

Briefing note

Grant Funding 2026/27.

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Purpose School grant funding available in 2026/27

PE & Sport Premium

The DfE is ending the direct Primary PE & Sports Premium and replacing it with a new PE & Sport Partnerships Network. As part of this the government is investing over £1bn in school support over the next 3 years.

Transitional funding will be provided for approximately 4 months from the start of the autumn 2026 term and then move to the new Partnerships Network from 2027.

Allocations for the legacy PE & Sport Premium for the academic year 2025/26 were calculated using the number of pupils in years 1 to 6, as recorded in the January 2025 census, as follows:

- schools with 17 or more pupils receive £16,000 plus £10 per pupil
- schools with 16 or fewer pupils receive £1,000 per pupil

The allocations will be paid to schools in November 2025 and May 2026.

The grant is allocated per academic year with the current funding being agreed until August 2026. More information can be found [here](#).

Free Breakfast Clubs

This is for schools that are delivering free breakfast clubs, funded by the DfE. Only schools who have been accepted for the free breakfast club programme and have confirmed their acceptance are eligible to receive this funding.

Phase 1 of the National Rollout from April 2026 to July 2026

Payment	Date	Payment Type
1	June 2026	Fixed up front payment to cover the summer term and any arrears for the spring term
2	November 2026	A payment in arrears based on actual pupil uptake

Further information can be found here [Free breakfast clubs grant: conditions of grant for April 2026 to July 2026 - GOV.UK](#)

Phase 2 from September 2026 to July 2027

Payment	Date	Payment Type
1	November 2026	A fixed payment to cover the daily flat rate to schools for the autumn term, and the one-off start up grant
2	March 2027	A fixed payment to cover the daily flat rate to schools for the spring term, and an arrears payment for the autumn term based on actual take up of pupils
3	June 2027	A fixed payment to cover the daily flat rate to schools for the summer term, and an arrears payment for the spring term based on actual take up of pupils

Further information can be found here [Free breakfast clubs grant: methodology for September 2026 to July 2027 - GOV.UK](#)

Pupil Premium

The DfE has confirmed funding rates for 2026/27.

Funding Element	Primary Pupils	Secondary Pupils	Funding is paid to
Pupils eligible for FSM or have been eligible in the past 6 years	£1,550	£1,100	School
Pupils previously looked after by the LA	£2,690	£2,690	School
Pupils who are looked after by the LA	£2,690	£2,690	Local Authority
Pupils from service families	£360	£360	School

Free School Meals

Since 2018, children who became eligible for FSM have been allowed to keep them, even if their family circumstances changed. This protection will end at the end of the 2025/26 school year. From September 2026 every child will need to meet the eligibility criteria again (via a recheck) to continue receiving FSM. At the start of the 2026/27 academic year Free School Meal (FSM) eligibility is expanding to all children in households receiving Universal Credit as the transitional protections are ending. This means some families may lose eligibility, whilst others gain it.

The various types of FSM funding are as follows:

- Targeted FSM – for children whose families meet specific low-income benefit related criteria (means tested). These children will receive free school meals, generate pupil premium funding and are able to access the Holiday Activities and Food programme.
- Expanded FSM – available to all Universal Credit households. These children will receive free meals. However, they will not generate pupil premium funding and are not able to access the Holiday Activities and Food programme. The funding for this element will be through the FSM Expansion Grant, this will provide extra funding to mainstream schools,

special schools and alternative provision schools. Further information can be found [here](#).

- Universal Infant FSM – for all children in reception, year 1 and year 2, irrespective of their family circumstances. These children will receive free meals. However, they will not generate pupil premium funding and are not able to access the Holiday Activities and Food programme (unless they are eligible for Targeted FSM).

To ensure that infants becoming eligible under the FSM expansion do not also attract Funding through the UIFSM grant, the Department for Education (DfE) is temporarily adjusting the standard methodology used for calculating UIFSM provisional allocations covering September 2026 to March 2027.

This means the provisional payment will be 20% lower than it would have been without the FSM expansion. Final UIFSM payments for the September 2026 to March 2027 period will be reconciled in June 2027. Adjustments will be made as needed to ensure each school receives the correct amount overall.

A meal rate uplift to £2.66 (from £2.61) will be implemented for the 2026/27 academic year. As such, each meal taken by an eligible pupil attracts £2.66. An allocation assumes that pupils will take 190 school meals over an academic year, providing £505 per eligible pupil. Further information can be found [here](#).

- Early Years FSM Expansion Grant – for eligible children in maintained schools, academies, free schools and maintained nursery schools (not governor led provisions). Allocations will be paid to local authorities in October 2026 for them to pay out to early years providers in November 2026.

The DfE recommended approach is for LA's to distribute funding using the same criteria applied in their local early years funding formula deprivation supplement, restricting it to eligible settings only. However, LA's may choose a different approach such as early years pupil premium (EYPP) data, where it meets local need or incorporates more up to date information.

A paper will be presented to the Early Years Reference Group (EYRG) for the allocation methodology to be discussed.

Further information can be found [here](#).

Teachers' Pay Additional Grant (TPAG)

The DfE announced in July 2023, £525 million in 2023 to 2024 to support schools with the September 2023 teachers' pay award, with a further £900 million in 2024 to 2025. This grant is no longer paid as a separate grant.

School Phase/Type	2025/26	2026/27
Early Years	Will continue to be paid to school nursery classes as a Quality	Will continue to be paid to school nursery classes as a Quality

	Supplement	Supplement
Mainstream Schools	Rolled into the schools block funding and will be paid as part of the school budget share	Rolled into the schools block funding and will be paid as part of the school budget share
High Needs	Funding combined into a single Core School Budget Grant (CSBG), see CSBG table below	Rolled into the main high needs block baseline
Post-16	Will continue to be paid to schools as an additional grant separate from core allocations	Rolled into core funding rates

Teachers' Pension Employer Contribution Grant (TPEGC)

The DfE published the outcome of the valuation of the teachers' pension scheme, this confirmed the employer contribution rate would be increased by 5% to 28.6% from 1 April 2024. Support for the increase was given through the TPEGC. This grant is no longer paid as a separate grant.

School Phase/Type	2025/26	2026/27
Early Years	Will continue to be paid to school nursery classes as a Quality Supplement	Will continue to be paid to school nursery classes as a Quality Supplement
Mainstream Schools	Rolled into the schools block funding and will be paid as part of the school budget share	Rolled into the schools block funding and will be paid as part of the school budget share
High Needs	Funding combined into a single Core School Budget Grant (CSBG), see CSBG table below	Rolled into the main high needs block baseline
Post-16	Will continue to be paid to schools as an additional grant separate from core allocations	Rolled into core funding rates

From 1 April 2027 the teachers' pension employers contribution will be reducing from 28.6% to 17.68% of pensionable pay (including the administration levy), in line with the latest scheme evaluation. This will lower employer pension costs while maintaining the benefits of the scheme for members. When schools were faced with increasing pension costs in recent years, funding has been uplifted, therefore funding will now reduce to reflect this change. Funding will remain proportionate with contributions at a national level, further details of the associated funding arrangements will be published by the DfE shortly.

Core School Budget Grant (CSBG)

The CSBG provided support for schools for their overall costs in the 2024 to 2025 financial year, in particular following confirmation of the 2024 teacher pay award.

School Phase/Type	2025/26	2026/27
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Early Years (Early Years Budget grant)	Paid as part of the Early Years NIC and Teachers Pay grant.	Rolled into the early years block funding.
Mainstream Schools	Rolled into the schools block funding and will be paid as part of the school budget share	Rolled into the schools block funding and will be paid as part of the school budget share
High Needs	TPAG, TPECG & CSBG combined into a single CSBG and will continue to be paid to special schools as an individual grant. NIC grant funding and funding to support with the September 2025 teachers pay award will also be will also be delivered through the CSBG	Rolled into the main high needs block baseline.
Post-16 (Post-16 Budget Grant)	For academic year 2025/26 this has been included in the national funding formula rate	This has been included in the national funding formula rate.

National Insurance Grant

The DfE have confirmed how they will provide details of support for schools with the increase in employer National Insurance contributions. This grant is no longer paid as a separate grant.

School Phase/Type	2025/26	2026/27
Early Years (Early Years Budget grant)	Funding will be paid to LA's to distribute to eligible providers at a rate per part time equivalent child. Allocations will be published in May 2025 to be paid to schools in October 2025. This will be combined with the funding for staff pay and will become the EY NICs and Teachers Pay Grant.	Rolled into the early years block funding.
Mainstream Schools	Grant will be calculated on a per pupil basis, with a lump sum of £2,400 and additional funding for schools with special units and resourced provision, this will be paid to LA's for payment to schools in October 2025. A calculator tool is available for estimated allocations. To be incorporated into the national funding formula in 2026/27.	Rolled into the schools block funding.
High Needs	To be delivered through the CSBG, allocations will be published in May 2025 for payments to schools in June	Rolled into the main high needs block baseline.

	and October 2025, with updated allocations and final payments in March 2026.	
Post-16 (Post-16 Budget Grant)	To be delivered through the Post-16 NIC grant 2025/26. Allocations will be published in May 2025 with payment as a single payment in September 2025.	This has been included in the national funding formula rate.

Schools Budget Support Grant

Alongside the announcement of the 4% teachers pay award, the DfE confirmed funding for September 2025 to March 2026 for schools, to support them with their costs including staff pay. This funding takes account of both the local government employers pay offer in respect of support staff (for the full year), and the teacher pay award (for 7/12 of the full award). Further details can be found here with a calculator for mainstream schools [Schools budget support grant \(SBSG\) - GOV.UK](#)

School Phase/Type	2025/26	2026/27
Early Years (Early Years Budget grant)	Funding will be combined with the early years national insurance funding to become the EY NICs and teachers pay grant.	Rolled into the early years block funding.
Mainstream Schools	Funding will be paid as an amount per pupil, with an additional amount for children eligible for free school meals and a lump sum. Payments will be made in November 2025.	Rolled into the schools block funding.
High Needs	Funding to be paid through the core school budget grant.	Rolled into the main high needs block baseline.
Post-16 (Post-16 Budget Grant)	To be paid through the core 16-19 funding allocations for the 2025/26 academic year.	This has been included in the national funding formula rate.

Schools Budget Support Grant 2026

The DfE will provide schools with additional funding in 2026/27 to support them with overall costs, including:

- costs of the schools teacher pay award from September 2026
- support staff pay award in 2026/27

The DfE are providing £635m for mainstream schools (reception to KS4), special schools, alternative provision and centrally employed teachers and support staff. In addition there will also be £18m for early years and around £49m for post-16 provision for schools and academies.

There will be 1 payment from the DfE on 30 October 2026 for payment to maintained schools in November 2026 and will cover the period from 1 September 2026 to 31 March 2027.

School Phase/Type	2026/27	2027/28
Early Years	This will be paid through the Early Years Teachers Pay Grant (EYTPG) 2026, it's not yet clear what the recommended method of allocation will be.	There is not yet guidance on what will happen with this funding, based on other SBSG 2026 funding it is assumed this will be rolled into the early years block funding.
Mainstream Schools	Allocations will be paid to schools in November 2026 including funding for mainstream schools with SURPs	Rolled into the schools block funding
High Needs	Funding will be received by the LA and paid out based on an agreed funding methodology.	Rolled into the high needs block baseline
Post-16 (Post-16 Budget Grant)	Funding will be delivered via 16 to 19 allocations	Funding will be delivered via 16 to 19 allocations

Further information can be found here [Schools budget support grant 2026: conditions of grant - GOV.UK](#)

Inclusive Mainstream Fund for Schools

On 25 March 2026 the DfE published the 2026/27 methodology for this grant. The announcement of the inclusive mainstream fund is worth over £500 million per year. Of this, £400 million per year is for schools. The funding is for the duration of the three-year spending period. It will support schools to move towards practices that are inclusive by design, providing early support directly to children without the need for diagnosis or statutory process.

School Phase/Type	2026/27	Paying the Grant
Mainstream Schools for 5 to 16 year olds	A lump sum of £3,000 per school A per pupil amount as follows: Primary £16 for all pupils and £79 for low prior attainment eligible pupils. Secondary £14 for all pupils up to the age of 16, and £88 for low prior attainment eligible pupils	1 annual payment in July 2026 for each school
Inclusive Early Years Funding	Funding will be allocated to the local authority based on the number of PTE universal hours 3-4 olds recorded in January 2026 schools, early years and alternative provision censuses.	1 annual payment to the LA in July 2026 to allocate to EY providers
Inclusive Mainstream Fund for 16 to 19 Providers	Allocations will be based on student low prior attainment.	1 annual payment in August 2026

Further information can be found here:

Mainstream schools 5-16 year olds

[Inclusive mainstream fund for schools: methodology 2026 to 2027 - GOV.UK](#)

16 – 19 Providers

[Inclusive mainstream fund for 16 to 19 providers: methodology 2026 to 2027 - GOV.UK](#)

Early Years

[Inclusive early years fund for 2026 to 2027: conditions of grant and operational guidance for local authorities - GOV.UK](#)

A calculator tool has been provided so that schools can see an estimate of their total funding allocation for planning purposes and can be found here [Inclusive mainstream fund: 2026 to 2027 - GOV.UK](#) School level allocations will be confirmed and published in May 2026.

Version Control

Version	Updated by	Date Updated	Updates
School Grant Funding	Michelle Hibbert	13/03/2025	Original document
School Grant Funding v2	Michelle Hibbert	18/03/2025	Updated with details of new NIC grant funding and pupil premium funding rates for 2025/26
School Grant Funding v3	Michelle Hibbert	30/05/2025	- Updated with details of UIFSM for 2025/26 academic year. - Updated with schools budget support grant. - Early years national insurance grant now combined with the funding for teachers pay to become the EY NICs and teachers pay grant. - High needs element of the additional funding for teachers pay to be added to the HN core school budget grant.
School Grant Funding v4	Michelle Hibbert	09/03/2026	Updated all grants for 2026/27 where information has been published.
School Grant Funding v5	Michelle Hibbert	31/03/2026	Added Inclusive Mainstream Fund for Schools 2026/27
School Grant Funding v6	Michelle Hibbert	16/07/2026	Added SBSG 2026 and EYTPG 2026 Added Free Breakfast Clubs grant Update UIFSM to include all FSMs Update to the teachers employers contribution grant