

# Teachers' Pension Grant Funding Update

## **Key Messages**

Forum members are asked to note that:

- Additional funding of **£10,577,044** will be received from the DfE in Sheffield to cover the contribution towards the teachers' pension costs for 2024-25 for all mainstream, special and alternative provision (AP) and independent special schools, plus centrally employed teachers.
- 16 to 19 education settings will also receive additional funding.
- This is a financial year allocation for 2024-25.
- Funding will be incorporated into the National Funding Formula (NFF) core funding from 2025-26 for mainstream schools, for high needs settings this will be notified in due course.
- Funding for future years will be determined at the next spending review.

## **1. Introduction/background**

- 1.1. In October 2023, the Department for Education published the outcome of the valuation of the Teachers' Pension Scheme (TPS) based upon 2020 data.
- 1.2. The outcome confirmed a need to increase the employer contribution rate by 5 percentage points, to 28.6%, from 1 April 2024 to ensure that the scheme continues to meet present and future obligations.
- 1.3. Funding has been provided to support schools in the payment of this increase.

## **2. Eligibility for the Grant**

- 2.1. All mainstream schools, specialist provision and centrally employed teachers are eligible to receive funding through the Teachers' Pension Employer Contribution Grant 2024 (TPECG24).
- 2.2. The amount of funding Sheffield has received is broken down as follows:

## Teacher Pension Employer Contribution Grant 2024

	£
Mainstream	9,190,820
Special & AP	1,169,175
Independent Settings	60,690
Hospital School	43,124
Centrally Employed Teachers	113,235
	<b>10,577,044</b>

### 3. Methodology

3.1. The same methodology that was used for previous grants has been used for the TPECG24.

3.2. **Mainstream** Schools will receive:

The base funding rates for 2024 to 2025 financial year are:

- A basic per-pupil rate of £75 for primary pupils, including pupils in reception.
- A basic per-pupil rate of £106 for key stage 3 pupils.
- A basic per-pupil rate of £119 for key stage 4 pupils.
- A lump sum of £2,800.
- An FSM6 per-pupil rate of £65 per eligible primary pupil.
- An FSM6 per-pupil rate of £100 per eligible secondary pupil.

### 3.3 High Needs Settings

3.3. The funding rate for 2024 to 2025 financial year is £595 per place.

3.4. This relates to high needs settings apart from hospital schools (and the equivalent academies).

3.5. The funding rate also applies at a per pupil level for those with an Education, Health and Care (EHC) plan or special educational needs (SEN) support in independent special schools.

3.6. We will be holding a consultation with the high needs settings in September to decide the allocation and distribution methods to be applied.

### 4. Payment

4.1. Local authorities will receive payment in two tranches for maintained schools in May and October. All maintained mainstream schools will receive their funding in the next available cash advance.

4.2. Academies will receive their payment directly from the Education and Skills Funding Agency (ESFA) in June and November.

## **5. Recommendations**

Forum members are asked to:

- Note the funding available.
- Note the forthcoming consultation with the High Needs settings.