

## SCHEDULE 4

Regulation 20

### MINIMUM FUNDING GUARANTEE

#### Primary and Secondary Schools

1. In this paragraph and paragraphs 2 to 4—
  - (a) references to the number of pupils exclude those funded by a grant paid to the authority by the LSC under section 7 of the 2000 Act;
  - (b) the “relevant number” of pupils for the financial year beginning on 1st April 2007 shall be the number of registered pupils at the school on 18th January 2007, except that where the authority has not exercised its discretion under regulation 15(1)(b) of the 2006 Regulations to take the number of pupils in places which the authority recognises as reserved for children with special educational needs, or in nursery classes, into account in their formula, then the number of those places must be added to the relevant number for the purposes of this Schedule;
  - (c) subject to paragraphs 3 and 4, the “relevant number” of pupils for funding periods 1, 2 and 3 shall be the number of pupils at the school on the dates referred to in regulation 15. Except that, where the authority has not exercised discretion under regulation 15(3) or 17(1)(b) or (5) to take into account in their formula the number of pupils in places which the authority recognises as being reserved for children with special educational needs or in nursery classes, the number of those pupils must be added to the relevant number for the purposes of this Schedule;
  - (d) the “adjusted budget share” (which must not be lower than the guaranteed funding level) is a school’s budget share determined in accordance with these Regulations, but not taking into account—
    - (i) the effect of regulations 20 (MFG), 21 (sixth form funding), 23 (excluded pupils) and paragraphs 8 (rates), 14 (PFI), 29 (NQTs), and 35 (ICS funding) of Schedule 3(1),
    - (ii) any amounts added in respect of funding for named pupils which is deducted from a school’s budget share when that pupil leaves the school, including amounts for pupil exclusions above that permitted by regulation 23 (excluded pupils), but not including amounts for the cost of providing free school meals;
  - (e) references to a redetermined adjusted budget share for the financial year beginning on 1st April 2007 include the effect of any additional arrangement approved by the schools forum or Secretary of State under regulation 25 of the 2006 Regulations, but exclude the following—
    - (i) any amounts included pursuant to regulations 19 (sixth form funding), 23 (excluded pupils), and 24 (correction of errors) of the 2006 Regulations,
    - (ii) any amount included in respect of paragraphs 8 (rates), 14 (PFI), 29 (NQTs) and 35 (ICS) of Schedule 4 to the 2006 Regulations, and
    - (iii) any amounts in respect of funding for named pupils which is deducted from a school’s budget share when that pupil leaves school, including amounts for pupil exclusions above that permitted by regulation 23 (excluded pupils) of these Regulations but not including amounts for the cost of providing free school meals;
  - (f) references to a redetermined adjusted budget share for funding periods 1 and 2 include—

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(1) For the purposes of this Schedule, “MFG” means Minimum Funding Guarantee; “PFI” means Private Finance Initiative; “NQTs” means Newly Qualified Teachers; and “ICS” means Infant Class Sizes.

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- (i) the effect of any additional arrangements approved by schools forums or the Secretary of State under regulation 25 (additional arrangements) of these Regulations, and
- (ii) the amount of funding the school received under paragraph 3 of Schedule 2 (threshold and performance pay) of these Regulations where the local education authority intends to include an amount in respect of this in a school's budget share for funding period 2 or 3

but exclude the following—

- (iii) any amounts included pursuant to regulation 21 (sixth form funding), 23 (excluded pupils) of these Regulations,
- (iv) any amount included in respect of paragraphs 8 (rates), 14 (PFI), 29 (NQTs), and 35(ICS) of Schedule 3 to these Regulations, and
- (v) any amounts included in respect of funding for named pupils which are deducted from a school's budget share when that pupil leaves school, including amounts above those permitted by regulation 23 (excluded pupils) of these Regulations, but not including amounts for the cost of providing free school meals;

(g) for the purposes of this Schedule—

- (i) where a school has opened after 1st April 2007 but before the 1st April 2008, its redetermined adjusted budget share for the financial year beginning on 1st April 2007 must be the amount that it would have been had the school opened on 1st April 2007,
- (ii) where a school opens during funding period 1, its redetermined adjusted budget share for funding period 1 must be the amount that it would have been had the school opened on 1st April 2008,
- (iii) where a school opens during funding period 2, its redetermined adjusted budget share for funding period 2 must be the amount it would have been had the school opened on 1st April 2009

adjusted in accordance with sub-paragraph (e) or (f), whichever is applicable.

2. Subject to paragraphs 3 and 4, the guaranteed funding level is to be calculated as follows—

(a) for funding period 1—

- (i) where the relevant number of pupils is the same as the relevant number for the financial year beginning on 1st April 2007, the guaranteed funding level must be A,
- (ii) where the relevant number of pupils is lower than the relevant number for the financial year beginning on 1st April 2007, the guaranteed funding level must be  $A - (B \times C)$ ,
- (iii) where the relevant number of pupils is higher than the relevant number for the financial year beginning on 1st April 2007, the guaranteed funding level must be  $A + (B \times C)$ ;

(b) for funding period 2—

- (i) where the relevant number of pupils is the same as the relevant number for funding period 1, the guaranteed funding level must be A,
- (ii) where the relevant number of pupils is lower than the relevant number for funding period 1, the guaranteed funding level must be  $A - (B \times C)$ ,
- (iii) where the relevant number of pupils is higher than the relevant number for funding period 1, the guaranteed funding level must be  $A + (B \times C)$ ;

(c) for funding period 3—

- (i) where the relevant number of pupils is the same as the relevant number for funding period 2, the guaranteed funding level must be A,
- (ii) where the relevant number of pupils is lower than the relevant number for funding period 2, the guaranteed funding level must be  $A - (B \times C)$ ,
- (iii) where the relevant number of pupils is higher than the relevant number for funding period 2, the guaranteed funding level must be  $A + (B \times C)$

where—

A is, in respect of funding period 1, the redetermined adjusted budget share for the financial year beginning on 1st April 2007 multiplied by 1.021 in respect of primary schools and secondary schools, in respect of funding period 2, the redetermined adjusted budget share for funding period 1 multiplied by 1.021 in respect of primary schools and secondary schools, and, in respect of funding period 3, the redetermined adjusted budget share for funding period 2 multiplied by 1.021 in respect of primary schools and secondary schools;

B is, in respect of funding period 1, the difference between the relevant number of pupils for the financial year beginning on 1st April 2007 and funding period 1, in respect of funding period 2, the difference between the relevant number of pupils for funding period 1 and funding period 2, and, in respect of funding period 3, the difference between the relevant number of pupils for funding period 2 and funding period 3;

C is, in respect of funding period 1, the mean value of funding per pupil in the school's redetermined adjusted budget share for the financial year beginning on 1st April 2007 (calculated using pupil numbers on 18th January 2007) multiplied by  $1.021 \times 0.80$  in respect of primary schools and by  $1.021 \times 0.875$  in respect of secondary schools; in respect of funding period 2, the mean value of funding per pupil in the school's redetermined adjusted budget share for funding period 1 (calculated using pupil numbers on 17th January 2008) multiplied by  $1.021 \times 0.80$  in respect of primary schools and by  $1.021 \times 0.875$  in respect of secondary schools; and in respect of funding period 3, the mean value of funding per pupil in the school's adjusted budget share for funding period 2 (calculated using pupil numbers on 15th January 2009) multiplied by  $1.021 \times 0.80$  in respect of primary schools and by  $1.021 \times 0.875$  in respect of secondary schools.

**3.** Except where paragraph 4 applies, where the relevant number of pupils for the financial year beginning on 1st April 2007, funding period 1, funding period 2, or funding period 3 is 75 or fewer, that school's guaranteed funding level for the funding period, or periods as the case may be, during which the number is 75 or fewer, must be calculated as follows:

- (a) for funding period 1—
  - (i) where the relevant number of pupils in funding period 1 is the same as the relevant number for the financial year beginning on 1st April 2007 the guaranteed funding level must be A,
  - (ii) where the relevant number of pupils in funding period 1 is lower than the relevant number of pupils for the financial year beginning on 1st April 2007 the guaranteed funding level must be  $A - (B \times D/E \times 1.021)$  in respect of primary schools and secondary schools,
  - (iii) where the relevant number of pupils in funding period 1 is higher than the relevant number of pupils for the financial year beginning on 1st April 2007 the guaranteed funding level must be  $A + (B \times D/E \times 1.021)$  in respect of primary schools and secondary schools;
- (b) for funding period 2—
  - (i) where the relevant number of pupils in funding period 2 is the same as the relevant number for funding period 1, the guaranteed funding level must be A,

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- (ii) where the relevant number of pupils in funding period 2 is lower than the relevant number of pupils for funding period 1, the guaranteed funding level must be  $A - (B \times D/E \times 1.021)$  in respect of primary schools and secondary schools,
  - (iii) where the relevant number of pupils in funding period 2 is higher than the relevant number of pupils for funding period 1, the guaranteed funding level must be  $A + (B \times D/E \times 1.021)$  in respect of primary schools and secondary schools;
- (c) for funding period 3–
- (i) where the relevant number of pupils in funding period 3 is the same as the relevant number for funding period 2, the guaranteed funding level must be A,
  - (ii) where the relevant number of pupils in funding period 3 is lower than the relevant number of pupils for funding period 2, the guaranteed funding level must be  $A - (B \times D/E \times 1.021)$  in respect of primary schools and secondary schools,
  - (iii) where the relevant number of pupils in funding period 3 is higher than the relevant number of pupils for funding period 2, the guaranteed funding level must be  $A + (B \times D/E \times 1.021)$  in respect of primary schools and secondary schools;

where—

A and B have the same meaning as in paragraph 2,

D is the total funding within the redetermined adjusted budget share determined on the basis of pupil numbers for, in respect of funding period 1, the financial year beginning on 1st April 2007, in respect of funding period 2, funding period 1 and, in respect of funding period 3, funding period 2; and

E is, in respect of funding period 1, the relevant number of pupils for the financial year beginning 1<sup>st</sup> April 2007’ in respect of funding period 2, the relevant number of pupils for funding period 1, and, in respect of funding period 3, the relevant number of pupils for funding period 2.

For the purposes of this paragraph, “the relevant number” means, in respect of funding period 1, either the number of pupils registered at the school on 18th January 2007 or the number of pupils registered at the school on 17th January 2008; in respect of funding period 2, either the number of pupils registered at the school on 17th January 2008 or the number of pupils registered at the school on 15th January 2009; and, in respect of funding period 3, either the number of registered pupils at the school on 15th January 2009, or the number of pupils registered at the school on 21st January 2010.

**4. Where a school opens:**

- (a) in funding period 1, and is a replacement for two or more schools being discontinued in funding period 1, its guaranteed funding level must be calculated in accordance with paragraph 2, save that the figure in respect of the new school’s redetermined adjusted budget share for the financial year beginning on 1st April 2007 is to be determined using the sum of the relevant number of pupils in the discontinued schools for that financial year as the relevant number for the purposes of paragraph 1(b);
- (b) in funding period 2, and is a replacement for two or more schools being discontinued in funding period 2, its guaranteed funding level must be calculated in accordance with paragraph 2, save that the figure in respect of the new school’s redetermined adjusted budget share for funding period 1 is to be determined using the sum of the relevant number of pupils in the discontinued schools for that funding period as the relevant number for the purposes of paragraph 1(c);
- (c) in funding period 3, and is a replacement for two or more schools being discontinued in funding period 3, its guaranteed funding level must be calculated in accordance with

paragraph 2, save that the figure in respect of the new school's redetermined adjusted budget share for funding period 2 is to be determined using the sum of the relevant number of pupils in the discontinued schools for that funding period as the relevant number for the purposes of paragraph 1(c).

### **Special Schools**

**5.—(1)** A local education authority must provide in their formula that any amount allocated in accordance with regulation 16(1)(a) in respect of a place at a special school—

- (a) for funding period 1 must be at least 2.1% higher than the amount initially determined in relation to the financial year beginning on 1st April 2007 in respect of a place appropriate to a pupil with the same characteristics at that school under regulation 15(1)(a) of the 2006 Regulations;
  - (b) for funding period 2, must be at least 2.1% higher than the amount initially determined in relation to funding period 1 in respect of a place appropriate to a pupil with the same characteristics at that school under regulation 16(1)(a) of these Regulations; and
  - (c) for funding period 3, must be at least 2.1% higher than the amount initially determined in relation to funding period 2 in respect of a place appropriate to a pupil with the same characteristics at that school under regulation 16(1)(a) of these Regulations.
- (a) (2) (a) That portion of the redetermined budget share of a special school for funding period 1 calculated otherwise than in accordance with regulation 16 (but not including adjustments due under regulation 23 (excluded pupils)) must be at least 2.1% higher than that portion of the initially determined budget share for the financial year beginning on 1st April 2007 calculated otherwise than in accordance with regulation 15 of the 2006 Regulations but not including regulations 21, 22 (prior year adjustments) and 23 (excluded pupils) of those Regulations; and
- (b) that portion of the initially determined budget share of a special school for funding period 2 or 3 calculated otherwise than in accordance with regulation 16 (but not including adjustments due under regulation 23) must be at least 2.1% higher than that portion of the initially determined budget share for funding period 1 or 2, as the case may be, calculated otherwise than in accordance with regulation 16 of these Regulations but not including adjustments due under regulation 23.