

Appendix B**Example 1 - Basic Need resulting in increase in PAN of 30 pupils in year 7**

In the example below the academy is moving from 5 Form Entry (PAN 150) to a 6 form Entry (PAN 180). The example shows that the funding, if based on census alone would be for 725 students although (if the academy recruits to the higher PAN of 180) there would be 750 pupils on roll. The expansion is at the request of the Local Authority not the academy simply growing its roll.

Without a pupil variation, over the lifetime of the growth from 5 to 6 form entry there would be a 25-pupil lag in funding from one census point to the next causing financial strain. By varying the pupil number in anticipation of the January census the funding will match the NOR thus allowing the academy to plan with an appropriate level of financial support. At the end of the expansion process and given a consistent pattern of recruitment (180 annually) the academy will move from a NOR of 750 (based on a 150 PAN) to 900 (based on a 180 PAN) without the necessity to apply for additional funding.

	Yr. 7	Yr. 8	Yr. 9	Yr. 10	Yr. 11	Total Pupils
Oct Census NOR	155	150	145	140	135	725
Basic Need PAN	180	150	150	150	150	780
Variation to numbers*	25	0	0	0	0	0
Funded Pupils	180	150	145	140	135	750

*As the school/ academy would be due to receiving funding for 155 pupils through the funding formula, the adjustment to increase funding to 180 pupils would need to be 25. (180-155)

The increase in PAN will move through the schools over five years until all year groups have increased their PAN to 180. There will therefore be variations to pupil numbers for the next five years.