



**SCHOOLS FUNDING FORUM
AGENDA**

8.30 - 11.00am	10 December 2015	CEME, Room 233, Main Entrance
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Members: 26 Quorum: 10

MEMBERSHIP:

Head Teachers

Secondary Schools

Bill Edgar

Primary Schools

Nigel Emes (Chair)

Margy Bushell

Kirsten Cooper

David Denchfield

Malcolm Drakes

Chris Hobson

Special Schools

Emma Allen

Academies

Julian Dutnall

Simon London

Keith Williams

Academies

Tim Woodford

Academies

Gary Pocock

Governors

Derek Smith

Sheila Clarke

Bernard Gilley

Daren Jackson

Wayne Chretien

Academies

John McKernan

Vacancy

Pupil Referral Service

Vacancy

Non School Representatives

Early Years PVI

Vacancy

Post 16

Maria Thompson

Diocesan Board

Vacancy

Trades Unions

NUT

Ray Waxler

NASUWT

Keith Passingham

UNISON

John Giles

Please contact David Allen david.allen@havering.gov.uk Tel: 433851 to give apologies for absence or to raise queries on the agenda.

If you are unable to attend please contact your named substitute or ask David Allen to do so on your behalf.

A G E N D A

- 1. APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS OR OBSERVERS**

- 2. TO AGREE THE MINUTES OF THE MEETING HELD ON 22 OCTOBER 2015** (Pages 1 - 8)
The minutes are attached as Item 2.

- 3. MATTERS ARISING**

- 4. AUTUMN STATEMENT AND SPENDING REVIEW** (Pages 9 - 12)
To note the main points from the Chancellor's Autumn Statement relating to Education funding. The attachment marked Item 3 refers.

- 5. PUPIL GROWTH FUNDING IN SECONDARY SCHOOLS** (Pages 13 - 20)
To consider an amendment to the current arrangements for funding pupil growth in secondary schools. The attachment marked Item 4 refers.

- 6. NEXT MEETINGS**
To note meeting dates arranged as follows:
Thursday 21st January 2016
Thursday 17th March 2016
Thursday 28th April 2016
Thursday 23rd June 2016
All meetings to be held at CEME at 8.30am

- 7. ANY OTHER BUSINESS**

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MINUTES OF A MEETING OF THE SCHOOLS FUNDING FORUM CEME, RAINHAM

22 October 2015 (8.30 – 11.25am)

Present:

Head Teachers

Nigel Emes (Chair) (Primary)
Emma Allen (Special)
Margy Bushell (Primary)
Malcolm Drakes (Primary)
Julian Dutnall (Secondary Academy)
Bill Edgar (Secondary)
Chris Hobson (Primary)
Gary Pocock (Special Academy)
Tim Woodford (Academy)
Matt Dineen (Primary)

Governors

Sheila Clarke (Primary)
John McKernan (Academy)
Bernard Gilley (Primary) Derek Smith MBE (Secondary)

Non School Reps

Maria Thompson (Post 16)

Trade Union Representatives

John Giles (UNISON)
Ray Waxler (NUT)
Keith Passingham (NASUWT)

Officers in Attendance

David Allen
Mary Phillips
Thelma Bartlett
Susan Sutton
Paul Tinsley
Agatha Williams

130. APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS OR OBSERVERS

Apologies were received from Katrina Karwacinski, Kirsten Cooper, Daren Jackson, David Denchfield and Simon London.

Matt Dineen was in attendance substituting for Kirsten Cooper.

131. TO AGREE THE MINUTES OF THE PREVIOUS MEETING

John McKernan had given his apologies for the previous meeting, but they had not been recorded. With that change, the minutes of the meeting of the Forum held on 24 September 2015 were agreed as a correct record and signed by the Chairman.

132. MATTERS ARISING

The Forum was informed that two Freedom of Information (FoI) requests had been received; also the Romford Recorder had made enquiries regarding the minutes and agenda items of School Funding Forum meetings. The Forum was reminded that meetings were open to the public and agenda and minutes published on the Council's website.

Item 121 refers - Allocation of the DSG Balance Carried Forward From 2014-15

DA had emailed members following the last meeting responding to concerns expressed about timescales for the appointment of the Assistant Educational Psychologists and the distribution of the additional resource to schools. On the basis of the response the Forum agreed to implement the proposal to allocate £125k of the DSG underspend towards the costs of the conversion of statements to EHC Plans.

133. DSG CONTRIBUTION TO SUPPORT VULNERABLE CHILDREN IN EDUCATIONAL SETTINGS

Thelma Bartlett presented the proposal for supporting vulnerable children as the Forum had requested further information at a previous meeting. The proposal was to bring together in one accessible place the services that are available to support schools with vulnerable children and families. The development of a portal would be a more efficient way for schools to find out which services could provide support including from the voluntary sector. It was anticipated that supporting families early would reduce demand and associated costs later on. This was different from the local offer which was a list of provision available to parents and carers. The new portal would be for professionals involved with the children. Monitoring would include the number of users, the number of families reached and the number of voluntary organisations and other services being accessed. After initial set and development costs it would need only a small resources to maintain the portal. This project would link with the work of the cluster navigator post which was funded centrally.

After consideration the Forum agreed unanimously to use £70,000 of the balance carried forward from the 2014-15 centrally held DSG to support vulnerable children.

134. SCHOOL PARTNERSHIP FUND

Susan Sutton presented the proposal to consider the retention of a central budget from the DSG to support schools through partnership arrangements with other schools. It was explained that the LA brokers support for schools with identified weaknesses as part of the strategy to help with their improvement. The funding is now costed depending on the support required and progress is monitored through progress review meetings. Over the last two years 22 schools had been supported and the progress made by each was noted. Schools must commit to robust challenge before being allocated funding. Secondary schools were also eligible for support and there would be further discussions between the LA and the Teaching Schools to clarify processes. In 2015-16 and previous years the allocation had been £236k and this was being reduced to £200k for 2016-17.

The Forum agreed unanimously to the retention of a central budget of £200,000 in financial year 2016-17 to support school partnerships.

135. TRADE UNION FACILITY TIME

A report was considered from the Trade Union Facility Time Working Group which had met on 13th October. The Forum was informed that a great deal of preventative work was undertaken by TU representatives, which resulted in cases not going to court, thereby saving money in the long run. Keith Passingham, Ray Waxler and John Giles each described their high workloads and the benefits to schools of their work and the risks of further reductions in facility time. Also TU representatives attended a large number of re-structuring and other meetings which appeared to go unnoticed and took up a great deal of time. It was suggested that the time spent at meetings, taking/making phone calls and consultations should be recorded and logged by TU representatives for the sake of transparency. Keith Williams and Keith Passingham were working together on this. The Forum agreed that working relationships between schools and the trade unions were good in Havering. There was some confusion at school level about the support that staff received from this resource rather than an “entitlement” from paying their union subscriptions.

The Forum was asked to vote on the reviewed charges as following:

Charges	£4.00	£3.50	£3.00
Number of Votes	5	10	0

It was therefore agreed that the cost to schools would be reduced to £3.50 per pupil for financial year 2016-17.

136. DE-DELEGATION OF BUDGETS FOR CENTRAL SERVICES

At their last meeting the Forum had decided on de-delegation of a number of budgets to retain central services for 2016-17 and was asked to make a

decision regarding the de-delegation of budgets for trade union facility time and general insurance. A letter was circulated, jointly signed by national trade union officials recommending the continuation of de-delegation and academy buy back. After discussion the Forum agreed to the de-delegation proposals for trade union facility time and general insurance for both maintained primary and secondary schools, with one member abstaining from the vote.

DA advised that a further report would be presented at a future meeting giving options for delegation of insurance from 2017-18 in line with most other LAs.

137. SECTION 251 2015-16 BENCHMARKING

Three papers were tabled providing Havering’s planned expenditure on Children’s Services benchmarked against other London LAs.

- (i) The first paper showed that LBH funding allocated to schools through the pupil-led factors of the formula was, at 91.4%, in excess of the 80% minimum requirement of the DFE. For the AWPU values, Havering’s was presented as follows:

		Primary	KS3	KS4
LBH	2015-16	£3,074	£4,542	£4,740
Outer London	Average	£3,160	£4,263	£4,777
Outer London	Ranking/19	14	3	12
Stat Neighbours	Average	£2,929	£4,081	£4,459
Stat Neighbours	Ranking/10	4	1	3
England	Average	£3,014	£4,186	£4,711
England	Ranking/150	45	23	49

The minimum AWPU values were £2,000 for primary and £3,000 for KS 3 and 4.

For FSM values Havering’s were presented as follows:

		Primary	Secondary
LBH	2015-16	£1,252	£2,261
Outer London	Average	£1,032	£1,544
Outer London	Ranking/9	3	2
Stat Neighbours	Average	£556	£834
Stat Neighbours	Ranking/8	2	1
England	Average	£1,162	£1,519
England	Ranking/70	23	14

- (ii) The second paper showed a comparison of funding by the DFE to local authorities

		Schools Block per Pupil	Early Yrs Block per Pupil
LBH	2015-16	£4,719	£3,980
London	Median	£5,349	£4,898
London	Ranking/32	27	25
Stat Neighbours	Median	£4,433	£3,776
Stat Neighbours	Ranking/11	1	4
England	Median	£4,529	£3,776
England	Ranking/150	43	78

From the DSG funding allocated, local authorities allocated funding to schools and to some central areas. A comparison to other LAs was presented as follows:

		ISB* per Pupil	Early Yrs max hourly rate
LBH	2015-16	£4,423	£4.10
London	Median	£5,039	£4.10
London	Ranking/32	25	16
Stat Neighbours	Median	£4,187	£3.77
Stat Neighbours	Ranking/11	3	3
England	Median	£4,360	£3.78
England	Ranking/150	64	36

*ISB is the funding allocated to schools through the formula

Havering allocated 97.44% of its Schools Block to schools against averages for London and England of 97.06% and 97.96% respectively. When including the pupil growth and falling rolls funds the % increased to 99.37% for Havering against averages for London and England of 98.41% and 98.6% respectively.

For High Needs expenditure comparisons were as follows:

		Total per pupil	Top up funding per pupil	AP per pupil	Central services
LBH	2015-16	£241	£203	£7	£29
London	Median	£428	£338	£8	£53
London	Ranking/32	32	32	18	28
Stat Neighbours	Median	£288	£228	£6	£52
Stat Neighbours	Ranking/11	11	7	5	9
England	Median	£301	£243	£5	£48
England	Ranking/150	127	106	64	127

Key areas of the central (non DSG funded) expenditure were shown as follows:

		School improvement per pupil	Stat & Regulatory duties	Supply of school places
LBH	2015-16	£26	£45	£6
London	Median	£27	£48	£3
London	Ranking/32	18	18	7
Stat Neighbours	Median	£26	£35	£2
Stat Neighbours	Ranking/11	6	5	3
England	Median	£28	£41	£2
England	Ranking/150	79	69	18

		SEN admin	Home to school transport	Central services	Ed Psychs
LBH	2015-16	£16	£65	£29	£17
London	Median	£15	£110	£53	£14
London	Ranking/32	15	28	28	14
Stat Neighbours	Median	£9	£117	£52	£12
Stat Neighbours	Ranking/11	3	9	9	2
England	Median	£12	£118	£48	£14
England	Ranking/150	39	132	127	40

- (iii) The third paper was the detailed benchmarking data produced by the DFE from LAS' section 241 statements. The relevant comparative data had been extracted and included in the second paper (see above). The detail also included LA expenditure on Children and Young People services such as fostering and adoption and safeguarding.

The Forum noted all of the benchmarking data presented.

138. SCHOOL AND EARLY YEARS FINANCE REGULATIONS 2015

The Forum considered a DFE consultation on changes to the Schools and Early Years Finance Regulations 2015. As well as some minor updating of dates and funding levels the proposed changes were as follows:

- (i) Underspent falling rolls fund or new schools fund will be able to be carried forward to the following year for the same use
- (ii) The option to fund place-based 2 year old provision is to be limited to SEN children and children in need.
- (iii) The definition of amalgamated schools is to be expanded to provide LAs with greater flexibility in funding schools when one closes and another has its age range extended.

- (iv) LAs will be allowed to authorise expenditure in respect of special academies and alternative provision academies where it is unreasonable for the expenditure to be met from the general annual grant

It was agreed that there were no objections to register with the DFE before the deadline for responses on 13th November.

139. HIGH NEEDS FUNDING 2016-17

The Forum was asked to note the DFE's approach to funding High Needs expenditure in 2016-17. The results of the Government Spending Review will not be known until later in the year so the DfE is not able to commit to funding growth in high needs places. LAs had therefore been advised to assume that there will be no additional high needs funding in 2016-17, that the 2016-17 high needs block will be based on 2015-16 academic year place numbers and that there will be no change to the remainder of the high needs block.

140. FUTURE MEETINGS

Meeting to be held at CEME at 8.30am on:

10 December 2015

21 January 2016

17 March 2016

28 April 2016

23 June 2016

129. ANY OTHER BUSINESS

There was no other business.

Chairman

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Schools Funding Forum 10th December 2015 ITEM 3

Subject Heading:	Autumn Statement and Spending Review
Report Author:	David Allen – Strategic Finance Manager
Eligibility to vote:	All members

SUMMARY

This report is for the Schools Funding Forum to note the issues raised in the Chancellor’s Autumn Statement and Spending Review 2015 that relate to the funding of education.

RECOMMENDATIONS

That the Schools Funding Forum notes the report.

REPORT DETAIL

The relevant section of the Spending Review is attached at Appendix A.

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11.8 Department for Education

Table 2.11: Department for Education

	£ billion					
	Baseline			Plans		
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 ⁽²⁾
Resource DEL (1)	53.6	54.4	55.5	56.4	57.1	*
Capital DEL	4.6	5.2	4.6	4.4	4.4	4.6
Total DEL	58.2	59.6	60.1	60.8	61.6	*

(1) In this table, Resource DEL excludes depreciation

(2) 2020-21 Resource DEL departmental budgets have only been set for some departments. For the rest, these budgets will be set in full at the next Spending Review.

The Department for Education (DfE) settlement includes:

- doubling free childcare from 15 hours to 30 hours a week for working families of 3 and 4 year-olds, worth up to £5,000 per child per year from September 2017, and investing over £1 billion more a year by 2019-20 on free childcare places for 2, 3 and 4 year-olds
- protecting the schools budget in real terms, enabling a per pupil protection for the Dedicated Schools Grant and the pupil premium
- making around £600 million savings from the Education Services Grant (ESG) and supporting schools to realise efficiencies
- £23 billion capital investment over the Parliament to open 500 free schools, provide over 600,000 additional school places, rebuild and refurbish over 500 schools and address essential maintenance needs

Security

Investing in education and skills will help deliver economic security. In addition to providing 600,000 additional school places, funding for universal infant free school meals will be maintained, supporting healthy eating and saving families around £400 for every infant each year.

Long-term investment

The government will invest over £1 billion more a year by 2019-20 in free childcare places for 2, 3 and 4 year-olds. To enable the doubling of free childcare for 3 and 4 year-olds with working parents, the government will invest at least £50 million of capital funding to create additional places in nurseries and over £300 million a year to increase the average hourly rate paid to childcare providers. From 2019-20 the government will spend a record £6 billion a year supporting parents with their childcare costs – this includes Tax-Free Childcare and Universal Credit.

The government will support 800 more National Leaders of Education to continue driving up performance in schools, while increasing funding for teacher training and recruitment to deliver the English Baccalaureate and more specialist STEM teaching.

The current national base rate per student for 16-19 year-olds in England will be protected in cash terms over the Parliament and the government will deliver 3 million high quality apprenticeship starts by 2020. Some targeted savings will be made from 16-19 funding, including from declining demographics and funding outside the national base rate per student.

Efficiency and reform

To focus support where it is most needed and improve work incentives, the government will apply an upper income limit per parent of £100,000, and a minimum weekly income level per parent equivalent to 16 hours (worked at the National Living Wage) to the additional 15 hours of free childcare offered to 3 and 4 year-olds in working families from September 2017, and make the same changes in Tax Free Childcare. This will save £215 million by 2020.

The government will protect the department's central children's services budget at over £300 million per year to help drive up social care workforce standards to improve support for vulnerable children.

The government will introduce the first ever national funding formula for schools, high needs and early years. This will end the unfair system where a child from a disadvantaged background in one school attracts half as much funding as a child in identical circumstances in another school, simply because of where they live. There will be a transitional phase to help smooth the implementation of the new schools formula. The government will launch a detailed consultation in 2016 and will implement the new formulae from 2017-18.

Savings of around £600 million will be made on the ESG, including phasing out the additional funding schools receive through the ESG. The government will reduce the local authority role in running schools and remove a number of statutory duties. The government will consult on policy and funding proposals in 2016.

The government will help schools to make savings on procurement, including by exploiting economies of scale. In 2016 the government will publish a set of specific actions to support school leaders target over £1 billion a year in procurement savings by the end of the parliament through benchmarking, guidance and improved framework contracts.

As part of the government's one-off restructuring of post-16 education and training, Sixth Form Colleges in England will be given the opportunity to become academies, allowing them to recover their non-business VAT costs. They will have the option of joining a Multi-Academy Trust if they choose too, which will help drive up standards and improve efficiency of 16-19 education by enabling further collaboration between schools and Sixth Form Colleges.

The department will deliver 20% core administrative savings through greater efficiency.

Schools Funding Forum 10th December 2015 ITEM 4

Subject Heading:

Pupil Growth Contingency

Report Author:

**David Allen – Strategic Finance
Manager**

Eligibility to vote:

All members

SUMMARY

This report is for the Schools Funding Forum to agree the funding to be allocated for pupil growth in the secondary sector from the centrally held Pupil Growth Contingency.

RECOMMENDATIONS

That the Schools Funding Forum considers an amendment to the current arrangements for funding growth in the secondary sector to allocate additional funding above one additional place per teaching group.

REPORT DETAIL

1. Introduction

At the meeting held on 13 July 2013, the Schools Funding Forum reviewed the criteria for allocating resources to schools that were expanding either through planned increases to their PAN or by accepting bulge classes. The paper that was considered and agreed by the Forum is attached at Appendix A.

The increase in pupil numbers in Havering has so far been contained within the primary sector only but from the academic year 2016 will require an increase in the capacity of some secondary schools in year 7.

2. Proposals

The more funding that is allocated for pupil growth through the pupil growth contingency, the larger the top slice from the DSG needs to be. This will have a direct impact on the funding that is available for distribution to schools through the funding formula.

Additional funding should be allocated only when additional costs have to be incurred in a school to meet the needs of the extra pupil numbers. It could be argued that up to a limit, additional pupils can be absorbed into existing classes with no additional costs being incurred but where this impacts on recommended group sizes in subject areas such as science and technology it is likely that additional staff will need to be employed.

It is therefore proposed to allocate additional funding to secondary schools through the pupil growth contingency only above an additional 1 pupil for every year group.

e.g.

Current PAN	Increased PAN	Increase in PAN	Teaching Groups
172	180	8	6
Funded is allocated for 2 additional pupils			
For academies this figure is at 12/12 because the financial year does not start until September. 5/12 will be recouped by the LA from the EFA.			
$2 \times \text{£}4,542 \times 85\% = \text{£}7,721$			
For maintained schools this figure is at 7/12 for the period September to March			
$= \text{£}4,504$			

Current PAN	Increased PAN	Increase in PAN	Teaching Groups
192	210	18	7
Funded is allocated for 11 additional pupils			
$11 \times \text{£}4,542 \times 85\% = \text{£}42,468$ (academies)			

Consideration could also be given to placing a ceiling on the funding allocated.

ITEM 4 – APPENDIX A

The amendments below were agreed by the Schools Funding Forum on 11th July 2013

REVIEW OF PUPIL GROWTH AND INFANT CLASS SIZE CRITERIA

The following sets out the current arrangements for supporting schools in meeting the cost of setting up additional classes as agreed by the Schools Funding Forum at the meeting dated 6th December 2012. In operating these arrangements it has become apparent that they do not cover all circumstances. The proposed amendments are marked in *italics*.

PUPIL GROWTH AND INFANT CLASS SIZE CONTINGENCY

DFE operational guidance to local authorities to assist in the implementation of the school funding reforms includes arrangements for funding that can be held centrally before the formula allocation to schools is calculated.

This includes funding for significant pupil growth and funding for additional classes needed as a consequence of infant class size regulations. The requirements are that:

- a. the growth fund can be used only for the purposes of supporting growth:-
 - (i) where a school or academy has agreed with the authority to provide an extra class in order to meet basic need in the area (either as a bulge class or as an ongoing commitment).
 - (ii) where a school has increased its PAN by X or more pupils in agreement with the authority.
 - (iii) where a school has extended its age range in agreement with the authority.
 - (iv) pre-opening costs / initial equipping allowance for new maintained schools and recoupmnt academies, including new academies and free schools where the school is opening in response to basic need.
 - (v) for KS1 classes where overall pupil numbers exceed a multiple of 30 by X or fewer pupils.
- b. the fund must be used on the same basis for the benefit of both maintained schools and recoupmnt Academies;
- c. any funds remaining at the end of the financial year must be added to the following year's DSG and reallocated to maintained schools and Academies through the local formula;
- d. the local authority will to consult the Schools Forum on the total sum to be held centrally and must regularly update the Schools Forum on the use of the funding.

Proposal

The LA considers that a contingency of £1 million should be held centrally for pupil growth and in relation to infant class sizes.

1. Pupil Growth

- 1.1 The following criteria apply to all Havering primary schools and academies, secondary schools and academies and free schools. The funding of growth in special schools and pupil referral units are subject to different arrangements.
- 1.2 Growth in pupil numbers is defined as the difference between the October census on which the school or academy receives its main funding for the following financial year and the October of the next academic year i.e. the first term in which growth will have occurred.
- 1.3 In most cases growth will arise at the request of the LA to address expansions in pupil numbers and although schools will have made commitments for full, or half forms of entry, the additional places may not have been filled. The criteria below will apply to allocate funding irrespective of the number of additional places filled on condition that the school has opened and resourced an additional class.
- 1.4 The October in which the growth will have occurred will also be the census date for the allocation of funding for the school for the following financial year. Therefore, if the additional places have not been filled, the school may have an additional class which is only partially funded through the pupils on roll rather than the numbers for which the additional provision was planned. Contingency arrangements will apply to the “missing” children as described at Criterion 2.
- ~~1.5 In schools that are not full, pupil numbers may increase without planned increases in the admission number. For example, a 6 f.e. secondary school (900 places) may have only 800 on roll. The school may, however, admit into Year 7 more pupils than it is losing in Year 11 e.g. a net difference of 18. A number should therefore be determined that is considered “significant” and necessitates structural change at the school. Numbers below this trigger point will not be funded, numbers at or above will be funded on the basis set out in Criterion 2 below. The number that is deemed to be significant is 15. Increases due to exclusions and managed moves where money follows the pupil will be taken into account in the calculation of pupil number increases.~~
- 1.6 Planned increases in secondary schools of full or part forms of entry will be funded in accordance with Criterion 1.
- 1.7 For academies, the funding based on the criteria below would need to be for 12/12. This is because the pupil count of October does not apply to academies until the start of their financial year in the following September. The contingency funding would therefore be required for September to March **and** April to August.

Criterion 1: Planned increase of 1 or ½ f.e. (30 or 15 pupils)

The school will receive additional funding of 7/12 of 90% (primary) or 85% secondary of the Basic Entitlement (BE) relevant to the year group for a maximum of 28 (or 14) pupils.

Example 1 (BE value is for illustrative purposes only)

Primary School Basic Entitlement (BE)	£3,105
Less 10% for non staffing elements of BE	(£310)
Value for in year contingency allocation	£2,795
X 7/12 for September to March	£1,630
X 28 pupils	£45,650

OR

X 14 pupils for ½ f.e.	£22,825
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Criterion 2: Surplus places from a planned increase carried forward into the new financial year

If the additional numbers of places provided are not filled but the school has opened and resourced an additional class, funding will be allocated to the school in the following financial year from the contingency to top up to 28 pupils.

Example 2 (based on a 2 f.e. school expanding to 3 f.e.)

	School roll	
Year 1	420	
Year 2 planned increase	30	
Year 2 expected NOR	450	
Actual NOR	435	
Year 3 funding based on	435	
Contingency funding on	13	(28 – 15)

Primary School Basic Entitlement (BE)	£3,105
Less 10% for non staffing elements of BE	(£310)
Value for in year contingency allocation	£2,795
X 12/12 for full financial year	£2,795
X 13 pupils	£36,335

Criterion 3: Unplanned increase in pupils

The school will receive additional funding of 7/12 of 90% (primary) or 85% secondary of the Basic Entitlement (BE) relevant to the year group for a maximum of 28 pupils.

Example 1 (BE value is for illustrative purposes only, growth of 18 pupils is used in this example)

Secondary School Basic Entitlement (BE)	£4,486	<u>£4,552</u>
Less 10% <u>15%</u> for non staffing elements of BE	(£448)	<u>(£683)</u>
Value for in year contingency allocation	£4,038	<u>£3,869</u>
X 7/12 for September to March	£2,355	<u>£22,570</u>
X 18 pupils	£42,390	<u>£40,624</u>

2. Infant Class Size Funding

- 2.1 An infant class size factor is not included in the range of factors an LA may use in applying its formula to distribute funding to its schools. The Infant Class Size Regulations continue to apply and it is permitted to make additional provision in schools from a centrally held contingency.
- 2.2 Classes can exceed 30 in very limited circumstances but given a lack of physical capacity in schools to open an additional class, surplus accommodation having been used to support the primary expansion programme, other strategies are used to lower the impact of larger classes. This may, for example, be smaller group work which would require additional resources.
- 2.3 It is considered that in the majority of schools, classes of 31 can be accommodated without the need for additional resources but once numbers increased to 32, head teachers may need to introduce other strategies.

Funding will therefore be allocated to schools when class sizes exceed 31. This will be based on the average cost of a Teaching Assistant for 27.5 hours per week for 39 weeks per year. The current average cost is £15,124.

A school with a class size of 32 in September, for example, would receive 7/12 (September to March) of £15,124 = £8,822. This would then be reconsidered in the new financial year when account would be taken of the funding that the school will have received in its budget for the additional pupils.

This funding will be allocated for each class above 31 e.g. a 3 f.e. school with three classes of 32 in Yr R in September would receive £8,822 x 3 to support the additional costs.

- 2.4 The primary expansion programme will lead to a number of Havering's 1½ f.e becoming 2 f.e. but for those remaining, an additional class is required in the Reception year. This is because an admission number of 45 requires two classes of 22 and 23; pupil numbers which are

insufficient to fund the staffing and other costs of running the two classes. Additional funding will therefore be allocated for $\frac{1}{2}$ and $1\frac{1}{2}$ and $2\frac{1}{2}$ f.e. as for the contingency Criterion 1 above, grossed up to 12/12 for the full financial year.

This would provide a $2\frac{1}{2}$, $1\frac{1}{2}$ or $\frac{1}{2}$ f.e. school with an additional £39,128.

3. Surplus funds

Any funding in the contingency budget unspent by the end of the financial year will carry forward and be allocated to all schools and academies in the following financial year on the basis of pupil numbers. This will be in addition to the schools' annual budget as calculated by the funding formula.

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