



Birmingham
City Council

Budget Share

Guidance Notes

**Infant, Junior, Primary, All-
through and Secondary Schools**

February 2025

1. Introduction

The Department for Education (DFE) published the national funding formula (NFF) for schools in December 2025. NFF changes which affect local formulae arrangements are covered in this guidance along with details of funding factors and the basis of their calculation.

Each year, Birmingham City Council (BCC) sets the budget for mainstream schools under the NFF. This includes:

- Infants
- Juniors
- Primary schools
- Secondary schools
- All-through schools

The Local Authority (LA) must publish information about the individual budgets by 28 February each year.

2. Changes for 2025/26

Key changes to the schools NFF in 202/26 are:

- Rolling the teachers' pay additional grant (TPAG), the teachers' pensions employer contribution grant (TPECG) 2024, and the core schools budget grant (CSBG) into the NFF. For TPAG and TPECG this is done by:
 - adding amounts representing what schools receive through the grants into their baselines
 - adding the value of the lump sums, basic per pupil rates and free school meals Ever6 (FSM6) parts of the grants onto the respective factors in the NFF
 - uplifting the minimum per pupil values by the TPAG and TPECG basic per-pupil values and an additional amount which represents the average amount of funding schools receive from the FSM6 and lump sum parts of the grants
- The methodology for rolling in the CSBG into the NFF is the same as for TPAG and TPECG, except that the CSBG 2024/25 grant rates are uplifted to make them annualised before they are rolled in to the NFF. (This is not necessary for TPAG and TPECG, as they were already provided on a full year basis in 2024/25).
- Further increases to NFF factor values (on top of the amounts added for the TPAG, TPECG and annualised CSBG), as can be afforded following the settlement of the core schools budget for

- Amending the private finance initiative (PFI) factor such that:
 - the lower of the local authority's 2024/25 PFI premises factor (as given on the 2024/25 authority proforma tool (APT)) and the school's PFI funding from the 2024/25 NFF will now be taken as the baseline for calculating the PFI factor
 - where PFI contracts expire part way through the financial year, the PFI factor value is pro-rated accordingly
- Some technical changes to the split sites factor which was first introduced in the 2024/25 NFF. In particular, the transitional floor protection that was included in 2024/25 has now been removed. That protection was only needed in 2024/25 to ensure that any school losing out from the formularisation itself was protected through the NFF floor. Some further, technical changes to the operation of the split sites factor in relation to mergers, amalgamations and de-amalgamations are covered in the [split sites](#) section of this guidance

3. Contacts / Queries

Budget share data queries – The data used to formulate the budget has been provided by the Education and Skills Funding Agency (ESFA) and not BCC's data team. Please email any data queries to schoolsfinance@birmingham.gov.uk and we will seek to find a solution with the ESFA on how to resolve the issue.

Budget share funding queries – Please contact schoolsfinance@birmingham.gov.uk

4. Funding Factors

The data LA's are required to use in the production of the 2025/56 budget shares is provided by the ESFA.

The 2024 autumn school census day was Thursday 3 October 2024, and the budget share data reflects the school's pupil numbers as at that date plus permanent growth where applicable as agreed with the Pupil Place Planning Team. The ESFA has been clear that it is not possible to make any amendments to the census data held by them.

Budget shares will show ESFA pupil data rounded to 2 decimal places for presentation purposes. However actual funding allocations for each budget share section are calculated using ESFA pupil data which has not been rounded. This may result in minor differences if a manual calculation is made using pupil numbers and unit values.

The ESFA has also made it clear that no budget share amendments are allowed during the year.

The calculation of the data for each factor is described in detail below. For many factors, the units used are expressed in decimal places. Some factors require a "school level percentage" to be initially calculated due to previous census data

being used and this percentage is then applied to the October number on roll (NOR).

4.1. Basic Entitlement - Age Weighted Pupil Unit (AWPU)

Funding is based on October 2024 census pupil numbers, plus any 'growth pupils' for additional primary and secondary classes. These pupil numbers are shown in Section 1 of the school budget share.

Funding is allocated according to an age-weighted pupil unit (AWPU) and there are different rates for primary, KS3 and KS4 pupils.

Growing Schools / New Schools

The ESFA requires local authorities to fund new schools that have opened in the last seven years and have not yet filled pupils in each year group according to estimates. BCC also uses this method of funding for schools that are fundamentally re-organising by adding on new year groups. Funding is based on pupils from the October census plus 7/12th of the estimated increase from the next academic year (estimates are provided by the Pupil Place Planning Team).

Please note that any growth funding due to an agreed increase in planned admission numbers (PAN) or funding for temporary 'bulge' classes is made outside of the budget share and through the growth fund.

LA's can no longer choose to increase the pupil number count for schools with higher reception pupil numbers in the January 2024 census.

4.2. Deprivation

Free School Meals (FSM)

Schools receive funding for all current pupils eligible for FSM through this factor. The data used by the ESFA is taken from the October 2024 census.

Free School Meals Ever 6 (FSM6)

Schools receive funding for pupils that have claimed FSM in the past six years from the October 2024 census through this factor.

Income Deprivation Affecting Children Index (IDACI)

IDACI is an area-based index measuring the relative deprivation of different areas and ascribes a score as well as a rank to each Lower-layer Super Output Area (LSOA an area with typically about 1,500 residents).

The NFF uses IDACI 2019 ranks to group each lower super output area into one of six bands of decreasing deprivation.

IDACI data	Ranks	Band
Pupils in the most deprived 2.5% of LSOA	1 to 821	A
Pupils in the next 5% most deprived LSOA	822 to 2463	B
Pupils in the next 5% most deprived LSOA	2464 to 4105	C
Pupils in the next 5% most deprived LSOA	4106 to 5747	D

Pupils in the next 10% most deprived LSOA	5748 to 9032	E
Pupils in the next 10% most deprived LSOA	9033 to 12316	F

The DfE will automatically set the FSM Ever 6 ratio equal to the current FSM ratio for schools where the FSM Ever 6 rate is recorded as lower than the current FSM rate to include all currently eligible for FSM.

4.3. English as an Additional Language (EAL)

EAL pupils attract funding if they are on the October 2024 census and can be shown to have been in the English school system for less than three years. This is achieved by deriving a pupil level “years in system” count based on the pupils’ presence on the October 2022, October 2023 and October 2024 censuses.

The maximum number of October censuses on which a pupil can be on roll and still be counted in the EAL factor is three.

If a pupil was first recorded on the October census in nursery 1, nursery 2 or reception they have been excluded from the count. This is because the language of pupils does not have to be declared in the census for pupils aged under five, causing this data to be unreliable.

4.4. Mobility

The mobility factor allocates funding to schools with a high proportion of pupils who first join on a non-standard date.

The pupils eligible for funding through the NFF mobility factor are pupils whose school census record at their current school (or one of its predecessors) in the last three years indicates an entry date which is not typical. For year groups 1 to 11, ‘typical’ means that the first census on which a pupil is recorded as attending the school (or its predecessors) is the October census. So, ‘not typical’ means that the first census a pupil is recorded as attending the school is a January or May census. For the reception year, ‘typical’ means the first census is October or January.

The school census record of an individual pupil is established by tracing the pupil’s unique reference number back through earlier termly censuses.

To be eligible for mobility funding, the proportion of mobile pupils a school has must be above the threshold of 6%.

The number of eligible pupils is divided by the total number of pupils on roll in the October 2024 census to calculate a school level percentage. If the percentage is above 6%, the percentage over 6% (actual %-6%) is then applied to the October 2024 NOR.

4.5. Lower Prior Attainment (LPA)

This is a compulsory factor where LA’s can apply this factor for:

- primary pupils identified as not achieving a good level of development in the early years foundation stage profile (EYFSP)

- secondary pupils not reaching the expected standard in key stage 2 at reading, writing or maths

Since 2017/18, the DfE has weighted the LPA factor for secondary year groups so that year-on-year fluctuations in pass-rates do not disproportionately affect the distribution of funding through the LPA factor in the mainstream formula.

In 2025/26, the DfE has carried forward the weightings it used in 2024/25 for the year 7 to year 10 cohorts, so they will apply to the year 8 to year 11 cohorts, respectively.

For the financial year 2025/26, the weightings are:

- pupils in year 7 in October 2024: 58%
- pupils in year 8 in October 2024: 56%
- pupils in years 9 and 10 in October 2024: 54%
- pupils in year 11 in October 2024: 65%

The weightings will operate in the same way as in 2024/25: the number of pupils identified as having LPA in the data will be multiplied by the relevant weighting to determine the number of pupils eligible for the factor for funding purposes.

Following the cancellation or incompleteness of both EYFSP and key stage 2 assessments in summer 2020 and summer 2021 due to COVID-19, LA's will not be able to use assessment data from these years in the low prior attainment factor in their local funding formulae. Instead, LA's will use:

- 2022 attainment data as a proxy for the missing assessments in 2021
- 2019 attainment data as a proxy for the missing assessments in 2020 for primary pupils
- 2019 attainment data from the 2024/25 APT as a proxy for the missing assessments in 2020 for secondary pupils. (The 2024/25 data is used for secondary since the secondary pupils who sat the 2019 assessments have now left key stage 4)

This will be reflected in the budgets for both primary and secondary.

For primary schools that do not have a cohort which sat the assessments in 2019, LA's will use data for those schools from the final 2024/25 APT as a proxy for the missing assessments in 2020. This will be based on the overall primary LPA proportion for the schools in question, since the APT does not separate LPA proportions by year group for primary.

For schools that do not have a cohort which sat the assessments in 2022, LA's will use the schools' LPA proportions from the 2024/25 APT as a proxy for the missing assessments in 2021. For secondary, this will be based on the cohort that would have sat the assessments in 2021. For primary, it will be based on the overall primary LPA proportion for the schools in question.

LPA funding is allocated to all pupils identified as not reaching the expected standard at the previous phase, regardless of their year group. Pupils who have not undertaken the assessment are given the overall average attainment score of their year group, so are taken into account when calculating a school's LPA rate.

For primary LPA, the ratio of eligible pupils is calculated from pupils in years 1 to 6. This ratio is then applied to all pupils in years reception to year 6. This ensures that reception pupils also attract LPA funding.

4.6. Lump Sum

A fixed sum of £141,971 is allocated to all mainstream schools.

Where schools have amalgamated during the financial year 2024/25, they will retain 70% of the second lump sum for the financial year 2025/26.

Where schools amalgamate after 1 April 2025, the new school will receive funding equivalent to the formula funding of the closing schools added together for the appropriate proportion of the year. This means that they receive the combined lump sums for the remainder of the year and 70% of the second lump sum in the following year, as outlined above.

The definition of an “amalgamated school” has been extended and now includes a school which has extended its age range as a direct consequence of another school closing (e.g. an infant school closes and the junior school extends to become a primary school).

4.7. Sparsity

The sparsity factor allocates funding to schools that are remote, measured by sparsity distances, and are small, based on average year group size.

The DfE measures sparsity distances using road distances. To calculate a school’s sparsity distance, the department takes all the pupils for whom it is the nearest compatible school and find the average shortest road distance from these pupils’ home postcodes to their second nearest compatible schools.

A school is eligible for sparsity funding in the NFF if:

- its sparsity distance is equal to or above the main distance threshold, or above the tapered distance threshold
- the average year group size (calculated as the APT-adjusted pupil count divided by number of year groups present at the school) is below the relevant size threshold

4.8. Finge Payments

The purpose of this factor is to support schools that have higher costs because they are in the London fringe area, and where only part of the LA is in this area. This factor does not apply to BCC schools

4.9. Split Sites

The split sites factor is compulsory for all local authorities, ensuring that split sites funding will be allocated consistently and fairly across the country.

The factor is made up of 2 parts, both of which are compulsory:

- basic eligibility funding: schools must be allocated a lump sum payment for each of their additional eligible sites (up to a maximum of 3)
- distance funding: additional funding must be paid out on top of the basic eligibility lump sum for schools whose eligible sites are separated by more than 100 metres (by road distance) from the main site

The basic eligibility criteria for split sites funding requires additional sites to:

- be separated from the school's main site by a public road or railway
- have a building on them which is maintained by the school, and which is used for the education of 5 to 16- year-old pupils in mainstream education more than 50% of the time. This excludes playing fields, ancillary buildings and buildings leased out full time by the school to another entity

Further details on the eligibility criteria are set out in [annex 5: split site eligibility criteria](#).

Funding for the distance element should be allocated through a tapered approach, beginning at 100 metres, with allocations increasing linearly up to 500 metres, from which point schools should receive the total maximum funding allowed.

The NFF lump sum for basic eligibility for BCC schools is £52,835 and the NFF maximum distance funding is £26,418.

The number of additional sites that schools can receive funding for should be capped at 3 per school. If a school has more than 3 additional sites, the distance funding should be calculated based on those that are furthest away from the main site.

4.10. Business Rates

In 2025/26, business rates will continue to be paid by the ESFA directly to billing authorities on behalf of all maintained schools and academies. School budget shares will continue to show indicative business rates funding however there is a section on the budget share (10) which deducts this funding to ensure no physical cash is allocated to schools.

The indicative rates for reflect an estimate of the 2024/25 rates charge.

4.11. Private Finance Initiatives (PFI) contracts

The PFI factor is typically used to cover situations where funding for the PFI 'affordability gap' is passed through to schools, and where schools then pay it back to the LA. It can also cover situations where schools face unavoidable extra premises costs related to the PFI contracts – over and above what other schools face.

The main purpose of the factor is to cover additional costs related to the cost of building the schools themselves.

Revenue costs, such as for facilities management and energy, are costs which all schools face. These costs are covered by the funding schools receive from the

other formula factors in their local authority's funding formula and would not normally constitute a valid reason for additional funding through the PFI factor.

- The PFI funding that schools receive through the NFF is calculated as the previous year's PFI factor allocation in the local formula, uprated by RPIX 2.3% the lower of:

4.12. Minimum per Pupil Funding

This is a compulsory factor. It must be used in local funding formulae, at the NFF values.

The purpose of this factor is for LA's to provide the NFF minimum per pupil levels (MPPLs) to every school. All LA's must implement the MPPLs by following the same methodology used in the NFF.

For all schools, the calculation for a school's individual MPPL is:
(number of primary year groups × £4,955) + (number of key stage 3 year groups × £6,221) + (number of key stage 4 year groups × £6,831) divided by total number of year groups

This provides per-pupil funding of at least £4,955 for each primary school, and £6,465 for each secondary school with standard structures of 7 and 5 year groups, respectively. For middle schools, all-through schools, and other schools with a non-standard year group structure, this will produce a specific minimum per-pupil value that relates to the number of year groups in each phase.

The only factors not included in per-pupil funding for the purpose of the MPPL calculation are the premises factors (split sites, rates, PFI and exceptional circumstances) and explicit growth funding. Any prior year adjustments the LA has made should also be excluded from the calculation.

4.13. Minimum Funding Guarantee (MFG)

MFG is used to protect the per pupil funding of schools from one year to the next against significant changes in funding and from changes in data not directly related to pupil numbers.

Schools will receive an increase of at least 0.00% per pupil compared to their 2024/25 baseline.

4.14. De-delegation

De-delegation only applies to maintained mainstream schools. Schools Forum members have agreed that funding for the following services would be de-delegated, i.e. allocated in the formula in the first instance then returned to the LA to provide the services centrally.

For further details regarding Schools Forum decisions, please refer to the Schools Forum papers and minutes from January 2025:

[Birmingham Schools Forum Committee - 16/01/2025 - Thursday 16 January 2025, 2:00pm - Birmingham City Council Webcasting](#)

The following tables details the items which have been de-delegated and the basis used to calculate the per pupil funding for primary and secondary maintained schools:

De-Delegation Item	Per Pupil Unit Rate 2024/25 £	4% Per Pupil Unit uplift £	Per Pupil Unit Rate
Contingencies-Primary	15.69	0.63	16.32
Staff costs supply cover -Primary	4.45	0.18	4.63
Behavior support services-Primary	4.93	0.20	5.13

De-Delegation Item	Per Pupil Unit Rate 2024/25 £	4% Per Pupil Unit uplift £	Per Pupil Unit Rate £
Contingencies-Secondary	15.69	0.63	16.32
Staff costs supply cover -Secondary	3.66	0.15	3.81

The de-delegated funding is used to provide the following services to schools:

Contingency

A contingency is held centrally for all maintained schools to access in the following circumstances:

- Exceptional unforeseen costs
- Schools in financial difficulty
- Deficits of closing schools

Staff costs supply cover

- Carrying out trade union duties or undergoing training under [section 168 and 168A of the Trade Union and Labour Relations \(Consolidation\) Act 1992](#)
- taking part in trade union activities under [section 170 of the Trade Union and Labour Relations \(Consolidation\) Act 1992](#) (although such activities should attract unpaid time off)
- who are officials of a recognised trade union acting as safety representatives under the [Safety Representatives and Safety Committee Regulations 1977](#)
- who are officials of a recognised trade union acting as employee representatives for the purposes of Chapter II of Part IV of the [Trade Union and Labour Relations \(Consolidation\) Act 1992](#) as defined in section 196 of that Act or [regulation 13 \(3\) of the Transfer of Undertakings\(Protection of Employment\) Regulations 2006](#)
- who are appointed learning representatives of recognised trade unions under [section 168A of the Trade Union and Labour Relations \(Consolidation\) Act 1992](#), in order for them to analyse training requirements

or to provide or promote training opportunities, and to carry out consultative or preparatory work in connection with such functions

Behavior support services

The cost of providing or purchasing specialist behavior support services, both advisory and teaching. Funding for City of Birmingham School.

5. Additional Information

5.1. Notional SEN budget

The notional SEN budget is the element of a school's delegated budget allocated for its SEN provision. This is calculated on an annual basis and will not change during the financial year regardless of any children with SEN joining or leaving the school during the year.

The notional SEN budget is not intended to be used exclusively for those pupils in the school with EHCPs, but to enable the school to make the necessary provision over and above the standard offer of teaching and learning for all pupils. The notional budget simply "earmarks" an element of the school's budget share using proxy indicators with no additional funding attached and, as a purely notional sum, it is not a fixed sum that can be "used up".

5.2. Top-up funding for pupils with EHCPs

Schools are required to fund the first £6,000 per annum of additional support for each pupil with SEN from their delegated budget share.

Additional top-up funding for pupils with an Education, Health and Care Plan is paid to mainstream schools for pupils whose costs exceed £6,000. This is funded by the local authority's High Needs Block, which is part of the Dedicated Schools Grant (DSG).

Allocations for top-up funding are made on a termly basis by the SEN Administration Team.

Funding for pupils living outside of Birmingham, but attending a Birmingham school, top-up funding must be claimed from the home authority. It is recommended that claims are invoiced on a termly basis. The receiving school will need to liaise directly with the other local authority regarding the financial transaction.

5.3. Sixth Form Funding

A national funding formula is used to calculate how much money is paid for teaching 16-19 year olds.

Funding will be delivered via the following:

- Funding for maintained schools with sixth forms flows from the ESFA through to local authorities, who pass the allocations onto the schools.
- Funding for academies, further education colleges, sixth form colleges and independent providers passes directly to the provider from the ESFA

- For apprenticeships, funding for all ages comes through the ESFA.

Maintained schools will receive an allocation breakdown for the following categories:

- Programme Funding
- High Needs Funding
- 16 -19 Bursary Funding

The budget share includes a full year allocation including an *estimation* of funding for August 2025 – March 2026. The budget share, and allocation, will be updated to reflect the actual allocation once confirmed.

6. Growth Fund

The growth fund can only be used to:

- support growth in pre-16 pupil numbers to meet basic need
- support additional classes needed to meet the infant class size regulation
- meet the revenue costs of new schools (these are new schools identified from the latest census data)
- meet the revenue costs, for schools, of removing or repurposing surplus places

This funding is outside the schools local formulae and is based on the pupil census data the LA has projected that there will be a need for an extra 30 places in primary or secondary provision in the next school year. Expansion will be agreed with to increase provision from September 2026.

Funding will be allocated to the school via the growth fund for the respective intake for the beginning of the academic year and the school will receive 7/12th of funding for the period to March 2026. The funding will be in equal installments from September 2025 to March 2026.

Funding for temporary growth, i.e. 'bulges' will be paid for the first year from the growth fund and will then be picked up under the schools local formulae from the following financial year.

Funding for temporary growth will be allocated to the school via the growth fund for the respective intake for the beginning of the academic year and the school will receive 7/12th of funding for the period to March 2026. The funding will be in equal installments from September 2025 to March 2026.

7. Falling Rolls

The falling rolls criteria 2025/26 was presented to schools forum in October 2024. Falling rolls funding is distributed based on the reduction in pupil numbers that LA's experience for each year. For 2025/26, it will be based on the observed differences between the primary and secondary number on roll the LA between the October 2023 and October 2024 school censuses.

Falling Rolls funding is only be used to support schools where the places are forecast to be needed over the short term. The fund should enable a school to

avoid detriment in the educational offer to pupils whilst undergoing a significant drop in roll due to external circumstances, beyond the schools control.

e) Money Following Excluded Pupils

The “School and Early Years Finance Regulations” state that the local authority is responsible for adjusting the budget of a mainstream school if a pupil is excluded so that the funding follows the pupil.

Therefore, the funding of the excluding school will be reduced accordingly and the funding for the admitting school will be increased accordingly. This includes funding for Pupil Premium payable in respect of the pupil.

Different funding arrangements apply to special schools, education centers and alternative provisions (AP's). The exception to this is for the pupil premium which must be adjusted and follow the pupil.

**Appendix 1 - Schools budget factor values
2025/26**

LA Name:	Birmingham
LA Number:	330

Primary minimum per pupil funding level	Secondary (KS3 only) minimum per pupil funding level	Secondary (KS4 only) minimum per pupil funding level	Secondary minimum per pupil funding level
£4,955.00	£6,221.00	£6,831.00	£6,465.00

Pupil Led Factors

Description		Amount per pupil	
1) Basic Entitlement - Age Weighted Pupil Unit (AWPU)	Primary (Years R-6)		
	Key Stage 3 (Years 7-9)	£3,836.54	
		£5,417.09	
	Key Stage 4 (Years 10-11)	£6,110.52	
	Description	Primary amount per pupil	Secondary amount per pupil
2) Deprivation	FSM	£484.32	£484.32
	FSM6	£1,037.14	£1,521.46
	IDACI Band F	£235.83	£341.20
	IDACI Band E	£286.00	£451.58
	IDACI Band D	£446.57	£637.24
	IDACI Band C	£491.72	£697.45
	IDACI Band B	£521.83	£747.62
	IDACI Band A	£687.41	£953.34
	Description	Primary amount per pupil	Secondary amount per pupil
3) English as an Additional Language (EAL)	EAL 3 Primary	£582.17	
	EAL 3 Secondary		£1,560.60
4) Mobility	Pupils starting school outside of normal entry dates	£944.19	£1,355.13
5) Low prior attainment		£1,149.66	£1,746.50

Other Factors

Factor		Lump Sum per Primary School (£)	Lump Sum per Secondary School (£)	Lump Sum per Middle School (£)	Lump Sum per All-through School (£)
6) Lump Sum		£141,970.48	£141,970.48		
7) Sparsity factor		£57,602.05	£83,693.57	£83,693.57	£83,693.57
8) Fringe Payments		N/A			
9) Split Sites	Basic eligibility funding		£52,835.33	Distance funding rate	£26,417.66
10) Rates	As per actual costs	As per actual costs			
11) PFI funding	2024/45 budget + 2.3% RPIX	2024/25 budget + 2.3% RPIX			
14) Minimum Funding Guarantee		0.00%			
Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)		No			