Explanation Of Allocations Contained Within This ISB Share

Schools funding has almost become a science in itself. Many different funding streams are available to schools through Local Authorities and Central Government. The main funding comes from the Dedicated Schools Grant (DSG) and is allocated to schools through the ISB formula (Individual Schools Budget) consulted on with schools and agreed by the Borough. This document is an overview of how the formula operates.

1. AWPU (Age Weighted Pupil Unit)

1.1 The AWPU allocation provides funding based on the number of children in each year group. The calculation takes into account the differences in the costs of provision for the different year groups by providing different levels of funding for each; hence the name Age Weighted Pupil Units.

1.2 The AWPU allocation provides funding for classroom teaching time (including non-contact time), non-teaching classroom staff, supplies and services, some non-classroom staff and a number of budgets previously held by the authority which have been delegated to schools (for example payroll administration costs and large infant class size funds).

1.3 The teaching cost element of the AWPU allocation operates on the basis of the cost of a teacher divided by the funded class size. In Nursery classes the funded class size is 25, in Keys Stages 1 and 2 it is 30, whilst in Key Stage 3 it is 26 and in Key Stage 4 it is 25.

2 Upper Pay Spine Funding

The Upper Pay Spine Funding allocation was added to the formula in 2006/07 when the Standards Fund Grant that had previously contributed to the costs ceased.

A count of the number of upper pay spine teachers in a school (full-time equivalent) is taken each spring term. Each FTE attracts an amount of funding. The funding rate is the total available amount (cash limited) divided by the number of eligible staff.

3 Curriculum Protection (Small Schools) – Primary

Curriculum Protection acknowledges that every primary school needs to have at least one teacher per year group and that the AWPU allocation will not provide sufficient funds for this if there are fewer than 210 pupils in the schools (7 year groups multiplied by 30 pupils per class).

Curriculum Protection provides an additional 1/30th of the cost of a teacher for as many empty places as are required to bring the total funded pupils and places to 210.

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4. Curriculum Protection (Small Schools) – Secondary

This allocation is as for primary schools, except that the minimum is four teachers per year group which equates to 600 pupils.

5. Irregular Admissions

Where a school is unable to offer classes of thirty (for example half-form entry schools), the AWPU allocation will not provide sufficient funding for teacher costs (as it provides 1/30th of the cost of a teacher). For half-form entry schools, the Irregular Admissions allocation provides and additional 1/30th for the missing places after taking account of any possible vertical grouping. The Irregular Admissions allocation only applies to primary schools and excludes schools with an offer of less than 30 pupils (as these schools will benefit from Curriculum Protection).

6. Overhead Protection

Overheads are the cost of non-teaching time for heads, deputies and SENCO's plus the costs of admin and premises staff.

The AWPU allocation contains an amount per pupil. The overhead protection allocation compares the amount allocated in the AWPU with an assessment of costs banded by pupil numbers. Where the AWPU funding is not sufficient, the overhead protection allocation makes up the shortfall.

7. NQT Induction

Funding is provided for a year-long induction for Newly Qualified Teachers (NQT's). This funding is provided in arrears and will therefore be split over two financial years (the first two terms in one financial year and the third in the subsequent year).

8. Premises Officer Entitlements & Salary Safeguarding

Premises Officers that have been in post for a longer time, have contracts that entitle them to having their council tax paid. Schools are allocated an amount equal to the Council Tax charge. When these staff members leave, the funding will cease.

Similarly, some premises officers are entitled to accommodation. Where such a premises officer’s school does not have accommodation, a rent allowance is provided. If a subsequent premises officer is employed on a non-residential contract, the funding will cease.

Where staff are redeployed as a consequence of a school closure or reorganisation, those staff may be eligible to have their salary level safeguarded. Where this is the case, the authority will meet this cost.

9. Additional Educational Needs - Principles

This allocation uses a number of indicators to assess the levels of additional needs that are likely in a school (the indicators are not intended to inform about individual
pupils’ needs). So a school with a high level of these indicators, is likely to have a high level of pupils with additional needs. The indicators used are free school meals eligibility (social deprivation), foundation stage test results (prior attainment in primaries), primary/secondary test results (prior attainment in secondaries), fluency (English as an additional language) and three measures of pupils joining or leaving other than at the usual entry or exit points (mobility).

9.1 Free schools Meals Data

The data used is a three year average fixed at the beginning of the schools’ three year funding cycle. Historically the data is taken from the school census but as new years are added to the average data from the team that decides on FSM applications is replacing the census data.

9.2 Prior Attainment

Each school will attract funding for every pupil whose Foundation Stage Profile score is in the bottom 15% of the authority. 6 years worth of profile scores are used to cover the whole school and the data is fixed at the start of the 3 year funding cycle.

In the Secondary Sector prior attainment is assessed by taking the National Foundation of Educational Research (NFER) Year 5 test results. The number of pupils in Band 3 attract funding. A three year average fixed at the beginning of the schools’ three year funding cycle is used in the formula.

9.3 Mobility

9.3.1 Casual joiners – on and off roll

Primary Sector - The number of pupils on roll that have both joined since the last enumeration day and upon joining entered year 1 or above. It does not include pupils transferring from Infant to Junior School.

Secondary Sector - The number of pupils on roll during the last academic year who have BOTH joined since the last census day AND joined after the third Thursday in September of their Year 7 or at any point in a subsequent year group.

Casual Joiners Off Roll - The number of pupils who qualify as casual admissions (see above) for this year, but then went off roll. If a pupil has come on and off roll more than once since the last enumeration date, they should be entered for each time they have come on and off roll.

A three year average fixed at the beginning of the schools’ three year funding cycle is used.
9.3.2 Casual Leavers

Primary Sector - The number of pupils who have BOTH left the school since the last census day AND left before the last month of their Year 6. Of course, this excludes pupils leaving at the end of Year 6.

Secondary Sector - The number of pupils who have BOTH left the school since the last census day AND left before the Summer Term of their Year 11. Of course, this excludes pupils leaving at the end of Year 11.

A three year average fixed at the beginning of the schools’ three year funding cycle is used.

9.3.3 Three Or More Schools

The number of pupils who have attended three or more schools during their current phase (including their present school). Infant to Junior transfers are excluded.

A three year average fixed at the beginning of the schools’ three year funding cycle is used.

9.4 Exposure to English

A three year average fixed at the beginning of the schools’ three year funding cycle is used. The pupil exposure to English is categorised into three groups. Each group has a different weighting.

9.4.1 Category A: Up to 18 months exposure to English

Pupils who entered the UK within the last 18 months directly from an overseas country where a language other than English was wholly spoken inside and outside the home.

Pupils who entered school within the last 18 months speaking wholly or mainly a language other than English at home and therefore have had very little exposure to English apart from at school and by participating in informal activities such as playing with English-speaking friends and watching television in English.

9.4.2 Category B: Between 18 months and 5 years exposure to English

Pupils who entered the UK directly from overseas between 18 months and five years ago (if known) from a country where the pupil and their family spoke a language other than English (i.e. where the exposure to English has been wholly due to experiences after arriving in the UK).

Pupils who entered school in nursery or Reception within the last five years, over 18 months ago and who continue to speak wholly or mainly a language other than English with one or both parents or carers even if they prefer to speak English in social contexts with their peers.
Appendix 6

Pupil’s who have entered the UK within the last five years from a country where English was not the main social language of the population although used in business and education contexts (e.g. Sierra Leone).

9.4.3 Category C: Pupils who have had between five years and up to 10 years of exposure to English

Pupils who arrived from another country directly into a UK school over five years and up to 10 years ago (if known).

Pupils who have had over 5 years and up to 10 years of exposure to English including full-time schooling, fluent English spoken by one or more adults in the home and informal activities such as playing with English-speaking friends, watching television in English etc.

9.5 Calculation of Additional Education Needs By Pupil

This is an amount per pupil triggering the indicators.

For each pupil described above the funding is calculated by taking a weighting, a phase weighting and a rate of funding

The weightings and rates of funding for 2008/9 are shown below.

<table>
<thead>
<tr>
<th>AEN Component</th>
<th>FSM</th>
<th>Prior Attain.</th>
<th>Mobility: Casual Joiners</th>
<th>Casual Leavers</th>
<th>More Than 3 Schools</th>
<th>Exposure to English</th>
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<td></td>
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<tr>
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<td>£85.10</td>
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<td>£85.10</td>
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</table>

9.6 Calculation of Additional Education Needs By Percentage

Based on the percentage of pupils in a school that trigger the indicators. Each element of AEN is given a weighting

<table>
<thead>
<tr>
<th>AEN Component</th>
<th>Social Deprivation (FSM)</th>
<th>Prior Attainment (Baseline/Foundation)</th>
<th>Mobility: Casual Joiners (On And Off Roll)</th>
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<tbody>
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</table>
This is then divided into the school roll to give a percentage. For those schools with a percentage over 15%, the funding is calculated by taking the percentage points above 15% and then multiplying it by a rate of funding. For those schools having a percentage between 10 and 15% the proportion above 10% is calculated and then multiplied by a lower rate of funding. This avoids a steep drop for schools moving from above to below 15%.

The formula reflects that the cost of AEN in schools does not have a linear relationship but escalates as the incidence or percentage of need rises.

9.7 Additional Education Need Protection

This allocation ensures a minimum amount of AEN funding per pupil to ensure that all schools receive a share of the available funds. This is calculated by taking the roll and multiplying it by a guaranteed weighting and then a rate of funding to set the minimum. If the protected amount is higher than the AEN allocation, a sum is added to the allocation to make the funding up to guaranteed level.

10 Statemented SEN

Funding for pupils with Statements Of Special Educational Need is delivered via this allocation. The level of funding is determined by the statement. The funding is provided on a term by term basis and can go up or down during the financial year. From 2007/08 newly identified high incidence/low need SEN is funded through formula via collaborative. Existing statements and newly identified low incidence/high need SEN are unaffected.

Funding will vary depending on the matrix band each pupil statement falls into.

Matrix Levels for 2008-2009 are as follows:

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<tr>
<th>LEVEL</th>
<th>TOTAL Apr-Mar</th>
<th>Equivalent to:</th>
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<td></td>
<td>Annual IST hours @ £45.40 per hour</td>
<td>Weekly IST hours</td>
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<td>3N</td>
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<td>10</td>
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</tr>
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</table>
All figures will be time apportioned if the child concerned is not on roll at the school for the whole of the financial year.

**11 SEN Units**

This allocation provides funding for SEN units/resource bases contained within mainstream schools (for example a Hearing Impaired Unit). The funding is based on the number of places offered.

**12 Site Running Costs - External Allocation**

This allocation provides funding on the basis of the external area of the school.

**13 Site Running Costs - Internal Allocation**

This allocation provides funding on the basis of the internal area of the school.

**14 Site Running Costs – Energy**

This allocation is calculated using the internal area of the school and an energy weighting based on each school's energy usage. This weighting provides assistance to school's with higher than average energy usage, but does not fully fund the difference, thus providing an incentive for increased energy efficiency.

**15 Site Running Costs - Split Site Allocation**

This allocation provides funding for the costs of operating a school on different sites, for example additional reception staff, travel time or maintenance of an additional boiler. It is made up a lump sum which varies depending on the distance between sites. (The categories are (a) split by a busy road, (b) 400 meters apart or (c) 2 or more year groups are on a separate site.) There is a further allocation for staff travel between sites which is a lump sum in the Primary sector whilst in the Secondary sector an amount is given per journey between sites (excluding journeys at the start and end of the day).

**16 Site Running Costs – Facilities**

This allocation provides funding for special facilities, for example swimming pools.

Site Running Costs - Repairs & Maintenance

This allocation is based on the internal area of the school.

**17 Site Running Costs - Playing Fields**

This allocation provides an amount per hectare and the amount of the NNDR (rates) charge for the field.
18 Site Running Costs – Rent

Where a school rents a property for its provision as a consequence of shortcomings of its own property, this will be funded at cost.

19 Site Running Costs - NNDR (Rates)

Community schools are funded for their NNDR charge at the level of the charge expected when the ISB Shares are set.

VA schools do not pay NNDR, but the authority is required to pay a charge of 15% of the nominal amount for the school. This budget has been delegated to schools who will in turn be charged the 15% by journal.

20 Site Running Costs - Buildings Insurance

This allocation provides funding based on the insurable value of the school. The allocation will be set at a level that matches the anticipated charge for the authority's insurance contract.

21 Staff-Related Insurance

This allocation provides funding based on pupil numbers and will be set at a level that matches the anticipated charge for the authority's insurance contract. This allocation relates to Public and Employers Liability and Fidelity and not to Supply Insurance.

22 New & Expanding Schools

This allocation provides AWPU and resources funding for schools that are undergoing a planned increase in size.

23 VA Admissions

This allocation distributes an amount previously spent by the authority on the administration of admissions to VA schools and is based on the number of pupils at the school.

24 Catering Funding

All maintained schools in the borough are funded in the same way, regardless of whether they are part of Lewisham’s centrally co-ordinated catering contract or not. Catering funding is provided both through the ISB Share and the Standards Fund.

The rates used in the ISB formula catering allocation are calculated to ensure that sufficient funding is delegated to contract schools to cover the cost of the contract. These rates are then applied to those schools outside the contract.

Each schools’ catering subsidy and maintenance allocation is calculated by adding an amount per free school meal child on roll to an amount per non-free school meal
child. This allocates an amount to cover kitchen maintenance and the subsidy for both free school meals and paid meals for pupils.

Each school’s catering management allocation is calculated using an amount per child on roll. This allocates an amount to cover the client costs of managing and monitoring a catering contract.

These two allocations are added together and are notified as one figure.

25 6th Form Double Funding Adjustment (aka 6th Form Abatement)

Where 6th form provision cannot be excluded from the data used to calculate any of the allocations (for example external area), that allocation will be reduced using the proportion of pupils that are in the 6th form. These reductions are accumulated under the 6th Form Double Funding Adjustment heading.

26 Transitional Protection – Formula

Where a school’s final ISB share has reduced by over 5% in cash terms year on year, transitional protection adds back 2/3rds of the amount over 5% in the first year and 1/3rd in the second year.

27 Minimum Funding Guarantee (MFG)

The MFG is the amount required to bring a school’s ISB share per pupil up to a level determined by the DCSF. This level ensures that every school’s budget increases by a minimum percentage per pupil (which means that schools with falling pupil numbers may still have a reduction in their budget).

28 Learning & Skills Council Grant

The LSC grant funds 6th form provision (including a contribution to Upper Pay Spine costs). The authority and schools are both notified of the amount for each school and the authority passes on this amount in full.