



Additional funding to support schools with costs including staff pay

28 May 2025

The government have recently announced the 2025 teacher pay award and £615 million in new funding for schools to support them with their costs including staff pay. They will take a similar approach to previous grants to distribute this funding and provide:

- over £470 million for mainstream schools (5 to 16) and over £10 million for centrally employed staff through the [schools budget support grant \(SBSG\)](#)
- almost £85 million additional funding for special and AP schools paid through the [core schools budget grant](#)
- over £30 million for schools with 16 to 19 provision in core 16 to 19 funding allocations for the 2025 to 2026 academic year
- over £15 million for early years provision in schools which will be combined with the early years (EY) NICs funding to form a £40 million [EY NICs and teachers' pay grant](#) for 2025 to 2026

The DfE have published mainstream and high needs rates, and a [SBSG calculator tool](#) so that mainstream schools can estimate their grant funding.

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 seven-twelfths of the full award, up to March 2026).

The full year's costs of the teacher pay award on schools will be taken into account for 2026 to 2027 budgets. The intention, as with previous grants in recent years, will be to roll main grant funding for mainstream schools into the national funding formula (NFF) from 2026 to 2027 (including the usual arrangements to take account of academies' GAG being paid on an academic year basis).

Further details on the 16 to 19 funding rate increases and revised allocations will be published [here](#) in June and updated payments will begin from the start of the 2025 to 2026 academic year.

National Insurance contributions grant funding allocations

Alongside the announcement of this new funding to support settings with 2025 pay costs, the DfE have also published allocations and conditions of grant relating to previously announced funding to support schools and post-16 providers with the increased NI contributions:

- school level allocations for the [National Insurance contributions \(NICs\) grant](#) for 2025 to 2026
- local authority-level allocations for the first and second payments of the [core schools budget grant \(CSBG\) for special schools and alternative provision 2025 to 2026](#) – this includes the consolidated 2024 to 2025 grants (TPAG, TPECG, CSBG)
- [National Insurance contributions and teachers pay grant for early years \(EY NTPG\)](#) – this includes the new teachers pay grant funding for 2025 to 2026
- [post-16 National Insurance contribution grant \(Post-16 NICs\)](#)

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Last updated: 28 May 2025