

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
------------------------	---------

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.