

## DELEGATED SCHOOL BUDGETS 2014-15

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## SECTION A - IMPORTANT INFORMATION

All Kent schools will be able to access their basic budget templates on KELSI for 2014-15 and the following two financial years. Please note that all schools using these templates will be required to follow the instructions available on KELSI to finalise the calculation of their schools budget. **Schools that have purchased the Financial Planning Tool (FPT) should note that the basic templates are included in the FPT. The FPT also contains fully interactive formula driven areas to assist schools with calculating the most up to date funding based on local knowledge.**

Kent schools that have purchased the FPT will be able to access their funding and all the interactive modules required to produce their 3 Year Plan and on-going monitoring. Each school's FPT will either be e-mailed to the school or it will be available at the beginning of the chosen training session. The FPT will **not** be available on KELSI.

As in previous years the FPT will enable a school to make a range of varying assumptions about future income and spending levels in order to construct a medium term financial plan.

There is just **one version** of the tool which can be used by all phases of schools.

As last year, the FPT includes the facility to import teacher and support staff salary information.

The tool can **only** be accessed in Excel 2007 or Excel 2010.

When Schools Financial Services provides the FPT to schools that have bought a Core Financial Package, the tool will already include the DfE number and school name. The tool will open on the School Budget Tool Home Page from which the four modules of Salary Calculator, School Development Plan, 3 Year Budget Plan and Monitoring can be accessed.

Prior to looking at the school's Budget information please refer to the '**Must Read**' section below.

### **Must Read**

The school's budget templates are integrated into the Financial Planning Tool. Before doing anything you are advised to save a copy of the whole workbook on your school system and keep this unchanged. Then use a further copy for work in progress.

**For all three financial years it is important that schools fully complete the information required on the 3 Year Budget Plan Home page and any other information using the white arrows at the top of each budget template sheet (Place Plus, Nursery information etc.) before using the budget figures.**

Full Guidance notes will be e mailed or given to schools at the same time as the Financial Planning Tool.

## **SECTION B - BUDGET HEADLINES**

The Government's Minimum Funding Guarantee (MFG) has been set at -1.5%. This has been applied to ensure no school has a cut in its budget of more than 1.5% per pupil (excluding exempt items and high needs funding) before any pupil premium is allocated.

The gains cap that restricted some schools from realising their full formula funding last year has been removed. This means that schools will now receive their full formula funding.

The pupil premium funding for looked after children will initially be retained by the Virtual School Kent (VSK) headteacher in the local authority rather than passed down to schools as previously. The DfE expect that VSK will agree an appropriate programme of activity with the school and then any agreed funding will be passed to them.

The Schools' Funding Forum have agreed to continue de-delegating some specific budgets for 2014-15 with the exception of MCAS (non-traded element) and Education Assessment Service (ESA). This means that schools will receive an additional £4.78 per pupil for these services.

Free School Meals for infant aged pupils. We are waiting for the detailed information and allocation from the DfE following David Laws letter to schools on the 24 January. The letter leaves many unanswered questions which the DfE have acknowledge and said more information will be provided shortly.

Teachers Pay – we are awaiting the national decision

In previous years KCC has agreed a cost of living award for all staff in the Kent Scheme. This has been in addition to staff receiving a performance reward through the Total Contribution Pay (TCP) process. For 2014-15 the County Council has agreed a single pay and reward package for Kent Scheme staff. The new Kent Scheme salary scales will not be confirmed until Monday 10<sup>th</sup> March, and the salary calculator element of the Financial Planning Tool (FPT) will be delayed until this information has been released.

## **SECTION C – GENERAL INFORMATION (APPLIES TO ALL SCHOOLS)**

### **Copyright Licensing**

Last financial year the DfE purchased a national copyright licence for the benefit of all state funded schools from the Copyright Licensing Agency (CLA) and the Music Publishers Association (MPA). From 1st April 2014 the DfE has extended the purchasing of a single National Copyright licence to also include;

- Schools Printed Music License (SPML)
- Newspaper Licensing Agency (NLA)
- Education Recording Agency (ERA)
- Public Video Screening Licence (PVSL), managed by Filmbank
- Motion Picture Licensing Company (MPLC)

The Dedicated School Grant (DSG) has been top sliced and funding passed to the DfE to meet the cost of the copyright licences. All schools and academies should not make payments for any of licences detailed above as full cover is provided as part of the national agreement.

It is the intention of the DfE that in the future, both the Phonographic Performance (PPL) and Performing Rights (PRS) are also included in a national agreement.

### **Insurance**

If you currently purchase your school insurance through KCC, you will need to manually enter these costs into your budget plans. You will shortly be receiving direct debit notification from the Local Authority which will break down the total insurance costs between E11 staff related insurance and E23 other insurance premiums. Any queries regarding KCC insurance should be directed to Shane Jermy on 01622 694630 or email at [shane.jermy@kent.gov.uk](mailto:shane.jermy@kent.gov.uk).

### **Family Liaison Officer (FLO) funding**

To access information in respect of FLO funding for 2014-15 click on the following links

- [FLO funding information](#)
- [Monitoring and Finance Reporting](#)

If you have an queries regarding the contents of the website either contact Allyson Carty on 01622 696599 or email [floservice@kent.gov.uk](mailto:floservice@kent.gov.uk)

### **Devolved Formula Capital (DFC)**

There is no change to the DFC funding rates for 2014-15. Allocations will be calculated on the January 2013 pupil census and we expect the DfE to notify LAs of the individual school budgets during April/May in line with the date of notification last year. To access your indicative budget for 2014-15 click on the following link: [Devolved Formula Capital template](#)

## **Pupil Premium (PP)**

### **Ever Six – Free School Meals (E6FSM)**

In the main the eligibility criteria for E6FSM will remain the same as 2013-14. In 2014-15 the rate for a primary school pupil (Years R to 6) is £1,300 and for a secondary school pupil it is £935.

As detailed later in this guidance note Looked After Children Pupil Premium (LACPP) is increasing to £1,900 per pupil. However if a pupil that is eligible for LACPP also meets the E6FSM criteria, funding will only be triggered for the LACPP element and no payment for E6FSM will be made. This is a change from 2013-14 where the pupil could have attracted both LACPP and E6FSM.

The number of E6FSM eligible pupils is taken from the January census pupil count and the LA will receive confirmation of these numbers from the DfE early in the autumn term (based on the same timescale as 2013-14). The DfE have provided the LA with an estimate of E6FSM numbers which is taken from the percentage of E6FSM on roll in 2013-14 and this is the basis used for allocating your schools indicative budget for 2014-15. It is important to note that an adjustment to your indicative E6FSM budget will be made when we receive the final data from the DfE.

To date we have no information from the DfE regarding PP funding rates for 2015-16, therefore for the purpose of estimating future year's budgets we have assumed that the funding rates will be maintained at the 2014-15 levels.

### **Looked After Children Pupil Premium (LACPP)**

2014-15 has seen a number of national changes to LACPP;

- 1) The funding for looked after children will initially be retained by the Virtual School Kent (VSK) headteacher rather than passed to schools as previously. The VSK headteacher is required by the DfE to agree an appropriate programme of activity with the school and any agreed funding will be passed to the school.
- 2) The Local Authority will receive £1,900 for each looked after child (LAC), although the amount of funding per LAC each school receives will be subject to agreement with VSK. The funding is ring-fenced for making improvements for the educational attainment of children in care, and this new arrangement will strengthen the link between schools, academies and VSK and support packages will be more creative.
- 3) A looked after child can still attract the Service Child Premium if eligible.
- 4) The cohort of looked after children who attract the premium includes children looked after from the first day of care rather than, as previously, only those who had been looked after for six months or more.

Exact details on the operation of this new arrangement are currently being worked up, but we appreciate that schools will have been planning to receive their full allocation directly into their school bank accounts. We will provide information on the new arrangements as soon as we are able to.

LACPP only applies to Kent LACs. As in previous years schools will still need to make arrangements to collect funding from Other Local Authorities (OLAs) for their LACs placed in Kent schools. OLAs may apply a different payment profile which is at their discretion.

To date we have no information from the DfE regarding PP funding rates for 2015-16, therefore for the purpose of estimating future year's budgets we have assumed that the funding rates will be maintained at the 2014-15 levels.

#### **Ever 4 Service Children Pupil Premium (E4SCPP)**

The number of allowable years has increased from 3 to 4. Eligibility exists if a Service Child is recorded on the 2011-12, 2012-13, 2013-14 and 2014-15 January census. The funding rate has remained at £300 per eligible pupil.

Indicative budgets have been based on the number of E3SC recorded on roll in the school for 2013-14. An adjustment to the indicative budget will be made on confirmation of numbers from the DfE which is expected to be in October 2014.

To date we have no information from the DfE regarding PP funding rates for 2015-16, therefore for the purpose of estimating future year's budgets we have assumed that the funding rates will be maintained at the 2014-15 levels.

## **Children Adopted from Care – post LAC Pupil Premium (CACPP)**

This is the first year of CACPP, the funding rate is £1,900 and as with LACPP there is no additional payment where the pupil is also recorded as E6FSM.

Eligibility exists for those pupils recorded on the January 2014 census who were looked after immediately before being adopted on or after 30 December 2005<sup>1</sup>, or were placed on a Special Guardianship or Residence Order immediately after being looked after.

As we do not hold any data on eligible pupils an indicative budget has not been provided and schools should estimate funding based on data held locally.

To date we have no information from the DfE regarding PP funding rates for 2015-16, therefore for the purpose of estimating future year's budgets we have assumed that the funding rates will be maintained at the 2014-15 levels.

## **Infant Aged Pupils Free School Meals**

To date the only information the LA has received in respect revenue funding for Free Schools meals for infant aged pupils is from David Laws letter dated the 24 January.

The relevant extract from the letter is shown below:

*A flat rate of £2.30 per meal taken, based on actual take-up by newly eligible infant pupils which will be measured in the Schools Census from next year.*

*In addition, we recognise that some smaller schools will face particular challenges. We will therefore be providing transitional funding totalling £22.5million in 2014-15 for small schools, which will be provided before the start of the new academic year. More details will be made available shortly.*

This is far from ideal and leaves many questions unanswered. The DfE have promised to set up a FAQs website but have not given a timescale. As soon as the LA gets any more information we will publish details in an e-bulletin.

## **Year 7 Catch Up**

Although this funding is being allocated to schools in 2013-14 financial year, via the March advance, we felt it would be helpful to include this guidance and link in this guidance. The LA received details of the 2013-14 Year 7 Catch Grant on the 21 February. For details of allocations and conditions of grant please click on the following link: [Yr 7 Catch Up 2013-14](#).

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<sup>1</sup> The Adoption and Children Act 2002 was implemented on 30 December 2005.

## SECTION D – PRIMARY AND SECONDARY SCHOOL CHANGES

The 2014-15 School Budget Book (applicable to all maintained primary and secondary schools) is in the process of being updated and will be available shortly. This document will contain a detailed explanation of our local formula budget for primary and secondary schools. In the meantime, this section highlights the changes from last year.

### **Changes to formula factors**

The national school funding reforms resulted in a number of changes to the schools funding formula in 2013-14. As part of the journey towards a National Schools Funding formula the DfE introduced some further mandatory or optional changes in 2014-15. The Schools' Funding Forum (SFF) at its meeting on the 12 July 2013 reviewed the details of these changes and made a number of recommendations. To view the full details and recommendations from the meeting click on this link [Item 5 School Funding Reforms paper](#) and [minutes of the meeting](#).

There are two mandatory changes to the schools formula in 2014-15 and both relate to formula factor 6 Low cost high incidence SEN (LCHIS) (Prior Attainment).

### **Primary Phase**

The Foundation Stage Profile score has been replaced with a judgement. An eligible pupil is now one that "Failed to achieve a good level of development". The % of qualifying pupils in a primary school is now a mix of the new judgement for year 1 pupils and the old foundation score of below 78 for pupils in years 2 to 5. In 2013-14, 16% of primary school pupils received funding for LCHIS and now in 2014-15 20% receive funding. To accommodate the increase in numbers the rate per eligible pupil has dropped from £1,308 to £1,052; however the same total amount of funding is being allocated through the LCHIS factor.

### **Secondary Phase**

In 2013-14 an eligible pupil for LCHIS was a pupil that did not achieve level 3 or below for Maths and English in KS2. In 2014-15 this has been changed to not achieving level 3 and below in either Maths or English. In 2013-14 there were 11% eligible pupils and in 2014-15 there are now 24% eligible pupils. The increase in eligible pupils has resulted in the rate for 2013-14 of £2,551 dropping to £1,106 in 2014-15. However the same total amount of funding is being allocated through the LCHIS factor.

If you would like further information about the factors used in the local formula budget please access the 2014-15 School Budget Book (link to follow).



## **De-delegation**

Members of the SFF representing primary and secondary phase unanimously voted to continue de-delegating some specific budgets in 2014-15.

The ratification of this process took place at the SFF meetings held on the 12 July 2013 and the 13 December 2013.

The de-delegation of the budgets for MCAS (non-traded element) and Education Assessment Service (ESA) were not continued as funding has been found to meet these costs from the schools centrally retained budget. Schools will therefore benefit from an additional £2.88/pupil for MCAS and £1.90/pupil for ESA.

The budgets where de-delegation applies will be recouped from individual schools in 12 monthly instalments through the schools advances system. The CFR codes that the recoupment charge will be coded against are shown in table below.

Heading	Amount De-delegated per pupil		CFR code
	Primary	Secondary	
Schools in Financial Difficulties	£18.81	£9.45	E 23
Free School Meals Eligibility	£0.57	£0.57	E28
Licences and Subscriptions (SIMs)	£3.63	£3.63	E19
Trade Union Duties	£1.85	£1.85	E10
Schools Personnel Services	£0.80	£0.80	E28
<b>Total amount per pupil</b>	<b>£25.66</b>	<b>£16.30</b>	

## **Post 16 / 6<sup>th</sup> Form Funding**

At the time of writing this guidance, the Education Funding Agency (EFA) has not issued post 16 budgets. On receipt of this information, due for release by the EFA sometime in March, schools will need to manually record this information on their 3 year financial plans.

## **Pupil Growth**

As part of the school funding reforms, Local Authorities (LA) are allowed to retain Dedicated Schools Grant (DSG) for pupil growth. The growth fund will need to be ring-fenced so that it is only used for the purpose of supporting growth in pupil numbers to meet basic need and will be for the benefit of both maintained schools and academies.

Protection will only be allocated, where it is agreed between the Area Education Officer (AEO) and the school/academy to increase its admission number as part of the pupil planning process for the surrounding area.

At the Schools' Funding Forum (SFF) meeting on the 13 December 2013 the criteria for allocating growth funding was ratified by the group and subsequently the DfE have agreed the criteria. Details of the growth funding policy can be found in the 2014-15 School Budget Book (link to follow).

Schools and academies will be notified by email of their pupil growth funding for the periods April 2013 to August 2013 and September 2013 to March 2014 by the 7 March 2014.

### **Rising Roll**

Rising Roll will continue to be applied as it was in 2013-14. This was agreed as part of the Pupil Growth criteria at the SFF meeting on the 13 December 2013 and further details can be found in the 2014-15 School Budget book (link to follow).

For schools/recoupment academies that have purchased the financial planning tool the rising roll calculator will be fully included. For non-users of the financial planning tool, the rising roll calculator is accessible via the [2014-15 School Budget Templates](#) via the Growth Funding worksheet.

### **High Needs SEN Funding – Place Plus**

2013-14 saw major changes to how High Needs pupils were funded in schools through the introduction of "Place Plus" in schools. There are no changes to the methodology used for High Needs pupils in mainstream schools or Resource Provisions.

### **Mainstream Schools - £6,000 threshold**

A high needs pupil in a mainstream school/academy in Kent is defined as a pupil with over 25 statemented hours. Kent has set it at this level as we have a high level of SEN funding delegated to schools to meet the needs of SEN pupils below this level. One aspect included in the introduction of Place Plus was to provide a universal definition of a high needs SEN pupil, which is now a monetary value and is defined as where the additional need of the pupil is more than £6,000.

In 2013-14 Kent formed a working group made up of senior leaders from schools/academies and LA officers to facilitate the implementation of the £6,000 threshold.

There were three main points that came out of the findings from the working group.

- The benefits were positively viewed by all parties as funding would get to the pupil earlier and there would be reduction of pupils that would need to go down the statutory review process.
- There were concerns around the robustness of the administration process and controls that would need to be put in place.
- The cost was prohibitive. Sampling had taken place in the schools/academies of the working groups and additional cost was identified for new pupils that didn't meet the current criteria and the costs of supporting existing 25 hour pupils were higher.

A paper outlining the findings of the working group was taken to the SFF on the 13 December with the recommendation not to implement from April 2014. The recommendations of the SFF was to carry out more detailed financial sampling in 2014-15 and to meet with the DfE to see if they had examples of best practice for implementation in 2015-16.

### **Resource Provision (RP)**

The methodology for calculating RP is the same as 2013-14. The only change is that the number of places purchased is on an academic year instead of a financial year. The number of places purchased for the period April 14 to August 14 is based on the purchased places for 2013-14. For the academic year September 14 to August 15 the place numbers have been based on those agreed between schools/academies and SEN Officers during the autumn term.

### **Early Years Funding**

There are no changes to Early Years formula in 2014-15. A full explanation of this is detailed in the 2014-15 School Budget Book ([link to follow](#)).

## **SECTION E – SPECIAL SCHOOLS**

The 2014-15 Special School Budget Book (applicable to all special schools only) is in the process of being updated and will be available shortly. This document will contain a detailed explanation of our place plus formula budget for special schools. In the meantime, this section highlights the changes from last year.

### **Recoupment for Other Local Authority (OLA) pupils placed in Kent Special Schools**

In 2013-14 Special Schools in Kent via the Kent Association Special Schools (KASS) collectively agreed that all recoupment income for OLA pupils placed in their schools would be collected on their behalf by the LA. The same arrangement whereby the LA collects the recoupment income on behalf of Special Schools in Kent will continue in 2014-15.

### **Protection**

Protection will be provided at no less than 98.5% of its 2013-14 value, ensuring that any reduction in funding per pupil is no greater than -1.5%, as for mainstream schools and academies.

### **Funding Rates 2014-15**

Special Schools were sent guidance and a computation on the 28 January detailing the calculation of their funding rate. Special Schools were requested to submit a return by the 11 February confirming that they were in agreement with number of places and funding rates. To date the majority of Special Schools have returned and agreed this information.

### **Place funding for Post 16 pupils**

There is a welcome change to the place funding element for Post 16 from August 2014. Currently element 1 is the Post 16 National Funding formula for the institution and element 2 is £6,000. From August, Post 16 place funding will be brought in to line with Pre 16 place funding and will be £10,000 per place.

### **Outreach**

Outreach funding will continue in 2014-15 at £100,000 per Special School. Allocations are subject to the signing of SLAs which will be circulated on or about the 6 March and returned by the 24 March. On receipt of a signed SLA, payment will be made through the schools advance system in 12 equal monthly instalments.

## **De-delegation**

On 7 February 2014, Kent Association of Special Schools agreed to pool some specific budgets that were delegated to them in 2013-14 for the first time. This agreement applies to the maintained special schools only and covered the following budgets:

<b>Budget Heading</b>	<b>Rate per funded place</b>	<b>CFR expenditure code</b>
Schools in Financial Difficulty	£16.95	E23
Free School Meal eligibility	£0.57	E28
Licences and subscriptions	£3.63	E19
Staff Supply Cover – Trade Union duties	£1.85	E10
Staff Supply Cover – School Personnel Service support	£0.80	E28
	£23.80	

The budgets where de-delegation applies will be recouped from individual schools in 12 monthly instalments through the schools advances system. The CFR codes that the recoupment charge will be coded against are shown in the table above.