

(BARKING AND DAGENHAM SCHOOLS FORUM)

School Forum Date: 16th December 2025

Title: Permanently Excluded Pupils Funding Arrangements	
Open	For Decision / For Information
Wards Affected: All	Key Decision: No
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Accountable Operational Director: Jane Hargreaves – Commissioning Director for Education Youth and Childcare	
Accountable Strategic Director: Elaine Allegretti – Director for People and Resilience, Richard Harbord, Interim Strategic Director of Finance & Investment	
Summary: The purpose of this report is to update the Barking and Dagenham Schools Forum on the funding arrangements for permanently excluded pupils: Where pupils are excluded, under ' The School and Early Years Finance (England) Regulations ', <u>funding should flow in-year from the school that has permanently excluded the pupil to the provision that takes responsibility for the pupil</u> . If a school subsequently admits a pupil who has been permanently excluded during that financial year, it should then receive additional funding. Academies are covered by the same policy once a formal agreement with the Council is entered, as per their Funding Agreement. This report regularises the arrangements for making funding adjustments for permanently excluded pupils for maintained schools and academies, from the 2025/26 academic year.	
Recommendation(s) The Schools' Forum is requested to: i) Agree to the arrangements for making funding adjustments for permanently excluded pupils from maintained schools and academies; and	

ii) Note that, following the agreement, the LA will invite each academy and free schools to enter into an **Exclusion Funding Agreement**.

Reason(s)

Local authorities are responsible for adjusting the budget shares of mainstream maintained schools if a pupil is permanently excluded, so that funding follows the pupil.

This report regularises the arrangements for making funding adjustments for permanently excluded pupils for maintained schools and academies, from 2025/26 academic year.

Permanent exclusions (secondary phase only) 2021-Autumn 2025					
<u>2025-26</u>	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>
13 to date	38	30	17	15	13

Source: LBBD Inclusion, December 2025

Permanent exclusions allocated via FAP to LBBD mainstream 2021-Autumn 2025						
Year Group →→	7	8	9	10	11	Total
25/26	0	0	3	2	0	5
24/25	1	4	6	21	0	32
23/24	0	1	5	2	0	8
22/23	0	0	7	3	0	10
21/22	0	1	5	4	0	10
Total	1	6	26	32	0	65

Source: LBBD Admissions, December 2025

1. Statutory Framework

- 1.1 The statutory framework for maintained schools is set by Section 47 of [The School Standards and Framework Act 1998](#) (the "SSFA") and Regulation 37 of [The School and Early Years Finance \(England\) Regulations 2023](#) (the "Regulations"), which require a Local Authority (LA) to make an adjustment to the delegated budget for a maintained mainstream school where a pupil is permanently excluded from that school and moves to another maintained school.
- 1.2 The Regulations provide the relevant statutory formula which determines the amount by which the delegated budget is adjusted. The principle is that the

pupil's relevant funding, or more precisely **a balance of the funding for the remaining financial year**, follows the pupil.

1.3 The statutory framework for academies is set by their [funding agreement](#) which provides that mainstream academies and special academies which admit pupils without statements of special educational needs must, if asked by a LA, enter into an agreement (the "Exclusion Agreement") which has the effect that, where:

- The academy admits a pupil permanently excluded from a maintained school or from an academy with whom the local authority has a similar agreement; or
- The academy permanently excludes a pupil.
The arrangements for payment will be the same as if the academy were a maintained school under the Regulations. That is, the budget for that academy will be adjusted so the balance of funding follows the permanently excluded pupil.

2. Overview of Funding Arrangement & Adjustment

2.1 The amount by which a school's budget is adjusted should follow the statutory formula provided under The School and Early Years Finance (England) Regulations 2023, Chapter 2 paragraph 37.

CALCULATION 1

2.2 The excluding school's budget share must be reduced by:

$$A \times (B/52) + C$$

Where:

- **A** = annual funding for a pupil of similar age and personal circumstances.
- **B** = number of complete weeks left in the funding period, calculated from the relevant date
- **C** = any adjustment made under a Financial Adjustment Order.

(J x K/52), where:

- **J** = the amount of the pupil premium allocated to the excluding school for the funding period in respect of that child (see Section 2.5 for the 2025-26 pupil premium values).
- **K** = either:
 - (i) the number of complete weeks remaining in the funding period calculated from the relevant date; **or**
 - (ii) (where the permanent exclusion takes effect on or after 1st April in a school year at the end of which pupils of the same age, or age group, as the pupil in question normally leave that school before being admitted to another school with a different

pupil age range, the number of complete weeks remaining in that school year calculated from the relevant date.

CALCULATION 2

(i) In calculating the funding to be passed to the new mainstream school, the following formula will be used:

D x (E/F), where:

D = the amount by which the authority reduced the budget share of the excluding school and pupil premium attributable to the excluded pupil under CALCULATION 1.

E = the number of complete weeks remaining in the funding period during which the pupil is a pupil at the admitting school.

F = the number of complete weeks remaining in the funding period calculated from the relevant date.

A full explanation of this formula is located under regulation 37 of [The School and Early Years Finance \(England\) Regulations](#).

For Non-resident pupils

CALCULATION 3

In determining the amount of the payments that are to be made following such an exclusion, the following formula will be used:

A+BxC/D, where:

A = the amount determined by the old authority to be attributable, in the financial year in which the relevant date falls, to a registered pupil of the same age and characteristics of the pupil in question at primary or secondary schools maintained by the old authority (see Section 2 for the 2025-26 per pupil unit value).

B = the expenditure which would have been incurred from the old authority's local schools budget (but not their individual schools budget) in respect of, and directly attributable to, the pupil in the financial year in which the relevant date falls had the pupil not been permanently excluded from the school maintained by the old authority.

C = either:

- (i) the number of complete weeks remaining in the financial year calculated from the relevant date; **or**
- (iii) where the exclusion takes effect, or the intermediate authority cease to provide education, on or after 1st April in a school year at the end of which pupils of the same age or age group as the pupil in question normally leave that school, or in

the case of an intermediate authority leave the school from which he was first excluded, prior to being admitted to a middle or secondary (including a special) school, the number of complete weeks remaining in that school year calculated from the relevant date (hence the divide by 52).

D = 52

- 2.3 A local authority may ask an academy trust to enter into an arrangement for the transfer of funding for a pupil who has been permanently excluded, on the same basis as if the academy were a maintained school. The academy trust may be obliged under its funding agreement to comply with such a request.
- 2.4 For the purposes of the Education Act 1996, a maintained school includes a Pupil Referral Unit (PRU).

A full explanation of this formula is located under regulation 2 of [The Education \(Amount to Follow Permanently Excluded Pupil\) Regulations 1999](#).

2.5 Per pupil unit value

Pupils aged 5 to 16 years old

For the purposes of the statutory formulas, the formula factors included in determining **Component A** for pupils aged 5 to 16 are:

Pupil Led Factors	2025-26	2025-26	2025-26
	Primary	Secondary (Key Stage 3)	Secondary (Key Stage 4)
Age Weighted Pupil Unit (AWPU)	£4,448.14	£6,010.00	£6,802.46
Free School Meals	£558.39	£558.39	£558.39
IDACI (Band A)	£772.72	£1,071.66	£1,071.66
English as an Additional Language	£671.20	£1,799.26	£1,799.26
Low Prior Attainment	£1,325.47	£2,013.59	£2,013.59
Maximum Potential Annual Deduction (excluding Pupil Premium)	£7,775.92	£11,452.90	£12,245.36

Pupil Premium	2025-26	2025-26	2025-26
	Primary	Secondary (Key Stage 3)	Secondary (Key Stage 4)
Free school Meals, Ever 6	£1,515	£1,075	£1,075
Looked-after Children (LAC)	£2,630	£2,630	£2,630
Post looked-after children (PLAC)	£2,630	£2,630	£2,630
Service children (SSP)*	£350	£350	£350

*Eligible service children attract the SPP rate **in addition** to any other PP grant eligibility rate.

If the excluded pupil is a pupil in respect of whom a pupil premium is payable, based on information contained in the autumn census, for the purposes of the statutory formula, as set out in paragraph 37(10) of the Regulations, the grant allocation used to determine is **Component J**.

3. Local Context

- 3.1 Section 20 of the 2025/26 High Needs Operational Guidance: “Permanent Exclusions Funding Adjustments” states:
- 3.2 ‘Where pupils are excluded, under ‘The School and Early Years Finance (England) Regulations’, funding should flow in-year from the school that has permanently excluded the pupil to the provision that takes responsibility for the pupil. If a school subsequently admits a pupil who has been permanently excluded during that financial year, it should then receive additional funding’.
- 3.3 ‘**The provisions also apply to pupils who leave a mainstream school for reasons other than permanent exclusions** and are receiving education funded by the local authority, other than at a school.’
- 3.4 Historically in LBBD, Mayesbrook Park PRU has been given the delegated responsibility to issue charges to schools where a pupil has been permanently excluded and Mayesbrook Park becomes the final destination of that pupil.
- 3.5 To ensure compliance with the provisions of the School and Early Years Finance (England) Regulations 2023, the local authority, will assume responsibility for adjusting schools’ budget shares in relation to permanent exclusions; **the adjusted charges will be transferred to the final destination school of the pupil.**
- 3.6 In implementing this regulation, the LA will be responsible for asking any relevant Academy to enter into an agreement that the arrangements for payment will be the same as if the Academy were a maintained school, under the Regulations. Academies are obliged (by their funding agreement) to enter into an Exclusion Agreement if invited to do so by the LA in full compliance with the Regulations.
- 3.7 Whilst LAs are not permitted to change the statutory calculation required by the Regulations, The School Discipline (Pupil Exclusions and Reviews) (England) Regulations 2012 do permit an Independent Review Panel to order
 - an academy to pay to the LA or
 - a LA to adjust a maintained school's budget by an additional sum of £4,000 if, following a decision by the panel to quash the original decision to exclude, the academy or the governing body (in the case of a

maintained school) reconsiders the exclusion and decides not to reinstate the pupil or fails to reconsider the exclusion. These are the only circumstances where a charge may be levied in relation to exclusion.

4. Conclusion

Schools Forum is asked to:

- Note & Comment on the arrangements for making funding adjustments for permanently excluded pupils from maintained schools and academies; and
- Note that, following the agreement, the LA will invite each academy and free school to enter into an Exclusions Agreement.

5. Financial implications

As presented in this document.

6 Legal implications

The schools' forums (England) regulations 2012 govern the constitution and conduct of meetings of the forum. The schools finance (England) regulations 2012 determine those matters on which the local authority must or may consult the schools' forum and those in respect of which the schools' forum can make decisions. These regulations make provision for the financial arrangements of local authorities in relation to the funding of maintained schools and providers of prescribed Early Years provision in England.

7 Background papers used in the preparation of the report:

[The School and Early Years Finance \(England\) Regulations 2023](#)

Funding arrangements for permanently excluded pupils

