



# OXFORDSHIRE COUNTY COUNCIL

## Guide to Schools Funding and Finance 2026-27 and Onward

(version 1.0 –March 2026)

### NOTES:

This document is intended for maintained schools in Oxfordshire only.

This document will be updated as further information becomes available.

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## 1 Introduction

In addition to the information included in this guide the Local Authority have written to schools regarding Formula Funding for 2026-27 and Three-Year Budget Planning. Individual Schools' Budget information for 2026-27 has been published on the Local Authority's Intranet on the Schools Budgets and Financial Planning page.

## 2 Early Years National Funding Formula (EYNFF) and LA Maintained Nursery Schools and Classes

On 15<sup>th</sup> December 2025, the government published indicative 2026-27 Early Years allocations. The allocations included a 7.2% increase in the 3- and 4-year-old Early Years funding rate, a 3.5% increase in the 2-year-old hourly rate and a 3.4% increase in the 9 months to 2-year-old hourly funding rate.

This section sets out the provision for Oxfordshire for 2026-27:

- Further details of the Early Years Funding for 2026-27 is provided in the DfE guide: [Early years entitlements: local authority funding operational guide 2026 to 2027 - GOV.UK](#)
- Details of the funding formulae can be found in the DfE technical note: [2026 to 2027 early years national funding formulae: technical note - GOV.UK](#)

This section sets out the details of the provision for Oxfordshire.

The Early Years National Funding Formula (EYNFF) has been in place since the 2017-18 financial year. This formula relates to the following early years entitlements: (all entitlements are 38 weeks a year unless stretched):

- 30 hours entitlement for qualifying children of working parents aged from 9 months until the child turns 2 years old.
- 30 hours entitlement for qualifying children of working parents aged 2.
- 15 hours entitlement for families with 2-year-olds receiving additional forms of support (formerly known as the 2-year-old disadvantaged entitlement).
- Universal 15 hours entitlement for all 3 and 4-year-olds and the additional 15 hours entitlement for qualifying children of working parents aged 3 and 4.

There are a number of requirements and expectations on how local authorities allocate the early years entitlements to providers for the 2026-27 financial year, in accordance with the EYNFF guidance. These include the following:

- A minimum amount of funding of 97% (96% in 2025-26) to be passed through to providers (Oxfordshire in consultation with providers have set the pass-through rate at 97% for 2026-27).
- A local universal base rate for all types of providers. This underlying base rate excludes Supplements, the SEN Inclusion Fund allocations and any contingency fund(s).
- A mandatory Deprivation Supplement for 3- and 4-year-olds.
- A special educational needs (SEN) inclusion fund.
- A contingency fund.

Additional funding streams within early years are as follows:

- The disability access fund (DAF). The DAF was introduced in April 2017 to support disabled children's access to the entitlements for 3- and 4-year-olds. From 2024-25 DAF eligibility was extended to eligible 2-year-olds and children 9 months to 2 years,

accessing the entitlements. LAs must fund all types of settings providing a place for DAF-eligible children at an annual rate of at least £975 per child in 2026-27.

- Early Years Pupil Premium (EYPP). The EYPP gives providers additional funding to support children from families receiving additional support accessing an entitlement place. For 2026-27 EYPP covers all children who are accessing the entitlements and meeting the eligibility criteria (detailed in [section 9.1 of the early years operational guidance](#)). LAs must fund early years providers at a rate of at least £1.15 per hour per eligible child on the first 15 hours only up to a maximum of 570 hours.
- Supplementary funding for maintained nursery schools (MNS). LA's with MNS will receive supplementary funding for the 2026 to 2027 financial year for universal 3- and 4-year-old entitlement hours only. The minimum hourly rate provided by the DfE for 2026-27 is £5.47 and the cap has been set at £10 per hour.

The following table summarises the funding that the local authority has been allocated for 2026-27:

Provision	Rate Per Hour (Gross, including Central Retained%) 2025-26	Rate Per Hour (Gross, including Central Retained%) 2026-27	Movement	Movement	Funding allocation 2026-27
	£ / hr	£ / hr	£ / hr	%	£
Age 3-4 years Universal & Additional Entitlement	£6.00	£6.43	£0.43	7.2%	£50,344,291
2 years Working Entitlement	£8.38	£8.67	£0.29	3.5%	£30,793,029
2 years of families receiving additional support	£8.38	£8.67	£0.29	3.5%	£3,974,227
Age 9 months to 2 years Entitlement	£11.35	£11.74	£0.39	3.4%	£41,336,721
<b>Supplement Rates:</b>					
Maintained Nursery Schools	£5.27	£5.47	£0.20	3.8%	£1,177,039
Early Years Pupil Premium	£1.00	£1.15	£0.15	15.0%	£886,716
Disability Access Fund	£938 per year	£975 per year	£37.00	3.9%	£528,450
<b>Early Years Total Funding FY 2026-27</b>					<b>£129,040,473</b>

## 2.1 Early Years Funding Update 2026-27

The hourly rates for 3 and 4-year-olds, 2-year-old with additional support & working entitlement and 9-month to 2-year-old have been updated. The 2025-26 Early Years National Insurance contribution and Teachers pay Grant (EYNTPG) has been rolled into the National average funding rates for 2026-27. Introducing a termly funding system to fund all the early years entitlements on termly census headcounts, as already do for the working parents' entitlements for 2-year-olds and under.

## 2.2 Provider Base Rates for 2026-27

The following table summarises the base rates that will be paid to providers (excluding the deprivation supplement, SEN inclusion fund and contingency):

Provision	Provider Rates 2025-26	Provider Rates 2026-27	Movement	Movement
	£ / hr	£ / hr	£ / hr	%
Age 3-4 years Universal & Additional Entitlement	£5.53	£6.04	£0.51	9.2%
2 years Working Entitlement	£8.05	£8.29	£0.24	3.0%
2 years of families receiving additional support	£8.05	£8.29	£0.24	3.0%
Age 9 months to 2 years Entitlement	£11.05	£11.33	£0.28	2.5%
<b>Supplement Rates:</b>				
Maintained Nursery Schools	£5.27	£5.47	£0.20	3.8%
Early Years Pupil Premium	£1.00	£1.15	£0.15	15.0%
Disability Access Fund	£938 per year	£975 per year	£37.00	3.9%

## 2.3 Deprivation Supplement

The allocation methodology remains the same as that introduced in 2017-18 and will follow the funding for Early Years Pupil Premium (EYPP) eligible children. The deprivation funding will be paid alongside EYPP at a rate of 47p per hour, rather than an amount being allocated at the start of the financial year. Funding for the EYPP has increased to £1.15 per hour for all children eligible children attending up to 15 hours per week. The combined rate for the EYPP and deprivation supplement will therefore be £1.62 per hour for each EYPP eligible child for 15 hours of attendance. (The 47p supplement also applies to additional hours, although EYPP can only be paid on the universal 15 hours).

## 2.4 Special Educational Needs (SEN) Inclusion Fund

LAs are required to have a SEN Inclusion Fund for all children below compulsory school age who have special educational needs (SEN), regardless of the number of hours taken. SENIF funding should be targeted at supporting children with low-level or emerging SEN. Further information can be found in section 6 of the operational guidance [Early years entitlements: local authority funding operational guide 2026 to 2027 - GOV.UK](#).

## 2.5 Early Years Pupil Premium (EYPP)

The Government introduced an Early Years Pupil Premium (EYPP) for 3- and 4-year-olds from the start of the financial year 2015-16. The qualification for this is as per the School Pupil Premium, i.e., free school meals. This will be available for children in all Early Years settings, and as with the School Pupil Premium, emphasis will be placed on showing the impact of the use of this funding and it will be included in Ofsted Inspections.

The funding rate for the EYPP has increased to a maximum of £655.50 per child (from £570.00) accessing the full 570 hours. This funding will be allocated directly to providers as an addition to the hourly rate (Base Rate), at a rate of £1.15 per hour. EYPP is paid on the universal 15 hours only up to a maximum of 570 hours in the year (an eligible pupil attending for 30 hours per week will only receive EYPP for the universal 15 hours element).

For example, if eligible children are attending their full 15 hours of funded early education a week this would generate funding as follows:

Number of children	Amount each year
1 child	£655.50

## 2.6 Eligibility Checking System and Early Years Pupil Premium (EYPP)

For 2026-27, EYPP covers all children who are accessing the entitlements and meeting the eligibility criteria detailed below.

A child will be eligible for EYPP if they receive one of the following:

- 2.6.1 the universal 15 hours entitlement for 3 and 4-year-olds or;
- 2.6.2 the 15 hours entitlement for families of 2-year-olds receiving additional support or;
- 2.6.3 the 15 hours entitlement for children aged 2 years of eligible working parents or;

2.6.4 the 15 hours entitlement for children aged 9 months to 2 years of eligible working parents.

**And** they meet any of the following criteria (the same criteria apply to all of the entitlements):

2.6.5 their family gets one of the following:

2.6.6 Income Support

2.6.7 income-based Jobseeker's Allowance

2.6.8 income-related Employment and Support Allowance

2.6.9 support under part VI of the Immigration and Asylum Act 1999

2.6.10 the guaranteed element of State Pension Credit

2.6.11 Universal Credit (household income must be less than £7,400 a year after tax, not including any benefits - this is assessed on up to 3 of the parent's most recent universal credit assessment periods) - further guidance on checking eligibility is set out below.

2.6.12 they are currently being looked after by a local authority in England or Wales

2.6.13 they have left care in England or Wales through:

2.6.14 an adoption order

2.6.15 a special guardianship order

2.6.16 a child arrangements order

2.6.17 If a child qualifies for EYPP under more than one set of criteria, they will only attract the funding once.

2.6.18 EYPP is only payable for the first 15 hours used by children taking up one or more entitlements. EYPP is not payable on the additional 15 hours for these entitlements. Further information regarding eligibility can be found in the [Early years entitlements: local authority funding operational guide 2026 to 2027 - GOV.UK](#)

## **2.7 Early Years Formula Funding Payment Process**

Schools should refer to the published [payment schedule](#) for full details of payment dates and deadlines.

### **Estimated Submissions**

Schools must complete a mandatory *Estimated Submission* via the Establishment Portal before the start of each term. This submission contains estimated hours only and does **not** require child-level data.

If submitted by the published deadline, the school will receive credit to its SAP account by the 8th of the first and second month of the term.

### **Headcount Submissions**

Schools must then complete a mandatory *Headcount Submission* within the first month of each term, based on actual child-level data.

Where submissions are made by the deadline, monthly payments will be credited to the school's SAP account by the 8th of each remaining month in the term. These payments will also include eligible claims for Early Years Pupil Premium (EYPP), Special Educational Needs Inclusion Funding (SENIF), and Disability Access Funding (DAF).

### **Adjustments**

Schools may make adjustments to their claims up until the end-of-term deadline shown in the payment schedule. Funding cannot be backdated once the deadline has passed.

### **Overpayments**

Any overpayments identified will be recovered from future term payments.

## Missed Deadlines

If a school does not submit the required information by the stated deadlines, payments will not be released.

### 3 Post 16 allocations from the Department for Education for schools with sixth forms

There is a national funding formula used by the DfE to allocate post 16 funding to fund programme costs. The DfE funding formula incorporates factors including student numbers, student retention, higher cost subjects, disadvantaged students, and area costs.

This is supplemented by additional funding for high needs students, bursaries and other financial support awarded to individual students.

Historically allocations have been calculated on academic years and for maintained schools are adjusted to financial year allocations by applying a pro-rata calculation of 4/12<sup>th</sup> of current year funding and 8/12<sup>th</sup> of next academic year's funding.

Oxfordshire has one maintained secondary school – Carterton Community College.

Further information for academic year 2026-27 can be found here:

- [16 to 19 funding: information for 2026 to 2027 - GOV.UK](#)

The DfE have yet to release updated allocation information for the 2026-27 academic year.

### 4 Universal Infant Free School Meals (UIFSM)

Introduced in September 2014 all Reception, Year 1 and Year 2 pupils in stated-funded schools have been offered a Free School Meal (FSM). The cost of these meals has been subject to a separate government grant, Universal Infant Free School Meals (UIFSM).

This grant shall continue into financial year 2025-26.

The DfE have yet to release updated allocation information for the 2026-27 academic year, the below is specific to 2025-26 and so is subject to change going forward.

The allocations for the first 2025 to 2026 payments were calculated using the 2024 to 2025 academic year UIFSM funding rate. It has now been confirmed that a further uplift to £2.61 will be implemented for the 2025 to 2026 academic year. This additional payment will be delivered alongside the final allocation for 2025 to 2026 in June/July 2026 and backdated to the start of the academic year.

The allocation is paid to the local authority in two instalments; 7/12 is paid in June of the current financial year (FY 2025-26), and 5/12 is paid in June of the next financial year (FY 2026-27).

The 2025/26 rate per pupil is £2.61 (2024/25 = £2.58).

Further information can be found here based on latest updated.

- 2025-26 conditions [Universal infant free school meals \(UIFSM\): conditions of grant 2025 to 2026 - GOV.UK](#)

## 5 Pupil Premium Grant

The pupil premium grant is designed to allow schools to help disadvantaged pupils by improving their progress and the exam results they achieve.

**Important Note:** From April 2021, pupil premium allocations for mainstream and special schools will be calculated based on the number of eligible pupils recorded by schools in the October census prior.

The allocation is paid to the local authority quarterly, in June, September, December and March, however Oxfordshire County Council provides the full allocation to maintained schools at the first payment date. **Note:** this amount can be adjusted in-year as the DfE can adjust allocations at each payment date.

The Pupil Premium rates for the Financial Year 2026-27 are set out in the table below.

	Rates 2024-25 (£)	Rates 2025-26 (£)	Rates 2026-27 (£)
Primary Pupil	1,480	1,515	1,550
Secondary Pupil	1,050	1,075	1,100
Looked After Child	2,570	2,630	2,690
Children ceased to be looked after because of adoption, special guardianship order etc.	2,570	2,630	2,690
Service Child	340	350	360

Further information can be found here:

- Use and accountability [Pupil premium: effective use and accountability - GOV.UK \(www.gov.uk\)](https://www.gov.uk/pupil-premium-effective-use-and-accountability)

## 6 PE and sport premium

The DfE have yet to release updated allocation information for the 2026-27 academic year, the below is specific to 2025-26 and so is subject to change going forward.

The premium is to be used to fund additional and sustainable improvements to the provision of PE and sport, for the benefit of primary-aged pupils to encourage the development of healthy, active lifestyles.

For 2025-26 the allocation is paid to the local authority in two installments, one at the end of October (covering September to March), and one at the end of April (covering April to August). Schools with 16 or less pupils will receive £1,000 per pupil, schools with 17 or more will receive £16,000 plus an additional £10 per pupil.

Further information on can be found here:

- Guidance 2025-26 [PE and sport premium guidance for primary schools - GOV.UK](https://www.gov.uk/pe-and-sport-premium-guidance-for-primary-schools)
- 2025-26 allocations and conditions [PE and sport premium: conditions of grant 2025 to 2026 - GOV.UK](https://www.gov.uk/pe-and-sport-premium-conditions-of-grant-2025-to-2026)

## 7 Pay, Pension and National Insurance Contribution Grants

For mainstream schools the Schools Budget Support Grant (SBSG) and National Insurance Contribution grant (NICs) have been rolled into the schools National Funding Formula (NFF) for 2026-27 budget year.

Further information can be found on the link below on the incorporation of grant into NFF as from 2026-27:

- [The national funding formula for schools and high needs 26-27](#)

For special schools the Core Schools Budget Grant (CSBG) funding for 2025-26 has been rolled into the baseline for the 2026-27.

For maintained nursery schools funding provided through the Early Years National Insurance Contributions and teachers' pay grant (EYNTPG) has been rolled into the early years funding.

Post-16 Teachers' pension scheme employer contribution grants (TPSECG) will be paid separately to core allocations in financial year 2026-27. The DfE will be publishing the TPSECG allocations for financial year 2026-27 in May 2026 for April 2026 to August 2026 and in October 2026 for September 2026 to March 2027. Further information can be found in this link [16 to 19 teachers' pension scheme employer contribution grant: conditions of grant for local authorities and academies 2026 to 2027 - GOV.UK](#)

## 8 High Needs Funding

### 8.1 High-needs top-up funding

For pre-16 pupils, this is paid directly by the commissioning local authority for high needs pupils where the total cost exceeds the following thresholds.

The per pupil funding for mainstream schools includes funding for pupils with SEND, whose additional support costs are lower than £6,000. Schools & academies should have sufficient funding in their delegated budget to enable them to support pupils' SEND where required up to the mandatory cost threshold of £6,000 per pupil per annum.

Where the pupil is in a Special Educational Needs Unit, the cost threshold is £10,000, this amount includes the costs of all pupils' basic educational entitlement and £6,000 place funding.

Schools are expected to meet any cost of support below these thresholds from their budget allocations. See high needs matrix for pre-16 below.

Type of provision	Core funding	Top up funding (expected to be distributed in real time)
Mainstream schools	First £6,000 of additional need costs to be met from delegated budget	Agreed per pupil top up paid by commissioning LA
Special units and resourced provision in mainstream schools	A combination of per pupil funding through the LA funding formula plus £6,000 per place for those occupied by pupils on roll and £10,000 for remainder of places to be funded.	Agreed per pupil top up paid by commissioning LA

Maintained special schools	£10,000 per place based on number of places to be funded.	Legacy funding per place with the DfE prescribing the formula for calculating the funding for 2026-27. Section 8.4 of this guide outlines the changes to how legacy funding should be calculated.  Agreed per pupil top up paid by commissioning LA.
Nursery Schools	Per pupil funding through the early years funding formula. The place funding system does not operate in 0 to 5-year only settings	Agreed per pupil funding paid by commissioning LA

## 8.2 Secondary school SEN funding

As in previous years, secondary school SEN funding had been delegated to schools through the Schools Funding Formula as a SEN allocation, using number on roll, deprivation, and low-cost high incidence data.

Since 2014-15 this secondary schools' high needs funding from the DSG High Needs Block has simply been allocated to secondary schools using the pre-April 2013 allocation methodology.

## 8.3 Special Educational Needs (SEN) Units (Resource Bases)

From 2021-22 onwards pre-16 places at special unit and resourced provision (bases) occupied by pupils recorded on the school census (as either sole or dual [main]) will be funded at £6,000. This is funded from the High needs block and allocated by the authority. In addition, the pupils in these places will also have attracted funding through the mainstream school formula (deemed to be £4,000).

Other agreed places will be funded at £10,000 and may apply where:

- The place is or will be occupied by a pupil registered on the roll of another school.
- A place is not occupied at the time of the school census but is likely to be filled and requires funding.
- Spare capacity is required for another reason.

## 8.4 Special Schools

For 2026-27 the DfE have made updated the [High Needs operational guidance](#) for how legacy funding should be calculated for 2026/27. The changes are as follows:

Local authorities must first calculate for each of its special schools the total funding allocated for the period April 2025 to March 2026 as:

- Historic teachers' pay and pension (employer contribution) funding
- Historic teachers' pensions supplementary fund
- Additional funding that was first allocated following the 2022 autumn statement
- The 2025 to 2026 CSBG. The 7-month 2025 pay award element funded through the CSBG must be converted to a full-year (12-month) amount using a percentage

increase of 47%. This percentage increase is calculated on the basis that the CSBG funding supported settings with 12 months of the 2025 support staff pay award costs in 2025 to 2026 (as this pay award took effect from April 2025) and 7 months of the 2025 teachers pay award (as this pay award took effect from September 2025).

Each school's total funding calculated as above should then be divided by the number of places in that school funded in the financial year 2025 to 2026, to calculate a per-place amount. This amount is likely to be different for each school, reflecting differences in the way that the legacy funding has been passed on in previous years. No minimum place number should be used in this calculation as was the case for some of the legacy funding.

Local authorities must allocate this legacy funding by multiplying each school's per place amount by the number of funded places in the financial year 2026 to 2027.

Where a school's place number changes from the start of the academic year, the calculation of the 2025 to 2026 and 2026 to 2027 financial year place numbers should be five-twelfths of one academic year's place number for the period April to August, and seven-twelfths of the next academic year's place number for the period September to March.

This has been separately recorded on the special school funding statements for ease of reference and transparency.

In the financial year 2026-27 maintained special schools, special academies and maintained hospital schools, will also receive an inflationary increase to the core top up, other top up factors and residential factor within the funding formula. The inflation uplift has not been applied to Place or Legacy factors. It also has not been applied to Teacher costs.

Top-up funding for Oxfordshire pupils will be paid to special school and special academies monthly. The amount payable for all schools and special academies will be based on the agreed planned places and the assumption that pupil numbers will align with planned places. If the number of pupils on roll is different to the planned places, the top up funding will be adjusted termly in arrears based on pupil information submitted by special schools and special academies to the local authority's Special Educational Needs (SEN) team in the Number on roll exercise. Funding will be adjusted up or down in line with the revised composite place numbers based on these returns.

## **9 Redundancy Allocations**

The default Government position for the responsibility for early retirement and redundancy costs, is that premature retirement costs must be charged to the school's delegated budget, while redundancy costs must be charged to the local authority's budget.

However, since September 2011 maintained schools have been responsible for paying their own redundancy costs. The previously centrally held funding has been passed to schools annually. Allocations are made to schools either as a per pupil amount for primary and secondary schools or for special schools based on pupil numbers but weighted to reflect the higher adult to pupil ratio.

It was agreed at Schools Forum of 10 March 2011 that the overall resources to be made available to schools would be capped at £6.79 per pupil and this remains the allocation rate.

Special schools receive a weighted allocation to account for the greater staff per pupil in these establishments. This weighting is five times the pupils on roll.

## 10 Devolved Capital

Funding Allocations for 2026-27 will be circulated to all schools once the funding methodology has been confirmed (usually June). The 2025-26 allocations were calculated from pupil numbers from the 2024 spring school census.

It is expected that the Devolved Formula Capital funding methodology remains unchanged and is calculated using the same approach as in previous years.

Each year's allocation per school will be calculated according to the DfE formula set out below.

Allocations for 2025-26:

Each institution receives a fix sum of £4,000 and a variable amount based on their weighted pupil numbers.

The DfE have weighted the numbers to reflect the different levels of floor area per pupil in different settings:

<b>Pupil Phase</b>	<b>Phase-related</b>
Nursery / Primary	1.0
Secondary	1.5
Post-16	2.0
Special / PRU / AP/ Boarders	4.5

The base rate is £11.25. This means that the total DFC calculated for each school is as follows:

$£4,000 + (£11.25 \times \text{weighted pupils})$

Schools are to ensure that devolved formula capital allocations are spent appropriately on Asset Management Plan and ICT priorities.

At the time of writing provisional amounts for 2026-27 are not yet known or whether Devolved Formula Capital (DFC) allocations will continue. However, for planning purposes schools should assume that DFC will continue at the current levels of funding.

Capital funding is based on financial years (April to March), not academic years. You must spend DFC within 3 financial years, with year one being the financial year payment is made.

Where funding for particular programmes has time limits for achieving expenditure, any grant left unspent is at risk of clawback.

## 11 National Copyright Licenses

The Department for Education has agreed with a number of agencies to purchase a single national licence for all state-funded schools in England, a list of which can be found at the link below.

This means that local authorities and schools no longer need to negotiate any of the individual licences listed via the link below. Schools are not permitted to opt out of this arrangement.

All other licenses required by individual schools must be purchased from the school's delegated budget.

Further information can be found here:

- [Copyright licences for state schools in England - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/copyright-licences-for-state-schools-in-england)

## **12 Permanently Excluded Pupil funding**

The Schools and Early Years Finance (England) Regulations require the excluding schools budget share be recalculated where a pupil is permanently excluded (other than a special school, pupil referral unit or from a place reserved for children with special educational needs). This ensures the funding attributable to a pupil follows them or provides funding with which the local authority can fulfil its duty to provide education for a permanently excluded pupil.

Where a pupil is permanently excluded, Base Entitlement funding will be withdrawn for the remainder of the financial year at the rate relevant for the Key Stage in that financial year.

If the pupil is eligible for pupil premium funding, this funding will be withdrawn for the remainder of the financial year.

Where an excluded pupil is admitted to another, then the receiving school will be allocated funding from the admission date to the end of the current financial year.

## **13 Pupils who are the responsibility of other local authorities**

Any top up funding in respect of out of county pupils that schools (and academies) educate will need to be agreed between the school (academy) and the commissioning/placing local authority. Schools are recommended to ensure that the amount reimbursed is at least the same as a pupil with similar needs is funded by Oxfordshire.

Schools are reminded that it is their responsibility to ensure that the income is collected.

## **14 What Schools Must Publish Online**

Maintained schools are required to publish on their website additional information in relation to the funding detailed in this document.

Further information can be found here:

- [What maintained schools must publish online - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/what-maintained-schools-must-publish-online)

## **15 Budget Submission Timetable**

The deadline for all maintained primary, including nursery schools and secondary schools to submit their governor approved budget to the Local Authority covering the period 2026-27 to 2028-29 is Friday 1 May 2026. For maintained special schools the date is Friday 8 May 2026.

## **16 School Budget and Inflationary Pressures**

The below rates should be assumed for the next three years unless specified.

The Consumer Price Index (CPI) Inflation forecast published in the Autumn Statement was 3.5% for 2025 with a forecast of 2.5% for 2026.

The following items are dependent on contractual arrangements entered into by schools:

- Contracts – General
- Contracts – Building Maintenance
- Catering Supplies
- Water
- Energy
- Insurances – specific arrangements made by schools
- Staff insurance schemes - arranged by schools and tailored to school's individual needs. Premium rates usually dependent on claims history.
  - Maternity
  - Teaching and non-teaching staff long term sickness
- Licenses – most licenses are already covered under the copyright license agreement. Any additional will need to be paid by the school.
- Contracts – Agency Staff

The following pay related items are dependent on school specific arrangements and dependent on current pay point and progress criteria.

- Other teachers pay-related costs.
  - Threshold
  - Leadership
  - Increments
- Other staff pay related costs.
  - Increments
- Redundancy - costs met by schools unless agreement compatible with contents of Scheme for Financing Schools

Income	Inflation / Increase Rate	Comment
<b>Formula funding allocations</b>	SBSG and NIC grants have been rolled into the NFF.  NFF factor values have increased from 2025-26 to 2026-27 as follows: <ul style="list-style-type: none"> <li>• AWPU = 4.5%</li> <li>• FSM6 = 12.4%</li> <li>• IDACI = 2.2%</li> <li>• MPPL = 2.9%</li> <li>• Funding Floor = 0%</li> <li>• Lumpsum = 5.2%</li> </ul>	Formula model is replicating the national funding formula in full. Changes in allocations are made up of changes in factors, allocation rates for factors and inflation.  The SBSG and NIC 2025-26 grant rates are included and have been uplifted to make them annualised before rolling them into the NFF for 2026-27.  The model assumes 1.4% increases for future years.

<b>Expenditure Pressure</b>	<b>Inflation / Increase Rate</b>	<b>Comment</b>
<b>Teachers' Pay</b>	Year 1: 2.2% Year 2: 2.2% Year 3: 2.1%	Teachers pay is agreed nationally. All years are assumptions and are yet to be agreed.
<b>Non-teaching Staff Pay</b>	Year 1: 3.0% Year 2: 3.0% Year 3: 3.0%	Dependent on national and local pay deals. Year 1 is an average assumption with future years following this same assumption.
<b>Apprenticeship Levy</b>	0%	No change expected for 2026-27.
<b>Demographic pressures</b> - Free School Meals - SEN	School specific	Dependent on specific demand and need.
<b>Rates</b>	Most recent rates revaluation became effective April 2023	All Oxfordshire districts have now signed up to the DfE proposal to pay billing authorities directly on behalf of state-funded schools from April 2023. Any changes to rate bills will be managed by the DfE.
- ICT Purchases & Services - Examination Fees - General Price Increases (inflation)	2.0%	This is the assumption that OCC are forecasting at for next year.
<b>Energy</b>	Fuel (Electricity and Gas at 5% for 2026-27)	This is the assumption that OCC are forecasting at for next year.
<b>Water</b>	5% for 2026-27	This is the assumption that OCC are forecasting at for next year.
<b>Bought-in Services</b>	Generally, around 3%. May vary due to changes to offers.	In-house bought in services mainly re-costed to bundling of similar services costs increased for anticipated pay awards. Final figures yet to be agreed.

Some of the above inflationary pressures will have already been built into the local authority (via Hampshire's EFS) provided budget planning tool. There is some uncertainty around future pay awards and as this is the significant element of school budget plan costs and schools should consider making appropriate contingency and/or seek economy of scale efficiency savings.

## **17 Budget Pressures identified by Schools**

These lists are not in any particular order of either impact or importance. There are also not exhaustive and are similar to those of earlier years.

- Reduction in enrichment activities
- Reduction in counselling/mental health support
- Voluntary donations from parents
- Increasing levels of sickness
- Ancillary staff pay scale restructure and assimilation.
- Uncertainty as to future years funding
- Staff vacancies
- Uncertainty as to continuation of specific grants (UIFSM, PE and Sports, Pupil Premium)
- Contingency planning and cost uncertainty relating to impact of unknowns.
- Increasing staff workloads
- Increments / high-cost staff
- Implementing new/changes to curriculum
- Apprenticeship Levy
- Prices inflation on resources
- Falling pupil numbers
- Auto enrolment in pension schemes
- Provision for pupils with SEN
- Impact of formula changes
- Curriculum provision in a small school
- Recruitment costs – advertising, recruitment agencies
- Extra cost to ensure recruitment and retention (R&R payments)
- Cost of agency staff – supply cover and recruitment
- Leadership and management costs
- Building maintenance costs and inflation
- Energy and water inflation
- Uncertainty on if the increase in Employers National Insurance contributions will be funded.
- Increase in the National Living wage increasing.
- Impact of suppliers increasing costs due to the increase in Employers National Insurance contributions increasing and an increase in the National Living wage from April 2025.
- Uncertainty on grant funding for pay awards.

<b>Primary specific</b>	<b>Secondary Specific</b>
Volatility in pupil numbers in nursery	Volatility in pupil numbers in sixth form
School expansion, increase pupil numbers	Reduction in DfE sixth form funding
UIFSM provision cost and varying take-up	Increasing class sizes
CPD costs and requirements	Examination fees
SEN support - parental expectation	School expansion, increase pupil numbers

## **18 Deficit budget planning**

The Scheme for Financing Schools requires schools to submit a balanced or in surplus budget plan covering the three-year period (2026-27 to 2028-29) to the local authority. Where a school believes it will not be able to submit a balanced budget, it must contact and submit a draft budget plan to Education Finance Services (EFS) by 31 March 2026, or earlier if possible. The local authority, through EFS, will then work with those schools in seeking a balanced budget.

Schools are reminded that there is no right to a deficit budget under the above Scheme. A deficit will only be allowed with the permission of the Director for Children’s Services and the Chief Finance Officer. Conditions relating to the approval of a deficit budget are set out in the Scheme for Financing Schools, Section 4.

Schools with existing deficits and are still forecasting a deficit at March 2026 must continue to work closely with their EFS contact officer and look to set an agreed budget for 2026-27.

The View 'My financial insights (VMFI)' tool is expected to have been updated with data from the 2025/26 Consistent Financial Reporting (CFR) return. VMFI is a free tool that provides you with enhanced analytics into the financial position and performance of your school/s, alongside comparisons to your 30 most similar schools. VMFI is part of the DfE's benchmarking offering and the team also hold monthly webinars to showcase VMFI and to answer any questions you may have.

The VMFI tool can be accessed via [View my financial insights - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

## 19 Union Facilities Charge

Schools Forum, following discussion and deliberation, has agreed to continue with the de-delegated from maintained schools of the per pupil contribute to the cost of providing the union facilities arrangement. Also, academies will be asked to contribute at the same level.

For maintained schools the charge for 2026-27 will be £1.46 per pupil based on the school's October 2025 census return. The budget planner has been amended so that the annual Union Duty contribution is adjusted through allocated budget totals, rather than through recharges.

## 20 Finance Documents

The following documents are of use to schools:

- Scheme for Financing Schools
- Financial Manual of Guidance

Both these documents are available on the Finance pages ([Schools Finance | Schools \(oxfordshire.gov.uk\)](#)) of the local authority's InSite: Schools web pages.

## 21 Change Log

Version	Date	Change
1.0	March 2026	Annual Update