

Alternative Provision (AP) Budgets for 2014-15

Section 1 – AP District budgets

1. Introduction

- 1.1 From April 2014 each Alternative Provision (AP) district will receive an individual budget based on an agreed formulaic distribution. The finite pot of funding will be either devolved to a group of Schools and Academies or delegated direct to a Pupil Referral Unit (PRU).
- 1.2 Overall budgets will be allocated on a district basis, it is then at the discretion of the individual Management Committee (MC) to determine how this funding will be allocated at a local level.

2. Composition of District Budgets

- 2.1 The budget comprises of four different elements
 - The historic AP central budget
 - Administration budget (full year effect)
 - London Fringe
 - Viability Budget

Historic AP central budget

- 2.2 Prior to April 2013 a Districts budget of £11,221,500 was held centrally. In 2013-14 this budget was delegated and devolved to districts based on the historic allocations for 2012-13. From April 2014 the budgets will be allocated to districts using the following formula;
 - Pupil numbers - 50% (£5,610,750) - £72 for each Key Stage 3 and 4 pupil.
 - Deprivation funding based on the Income Deprivation Affecting Children Index (IDACI) - 40% (£4,488,600) £499 for each IDACI pupil.
 - Looked After Children (LAC) - 5% (£561,075) - £561 for each LAC pupil.
 - English as an Additional Language (EAL) – 5% (561,075) - £1,318 for each EAL 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 LA School and Academy budgets for 2014-15 and is primarily based on the October 2013 census. Appendix 1 provides a detailed breakdown of how each district budget has been calculated.
- 2.4 District budgets will be re-calculated each financial year using the updated data sets provided by the DfE.

Administration Budgets

- 2.5 An administration budget is allocated for to each physical PRU with a DfE number. Appendix 2 provides a detailed breakdown of the individual components of the budget.

London Fringe

- 2.6 An entitlement to additional pay exists for teachers within certain defined areas within or close 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 1.63% 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.

Viability Funding

- 2.7 This funding is allocated where necessary to smooth the transition in the amount of funding from the historic allocation to the new district based formula. Viability funding is time limited and is applied on an individual basis.

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 districts the freedom to determine the delivery of AP in its district via the collective voice of its schools and academies. As there is a fixed overall budget and each district will determine its own delivery of AP it is not possible to apply Place Plus strictly as defined by the DfE.
- 3.3 Each district 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. Separate rates will be calculated for KS3 and KS4 pupils.
- 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.

Devolved

3.7 If a district does not have a physical PRU with a DfE number then they will have the option of devolving funding direct to schools and academies in the district. The LA are in the process of writing a Service Level Agreement (SLA) for districts where funding is devolved and will be in contact with MCs in due course.

3.8 Allocation of funding to schools and academies will be determined by the MC, it will be either the key stage formula for the district broken down by individual institutions or a fixed amount per nominated institution. With the consent of the MC, schools and academies are free to re-allocate funding at a local level. District devolved allocations are set out in detail in Appendix 3.

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

4 Individual Budgets

4.1 Appendix 4 provides details of the individual district budgets, plus the Brook Education Centre which is a combined KS3 budget for Dover and Shepway.

Section 2 – Warmstone and Health Needs PRU's

5 Introduction & Composition of Budget

5.1 In relation to funding,

- a) Warmstone is defined as a behavioural PRU which means that their delegated budget comes under the Place Plus funding methodology.
- b) Oakfields, East Kent Health Needs and West Kent Health Needs are defined as hospital education placements. To meet the criteria the pupil is attending the institution as a doctor or medical practitioner has referred them due to health care needs.

5.2 These budgets comprises of two different elements:

- The historic AP central budget
- Administration budget

The historic AP central budget

- 5.3 Prior to April 2013 budgets for Warmstone and the three Health Need PRUs were held centrally by the LA. As part of the national school funding reforms all PRUs are required to have delegated budgets. The budgets delegated in 2014-15 to Warmstone and the three Health Needs PRUs are set at the same historic budget level.

Administration Budget

- 5.4 Appendix 2 provides a detailed breakdown of the individual components of the administration budget.

6 Delegated budget

- 6.1 The budgets delegated to Warmstone and the three Health Need PRUs are a fixed cash sum based on the LAs historic non-delegated budgets, plus an amount to meet the costs of additional administration responsibilities resulting from delegation. DfE guidance requires that the delegation of PRU budgets for Warmstone to comply with the Place Plus funding methodology. In order to comply with Place Plus, Warmstone will have its fixed budget divided by 40 places in order to have a notional funding rate per pupil.
- 6.2 DfE guidance does not require Health Needs PRUs to delegate funding under the Place Plus methodology. Therefore the budgets allocated to each of the three Health Need PRUs are the same as the historic non-delegated budgets.
- 6.3 Funding will be paid through the schools advances system and profiled in 12 equal instalments.

7 Individual Budgets

- 7.1 Appendix 4 provides details of both Warmstone and the three Health Need PRUs overall budget and its funding rate per pupil.