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STATUTORY INSTRUMENTS

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**2024 No. 66**

The School and Early Years Finance and Childcare  
(Provision of Information About Young Children)  
(Amendment) (England) Regulations 2024

PART 3

Determination of budget shares etc.

CHAPTER 1

Requirements, and factors and criteria taken into  
account – schools other than early years provision

**Pupil numbers**

**13.**—(1) In determining budget shares for primary and secondary schools, except in respect of nursery classes, a local authority must ascertain and take into account in its formula the number of pupils who, on 5th October 2023 (“the relevant date”), were at those schools.

(2) For the purposes of paragraph (1), the number of pupils is  $A - B$  where—

- (a)  $A$  is the total number of pupils at the school (excluding children in a nursery class) on the relevant date; and
- (b)  $B$  is the number of pupils at the school on the relevant date in respect of whom a sixth form grant is payable.

(3) Where—

- (a) there is or may be an increase to the published admission number relating to the school; or
- (b) the school is subject to a prescribed alteration that may lead to an increase in the number of pupils at the school,

the authority may, instead of ascertaining pupil numbers on 5th October 2023, include an estimate of pupil numbers.

(4) A local authority must include in its formula a single per pupil amount for each of the pupils—

- (a) in Reception and at key stages 1 and 2;
- (b) at key stage 3; and
- (c) at key stage 4.

(5) Where a primary school had more pupils in Reception on 19th January 2023 than on 6th October 2022, the local authority may take the number of additional pupils into account in its formula, and where it does so, this factor must be applied to all primary schools in the area.

(6) In this regulation, “published admission number” means the number of pupils in any relevant age group at the school determined by the admission authority in accordance with sections 88C and 88D of the 1998 Act<sup>(1)</sup>.

## Places

**14.**—(1) In determining budget shares for special schools, a local authority—

- (a) must include £10,000 for each place other than—
  - (i) hospital education places; and
  - (ii) places for those who are over the age of 18, unless they are continuing to attend a particular course of secondary education which they began before they reached the age of 18; and
- (b) must not include funding for places for those who are over the age of 18, unless they are continuing to attend a particular course of secondary education which they began before they reached the age of 18.

(2) In determining budget shares for primary or secondary schools maintained by the local authority with places which the authority has reserved for children with special educational needs, a local authority must—

- (a) in the case of a place that was taken by a pupil on 5th October 2023, include £6,000 per place; and
- (b) in all other cases except hospital education places, include £10,000 per place.

(3) In determining budget shares for pupil referral units, a local authority must include £10,000 for each place other than hospital education places.

(4) Paragraph (3) applies to places to be commissioned by schools or directly by a local authority.

(5) For each hospital education place referred to in paragraphs (1) to (3) the local authority must include at least the equivalent amount per hospital education place which the authority included in the budget share of the school or pupil referral unit, as the case may be, in the previous funding period.

(6) In determining budget shares under this regulation, a local authority must ensure that it funds places which may be taken by children who are not ordinarily resident in its area.

## Social deprivation - primary and secondary schools

**15.**—(1) In determining budget shares for schools maintained by it (other than special schools, pupil referral units and nursery schools), a local authority must take into account in its formula the incidence of social deprivation in pupils at the schools it maintains.

(2) The incidence of social deprivation in a school is to be determined by taking into account all of the following criteria—

- (a) a pupil’s eligibility for free school meals on 5th October 2023;
- (b) a pupil’s eligibility for free school meals recorded in any school census between and including Spring 2018 and Autumn 2023; and
- (c) a pupil’s LSOA rank on 5th October 2023, and where it is based on an LSOA rank the authority must use factors which differentiate between different LSOA bands (that

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(1) Sections 88C and 88D of the 1998 Act were inserted by section 151(1) and (4) of the Education and Skills Act 2008 (c. 25). For the meaning of “admission authority”, see section 88(1) of the 1998 Act, which was amended by sections 54(1) and 64(1) and (2) of, and paragraph 10(1) and (3) of Schedule 13 to, the 2011 Act and [S.I. 2010/1158](#).

is, groupings of LSOA ranks set out in the document published by the Department for Education named “Schools Operational Guide 2024 to 2025”(2).

(3) In determining budget shares under paragraph (1), the authority must determine and take into account in its formula the following factors—

(a) in Reception and at key stages 1 and 2, a single per pupil amount for each pupil in respect of—

- (i) a pupil’s eligibility for free school meals on 5th October 2023;
- (ii) a pupil’s eligibility for free school meals recorded in any school census between and including Spring 2018 and Autumn 2023; and
- (iii) a pupil’s LSOA rank on 5th October 2023; and

(b) at key stages 3 and 4, a single per pupil amount for each pupil in respect of—

- (i) a pupil’s eligibility for free school meals on 5th October 2023;
- (ii) a pupil’s eligibility for free school meals recorded in any school census between and including Spring 2018 and Autumn 2023; and
- (iii) a pupil’s LSOA rank on 5th October 2023.

(4) In this regulation—

(a) “IDACI” means the Income Deprivation Affecting Children Index referred to in the document entitled “The English Indices of Deprivation 2019” published by the Ministry of Housing, Communities and Local Government(3); and

(b) “LSOA rank” means the rank allocated to a pupil under IDACI in respect of the Lower-layer Super Output Area in which the pupil lives.

### **Lump sums for primary and secondary schools**

**16.**—(1) In determining budget shares for primary and secondary schools (other than special schools, pupil referral units, and nursery schools), a local authority must ascertain and take into account in its formula the following factors.

(2) A single sum for primary schools—

- (a) other than middle schools(4), of an equal amount to be given to each school; and
- (b) which are middle schools, of an amount to be calculated per school in accordance with the middle school single sum formula.

(3) A single sum for secondary schools—

- (a) other than middle schools, of an equal amount to be given to each school; and
- (b) which are middle schools, of an amount to be calculated per school in accordance with the middle school single sum formula.

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(2) This document was published on 19<sup>th</sup> December 2023 and can be found at <https://www.gov.uk/government/publications/pre-16-schools-funding-local-authority-guidance-for-2024-to-2025/schools-operational-guide-2024-to-2025>. The relevant section is 7.6. A printed copy may also be inspected at the Department for Education, Sanctuary Buildings, Great Smith Street, London SW1P 3BT, on request.

(3) The functions of the Ministry of Housing, Communities and Local Government were transferred to the Secretary of State for Levelling Up, Housing and Communities by the Transfer of Functions (Secretary of State for Levelling Up, Housing and Communities) Order 2021 (S.I. 2021/1265). The document entitled “The English Indices of Deprivation” is available at: [https://assets.publishing.service.gov.uk/media/5d8e26f6ed915d5570c6cc55/loD2019\\_Statistical\\_Release.pdf](https://assets.publishing.service.gov.uk/media/5d8e26f6ed915d5570c6cc55/loD2019_Statistical_Release.pdf). See also File 3 (income deprivation affecting children index), available at <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019>. A printed copy may also be inspected at the Department for Education, Sanctuary Buildings, Great Smith Street, London SW1P 3BT, on request.

(4) “Middle school” has the meaning given by section 5(3) of the 1996 Act, by virtue of section 142(8) of the 1998 Act, which provides that (in the absence of a different meaning) the 1998 Act is to be construed as one with the 1996 Act.

### Low prior attainment factor

17.—(1) In determining budget shares for primary and secondary schools (other than special schools, pupil referral units, and nursery schools), a local authority must ascertain and take into account in its formula the following factors.

- (2) An amount in relation to—
- (a) the number of pupils in Reception and Years 1 to 6 who did not reach, or are treated as having not reached, the expected level of development in the early years foundation stage profile, calculated in accordance with paragraphs (3) and (4); and
  - (b) the number of pupils in Years 7 to 11 who did not reach, or are treated as having not reached, the expected standard at key stage 2, calculated in accordance with paragraphs (5) to (7).
- (3) In relation to pupils in Reception and Years 1 to 6, a single per pupil amount based on the total of—
- (a) the number of pupils in Years 1, 2, 5, and 6 who did not reach the expected level of development; and
  - (b) where a school has pupils in Reception or in Years 3 or 4, a proxy number representing pupils who have not, or have not yet, been assessed under the early years foundation stage profile<sup>(5)</sup>.
- (4) The proxy number referred to in paragraph (3)(b) is calculated—
- (a) in relation to Year 4 pupils at a school which has pupils in Year 5, by using the formula  $A \times (B/C)$ , where—
    - (i) A is the number of Year 4 pupils at the school on 5th October 2023;
    - (ii) B is the number of Year 5 pupils at the school on that date who did not reach the expected level of development; and
    - (iii) C is the total number of Year 5 pupils at the school on that date;
  - (b) in relation to Year 4 pupils at a school which has no pupils in Year 5, by using the formula  $A \times (B/C)$ , where—
    - (i) A is the number of Year 4 pupils at the school on 5th October 2023;
    - (ii) B is the total number of pupils at the school on 6th October 2022 who did not reach the expected level of development, as recorded on the proforma tool; and
    - (iii) C is the total number of pupils at the school on 6th October 2022, as recorded on the proforma tool;
  - (c) in relation to Year 4 pupils at a school which has no pupils in Year 5 and where the data referred to in paragraphs (ii) and (iii) of sub-paragraph (b) is not available (for any reason), by using the formula  $A \times (B/C)$ , where—
    - (i) A is the number of Year 4 pupils at the school on 5th October 2023;
    - (ii) B is the total number of pupils in Years 1 to 6 at maintained schools and Academy schools in the local authority’s area on that date who did not reach the expected level of development; and
    - (iii) C is the total number of pupils in Years 1 to 6 at maintained schools and Academy schools in the local authority’s area on that date; or
  - (d) in relation to Year 4 pupils—

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(5) The proxy number represents Reception pupils, who do not take the early years foundation stage assessment until the end of their Reception year, and Year 3 and Year 4 pupils, who were not assessed under the early years foundation stage profile in 2020 and 2021 due to the pandemic.

- (i) at a school which has no pupils in Year 5;
  - (ii) where the data referred to in paragraphs (ii) and (iii) of sub-paragraph (b) is not available (for any reason); and
  - (iii) where the local authority considers that applying the formula  $A \times (B/C)$  to the data referred to in paragraphs (ii) and (iii) of sub-paragraph (c) would lead to a disproportionate or unfair allocation of resources in relation to that school, the local authority may vary that formula in its application to that school;
- (e) in relation to Year 3 pupils at a school which has Year 2 pupils, by using the formula  $A \times (B/C)$ , where—
- (i) A is the number of Year 3 pupils at the school on 5th October 2023;
  - (ii) B is the number of Year 2 pupils at the school on that date who did not reach the expected level of development; and
  - (iii) C is the total number of Year 2 pupils at the school on that date;
- (f) in relation to Year 3 pupils at a school which has no pupils in Year 2, by using the formula  $A \times (B/C)$ , where—
- (i) A is the number of Year 3 pupils at the school on 5th October 2023;
  - (ii) B is the total number of pupils at the school on 6th October 2022 who did not reach the expected level of development, as recorded on the proforma tool; and
  - (iii) C is the total number of pupils at the school on 6th October 2022, as recorded on the proforma tool;
- (g) in relation to Year 3 pupils at a school which has no pupils in Year 2 and where the data referred to in paragraphs (ii) and (iii) of sub-paragraph (f) is not available (for any reason), by using the formula  $A \times (B/C)$ , where—
- (i) A is the number of Year 3 pupils at the school on 5th October 2023;
  - (ii) B is the total number of pupils in Years 1 to 6 at maintained schools and Academy schools in the local authority's area on that date who did not reach the expected level of development; and
  - (iii) C is the total number of pupils in Years 1 to 6 at maintained schools and Academy schools in the local authority's area on that date; or
- (h) in relation to Year 3 pupils—
- (i) at a school which has no pupils in Year 2;
  - (ii) where the data referred to in paragraphs (ii) and (iii) of sub-paragraph (f) is not available (for any reason); and
  - (iii) where the local authority considers that applying the formula  $A \times (B/C)$  using the data referred to in paragraphs (ii) and (iii) of sub-paragraph (g) would lead to a disproportionate or unfair allocation of resources in relation to an individual school, the local authority may vary that formula in its application to that school;
- (i) in relation to pupils in Reception at a school which has pupils in any of Years 1 to 6, by using the formula  $A \times (B/C)$ , where—
- (i) A is the number of Reception pupils at the school on 5th October 2023;
  - (ii) B is the total number of pupils at the school in any of Years 1 to 6 who did not reach the expected level of development; and
  - (iii) C is the total number of pupils in Years 1 to 6 at the school on that date; or

- (j) in relation to pupils in Reception at a school which has no pupils in any of Years 1 to 6, by using the formula  $A \times (B/C)$ , where—
- (i) A is the number of Reception pupils at the school on 5th October 2023;
  - (ii) B is the total number of pupils in Years 1 to 6 at maintained schools and Academy schools in the local authority's area on that date who did not reach the expected level of development; and
  - (iii) C is the total number of pupils in Years 1 to 6 at maintained schools and Academy schools in the local authority's area on that date.
- (5) In relation to pupils in Years 7 to 11, a single per pupil amount based on the total of—
- (a) in relation to pupils in each of Years 7, 8 and 11, the number produced by using the formula  $X \times A$  where—
    - (i) A is the number of pupils in, as the case may be, Year 7, 8 or 11 who did not achieve the expected standard; and
    - (ii) X is—
      - (aa) for Year 11 pupils, 0.65;
      - (bb) for Year 8 pupils, 0.54; and
      - (cc) for Year 7 pupils, 0.56;
  - (b) in relation to pupils in Years 9 and 10, a proxy number calculated in accordance with paragraph (6) and (7).
- (6) The proxy number referred to in paragraph (5)(b) is calculated in relation to pupils in Year 10 using the formula  $(D \times (E/F)) \times 0.65$ , where—
- (a) in relation to Year 10 pupils at a school which has Year 11 pupils—
    - (i) D is the number of Year 10 pupils at the school on 5th October 2023;
    - (ii) E is the number of Year 11 pupils at the school on that date who did not achieve the expected standard; and
    - (iii) F is the total number of Year 11 pupils at the school on that date;
  - (b) in relation to Year 10 pupils at a school which has no pupils in Year 11—
    - (i) D is the number of Year 10 pupils at the school on 5th October 2023;
    - (ii) E is the number of Year 9 pupils at the school on 6th October 2022 who did not achieve the expected standard, as recorded on the proforma tool; and
    - (iii) F is the total number of Year 9 pupils at the school on 6th October 2022;
  - (c) in relation to Year 10 pupils at a school which has no Year 11 pupils and where the data referred to in paragraphs (ii) and (iii) of sub-paragraph (b) is (for any reason) not available—
    - (i) D is the number of Year 10 pupils at the school on 5th October 2023;
    - (ii) E is the total number of Year 11 pupils at maintained schools and Academy schools in the local authority's area on that date who did not achieve the expected standard; and
    - (iii) F is the total number of Year 11 pupils at maintained schools and Academy schools in the local authority's area on that date; or
  - (d) in relation to Year 10 pupils—
    - (i) at a school which has no pupils in Year 11;
    - (ii) where the data referred to in paragraphs (ii) and (iii) of sub-paragraph (b) is not available (for any reason); and

- (iii) the local authority considers that applying the formula  $(D \times (E/F)) \times 0.65$  using the data referred to in paragraphs (ii) and (iii) of sub-paragraph (c) would lead to a disproportionate or unfair allocation of resources in relation to an individual school, the local authority may vary that formula in its application to that school.
- (7) The proxy number referred to in paragraph (5)(b) is calculated in relation to pupils in Year 9 using the formula  $(D \times (E/F)) \times 0.54$ , where—
- (a) in relation to Year 9 pupils at a school which has Year 8 pupils—
- (i) D is the total number of Year 9 pupils at the school on 5th October 2023;
- (ii) E is the number of Year 8 pupils at the school on that date who did not achieve the expected standard; and
- (iii) F is the total number of Year 8 pupils at the school on that date;
- (b) in relation to Year 9 pupils at a school which has no Year 8 pupils—
- (i) D is the total number of Year 9 pupils at the school on 5th October 2023;
- (ii) E is the number of Year 8 pupils at the school on 6th October 2022 who did not achieve the expected standard, as recorded on the proforma tool; and
- (iii) F is the total number of Year 8 pupils at the school on 6th October 2022;
- (c) in relation to Year 9 pupils at a school which has no Year 8 pupils and where the data referred to in paragraphs (ii) and (iii) of sub-paragraph (b) is (for any reason) not available—
- (i) D is the total number of Year 9 pupils at the school on 5th October 2023;
- (ii) E is the total number of Year 8 pupils at maintained schools and Academy schools in the local authority’s area who did not achieve the expected standard; and
- (iii) F is the total number of Year 8 pupils at maintained schools and Academy schools in the local authority’s area; or
- (d) in relation to Year 9 pupils at a school which has—
- (i) no pupils in Year 8;
- (ii) where the data referred to in paragraphs (ii) and (iii) of sub-paragraph (b) is not available (for any reason); and
- (iii) the local authority considers that applying the formula  $(D \times (E/F)) \times 0.54$  using the data referred to in paragraphs (ii) and (iii) of sub-paragraph (c) would lead to a disproportionate or unfair allocation of resources in relation to an individual school, the local authority may vary that formula in its application to that school.
- (8) In this regulation—
- (a) “the 2019 ARA” means the document entitled “Key stage 2 Assessment and Reporting Arrangements”(6) containing provision made under article 11 of the Education (National Curriculum) (Key Stage 2 Assessment Arrangements) (England) Order 2003(7) (“the 2003 Order”), made under section 87(3) of the 2002 Act (establishment of the National Curriculum for England);

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(6) This document was published in October 2018 and is available at [https://assets.publishing.service.gov.uk/media/5be16c9640f0b604ba030eaf/Key\\_stage\\_2\\_assessment\\_and\\_reporting\\_arrangements.pdf](https://assets.publishing.service.gov.uk/media/5be16c9640f0b604ba030eaf/Key_stage_2_assessment_and_reporting_arrangements.pdf). A printed copy may also be inspected at the Department for Education, Sanctuary Buildings, Great Smith Street, London SW1P 3BT, on request.

(7) S.I. 2003/1038. Article 11 was amended by S.I. 2009/1585, 2010/290, 2011/2392, 2013/1513, 2015/900 and 2019/854.

- (b) “the 2022 ARA” means the document entitled “Key stage 2 Assessment and Reporting Arrangements (ARA)”**(8)** containing provision made under article 11 of the 2003 Order;
- (c) “the 2023 ARA” means the document entitled “Key stage 2 Assessment and Reporting arrangements (ARA)”**(9)** containing provision made under article 11 of the 2003 Order;
- (d) “Academy school” has the meaning given by section 1A of the 2010 Act, but with the exclusion of special Academies;
- (e) “the early years foundation stage profile” means the assessment completed in the summer term of the pupil’s Reception year, which is referred to—
- (i) in relation to references to pupils in Years 1 and 2, in Part 6 of the document entitled “Statutory Framework for the Early Years Foundation Stage” published by the Secretary of State on 31st March 2021**(10)**; or
  - (ii) in relation to references to pupils in Years 5 and 6, in Part 6 of the document entitled “Statutory Framework for the Early Years Foundation Stage” published by the Secretary of State on 3rd March 2017**(11)**;
- (f) “the expected level of development” in relation to pupils in Years 1 to 6, refers to the expected level of development in relation to the early learning goals set out in the early years foundation stage profile;
- (g) a reference to “the number of pupils who do not achieve the expected standard” in relation to pupils in Years 7 to 11, refers to the total of—
- (i) the number of pupils who, in the mathematics or English reading tests at key stage 2, achieved a scaled score of 99 or lower**(12)** under the 2019 ARA, the 2022 ARA or the 2023 ARA; or
  - (ii) the number of pupils, other than those who fall within paragraph (i), who were given a teacher assessment standard of “working towards the expected standard”, or lower, in English grammar, punctuation and spelling tests under the 2019 ARA, the 2022 ARA or the 2023 ARA;
- (h) “maintained school” has the meaning given by section 20(7) of the 1998 Act, but with the exclusion of special schools.
- (i) “the proforma tool” means the authority proforma tool provided to local authorities to enable them to detail their schools’ block funding formulae for 2023 to 2024**(13)**.
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- (8)** This document was published in October 2021 and is available at: <https://www.gov.uk/government/publications/2022-key-stage-2-assessment-and-reporting-arrangements-ara>. A printed copy may also be inspected at the Department for Education, Sanctuary Buildings, Great Smith Street, London SW1P 3BT, on request.
- (9)** This document was published in March 2023 and can be found at: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1153937/2023\\_key\\_stage\\_2\\_assessment\\_and\\_reporting\\_arrangements.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1153937/2023_key_stage_2_assessment_and_reporting_arrangements.pdf). A printed copy may also be inspected at the Department for Education, Sanctuary Buildings, Great Smith Street, London SW1P 3BT, on request.
- (10)** Available at <https://webarchive.nationalarchives.gov.uk/ukgwa/20210212174025/https://www.gov.uk/government/publications/early-years-foundation-stage-profile-handbook>. A printed copy may be inspected at the Department for Education, Sanctuary Buildings, Great Smith Street, London SW1P 3BT, on request.
- (11)** This document can be found at <https://webarchive.nationalarchives.gov.uk/ukgwa/20170909065350/https://www.gov.uk/government/publications/early-years-foundation-stage-profile-handbook>. A printed copy of this document may be inspected at the Department for Education, Sanctuary Buildings, Great Smith Street, London SW1P 3BT, on request.
- (12)** Scaled scores for 2019 can be found at <https://www.gov.uk/government/publications/2019-scaled-scores-at-key-stage-2>, scaled scores for 2022 at <https://www.gov.uk/government/publications/2022-scaled-scores-at-key-stage-2> and for 2023 at <https://www.gov.uk/government/publications/2023-scaled-scores-at-key-stage-2>. A printed copy may also be inspected at the Department for Education, Sanctuary Buildings, Great Smith Street, London SW1P 3BT, upon request.
- (13)** Instructions on how to access the 2023 – 2024 authority proforma tool can be found in the document entitled “How to complete the authority proforma tool (APT): instructions for local authorities for 2023 to 2024” published in December 2022 at [www.gov.uk/government/publications/how-to-complete-the-authority-proforma-tool-apt-2023-to-2024/how-to-complete-the-authority-proforma-tool-apt-instructions-for-local-authorities-for-2023-to-2024](http://www.gov.uk/government/publications/how-to-complete-the-authority-proforma-tool-apt-2023-to-2024/how-to-complete-the-authority-proforma-tool-apt-instructions-for-local-authorities-for-2023-to-2024). A printed copy may also be inspected at the Department for Education, Sanctuary Buildings, Great Smith Street, London SW1P 3BT, upon request.



### **English as an additional language**

**18.**—(1) In determining budget shares for primary and secondary schools (other than special schools, pupil referral units, and nursery schools), a local authority must ascertain and take into account in its formula the following factors.

(2) A single per pupil amount in relation to each pupil at key stage 1 or 2 whose first language is not English, where the pupil was not recorded as attending a school in England on any school census before 1st October 2021.

(3) A single per pupil amount in relation to each pupil at key stages 3 and 4 whose first language is not English, where the pupil was not recorded as attending a school in England on any school census before 1st October 2021.

### **Mobility factor**

**19.**—(1) In determining budget shares for primary and secondary schools (other than special schools, pupil referral units, and nursery schools), a local authority must ascertain and take into account in its formula the following factors.

(2) Where the total number of pupils to whom paragraph (3) applies is more than 6% of the total number of pupils at key stages 1 and 2 in the school, a single per pupil amount for every pupil in excess of that 6%.

(3) This paragraph applies to pupils at key stages 1 and 2 who—

(a) joined the school in the previous three school years; and

(b) were first recorded on the school census in a spring or summer term,

excluding pupils who joined the school in the nursery class (if the school has such a class) and pupils who were first recorded on the school census in a spring term as being in Reception.

(4) Where the total number of pupils to whom paragraph (5) applies is more than 6% of the total number of pupils at key stages 3 and 4 in the school, a single per pupil amount for every pupil in excess of that 6%.

(5) This paragraph applies to pupils at key stages 3 and 4 who joined the school in the previous three school years and were first recorded on the school census in a spring or summer term.

### **The London fringe**

**20.**—(1) In determining budget shares for primary and secondary schools (other than special schools, pupil referral units, and nursery schools), a fringe authority must ascertain and take into account the following factor.

(2) Differential costs at schools in the fringe districts of Buckinghamshire<sup>(14)</sup>, Essex, Hertfordshire, Kent and West Sussex.

(3) To take account of the differential costs mentioned in paragraph (2) a fringe authority must set the factor referred to in paragraph (1)—

(a) between 1.0173 and 1.0345 in relation to schools in the fringe districts of Essex;

(b) between 1.0168 and 1.030, in relation to schools in the fringe districts of Hertfordshire; and

(c) in relation to schools in the fringe districts of Buckinghamshire, Kent and West Sussex, as a factor which represents the ratio between the two ACAs applying to each of those authorities in respect of the fringe districts and the non-fringe districts within their area.

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<sup>(14)</sup> The Buckinghamshire (Structural Changes) Order 2019 (S.I. 2019/957) created a single tier authority for Buckinghamshire, coterminous with the county of Buckinghamshire, and replaced the former district councils within the county with effect from 1st April 2020, but the former districts (described in article 2 (interpretation) of that Order) remain relevant for the purposes of regulation 20.

### The sparsity factor

21.—(1) In determining budget shares for primary and secondary schools (other than special schools, pupil referral units and nursery schools), a local authority must ascertain and take into account in its formula the following factors.

(2) In respect of all maintained primary schools to which paragraph (3) applies, other than those which are middle schools<sup>(15)</sup>, an amount (“the final value”) calculated in accordance with paragraphs (4) to (6).

(3) This paragraph applies where—

(a) the mean distance by road between—

(i) the centroid of the home postcode<sup>(16)</sup> (“the home postcode”) of each pupil for whom a school falling within paragraph (2) is their closest compatible school (irrespective of whether or not the pupil attends that school); and

(ii) the second closest compatible school in relation to each of those pupils, is greater than 80% of a distance determined by the local authority, which must not be less than two miles, and must be the same distance in relation to all maintained primary schools which meet the criteria specified in this paragraph; and

(b) the mean size of a year group in that school is less than a number determined by the local authority, which must be—

(i) no more than 21.4; and

(ii) the same number in relation to all schools which meet the criteria specified in this paragraph.

(4) Where the school meets the criteria specified in paragraph (3)—

(a) a year group weighting is determined as follows—

(i) if A is less than  $0.5 \times B$ , the value of 1; or

(ii) if A is equal to or more than  $0.5 \times B$ , the value of  $1 - ((A - (0.5 \times B)) / (0.5 \times B))$ ; and

(b) a distance weighting is determined as follows—

(i) if D is equal to or greater than C, the value of 1;

(ii) if D is less than C but greater than  $0.8 \times C$ , the value of  $1 - (C - D) / (0.2 \times C)$ .

(5) The final value is calculated by multiplying the lump-sum funding for sparsity determined by the local authority, the year-group weighting, and the distance weighting.

(6) For the purposes of paragraph (4)—

A is the number which represents the mean size of a year group at the school (derived by dividing the number of pupils by the number of year groups);

B is the number determined by the authority in accordance with paragraph (3)(b);

C is the number determined by the authority in accordance with paragraph (3)(a);

D is the number which represents the “sparsity distance” for the school (calculated by identifying all the pupils for whom the school is their closest compatible school and calculating

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<sup>(15)</sup> The arrangements for classification of middle schools as primary schools or secondary schools are set out in the Education (Middle School) (England) Regulations 2002 (S.I. 2002/1938). These regulations were amended by S.I. 2009/1156 and 2010/1172.

<sup>(16)</sup> Details in relation to the calculation of the distance between a pupil’s home postcode and a school are set out in Annex C to the “Schools block national funding formula: technical note”, published in July 2021. This document can be found at [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1003310/2022-23\\_NFF\\_schools\\_block\\_technical\\_note.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1003310/2022-23_NFF_schools_block_technical_note.pdf). A printed copy may also be inspected at the Department for Education, Sanctuary Buildings, Great Smith Street, London SW1P 3BT upon request.

- the mean road distance from the home postcodes of those pupils to their second closest compatible school).
- (7) In respect of all maintained middle schools and secondary schools which meet the criteria specified in paragraph (8), the final value is calculated in accordance with paragraphs (10) to (12).
- (8) This paragraph applies where—
- (a) the mean distance by road between—
    - (i) the home postcodes of all those pupils for whom a school falling within paragraph (7) is their closest compatible school (irrespective of whether or not the pupils attend that school); and
    - (ii) the second closest compatible school in relation to each of those pupils, is greater than 80% of a distance determined by the local authority in accordance with paragraph (9); and
  - (b) the mean size of a year group in that school is less than a number determined by the local authority, which—
    - (i) must not be less than—
      - (aa) 69.2 in respect of middle schools other than all-through schools;
      - (bb) 62.5 in respect of middle schools which are all-through schools; or
      - (cc) 120 in respect of secondary schools other than middle schools; and
    - (ii) must be the same number in relation to all schools of each type mentioned in paragraph (i).
- (9) The distance to be determined by the local authority, referred to in paragraph (8)(a)—
- (a) must not be less than—
    - (i) two miles in respect of middle schools; and
    - (ii) three miles in respect of secondary schools other than middle schools; and
  - (b) must be the same distance in relation to all the schools of each type mentioned in subparagraph (a)(i) and (ii).
- (10) Where a school meets the criteria specified in paragraph (8)—
- (a) a year group weighting is determined as follows—
    - (i) if A is less than  $0.5 \times B$ , the value of 1;
    - (ii) if A is equal to or more than  $0.5 \times B$ , the value of  $1 - ((A - (0.5 \times B)) / (0.5 \times B))$ ; and
  - (b) a distance weighting is determined as follows—
    - (i) if D is equal to or greater than C, the value of 1;
    - (ii) if D is less than C but greater than  $0.8 \times C$ , the value of  $1 - (C - D) / (0.2 \times C)$ .
- (11) The final value is calculated by multiplying the year-group weighting, the distance weighting and the lump-sum funding for sparsity determined by the local authority.
- (12) For the purposes of paragraph (10)—
- A is the number which represents the mean size of a year group at the school (derived by dividing the number of pupils by the number of year groups);
  - B is the number determined by the authority in accordance with paragraph (8)(b);
  - C is the number determined by the authority in accordance with paragraph (8)(a);
  - D is the number which represents the “sparsity distance” for the school, calculated by identifying all the pupils for whom the school is their closest compatible school and calculating

the mean road distance from the home postcode of each of those pupils to that pupil's second closest compatible school.

(13) Where determining the year group weighting in accordance with paragraph (4)(a) or (10)(a) or the distance weighting in accordance with paragraph (4)(b) or (10)(b) would produce a result which, in the opinion of a local authority, is unfair or disproportionate, the authority may instead use either of the criteria specified in paragraph (14) ("the alternative criteria") if—

- (a) the use of the alternative criteria is authorised by the local authority's schools forum under regulation 12(1)(f) or the Secretary of State under regulation 12(3); and
- (b) the local authority uses the same criteria to calculate the year group weighting or the distance weighting for all schools which meet the criteria specified in paragraph (3), or as the case may be, paragraph (8).

(14) The alternative criteria which may be used instead of those specified in paragraph (4) or (10) are—

- (a) that the year-group weighting is given either—
  - (i) as a value of 1; or
  - (ii) as a value of the amount  $(1 - A/B)$ ;
- (b) that the distance weighting is given as a value of 1.

(15) In this regulation—

- (a) "all-through schools" means those primary or secondary schools which pupils may join at an age between three and five years and remain until an age between 16 and 19 years<sup>(17)</sup>;
- (b) "closest compatible school" means, in respect of a pupil, the school meeting the description in paragraph (2), or as the case may be, paragraph (7)), which is the closest by road from the home postcode of the pupil and which admits pupils of the pupil's age and sex, other than—
  - (i) a special school;
  - (ii) an alternative provision Academy;
  - (iii) a pupil referral unit; or
  - (iv) an independent school which is not an Academy school;
- (c) "second closest compatible school" means, in respect of a pupil, the school which is the closest by road from the home postcode of the pupil and which admits pupils of the pupil's age and sex, other than—
  - (i) a selective school;
  - (ii) a special school;
  - (iii) an alternative provision Academy;
  - (iv) a pupil referral unit; or
  - (v) an independent school which is not an Academy school; and
- (d) "selective school" means a school where all the pupils in the school are selected by ability or by aptitude.

### **Risk protection arrangement**

**22.**—(1) Paragraph (2) applies if a local authority has not removed any expenditure referred to in paragraph 47 of Schedule 2 from a school's budget share under regulation 11(5).

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<sup>(17)</sup> An "all-through school" is also a middle school by virtue of section 5(3) and (3A) of the 1996 Act. Section 5(3) and (3A) of that Act were substituted by section 30 of, and paragraph 7 of Schedule 3 to, the 2006 Act.

(2) In determining (including redetermining) budget shares for schools maintained by it a local authority must include—

- (a) a factor which enables the local authority to deduct the amount (£25 x Z/365) per pupil from the budget share of a primary or secondary school, (other than a special school or pupil referral unit), if the governing body of that school has entered into a risk protection arrangement with the Secretary of State which is still in force, or enters into such an arrangement which commences on or after 1st April 2024; and
- (b) a factor which enables the local authority to deduct the amount (£25 x Z/365) per place from the budget share of a special school or pupil referral unit if—
  - (i) the governing body of that school; or
  - (ii) in the case of a pupil referral unit, the local authority has entered into a risk protection arrangement with the Secretary of State which is still in force, or enters into such an arrangement which commences on or after 1st April 2024.

(3) In paragraph (2)(a) and (b), Z is the number of days that the school or pupil referral unit is subject to a risk protection arrangement with the Secretary of State, beginning with 1st April 2024, or on the day on which that arrangement commences, if later, and ending with 31st March 2025.

### **Split sites factor**

**23.**—(1) In determining budget shares for primary and secondary schools (other than special schools, pupil referral units and nursery schools), a local authority must determine additional funding for each school with a split site by calculating, for each of the school’s eligible sites other than the main site—

- (a) a basic eligibility factor; and
- (b) a distance funding factor,

and adding the two factors together.

(2) The basic eligibility factor referred to in paragraph (1)(a) is a single per site sum determined by the local authority and applied to each of the school’s eligible sites up to a maximum of three sites.

(3) The basic eligibility factor determined under paragraph (2) must be no more than 2.5% above or below the amount which would be produced by multiplying the basic eligibility factor set under the national funding formula<sup>(18)</sup> (which for the financial year beginning with 1st April 2024 is £53,700) by the ACA applying in relation to the local authority in question, except where the authority is a fringe authority, in which case the ACA used as the multiplier is the lowest ACA applying in relation to that authority.

(4) The distance funding factor referred to in paragraph (1)(b) must be calculated for each eligible site which is more than 100 metres by road from the main site, up to a maximum of three sites, according to the formula  $A \times B$  where—

- (a) A is the distance weighting for each eligible site—
  - (i) where a site is 500 metres or more by road from the main site,  $A = 1$ ; and
  - (ii) where a site is less than 500 metres by road from the main site, A is calculated according to the formula  $1 - ((500 - C) \text{ divided by } 400)$  where C is the distance by road in metres from the main site; and
- (b) B is a single per site amount determined by the local authority.

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<sup>(18)</sup> The national funding formula basic eligibility factor is referred to at paragraph 3.48 of the document entitled “Schools block national funding formula 2024 to 2025: technical note”, published in October 2023, which can be found at [https://assets.publishing.service.gov.uk/media/651d273a6a6955001278b281/NFF\\_schools\\_block\\_technical\\_note\\_2024\\_to\\_2025\\_.pdf](https://assets.publishing.service.gov.uk/media/651d273a6a6955001278b281/NFF_schools_block_technical_note_2024_to_2025_.pdf). A printed copy may also be inspected at the Department for Education, Sanctuary Buildings, Great Smith Street, London SW1P 3BT upon request.

(5) The amount determined under paragraph (4)(b) must be no more than 2.5% above or below the amount which would be produced by multiplying the distance funding factor set under the national funding formula<sup>(19)</sup> (which for the financial year beginning with 1st April 2024 is £26,900) by the ACA applying in relation to that local authority, except where the authority is a fringe authority, in which case the ACA used as the multiplier is the lowest ACA applying in relation to that authority.

(6) Where a school has more than three split sites, the calculation of the distance funding factor in respect of each site must be based on the distance from the main site of each of the three sites which are furthest from the main site.

(7) For the purposes of this regulation—

- (a) a school has an eligible split site if it has at least one site other than the main site which—
  - (i) shares the same unique reference number<sup>(20)</sup> with the school's main site;
  - (ii) is separated from the school's main site by a road or railway and can only be accessed by crossing or walking alongside the road or railway;
  - (iii) has a building on it which is owned, controlled or maintained by the school and is primarily used for the education of 5- to 16-year-old pupils; and
- (b) "road" means a road to which the public have 24-hour access.

#### **Additional criteria: schools**

**24.**—(1) In order to determine the budget shares for schools maintained by it (other than special schools, pupil referral units and nursery schools), a local authority—

- (a) must comply with the requirements for minimum per pupil funding, set out in regulation 26; and
- (b) may take into account in its formula either or both of the criteria specified in paragraph (3).

(2) For the purposes of complying with the requirement mentioned in paragraph (1)(a), the date for ascertaining pupil numbers or proportions is 5th October 2023, unless these Regulations provide otherwise.

(3) In determining a formula under this regulation, a local authority may also take into account—

- (a) non-domestic rates payable in respect of the premises of each school;
- (b) payments in relation to a private finance initiative,

which may be determined on the basis of actual or estimated cost.

(4) Subject to paragraphs (6) and (7), where a school would otherwise receive a greater amount of redetermined adjusted budget share per pupil than it did in the previous funding period, the local authority may do one or both of the following—

- (a) determine a percentage beyond which the per pupil amount of redetermined adjusted budget may not increase;
- (b) determine a percentage by which the amount that the per pupil redetermined adjusted budget share would otherwise increase by will be reduced.

(5) Schedule 3 (minimum funding guarantee) applies for the purposes of interpreting the terms used in paragraph (4).

(6) Where the local authority decides to take one or both of the actions described in paragraph (4) (a) and (b)—

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<sup>(19)</sup> The national funding formula distance funding factor is referred to at paragraph 3.48 of the Schools block national funding formula 2024 to 2025: technical note".

<sup>(20)</sup> A school's unique reference number is allocated by the Department for Education and can be found using the search function at <https://get-information-schools.service.gov.uk/Search>.

- (a) this must be applied to the budget shares of all schools in the local authority's area; and
  - (b) the local authority must ensure that no school in the area receives a budget share that is less than the amount it would receive under regulation 26 (the minimum per pupil amount).
- (7) Paragraph (4) does not apply to the determination of budget shares for—
- (a) special schools;
  - (b) pupil referral units;
  - (c) nursery schools; and
  - (d) any school that has opened since 1st April 2017 and does not yet have pupils in each year group for which it proposes to provide education.

### **Requirements relating to the calculation of local authority funding formula**

**25.**—(1) In determining budget shares for primary and secondary schools (other than special schools, pupil referral units and nursery schools), a local authority must set single per pupil amounts or, as the case may be, single sums or lump sums for the factors referred to in regulations 13 (pupil numbers), 15 (social deprivation), 16 (lump sums), 17 (low prior attainment), 18 (English as an additional language), 19 (mobility factor) and 21 (sparsity) as follows—

- (a) A is the value of the factor in the local authority's funding formula (the "local factor value") for the previous funding period;
  - (b) B is the national funding formula factor value for the previous funding period<sup>(21)</sup>, adjusted by the local authority's ACA, except where a local authority is a fringe authority, where B is the national funding formula factor value for the previous funding period, adjusted by the lowest ACA applied within that authority's area;
  - (c) C is the absolute value of  $A - B$ ;
  - (d) D is the local factor value for this funding period;
  - (e) E is the national funding formula factor value in this funding period<sup>(22)</sup>, adjusted by the local authority's ACA, except where a local authority is a fringe authority, where E is the national funding formula factor in this funding period, adjusted by the lowest ACA applied within that authority's area; and
  - (f) F is the absolute value of  $D - E$ .
- (2) The local authority must set D so that—
- (a) F is equal to or smaller than  $(C \times 0.9)$ ; or
  - (b) D is—
    - (i) equal to or greater than  $(E \times 0.975)$ ; and
    - (ii) equal to or smaller than  $(E \times 1.025)$ .
- (3) If A is smaller than B, the local authority must set D to be equal to, or smaller than  $E \times 1.025$ .
- (4) If A is greater than B, the local authority must set D to be equal to, or greater than  $E \times 0.975$ .

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(21) The national funding formula factor values for this funding period can be found in the document entitled "The national funding formulae for schools and high needs 2023 – 24" published in July 2022. The document can be found at [https://assets.publishing.service.gov.uk/media/60f198518fa8f50c75b6ae2e/2022-23\\_NFF\\_Policy\\_Document.pdf](https://assets.publishing.service.gov.uk/media/60f198518fa8f50c75b6ae2e/2022-23_NFF_Policy_Document.pdf). A printed copy may also be inspected at the Department for Education, Sanctuary Buildings, Great Smith Street, London SW1P 3BT upon request.

(22) The national funding formula factor values for the 2024 – 2025 funding period can be found in the document entitled "The national funding formulae for schools and high needs 2024 – 25" published in October 2023. The document can be found at [https://assets.publishing.service.gov.uk/media/651d2587bef21800156ded01/National\\_funding\\_formula\\_for\\_schools\\_and\\_high\\_needs\\_2024\\_to\\_2025.pdf](https://assets.publishing.service.gov.uk/media/651d2587bef21800156ded01/National_funding_formula_for_schools_and_high_needs_2024_to_2025.pdf). A printed copy may also be inspected at the Department for Education, Sanctuary Buildings, Great Smith Street, London SW1P 3BT upon request.

(5) In this regulation, “the absolute value” of a number means that number expressed as a positive number.

### **Minimum per pupil amount**

**26.**—(1) Where the per pupil amount for a school is less than the minimum per pupil amount, the authority must determine (including redetermine) that school’s budget share based on the minimum per pupil amount.

(2) In this regulation, the per pupil amount for a school is X/Y, where—

- (a) X is the notional budget share that the school would receive under the formula referred to in regulation 10(1), but for the operation of this regulation; and
- (b) Y is the number of pupils at the school.

(3) In calculating X, the authority must—

- (a) deduct any premises factor allocation from the amount;
- (b) add any amount that is deducted under regulation 11(5) or (6) (applications to a schools forum or to the Secretary of State for authorisation to redetermine budgets), 22(2) (risk protection arrangement), 39 or 40(1) (correction of errors);
- (c) deduct any amount that is added under regulation 39 or 40(1).

(4) The minimum per pupil amount for a school is—

$$((A \times D) + (B \times E) + (C \times F)) / G$$

(5) where—

- (a) A is the number of primary-age year groups in the school;
- (b) B is the number of key stage 3 year groups in the school;
- (c) C is the number of key stage 4 year groups in the school;
- (d) D is the primary-age year group value of £4,610;
- (e) E is the key stage 3 year group value of £5,771;
- (f) F is the key stage 4 year group value of £6,331; and
- (g) G is the total number of year groups in the school.

(6) Where authorised to do so by the Secretary of State under regulation 41(1)(m) or (n), as the case may be, a local authority may—

- (a) vary the year group values D, E or F set out in paragraph (4) for all the schools that are subject to the formula decided by the authority under regulation 10(1);
- (b) alter the operation of this regulation in respect of particular schools.

### **Minimum funding guarantee**

**27.**—(1) Except as provided for in this regulation, in determining (including redetermining) budget shares for primary and secondary schools maintained by it, a local authority must ensure that an amount equal to the guaranteed funding level is included, calculated in accordance with Schedule 3 (minimum funding guarantee).

(2) For the purpose of determining budget shares, paragraph (1) does not apply to any school opening during the funding period, except in the circumstances set out in paragraph 3 of Schedule 3.

(3) Where authorised to do so by the Secretary of State under regulation 41(1)(o), a local authority may alter the operation of this regulation and Schedule 3 in determining (including redetermining) budget shares.



### **Sixth form funding**

**28.**—(1) A local authority must include in the budget shares of maintained secondary schools and special schools an amount equal to any sum notified to the local authority by the Secretary of State as being the allocation of sixth form grant for that school.

(2) A local authority may also include an additional amount in the budget shares of maintained secondary schools and special schools where permitted to do so under the sixth form grant.

(3) A local authority must redetermine the budget share of a secondary school before the end of the funding period where the authority receives a written notification from the Secretary of State of a revised allocation in respect of the sum referred to in paragraph (1).

### **New schools, merged schools and closing schools**

**29.**—(1) Where in the funding period, but excluding 1st April 2024, a new maintained school opens as a replacement for two or more maintained schools that are discontinued during the funding period, a local authority must calculate the budget share of the new school by adding together the budget shares of the schools that have been discontinued.

(2) Except where paragraph (1) applies, a local authority must determine a budget share for—

(a) any new maintained school in its area; and

(b) any school that has opened since 1st April 2017 and does not yet have pupils in each year group for which the school proposes to provide education,

from the date of the school's opening, on the basis of expected pupil numbers during the funding period estimated by the authority, and regulation 13 (pupil numbers) does not apply.

(3) Where a school to which paragraph (2) applies was funded on the basis of estimated pupil numbers in the previous funding period, the local authority may take account of any difference between estimated and actual pupil numbers in the previous funding period when estimating pupil numbers for the funding period.

(4) Where in the previous funding period, or on 1st April 2024, a new maintained school opened or opens as a replacement for two or more maintained schools that were discontinued during the previous funding period, or on 1st April 2024, a local authority must include in the budget share of the new school an amount equal to 85% of the total amount which the schools that it replaced would have been allocated in their budget shares under regulation 16 (lump sums for primary and secondary schools) if the schools had not been discontinued.

(5) Where paragraph (4) applies, no single sum is to be included in the new school's budget share under regulation 16.

(6) A local authority must, in accordance with this Chapter, determine a budget share for any maintained school in its area which is to be discontinued in the funding period up to the date when the school is discontinued.

(7) Where in the funding period, but excluding 1st April 2024, a maintained school is subject to a prescribed alteration as a result of a closure of a school, a local authority must redetermine the budget share of the enlarged school by adding to it the budget share of the school that has been discontinued.

(8) Where in the previous funding period, or on 1st April 2024, a maintained school is subject to a prescribed alteration as a result of a closure of a school during the previous funding period, or on 1st April 2024, a local authority must include in the budget share of the enlarged school an amount equal to 85% of the total amount which the school it has replaced would have been allocated under regulation 16, if the school had not been discontinued.

(9) Where in the funding period, but excluding 1st April 2024, a school has been established or is subject to a prescribed alteration as a result of the closure of a school, a local authority may add an amount to the budget share of the new or enlarged school to reflect all or part of the unspent budget

share (including any surplus carried over from previous funding periods) of the closing school for the funding period in which it closes.

(10) A local authority may change the operation of this regulation where authorised to do so by the Secretary of State under regulation 41(1)(p).

### **Federated schools**

**30.**—(1) Subject to paragraphs (2) and (3), where two or more maintained schools are federated under section 24 of the 2002 Act(**23**), the local authority must determine a budget share for each school in accordance with Chapter 1 of Part 3 of these Regulations.

(2) After carrying out the determination under paragraph (1) the local authority may treat the schools as a single school for the purposes of these Regulations and, accordingly, allocate a single budget share to the governing body of the federation.

(3) Where the local authority decides to allocate a single budget share to the governing body of a federation under paragraph (2), it must determine it by combining the budget shares of all the schools that form part of that federation.

(4) Where one or more schools are to leave a federation which has been allocated a single budget share under paragraph (2), the local authority must—

- (a) determine the budget share for each of the leaving schools; and
- (b) redetermine the budget share for the federation,

in accordance with Chapter 1 of Part 3.