

KENT COUNTY COUNCIL
DELEGATED FORMULA FUNDING
ALLOCATIONS

SPECIAL SCHOOLS

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Introduction

From April 2013 a standard approach known as “Place Plus” will be applied to all High Needs SEN pupils in Special Schools, Specialist Resourced Provision (SRP), Mainstream Schools without a SRP, Further Education (FE) Colleges, Independent Specialist Provision (ISP), Independent Schools and Pupil Referral Units (PRUs). This standard approach will be applied to all High Needs SEN pupils aged 0-24 and has been introduced with the aim of dovetailing financial resources with the Children and Families Bill, that will be enacted from September 2014.

Place Plus will comprise of 3 components:

- 1) Element 1 (E1) or “Core Education Funding”
- 2) Element 2 (E2) or “Additional Support Funding” = £6,000.
- 3) Element 3 (E3) or “Top Up Funding”.

The combined funding from 1, 2 & 3 is known as the “Pupil Offer” or “Funding Offer”.

Each pupil will have a “Funding Offer” that will have a defined financial amount attached to it, this amount will equate to the resources needed for the individual education of the pupil. The amount of the offer will be made up of three elements. Using an example with a monetary value is probably the best way to demonstrate the methodology of Place Plus. A Pre 16 pupil has an assessed Offer (Offer = the funding rate for the pupil) of £20,000. The school will receive £10,000 place funding (E1 £4,000 + E2 £6,000) and top up funding E3 for the residual amount in this case £10,000 (Offer £20,000 less £10,000 (E1 and E2) = £10,000).

The school will get £10,000 guaranteed place funding regardless of whether there is an actual pupil on roll in the school and the remaining £10,000 will follow in or close to the real time movement of the pupil on a monthly basis.

Section 1 - Calculation of “Place Plus” Funding Rate

- 1.1 In September 2012 SEN Officers from the Local Authority (LA) contacted schools and agreed a number of funded places for the financial year April 2013 to March 2014. The DfE initially instructed LAs to agree a number of places in Special Schools for a period of two years. The number of places agreed in September 2012 factored in an element for growth over the two year period. Currently there is no further guidance from the DfE on the process for reviewing Place numbers. Special School will be contacted in due course when we receive more guidance from the DfE, but for the purpose of planning at this point it is best to assume that your school will be funded in 2014-15 on the place numbers agreed in 2013-14.
- 1.2 The method for calculating Special School funding rates prescribed by the DfE is to work out the overall cost of running the institution and then to divided by an agreed number of places to calculate an individual funding rate for the pupil.
- 1.3 The method agreed for Special Schools in Kent at the Schools’ Funding Forum (SFF) meeting on the 7 December was to replicate the Special Schools Funding formula calculation, which was introduced in 2010-11 following a funding formula review. The fundamental principle is to replicate the current level of funding in Special Schools for 2012-13 and flex the funding of the individual school to reflect their future mix of need types.
- 1.4 In 2013-14 each Special School will have a notional formula budget calculated using the method agreed in the 2010-11 formula review. This calculation would be based on the number of agreed places as outlined in paragraph [1.1](#). The total of this budget is the schools Notional budget and is what a school would receive in 2013-14 if they were full to capacity. It is important to note that the purpose of this process is calculate a unique need type funding rate that can then be applied to the need type profile of the school in 2013-14.
- 1.5 The need type mix of the school for the purpose of calculating the notional budget for 2013-14 was based on a snap shot of need type in the school as at October 2012. Each Special School has agreed the individual need type for each pupil on roll at this point in time.
- 1.6 [Attachment 12](#) contains five separate illustrations which show the process how we calculate each individual school need type/ Place Plus funding rate for 2013-14.
- 1.7 Illustration 1 – Using the number and need type profile agreed in paragraph [1.4](#), the data is then inflated where necessary (where October numbers are less than agreed Places) to reflect the number of places purchased in the Special school as per paragraph [1.1](#).

- 1.8 Illustration 2 – Taking the number and profile of pupils shown at C in illustration 1, a notional school budget is calculated using in the main the same formula factors used in the Kent Special School Formula. **Attachment 17** (to follow) provides a commentary of how each formula factor was arrived at as part of the review in 2010-11, the funding rate attributed to each factor. It as provides details of the additional factors, including Nursery funding in 2013-14.
- 1.9 Illustration 3 - The working group of Special School Head teachers agreed a formulaic approach to identifying the number of ASD 2 and BESD 2 pupils on roll in a special school. These need types are not attached to an individual pupil, instead a % is applied to the profile of need in the school. The following details how the profile is applied;
- 10% of all ASD places in C & I and PSCN Special Schools are funded at ASD2
 - All ASD pupils in Stone Bay are funded at ASD2
 - 75 % of all BESD pupils in BESD schools are funded at BESD 2
 - 25% of primary aged BESD pupils in B&L schools are funded at BESD 2
 - All residential pupils at Furness are funded at BESD 2

Where the above definitions is relevant to a school, a new need average rate for the need type needs to be applied.

- 1.10 Illustration 4 - The different factors from the notional budget in illustration 2 are then split between variable and fixed costs. The rational for doing this is that a Special School will always receive the same amount of funding for some factors regardless of the number of pupils in the school. Each Special School will always receive a lump sum towards the core cost of the school, no matter what size it is. The current lump sum level is £346,331. Using this amount to demonstrate the concept, a Special School with 240 pupils would get £1,443 ($£346,331 / 240$) per place and a Special School with 100 pupils would get £3,463 ($£346,331/100$) per pupil. A fixed cost will be a cost that is not pupil led i.e. is fixed and variable cost will a pupil led cost.
- 1.11 Illustration 5 - Is a breakdown of the individual funding rates for a day school pupil. In a residential Special School there will also a residential rate weekday and weekend for each need type. The factors in illustration 4 are used as the basis to calculate each individual place rate.
- 1.12 In February 2013 all LA Special Schools and Academies were sent an individual calculation for verification. This information provided to the Special Schools documented the process for calculating their Pupil funding rates as per paragraphs [1.7](#) to [1.11](#).

Section 2 - Funding the Places

- 2.1 The funding rate/offer is the amount of funding attached to each pupil need type in the school. Place Plus Elements 1, 2 and 3 are the components of funding that make up the rate.
- 2.2 The overarching concept of Place Plus is that Elements 1 and 2 will be paid on a number of places and E3 will follow in or close to the real time movement of a pupil, on a monthly basis. The best way to explain this further is to use an example, for the purposes of this document the example will be a pupil with a funding rate/offer of £15,000.

Pre 16 pupils

- 2.3 It may be helpful to look at [attachment 11](#) in conjunction with the written guidance below in paragraphs [2.4](#) to [2.14](#). [Attachment 11](#) is a table that gives an overview of the Funding of places.
- 2.4 For Pre 16 pupils including Nursery pupils in Observation and Assessment Nurseries, E1 will be set at £4,000 and Element 2 at £6,000 = £10,000. E3 will be set at £5,000 (£15,000 less (E1 and 2) £10,000 = £5,000). The Special School will receive guaranteed funding for the financial year for E1 & E2 multiplied by the number of places agreed with the school as per paragraph [1.1](#). For example if a school had 100 places then they would receive 100 places multiplied by £10,000 = £1,000,000 guaranteed for the period. E3 funding of £5,000 per pupil will follow in or close to real time movement of the pupil.
- 2.5 For a LA maintained Special School E1 and E2 will be paid by the LA based on the number of agreed places, for an academy E1 and E2 will be paid by the Education Funding Agency (EFA)
- 2.6 The principal for E3 is that it will be paid by the commissioning LA for both LA schools and academies, with the exception of Looked After Children (LACs) that are placed in the school from another LA. For Other Local Authority (OLA) LAC pupils, the LA in which the school is located will pay E3 and will also recoup this funding from the commissioning LA.
- 2.7 The High Needs Funding guidance issued by the DfE, originally stated that the recoupment process for Special Schools would change from 2013-14. Prior to 2013-14 LAs would fund pupils in their Special Schools on the same bases regardless of whether they were a pupil from their own LA or a pupil placed in the school from another LA. The funding for OLA pupils was recouped by the host LA from the commissioning LA. From 2013-14 the DfE have advised that it is the responsibility of the school to collect E3 funding from the commissioning LA.

- 2.8 In February the DfE have announced a revision to the new recoupment policy and have instructed that OLA LAC will fall under the old recoupment method. The LAs where the school is located will pay element 3 and then recoup the cost from the commissioning LA.
- 2.9 [Attachment 4](#) is a model funding agreement between a Kent School and another LA. Schools will be responsible for collecting E3 for OLA pupils placed in their school with the exception of OLA LAC children, whereby it will continue to be the responsibility of the host LA.
- 2.10 At a Special School Plus Place working group meeting on the 4 February, the Kent Association of Special Schools (KASS) Executive recommended that an additional 5% for administration and overheads should be included in the charge for any OLA pupils placed in Kent Special Schools. All funding rates referred to in paragraph [1.11](#) will be uplifted by 5% and this will be the recommended standard charge levied to the commissioning authority for the placement of the pupil.

Post 16

- 2.11 For post 16 pupils there will be different arrangements; however for the initial period April 2013 to July 2013 post 16 pupils will be funded under the same method as a pre 16 pupil i.e. guidance paragraphs [2.3](#) to [2.10](#).
- 2.12 From August 2013, post 16 pupils will be funded differently to Pre 16 pupils. E1 will be based on the post 16 National Funding Formula for the individual institution and E2 will be £6,000. E1 & E2 will still be funded on a number of places agreed in paragraph 1.1. For LA schools the funding will come from the EFA, but be pass-ported through the LA. What this will mean is that place funding for pre 16 and post 16 will be shown separately on the monthly schools advance. For Academies E1 and E2 will be funded directly by the EFA.
- 2.13 A pupil with the same need type (pre 16 and post 16) will overall receive the same level of funding. Using the example of £15,000, element 3 for a post 16 pupil will be calculated as follows.

Funding rate/Offer for pupil £15,000 less E1 which will vary as the NFF is unique to each institution

Less: E2 £6,000 = E3 ?.

E3 will be an individual calculation for each institution.

- 2.14 For the remaining guidance on post 16 place funding, paragraphs [2.6](#) to [2.9](#) apply.

Admission of additional pupils in excess of the agreed place numbers

2.15 Where a Special School agrees to take a pupil in excess of the agreed places numbers, funding will be negotiated on the placement of that individual pupil. It is suggested the rate is based on a standard funding rate for placing a pupil in the school i.e. the school will receive from the commissioning LA the full amount of E1, E2 and E3.

Protection

2.16 Special Schools will receive funding protection for one year only for the financial period April 2013 to March 2014. A pupil in a special school will be protected on the funding it would have received in 2012-13 compared to the funding it will receive in 2013-14. The level of protection will be on the amount the pupil would have received in 2012-13 X 98.5 %. Where element 3 is funded for a pupil by another LA protection will not be applied.

Exceptional Pupil Need

2.17 Only in the minority of cases will a pupil be classified as having exceptional pupil need. Where this is the case and resources are needed in addition to the normal level of funding for a pupil with that need type an individual application will need to be made to Julie Ely (Head of SEN Assessment & Placement Education) for a Kent Pupil. For OLA pupils the agreement will need to be made between the school and the commissioning LA.

Outreach

2.18 From April 2013 Outreach funding will not form part of a Special Schools delegated budget and instead this element of funding will devolved to Special Schools. The final details of this process are going to be agreed at a Kent Association Special Schools (KASS) Headteacher meeting in March. Further details on the outcome of this will follow in due course.

Section 3 - Tracking and Payment of Pupils

- 3.1 Element 3 for Kent pupils and OLA LAC pupils recorded on the roll of the Special School will be paid through the school advances system in the month following the month the pupil is recorded on the roll. The recorded number of pupils for the month will include any on roll between the first and last working day of the month. Any new pupils on roll or any pupils leaving the Special School during the month will be counted as funded pupil for the full month.
- 3.2 Exception - During August, pupil numbers will be at an artificially low number as pupils will leave in July and new pupils will not start until September. In order to recognise that Special Schools will still have the cost of staff for the month of August, funding will be based on the July pupil count.
- 3.3 The actual cash payment in April will be calculated on the pupil roll for March which is in the previous financial year. Special Schools are likely therefore to receive a marginally different amount of cash in the financial year (April to March) to the actual income for the period. Unless it is material, actual cash adjustments will not be made and Special Schools in cash terms will always be one month out of sync with their financial records. However, in respect of the schools accounts the correct level of income must be recorded during the period (April to March). This part of the guidance is only applicable to LA schools as Academies report on an academic year September to August.
- 3.4 The process to be applied to record the correct level of income in the period will be to raise a debtor or creditor. Using the information submitted by the Special School to Finance Information Officers (FIOs) for March 2013 pupil numbers a calculation will subsequently be made to identify the amount of the debtor or creditor for each school. The adjustment will need to be reflected in the schools year end submission. A LA officers will provide details of the debtor/creditor amount to the school by the end of March so that this information can be included the schools year end accounts.

Initial Data Collection From Schools

- 3.5 A list of pupils as recorded on the Impulse data base will be sent out to all Special Schools shortly after the 1 March. The details on the list will need to be verified and returned to Susanne Baillie (Finance Information Officer) by the 15 March. See [attachment 13](#) - Initial data collection.

Monthly Return

- 3.6 The initial pupil information agreed with the Special School will need to be updated on a monthly basis. [Attachment 14](#) is the exception report that will be submitted monthly by each Special School to update their number of pupils on roll. The first submission will be on or before the 3 April. Information on this initial submission must identify any leavers or joiners that have taken place since the initial data collection. This process will then take place monthly as per the time table ([attachment 8](#)) and it will be the responsibility of the Special School to comply with the timetable. If there are no changes a nil return will be required.