

Updated CFR structure 2025-26

From 1st April 2025, the DfE have updated the 25/26 CFR Structure. Schools should review and update the structure in their finance systems where necessary. The new CFR structure has been published on the [DfE website](#).

All of the changes below are effective from 01/04/2025. **Schools should not amend prior year accounts.**

What's changed since 24/25?

Changes to I18

The CFR heading for I18(a, b, c & d) has been removed for 2025-26. You should no longer be coding any Income to CFR I18C & I18D.

Income previously reported under I18 should now be coded to I06: Other Government Grants. If the income is passed through from CCC, your 25/26 funding statements will show the new CFR codes for 25/26 income.

The table below details the new mapping for codes previously linked to I18C & I18D.

Please amend your finance system to reflect the correct CFR codes for these budget codes.

Budget Code	24/25 CFR	25/26 CFR
60680715-01	I18C	I06
60680710-01	I18D	I06
60680710-02	I18D	I06
60690710-01	I18D	I06
60690710-02	I18D	I06

SBS was updated on 2nd June to reflect the new structure.

Changes to Leases:

Following the implementation of IFRS 16 Leases, Local Authorities must now account for leases as finance leases. Finance leases are considered as borrowing and will require the Secretary of State for Education's consent. The Secretary of State (SoS) has however agreed to provide blanket consent to a range of the most common leasing activities, as set out in the [The IFRS16 Maintained Schools Finance Lease Class Consent 2024](#) document.

Leases not included in this list will require the written consent of the SoS.

All leases will now be considered in principle as capital spend, unless the total value of the lease is below the local capitalisation threshold. In Cambridgeshire this capitalisation threshold is £10,000.

You should now review all the lease arrangements that your school has entered into to make sure that they are covered by the blanket consent provided by the SoS. It is anticipated that most of the lease's schools enter into will be covered by the consent.

You will then need to assess the total value of any lease to determine whether this should be capitalised or not. If the total value is above £10,000, the expenditure should be coded to Capital according to the nature of the expenditure. If the total value is below £10,000, please continue to code to revenue.

Where a lease counts as capital, it must not be included in the revenue expenditure lines CFR E12 to E25. Instead, it must be included in E30 as direct revenue financing of capital. The same sum will appear in CI04, and the expenditure will then be recorded in CE01 to CE04 as appropriate.

If you think that your school has a lease that is over the £10,000 capitalisation threshold and you are unsure of the accounting treatment or if you may have a lease that is not covered under the SoS blanket consent, please contact SSCT or your SFA for further assistance. A flowchart had been provided at the end of this document to assist with determination of the lease categorisation.

Changes to Spend on Technology from 2024-25 that continue in 2025-26

In 24/25 there were some changes around how to code spend on technology. These changes have been rolled over into 2025-26 and we expect them to be a constant feature of the CFR structure moving forwards.

The DfE expanded the following codes:

Old CFR Heading	New CFR Heading
E20 – ICT Learning Resources	E20A: Connectivity
	E20B: Onsite servers
	E20C: IT learning resources
	E20D: Administration software and systems
	E20E: Laptops, desktops and tablets
	E20F: Other hardware
	E20G: IT support
CE04: information and communication technology	CE04A: Connectivity
	CE04B: Onsite servers
	CE04C: Administration software and systems
	CE04D: Laptops, desktops, and tablets
	CE04E: Other hardware

These changes were reflected in SBS in 2024-25. Schools should make sure that their finance system has been updated to reflect these changes from 01/04/2025.

A full list of all budget codes and their CFR mapping can be found in [SBS here](#).

For completeness and for the benefit of any colleagues that may not be familiar with CFR, a brief overview is outlined below.

What is CFR?

CFR is the DfE framework by which all LA Maintained Schools are required to report within. The predetermined categories are set by the DfE and are used across England.

The CFR framework can be viewed [here](#)

Why should I take note?

Your CFR return is completed by CCC on behalf of schools based on the actuals entered into the SMER and SBS. Once this data has been submitted to the DfE, they use this data to prepare benchmarking reports to allow schools to gain an insight into their finances when compared with similar schools across the country. Schools should be presenting and discussing these benchmarking reports with their Governing Body and exploring whether they are in line with other schools' averages or are an outlier from the sample selected. Schools can then use this information to challenge their financial activity and to drive efficiency and best value. Therefore, the accuracy of allocations across the codes is vital.

If you have any questions, please contact SSCT or your SFA.

FAQ

Is the £10,000 de-minimis for each year or in total?

The total value of the lease over all years should be considered when deciding whether the lease should be capitalised or not.

Is the £10,000 de-minimis the amount for each lease, or for all of the leases added together?

The de-minimis of £10,000 is per lease.

If a lease is coming to an end but there are plans to extend the lease on a rolling 'year by year' basis, how many years should be used to calculate the total cost of the lease?

Lease values should be calculated as the non-cancellable period, plus the value of any extension the school is reasonably sure they will use.

e.g - if school enters into a 3+1+1 lease and is reasonably sure they will extend for each year, you should use the total value of the lease for 5 years when assessing the value.

If the leases are being capitalised, can DFC funding be used to pay for them?

No. Capitalised lease payments must be funded by a Revenue Capitalisation. Contact SSCT if you think you have a capitalisation to complete.

