**DELEGATED SCHOOL BUDGET GUIDANCE 2017-18**

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**SECTION A - IMPORTANT INFORMATION**

All Kent maintained schools will be able to access their budget templates on KELSI for 2017-18 and we have also included a Minimum Funding Guarantee (MFG) calculation for 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 school’s budget.

To access the guidance for completing the templates click on these links; [Mainstream Schools](http://www.kelsi.org.uk/__data/assets/word_doc/0006/67569/2017-18-Mainstream-School-Budget-Template-Guidance.docx) and [Special Schools](http://www.kelsi.org.uk/__data/assets/word_doc/0007/67570/2017-18-Special-Schools-Budget-Template-Guidance.docx). Due to the introduction of the National Funding Formula in the future, mainstream school templates now include additional MFG percentages which can be selected when calculating Years 2 and 3 funding. Essentially the percentage selected will be based on local knowledge. Further details on using these percentages are included within the template guidance, within the Budget Setting and Monitoring Guidebook (as detailed below) and from discussions during training sessions.

A funding guidance book will be provided shortly for 2017-18, which is currently being updated. The information in this document will provide you with a detailed explanation on how your funding has been calculated. To access this document click on this link [Primary and Secondary School Funding Guidance 2017-18](http://www.kelsi.org.uk/__data/assets/word_doc/0005/67694/Primary-and-Secondary-Schools-Funding-Guidance-2017-18.docx).

There are two key budget templates on KELSI, one for primary and secondary phase and the other for special schools phase.  Each template includes a number of separate funding calculations and these are listed below for information:

1. **Mainstream** [(Mainstream Template 2017-18)](http://www.kelsi.org.uk/__data/assets/file/0008/67697/2017-18-School-Budget-Templates.zip),this includes:
   1. Delegated formula School Budget Share (SBS) for 2017-18
   2. Minimum Funding Guarantee (MFG) calculation
   3. Early years (if applicable)
   4. High needs – mainstream (if applicable)
   5. High needs – SRP (if applicable)
   6. Pupil growth (if applicable)
   7. Pupil Premium
   8. Universal Infant Free School Meals (if applicable)
   9. De-delegation calculation
   10. Year 2 and 3 MFG calculation
   11. BPS summary input sheet
2. **Special** ([Special Template 2017-18](http://www.kelsi.org.uk/__data/assets/file/0010/67699/2017-18-Special-School-Budget-Templates.zip)), this includes
   1. Years 1, 2 and 3 of high needs Place Plus funding.
   2. Pupil Premium
   3. Universal Infant Free School Meals (if applicable)
   4. Pooled funding calculation
   5. Reconciliation of Funding
   6. BPS summary input sheet.

All schools will be provided with full guidance notes on KELSI to complete the budget templates.  The guidance for inputting the funding information in to BPS will be uploaded to the Help and User Guide on the BPS. Also available on the BPS for Kent Maintained schools will be a Budget Setting and Monitoring Guidebook.

In addition a separate template is provided for your [Devolved Formula Capital](http://www.kelsi.org.uk/__data/assets/excel_doc/0006/67632/Devolved-Formula-Capital-2017-18.xlsx) funding for 2017-18.  Currently the budgets published for 2017-18 are indicative, based on pupil numbers collected in the January 2016 census.  The Department for Education (DfE) have advised that the actual budgets for 2017-18 will not be available until the spring and this template will be updated as soon as these become available.

The budget setting courses in March will provide full training on the transition of the current year information on BPS to the new/next year. Please ensure before attending a course you have completed the BPS ‘new year preparation’ document as sent out to Kent schools on 3 February 2017. Where a training course includes a workshop it is essential that the instructions in this document are carried out in full in order to gain the most from the training course.

The deadline for the budget to be submitted to the Local Authority will be Wednesday 31st May 2017.

**SECTION B - BUDGET HEADLINES**

Headlines 2017-18 school budget settlement and pressures

2017-18 is now the seventh consecutive year of Dedicated Schools Grant (DSG) flat cash per pupil, which means that schools’ funding has not been uplifted for inflationary pressures during this period. We know that flat cash will continue for the remainder of this Parliament (2019-20), and the Governments view is that schools are expected to find efficiency savings to offset these inflationary pressures. However, the proposed introduction of the National Funding Formula (NFF) may have an impact on an individual school’s budget. Further information on the NFF is provided later in this guidance document.

This year we have seen exceptional growth in the number of mainstream high needs pupils and the LA is now forecasting to spend around £23m. This is an increase of £9m since 2015-16, and an over spend of £5m against an available budget of £18m. Although the DSG High Needs block has received an annual uplift for 2017-18 it is not sufficient to meet all of our pressures.

At the Schools’ Funding Forum (SFF) meeting on the 9 December 2016 the LA notified Forum members of the mainstream high needs pressure. It was agreed that the overspend for 2016-17 would be taken from one off unallocated DSG held in reserves and that the future cost for 2017-18 would be met by a transfer from the schools block of £5m.

The demand for High Needs funding is largely coming from the primary phase and as a result the LA recommend to the Forum, who agreed, that the pressure should be met by a reduction in the primary school Prior Attainment (PA) funding rate. For 2017-18 the primary school funding rate for PA (factor 6) will decrease by £178.27 per eligible pupil.

The exceptional growth in the number of primary school high needs pupils is a significant concern for the future and a combination of different measures will need to be incorporated to manage future pressures if take up continues to increase. As an acknowledgement of likely future growth in 2017-18 the SFF also recommended that the thresholds for notional SEN top up should be increased to free up another £1.8m to meet the cost of further increases to mainstream high need pupil numbers. From 1 April 2017 the phase 1 threshold will increase from 3% to 10% and the phase 2 threshold will increase from 20% to 28%.

Setting the phase 1 threshold at 3% allowed schools with a notional SEN budget of up to £200,000 to receive partial reimbursement of the first £6,000. Setting it at 10% will allow schools with a notional SEN budget of up to £60,000 to receive partial reimbursement of the first £6,000 and therefore protection will still be provided for schools with small notional SEN budgets. You can access guidance on the operation of mainstream high needs in [Section F](#SectionF).

National Funding Formula (NNF)

On the 13 December 2016 the Government announced its long awaited response to the first stage consultation on the introduction of a National Funding Formula for schools, which focused on the principles and building blocks. In addition to the response they also launched a stage 2 consultation that focused on the relative weightings and factors within the NFF. The consultation closes on the 22 March 2017. Currently a joint response on behalf of the LA and SFF is being compiled, and we would like to take this opportunity to encourage all schools to submit their own responses to this very important event. An [e- bulletin issued on the 24 January 2017](http://www.kelsi.org.uk/news-and-events/patrick-leesons-update/24-january-2017-weekly-update) provides details of the contents of the consultations, the implications for Kent and its schools and a link to an illustration tool showing what each school would receive in the future based on the consultation proposals.

The headlines from the consultation proposals are:

* Overall Kent schools will benefit by an estimated £12m in 2018-19, rising to £30m when the NFF is fully implemented, but not all Kent schools will receive a share of this additional funding.
* A soft NFF will be implemented in 2018-19 (local formula), followed by a hard NFF in 2019-20 (national formula where all schools will be funded using the same factors and nationally set funding rates).
* Gains will be phased in gradually with schools receiving a maximum 5.5%increase by 2019-20. If gains are greater than 5.5% it will not be determined until the next Parliament when schools will receive the full benefit from these proposals.
* Schools will continue to be protected by the Minimum Funding Guarantee (MFG) of –1.5%, and in addition any loss will be capped by the introduction of a new Funding Floor which has been set at -3%.

Apprenticeship Levy

The Government is introducing an Apprenticeship Levy from 1 April 2017. The information we currently have on how this will affect Schools was provided via an [e-bulletin on 10 January](http://www.kelsi.org.uk/news-and-events/patrick-leesons-update/10-january-2017-weekly-update). The LA plans to provide further updates, via the e-bulletin route, as and when information becomes available.

Minimum Funding Guarantee

The Government’s Minimum Funding Guarantee (MFG) for 2017-18 has been set at -1.5%. This has been applied to ensure no school has a reduction in its budget of more than 1.5% per pupil (excluding exempt items and high needs funding) before any Pupil Premium is allocated.

In last year’s budget template we provided the flexibility for schools to flex the MFG % for the second and third year based on local knowledge. We have built the same flexibility into this year’s tool for the 2018-19 and 2019-20 financial years. We have also gone further an added additional flexibility in readiness for the implementation of the National Funding Formula. We do not recommend setting a positive % increase until after the publication of the Government’s response to their current consultation, which we will interpret and issue further guidance to our schools. We do not anticipate this being before September 2017.

Kent Scheme Pay

For 2017-18 the County Council has agreed a single pay and reward package for Kent Scheme staff, and this arrangement is similar to previous years. The new Kent Scheme salary scales will be available shortly. The Council has recently confirmed that its TCP rating percentage increases as follows:

* Outstanding 5.0%
* Above the Required Standard 3.0%
* Achieved the Required Standard 1.8%
* Performance Improvement Required 0%

Individual ratings will be confirmed in April. Anyone rated as ‘achieving’ or more, will receive a pay award of at least £400 (pro rata for part time).

From 1st April 2017 a 1% increase will be applied to the minimum and maximum of the salary values within each of the Kent Range Grades.  Schools should ensure any new appointments are made within these revised grade boundaries. A higher increase of £579 will be applied to the minimum of Kent Range 2.  This will take the hourly rate of the lowest graded staff to £7.70 per hour, which is in excess of the new national living wage of £7.50 per hour payable from 1st April 2017.

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

**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 LA 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 either Nathan Page on 03000 416539 (email [nathan.page@kent.gov.uk](mailto:nathan.page@kent.gov.uk)) or Shane Jermy on 03000 416311 (email [shane.jermy@kent.gov.uk](mailto:shane.jermy@kent.gov.uk)).

**Devolved Formula Capital (DFC)**

We have published indicative DFC budgets for 2017-18 that are based on the January 2016 census and the current years funding rates. Final allocations will be confirmed in March although we are not expecting any material changes. You can access your indicative budget for 2017-18 here; [Devolved Formula Capital](http://www.kelsi.org.uk/__data/assets/excel_doc/0006/67632/Devolved-Formula-Capital-2017-18.xlsx). If you have any further questions in relation to DFC, please contact Ruth Giles via email at [ruth.giles@kent.gov.uk](mailto:ruth.giles@kent.gov.uk) or by telephone 03000 416930.

**Pupil Premium (PP)**

**General**

Schools can receive the following types of pupil premium payments:

* E6FSM = Ever Six Free School Meals
* E6SC = Ever Six Service Children
* CiC = Children in Care (also known as post LAC and Pupil Premium Plus (PP+))
* PLAC = Post Looked After Children (also known as Children adopted from care or have left care)

If a pupil is eligible for one of these categories then the school 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 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 | E6SC | CiC | PLAC |  | E6FSM | E6SC | 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 2017, a school will not receive E6FSM funding for this pupil if eligible. Schools 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.

**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.

Provisionally the DfE has provided the LA with an indicative budget for E6FSM based on your schools 2016-17 E6FSM funded numbers. In the first instance this allocation will be passed on to schools, however this will be adjusted in year as your school’s final allocation for 2017-18 will be based on your January 2017 census return. In light of this provisionally only the first three months (April to June) will be profiled on your schools advance.

We anticipate that the DfE will allocate the final E6FSM allocation late in the summer based on the January 2017 census; at this point an adjustment will be made to your school’s E6FSM indicative budget to reflect the final allocation. **It is important for schools to note that for initial budgeting purposes, schools should use their local records to estimate the number of eligible E6FSM for the period April 2017 to March 2018**

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

**CIC PP (also known as 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](mailto:ann.parnell@kent.gov.uk) )
* South Kent – Marian Smith (email [marian.smith@kent.gov.uk](mailto:marian.smith@kent.gov.uk) )
* West and North Kent – Malcolm Thomas(email [malcolm.thomas@kent.gov.uk](mailto:malcolm.thomas@kent.gov.uk) )

**E6SC**

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.

Indicative budgets have been based on the number of E6SC recorded on roll in the school for 2016-17. An adjustment to the indicative budget will be made on confirmation of numbers from the DfE, which is expected late in the summer and in light of this provisionally only the first three months (April to June) will be profiled on your schools advance. **It is important for schools to note that for initial budgeting purposes, schools should use their local records to estimate the number of eligible E6SC for the period April 2017 to March 2018**

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

**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.

We are not including indicative funding based on 2016-17 data for PLAC PP as the pupil may now not be on the school’s roll as at the January 2017 census. We anticipate that the DfE will notify the LA of schools’ entitlement to PLAC PP late in the summer and on receipt of this information we will pass funding onto the school.  **It is important for schools to note that for initial budgeting purposes, schools should use their local records to estimate the number of eligible PLAC for the period April 2017 to March 2018**

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

The DfE conditions of grant guidance for 2017-18 can be accessed using this link: [Conditions of Grant guidance](https://www.gov.uk/government/publications/pupil-premium-conditions-of-grant-2017-to-2018/pupil-premium-conditions-of-grant-2017-to-2018)

**Universal Infant Free School Meals (UIFSM)**

Academic year 2016-17 is the third year of UIFSMs. The Education Funding Agency (EFA) has confirmed that this grant will continue until the end of this Parliament; however currently no funding guidance has been issued for the academic year 2017-18. On the bases that the underlying methodology for calculating the grant will continue, we are advising schools to base future funding forecasts on the underlying calculation for 2016-17 and adjusting for change in eligible pupil numbers. To access guidance click on this link: [Conditions of Grant guidance](https://www.gov.uk/government/publications/universal-infant-free-school-meals-uifsm-funding-allocations-2016-to-2017/universal-infant-free-school-meals-uifsm-conditions-of-grant-2016-to-2017).

**Year 7 Catch Up 2016-17 (Academic Year)**

Schools will receive £500 for each pupil in year 7 who did not achieve at least level 4 in reading or maths at the end of KS2. LAs are expecting to receive confirmation of the grant at the beginning of March. Allocations and conditions of grant will subsequently be published on KELSI in March and payments for Year 7 Catch will be included in March’s schools advance. To date we have not had confirmation from the EFA in respect of future allocations for 2017-18 and beyond. On receipt of any future information, schools will be updated in due course.

**Primary PE and Sport Premium Grant**

Schools received their funding for the period September 2016 to March 2017 in November 2016. The final payment for the period April 2017 to August 2017 will be made to schools in May 2017. For details of the grant allocation click on this link: [Primary PE and Sport Premium Grant](http://www.kelsi.org.uk/__data/assets/pdf_file/0018/64332/Primary_PE_and_Sports_allocations_2016-17_KELSI.pdf) and to access conditions of grant click on this link: [Primary PE and Sport Premium Grant 2016-17 (AY)](https://www.gov.uk/guidance/pe-and-sport-premium-for-primary-schools).

The DfE has committed to continue to fund the Primary PE and Sport premium at £150m a year until 2020. Details of the 2017-18 academic year allocations and grant conditions have not been published and we are not expecting them until October 2017. Therefore the LA is not in a position to confirm the PE grant funding rates until the DfE guidance is published.

**SECTION D – PRIMARY AND SECONDARY SCHOOL CHANGES**

The 2017-18 Funding Guidance book is in the process of being updated, and this document will contain a detailed explanation of our local formula budget for primary and secondary schools, which you will be able to access via the following link: [Primary and Secondary School Funding Guidance 2017-18](http://www.kelsi.org.uk/__data/assets/word_doc/0005/67694/Primary-and-Secondary-Schools-Funding-Guidance-2017-18.docx). In summary there has been minimal change to Kent’s local formula factors in 2017-18. However there have been three notable events that have impacted on individual school budgets.

Income Deprivation Affecting Childrens Index (IDACI) – Formula factor 2

You may recall that the underlying data used to calculate IDACI bandings was updated for the 2016-17 budget release. One outcome of this update was to create a considerable amount of turbulence in school budgets. In acknowledgement of this, the Education Funding Agency (EFA) revised the bandings again for 2017-18 in order to more closely match the distribution of the number of children in each band back in 2015-16.

The revised distribution for 2017-18 created further turbulence and an estimated funding pressure of around £1.5m was initially forecast. To maintain stability across the overall Schools’ budget a recommendation was made to the Forum to set the IDACI band rates at a level that maintained the overall distribution at the same funding level as 2016-17.

In addition to the revised distribution the EFA also changed the descriptive character for each band from a number to a letter. Band 1 is now Band F, Band 6 is now Band A and the bands 2 to 5 follow the same sequence.

Primary Phase adjustment to Low Cost High Incidence SEN (LCHIS) funding rate, formula factor 6

The primary funding for LCHIS has been reduced from £729.11 to £530.52 per eligible pupil. There are two reasons for this reduction, as explained below:

1. *Transfer in funding from Schools Block to High Needs block to fund pressure for additional Mainstream HNPs*

As explained in section B the funding rate for primary LCHIS has be reduced by 25% a reduction of £178.27 from £729.11 to £550.84 to meet the increase in HNPs in mainstream primary schools. The reduction in the funding rate is outside of the MFG and therefore excluded from a schools MFG baseline for 2017-18.

1. *Foundation Stage Profile – Change in profile*

From the 1 April 2014, the Foundation Stage Profile score was replaced with a judgement, and we are now in the fourth year of transition. An eligible pupil is now one that is “Not achieving a good level of development”. The % of qualifying pupils in a primary school is now a mix of the new judgement for pupils in year groups 1 to 4 and the old foundation score of below 78 for pupils in years 5 to 6. In 2013-14 only 16% of primary school pupils received funding for LCHIS. This has increased to 24.3% of primary school pupils in 2017-18, as more pupils becoming eligible under the new criteria. To accommodate the increase in overall eligible numbers, the rate per eligible pupil has reduced from £550.84 to £530.52. Despite this reduction, the total amount of funding being allocated to schools through the LCHIS factor has remained constant, after adjusting for the £5m transfer mentioned in 1) above.

**De-delegation**

Members of the SFF representing maintained primary and secondary phases unanimously voted to continue de-delegating some specific budgets in 2017-18.

The ratification of this process took place at the SFF meeting held on the 9 December 2016.

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.

|  |  |  |  |
| --- | --- | --- | --- |
| Budget Heading | Amount de-delegated per pupil | | CFR code |
| Primary | Secondary |
| Schools in Financial Difficulties | £18.81 | £9.45 | E23 |
| 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 |
| **Total amount per pupil** | **£25.66** | **£16.30** |  |

**Post 16 / 6th Form Funding**

At the time of writing this guidance, the Education Funding Agency (EFA) have not finalised 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**

At the SFF meeting on the 9 December 2017, members of the Forum ratified the LAs growth funding policy for 2017-18. In summary, as directed by the EFA in 2015-16, schools will only qualify for funding if the growth is related to Basic Need. To access the Growth Policy for 2017-18 click on this link [Growth Policy](http://www.kelsi.org.uk/__data/assets/word_doc/0011/67637/Kent-Growth-Policy-2017-18.docx). The total available funding retained by the LA for in year pupil growth in 2017-18 is £7.5m.

Schools who will be eligible for the reorganisation funding element of Growth funding will receive an email w/c 27 February from Ian Hamilton (Schools Budget and PVI Manager) detailing their funding for the financial year April 2017 to March 2018. If a school is entitled to the rising roll element of growth funding it will be shown on the growth tab of the school budget template, to access this information click on this link [Growth Funding](http://www.kelsi.org.uk/__data/assets/file/0008/67697/2017-18-School-Budget-Templates.zip).

**Early Years Funding**

The Government are introducing a National Funding Formula for Early Years from 1 April 2017. The funding of each maintained nursery class and our maintained nursery school will continue to be calculated by the LA using a local formula. Each school with a maintained early year’s class will receive a letter w/c 6 March confirming their hourly funding rate from 1 April 2017.

**SECTION E – SPECIAL SCHOOLS**

The 2017-18 Special School funding guidance is now available to view on Kelsi, to access click on this link [Special School Funding Guidance 2017-18.](http://www.kelsi.org.uk/__data/assets/word_doc/0004/67693/Special-Schools-Funding-Formula-Guidance-2017-18.docx)

The 2017-18 Special School funding calculation template can be accessed via the following link [Special School funding template](http://www.kelsi.org.uk/__data/assets/file/0010/67699/2017-18-Special-School-Budget-Templates.zip) and to access user guidance click on this link  [Special Schools Funding template input guidance.](http://www.kelsi.org.uk/__data/assets/word_doc/0007/67570/2017-18-Special-Schools-Budget-Template-Guidance.docx)

**Protection**

The Government’s Minimum Funding Guarantee (MFG) for 2017-18 has been set at -1.5%. This has been applied to ensure no school has a reduction in the funding rate per pupil, for each need type, of more than 1.5%.

**2017-18 Funding Rates**

Special Schools were sent guidance and a computation on the 18th January detailing the calculation of their funding rate. Special Schools were requested to submit a return by the 3rd February confirming that they were in agreement with the number of places and funding rates. To date the majority of Special Schools have returned and agreed this information. To access your schools funding rate calculation click on this link, [Funding Rate Calculation 2017-18](http://www.kelsi.org.uk/__data/assets/file/0009/67698/2017-18-Special-Rates-Template.zip)

**Outreach**

Outreach resources to support mainstream schools are distributed via a lead special school in each district (total allocation: £2.4m). Distribution targets resources on the basis of identified levels of special educational needs and reflects a review which took place in 2015/16.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Area** | **District** | **Early Years County Lead**  **allocation** | **Allocation to Special Schools** | **TOTALS** |
| **North Kent** | Dartford | 8,000 | 162,000 | 170,000 |
| Gravesend | 8,000 | 172,000 | 180,000 |
| Sevenoaks | 8,000 | 117,000 | 125,000 |
| **West Kent** | Tonbridge & Malling | 8,000 | 182,000 | 190,000 |
| Tunbridge Wells | 8,000 | 167,000 | 175,000 |
| Maidstone | 8,000 | 232,000 | 240,000 |
| **East Kent** | Swale | 8,000 | 207,000 | 215,000 |
| Canterbury | 8,000 | 192,000 | 200,000 |
| Thanet | 8,000 | 272,000 | 280,000 |
| **South Kent** | Ashford | 8,000 | 202,000 | 210,000 |
| Shepway | 8,000 | 192,000 | 200,000 |
| Dover | 8,000 | 207,000 | 215,000 |
|  | TOTALS | 96,000 | 2,304,000 | 2,400,000 |

# Pooled Funding (equivalent of 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 is a rolling annual agreement that applies to the maintained special schools only and covered the following budgets:

|  |  |  |
| --- | --- | --- |
| **Budget Heading** | **Rate per funded place** | **CFR expenditure code** |
| 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 pooling 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.

**SECTION F – OVERVIEW OF MAINSTREAM HIGH NEEDS FUNDING IN KENT**

The definition of a High Needs Pupil (HNP) in a mainstream school is a monetary value, where the costs of supporting the additional SEN exceed £6,000 per pupil. For the avoidance of any doubt, the pupil does not need to have an Education Health Care Plan (EHCP) to be defined as HNP and access this funding. Also for the avoidance of any doubt, funding for pupils in a Specialist Resource Provision (SRP) is excluded from this process.

Place Plus is the Education Funding Agency (EFA) overarching High Needs funding methodology. Place Plus is applied to all High Needs pupils regardless of where the pupil is placed, however there are variations of how Place Plus is applied depending on the type of institution. To understand how Place Plus is applied it is important to note that in the first instance the cost of providing SEN resources for the pupil is identified. Place Plus is a methodology for how the funding is passed to the institution to meet that cost.

Knowing what notional SEN funding consists of is key to understanding the mechanics of mainstream High Needs funding. A schools formula budget is broken down into a number of factors, with each factor being used to target funding to the different needs of the pupils within the school. The notional SEN proportion of the budget consists of the following factors, factor 2 - IDACI, factor 3 – Look after Children (LAC), factor 4- English as an Additional Language (EAL), factor 6 - Low Cost High Incidence SEN(LCHIS) and an element of the lump sum factor 7 (Primary £6,235, Secondary £5,580). This funding is targeted through the Kent’s local formula for the additional needs of pupils in the school, over and above the basic needs of all pupils.

How this is this applied in practice is best explained using an example. A primary school has an annual notional SEN budget of £10,000 and has one high need pupil whose additional need costs £9,000 per annum.

Place Plus is broken down into three elements

* Element 1 (E1) – Core Education Funding
* Element 2 (E2) – Additional Support
* Element 3 (E3) – Top Up Funding.

E1 = Primary school basic entitlement £2,740 (factor 1 – Age Weighted Pupil Unit of funding)

E2 = £6,000 (this is always set at this amount)

E3 = £3,000 (cost of additional need £9,000 less the E2 funding of £6,000)

**How the funding is passed to the school**

E1 – included in schools annual formula budget (and forms part of the basic entitlement, not the notional SEN budget).

E2 – School meets £6,000 cost from its notional SEN budget. In this example, the notional budget is £10,000, so £6,000 is used for this pupil and the balance of £4,000 is available for the remaining pupils in the school with lower level needs.

E3- LA funds the £3,000 as a top up

**Notional SEN Top Up (which is in addition to Element 3)**

However, there are some schools that have a disproportionate number of High Needs pupils relative to their notional SEN funding. In these cases, the LA has agreed to provide “notional SEN top up funding”, which contributes towards (or in some cases fully funds) the E2 £6,000. This should not be confused with E3 funding, which is something different. It is possible for schools to attract both notional SEN top up and E3 top up funding.

No school will pay more than 10% of its notional SEN budget towards the £6,000 E2 contribution for an individual pupil. Using the example above the school would receive Notional SEN top up of £5,000. This has been calculated as follows:

1. E2 contribution required of £6,000
2. However school will pay a maximum of 10% of their Notional SEN budget, i.e. 10% of £10,000= £1,000
3. Therefore in this example the school will receive £5,000 Notional SEN top up to help meet the costs of E2.

In addition, a threshold of 28% has been set where no school will pay more than 28% of its notional SEN budget towards the total E2 £6,000 contribution for all HNPs in the school. Once the 28% has been reached, the full £6,000 will be reimbursed to the school. So continuing with the example above, if this school received another two High Needs pupils (three in total), this additional threshold would apply.

1. School would have three children (3 x £1,000 – as per point 2 above) so the expectation is that this school would have to contribute £3,000
2. However this additional threshold would apply: 28% of £10,000 = £2,800
3. So this school would receive £5,000 for the first child, £5,000 for the second child and for the third child is would receive £5,000 + £200.
4. If this school had a fourth child, it would receive the full £6,000

**How to apply for high needs funding in a mainstream school**

School submit an application via the SEN portal ([link to SEN guidance](http://www.kelsi.org.uk/special-education-needs/special-educational-needs/high-needs-funding-for-schools)). Once the application has been processed, if it is approved, the Schools’ Budget team will be notified. All approved top up funding will then be passed to the school on a monthly basis through the schools advance system. Included within the budget template suite provided to schools is a tab titled “High Needs Funding Mainstream”. Schools should record all of their HNPs on this tab and then reconcile the amounts to the schools advances system on a monthly basis.