**PRIMARY AND SECONDARY SCHOOLS FUNDING GUIDANCE 2016-17**

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# Introduction

The purpose of this document is to provide schools with a comprehensive guide on how its funding is calculated and allocated, with the main focus of the document being the Dedicated Schools Grant (DSG) Funding. For the purpose of this document, the term School relates to Local Authority (LA) School and Academy and the term Academy includes both Academies and Free Schools unless referred to individually.

Delegated Formula Funding (DFF) shares are paid to schools from the DSG made available annually to Kent County Council (KCC) by the Department for Education (DfE). The DSG is made up of three blocks of funding the Schools Block (SB), Early Years Block (EYB) and High Needs Block (HNB). The amount of funding in the SB is determined by the number of Full Time Equivalent (FTE) pupils aged 5 to 16 multiplied by the DSG funding rate of £4,383.

The amount of funding in the EYB is determined by the number of FTE pupils aged 3 and 4 multiplied by the DSG funding rate of £4,307 plus the number of FTE pupils aged 2 multiplied by the DSG funding rate of £4,766. The DfE are in the process of developing a methodology for calculating the HNB which is currently based on the historic SEN baseline spend of the LA and the number of high need pupil places in the LA.

Kent’s overall DSG for the SB and EYB is based on the total number of pupils in LA schools and academies. In respect of the SB an individual budget will be calculated for all Schools using a local formula. The overall budget cost for academies is then deducted from Kent’s DSG and passed to the Education Funding Agency (EFA) who in turn then pass the individual budget share to the respective academy through its General Accounting Grant (GAG).

The LA retains all direct funding responsibilities for LA schools and academies in respect of EYB and HNB. The local funding formula is therefore common to all LA Schools, Academies and Free Schools located in the LA.

Within the three blocks there is a small amount of DSG retained for central services common to both LA schools and academies. The remaining balance of the DSG is delegated to Schools, Early Years Providers, Independent and non-maintained Special Schools and FE Colleges and is known as the Individual School Budget (ISB).

The (ISB) share of the DSG is delegated to individual institutions for their local management. The SB share of the ISB is distributed to institutions by the DFF which is compliant with school funding reforms introduced in 2013-14, funding is allocated using 14 allowable factors. The schools funding reforms introduced a simplified national framework of factors that the LA has to work within in order to construct its local formula. Elected Members ultimately make decisions on the formula factors used in compliance with national regulation, but only after all schools are consulted.

In addition, the Schools’ Funding Forum (SFF) plays an active role in considering options and making recommendations to elected members for changes to the DFF. For more details in respect of the process, please see guidance on the Schools’ Funding Forum in [Section 6](#_Section_6_-) of this document.

It is important to note from the outset that schools are free to spend their delegated DSG funding on supporting teaching and learning in their school, they have the flexibility to target the funding in the most appropriate way needed to support the education of their pupils. It is at the discretion of the school to use these resources in the most efficient and effective way. The formula used to allocate the funding is a method of distribution and is not intended to dictate spending decisions by the school.

As an example, the formula uses various proxy indicators to calculate a SEN element. This is purely notional and is neither a minimum nor maximum spend guide. Schools must meet the needs of all pupils’ SEN in their school from the whole budget, regardless of the SEN notional amount (see 3.8) generated by the formula.

LA schools will receive notification of their budgets for the forthcoming year on the 26 February. The funding in this guidance relates to a budget allocation for the financial year April to March. All pupil-related elements of funding, unless stated, are based on the October census that precedes the February budget notification.

Funding is for a 12 month period and is not normally adjusted for individual changes to data during the year. This principle is intended to give schools certainty over the funding they have available for the year to assist forward planning. It provides a degree of cushioning against pupil number reductions as any loss of pupils, typically in September, will not affect the budget until the following year. There is some assistance for Growth in Pupils numbers, see [Section 5](#_Section_5_-_1).

The EFA will replicate the LA’s process for calculating the academies ISB. An academies financial year runs for the period September to August and will be based on the LA’s financial year April to March.

|  |  |
| --- | --- |
| LA Schools | Academies  |
| Formula budget -School Budget Template – guidance section 2[Link Mainstream School Budget Template, tabs- Year 1, Year 2, Year 3 and MFG](http://www.kelsi.org.uk/__data/assets/file/0020/54560/2016_17_School_Budget_Templates.zip) | Formula budget – General Accounting Grant (GAG) statement issued by the EFA – guidance section 2 |
| Growth Funding – guidance section 5[Link Mainstream School Budget Template, tab Growth Funding](http://www.kelsi.org.uk/__data/assets/file/0020/54560/2016_17_School_Budget_Templates.zip) | Growth Funding – guidance section 5[Link 2016-17 Academy template – tab Growth Funding](http://www.kelsi.org.uk/__data/assets/file/0007/54565/2016_17_Academy_Calculator.zip)  |
| Mainstream High Needs Funding – guidance section 3[Link Mainstream School Budget Template, tab - High Needs Mainstream](http://www.kelsi.org.uk/__data/assets/file/0020/54560/2016_17_School_Budget_Templates.zip) | Mainstream High Needs Funding – guidance section 3[Link 2016-17 Academy template – tab High Needs Mainstream](http://www.kelsi.org.uk/__data/assets/file/0007/54565/2016_17_Academy_Calculator.zip) |
| Specialist Resource Provision (SRP) – guidance section 3[Link Mainstream School Budget Template, tabs SRP YR1 and SRP rates](http://www.kelsi.org.uk/__data/assets/file/0020/54560/2016_17_School_Budget_Templates.zip) | Specialist Resource Provision (SRP) – guidance section 3[Link 2016-17 Academy template – tabs SRP and SRP Rates](http://www.kelsi.org.uk/__data/assets/file/0007/54565/2016_17_Academy_Calculator.zip) |
|  Early Years Funding – guidance section 4 [Link Mainstream School Budget Template, tab Early Years](http://www.kelsi.org.uk/__data/assets/file/0020/54560/2016_17_School_Budget_Templates.zip) | Early Years Funding – guidance section 4 [Link 2016-17 Academy template – tab Early Years](http://www.kelsi.org.uk/__data/assets/file/0007/54565/2016_17_Academy_Calculator.zip) |

# Section 1 - Formula Factors

This part of the budget book relates to both LA schools and academies, however the funding for academies will not be passed to them by the LA, instead it will be passed to them by the EFA through their General Annual Grant (GAG).

*Note: In general the source of sections 1.1 to 1.27 are taken from the* [*Schools block dataset technical specification: 2016 to 2017*](http://www.kelsi.org.uk/__data/assets/pdf_file/0009/54567/Schools_Block_Dataset_Technical_Spec_2016-17_inc_Corrected_IMD_link_to_SFR.pdf)

**Factor 1 AWPU**

1.1 AWPU (Age Weighted Pupil Unit) is an amount of funding attributed to each pupil at the school. There are three rates payable, one each for Primary, Key Stage 3 and Key Stage 4 pupils. Details of the rates can be found in [Appendix 1](http://www.kelsi.org.uk/__data/assets/word_doc/0003/54570/Appendix_1-Formula_Funding_Rates_2016-17.docx).

1.2 The pupil numbers used to calculate the AWPU allocation is based on the October pupil census, with the exception of pupils in Specialist Resource Provisions (SRPs).

1.3 Pupils being educated in SRP’s attract funding separately from the rest of the school through the high needs SRP funding system. This means that no funding should be included in the formula calculation for these pupils as it would result in double funding. The pupil count used for the formula calculation has been reduced by the number of pupils in the SRP as at the October 2015 census date which was confirmed with the schools affected in December 2015.

1.4 Pupils have been counted by headcount, irrespective of whether or not they are part time. Pupils recorded as being in National Curriculum year groups R to 6 are classed as in the primary phase and those in 7 to 11 are classed as in the secondary phase. Secondary pupils are additionally split into key stage groups; KS3 (Y7-Y9) and KS4 (Y10-Y11).

1.5 LAs can have a reception uplift factor in its formula. From April 2015 the LA have opted not to have this factor, this was agreed at the SFF meeting on the 20 November. For further details on the rational for removing this factor click on this link [SFF paper item 9 Reception Uplift](http://www.kelsi.org.uk/__data/assets/file/0007/50947/SFF_Papers_20_NOV_2015.zip)

**Factor 2 Deprivation**

1.6 The allowable indicators are Income Deprivation Affecting Children Index (IDACI), Free School Meals (FSM) and Free School Meals (Ever 6). The two indicators used in Kent’s DFF are Free School Meals (FSM) and Income Deprivation Affecting Children Index (IDACI).

**FSM**

1.7 The proportion of pupils eligible for FSM according to the October 2015 census has been aggregated to school level, with separate indicators for primary and secondary phase pupils. This proportion is then multiplied by the total pupil count used for AWPU funding, to reach the number of eligible pupils. Due to the pupil number adjustment mentioned earlier in paragraph 1.2, the total pupil number funded may not be a whole number. The school will then receive a rate per eligible pupil as detailed in [Appendix 1](http://www.kelsi.org.uk/__data/assets/word_doc/0003/54570/Appendix_1-Formula_Funding_Rates_2016-17.docx).

**IDACI**

1.8 IDACI is a subset of the Indices of Multiple Deprivation (IMD). It is an area-based measure defined at the level of Lower Super Output Area (LSOA) and is based on data published in September 2015. It takes the form of a score between 0 and 1, which can be interpreted as the proportion of families with children under-16 in the LSOA which are income deprived.

1.9 The IDACI score has been matched to pupil records where the pupil’s postcode is known, and this has been placed into seven bands as shown below. Only pupils with an IDACI score above 0.2 can be assigned deprivation funding through this factor, meaning there are six bands which can be given different unit values each for primary and secondary phase pupils. Where a pupil does not have a valid postcode they have been excluded from both the numerator and denominator thus not affecting the proportion of pupils in each band.

|  |  |
| --- | --- |
| IDACI Score | IDACI band |
| x < 0.2 | 0 |
| 0.2 ≤x< 0.25 | 1 |
| 0.25 ≤x< 0.3 | 2 |
| 0.3 ≤x< 0.4 | 3 |
| 0.4 ≤x< 0.5 | 4 |
| 0.5 ≤x< 0.6 | 5 |
| 0.6 ≤x≤ 1 | 6 |

1.10 For each of the bands, the proportion of pupils on the October census with valid IDACI scores has been aggregated to school level, with separate indicators for primary and secondary phase pupils. Due to the pupil number adjustment mentioned earlier in paragraph 1.2, the total pupil number funded may not be a whole number. The school will then receive a rate per eligible pupil as detailed in [Appendix 1](http://www.kelsi.org.uk/__data/assets/word_doc/0003/54570/Appendix_1-Formula_Funding_Rates_2016-17.docx)

**Factor 3 Looked After Children (LAC)**

1.11 Details of children looked after by a LA are returned to the Department for Education (DfE) on the annual SSDA903 collection. An extract of the SSDA903 2014 looked-after children data indicating whether a child has been looked after for one day or more on 31 March 2015 is used to calculate the number of eligible pupils.

1.12 The data is matched with the National Pupil Database, using the Unique Pupil Number (UPN), and extracts are obtained showing where the children were on roll based on the January 2015 census. The UPN is the main field used for matching purposes but other information about the child is also used such as date of birth, gender, ethnicity and responsible local authority. In 2015, 96.5% of children of school age who had been looked after for at least one day from 1 April 2014 to 31 March 2015 (not including respite care) had a UPN submitted in the SSDA903 data collection; and the remainder had a reason why a UPN does not exist.

1.13 The school level weighting for this indicator is given by dividing the number of matched pupils by the number on roll (NOR) in the October 2015 census. This proportion is then multiplied by the total pupil count used for AWPU funding, to reach the number of eligible pupils.

Due to the pupil number adjustments mentioned in paragraph 1.2 and the % calculated on the January census and applied to the October census, this may result in the funded pupil number not being a whole number. The school will then receive a rate per eligible pupil as detailed in [Appendix 1](http://www.kelsi.org.uk/__data/assets/word_doc/0003/54570/Appendix_1-Formula_Funding_Rates_2016-17.docx).

**Factor 4 English as an Additional Language (EAL)**

1.14 There are three allowable indicators for EAL, all based on the Language Code given in the census. Both the short code set and the long code set are grouped so that pupils with an English code (including believed to be English) are “1\_ENG”, pupils whose language is unknown or undeclared are “3\_UNK” and all other pupils are “2\_OTH”.

1.15 Pupils attract EAL funding if they are grouped as “2\_OTH” from the Language Code on the October 2015 census and can be shown to have been in the school system for less than one year, less than two years or less than three years. This is achieved by deriving a pupil level “years in system” count based on the pupil’s presence in the Autumn 2012, Autumn 2013 and Autumn 2014 censuses. Using the years in system indicator and the current national curriculum year, an estimated national curriculum start year can be derived.

This is important, as the indicator is offset for pupils who were in Year R, N1 or N2 for any of the interrogation years. This is done because language does not have to be declared in the census for pupils aged less than 5, causing the data for pupils when in year R to be partial and unrepresentative. Also for this reason, pupils in year R are excluded from the measure. Pupils grouped as “3\_UNK” are also excluded.

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Current Year**  |  |  |  |  |  |  |  |  |  |  |
| **Start Year** | R | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| **R** | Null | EAL\_1 | EAL\_2 | EAL\_3 |   |   |   |   |   |   |   |   |
| **1** |   | EAL\_1 | EAL\_2 | EAL\_3 |   |   |   |   |   |   |   |   |
| **2** |   |   | EAL\_1 | EAL\_2 | EAL\_3 |   |   |   |   |   |   |   |
| **3** |   |   |   | EAL\_1 | EAL\_2 | EAL\_3 |   |   |   |   |   |   |
| **4** |   |   |   |   | EAL\_1 | EAL\_2 | EAL\_3 |   |   |   |   |   |
| **5** |   |   |   |   |   | EAL\_1 | EAL\_2 | EAL\_3 |   |   |   |   |
| **6** |   |   |   |   |   |   | EAL\_1 | EAL\_2 | EAL\_3 |   |   |   |
| **7** |   |   |   |   |   |   |   | EAL\_1 | EAL\_2 | EAL\_3 |   |   |
| **8** |   |   |   |   |   |   |   |   | EAL\_1 | EAL\_2 | EAL\_3 |   |
| **9** |   |   |   |   |   |   |   |   |   | EAL\_1 | EAL\_2 | EAL\_3 |
| **10** |   |   |   |   |   |   |   |   |   |   | EAL\_1 | EAL\_2 |
| **11** |   |   |   |   |   |   |   |   |   |   |   | EAL\_1 |

The table above illustrates which EAL category a pupil who is grouped as “2\_OTH” would map to, given their current year group and their starting year group. Pupils in year R and pupils grouped as “3\_UNK” are not given a category. Other pupils grouped as “1\_ENG” are given the category EAL\_0.

1.16 Below is a further illustration documenting period of eligible funding.

|  |  |  |
| --- | --- | --- |
| **If first year in education is in Year group R** |  |  |
|  |  |  |  |  |  |  |
| Census  |  | Oct-12 | Oct-13 | Oct-14 | Oct-15 | Oct-16 |
|  |  |  |  |  |  |  |
| Financial year | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
| Financial year | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
| Financial year | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |

|  |  |  |
| --- | --- | --- |
| **If first year in education is Year groups 1 to 11** |  |  |
|  |  |  |  |  |  |  |
| Census  |  | Oct-12 | Oct-13 | Oct-14 | Oct-15 | Oct-16 |
|  |  |  |  |  |  |  |
| Financial year | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| Financial year | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
| Financial year | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|  |  |  |  |  |  |  |

1.17 The school level proportion for this indicator is given by dividing the number of matched pupils by the NOR in the October 2015 census. This proportion is then multiplied by the total pupil count used for AWPU funding, to reach the number of eligible pupils. Due to the pupil number adjustment mentioned earlier in paragraph 1.2, the total pupil number funded may not be a whole number. The school will then receive a rate per eligible pupil as detailed in [Appendix 1](http://www.kelsi.org.uk/__data/assets/word_doc/0003/54570/Appendix_1-Formula_Funding_Rates_2016-17.docx).

1.18 LA’s have the discretion to allocate the funding for 1, 2 or 3 years. The Kent method of allocation is for the first three years.

**Factor 6 Low Cost, High Incidence SEN – Prior Attainment (PA)**

Primary Schools

1.18 For primary schools, funding is targeted at pupils who did not achieve a good level of development on the new Early Years Foundation Stage Profile (EYFSP) and pupils who achieved either fewer than 78 points or fewer than 73 points on the previous EYFSP.

1.19 Low Attainment under new EYFSP Proportion - Pupils in the October 2015 census in years 1, 2 and 3 are matched onto the new EYFSP data using their UPN. A school’s proportion in the dataset is the number of pupils in years 1, 2 and 3 recorded as not achieving a good level of development divided by the number of pupils in years 1, 2 and 3 recorded in the attainment data. Pupils who could not be matched onto the attainment data, or for whom the attainment data does not provide a result, are excluded from this calculation.

1.20 Low Attainment under old EYFSP Proportion 73 or Low Attainment under old EYFSP Proportion 78 - Pupils in the October 2015 census in years 4 to 6 are matched onto the old EYFSP data using their UPN. A school’s proportion in the dataset is the number of pupils in years 4 to 6 achieving a score of <73 or <78 (respectively) divided by the number of pupils recorded as achieving a score of >=0. Pupils who could not be matched onto the attainment data, or for whom the attainment data does not provide a result or gives an alternative result, are excluded from this calculation.

1.21 If a school has primary pupils but no pupils with valid EYFSP results, then they will be given a KS2 proxy in the dataset, using either the KS2 results of secondary pupils currently in the school or the KS2 results of the most recent cohort to be assessed at the school.

1.22 Due to the pupil number adjustment mentioned earlier in paragraph 1.2, the total pupil number funded may not be a whole number. The school will then receive a rate per eligible pupil as detailed in [Appendix 1](http://www.kelsi.org.uk/__data/assets/word_doc/0003/54570/Appendix_1-Formula_Funding_Rates_2016-17.docx).

Secondary Schools

1.23 Low Attainment Secondary Proportion - For secondary schools, funding can be targeted at pupils who achieve a Level 3 or below in either English reading, English teacher-assessed writing, or mathematics at KS2. Specifically, this means pupils scoring ‘2’, ‘3’, ‘B’ or ‘N’ in mathematics; pupils scoring ‘3’, ‘B’ or ‘N’ in English reading; and pupils scoring ‘W’, ‘1’, ‘2’ or ‘3’ in English teacher-assessed writing.

1.24. In 2012 the KS2 English assessment methodology was changed to include separately a reading test, a grammar, punctuation and spelling test and teacher assessed writing. For pupils who were assessed prior to this change, the English element will identify those pupils who fail to achieve a level 4 in English (specifically, scoring ‘2’, ‘3’, ‘B’ or ‘N’).

1.25 Only pupils who have undertaken assessment have been considered in calculating each school’s proportion. Pupils marked as absent or with a result other than those listed are excluded from this calculation. Pupils in years 7 to 11 in the October 2015 census who could not be matched onto the KS2 attainment data are also excluded.

1.26 Due to the pupil number adjustment detailed in paragraph 1.2, the answer may not be a whole number as there is no rounding of the pupil number. The school will then receive a rate per eligible pupil as detailed in [Appendix 1](http://www.kelsi.org.uk/__data/assets/word_doc/0003/54570/Appendix_1-Formula_Funding_Rates_2016-17.docx).

**Factor 7 Lump Sum**

1.20 The lump sum will be paid to all schools (primary and secondary), regardless of size, at the same rate. This factor recognises fixed costs in running a school and is primarily intended to protect small schools which would not be financially viable using only pupil led factors. The lump sum rate is shown in [Appendix 1](http://www.kelsi.org.uk/__data/assets/word_doc/0003/54570/Appendix_1-Formula_Funding_Rates_2016-17.docx).

**Factor 9 London Fringe**

1.21 For the five local authorities who have some of their schools within the London fringe area (Buckinghamshire, Essex, Hertfordshire, Kent and West Sussex), there is an uplift to recognise the additional costs associated with this geographical area. The uplift was calculated using the specific cost of teaching staff within the different pay band areas and the proportion of school expenditure that goes on teaching staff.

Using the national distribution of teaching staff by pay band spine point (School Workforce Census, 2013) and spine point salary data (School Teachers’ Pay and Conditions Document 2013) the EFA calculated the average uplift between the London Fringe and the rest of England teacher pay band areas to be 2.96%.

1.22 Analysis of the financial year 2012 to 2013 Section 251 Outturn reporting lines indicated that 53% of school expenditure goes on teaching staff costs. On this basis, the uplift for London fringe schools was 53% of 2.96% which gives a value of 1.56% to be applied to the school formula funding – excluding factors that should be paid as actual i.e. rates, PFI, split-site and exceptional circumstances.

This is a recalculated value from the 1.63% uplift used for the formula in the previous two years, and reflects more recent data from the sources described above. The uplifted relates to factors 1 to 7 in the Kent formula.

1.23 - The districts that fall partly in the London fringe are:

- Buckinghamshire: Chiltern, South Bucks

- Essex: Basildon, Brentwood, Epping Forest, Harlow

- Hertfordshire: Broxbourne, Dacorum, East Hertfordshire, Hertsmere, St Albans, Three Rivers, Watford, Welwyn Hatfield

- Kent: Dartford, Sevenoaks

- West Sussex: Crawley

**Factor 11 National Non-Domestic Rates (NNDR)**

1.22 The cost to schools of Non-Domestic Rates bills will be funded at the level of the actual cost incurred. The initial budget allocation will include an estimate of the cost to be incurred but this may be adjusted in year to reflect more up to date information. Actual bills for the period April to March will be submitted direct to the School Budget and PVI team from District and Borough Councils, therefore schools do not need to submit their national non-domestic rates bill. However, if there are changes in year to the initial bill generated for the period April to March, schools will need to submit a copy of this bill in order for an adjustment to be made to their delegated budget allocations. The process described relates to LA maintained schools, for academies a similar process will be administered by the EFA.

1.23 If a LA school has a change to its NNDR bill in year, then a copy of this bill should be submitted to Claire Walker (Senior Accounting Technician), Schools Budget and PVI Team, Room 3:08 Sessions House, Maidstone, ME141XQ. Email Claire.walker@kent.gov.uk.

**Factor 12 Private Finance Initiative (PFI)**

1.24 This factor relates to the additional funding provided to PFI schools to cover the revenue affordability shortfall costs of the PFI contract.

1.25 This element of funding will be recorded under Factor 12 on the schools budget template and will be recouped in full by the LA through the schools advances system

**Factor 14 Exceptional premises factors (can only be used with prior agreement of the EFA)**

1.25 LA’s may request the inclusion of additional premises factors in their formula for exceptional circumstances. Additional premises factors may be approved in cases where the nature of the school premises gives rise to a significant additional cost greater than 1% of the school’s total budget, and where such costs affect fewer than 5% of the schools (including academies) in the authority.

**Factors not included in Kent’s local funding formula**

1.26 KCC has not included Factor 5 - Mobility, Factor 8 - Sparsity, Factor 10 - Split Site and Factor 13 - Sixth Form in its local formula. For financial year 2013-14 the SFF recommended that Factor 10 - Split Site and Factor 14 - Exceptional premises factor in respect of school rentals over 1% should not be used in the formula.

In part, this recommendation was made on the data collected from the schools funding consultation in the Autumn of 2013. Factor 13 can only be included in the formula if historically there was a sixth form factor in the local formula, Kent did not have a 6th Form factor, therefore Factor 13 was by default excluded from the formula. Factor 5 and Factor 8 were additional factors introduced for the financial year 2014-15 by the EFA.

The SFF, on behalf of schools, recommended that these two factors were not included in Kent’s local formula. The reasons for this was that the Sparsity factor only related to a limited number of schools and there was no evidence that these schools had a disproportionate negative impact on their funding resulting from their geographical location. For Mobility there was not any evidence that this factor would improve the targeting of funding in relation the need within schools.

1.27 Further details on the eligible factors allowed in the local formula can be accessed from the following document, [Schools block dataset technical specification: 2016 to 2017](http://www.kelsi.org.uk/__data/assets/pdf_file/0009/54567/Schools_Block_Dataset_Technical_Spec_2016-17_inc_Corrected_IMD_link_to_SFR.pdf) and [Schools revenue funding 2016 to 2017: operational guide.](http://www.kelsi.org.uk/__data/assets/pdf_file/0010/54568/Schools_revenue_funding_2016_to_2017_operational_guide_updated_December_2015.pdf)

# Section 2 - Minimum Funding Guarantee (MFG)

2.1 Schools receive protection on their funding from year to year through the MFG. A school is guaranteed to receive 98.5% of the funded average amount allocated in the preceding year, less exempt items (Lump sum and NNDR). For 2016-17 the MFG has been set at minus 1.5% (100% less 1.5% =98.5%). The process for calculating schools MFG is illustrated in paragraph 2.2 using a worked example from a fictitious Primary school.

2.2 MFG Calculation Example

|  |  |  |  |
| --- | --- | --- | --- |
| A | 2015/16 School Budget Share (SBS) | £587,443 |  |
|  |  |  |  |
|  | Less exempt items |  |  |
| B | 2015-16 NNDR  | £8,917 |  |
| C | 2015-16 Lump Sum | £120,000 |  |
| D | Total exempt items | £128,917 | (B+C) |
|  |  |  |  |
| E | MFG Baseline | £458,526 | (A-D) |
|  |  |  |  |
| F | October 2014 Pupil Numbers | 127 |  |
| G | MFG per pupil before reduction | £3,610 | (E/F) |
| H | 1.5% of MFG per pupil | £54 | (G x 1.5%) |
| I | MFG per pupil less 1.5% | £3,556 | (G-H) |
|  |  |  |  |
| J | October 2015 Pupil Numbers | 145 |  |
| K | MFG Excluding Exempt Items | £515,620 | (I X J) |
|  |  |  |  |
|  | Plus Exempt Items 2016-17 |  |  |
| L | 2016-17 NNDR  | £9,121 |  |
| M | 2016-17 Lump Sum | £121,876 |  |
| N | Total exempt items | £130,997 | (L + M) |
|  |  |  |  |
| O | MFG baseline 2016-17 | £646,617 | (K+N) |
| P | Formula budget 2016-17 | £610,000 |  |
| Q | Schools will receive greater MFG or Formula | £646,617 | Greater O or P |
|  |  |  |  |
| R | MFG 2016-17 | £36,617 | (Q - R) |
| S | School Budget Share 2016-17 | £646,617 |  |

# Section 3 - High Needs SEN Funding – Place Plus

High Needs SEN Funding – “Place Plus” - General

3.1 From April 2013 the methodology of “Place Plus” will be used to fund all High Needs SEN pupils aged 0-25 in the following institutions:

* Special Schools (SS)
* Specialist Resourced Provision (SRP)
* High Needs Pupils in Mainstream Schools
* Further Education (FE) Colleges
* Independent Specialist Provision (ISP)
* Non-maintained Special Schools (NMSS)
* Pupil Referral Units (PRUs)

The aim is to have national funding methodology that dovetails financial resources with the Children and Families Bill, which was enacted from September 2014.

3.2 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 “Funding Offer”.

3.3 The simplistic method described above will be applied in a different way depending on the type of High Needs provision the pupil is in. The following guidance will apply to High Needs Pupils in Mainstream Schools and SRPs.

**High Needs Pupils in Mainstream Schools**

3.4 The LA has full responsibility for both funding and paying for High Needs pupils in mainstream schools, for both LA schools and academies.

3.5 From April 2015 Kent is now compliant with the DfE national definition of High Needs SEN pupil (HNP) which defines a HNP as a monetary value where the additional need of the pupil is £6,000 or more. Prior to April 2015 the definition of HNP in Kent was a pupil with a statement of 25 hours or more.

3.6 In order for a pupil to meet the £6,000 criteria and trigger funding the school must submit an application through the LA SEN team. The application process is web based and is a submission made by the schools Special Education Needs Co-ordinator (SENCO). For details of the application process and eligibility criteria access this link: [High Needs Funding for Schools](http://www.kelsi.org.uk/special-education-needs/special-educational-needs/high-needs-funding-for-schools).

3.7 On completion of the application for high needs funding a value with be calculated for the additional need of the pupil. If the cost of the additional need is £6,000 or more the pupil will be defined as a high needs pupil and the value of the additional need will be known as the pupil funding offer. For the avoidance of any doubt an application is not dependent on the pupil having a EHCP.

3.8 The description notional SEN budget has been used for some time by the Department for Education (DfE) to describe the level of funding included in a schools delegated budget that is targeted at SEN and Additional Education Needs (AEN).

3.9 In Kent around £84.8 million of the overall ISB is targeted through notional SEN factors, the following factors are used

* Factor 2- IDACI
* Factor 3- LAC
* Factor 4- EAL
* Factor 6- High incidence low cost SEN
* Factor 7- Part of lump sum (Primary £6,235 Secondary £5,580)

3.10 Where a pupil meets the HNP funding criteria i.e. £6,000 or more and is a Pre 16 pupil the cost of the first £6,000 of additional need is paid from the schools notional SEN budget, for Post 16 the first £6,000 is funded in full by the LA.

3.11 It is best to use an example to explain how Place Plus is applied in a mainstream school using a pupil that has agreed additional need costing £9,000.

|  |
| --- |
| **Element 1 -Core Education Funding** |
| Primary (Yrs R to 6)AWPU | Secondary KS3 (Yrs 7 to 9)AWPU | Secondary KS4 (Yrs 10 to11)AWPU | Post 16 National Funding Formula (NFF), paid as part of annual budget settlement. |
| £2,741, paid as part of annual budget settlement | £3,803, paid as part of annual budget settlement | £4,173, paid as part of annual budget settlement | Post 16 National Funding Formula (NFF), paid as part of annual budget settlement. |
| **Element 2 - Additional Support Funding** |
| £6,000 - paid from schoolsnotional SEN budget  | £6,000 - paid from schoolsnotional SEN budget | £6,000 - paid from schools notional SEN budget | £6,000 paid by LA |
| **Element 3 - Top Up Funding** |
| £3,000, paid by LA (£9,000-£6,000= £3,000) | £3,000, paid by LA (£9,000-£6,000= £3,000) | £3,000, paid by LA (£9,000-£6,000= £3,000) | £3,000, paid by LA (£9,000-£6,000= £3,000) |

3.12 Where there is a disproportionate impact on a schools notional SEN budget due to the number of HNPs in the school, compared to their overall level of notional SEN funding, the LA can provide additional funding to help meet this pressure. The term given for this funding is notional SEN top up funding.

3.13 Schools will receive SEN top up funding if E2 (£6,000) is greater than 3% of the schools notional SEN budget. The following example is an illustration of how the calculation will be applied.

 Example – Small primary school with a notional SEN budget of £10,000, with a High Needs pupil that has additional need costing £12,000.

 Step 1 – School will pay first £6,000 (E2) from notional SEN budget and LA will pay top up funding E3 of £6,000 to the school.

 Step 2 – School will only contribute 3% of notional SEN budget towards E2 (£6,000), 3% X £10,000 = £300. School will be given back £5,700 and will therefore receive £11,700 towards the cost of supporting the pupil.

3.14 In addition to this there is a further threshold applied which guarantees that no school will contribute more than 20% of its notional SEN funding towards the cost of E2, the first £6,000

 Example a school that has notional SEN funding of £210,000 and has 8 HNPs

 Step 1- Contribution per pupil towards E2 (£6,000) = 3% X £210,000 = £6,300. School will pay maximum of £6,000 per pupil.

 Step 2 - 20% threshold = £210,000 X 20% = £42,000. School will not pay more than £42,000 towards additional cost of High Needs pupils in the school.

 Step 3 – E2 contribution for 8 pupils = 8 X £6,000 = £48,000. School will receive notional SEN top up of £6,000 (£48,000 - £42,000 (20% threshold).

**Period of funding**

3.15 The funding is broken down into three periods, period 1 – April to August, period 2 -September to December and period 3 – January to March.

3.16 Funding will be allocated on a monthly basis and will be payable for the full month from the date the pupil is eligible for high needs funding until the end of the funding period. If a pupil leaves during one of the three funding periods, the school will continue to receive the funding until the end of the period the pupil left in. For example, if a pupil was in receipt of funding in April but left in June, funding would continue until the end of August.

3.17 Schools will need to apply annually for pupil funding. For the avoidance of any doubt this is for new HNPs and existing HNPs who will need to submit annually in order for the funding to continue. In addition to this a new application will need to be made when any pupil that changes school.

3.18 Where a school submits its annual application for an existing pupil, funding will continue until the end of the period at the same rate that was paid at the beginning of the funding period. The new rate will be paid from the first month of the following funding period. In general if schools do not submit annually, funding will stop from the funding period following the period the annual submission was due.

HNPs in mainstream schools from Other Local Authorities (OLA)

3.19 As part of the 2013-14 school funding reforms, the regulations that directed Local Authorities (LA’s) to recoup funding from another LA where a pupil was attending one of its schools was removed. From 2013-14 it is the institutions responsibility to collect the funding direct from the OLA.

3.20 The LA will collect the high needs funding from the OLA on the request of the school and pay any high needs funding due to the school through the Kent schools advances funding system. However this arrangement will only be made for the school on the basis that the funding can be recouped from the OLA. The school will need to provide the LA with the relevant details to confirm that the OLA agree to fund, required information will include contact name and billing address. This part of the process will be arranged during the application process detailed in paragraph 3.6.

**High Needs SEN funding in a Specialist Resource Provision (SRP)**

**Background**

3.21 In order to receive high needs funding for an SRP pupil the school/academy’s SRP must be named on the pupil’s Education Health and Care Plan (EHCP).

3.22 SRP funding is made up of 3 elements

1) Element 1 (E1) or “Core Education Funding” = £4,000

2) Element 2 (E2) or “Additional Support Funding” = £6,000

3) Element 3 (E3) or “Top Up Funding” = Individual to each SRP

3.23 E1 and E2 added together is your ‘place funding’ and will be based on a guaranteed number of commissioned places. Funding is guaranteed for the number of agreed places regardless of how many pupils are actually placed in the SRP.

3.24 E3 is the top up rate. E3 is calculated as the total cost for the pupil less E1 & 2 (Place funding). How your rate is calculated is explained in more detail below. E3 will only be paid for actual pupils on roll at the SRP and funding will follow the pupil on a monthly basis. For pre-16 pupils place funding E1 & E2 will be paid by the LA to LA maintained schools and for Academies it will be paid direct to the academy by the Education Funding Agency (EFA). E3 will be funded by the LA for both LA maintained schools and Academies.

3.25 For post-16 pupils E1 will be included in schools and academies 16-19 allocation. E2 will be paid by the LA to LA maintained schools and Academies. E3 will be funded by the LA for both LA maintained schools and Academies.

3.26 The table below summarises the funding source for each element of funding:



**Commissioned Place Numbers**

3.27 If your School/Academy has an SRP in Kent you will be contacted by a Local Authority (LA) SEN Officer in the autumn each year to agree a number of places for the following academic year. As the financial year spans two academic years you may have different place numbers for April to August and September to March.

**Excess Place Funding**

3.28 Where a pupil is placed in an SRP and the number of commissioned places is exceeded, Elements 1 and 2 will be paid by the LA pro rata on a monthly basis for as long as the number of commissioned places is exceeded.

3.29 When calculating the amount of excess place funding you receive, the number of places you are under/over your commissioned places for both pre-16 and post-16 will be taken into account and where applicable other SRPs within the school/academy.

3.30 For example, if in one month you are 1 place over your commissioned post 16 places you would receive £6,000 x 1/12 = £500 but if you are also under your pre 16 places by 1 pupil we would deduct from this amount £10,000 x 1/12 = -£833.33. The net payment would be £500 - £833.33 = -£416.67 which would result in no excess E1 & E2 payment in that month. The amount of excess place funding will always be positive and no place funding will ever be deducted as you are guaranteed place funding for your commissioned number of places.

**Calculating your SRP Rate**

3.31 The individual SRP rate is calculated based on the individual elements of the formula a pupil would have received through its formula budget, 16 to 19 NFF and High Needs SEN funding (IAR).

**High Needs SEN funding (IAR) element**

3.32 To calculate the High Needs SEN funding (IAR) element the funding you would have received, based on the number and need mix of the pupils when your SRP is at full capacity, would have to be calculated.

3.33 There are 3 steps to this calculation which can be seen in the SRP Rates tab on the Budget Template, to access this click on this link [link to SRP calculation tab](http://www.kelsi.org.uk/__data/assets/file/0020/54560/2016_17_School_Budget_Templates.zip). Each step is explained below:

**- Step 1** – Establish the commissioned place numbers for both pre and post 16 in both relevant academic years. Then weight these place numbers to get a weighted average number of places for the financial year.

The pre-16 places are weighted 5/12 x 2015/16 academic year places and 7/12 x 2016/17 academic year places.

The post-16 places are weighted 4/12 x 2015/16 academic year places and 8/12 x 2016/17 academic year places.

**- Step 2** – Establish the need mix of the SRP based on the mix of needs of the pupils on role as at the October census. For SRPs that are new and have no pupils as at October a generic need mix has been used based on the type of provision. These numbers are in red on the template.

The weighted average places based on the need mix are then allocated. To do this the number of pupils as at October for each need type are divided by the total number of October pupils, to get a proportion for each need type. Finally, the proportion is then multiplied by the total weighted average places to get a spread of commissioned places across the different need types.

**-Step 3** – As the mix of places has been established, the amount of cash the places should attract if you are at capacity can be calculated. The number of places is multiplied by the relevant IAR rate for each need type. The IAR rate differs depending on the number of places. The first 3 pupils get one rate and then the rate falls for places 4-20 and again for any over 20. The rates are shown on the template in step 3.

The total cash amount for each need type is then added together and divided by the total weighted average places to get an average amount per pupil. This is the High Needs IAR element of the rate.

**Formula Element**

The next stage is to calculate the formula element of the rate. This is made up of the individual elements of the formula a pupil would have received through the formula budget were it not for the fact that SRP pupils are removed from the count in the formula. This relates to pre-16 pupils only.

**-Step 4** – The total funding for each of the relevant factors in the formula are added together then divided by the total number of pupils on roll in the school/academy excluding SRP pupils to get an average rate per pupil. This gives you the formula element of the rate.

**Total SRP Rate**

**-Step 5** – Everything is then brought together to find your SRP rate.

The IAR element and Formula element are added together to give a total rate for pre-16 pupils.

For post 16 pupils it is the IAR element only as these pupils also attract funding through the 16-19 allocations.

**Element 3 (Top up rate)**

To calculate the top up rate the place funding is deducted from the total SRP rate.

For Pre 16 we deduct both Element 1 and 2. For post 16 we only deduct Element 2.

Pre 16 E3 Rate = IAR Element + Formula Element - E1 (£4,000) - E2 (£6,000)

Post 16 E3 Rate = IAR Element - E2 (£6,000)

**Funding for Other Local Authority (OLA) Pupils**

3.34 Prior to the School Funding reforms in April 2013 funding regulations directed LA’s to recoup funding from the placing LA, for pupils placed in their LA schools by OLA’s. For clarification, this meant that there was no difference in a way a school was funded for their own LA pupil and an OLA pupil as the funding came direct from the LA where the school was located. It was the responsibility of the LA to then recoup the funding for OLA pupils from the placing LA.

3.35 As part of the April 2013 school funding reforms, the Education Funding Agency (EFA) removed LA recoupment from the regulations and placed the responsibility with the individual school to recoup the funding for pupils placed in its schools by OLA’s.

3.36 Kent’s policy has been to continue to fund all SRP pupils attending a LA school and an academy on the same basis, regardless of whether they are a Kent LA pupil or an OLA pupil and then recoup the funding from the OLA that has placed the pupil.

3.37 It is at the LA school or academies discretion if they want to apply this arrangement where the LA funds them in the first instance and then recoups the funding from the OLA. This process will be applied unless notified by the LA school or academy.

If the LA school or academy chose to do their own recoupment then this will be applied to all OLA pupils attending their school or academy. The person to contact if you are going to make your own arrangements is Stephanie Rapley (Finance & Information Officer) email: Stephanie.Rapley@kent.gov.uk

**Lump Sum Formula Correction**

3.38 In order to calculate the school budgets the EFA stipulated that the number of commissioned places in the SRP should be deducted from the total pupils as at the October census rather than using the actual number of pupils in the SRP.

3.39 Therefore the number of pupils deducted from the main school budget may in some cases be more than the actual pupils that were in the SRP. This means we would have deducted more funding than we should have from the main school budget.

3.40 This is accounted for by paying the difference back as a lump sum formula correction.

Lump sum formula correction = (commissioned places – actual pupils in SRP as at Oct census) x formula element from SRP rate.

3.41 In December each year each SRP will be contacted to confirm the total number of pupils recorded on the October census and how many were on role in the SRP. This will confirm the actual numbers which will then be compared to your commissioned places and an adjustment will be made as necessary.

# Section 4 - Early Years Funding

4.1 Eligibility for Early Years Free entitlement funding exists from the term after the pupil is three years old and continues up to and including the term when the pupil is 5 years old. Mainstream funding for Yr R and Early Years Free entitlement cannot be claimed for the same period.

For further details on eligibility criteria click on this link: [Free Early Education for 3-4 year olds](http://www.kelsi.org.uk/school-management/data-and-reporting/management-information/early-years-free-entitlement)

4.2 Free entitlement funding can be claimed up to a maximum of 570 hours (38 weeks x 15 hours) for one pupil in an academic year (September to August). In the financial year April 2016 to March 2017 there are 38 funded weeks, split in to three periods;

April to August - 13 weeks (195 hours)

September to December - 14 weeks (210 hours)

January to March - 11 weeks (165 Hours)

Total maximum hours funded 580 = 38 weeks.

4.3 Each maintained setting will have a funding rate per pupil, made up of the four factors detailed in paragraphs [4.10](#p510) to [4.17](#p517). Funding for the financial year will be calculated as follows:

Funding rate for the setting x the number of free entitlement hours for the financial year

4.4 Funding will be advanced to schools/academies as follows:

April to August

4.5 The schools budget for the period is provisionally allocated on an estimate. In most cases the estimate is provided by the school and where this is not the case the LA will estimate the provisional allocation based on historic trends.

4.6 The school will receive funding profiled in equal instalments through its schools advance for the period April to August based on their estimated hours. In June, advance funding for the period June to August will be recalculated to reflect the actual number of pupils in attendance at the setting for the period taken from the pupil headcount return during the week 18th April to 22nd April. An adjustment will be made to reflect the actual funding entitlement for the period April to August.

September to December

4.7 During June, maintained settings will be contacted to provide an estimate of their pupils for the period September to December, where an estimate is not provided the LA will provide an estimate based on historic trends. The return will then be used to calculate funding for the period September to December and will be profiled in equal instalments through the schools advances for this period. In October, advance funding for the period October to December will be recalculated to reflect the actual number of pupils in attendance at the setting for the period taken from the pupil headcount return during the week 12th to 16th September. An adjustment will be made to reflect the actual funding entitlement for the period September to December.

January to March

4.8 During November, maintained settings will be contacted to provide an estimate of their pupils for the period January to March, where an estimate is not provided the LA will provide an estimate based on historic trends. The return will then be used to calculate funding for the period January to March and will be profiled in equal instalments through the schools advances for this period. In February, advance funding for the period January to March will be recalculated to reflect the actual number of pupils in attendance at the setting for the period taken from the pupil headcount return during the week 16th to 20th January . An adjustment will be made to reflect the actual funding entitlement for the period January to December.

4.9 Details of the funding periods and pupil count dates can be found on the below link:

[Free Early Education for 3-4 year olds](http://www.kelsi.org.uk/school-management/data-and-reporting/management-information/early-years-free-entitlement)

**Base rate**

4.10 A flat base rate for all providers at £3.91 per child hour

**Flexibility Factor**

4.11 This factor is in recognition that settings provide flexible opening hours.

Rate: £0.05 per child hour

4.12 To qualify for a £0.05 per child hour, flexibility supplement settings must have met the following criteria:-

Opening hours of at least 8am to 6pm

Did not restrict the free entitlement to pre-set sessions

**Leadership qualification Factor**

4.13 This factor recognises that the most significant single indicator of high quality provision is the qualification levels of staff in a setting.

4.14 To be in receipt of the Qualified Leader supplementary rate, a setting must have a nominated leader with either Qualified Teacher Status (QTS) or Early Years Professional Status (EYPS). The leader must have been directly employed by that setting and must have significantly influenced the learning of the children within that setting. The Qualified Leader may be part-time but to have significantly influenced the learning they must have worked at the setting for at least 50% of a full time equivalent.

Rates: - EYPS- £0.30 / QTS- £0.90 per child hour

4.15 A setting with a nominated leader with QTS and paid under the statutory teachers’ pay and conditions, would receive an additional £0.90 per child hour. Settings with a nominated leader with either i) full accredited EYPS or ii) QTS (but not paid under the statutory teachers’ pay and conditions), would receive an additional £0.30 per child hour.

**Disadvantage Factor**

4.16 This factor targets funding at the most deprived children.

Rate: 2016-17 maximum of £1.01 per child hour

4.17 The deprivation factor has been determined by calculating an average Mosaic deprivation score for the setting based on the addresses of the children that attended the setting in the calendar year 2015. If a settings average score was above the qualifying threshold (54 for 2015-16) then they would qualify for the supplement, the amount of which depended upon the settings score relative to the minimum qualifying threshold. As the disadvantage factor was based on the addresses of individual children, and a small sample size it is possible for a disadvantage rate to be lower when compared to last year. However, transitional protection has been applied to limit any reduction in the disadvantage rate to no more than 50% of the total reduction from 15/16.

**Quality lump sum**

4.18 Settings can receive a Quality Lump Sum (QLS) payment based on an Ofsted inspection judgement. A payment will be triggered for an outstanding and good Ofsted inspection judgement. Payments will be made during the Autumn Term 2016 for any qualifying judgement received during the period August 2015 to July 2016. For the financial year 2016-17 the payment will be made up of a £300 lump sum and variable element of £0.05 per child hour.

**Charging in addition to the 15 hours Free Entitlement**

4.19 The Education Regulations for 2012 (Charges for Early Years Provision) have come into force from 1st September 2012

4.20 Schools with a maintained Early Years setting can now charge for early years provision beyond the free entitlement of 15 hours for 3 and 4 year olds.

4.21 Regulations state that charges can be raised where the following does not apply:

1. That maintained nurseries can charge for provision where they are not receiving funding for the free entitlement.
2. The charge must be for children below compulsory school age.
3. Where the charge for the provision is in addition to the free entitlement, it is not already funded by the local authority

4.22 The DfE have advised that it is at the schools discretion to determine the rate that will be charged for the maintained setting.

**3 and 4 year old Early Years Pupil Premium (PP)**

4.23 From April 2015, 3 & 4 year old early years pupil premium can be claimed for pupils that meet the criteria. There are two strands to this, a deprivation element and a Children in Care (CiC) element. For 3 & 4 year olds, deprivation pupil premium will be 0.53p per hour and the Children in Care element will be £100 per term.

4.24 Further information on early year’s deprivation PP can be found on the below link:

[Free Early Education for 3-4 year olds](http://www.kelsi.org.uk/school-management/data-and-reporting/management-information/early-years-free-entitlement)

4.25 To access further information on CiC PP click on this link:

 <http://www.virtualschool.lea.kent.sch.uk/resources/pupil-premium>

# Section 5 - Growth Funding

**Pupil Growth**

5.1 As part of the school funding reforms in 2013-14, LA’s are allowed to retain DSG for pupil growth. The allocation of this fund is applied on the same basis for both LA schools and academies.

5.2 Every year, members of the SFF ratify the LA growth policy prior to its submission to the Education Funding Agency (EFA) whose role is to ensure compliance with financial regulations.

5.3 At the SFF meeting on the 20 November 2015, members of the Forum ratified the LA’s growth funding policy for 2016-17, the sum of funding allocated for this purpose from the Schools Block (SB) share of the DSG is £5m. Appendix 2 to this document is [Kent’s Growth Policy for 2016-17](http://www.kelsi.org.uk/__data/assets/word_doc/0005/54626/Appendix_2-Kent_Growth_Policy_2016-17.docx).

5.4 The growth fund allocates funding to schools and academies to recognise they will not receive delegated funding for the additional pupils in the year when pupil numbers increase. Our growth fund provides two different types of funding; re-organisation and rising roll. Re-organisation funding is based on an agreed number of pupils regardless of how many are admitted in September and rising roll is based on the actual increase in numbers from the September.

5.5 Schools who will be eligible for the reorganisation funding element of Growth funding will receive an email early in March from Ian Hamilton (Schools Budget and PVI Manager email: ian.hamilton@kent.gov.uk) detailing their funding for the financial year April 2016 to March 2017.

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/0020/54560/2016_17_School_Budget_Templates.zip).

# Section 6 - Schools’ Funding Forum (SFF)

**The role of the SFF**

6.1 Representatives from schools and academies make up the schools forum. There is also some representation from non-school organisations, such as nursery and 16-19 education providers.

The forum acts as a consultative body on some issues and a decision making body on others.

The forum acts in a consultative role for:

* changes to the local funding formula (the local authority makes the final decision)
* proposed changes to the operation of the minimum funding guarantee
* changes to or new contracts affecting schools (e.g. school meals)
* arrangements for pupils with special educational needs, in pupil referral units and in early years provision

The forum decides:

* how much funding may be retained by the local authority within the dedicated schools grant (e.g. for providing an admissions service or providing additional funding for growing schools)
* any proposed carry forward of deficits on central spend from one year to the next
* proposals to de-delegate funding from maintained primary and secondary schools (e.g. for staff supply cover, insurance, behaviour support)
* changes to the scheme of financial management

6.2 All documentation in relation to Kent’s SFF is recorded on the KELSI website. The site includes the following information:

- SFF guidance

- List of members

- SFF sub-groups

- Details of meeting dates and locations

- SFF papers and minutes

To access the SFF web page on KELSI click on this [SFF KELSI webpage](http://www.kelsi.org.uk/school-finance/funding-and-procurement/schools-funding-forum)

# Section 7 - Other DSG related items

**De-delegation overview**

7.1 As part of the DfE Schools Funding Reforms, which commenced on 1 April 2013, a number of former centrally retained DSG budgets were delegated to schools for the first time. This new delegation of funding was directed by the DfE and applied to certain centrally retained budgets (as recorded against specific section 251 budget lines).

7.2 At the same time as this directed delegation, Forums were given additional powers to de-delegate and return this funding to the LA. This de-delegation power applies only to maintained schools and not to special schools, PRU’s or academies. Voting on de-delegation is restricted to maintained school members only and is further restricted to each phase of education (i.e. maintained primary school reps vote on primary de-delegation).

**De-delegation Budgets**

7.3 **Schools in Financial Difficulty (DFFG)**

This funding is used to support individual maintained schools experiencing financial difficulty. We would propose that the current process of submitting applications to the Delegated Formula Funding Group (DFFG) should continue prior to a recommendation to this Forum for its formal approval.

7.4 **Schools in Financial Difficulty (Targeted Intervention)**

This funding is used to support the many maintained schools in vulnerable positions by means of projected Ofsted ratings. Failure to de-delegate this funding will mean that the LA could not support any maintained school requiring help and this will impact significantly on our ability to move Kent schools from satisfactory to good and potentially jeopardize the progress we have made this year. All payments are approved by the Director of Education, Quality and Standards and are made to maintained schools only.

7.5 **Free School Meal (FSM) eligibility**

This funding is used to fund a small team of staff who undertake checks on the Governments Hub database (run by DWP/HMRC) to confirm individual pupil’s eligibility for Free School Meals.

This service has invested time and resources into procuring an on-line system to enable parents to confirm eligibility instantly. This system has the benefit of being able to provide immediate eligibility confirmation to the parent and at the same time send secure/confidential notification to the school / academy. This is a significant efficiency on the current system which has been in place for a number of years. The Local Authority is seeking approval to de-delegate this funding for maintained schools. Academies will be charged to access this service for 2015-16.

7.6 **County wide SiMS Licence**

KCC uses this funding to purchase a county wide SiMS licence from Capita, which is of benefit to all maintained schools in Kent. There are significant financial savings to maintained schools from this arrangement. This licence is owned by KCC and we pay Capita a single payment at the start of the financial year. As maintained schools convert to academy status during the year a credit is returned by Capita to KCC (only when the academy purchases a licence with Capita directly). The county wide contract is managed by EIS on behalf of the Council.

7.7 **Supply Cover - Trade Union Duties**

This funding is pooled with contributions from participating academies and used to fund the supply cover costs for releasing local trade union stewards to support members in schools and academies.

Schools and academies who employee trade union stewards are only able to reclaim supply cover costs when their steward supports an employee in a school or academy that has contributed to the pooled arrangement, i.e. all maintained schools and participating academies only.

In 2014-15, 41 academies have joined the pooled budget arrangement, contributing the same £1.85 per pupil as maintained colleagues.

7.8 **Supply Cover – School Personnel Services**

This funding is firmly linked to the work covered by the Schools in Financial Difficulty (Targeted Intervention) funding mentioned above in paragraph 7.3. It is used to fund SPS time where personnel support is needed in difficult cases to negotiate compromise agreements or work with Governing Bodies where action is needed in respect of the senior leadership team in the school. This funding only covers SPS support to maintained schools.

7.9 **De-delegation Rates per pupil**

 At the SFF meeting held on the 20 November, Primary and Secondary school representatives voted to de-delegate the budgets listed in paragraphs 7.3 to 7.8. The table below is the amount per pupil that will be de-delegated from school budgets:

|  |  |  |
| --- | --- | --- |
| **2016-17 De-delegation rates** **(£p per pupil)** | **Primary** | **Secondary** |
| Schools in Financial Difficulty (DFFG) | £1.06 | £1.06 |
| Schools in Financial Difficulty (Targeted Intervention) | £17.75 | £8.39 |
| Free School Meal (FSM) eligibility | £0.57 | £0.57 |
| County wide SiMS Licence | £3.63 | £3.63 |
| Supply Cover - Trade Union Duties | £1.85 | £1.85 |
| Supply Cover – SPS | £0.80 | £0.80 |

# Section 8 - Pupil Premium (PP)

8.1 **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)
* PLAC - Post Looked After Children - ( also known as Children adopted from care or have left care)

8.2 If a pupil is eligible for one of these categories then the school will receive the relevant funding (2016-17 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 | 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 |

8.3 This information is particularly relevant in respect of CiC, if a pupil is recorded as CiC as at the 31 March 2015, 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 2017 as this is the point in time when the DfE update their records.

8.4 **E6FSM**

The eligibility criteria for E6FSM for 2016-17 includes pupils recorded in the January 2016 census who are known to have been eligible for free school meals (FSMs) since May 2010, as well as those first known to be eligible at January 2016. 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.

8.5 **CIC**

DfE will allocate to LAs an amount of £1,900 per child looked after for at least one day as recorded in the March 2015 children looked-after data return (SSDA903) and aged 4 to 15 at 31 August 2013.

8.6 The total sum of the funding allocated to the LA is then passed to the virtual school head (VSH). The VSH team then pass this funding on to schools, using a suitable method to target the funding where there is the greatest need. To access details of how this funding is allocated to schools click on this link: [VSH Kent CiC PP](http://virtualschool.lea.kent.sch.uk/resources/pupil-premium)

8.7 **E6SC**

E6SC is a pupil recorded on the January 2016 census who was eligible for the service child premium since the January 2011 census as well as those recorded as a service child for the first time on the January 2016 school census. Service children will be funded at a rate of £300 per eligible pupil.

8.8 **PLAC**

The pupil premium for 2016-17 will include pupils recorded in the January 2016 census who were looked after by an English (or Welsh LA) immediately before being adopted, or who left LA care on a special guardianship order or child arrangements order (previously known as a residence). The rate of funding for an eligible pupil is £1,900.

# Section 9 - Universal Infant Free School Meals (UIFSM)

9.1 UIFSM grant is an academic year grant that straddles two financial years. For the financial year April 2016 to March 2017 a school will receive funding based on the academic year 2015-16 (April to August 16) 5/12 and academic year 2016-17 (September to March) 7/12.

9.2 For details on how it is calculated for the academic year 2015-16 see [grant conditions UIFSM 2015-16](https://www.gov.uk/government/publications/universal-infant-free-school-meals-uifsm-funding-allocations-2015-to-2016). To calculate how much grant your school will receive for the academic year 2015-16 click on this link [grant calculator](http://www.kelsi.org.uk/__data/assets/file/0019/54244/UIFSM_calculator_2015-16.zip)

9.3 To date guidance has not been issued for the academic year 2016-17. Until grant information has been issued it is our assumption that 2016-17 will be on the same basis as 2015-16.

# Section 10 - Other funding streams.

10.1 **Primary PE and Sport Premium Grant**

Schools received their funding for the period September 2015 to March 2016 in November 2015. The final payment for the period April 2016 to August 2016 will be made to schools in June 2016.

Details of the grant allocation and conditions of grant can be found on the following links:-

[grant allocation](http://www.kelsi.org.uk/pru%2C-inclusion-and-attendance/pupil-referral-unit/budgets/budgets-2016-17?a=54243), and [conditions of grant](https://www.gov.uk/government/publications/pe-and-sport-premium-conditions-of-grant-for-2015-to-2016/pe-and-sport-premium-conditions-of-grant-for-the-academic-year-2015-to-2016-for-local-authorities-and-maintained-schools)

The DfE has committed to continue to fund the Primary PE and Sport premium at £150m a year until 2020. Details of the 2016-17 academic year grant have not been published to date.

For the 2015-16 academic year the condition of grant was published in October 2015. Therefore, the LA will not be able to confirm at what rate the PE grant will be funded for the academic year 2016-17.

10.2 **Summer School (to follow)**

To date the LA have not had any update on Summer School funding for 2016. To access grant condition guidance for the summer of 2015 click on the below link:

<https://www.gov.uk/government/publications/pupil-premium-summer-schools-programme-2014>

On receipt of any update from the DfE in respect of future Summer School funding, the information will be updated in this budget guidance.

10.3 **Year 7 Catch Up 2015-16**

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. LA’s will receive funding for the 2015-16 academic year on 29 February 2016.

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 2016-17 and beyond. On receipt of any future information, schools will be updated in due course.

10.4 **Copyright Licensing**

The government have centrally negotiated a number of copyright licence agreements. The cost of these agreements has been topped sliced from the overall DSG, which means that schools can access these licences at no cost to their delegated budgets. Click here for a [copyright licensing fact sheet](http://www.kelsi.org.uk/__data/assets/word_doc/0008/54566/Copyright_Factsheet_2016-17-FINAL.docx) for maintained schools, academies and local authorities for the 2016-17 financial year.

10.5 **Devolved Capital Formula (DCF)**

The guidance in this document relates to revenue funding allocations and does not include details of DCF funding.

For further information on DCF funding click on this link [DCF funding template](http://www.kelsi.org.uk/__data/assets/file/0019/54280/Indicative_figures_for_KELSI_Devolved_Formula_Capital_2016-17.zip), or contact Ruth Giles (Senior Accountant Capital: Budget & Monitoring), email ruth.giles@kent.gov.uk, telephone 03000 140128