



# Consultation on Schools and High Needs Funding 2025-26

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## **Introduction**

This consultation document proposes options for the allocation of funding to mainstream schools for the financial year 2025-26 through the local funding formula and in support of pupils with high needs.

Schools are asked to consider the funding option outlined and respond to the Local Authority (LA) for further consideration by the Schools Funding Forum.

Our consultation has not been released in line with last year's timetable because of an unprecedented delay in central government confirmation of the arrangements, rates and allocations. The DfE have now released the final allocations for 2025-26, and we are able to provide figures based on the final October 2024 Census, with the National Funding Formula (NFF) rates that will apply in the 2025-26 funding formula.

We are consulting using the final dataset (October 2024 Census) and final NFF rates for the forthcoming financial year.

## **Process**

A summary of responses to the consultation will be reported to the meeting of the Schools Funding Forum on 16th January 2025, and will form part of the final decisions taken by the School Funding Forum members and the Local Authority in January, before schools are issued with their funding for the 2025-26 financial year.

## **Responding to the Consultation**

The consultation paper and online link is sent to the Head Teachers of all schools and academies. Please bring this to the attention of Chairs of Governors, Chairs of Resources, Board Members and Trustees as appropriate.

You can contribute your views to the consultation in the online link provided in the body of the email.

If you require clarification on any point please email:

Education Finance at: [education.finance@havering.gov.uk](mailto:education.finance@havering.gov.uk)

**Closing date of consultation:** Tuesday 7th January 2025

## **Schools Funding 2025-26**

### **Background to the funding options for 2025-26**

This year, we are consulting schools on a single issue, whether to continue with funding schools using the NFF funding rates and for the continuation of the recently revised local Growth and Falling Rolls Fund.

Schools Funding Forum members voted and agreed with the transfer of funding from the Schools Block to the High Needs Block of the Dedicated Schools Grant.

A transfer to the High Needs Block means reducing the funding distributed through the schools funding formula and using the funding made available to support pupils with SEN. Local Authorities, with the agreement of their Schools' Funding Forum, are permitted to transfer up to 0.5% of the Schools Block funding to High Needs funding. Based on indicative figures for 2025-26 this would equal £1.291m.

The option for the consideration for 2025-26 funding is presented in this consultation:

- 0.85% cap and continuation of the Growth Fund

Further details of this option, and of the impact on schools' formula funding are outlined in this document and on the attached appendices.

Supporting increased numbers of pupils with high needs, and the growing complexity of needs, is placing an undue burden on school budgets. There is a risk that financial considerations may begin to jeopardise inclusivity and that schools with a large number of pupils with high needs find it increasingly difficult to reach a balanced budget.

To help address this the funding consultation for 2024-25 included the option of transferring 0.5% (£1.155m) of the Schools Block to the High Needs Block so that this could be allocated to schools in support of pupils with high needs.

The Schools Funding Forum established a Task and Finish Group, comprised of head teachers and staff from the local authority, to examine High Needs funding for schools. This looked at how the £1.155m transfer from Schools Block, plus an additional £2.125m received following the formula update, with population growth the key driver of this change, might be allocated.

At the conclusion of the funding consultation for 2024-25, 72% of respondents favoured the transfer of funds to High Needs. Details of the increases in High Needs funding that resulted from this are shown below in [Section 3.3.1](#).

Having used the 0.5% (£1.155m) transferred from the School Block to establish High Needs funding rates for 2024-25, it is necessary to transfer 0.5% again in 2025-26 to ensure that the rates can be maintained. The Task and Finish Group was re-established in the Summer term, and have met and discussed the funding for 2024-25, and will consider how high needs funding for schools in 2025-26 is distributed.

## 1 Dedicated Schools Grant (DSG)

The Government announced in the Autumn 2021 Spending Review that the total core school budget (including funding for mainstream schools and high needs) was to increase to £56.8 billion by 2024-25, a £7 billion cash increase compared with 2021-22. 2024-25 was the third and final year of the three year funding settlement.

In addition to the Autumn 2021 budget, an additional £1.5 billion in 2023-24 and £1.3 billion in 2024-25, was included in the total core schools budget to total over £59.6 billion in 2024-25. These were from additional grants that have since been rolled into the Schools Block and High Needs Block allocations.

Due to the general election that took place in July and the change of government, the much anticipated release of the funding levels for education was announced in the Autumn 2024 Budget Statement, with a total core school funding of £63.9 billion in 2025-26, which is £2.3 billion more than 2024-25. The total includes funding through the Schools NFF, High Needs funding, CSSB and Pupil Premium Grants.

Following previous years' principles, the Government has rolled in the Teachers' Pay Additional Grant (TPAG), the Teachers' Pension Employer Contribution Grant (TPECG) 2024 and the Core Schools Budget Grant (CSBG). The CSBG has been annualised and an uplift has been applied to reflect the financial year equivalent of this additional grant. Appropriate adjustments have been made to the NFF factor values and baselines to reflect this.

## 2 Havering's Schools Block funding 2025-26

On 6th November 2024, the Department for Education (DfE) issued the "**Summary policy note for schools and high needs national funding formula 2025 to 2026**" with indicative National Funding Formula (NFF) rates and principles for 2025-26 to local authorities.

Local authority allocations are based on primary and secondary units of funding (PUFs and SUFs). The indicative allocations released by the DfE are calculated using October 2023 data and will be updated in December for October 2024 pupil numbers.

	Actual primary unit of funding (PUF) £	Actual secondary unit of funding (SUF) £	Primary pupil numbers	Secondary pupil numbers	Pupil Funding £	Additional Grants £	Rates (NDR) £	Total Funding £
2025-26 (Oct 2023 census data)	5,580	7,564	23,964	15,691	252,393,194	0	2,710,054	255,103,248
2024-25	5,171	6,981	23,964	15,691	233,444,021	13,599,956	2,106,176	249,150,153
Change	409	583	0	0	18,949,174	-13,599,956	603,878	5,953,096

## 2.1 Final DSG Allocations – DSG Schools Block

The LA was in the process of releasing the consultation document based on the principles outlined above, however the DfE has released the final allocations.

The consultation will reflect the final allocations for 2025-26 via the DSG Schools Block APT formula, and schools are able to review the year on year change, earlier than in previous years.

Please note that final allocations will not be affected by the delay that has occurred by the DfE, and the timetabled dates of release from the LA for allocations presently remain unaffected.

The final local authority allocation released by the DfE, calculated using October 2024 data is as per the table below:

	Actual primary unit of funding (PUF) £	Actual secondary unit of funding (SUF) £	Primary pupil numbers	Secondary pupil numbers	Pupil Funding £	Additional Grants £	Rates (NNDR) £	Total Funding £
2025-26 (Oct 2024 census data)	5,580	7,564	23,938	15,945	254,175,879	0	2,710,054	256,885,933
2024-25	5,171	6,981	23,964	15,691	233,444,021	13,599,956	2,106,176	249,150,153
Change	409	583	-26	254	20,731,858	-13,599,956	603,878	7,735,780

As a result of the update, an additional £7.7m is available in the DSG Schools Block, in comparison to the previous year's DSG and Additional Grants allocations.

## 2.2 The National Funding Formula

Havering took the decision to adopt the National Funding Formula (NFF) factors and values in 2018-19 when they were introduced. The Schools Funding Forum has agreed that when the rates are finalised by the DfE, that they should again be used in the calculation of schools' funding allocations for 2025-26.

The indicative NFF funding rates have been increased to reflect the rolling in of the TPAG, TPECG and CSBG and as part of the Government's national increase in funding for schools. In addition, for most core factors (the basic per pupil funding factor, additional needs factors and the school lump sum) the increase is 0.5%.

A slight decrease in the value of the Area Cost Adjustment (ACA) has been applied to funding for Havering, which means that factor values have increased by slightly less than the percentages quoted above. The ACA is an uplift to reflect geographical variation in labour market costs, similar to London weighting.

The change in the factor rates for 2024-25 and 2025-26 are shown in [Appendix A](#).

Having adopted NFF factors and values, decisions still need to be made each year on whether funding should be transferred from the Schools Block to the High Needs Block of the Dedicated Schools Grant (DSG) and whether to supplement the funding received from the DfE for the Growth and Falling Rolls Fund. Decisions also need to be made on the level of the minimum funding guarantee (MFG) and any gains cap to be applied. The Schools Funding Forum members agreed for the transfer to support High Needs and Growth and Falling Rolls Fund at the meetings held in the Autumn 2024 term.

Following a consultation held in summer 2021 the DfE began the move from a 'soft' NFF to a 'direct' NFF with transitional arrangements in place since financial year 2023-24. The resultant transitional arrangements remain unchanged for 2025-26, with LAs still required to use only NFF factors in local formulas and to move 10% closer to NFF factor values. These have no impact for Havering schools as NFF factors and values have already been adopted in full since 2018-19.

As the move to a 'direct' NFF continues in future years, it is likely that there will be changes that impact on Havering schools, for example, there is likely to be less local flexibility in determining the formulas used to allocate funding for Growth and Falling Rolls.

### **2.3 Minimum per-pupil Funding Levels for primary and secondary schools (MPPL)**

In allocating funding to schools, Local Authorities need to ensure that minimum per-pupil funding levels are met. For 2024-25 these are £4,955 for primary schools and £6,465 for secondary schools. This includes funding for the rolling in of the TPAG, TPECG, CSBG and additional allocation to support schools.

In 2024-25 the MPPL levels were £4,610 for primary schools and £5,995 for secondary schools. One primary and no secondary schools received funding at the MPPL level. From provisional modelling, using October 2023 census data, again one primary and no secondary schools would be funded at MPPL levels in financial year 2025-26. This is subject to change once the final dataset for the October 2024 Census is received.

### **2.4 The Minimum Funding Guarantee (MFG)**

The Minimum Funding Guarantee (MFG) ensures that schools per pupil funding rises by a minimum percentage from the previous year. For 2025-26 local authorities can apply an MFG of between -0.5% and 0.0%. This means that where the per pupil funding for a school has risen by less than the MFG rate, the increase will be topped up to the level of the MFG.

As an example an MFG set at 0.0% would work as follows:

School's per pupil funding in 2024-25	£4,800
Formula funding for 2025-26	£4,600 (a fall from 2024-25)
School to be funded at 2024-25 + 0.0%	£4,800

For 2024-25 the MFG was set at 0.5%. In the 2025-26 funding consultation, we are proposing an MFG of 0.0%, the maximum permitted level prescribed by the DfE, as the funding released by reducing the MFG to -0.5% would adversely affect schools. Although the DfE have set the limit to be 0.0% for 2025-26, within the MFG for each

school, the overall per pupil funding has increased due to the annualised CSBG grant and a 0.5% uplift.

## 2.5 Gains cap

Local Authorities are able to adopt a gains cap if there is insufficient funding left in the Schools Block to meet formula allocations, MFG requirements and any transfers to High Needs and the fund for growth and falling rolls.

As an example a gains cap set at 2.4% would work as follows:

School's per pupil funding in 2024-25	£4,800
Formula funding for 2025-26	£4,944 (a rise of 3.0%)
School to be funded at 2024-25 + 2.4%	£4,915

For 2024-25 a gains cap of 2.50% was applied to enable the transfer of 0.5% of the Schools Block to High Needs.

After reviewing the final dataset and the funding commitments for 2025-26, we are proposing a gains cap of 0.85%, which is the maximum affordable cap that can be put in place, after the transfer to High Needs and Growth and Falling Rolls Fund.

## 2.6 Pupil Growth and Falling Rolls Funding

As outlined above, the phased move to a direct NFF is likely to impact on the funding received by schools for growth and Rolls in coming years.

As part of the updated funding arrangements since 2024-25, the Falling Rolls Fund supports schools where school capacity survey (SCAP) data shows that school places will be required in the subsequent three to five years. The restriction applied in previous years, that schools must be judged Good or Outstanding at their last Ofsted inspection to be eligible for funding, was removed.

The local arrangements for supporting schools as part of the Growth fund remain affected for 2025-26.

The allocation for Growth funding is distributed based on the actual growth that LAs experience for each year, which is following the NFF principles of funding on a lagged funding basis (funding in a given year based on pupil numbers from the year before).

The calculation is based on the difference between the primary and secondary number on roll in each postcode locality (Middle Layer Super Output Area) between the most recent October pupil census, and the census in the previous October. For financial year 2025-26 allocation this will be the October 2024 and October 2023 Census respectively with the per pupil rate for Havering (including ACA) for primary is £1,700.86 and for secondary is £2,545.87 for the seven months period that the growth spans during the financial year (September to March).

Havering's Growth and Falling Rolls funds support school expansions, bulge classes and those schools with falling rolls meeting the new revised requirements. The allocations for existing bulge classes, previous year expansions moving through year groups and for falling rolls, were set out for the Schools Funding Forum. A budget of approximately £1.723m is required to continue funding on the current basis, a reduction



of £600k from financial year 2024-25. This is due to previously expanded schools and unfilled schools having the pupils on roll as at October 2024 in the classes that were previously affected.

The Schools Funding Forum agreed the revised arrangements for the Growth and Falling Rolls at the October 2024 meeting, and agreed that pupil growth and falling rolls funding for schools needs to be protected at current levels whilst this is still permitted by NFF regulations.

Following the DfE final allocations for Growth and Falling Rolls being published for financial year 2025-26 and Havering receiving £1.294m, an additional £429k of the Schools Block funding. The funding consultation for 2025-26 includes this transfer, to ensure that stability is provided to those affected schools where pupil number changes may adversely impair the schools to deliver good quality teaching and support to children.

### 3 Havering’s High Needs Block funding 2025-26

Indicative funding for 2025-26 is as shown in the table below with comparable data from 2024-25. The DfE formula for allocating High Needs Funding to local authorities uses twelve different factors and adjustments. The Pupil Population Projection factor for 2 - 18 year olds and the Historic Spend factor (based on 50% of 2017-18 actual LA High Needs spend) distribute the largest proportion of funding.

For comparative purposes, the pupil population factor is shown below.

	Aged 2 – 18 Pupil Population Projection	Provisional High needs NFF allocations £	Total High Needs allocations (provisional) £
2024-25	57,838	42,953,843	42,953,843
2025-26	58,178	47,420,700	47,420,700
Difference	340	4,466,857	4,466,857

Although funding for 2025-26 is projected to increase by £4.466m (10.3%), costs are expected to rise by considerably more than this due to rising costs (including salary increases), an increase in the number of pupils with high needs and the complexity of need. The High Needs Block is expected to overspend by £19.9m in the current financial year. With a £15.3m deficit brought forward, this will bring the cumulative deficit to £35.2m.

#### 3.1 Final DSG Allocations – DSG High Needs Block

As outlined in section 2.1, the LA was in the process of releasing the consultation document based on the principles outlined above, however the DfE has released the final allocations.

The final local authority allocation released by the DfE is as per the table below, compared to the financial year 2024-25 final allocations released in December 2023:

	Aged 2 – 18 Pupil Population Projection	Total high needs elements in the funding floor and gains calculation (£s)	Basic entitlement factor (area cost adjusted) unit of funding	Import/export adjustment	Additional Funding for Special Free Schools	Hospital education, alternative provision teachers pay/pension and supplementary funding factor	Total High Needs allocations (provisional)
		£	£	£	£	£	£
2024-25	57,838	42,433,630	2,187,437	-1,830,000	24,000	143,851	42,958,919
2025-26	58,178	46,515,995	2,344,419	-1,818,000	408,217	151,379	47,602,010
Difference	340	4,082,365	156,982	12,000	384,217	7,528	4,643,091

### 3.2 Dedicated Schools Grant (DSG) deficit

In financial year 2022-23, an overspend of £8.6m in the High Needs Block was offset by £0.1m underspends in other areas of the DSG resulting in a deficit carried forward into financial year 2023-24 of £8.5m.

This is the fifth consecutive year that the DSG as a whole has ended the year with a deficit, DSG underspends in other areas being insufficient to cover the overspend in the High Needs Block.

Previous years' transfers from the Schools Block to the High Needs Block and uncommitted underspends in areas other than high needs have assisted in keeping the overspend lower than it would otherwise have been. The LA will continue to keep all areas of DSG spending under review to identify potential savings to meet the forecast overspend in the High Needs block.

At the end of September 2024, the projected in-year deficit in High Needs was estimated at £19.9m, a reduction of £1.2m on the original projection at the start of the year. This gives rise to an estimated cumulative deficit at the end of financial year 2024-25 of £35.2m.

### 3.2 DSG Management Plan and Delivering Better Value (DBV) Programme

Any LA that has an overall deficit on its DSG account at the end of the 2023-24 financial year, or whose DSG surplus has substantially reduced during the year, is required to complete the Dedicated School Grant Management Plan or to have an equivalent framework.

The DfE has introduced two programmes to support LAs that have DSG deficits. These are the Safety Valve Intervention programme and the Delivering Better Value in SEND (DBV) programme.

The Safety Valve Intervention programme targets support and financial resources to the LAs with the highest DSG deficits with the aim of producing a sustainable long-term position.

Following the inception of the Safety Valve programme, the DfE setup the DBV Programme in financial year 2022-23. The programme supports LAs with lower, but still significant deficits. The DfE prioritised the programme based on the size of the LAs DSG deficit, and Havering was in the second tranche of Local Authorities involved in the programme.

Havering worked with Newtons, consultants commissioned by the DfE to administer the programme. Under the DBV programme LAs are able to bid for up to £1m grant, covering two years, to support projects which aspire to deliver significant improvements to services for children and young people with SEND, alongside significant financial benefits over the next 5 years. Havering was successful in a bid for the full £1m available. This grant cannot be used to reduce the deficit in the DSG.

Havering has seen the second highest national increase in child numbers between 2011 and 2021. This has led to pressures across Children's Services including SEND. Increased numbers of Education Health Care Plans are being requested and awarded with more cases requiring a higher level of support. In line with other LAs Havering is also seeing a continued increase in cost of out of borough provision. In addition, the number of pupils migrating into the borough requiring additional support exceeds those leaving the borough.

Havering's focus historically has been to support as many children as possible in mainstream settings, whilst placing children with greater needs in local Additional Resources Provisions (ARPs), Special Units and Special Schools. However, demand for ARP, Special Unit and Special School places has outstripped demand in recent years. The problem has been exacerbated by delays in building works to create new places.

The mitigations identified during the DBV programme include seeking to build parental confidence in mainstream provision through better engagement, communication and co-production. Whilst Havering has high levels of children with an EHCP in mainstream schools, there are some schools with significantly fewer children with an EHCP than others.

Havering has been developing greater capacity in our mainstream schools by developing an inclusion peer review process and harnessing the expertise in our most inclusive schools. The LA has also sought to further strengthen our existing training and support offer, engaging parents and practitioners in co-production. This has resulted in an increase in the number of Special Units and places to support those children with additional needs who require support in specialist units.

### **3.3 Transfer of Schools Block Funding to High Needs**

In 2024-25, following consultation with schools, Havering transferred £1.155m (0.5%) from the Schools Block to the High Needs Block. For 2025-26 LAs are again able to transfer up to 0.5% of the Schools Block to other DSG blocks. The consultation includes the transfer of 0.5% of the Schools Block to the High Needs Block for £1.291m.

### 3.3.1 High Needs funding rates for schools 2024-25

Following the transfer of £1.155m from the Schools Block to High Needs and the receipt of an additional £2.125m as part of the year on year increase in the High Needs block, the LA increased a number of the high needs funding rates for schools in 2024-25. The increased rates are expected to deliver additional high needs funding for schools in the current financial year.

A High Needs Task and Finish group, made up of head teachers and LA staff, was established by the Schools Funding Forum in autumn 2023 to review funding rates and to recommend a package of changes utilising the 0.5% Schools Block transfer and the additional High Needs allocation. The Schools Funding Forum approved the changes recommended and these have been implemented. They are:

- (i) An increase in the hourly rate in support of EHCPs for children in Years R to 11 from £16.50 to £17.00.
- (ii) Funding for EHCPs to be paid to schools after the first 9.0 hours of support rather than after the first 9.3 hours.
- (iii) An increase in the pupil top-up funding for ARPs and Special Units of £334, from £11,860 to £12,184.
- (iv) An increase in the special school matrix funding levels of £334 on all bands.
- (v) An increase in the pupil top-up funding for Olive AP of £395, from £13,888 to £14,283.
- (vi) An increase in the pupil top-up funding for the Bridge AP of £275, from £9,152 to £9,427.
- (vii) An increase in the hourly rate in support of EHCP/Complex Needs in nursery years so that total funding for a nursery child (after base rate and inclusion funding) was £17.00 matching the EHCP funding rate for a Year R to 11 pupil.

In addition to the above changes agreed as part of the start of the financial year 2024-25 arrangements, the High Needs Task and Finish Group was re-established in the Summer term to consider additional in-year support for academic year 2024-25.

The proposals were discussed and agreed by Schools Funding Forum. Due to the LA's DSG balance being in deficit, this is presently undergoing the process of ratification that will involve the Cabinet. The proposals for consideration by Cabinet will be:

- (i) An increase in the hourly rate in support of EHCPs for children in Years R to 11 from £17.00 to £19.00.
- (ii) Funding for EHCPs to be paid to schools after the first 9.0 hours of support rather than after the first 8.1 hours.
- (iii) Academic year 2024-25 only – funding for those EHCPs that have been agreed to assess from week 20, to support schools whilst the SEND Service were undergoing a restructure and recruitment for roles

- (iv) New banding arrangements to be put in place for funding for EHCP top-ups, with an implementation date of academic year 2025-26, with a phased roll-out prior to inception.
- (v) An increase in the pupil top-up funding for Special Units of £7,816, from £12,184 to £20,000, to give rise to an overall £30,000 per place (basic entitlement, £6000, and top-up) at a Special Unit.

### **3.4 High needs funding 2025-26 – Task and Finish Group**

Without the transfer of £1.155m from the Schools Block to High Needs it would not have been possible to increase high needs funding rates for 2024-25 to the levels shown above, and also for the in-year proposals to be agreed and considered to support schools for the SEND placements.

Having used the 0.5% (£1.155m) transferred from the School Block to establish High Needs Funding rates for 2024-25, it will be necessary to transfer 0.5% again in 2025-26 to ensure that the funding remains unchanged and sustainable.

As outlined above, the High Needs Task and Finish Group, set up last year, has been re-established. The Group will discuss options for the following areas:

- (i) Funding rates for EHCP supported hours and banding top-ups implementation.
- (ii) High needs inclusion supplement (headroom) formula review.
- (iii) Specialist Unit and Resource Provision (ARP) funding
- (iv) AP Funding
- (v) Special School Funding

The Task and Finish Group will be considering the arrangements and distribution of the funding for 2025-26, with the transfer of the 0.5% from the Schools Block to the High Needs Block. Following the final allocations being released, the above proposals will be discussed and the LA will support the enactment of the additional funding in the areas to be discussed for 2025-26.

## **4 Funding Formula 2025-26 and Funding Options**

The Schools Funding Forum feel that the issue of High Needs funding remains a priority and transferring 0.5% from the Schools Block to the High Needs block to support schools with ever increasing demand for support to continue into 2025-26.

Participants in this consultation are asked to express a preference for the proposal for financial year 2025-26. Details of this is shown below. The impact on individual schools is shown anonymously in [Appendix B](#).

### **Option: 0.85% cap and continuation of the Growth Fund**

- High Needs funding rates for 2024-25 retained as the base rate for 2025-26. The High Needs Task and Finish Group will examine the priorities listed in [Section 3.4](#), and the funding rates for these, against the background of the maximum permitted transfer to the High Needs Block.
- Minimum Funding Guarantee set at 0.0% (maximum permitted)
- A gains cap of 0.85% (final)
- £429,196 moved to the Pupil Growth and Falling Rolls Fund

Following 0.5% of the School Block transfer to the High Needs Block, it is necessary to set the gains cap at 0.85%. This allows for an MFG at 0.0% and for the allocation of the additional £429k required to maintain funding for Growth and Falling Rolls at the current level.

The transfer of 0.5% was included in the calculation of High Needs funding rates for funding rates for 2024-25, and the transfer that has been agreed is required for 2025-26, to retain the base rates at the current level and for consideration of any increase to those rates.

The table below shows the figures.

	£
Total formula funding allocated - 0.0% MFG and 0.85% Cap	255,165,839
DfE Growth and Falling Rolls Allocation	1,293,804
Transfer to Pupil Growth/Falling Rolls Fund	429,196
Transfer to High Needs (0.5%)	1,290,899
<b>Total funding required</b>	<b>258,179,738</b>
<b>Total funding available</b>	<b>258,179,738</b>
<b>Funding remaining</b>	<b>Nil</b>

The number of schools receiving formula funding, MPPL and MFG protection is shown in the table below, together with the cost of the MFG protection and savings from the cap.

No of schools on MPPL		No. of schools on MFG at 0.0%		No. of schools to receive between 0.0% and 0.85%		No of schools capped at 0.85%		Cost of MFG / MFL £000s	Saving from cap £000s
Prim.	Sec.	Prim.	Sec.	Prim.	Sec	Prim.	Sec.		
1	0	9	1	16	6	33	11	328	1,916

## **5 Conclusion**

We hope that this paper and the accompanying appendices explain the funding options that form the basis of this consultation, and the rationale behind these options.

As explained above, these are the final allocations using the October 2024 and the proposal ensures that every school has had an increase in the per pupil amount via the MFG unit being at 0.0%, which equates to approximately a 7-8% year on year increase via the main formula, in comparison to the funding levels from financial year 2024-25.

# Appendix A – Havering NFF Final Rates 2025-26

Area Cost Adjustment 2025-26 **1.08335**

Factor	Primary					Secondary					
	2024-25		2025-26 projected		% change	2024-25		2025-26 projected		% change	
	NFF £	LBH £	NFF £	LBH £	LBH	NFF £	LBH £	NFF £	LBH £	LBH	
Basic per pupil	3,562.00	3,858.89	3,847.00	4,167.65	8.00	KS3	5,022.79	5,441.44	5,422.00	5,873.92	7.95
<i>excl other grants (below)</i>	3,443.00	3,729.97	3,634.00	3,936.90	5.55	KS4	5,661.89	6,133.81	6,113.00	6,622.52	7.97
Free School Meals	490.00	530.84	495.00	536.26	1.02		490.07	530.92	495.00	536.26	1.01
FSM Ever 6	820.00	888.35	1,060.00	1,148.35	29.27		1,200.18	1,300.22	1,555.00	1,684.61	29.56
<i>excl MSAG</i>	716.00	775.68	820.00	765.30	1.36	KS3	4,854.77	5,259.41	5,122.00	5,548.92	5.50
IDACI A	680.00	736.67	685.00	742.09	0.74	KS4	5,471.86	5,927.94	5,774.00	6,255.26	5.52
IDACI B	515.00	557.92	520.00	563.34	0.97						
IDACI C	485.00	525.43	490.00	530.84	1.03		945.15	1,023.93	950.00	1,029.18	0.51
IDACI D	445.00	482.09	445.00	482.09	0.00		740.11	801.80	745.00	807.10	0.66
IDACI E	285.00	308.75	285.00	308.75	0.00		690.11	747.63	695.00	752.93	0.71
IDACI F	235.00	254.59	235.00	254.59	0.00		630.10	682.62	635.00	687.93	0.78
							450.07	487.58	450.00	487.51	-0.01
							340.06	368.40	340.00	368.34	-0.02



Low Prior Attainment	1,170.00	1,267.52	1,175.00	1,272.94	0.43	1,775.28	1,923.25	1,785.00	1,933.78	0.55
EAL	590.00	639.18	595.00	644.59	0.85	1,585.25	1,717.38	1,595.00	1,727.94	0.62
Mobility	960.00	1,040.02	965.00	1,045.43	0.52	1,380.22	1,495.26	1,385.00	1,500.44	0.35
Lump sum	134,400.00	145,602.24	145,100.00	157,194.09	7.96	134,421.09	145,625.09	145,100.00	157,194.09	7.94
<i>excl MSAG</i>	<i>129,890.00</i>	<i>140,716.33</i>	<i>134,400.00</i>	<i>145,602.24</i>	<i>3.47</i>	<i>129,910.38</i>	<i>140,738.41</i>	<i>134,400.00</i>	<i>145,602.24</i>	<i>3.46</i>
Minimum per pupil funding level (MPPL)	4,610.00	4,610.00	4,955.00	4,955.00	7.48	5,995.00	5,995.00	6,465.00	6,465.00	7.84
<i>excl MSAG</i>	<i>4,467.00</i>	<i>4,467.00</i>	<i>4,610.00</i>	<i>4,610.00</i>	<i>3.20</i>	<i>5,809.00</i>	<i>5,809.00</i>	<i>6,145.00</i>	<i>6,145.00</i>	<i>5.78</i>
Minimum Funding Guarantee	0.0% - 0.5%	0.5%	-0.5% - 0.0%	0.0%		0.0% - 0.5%	0.5%	-0.5% - 0.0%	0.0%	
Gains cap	n/a	2.5%	tba	t.b.c.		n/a	2.5%	tba	t.b.c.	

#### Sums consolidated into NFF funding rates

	2024-25	2025-26			2025-26 - Policy Note update	
	MSAG	TPAG	TPECG	CSBG	CSBG uplift	Additional Increase
Basic per pupil - Primary	£119.00	£62.00	£75.00	£76.00	£51.00	£21.00
Basic per pupil - KS3	£168.00	£86.00	£106.00	£108.00	£71.00	£29.00
Basic per pupil - KS4	£190.00	£98.00	£119.00	£122.00	£80.00	£33.00
Primary FSM6	£104.00	£53.00	£65.00	£70.00	£45.00	£7.00
Secondary FSM6	£152.00	£77.00	£100.00	£100.00	£68.00	£10.00
Lump sum	£4,510.00	£2,306.00	£2,800.00	£2,900.00	£1,915.00	£779.00

**Adjustment to MPPL - average per pupil gain**

	MSAG
Primary	£143.00
KS3	£186.00
KS4	£208.00

All grants	CSBG uplift	Additional Increase
£213.00	£62.00	£70.00
£320.00	£83.00	£67.00