total historic commitments funding below the total value of their ongoing prudential borrowing and termination of employment costs.

Further details of the methodology used for the CSSB formula will be included in the 2025 to 2026 NFF technical note, which will be published alongside the NFF allocations.

7. Structure of the national funding formulas

The 2025 to 2026 schools NFF will use the same factors as the 2024 to 2025 NFF. These are shown in the diagram below, and then explained in more detail:

Figure 1: The structure of the schools NFF for 2025 to 2026

Figure 1 illustrates the factors that are taken into account when calculating schools block DSG funding allocations through the NFF. It is not to scale. Private finance initiative (PFI) and exceptional premises factors are allocated to local authorities based on historic spend; and rates based on actual costs.

The individual schools NFF factors for 2025 to 2026 will operate in the same way as in 2024 to 2025 except for some changes to the PFI factor. These are as previously confirmed in September 2024.

7.1 The pupil-led factors that will be used in the NFF for 2025 to 2026 are:

- the basic entitlement factor – every pupil will attract this funding. There will continue to be different factor values for primary pupils, key stage 3 pupils, and key stage 4 pupils
- additional needs funding – the NFF in 2025 to 2026 will continue to provide funding for pupils with additional needs, as measured by:
 - FSM factor – pupils who are eligible for free school meals will attract this funding. This funding is broadly intended to cover the cost of providing free meals for each eligible pupil
 - FSM6 factor - all pupils who are recorded as eligible for free school meals, or who have been at any point in the last 6 years, attract funding through this factor. The value of this factor will vary depending on the phase (primary or secondary) of the pupil
 - IDACI – this funding is based on the 2019 area-based IDACI measuring the relative deprivation of Lower-layer Super Output Areas (LSOAs). For the NFF, the IDACI ranks are divided into 7 bands A to G, with A representing the most deprived areas and G the least deprived. Additional funding is targeted towards pupils in bands A to F, with more funding directed to pupils in the more deprived bands. The value of this factor will also vary depending on the phase of the pupil

- LPA – pupils will attract this funding if, at primary, they did not achieve the expected level of development in the early years foundation stage profile assessment, and at secondary, did not achieve the expected standard in key stage 2 in any of reading, writing or maths. The value of this factor will vary depending on the phase of the pupil
- EAL - pupils will attract this funding if they entered state education in England during the last 3 years, and their first language is not English. The value of this factor will vary depending on the phase of the pupil
- mobility factor – this factor allocates funding to schools with a high proportion of pupils who have an entry date in the last 3 years which is not typical (in most cases, if their first recorded appearance on the school’s roll was other than the October census). The value of this factor will vary depending on the phase of the pupil

7.2 The school-led factors that will be used in the NFF for 2025 to 2026 are:

- lump sum - every school attracts a lump sum through the NFF irrespective of its size or phase
- sparsity factor - eligibility for sparsity funding depends on the distance the pupils living closest to the school would have to travel to their next nearest appropriate (for example, same phase) school, and the average number of pupils per year group. The value of this factor will vary depending on the phase of the school. The distance thresholds, year group size thresholds, and operation of the distance and year group size tapers will remain as they were for 2024 to 2025
- premises – the NFF in 2025 to 2026 will continue to allocate funding to reflect the costs associated with a school’s premises and overheads:
 - rates - for local accounting purposes, rates funding allocations will continue to notionally feature in the NFF allocation publication for all schools, including schools in billing authority areas where rates are paid directly by the Department for Education (DfE). Actual allocations to schools in those areas will not include funding for rates
 - PFI – the purpose of this factor is to fund the unavoidable additional costs to a school of being in a PFI contract. For 2025 to 2026 we are making some changes to the operation

of this factor. This is covered in more detail at the end of this section

- split sites – this factor targets extra funding to schools which operate across more than one site. As in 2024 to 2025, schools can attract funding for up to a maximum of 3 additional eligible split sites. There will continue to be basic eligibility funding – that is, a lump sum that schools attract for each site (up to the maximum of 3 additional eligible sites) – as well as distance funding (through which up to 3 additional sites which are more than 100 metres from the main site, attract additional funding)
- exceptional circumstances – this factor provides additional funding where local authorities have had approval from ESFA to direct additional funding to a small number of schools with significant additional and atypical costs

7.3 The NFF in 2025 to 2026 will continue to provide funding protections:

- minimum per pupil levels (MPPLs) - guarantee a minimum amount of funding for every pupil - the funding received through the minimum per pupil level (MPPL) varies from school to school depending on the year groups they have. In 2025 to 2026, MPPL values will remain compulsory in local authority funding formulae
- the funding floor - ensures that a school's funding is protected from excessive losses year-on-year, and that all schools attract a minimum uplift to their pupil-led per pupil funding. For 2025 to 2026, split sites funding will sit outside the calculation of the funding floor. This means that split sites funding will properly reflect any changes in the organisation of schools' sites

7.4 The only structural changes being made to the NFF for 2025 to 2026 are in relation to the PFI factor, and so will not affect all local authorities. The changes are:

- providing pro-rata funding when a PFI contract is coming to an end in the financial year (such that funding is only provided for the part of the year when the contract is still in place)
- setting conditions that local authorities would need to meet to receive above-inflation increases in PFI funding (with the expectation that these would be the exception). The default expectation will be that

previous years' PFI funding through the NFF will be increased by the Retail Prices Index excluding mortgage interest payments (RPIX) measure of inflation. If local authorities want to request that the funding is increased by a higher amount, then they will need to submit an affordability model to the department

8. Rolling previous grants into the mainstream schools and CSSB NFF

The mainstream schools elements of TPAG, TPECG 2024 and CSBG will be rolled into the schools NFF for 2025 to 2026. The funding for centrally employed teachers within the TPECG and CSBG are also being rolled into the CSSB NFF for 2025 to 2026.

For all 3 of the grants, the funding will be rolled in following a very similar approach to previous grants. That is:

1. Adding cash amounts to the primary, key stage 3 and key stage 4 per pupil funding factors in the schools NFF, to represent the equivalent amounts in the grants.
2. Adding cash amounts to the primary and secondary FSM6 factors, and the lump sum, in the schools NFF, to represent the equivalent amounts in the grants.
3. Adding cash amounts to the minimum per pupil funding levels (MPPLs) for primary, key stage 3 and key stage 4 respectively, to reflect the average per pupil amount of funding that schools attracted through the preceding grants.
4. Adding an amount representing the total funding each school received through the preceding grants on to its baseline, which is used to calculate funding protection for the schools through the funding floor.

For TPAG and TPECG, the funding rolled in to the NFF will use the published funding rates directly. For example, in step (1.) above, the cash amount added to the primary basic per pupil NFF factor to roll-in TPAG will simply be the cash value of the primary basic per pupil rate in TPAG for 2024 to 2025 (that is, £62).

For CSBG, however, we will take a slightly different approach to rolling-in this funding to the NFF. This is because the total funding in the CSBG in 2024 to 2025 is calculated to match, at a national level, the funding needed

to meet the full-year cost of the support staff pay award, as well as the part-year cost of the 2024 teachers' pay award (from September 2024). Therefore, to roll in this funding, we will calculate the full year equivalent of the whole of the CSBG, and then calculate new (higher) full-year equivalent funding rates from this new total. The cash values rolled into the NFF in 2025 to 2026 will then reflect these full-year equivalent funding rates. The original and recalculated rates have been set out in table 2 below (to note, these are higher than the actual 2024 to 2025 grant rates).

Table 2: CSBG 2024 to 2025 funding rates and recalculated 'full year equivalent' rates for schools

Grant element	Unit value	'Full year equivalent' value uplift	Recalculated 'full year equivalent' unit value total
Primary basic per-pupil	£76	£51	£127
Key stage 3 basic per-pupil	£108	£71	£179
Key stage 4 basic per-pupil	£122	£80	£202
Primary FSM6 per-pupil	£70	£45	£115
Secondary FSM6 per-pupil	£100	£68	£168

Grant element	Unit value	'Full year equivalent' value uplift	Recalculated 'full year equivalent' unit value tot
Lump sum	£2,900	£1,915	£4,8

In table 2, the recalculated rate covers the full year equivalent cost for both support staff and teachers. These rates have been added to the 2025 to 2026 schools NFF factor values.

The TPECG and CSBG both provided funding for local authorities who employ centrally employed teachers. In 2024 to 2025, the CET elements of these grants was based on a proportional split of the overall quantum. For 2025 to 2026, the CET element of these 2 grants has been calculated based on an equivalent proportion of the overall quantum for 2025 to 2026, and these amounts are being rolled into the CSSB to ensure that this additional funding forms an on-going part of local authorities' central services budgets.

9. Local authority mainstream schools formulae in 2025 to 2026

As in previous years, local authorities will be responsible for deciding local funding formulae for mainstream schools in their area. The funding levels that schools – both maintained schools and academies – receive will be determined by the respective local formulae.

Local authorities will be required to move their local formula factor values at least 10% closer to the NFF factor value, except where local formulae are already 'mirroring' the NFF (that is, where the local formula factor is within +/- 2.5% of the NFF factor value). Full details regarding tightening will be set out in the 2025 to 2026 schools operational guide, which will be published alongside the full allocations by the end of November 2024.

As mentioned in the [2024 to 2025 schools operational guide](#) from 2025 to 2026 the local authority flexibility to increase the pupil number count for

schools with higher reception pupil numbers in the January 2024 census, rather than the October 2023 census, will be removed. Only 8 local authorities made use of this flexibility in 2024 to 2025.

We will also be tightening the allowable circumstances in the exceptional circumstances factor.

Minor technical adjustments will also be made to the operation of the MFG, whereby both split sites and PFI funding will be excluded from the MFG calculation. This brings the MFG treatment of these factors in line with the NFF and ensures that increases or decreases in a school's split site and /or PFI funding does not impact other aspects of their funding. When setting their local formulae, local authorities must set the MFG between -0.5% and 0%.

Local authorities will again be able to transfer up to 0.5% of their total schools block allocations to other blocks of the DSG, with schools forum approval. A disapplication will continue to be required for transfers above 0.5%, or for any amount without schools forum approval.

There are 16 allowable funding factors in 2025 to 2026, most of which are compulsory for all local authorities. The compulsory factors are unchanged from 2024 to 2025. The requirements on allowable values for these factors in local formulae will be confirmed alongside the NFF allocations publication.

Compulsory:

- basic entitlement
- FSM
- FSM6
- IDACI
- minimum level of per-pupil funding
- LPA
- EAL
- pupil mobility
- sparsity
- lump sum
- London fringe (for the eligible authorities)
- split sites
- MFG

Optional:

- rates
- PFI contracts
- exceptional circumstances (with ESFA agreement)

10. The structure of the high needs NFF for 2025 to 2026

The high needs NFF consists of 11 factors designed to indicate the level of need within a local authority. These can be seen in figure 2 below – and are unchanged from 2024 to 2025. The formula factors reflect both the nature of the local SEND system (reflecting local circumstances, for example, the number of special schools in the area) and the characteristics of the children and young people living in the area. The formula also includes funding floor and gains limit factors, to ensure a minimum level of increase for every local authority and to reduce the impact of year-on-year changes to their funding levels.

Figure 2: The structure of the high needs NFF

Figure 2 illustrates the formula factors that are used to calculate high needs funding allocations through the NFF. The diagram shows the 11 factors which reflect the level of need in an area, as well as the funding floor and gains limit factors which ensure that all authorities receive an increase in funding of between 7% and 10% per head of their 2 to 18 population.

The basic entitlement factor and the historic spend factor are designed to reflect aspects of the local SEND system. The basic entitlement factor gives a set amount of funding (£4,660) per pupil based on the number of pupils in special schools (including those in independent special schools), performing the same role as its counterpart within the mainstream schools NFF. The historic spend factor provides every local authority with a set percentage (50%) of their 2017 to 2018 spending on high needs to reflect past spending patterns, given the constraints that the local demand for and supply of provision will continue to place on future spending.

The proxy factors within the formula reflect the characteristics of the population within a local authority. We use proxy factors in the high needs NFF rather than prevalence of SEND or levels of education health

and care (EHC) plans in each local authority. The population factor sets out the number of children and young people aged 2 to 18 living within a local area, and the 6 SEND and AP proxy factors allocate funding more specifically based on levels of attainment, deprivation and health/disability.

The weightings for each of these factors differ depending on whether the formula is providing a local authority with funding for SEND, AP or both. The weightings in each case, which are the same in the 2025 to 2026 formula as in previous years, can be seen in table 3 below.

Table 3: Factor weightings in the high needs NFF

Proxy factor type	Proxy factor	SEND weighting (90%)	AP weighting (10%)	Combine weightings
Population	Population factor	50%	50%	50%
Deprivation factors	FSM	8.33%	25%	10%
	IDACI	8.33%	25%	10%
Health and disability factors	Children in bad health	8.33%	0%	7.5%

Proxy factor type	Proxy factor	SEND weighting (90%)	AP weighting (10%)	Combined weighting
	Disability Living Allowance (DLA)	8.33%	0%	7.5
Low attainment factors	Key stage 2 low attainment	8.33%	0%	7.5
	Key stage 4 low attainment	8.33%	0%	7.5

Table 3 illustrates the weightings for each of the proxy factors in the high needs NFF. The figure highlights that the population factor receives the largest weighting, accounting for 50% of these elements of the funding formula. The other factor weightings reflect the extent to which the factors act as proxies for SEND, and the likely need for AP. A combined weighting is then shown for each factor.

11. Annex A: Disapplications

Last year the department moved to a [digital form](#) for all disapplication requests, that covers general, high needs, early years and block transfer movement requests. This enables the department to process and understand the specific details of each request more efficiently. We have published [guidance](#) on completing the digital form.

Local authorities should provide information on the equality impact assessment for any disapplication request.

Local authorities should submit all requests by 18 November 2024. This is to ensure decisions are communicated back to local authorities prior to the APT submission deadline 22 January 2025.

Ahead of publication of the schools operational guide 2025 to 2026 at the end of November, the department has set out below some additional guidance related to block movement and exceptional premises requests, which has undergone some small changes from the 2024 to 2025 guidance.

11.1 Block movement requests

Local authorities continue to be able to transfer up to 0.5% of their schools block to other blocks of the DSG, with schools forum approval.

A disapplication is required for any transfers above 0.5%, or any amount without schools forum approval; this applies to any transfers even if an amount was agreed in previous years. Local authorities with safety valve agreements will have this managed as part of safety valve monitoring.

In considering block transfers, local authorities may wish to consider the indicative factor values for the schools NFF, and the funding floor and gains limit in the high needs NFF, as confirmed in the main body of this document.

The department expects local authorities to have considered how they will manage the timetable for setting their school budgets so that the notifications to schools of their budget shares, and the parallel department process for notification of academy allocations, are not delayed. The department suggests appropriate timetabling of schools forum meetings to discuss budgets and to agree the process should any amendments to disapplications need to be made, the deadline for which is 9 January 2025. This allows for schools forum to be informed and vote on proposed changes. Further to this, arrangements for political approval should be timetabled to take account of this later date for amended requests.

When submitting disapplication requests for transfers from the schools block, local authorities should provide the evidence detailed in the [digital form](#) provided by the department. This should be a DSG management plan that includes:

- a forecast position for the next 5 years

- details of predicted EHC plan growth, sufficiency, and the actions the local authority is taking to mitigate overspending
- costed mitigating actions, with narrative explaining how the figures have been derived
- rationale for this transfer, including changes in demand over the last 3 years and how the local authority has met that demand by commissioning places in all sectors
- plans to change the pattern of provision where necessary
- evidence of partnership working between the local authority, schools and parents
- an explanation of plans to support the inclusion of children with SEND in mainstream schools
- information presented to all schools through consultation and to the schools forum, and details of responses to the transfer proposal, including papers for and minutes of schools forum meetings, showing details of the vote

Each request will be considered on a case-by-case basis. To support their request, local authorities should provide detail on:

- the specifics of their plans demonstrating that the transferred funding would contribute to addressing cost pressures in a sustainable way, such as 'invest to save' options
- the department will also consider the level of support from local schools and the schools forum for this plan, and if they do not support the plan, their specific arguments for this

11.2 Exceptional premises requests

Local authorities can apply to the department to use exceptional circumstances relating to school premises, for example, rents, or joint-use sports facilities.

Local authorities should only submit applications where the value of the factor is more than 1% of a school's budget and the factor applies to fewer than 5% of the schools in the local authority's area. Local authorities should submit applications annually for approval. Even where local authorities received approval in 2024 to 2025, they should re-apply to the department, if the criteria are still being met.

Where an exceptional circumstance has already been approved for particular schools, it is permissible for a further school or schools to receive

the factor where a change in their circumstances meets the existing approved criteria, providing that the cost to the additional school exceeds 1% of its budget share (as calculated through the APT), and that the factor still applies to fewer than 5% of schools in the local authority area.

Local authorities should apply for all exceptional circumstances in 2025 to 2026 setting out the rationale for the factor and demonstrating that the criteria are met.

Exceptional circumstances that have previously been approved include:

- rents
- joint use of leisure facilities by contractual agreement
- building schools for the future (BSF) schemes (additional contribution to lifecycle maintenance costs)
- hire of PE facilities
- school with a farm included as part of its educational provision

Exceptional circumstances that do not meet our policy:

- utility costs for any type of building
- funding leases for costs other than delivering education
- circumstances where costs to the additional school do not exceed 1% of its budget share
- rental costs for local authority-owned facilities that are used for the purpose of delivering the curriculum (for both maintained schools and academies)

Supporting evidence must be provided with all requests, and for all joint use agreements (JUA), lease agreements, service level agreements (SLA) and licences we will require:

- in date agreements
- agreements confirming revenue costs
- confirmation of hours and the facilities/premises being used
- detail of premises
- current invoices

Each request is considered on its own merits based on the evidence provided, and it should not be assumed that a request would be approved simply because it falls into one of the categories shown above or has been approved in prior years. The supporting information should evidence how the costs are exceptional in comparison to if the facilities/premises were available on site.

11.3 PFI

Local authorities wishing to receive a higher NFF uplift for PFI related costs need to submit a request to the department, accompanied by a clear affordability model to substantiate the requested increase.

The department will also request to see affordability models where contracts are due to expire within the next one to two years. Any remaining reserves at the end of the contract will need to be returned to the department, as the department would not fund anything through the PFI factor which is above and beyond what the local authority needs to cover the affordability gap and any unavoidable extra premises costs as described above.

11.4 Preparing disapplication requests

Please contact la.disapplications@education.gov.uk with any questions about a school's eligibility or to discuss any other request you are considering making.

The department will contact local authorities if the evidence provided to the department is not sufficient. In order to build the strongest possible case for your request and allow us to respond by the APT deadline please provide all necessary supporting evidence in your initial request. If we need to come back to you requesting further information, it will increase the risk of the department not being able to give you an answer before the APT deadline.