

York Schools Forum**7 May 2026**

Report of the Head of Children & Education Finance

INFANT CLASS SIZE FUNDING (ICSF) – OPTIONS FOR THE 2027/28 ACADEMIC YEAR**Purpose of Report**

- 1 This report begins a discussion with the Schools Forum about the future of Infant Class Size Funding (ICSF), explaining the diminishing resources available to fund ICSF and suggesting a number of options that could be considered for the 2027/28 academic year.

Background

- 2 Prior to the introduction of the Schools National Funding Formula (SNFF) by the Department for Education (DfE), York's local funding formula included a factor to allocate funding to primary schools and academies to support the maintaining of infant class sizes at no more than 30 pupils. This factor was not included in the SNFF by the DfE.
- 3 Outside of the SNFF allocations, the DfE introduced a separate pupil growth allocation at local authority (LA) level within the Schools Block element of the Dedicated Schools Grant (DSG). This funding was designed to help LAs support schools and academies that were experiencing increases in pre-16 pupil numbers to meet basic need or meet the costs of pupils in new schools or academies commissioned to meet basic need, before the SNFF catches up with those increased pupil numbers. In recognition of the fact that some LAs had ICSF within their local formulae, the DfE also allowed the pupil growth allocation to be used to support additional classes needed to meet the infant class size legislation. However, the calculation of each LA's annual pupil growth allocation does not include any reference to infant class sizes.
- 4 Over time, the amount of growth funding allocated to the LA by the DfE has reduced significantly, down from an original allocation in excess of £1m to just £0.395m for 2026/27. The level of funding required to be allocated to schools and academies under the local growth criteria and ICSF formulae is difficult to predict with any certainty each year. However, in each of the last six years the budget has been oversubscribed, and this is expected to continue in 2026/27. Therefore, for all allocations made since the 2020/21 academic year, the LA has implemented a cash limit on this budget. This means that if the total of all allocations to schools and academies in a particular year, calculated via the relevant formulae, exceeds the budget available then all allocations will be reduced pro-rata. For the 2025/26 academic year, the cash limit resulted in allocations to schools and academies being reduced to 44.46% of their originally calculated value.
- 5 In addition, the DfE have now placed additional requirements on the pupil growth fund by introducing a minimum level of funding for any school or academy accessing funding for basic need growth of £1,570 per pupil. This means it is becoming increasingly difficult to maintain demands on the growth budget within the capped amount. Basic need growth funding will therefore need to take precedence over ICSF to meet the minimum per pupil levels, potentially meaning little or no growth funding being available for ICSF in future years. It is against this background that the LA is asking the forum to review the future of ICSF.

Current Infant Class Size Funding Arrangements

- 6 ICSF will continue to be in place under the current arrangements for the 2026/27 academic year. To help towards maintaining class sizes at no more than 30 pupils, ICSF is currently allocated based on the actual autumn census numbers for each primary school and academy, i.e. autumn 2026 for an allocation for the 2026/27 academic year. Schools and academies will be allocated a sum equivalent to the notional class teacher element of the primary AWPU to provide funding to support a teacher for each infant class, with reductions to take account of the economies of scale available to larger schools and academies.
- 7 The total number of reception, year 1 and year 2 pupils at each school or academy is divided by 30. The remainder (after whole classes of 30 have been accounted for) is deemed to be the size of the “last class”. The amount of funding for the “last class” then depends on its size.
- 8 The formula calculates the total amount of notional class teacher funding already allocated to the school or academy within the AWPU sum for each pupil in the “last class”. This sum is then deducted from the notional cost of a class teacher. The result of this calculation is the top-up amount available to support a full-time equivalent teacher for the “last class”. Table 1 below shows the amount of the top-up depending on the size of the “last class”. However, it should be noted that these values have not been uprated for the last five years whilst the growth fund allocation from the DfE has been reducing:

Size of “Last Class”	Top-up Funding £	Size of “Last Class”	Top-up Funding £	Size of “Last Class”	Top-up Funding £
0	0	10	20,943	20	7,903
1	32,679	11	19,639	21	6,599
2	31,375	12	18,335	22	5,295
3	30,071	13	17,031	23	3,991
4	28,767	14	15,727	24	2,687
5	27,463	15	14,423	25	1,383
6	26,159	16	13,119	26	79
7	24,855	17	11,815	27	0
8	23,551	18	10,511	28	0
9	22,247	19	9,207	29	0

Table 1: ICSF Top-Up Values

- 9 Each school or academy then receives a proportion of the top-up funding depending on the total number of infant age pupils in the school or academy. This is to recognise the impact of economies of scale and that larger schools and academies will have more flexibility in organising class structures than smaller schools and academies. Table 2 below shows the percentage of the top-up funding actually received.

No. of Infant Pupils	Funding Percentage
1 to 90	100%
91 to 120	80%
121 to 150	60%
151 to 180	40%
181 and above	20%

Table 2: ICSF Scaling Factors

For Example:

- October Census = 100 Infant pupils
- Size of “last class” = remainder of 100 / 30 i.e. $100 - (3 \times 30)$
= 10 pupils
- Top up funding from table 2 = £20,943
- Percentage of top up from table 3 = 80%
- Infant Class Size Funding = £20,943 x 80% = **£16,754**

- 10 Finally, if the growth fund is oversubscribed a ‘cash limit’ will be imposed and all allocations to schools and academies will be pro-rated down to maintain expenditure within the available budget. For the 2026/27 academic year allocations for schools and academies will be confirmed by the end of February 2027.

Potential Options

- 11 Subject to the views of the forum, the following options could be considered for the 2027/28 academic year:
- a) Continue with the current arrangements utilising the pupil growth fund allocated by the DfE but accept a high level of uncertainty, and that ICSF may be significantly capped (or potentially unavailable) to ensure that the minimum requirements for basic need growth funding are met.
 - b) Cease ICSF and leave primary schools and academies to manage infant class size regulations from within their normal delegated budgets.
 - c) Use the flexibility given to the LA by the DfE to reduce the primary AWPU within the SNFF to create a separate fund to allow ICSF to continue under the current formula.
 - d) As option c) but also consider a change to the formula or criteria for allocating ICSF to limit the number of schools and academies that may trigger an allocation to only those with the greatest need.

Timetable

- 12 It is proposed that any review would follow the following timetable:
- May 2026: Schools Forum decides whether to request that LA officers develop one or more of the options set out at paragraph 11.
 - November 2026: Detailed options presented to the Schools Forum for consideration, following which, the forum considers undertaking a consultation with all schools and academies.
 - January 2027: Final proposals, following any consultation with schools and academies, are considered by the Schools Forum.

Recommendations

- 13 Members of the forum are asked to consider the options set out in this report and advise the LA on how they wish to proceed.

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