Staffordshire County Council – Schools Budget 2026-27

Technical Note

This note has been prepared to support the budget statements to schools and provides explanatory notes on the technical content and basis of the formula budget statements. For information on the main considerations for individual school budgets and the Schools Budget overall please refer to the Budget in Context document published alongside this technical guidance note.

The formula budget document for your school includes three sections:

1. 2026-27 Formula Budget Share calculation including transitional arrangements
2. Transitional arrangements calculation
3. Data sheet containing the data from the DfE used in the budget calculation

Section1 - Formula Budget Calculation (pages 1 & 2 of your budget statement)

Data used – The Department for Education (DfE) provides each local authority with the dataset for mainstream schools in their area to be used in calculating the delegated school budgets for 2026-27. Details of the dataset for your school are included on the fourth page of the Formula Budget Share document within your school specific information on the website.

Formula factors used and basis of calculations – The formula factors and the funding rates used are as per the government's National Funding Formula (NFF). Schools Forum approved the use of the NFF at its meeting in October 2017. The funding rates for each factor represent the funding level **before** de-delegation of those items that the Schools Forum voted should be managed centrally on behalf of all schools, by phase. This de-delegation vote takes place annually and covers costs such as premises insurances and maternity pay. A full list of formula factors and the effect of de-delegation is included at Appendix 1. The funding rates are also **before** the Education Functions levy.

The factors and the basis of calculations used in the Staffordshire 2026-27 delegated budgets are listed below.

PUPIL LED FUNDING

<u>Basic per pupil funding</u>

This is based on pupil numbers from the October 2025 School Census, as required by the government. There are three funding rates, depending on the age of the pupils:

Primary pupils - Reception to Year 6

Key Stage 3 pupils - Year 7 to Year 9

Key Stage 4 pupils – Year 10 to Year 11

The number of pupils within each category is multiplied by the relevant Unit Value (£) assigned to each age group to calculate the allocation for each school.

Example:

Number of pupils	x	Unit Value		=	Allocation
100	x	£4,064	=		£406,400

Additional Needs Funding

The next section of the statement sets out the additional needs funding for your school. This funding is intended to recognise the additional costs of providing education for those pupils that may need additional support. The funding is allocated using a number of indicators, specific to each school, from the DfE dataset. Included within this funding is your notional SEN budget, which is intended to support your school in meeting up to the first £6,000 of additional support for pupils with SEN.

Schools will receive very different levels of funding under these elements of the formula, even for schools of similar overall pupil numbers, because the funding is allocated on the basis of the characteristics of each school's pupil population.

Deprivation Funding

Deprivation funding is distributed based on three separate factors, Current Free Schools Meals (Current FSM), Ever6 Free School Meals (Ever 6 FSM) and the Income Deprivation Affecting Children Index (IDACI).

To calculate the allocation, the proportion of children qualifying under the indicator is multiplied by the number of pupils of the relevant age group to give a Pupil Factor. This is then multiplied by the relevant Unit Value (£) assigned to each age group.

Example:

Proportion of pupils	x	Pupil numbers	x	Unit Value	=	Allocation
0.2689	x	100	x	£505	=	£13,579.45

Low Prior Attainment Funding

This funding is distributed based on the proportion of children achieving below defined levels in designated assessments, detailed in the DfE dataset.

The calculation of primary low prior attainment funding is calculated by multiplying the low prior attainment proportion by the primary NOR and then by the unit value of £1,200

For secondary age pupils the calculation uses the DfE dataset for Key Stage 2 results. Secondary low prior attainment pupil numbers are weighted to reflect the fact that the proportion of pupils reaching the expected standard in Key Stage 2 assessments has changed over time. National weightings are rolled forward as the year groups move up the school.

The total number of secondary eligible pupils is calculated by:

1) Taking the proportion of eligible pupils in Y7, multiplying by a national weighting of 0.60336054 and then multiplying by the NOR in Y7
2) Taking the proportion of eligible pupils in years 8, multiplying by a national weighting of 0.57713328 and then multiplying by the NOR in Y8
3) Taking the proportion of eligible pupils in Y9 multiplying by a national weighting of 0.55766382 and then multiplying by the NOR in year 9
4) Taking the proportion of eligible pupils in Y10 multiplying by a national weighting of 0.54469374 and then multiplying by the NOR in year 10
5) Taking the proportion of eligible pupils in years 11, multiplying by a national weighting of 0.54469374 and then multiplying by the NOR in Y11
6) Adding together 1-5

English as an additional language (EAL) funding

The pupils eligible for funding through this factor are pupils recorded on the October 2025 census as having entered state education in England during the last three years and having been exposed to a mother tongue other than English.

As with the deprivation factors above, the proportion of pupils is then multiplied by the NOR, which is then multiplied by the appropriate funding rate to give the allocation.

Mobility Funding

The ESFA track individual pupils using their unique pupil ID through censuses from the past three years. If the first census when the pupil was in the school was a Spring or Summer census, they are classified as a mobile pupil. This excludes Reception pupils who start in January.

The mobility factor allocates funding to schools whose proportion of mobile pupils in each phase is above 6%

Example:
A primary school has 10% of pupils classified as mobile.

Proportion of mobile pupils above 6%	x	NOR	x	Unit Value	=	Allocation
4%	x	100	x	£985	=	£3,940

SCHOOL LED FUNDING

<u>Lump sum Funding</u>

Each school receives a lump sum of £152,700 irrespective of size.

<u>Sparsity Funding</u>

The sparsity factor targets extra funding to schools that are both small and remote.

Remoteness is defined by a school's sparsity distance, which is now measured in road distance instead of straight line distance. A schools' sparsity distance is calculated by taking all the pupils for whom it is the nearest compatible school and finding the average road distance from these pupils' home postcode to their second nearest compatible school.

The amount of sparsity funding allocated depends on both average year group size and sparsity distance. The maximum funding is £58,600 for primaries and £85,00 for both middles and secondaries.

A school is eligible for sparsity funding if:

a. The sparsity distance is above the tapered distance threshold, and
b. The average year group is below the tapered year group threshold.

The table below shows the sparsity distance thresholds:

School Phase	Main distance threshold	Tapered distance threshold
Primary and middle	2 miles	1.6 miles
Secondary	3 miles	2.4 miles

The table below shows the sparsity year group thresholds:

School Phase	Main year group threshold (average number of pupils)	Tapered year group threshold (average number of pupils)
Primary	10.7	21.4
Middle	34.6	69.2
Secondary	60	120

Schools which are both equal to or above the main distance threshold and equal to or below the main year group threshold receive the maximum sparsity unit values for their phase. Where a school is between either or both the main and tapered thresholds, a sparsity weighting applies.

For each school that is eligible for sparsity funding, a sparsity weighting is calculated which sets the proportion of the maximum sparsity unit value each sparse school is allocated. The sparsity weighting is calculated in two stages.

a. First, a year group size weighting is applied. This tapers the proportion of the sparsity unit value if the school's average year group size is between the tapered and main year group thresholds. Tapering depends on how close the average year group size is to the main year group threshold.

b. Then a distance weighting is applied. This tapers the proportion of the sparsity unit value according to how close to the main distance threshold their sparsity distance is.

The year group size weighting for schools with an average year group size of less than or equal to the main year group threshold is 100%. These sparse schools receive the maximum sparsity unit value if their sparsity distance is greater than or equal to the main distance threshold.

The year group size weighting for sparse schools with an average year group size that is between the tapered and the main year group thresholds is calculated as follows:

$$S = 1 - \frac{A - T_M}{T_M}, \quad \text{where} \quad T_M < A < T_T$$

where

S is the year group size weighting

A is the average year group size of the school

T_M is the main year group threshold

T_T is the tapered year group threshold

This means that a sparse school with an average year group size that is halfway between the tapered threshold and the main threshold, and with a sparsity distance greater than or equal to the main distance threshold, attracts sparsity funding of half the maximum.

The distance weighting for schools with a distance greater than or equal to the main distance threshold is 100%. These sparse schools therefore receive sparsity funding equal to the maximum sparsity unit value multiplied by the calculated year-group weighting.

The distance weighting for sparse schools with sparsity distances between the main and tapered thresholds is calculated as follows:

$$W = 1 - \frac{D_M - d}{D_M - D_T}, \quad \text{where} \quad D_T < d < D_M$$

where

W is the distance weighting

D_M is the main sparsity distance threshold

D_T is the tapered sparsity distance threshold

d is the school's sparsity distance

The final sparsity funding amount allocated is the maximum unit value for the school's phase multiplied by the year group weighting and multiplied by the distance weighting This means that a school whose sparsity distance is halfway between the tapered distance threshold and the main distance threshold would receive half as much funding as a school of the same phase and average year group size, with a sparsity distance greater than the main threshold.

Example:

A primary school has 112 pupils and 7 year groups. The average year group size is 16 (112 divided by 7)
The school's sparsity distance is 1.9 miles

Year group weighting
The average year group size of 16 is between the main threshold of 10.7 and the tapered threshold of 21.4 so a weighting is applied using the year group weighting equation above

1 – ((16 – 10.7) / 10.7) = 0.504673

Distance weighting
The sparsity distance of 1.9 miles is between the main distance threshold of 2 miles and the tapered distance threshold of 1.6 miles so a weighting is applied using the distance weighting equation above

1 – (2 -1.9) / (2 – 1.6) = 0.75

The maximum sparsity funding for a primary school is £58,600

The school's sparsity allocation is therefore £58,600 x 0.504673 x 0.75 = £22,180.34

PREMISES FUNDING

National Non-Domestic Rates (NNDR)

Schools' NNDR bills are now paid centrally by the DfE. Rates finding is therefore no longer included in school budgets.

Split Site Funding

The split sites factor is made up of two parts:

- Basic eligibility funding: Schools attract a lump sum for each of their additional eligible sites – up to a maximum of three additional sites
- Distance funding: Additional eligible sites that are separated from the school's main site by more than 100 metres attract distance funding on top of the basic eligibility funding – up to a maximum of three additional sites.

Schools attract basic eligibility funding for each of their additional sites which:

- Are part of the same school – i.e. have the same unique reference number (URN) as the school's main site
- Are separated from the school's main site by a public road or railway
- Have a building on them which is primarily used for the education of 5 to16 year old pupils in mainstream education. This excludes playing fields, ancillary buildings and buildings leased full time by the school.

A school attracts distance funding for each additional site (up to a maximum of three) where the road distance between a school's main site and the additional eligible site is above the tapered distance threshold of 100 metres. The maximum distance funding is allocated where the additional site is more than 500 metres from the main site.

Distance funding is tapered where the additional site is between 100 and 500 metres from the main site as follows:

$$\left(W = 1 - \frac{500 - d}{500 - 100}\right), \quad where\ d > 100$$

where:

W is the distance weighting
500 relates to the 500 metres main distance threshold
100 relates to the 100 metres tapered distance threshold
d is the school's split site distance

For 2026/27 the unit value for basic split sites eligibility is £55,100 and the maximum distance funding is £27,600.

Example:

A primary school operates over two sites which meet the basic eligibility criteria. The second site is 300m from the main site.

Basic eligibility funding = £55,100

Distance eligibility funding = $1 - \frac{(500-300)}{(500-100)} = 0.5$

0.5 x £27,600 = £13,800

Total split sites funding = £68,900

The totals from these three sections (Pupil Led Funding, School Led Funding and Premises Funding) are combined to create the Formula Budget Share for the school before transitional arrangements.

Transitional Arrangements:

The National Funding Formula includes transitional arrangements to ensure a smoother transition to the formula and provide some stability for schools. For 2026-27 there are two elements to the transitional arrangements – a minimum per pupil funding level and a Minimum Funding Guarantee of 0% per pupil.

To ensure the National Funding Formula is affordable within the Schools Block Dedicated Schools Block funding, the formula includes a per pupil cap on gains

The calculation of these transitional arrangements is set out in detail in section 2 of this document.

Total funds Allocated through Formula

This is the combination of your Formula Budget and the transitional arrangements.

Deductions for De-delegation and Education Functions Levy

Deductions are made from the formula budget for areas that were voted to be de-delegated by Schools Forum in November**.** The de-delegation rates are detailed in Appendix 1. A deduction is also made for Education Functions known as the education functions levy. These services were also outlined in the report to Schools Forum in November. For 2026-27 the Education Functions levy is £66.30 per pupil.

Total Funds Allocated

This is the total funds allocated to the school after deductions for de-delegation and Education Functions levy.

Notional SEN budget (Additional School Needs)

The information in this box on the statement sets out your notional SEN budget and the basis of the calculation.

Section 2 - Calculation of Transitional Arrangements (page 3 of your budget statement)

1) Calculation of Minimum per pupil funding

For 2026-27 the calculation for minimum per pupil level funding is as follows:

(number of primary year groups x £5,115) + (number of KS3 year groups x £6,388) + (number of KS4 year groups x £7,018) Divided by Total number of year groups

The school's per pupil funding level is calculated by:
Taking the formula budget before transitional arrangements and dividing this by the number on roll.

If this is lower than the minimum level above, the school is funded the difference between the two. This is then multiplied by the number on roll to give the total funding through the minimum per pupil funding factor (figure H in the statement).

2) Calculation of the Minimum Funding Guarantee

The MFG unit values are calculated for 2025-26 and 2026-27.

2025/26 MFG Unit Value:

- 2025/26 Budget before de-delegation and Education Functions levy (adjusted to include the rolled in grants)

Less:

- 2026/27 lump sum
- 2026/27 sparsity

Divided by

- 2025/26 NOR

2026/27 MFG Unit Value:

- 2026/27 Budget before transitional arrangements

Less:

- 2026/27 lump sum
- 2026/27 sparsity

Divided by

- 2026/27 NOR

Where the change between the MFG unit values is less than 0%, schools will be funded the difference between the MFG change and 0%. This value is multiplied by the 2025/26 MFG unit value to give the MFG adjustment per pupil.

This amount is then multiplied by the NOR to give the total MFG protection (Figure P in the statement)

3) Calculation of the cap

The NFF includes a capping mechanism to ensure that the formula is affordable within the total DSG schools block. For 2026/27 the cap on gains has been set at 2.78% per pupil.

Schools that have opened within the last 7 years and are still growing are not capped.

For all other schools, where the change in MFG unit value (calculated above, figure Q in the statement) is greater than 2.78%:

- The capping adjustment is 2.78% minus the change in MFG unit value
- This is then multiplied by the 2025/26 MFG unit value to give the capping amount per pupil (Figure S)
- This is then multiplied by the 2026/27 NOR to give the total amount capped (Figure T)

The final calculation checks that the total amount capped does not take the budget below the protections. The minimum budget including protections (figure U in the statement) is compared to the budget allocation minus the cap (figure V). Where the cap takes the budget below the minimum budget required to meet the protections, an adjustment to the cap is calculated by taking the minimum budget including protections and deducting the budget allocation. (Figure U – V)

Appendix 1

Formula Factors and Effect of De-delegation and Education Functions Levy

		Full Unit Value	De-delegation values	Education Functions Levy	Unit value after de-delegation
Pupil Funding	Primary age	£4,064.00	£59.57	£66.30	£3,938.13
	KS3	£5,422.00	£69.84	£66.30	£5,285.86
	KS4	£6,113.00	£69.84	£66.30	£5,976.86
Lump sums	Primary	£152,700	£2,820		£149,880
	Middle	£152,700	£2,820		£149,880
	Secondary	£152,700	£2,820		£149,880
Sparsity	Max Value (Primary)	£58,600			£58,600
	Main year group threshold (Primary)	10.7			
	Tapered year group threshold (Primary)	21.4			
	Main distance threshold (Primary)	2.00			
	Tapered distance threshold (Primary)	1.60			
	Max Value (Middle)	£85,200			£85,200
	Main year group threshold (Middle)	34.60			
	Tapered year group threshold (Middle)	69.20			
	Main distance threshold (Middle)	2.00			
	Tapered distance threshold (Middle)	1.60			
	Max Value (Secondary)	£85,200			£85,200
	Main year group threshold (Secondary)	60.0			
	Tapered year group threshold (Secondary)	120.0			
	Main distance threshold (Secondary)	3.0			
	Tapered distance threshold (Secondary)	2.4			
Deprivation - Ever 6 FSM	Primary age	£1,210.00	£57.49		£1,152.51
	Primary age (middle)*	£1,210.00	£4.02		£1,205.98
	Secondary age	£1,725.00	£4.02		£1,720.98
Deprivation - FSM	Primary age	£505.00			£505.00
	Secondary age	£505.00			£505.00
Deprivation - IDACI	P - IDACI F	£240.00			£240.00
	P - IDACI E	£290.00			£290.00
	P - IDACI D	£455.00			£455.00
	P - IDACI C	£500.00			£500.00
	P - IDACI B	£530.00			£530.00
	P - IDACI A	£700.00			£700.00
	S - IDACI F	£345.00			£345.00
	S - IDACI E	£460.00			£460.00
	S - IDACI D	£650.00			£650.00
	S - IDACI C	£710.00			£710.00
	S - IDACI B	£760.00			£760.00
	S - IDACI A	£970.00			£970.00
Prior attainment	Primary age	£1,200.00			£1,200.00
	Secondary age	£1,825.00			£1,825.00
English as an Additional Language Language	Primary age	£610.00	£263.27		£346.73
	Secondary age	£1,630.00	£631.74		£998.26
Mobility	Primary age	£985.00			£985.00
	Secondary age	£1,415.00			£1,415.00
Split Sites	Basic Eligibility	£55,100.00			£55,100.00
	Distance taper	£27,600.00			£27,600.00

* Primary age (middle) unit values are shown separately because middle schools' de-delegation is determined by the secondary school vote, not primary. This means that primary and middle schools could receive different rates for primary age pupils where they have different levels of delegation.

A full breakdown of the items that have been de-delegated for each phase by the vote of the Schools Forum is included in the General Information section of the budget pack.