



Special Edition: 18 July 2025



## Special Edition—Finance updates

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### Three-year budget starting in 2025-26



Thanks to everyone for all of the hard work that you put into producing your 3 year budgets for the 2025-26 financial year onwards.

We know that this was a very difficult process and that the deficits produced in most cases have been a cause of great concern.

The budgets recommended by your Local Governing Bodies (LGBs) were agreed by the Board of Trustees on Wednesday 16 July.

You have done an amazing job, since producing the draft budgets in April, to try to set an in year balanced budget in 2026-27. We are not quite there but the work that you have undertaken has moved us very significantly towards this.

Trustees have asked us to share their thanks for your tenacity, diligence, creativity and unwavering commitment to your pupils and communities in the way that you have approached this difficult task.

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Table 1 below shows the cumulative position when the draft budget was produced in April and the budget ratified by Trustees last night:

<b>Table 1</b>		<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>
<b>Version</b>				
Draft Budget	In year (surplus)/deficit	£2,440,340	£6,029,815	£10,122,715
	Overall reserves	£(3,545,320)	£2,484,496	£12,607,211
	Reserves as a % of income (internal measure)	4.64%	(3.29%)	(16.90%)
Budget ratified by Trustees	In year (surplus)/deficit	£1,123,310	£1,778,195	£5,720,253
	Overall reserves	£(4,563,261)	£(2,775,066)	£2,935,187
	Reserves as a % of income (internal measure)	5.87%	3.63%	(3.86%)

This position is recorded in IMP as APPBUD2526V2

At their meeting, Trustees also considered the impact of the Government's spending review on our budget assumptions. The spending review has provided some broad headlines about future funding for education, but we are unlikely to receive any detailed information about 2026-27 until December.

Various bodies, such as CST and the Institute for Fiscal Studies (IFS), have analysed the information available and all identify the potential for a small real terms increase in funding per pupil. The big unknown in this, however, is SEND and the IFS has said that with growth in SEND the best schools could hope for is a real-terms freeze in mainstream school funding per pupil between 2025 and 2028.

Whilst we have little information at this stage, Trustees have agreed that our assumption of a 0.5% increase in GAG and post 16 funding for 2026-27 and 2027-28 may be a little low. It has been agreed that we will increase our estimate of funding growth for 2026-27 and 2027-28 from 0.5% to 1.5%.

The Central Finance Team have created APPBUD2526V3 in IMP which incorporates this amendment to budget assumptions. It also includes the revised post 16 allocations that have been issued. The outcome of these changes is provided in table 2 below:

<b>Table 2</b>		<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>
<b>Version</b>				
Original budget ratified by Trustees	In year (surplus)/deficit	£1,123,310	£1,778,195	£5,720,253
	Overall reserves	£(4,563,261)	£(2,775,066)	£2,935,187
	Reserves as a % of income (internal measure)	5.87%	3.63%	(3.86%)
Updated budget ratified by Trustees	In year (surplus)/deficit	£1,011,974	£929,601	£4,141,950
	Overall reserves	£(4,674,597)	£(3,744,996)	£396,954
	Reserves as a % of income (internal measure)	6.01%	4.82%	(0.51%)

The DfE have also recently shared information of the calculation of the Schools Budget Support Grant (SBSG) for the 5/12th period April to August 26. We will be taking the opportunity to include this information in the approved budget that will be used for reporting purposes and this will be APPBUD2526V4 in IMP.

As this budget is different from the budget agreed by schools' LGBs, **please share the Multi Year Budget Review Summary reports with your LGB at their next meeting.**

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The Central Finance Team will be updating the Master Scenario with the changes to the budget assumptions, the updated post 16 allocations and the recalculation of the SBSG on Monday 28 July 2025.

Pay awards for 2025-26 have not yet been finally agreed so further changes to our budget assumptions may still be required. We will share further information as it becomes available.

We recognise that the various versions of the Approved Budget can be confusing, so we have set up a tracker to record the changes made to each version - as much for the Central Team benefit as for schools!

Please note that we will shortly be setting up a new version to incorporate Horfield Primary School.

We will, of course, keep schools updated of the latest version in use, although the Central Finance Team will set IMP to default to the correct version for 2025-26 forecasting. The tracker can also be found [in Folder](#):

*School Business Managers > Trust Wide - Information for 2025-26 Budgets > Approved Budget Version Tracker 2025-26*



## IMP Benchmarking

We have prepared a further comparison report from IMP for 2025-26 and 2026-27 using V4 of the Approved Budget.

Once again, you will see data for both primary and secondary schools and we have also added consolidated data for federations at the far right of each data set. This report is also available to view [in Foldr](#):

*School Business Managers > Trust Wide > Information for 2025-26 budgets\2025-26 & 2026-27 IMP Benchmarking Reports > Primaries, Secondaries and Federations (Approved Budget V4).*

## Pupil Number Projections

Schools estimate their pupil numbers in future years as part of the budget setting process. The budgets set by schools demonstrates a decline in total pupil numbers from 12,901 as at October 2024 to 12,481 in October 2026, equivalent to a reduction of 3.2% on top of the reductions already experienced.

The Government has today issued its latest [national projections](#) for the number of pupils in schools in England by type of school and age.

The headlines are provided below:

Number of pupils

**4,205,117**

in nursery & primary schools by 2030, an expected fall of 300,000 from the population in 2025

Number of pupils

**3,135,086**

in secondary schools by 2030, an expected fall of 97,000 from the population in 2025

- The population attending primary and nursery schools peaked in 2019 and the figures have been gradually falling since then. This is primarily due to the number of births generally falling since 2012.
- Since 2018, the population in secondary schools had been steadily increasing by around 2% a year until 2023 where it then slowed down to a 1.3% increase in 2024. The latest census shows a 0.1% decrease in 2025. Projections data indicate that the secondary school population is likely to have plateaued between 2024 and 2025, will remain at a similar level until 2026, and is then projected to start declining slowly. This is two years earlier than the peak projected last year but may be subject to change if pupil numbers bounce back, fluctuate, or plateau for a few years.

## Monthly Forecasting

As you will know the Board of Trustees require monthly forecasting to be completed by all schools for the 2025-26 financial year.

Please see below the timetable for monthly forecasting for 2025-26:

Forecast task	MTH 12	MTH 1	MTH 2	MTH 3	MTH 4	MTH 5	MTH 6	MTH 7	MTH 8	MTH 9	MTH 10	MTH 11
Central Team to run interface with PSF and IMP to upload actuals to IMP for forecasting	2 Oct	10 Oct	11 Nov	10 Dec	12 Jan	11 Feb	12 Mar	10 Apr	12 May	12 Jun	10 Jul	12 Aug
Deadline for schools to complete budget forecast for central review and to be shared with Headteacher. NG. All schools are now expected to complete monthly forecasts (apart from Month 11 forecast in August for primary schools). <b>The forecasts in red will be those that will be subject to detailed quality assurance and feedback given. The most recent forecast should be shared with Finance Committee/LGB as appropriate.</b>	N/A	30 Oct	26 Nov	7 Jan	27 Jan	4 Mar	27 Mar	5 May	3 Jun	26 Jun	28 Jul	27 Aug
Deadline for schools to freeze and copy forecast ready for next month. Schools should copy and freeze forecast every month by deadline, even if they have only given the forecast a 'light touch'.	N/A	30 Oct	26 Nov	7 Jan	27 Jan	4 Mar	27 Mar	5 May	3 Jun	26 Jun	28 Jul	27 Aug

Please note that we recognise that not all Schools Business Managers (SBMs) or Finance Business Partners (FBPs) will be in a position to undertake a July forecast due to holiday commitments.

If you need any help or support to complete this, please do not hesitate to contact [Sue](#) or [Pascale](#), our School Finance Managers.

## Model Staffing Levels for Primary Schools

As you will be aware we have shared our new Model Staffing Levels for Primary Schools.

A set of slides which explain the model staffing levels and the spreadsheet itself are [available for your use](#). If you wish to use the model staffing levels spreadsheet please **download a local copy**.

Louise Malik, Chief Financial and Operating Officer, held an online webinar on Tuesday 15 July to provide a demonstration on using the model staffing level excel sheet.

[Click here](#) to view the recording of this session.