

Alternative Provision (AP) Budgets for 2017-18

Section 1 – AP Hub budgets

1. Introduction

- 1.1 From April 2014 each Alternative Provision (AP) Hub received an individual budget based on an agreed formulaic distribution. Hub budgets will be re-calculated each financial year using the updated data sets provided by the DfE. The total available funding will be either devolved to a group of Schools and Academies or delegated direct to a Pupil Referral Unit (PRU). For the 2017-18 financial year there is no change to this methodology.
- 1.2 Overall budgets continue to be calculated and allocated on a Hub basis. It's then at the discretion of the individual Hub Management Committee (MC) to determine how this funding will be allocated at a local level.

2. Composition of District Budgets

- 2.1 The AP budget comprises of four different elements which in total add up to £11,489,038.
 - The historic AP central budget £11,249,579
 - Administration budget £223,000
 - London Fringe £16,459

Historic AP central budget

- 2.2 Prior to April 2013 a budget of £11,221,500 was held centrally for AP. Since 2011-12 DSG funding has been flat cash, which means there is no funding for inflationary pressures. In 2015-16 we were able to allocate an element of DSG headroom towards inflationary pressures and this increased the amount available for distribution to £11,249,579. In 2017-18 there is no DSG headroom available for inflationary pressures and therefore the overall envelope of funding will remain at £11,249,579. The budgets will be allocated to Hubs using the following formula;
 - Pupil numbers at 50% (£5,624,790) which equates to £71 for each key stage 3 and 4 pupil.
 - Deprivation funding based on the Income Deprivation Affecting Children Index (IDACI) at 40% (£4,499,832) which equates to £502 for each eligible pupil.
 - Looked After Children (LAC) at 5% (£562,479) which equates to £818 for each eligible pupil.
 - English as an Additional Language (EAL) at 5% (£562,479) which equates to £ 473 for each eligible pupil.

- 2.3 The data used to distribute this funding is provided by the Department for Education (DfE) and is the same data used to calculate 2017-18 School and Academy budgets and is primarily based on the October 2016 census. Appendix 1 provides a detailed breakdown of how each Hub budget has been calculated and Appendix 2 provides a detailed breakdown, by school, of the £11,266,038 (£11,249,579 + £16,459).

Administration Budgets

- 2.4 Each Hub has been provided with an administration budget, the basis of this calculation is the same as last year.

London Fringe

- 2.5 An entitlement to additional pay exists for teachers within certain defined areas within, or close proximity to London. The data supplied by the DfE includes an indicator identifying those schools and academies that are located within the eligible area. In recognition of the additional salary costs, an uplift of 1.56% is applied to the funding attributed to each school /academy within the entitled location. For information schools and academies in the school districts Dartford and Sevenoaks are entitled to funding for London Fringe. It is appropriate that PRU's located in these areas also attract this enhancement to cover the additional salary costs associated with qualified teachers. Funding will only be allocated on the basis that AP district staff is in receipt of the London Fringe allowance.

3 Delegated or Devolved Budgets

Delegated

- 3.1 The DfE rules stipulate that where there is a physical PRU they must have a delegated budget. The method for allocating a delegated PRU budget, prescribed by the DfE, is "Place Plus".
- 3.2 One of the fundamental aspects of the PRU review was to give Hubs the freedom to determine the delivery of AP in its area via the collective voice of its schools and academies. As there is a fixed overall budget and each Hub will determine its own delivery of AP it's not possible to apply Place Plus strictly as defined by the DfE.
- 3.3 Each Hub will receive an allocation determined by the factors outlined in paragraph 2.1 and 2.2. This will then be divided by a number of places to arrive at a notional funding rate per place. These rates will not be comparable between PRUs and are calculated merely to comply with DfE requirements.
- 3.4 In the first instance budgets will be allocated to each physical PRU based on the key stage allocations divided by a number of places. It is then at the

discretion of the Management Committees (MCs) to determine how this funding is allocated at a local level via the PRU(s).

- 3.5 Funding will be allocated to individual PRUs as detailed in Appendix 3. There will not be any deviation from these documented amounts; however it is at the discretion of the MCs to re-allocate at a local level if necessary.
- 3.6 Funding will be allocated through schools advances system and profiled in 12 equal instalments.
- 3.7 Place Plus requires a defined sum/rate of funding for each pupil, the rate of funding is then broken down into three elements which is the method used to pass the funding to the institution.
- 3.8 Elements 1 & 2 are known as place funding and are nationally set at £10,000 for PRUs in 2017-18. Element 3 is the difference between the overall rate for the pupil and £10,000. For example a pupil that has a rate of £12,000, Elements 1 & 2 would be £10,000 and Element 3 would be £2,000.

Devolved

- 3.7 If a Hub does not have a physical PRU with a DfE number then they will have the option of devolving funding direct to a school/academy or a group of schools and academies in the district. MCs will be subject to a Service Level Agreement and will determine the distribution of this funding via consultation with the Head of Inclusion and Attendance.
- 3.8 Funding will be paid through the schools advances system and profiled in 12 equal instalments.

Section 2 – Kent Health Needs Education Service (KHNES)

4 Introduction & Composition of Budget

4.2 This budget comprise of two different elements:

- The historic AP central budget.
- Administration budget

The historic AP central budget

4.3 As part of the school national funding reforms in 2013-14, Health Need PRU's were required to have a delegated budget. To be defined as a Health Needs PRU the pupil referral must be made by a medical practitioner.

4.4 The overall budget for 2017-18 is the aggregated budgets of the three predecessors Health Needs PRUs that were re-structured to form KHESE in September 2015. In addition to this, the budget has been topped up by a further £350k (£200k in 2016-17 followed by a further increase of £150k in 2017-18) to meet a new pressure for placements in independent provision. The KHESE budget for 2017-18 is now £2,947,754.

Administration Budget

4.4 KHESE will receive funding for administration, as with behavioural PRUs (Hubs) this is in acknowledgement of the additional duties taken on as a result of the delegation of budgets. The allocation of £25,000 is on the same basis as the calculation for 2016-17.

5 Delegated budget

5.1 DfE guidance does not require Health Needs PRUs to delegate funding under the Place Plus methodology.

5.2 Funding will be paid through the schools advances system and profiled in 12 equal instalments.

5.3 Appendix 3 provides a breakdown of KHESE budget for 2017-18.

Section 3 Pupil Premium

6 General

6.1 PRUs can receive the following types of pupil premium payments:

- E6FSM - Ever Six Free School Meals
- E6SC - Ever Four Service Children
- CiC - Children in Care also known Pupil Premium Plus (PP+)
- PLAC - Post Looked After Children

6.2 If a pupil is eligible for one of these categories then the PRU will receive the relevant funding (2017-18 rates are shown later in this section). However if a pupil is eligible for more than one category, things become a little more complicated. This is particularly so when a pupil is eligible for either CiC or PLAC as well as E6FSM. The table below shows the possible combinations in the left hand side, and then the funding that those combinations will deliver in the right hand side.

Combinations				Funding			
E6FSM	E4SC	CiC	PLAC	E6FSM	E4SC	CiC	PLAC
Yes	Yes			Yes	Yes		
	Yes	Yes			Yes	Yes	
	Yes		Yes		Yes		Yes
Yes	Yes	Yes			Yes	Yes	
Yes	Yes		Yes		Yes		Yes

This information is particularly relevant in respect of CiC, if a pupil is recorded as CiC as at the 31 March 2016, a PRU will not receive E6FSM funding for this pupil if eligible. PRUs are to note the adjustment for this type of pupil will take place in January 2018 as this is the point in time when the DfE update their records.

6.3 E6FSM -The eligibility criteria for E6FSM for 2017-18 includes pupils recorded in the January 2017 census who are known to have been eligible for free school meals (FSMs) since May 2011, as well as those first known to be eligible at January 2017. Pupils in reception through to year 6 recorded as E6FSM will be funded at £1,320 per pupil and pupils in year groups 7 to 11 recorded as E6FSM will be funded at £935 per pupil.

The number of E6FSM funded pupils will be based on your January 2017 census. The DfE will be notifying us of the final allocation sometime during the summer. Due to the unpredictability of pupil numbers in a PRU we have not

provided an indicative budget for E6FSM. As in 2017-18 PRUs are invited to submit an estimate of numbers to the LA so that we can provide you with an indicative budget that will be adjusted when we receive the final settlement in the summer from the DfE. Please submit indicative numbers to Ian Hamilton (contact details at the bottom of this document)

6.4 CIC also known PP+

The Virtual Schools Kent (VSK) will be publishing further guidance in due course and it is our understanding that this information will be published on their website. However based on the information supplied by the VSK Headteacher, an allocation of £900 per eligible pupil will be paid to schools in 3 instalments of £300 each. In addition to this, schools can bid for additional amounts based on evidenced levels of need. To access the VSK website click on this link <http://www.virtualschool.lea.kent.sch.uk/>. If you have any queries in the meantime, please contact one of the following VSK Deputy Heads.

- East Kent – Ann Parnell (email ann.parnell@kent.gov.uk)
- South Kent – Marian Smith (email marian.smith@kent.gov.uk)
- West and North Kent – Malcolm Thomas(email malcolm.thomas@kent.gov.uk)

6.5 E6SC - is a pupil recorded on the January 2017 census who was eligible for the service child premium since the January 2012 census as well as those recorded as a service child for the first time on the January 2017 school census. Service children will be funded at a rate of £300 per eligible pupil.

As we are not predicting that this will be a material amount of funding we have not provided an indicative budget. In the eventuality that a PRU has a pupil on its January 2017 census funding will be allocated to the PRU late in the summer when the LA receives notification from the DfE.

7.5 PLAC - The pupil premium for 2017 to 2018 will include pupils recorded in the January 2017 school census who were looked after by an English or Welsh local authority immediately before being adopted, or who left local authority care on a special guardianship order or child arrangements order (previously known as a residence order). These are collectively referred to as post-LAC in these conditions. The rate of funding for an eligible pupil is £1,900.

As we are not predicting that this will be a material amount of funding we have not provided an indicative budget. In the eventuality that a PRU has a pupil on its January 2017 census, funding will be allocated to the PRU late in the summer when the LA receives formal notification from the DfE.

7.6 To date we have no information from the DfE regarding PP funding rates for 2018-19, therefore for the purpose of estimating future year's budgets we have assumed that the funding rates will be maintained at the 2017-18 levels.

Contacts

For delegated budget queries please contact Ian Hamilton (School Budget and PVI Manager) and for devolved budget queries please contact one of the following; Celia Buxton (Executive Head of Kent Health Needs Service), (Ming Zhang (Head of PRU, Inclusion and Attendance) or Dino Dimarco (Senior Accountant).

Details

Ian Hamilton email ian.hamilton@kent.gov.uk Telephone 03000 416194

Celia Buxton email celia.buxton@kent.gov.uk Telephone 03000 412321

Ming Zhang email ming.zhang@kent.gov.uk Telephone 03000 416687

Dino Dimarco email dino.dimarco@kent.gov.uk Telephone 03000 416130