

DRAFT

APPENDIX A

Nottingham City Council

Maintained Schools, Academies, Non-recoupment Academies Funding Guidance 2015/16

12 February 2015



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CONTENTS

Section	Description	Page No.
1.	Introduction	2
1.1	Accessing your schools budgets for 2015/16	3
2.	Formula Funding	3-4
3.	Formula Guidance – Pupil led factors	4
3.1	Basic Entitlement (AWPU)	4
3.2	Deprivation (FSM & IDACI)	4-5
3.3	Looked After Children (LAC)	6
3.4	English as an Additional Language (EAL)	6
3.5	Mobility	6-7
3.6	Prior Attainment (Primary & Secondary)	7-8
4.	Formula Guidance – Other factors	8
4.1	Lump Sum	8
4.2	Sparsity Factor & Fringe Payments	8
4.3	Split Sites	8-9
4.4	Rates	9
4.5	Private Finance Initiative (PFI) Funding	9
4.6	Sixth Form Funding (Post 16)	9
5.	Minimum Funding Guarantee (MFG) & 3% Cap	10
6.	De-delegation	10
7.	Notional SEN	11
8.	Pupil Growth Fund	11-12
9.	Copyright Licences	12
10.	Early Years Block	12-13
11.	High Needs Block	14
12.	Special Resource Units	14-15
13.	Other funding sources	15
13.1	Pupil Premium Grant (PPG)	15-16
13.2	Early Years Pupil Premium (EYPP)	16
13.3	Devolved Formula Capital (DFC)	16-17
13.4	Universal Infant Free Schools Meals	17
14.	Appendix 1- Formula Factors	19-20
15.	Appendix 2: Growth and new schools–funding source	21

1. Introduction

Your schools indicative budget allocation for 2015/16 is now available to download.

The budgets are still **indicative** until:

- i. Confirmation of final census data is received enabling estimates to be replaced with actual allocations. Where estimates have been used this will be clearly set out in the guidance notes.
- ii. The report is approved by the Executive Board on 17 March 2015.

The allocation of the Dedicated Schools Grant (DSG) aligns to the Department for Education (DfE) guidance "Schools revenue funding 2015 to 2016: operational guide" in respect of the funding formula factors used within the Schools Block for 2015/16.

The guidance also includes information relating to other areas of school funding such as early years and high needs, pupil premium, devolved capital and pupil growth funding and aims to assist schools and academies in understanding their level of funding through the various funding streams that schools receive and how the funding has been calculated.

The main arrangements for the DSG 2015/16 are:

- The continuation of the separate Schools Block, Early Years Block and High Needs Block
- Cash flat per pupil funding for the Schools and Early Years Block
- A decrease in funding due to the withdrawal of schools from the CRC Energy Efficiency Scheme
- A cash transfer has been included in the settlement for non-recoupment academies and free schools as authorities are now responsible for the calculation of their budgets from 2015/16, using the Local Authority's (LA) local funding formula.
- The Minimum Funding Guarantee (MFG) will continue at minus 1.5% per pupil.
- The Early Years Pupil Premium (EYPP) for 3 and 4 year olds has been included in the settlement but this is a provisional allocation. The DfE will be conducting a survey in Autumn 2015 to check the actual take up of EYPP. Any adjustments required will be actioned in January 2016.
- Funding for disadvantaged 2 year olds has at present not been included in the DSG 2015/16 funding settlement. The initial allocations will be made in June 2015.
- High Needs Block – the funding settlement for 2015/16 is made up of:
 - The LA's high needs block from 2014/15; plus
 - 5/12ths of the growth/deduction in pre 16 high needs places agreed for 2014 to 2015 academic year; plus
 - 4/12ths of growth/deduction in post 16 high needs places agreed for 2014 to 2015 academic year; plus
 - Changes to place funding in schools for the 2015 to 2016 academic year resulting from the outcome of the high needs exceptions process, covering the first two terms of the increase (i.e. 7/12ths for pre 16 and 8/12ths for post 16); plus
 - Increases in hospital funding from the high need exceptions process; and
 - Each LA has had to contribute its share of the top-up funding of £0.047m based on each LA's proportion of the 2-19 aged population projections for

2015.

- The High Needs Block has been calculated in two sub blocks: schools and post schools.

1.1 Accessing your schools budgets for 2015/16

Noted below are the spreadsheets you will need to access all the relevant information in support of your 2015/16 budgets:

- a) *Summary of School Budgets 2015/16*
- b) *Maintained Schools and Academies Budgets 2015/16*
- c) *Special Resource Units Budgets 2015/16*
- d) *Indicative Devolved Capital Funding 2015/16*
- e) *Indicative Pupil Premium Budgets 2015/16*

a) Summary of School Budgets 2015/16

This spreadsheet outlines your schools total estimated funding for 2015/16. By entering your DfE number in cell A5 you will be able to see your schools Indicative Individual School Budget (ISB), Indicative Early Years funding, Indicative Special Resource Units funding, Indicative Devolved Capital Funding and Indicative Pupil Premium funding.

b) The Maintained Schools and Academies Budgets 2015/16

This spreadsheet shows in detail the calculation of your schools Individual School Budget (ISB). By entering your DfE number in cell J15 on the 'Input DfE' worksheet this will then activate your schools data to be populated on the following worksheets:

- 2015/16 Budget
- Schools Block Dataset-DfE
- Factors
- 2014/15 Baselines
- Calc of Rates

Please refer to the *Guidance Notes* worksheet to find an explanation as to what each worksheet is for.

2. Formula Funding

The pupil numbers are based on the Autumn 2014 Census (October), the census is based on headcount irrespective of whether pupils are full or part-time. Where necessary the following adjustments have been made based on DfE guidance:

- a. A Reception Uplift has been applied to calculate the difference between the number of pupils on roll in Reception in each school between the October 2013 and January 2014 censuses. This is calculated by subtracting the total number of year R pupils in October 2013 from the total in January 2014, or given as zero if the result of this calculation would be negative. If there are no year R pupils at the school then the result is 0.
- b. Where the LA have commissioned places in Resourced Provision Units on school sites, the pupils are classed as High Needs Pupils (HNP) which are funded separately; therefore are deducted from the school number on roll (NOR).
- c. Pupils in LA maintained nursery classes are discounted as they are funded through the Early Years Single Funding Formula.

- d. Post 16 pupils attending school and academy sixth forms are excluded as they are funded by the Education Funding Agency (EFA) using the national formula for 16-19 year olds.

3. Formula Guidance – Pupil led factors

This section looks at the formula factors driven by pupil numbers, known as pupil-led factors.

The DfE specify that LA's must allocate at least 80% of the DSG through pupil-led factors i.e. basic entitlement, deprivation, prior attainment, Looked after Children (LAC), English as an additional language (EAL) and mobility.

In 2015/16 Nottingham City Council has delegated 95.9% through pupil-led factors.

3.1 Basic Entitlement - Average Weighted Pupil Unit (AWPU)

This factor assigns funding to individual pupils, the DfE recognises that there are differences in expenditure between the primary and secondary key stages; therefore there is a single rate for primary aged pupils and separate rates for Key Stage 3 and 4, see **Table 1** below:

Table 1: Basic Entitlement AWPU	
Description	Amount per pupil £
Primary (Years R-6)	3,050.15
Key Stage 3 (Years 7-9)	4,196.64
Key Stage 4 (Years 10-11)	4,893.07

3.2 Deprivation – Free School Meals (FSM) & Income Deprivation Affecting Children Index (IDACI).

The deprivation factors included within the formula are FSM and the IDACI.

The FSM factor is based on the proportion of pupils eligible for free school meals according to the Autumn 2014 Census and there are separate indicators for primary and secondary phase pupils.

In 2015/16 an issue has arisen regarding the calculation of the free school meals for primary aged pupils. The number of primary pupils eligible for free school meals have fallen dramatically between the financial years 2014/15 and 2015/16. Please see **Table 2** below which shows the movement in numbers and funding.

Table 2: Comparison of Free Schools Meals 2014/15 to 2015/16						
	2014/15	2015/16	Year on year FSM Pupils Variance	2014/15	2015/16	Year on year FSM Budget Variance £m
	Total No. of FSM Pupils	Total No. of FSM Pupils		Total FSM Pupils Budget £	Total FSM Pupils Budget £m	
Primary	7,633.39	7,188.61	-444.78	£13.864m	£13.056m	-£0.808m

Built into the LA's funding formula is a minimum funding guarantee (MFG) whereby no schools budget can reduce by more than -1.5% per pupil year on year. Therefore, as there has been such a dramatic reduction in the FSM funding for primary aged pupils, many schools have now seen an increase in their level MFG protection or are now are in receipt of protection when they had not been previously. Therefore, the way that the funding has been allocated has changed. Instead of giving the funding through the Primary FSM Factor the funding has been passed onto primary schools through the MFG adjustment, although at a reduced amount, roughly -1.5%. To quantify this is very difficult as changes in the number on roll (NOR) also have an impact and changes in other formula factors if there are significant changes between years.

To avoid this re-occurring next year the LA will be liaising with schools to establish a way forward on this issue.

The IDACI factor is based on the known postcode for each pupil on the Autumn Census, which is then mapped to the relevant IDACI band which have been collated to measure area based deprivation (see **Appendix A** the for IDACI bands breakdown). **Table 3** shows the rates assigned to the FSM and IDACI bands in each phase:

Table 3: Deprivation Factors		
Description	Primary amount per pupil £	Secondary amount per pupil £
FSM	1,816.22	2,514.99
IDACI Band 1	101.27	101.27
IDACI Band 2	101.27	101.27
IDACI Band 3	101.27	101.27
IDACI Band 4	101.27	101.27
IDACI Band 5	282.48	282.48
IDACI Band 6	370.73	370.73

3.3 Looked After Children (LAC)

This factor is based on all children who were being looked after on 31 March 2014, regardless of how long they have been looked after.

The rate for this factor is equal for both the Primary and Secondary phases as per **Table 4** below:

Table 4: Looked After Children		
Description	Primary amount per pupil £	Secondary amount per pupil £
LAC	1,142.31	

3.4 English as an Additional Language (EAL)

This factor is based on pupils with English as an additional language. Pupils who are shown to have been in the statutory school system for less than 3 years (EAL 3) and are classed as "2_OTH" in the language code given in the autumn census will attract funding.

In this case, there are separate rates for Primary and Secondary phase pupils set out in **Table 5**:

Table 5: English as an Additional Language		
Description	Primary amount per pupil £	Secondary amount per pupil £
EAL 3	636.02	2,028.00

NB: Pupils in year 'R' are excluded from this measure.

3.5 Mobility

This measure counts pupils who have entered schools in the last three academic years, but did not start in August or September (or January for reception pupils). There is a 10% threshold and funding is based on the proportion above the threshold. So if a school has 12% mobility only 2% of its pupils would attract funding.

The rate for this factor is equal for both Primary and Secondary phases as set out in **Table 6**:

Table 6: Mobility		
Description	Primary amount per pupil £	Secondary amount per pupil £
Pupils starting school outside of normal entry dates	91.14	

3.6 Prior Attainment

This factor acts as a proxy indicator for low level high incidence special educational needs. There have been some key changes in both school phases since the introduction of the national funding formula in 2013/14. **Table 7** below illustrates the key changes from 2013/14 to 2015/16:

Table 7: Prior Attainment key changes			
School phase	2013/14	2014/15	2015/16
Primary	<ul style="list-style-type: none"> Funding targeted at all pupils who achieved fewer than 78 points on the Early Years Foundation Stage Profile (EYFSP) 	<ul style="list-style-type: none"> In 2013, the EYFSP changed, resulting in unavoidable change to primary prior attainment indicator. Included Yr 1 pupils who failed to achieve a good level of development. Older year groups assessed under the old profile, based on those pupils achieving a score below 78 points. 	<ul style="list-style-type: none"> Now includes Yr 1 and Yr 2 pupils who failed to achieve a good level of development. Older year groups assessed under the old profile, based on those pupils achieving a score below 78 points.
Secondary	<ul style="list-style-type: none"> Based on the number of pupils not achieving level 4 in English and Maths at KS2.* 	<ul style="list-style-type: none"> Based on the number of pupils not achieving level 4 in English or Maths at KS2.* 	<ul style="list-style-type: none"> No change to 2014/15

The rate for Prior Attainment differs for each school phase and is set out below in **Table 8**:

Table 8: Prior Attainment rate per pupil	
Description	Amount per pupil £
Primary pupils prior attainment	542.02
Secondary pupils prior attainment	432.34

4. Formula Guidance – Other factors

The other factors available for allocating budgets are as follows:

4.1 Lump Sum

This is an optional factor allocating a fixed sum per school; these lump sums can be different for each phase however as part of the budget setting process Schools Forum and the Local Authority (LA) agreed to a single rate for both phases to avoid budget turbulence. This value is £124,752 per school.

In the instance of an amalgamation, the school is entitled to retain 85% of the total lump sums in the year after they amalgamate (or in the same year if they amalgamate on the 1 April) instead of being reduced to one lump sum immediately.

4.2 Sparsity Factor & Fringe Payments

The Sparsity factor is an optional factor which the DfE introduced in 2014/15. This has not been used in the formula as it focuses on small schools in rural areas; the LA does not consider Nottingham City schools to fall within this category.

The Fringe Payments factor can only be used to support schools which pay higher teacher salaries due to being located in the London Fringe area; therefore, this has been discounted.

4.3 Split Sites

The purpose of this factor is to support schools with unavoidable extra costs due to having a split site. Schools Forum set the criteria in 2005 which calculates whether schools are eligible for this funding. The criteria has been amended in 2015/16 by Schools Forum to include funding for schools that incur extra fixed costs for catering due having a second kitchen. This would usually occur as a result of an amalgamation or the opening of a second site where it is not practical to have one kitchen. **Table 9** illustrates the lump sum funding criteria for each element:

Table 9: Split Site Funding Criteria			
Funding Element	Basis	Primary £	Secondary £
Block Allocation	All split site schools	7,125	7,125
Additional caretaking staff costs	If distance between sites >400m	14,765	14,765
Additional clerical staff costs	If distance between sites >400m	16,795	33,590
Additional management staff costs	If distance between sites >400m	21,313	*
Costs of additional telephone system	If second site <2000sqm	1,765	1,765
	If second site >2000sqm	4,707	4,707
Additional costs of 2nd curriculum internet connection	If distance between sites >400m	5,296	5,296
Additional Insurance costs	If distance between sites >400m & NOR >1000	20,669	20,669
Fixed costs of second kitchen	Schools that have unavoidable costs due to having a second kitchen	25,023	**

*No management costs are allocated to Secondary schools on the basis that they will have several members of staff on the leadership spine that could be based at the second site without driving extra costs over and above a similar sized Secondary on a single site.

**To date this funding has only been required for primary schools for the amalgamation of primary schools or expansions of primary schools onto second sites. Where we have secondary schools on more than one site and having more than one kitchen these schools will already be in receipt of separate lump sums, therefore they will already be receiving the funding for the fixed costs of two kitchens. For example, Nottingham academy will receive a lump sum and also Nottingham Girls Academy also receive a separate lump sum for their school as the budgets are calculated separately.

4.4 Rates

This is funded on the basis of actual costs; academies are reimbursed directly by the EFA in addition to their main budget allocation. For maintained schools, estimates of the business rates are made and included in the formula funding, these are then adjusted for actual charges in the following year.

4.5 Private Finance Initiative (PFI) Funding (through Building Schools for the Future)

This factor is to support schools which have unavoidable extra premises costs because they are a PFI school and/or to cover situations where the PFI “affordability gap” is delegated and paid back to the LA. The EFA have checked this factor is objective and transparent and is easily applicable to academies.

4.6 Sixth Form Funding (Post 16)

This is an optional factor based on autumn 2014 Census. The rate for 6th form funding is restricted to the rate used in 2014/15, this rate is £362.07 per sixth form pupil.

5. Minimum Funding Guarantee (MFG) & 3% Cap

The pre-16 MFG will continue to be set at -1.5% per pupil as per DfE guidance preventing too much turbulence in schools budgets.

Schools that gain in budget on a year on year basis are capped at 3% per pupil to ensure budgets allocated do not exceed Nottingham City's overall allocation and to ensure a sustainable future position.

6. De-delegation

The revised school funding arrangement, implemented in April 2013, required the following services to be allocated out to schools as part of their budgets:

- Ethnic Minority Achievement (EMA)
- Sportsafe Gym Maintenance
- Trade Union Senior Representative Cover Time
- Behaviour Support Team (BST)
- Building Maintenance

Schools Forum approved the de-delegation of these budgets from maintained schools back to the LA to hold centrally in 2015/16. The de-delegation values are set out in **Table 10** below:

Table 10: De-delegation calculation basis breakdown							
	Per Pupil				Per School		
Basis	AWPU		EAL 3	FSM %	Lump Sum		
De-delegation element	Building Maintenance £	Staff supply costs £	Support to underperforming EM groups & bilingual learners £	BST £	Sportsafe Gym Maintenance £	Staff costs supply cover £	BST £
Primary	13.92	1.35	88.61	55.00	500.00	1,298	3,000
Secondary	13.92	1.35	88.61	-	500.00	1,298	-

Funding for these services has been delegated to academies, non-recoupment academies and free schools is included in their Individual School Budget.

NB: Rates are equal for Primary and Secondary maintained schools and De-delegation is not an option for academies, non-recoupment academies, free schools, special schools, nurseries or PRU's.

7. Notional SEN

As part of the funding reforms the LA is required to calculate the notional SEN budgets for maintained schools and academies.

Nottingham City has used a combination of factors to construct the notional SEN budgets. The notional SEN percentage per school phase has been derived (Primary 0.28%, KS3 0.34% & KS4 0.29%) and multiplied by a mixture of factors such as prior attainments, basic entitlement, deprivation, LAC, EAL, mobility and prior attainment.

Schools should note that the notional SEN schools block budget figure **excludes** funding for SEN units and resourced provisions (to be allocated from the High Needs block – see section 11) and any top ups for mainstream high needs pupils.

8. Pupil Growth Fund

This fund is held separately within the Schools Block and is available for pupils aged 5-16. It is used to support schools undergoing reorganisations due to changes in age range and/or where schools are increasing their pupil admission number (PAN) which is usually requested by the local authority.

Schools Forum approved this fund for schools requiring:

- Additional support following formal school reorganisation proposals
- Unanticipated demand for school places and
- Potential breaches to Key Stage 1 class sizes following appeal panel decisions.

Table 11 below shows the maximum allocation by funding stream, of how the contingency may be allocated:

Table 11: Contingency Growth Fund allocations						
School Type	Funding period*	Teacher (M3) £	Teaching Assistant (Pt 22) £	Midday Supervisor (Pt 8) £	Utilities £	Total £
Maintained schools	7/12ths	17,824	14,242	2,150	4,500	38,716
Academies (recoupment)	12/12ths	30,555	24,415	3,686	7,714	66,370

*The maximum allocation for maintained schools is 7/12ths based on the date ranges September to March.

Where an academy is receiving funding from the growth fund, the LA is required to fund the full 12 months of the academic year as a result of the increased numbers not feeding through until the following September.

The allocation made to each school is dependent on the School Organisation Teams assessment of each schools claim and each application is considered on a case by case basis.

Please see **Appendix 2** which sets out how funding pupil growth works in different types of maintained school, recoupment and non-recoupment academies.

9. Copyright Licences

For 2015/16 the DfE will continue to purchase a single national licence, managed by the DfE, for all state-funded schools in England. This means that LA's and schools will no longer need to negotiate individual licences. These arrangements cover both maintained schools and academies and non-recoupment academies and the funding for this will be held centrally by the LA.

Table 12 shows the licences included in this agreement. At present we have not been informed of the rates for 2015/16 by the DfE, these are due to be released imminently.

Table 12: Type of Licence
Copyright Licensing Agency (CLA)
Schools Printed Music Licence (SPML)
Newspaper Licensing Agency (NLA)
Education Recording Agency (ERA)
Filmbank Distributors Ltd (PVSL)
Motion Picture Licensing Company (MPLC)
New licences from 2015 to 2016
Christian Copyright Licensing International (CCLI)
Mechanical Copyright Protection Society (MCPS)
Performing Rights Society (PRS)
Phonographic Performance Limited (PPL)

10. Early Years Block

The Early Years Single Funding Formula is used to calculate schools early years funding. The Indicative Early Years funding for 2015/16 is based on the estimated participation in the previous 3 school terms (Summer, Autumn & Spring terms).

Funding is based on four hourly rates; Base rate; Deprivation; Quality and Abatement. **Table 13** provides an analysis of this:

Table 13: Early Years - Hourly Rates			
	Basis	Rate per hour £	
Base rate	Flat rate	4.000	
Deprivation	Proportion of children attending the 20% most deprived Super Output Area (S.O.A) is > an average of 50% over 2 years	0.010	
Quality	Ofsted score:	1(outstanding)	0.010
		2 (good)	0.005
		3 & 4 (requires improvement & inadequate)	No funding
Abatement	All nurseries that are attached to schools*	0.041 per hr reduction	

* This does not apply to standalone nurseries.

The hours data is collected termly via the nursery headcount return for maintained schools and the Census return for academies. For maintained schools the initial start of year estimate is based on the previous years termly figures, with adjustments made when the final figures are known.

For example:

If the cumulative budget for 2015/16 is estimated at £0.050m and after the Summer Term data has been finalised and the budget recalculated at £0.049m, then a claw back of £1K would be processed.

If after the Autumn Term the total budget had increased to £0.051m then a reimbursement of £2K would be given to the school. The same principle would then also be followed in the Spring Term.

For Academies, each terms budget is estimated for the financial year and 50% of each terms estimate is distributed to the schools as cash at the beginning of each term. Once the actual hours are known after the termly census then the budget the difference between the estimate for the term and the actual is reimbursed to the Academies.

For all nurseries attached to schools and academies, children are funded to a maximum of 25 hours per week (15 hours are funded directly as part of the DSG funding calculation from the DfE, the additional 10 hours we then choose to fund as part of the local funding formula). If data returned from schools shows children attending for more then 25 hours, these additional hours are not funded.

11. High Needs Block

Level 1-4

From 2013/14, maintained schools and academies have been expected to contribute the first £6k of any additional educational support and provision for high needs pupils from their notional SEN budget (pre-16) or a specific additional education support allocation of £6k for each high needs student on roll during the last academic year (post-16).

Funding for pupils statemented at Level 1-4 has been included in the Schools Block as part of the AWPU.

Level 5+

The budget for High Level Needs top-ups in mainstream schools (previously known as MSG or School Action plus funding) has been maintained at the 2014/15 level of £3.479m, having been increased by £0.507m the previous year reflecting the increased volume and complexity of pupils with SEN in mainstream settings.

For 2015/16 there are a number of changes to this funding to better align to the requirements of the Children & Families Act:

- A rationalisation of the number of levels, with 6 Levels (L5-L10) translating into 3 new bands (A-C). This will lead to more stability of funding with individual pupil allocations requiring less frequent review and it will make the system more easily understood by parents of pupils with Education, Health and Care Plans (EHCP).
- The historic Level 1 - 4 element of the funding will be disaggregated from the named pupil allocations. Schools will instead receive an Additional Inclusion Allocation amounting to £4,017 per L5+ pupil (pro-rata) that they had in school in the previous academic year. This allocation, as not targeted to named pupils, will not be eligible for release into Personal Budgets without the specific permission of Head Teachers.

These changes were consulted on at the Schools Forum sub-group on 27 June 2014 and at full Forum on 17 July 2014.

Following discussions at the Schools Forum sub-group on 16 January 2015, it is proposed that during 2015/16 a detailed review will be conducted with the sub-group on the costs and funding of SEN support mainstream schools.

12. Special Resource Units

If your school has a Special Resource Unit please refer to the *2015/16 Special Resource Unit Budgets* file.

Pupils in Special Resource Units are funded from the High Needs Block and funding is allocated on the following principles:

- 5/12ths of the commissioned place numbers in the academic year 2014/15
- 7/12ths of the commissioned place numbers in the academic year 2015/16
- Place funding for academies is provided by the EFA as this is recouped from the LA.
- Maintained Schools will receive place funding from the LA.
- The estimated number of actual pupils at each school is used to calculate the estimated Top Up funding for the school. This funding will be adjusted once the actual pupil numbers are known on a termly basis. Maintained schools estimated top up funding for the year will be allocated to the school at the

beginning of each financial year. This will be adjusted on a termly basis once the actual numbers are known. The estimated top up funding for academies will be released at the beginning of each term and adjusted for the actual pupils on the following terms estimate.

13. Other funding sources

13.1 Pupil Premium (PP)

Pupil Premium funding is made up from three elements:

- Free School Meals (FSM) (Ever 6),
- Looked After Children (LAC) and
- Service Children (Ever 4).

The *Summary of Schools Budgets 2015/16* and the *Pupil Premium 2015/16* files include estimated amounts for the FSM and Service Children elements of the grant. The LAC element of the funding has not been included at present as it is still to be confirmed how the funding will be given out to schools in 2015/16. This element will be managed by the LA's designated Virtual School Head, Malcolm Wilson. The Virtual School Head will ensure that there are arrangements in place to discuss with the child's education setting – usually a designated teacher – how the child will benefit from PP funding. The allocation of this funding will be confirmed as soon as possible by Malcolm Wilson (email:Malcolm.Wilson@nottinghamcity.gov.uk).

The **indicative** allocation of these grants are based on the January 2014 Census.

The final pupil premium grant will be based on the January 2015 Census and adjusted once the final figures have been confirmed.

PP for 2015/16 will include those pupils who were looked after immediately before being adopted on or after 30 December 2005, or were placed in Special Guardianship or Residence Order immediately after being looked after.

The Service Child (Ever 4) element means a pupil recorded on the January 2015 Census who was eligible for the Service Child premium in 2012/2013, 2013/2014 or 2014/2015 as well as those recorded as a Service Child for the first time on the January 2015. Each pupil will only be counted once: for example, if a pupil on the January 2015 Census is recorded as a Service Child in January 2015 and on the January 2014 Census, they will only be counted as one Ever4 Service Child for calculating allocations for the PPG in 2015-16. At present the DfE have not confirmed the rate for 2015/16, so we have based on the estimates on the 2014/15 rate of £300 per pupil.

Table 14 summarises the per pupil rate for each element:

Table 14: 2015/16 Pupil Premium rates per pupil		
Pupil Premium	Primary £	Secondary £
Free School Meals (Ever 6 children from January Census)	1,320	935
Looked After Children/Pupil premium plus	1,900	1,900
Service Children (Ever 4 children) – <i>rate to be confirmed</i>	300	300

All three elements of the PP are distributed to maintained schools only by the LA.

Academies will need to contact the EFA regarding the individual elements of the grant. If schools:

- Convert to academy status before the start of the Summer Term 2015, they will receive their PP directly from the EFA.
- If they convert to academy status by the start of the Autumn 2015, 5/12ths of their annual allocation will be allocated by the LA; or,

by the start of Spring Term 2016, 9/12ths of their allocation will be paid by the LA.

- Schools converting after the start of the Spring Term 2016 will be paid their full allocation by the LA.

When a school becomes an academy in year they will need to contact the EFA for the balance owing on their funding for when they become an academy.

13.2 Early Years Pupil Premium (EYPP)

The 2015/16 indicative Early Years Block allocation includes a provisional £0.525m for the early years pupil premium (EYPP) and the equivalent amount is included the planned expenditure. The DfE will conduct a survey in Autumn 2015 to check take-up of the EYPP with adjustments to allocations to be made to funding allocations in January 2016.

The EYPP will be administered on a termly basis in line with existing 3 & 4 year old funding. Settings will receive £0.53 per hour for eligible children.

13.3 Devolved Formula Capital (DFC)

The DFC is an indicative budget, the final DFC will be based on the January 2015 School Census but this data will not be available until later in the year. The rates for 2015/16 have not yet been confirmed by the DfE so the estimates have been based on the rates for 2014/15.

The LA has based the maintained mainstream schools/nurseries and Pupil Referral Units (PRU's) allocations for 2015/16 on the January 2014 School Census pupil numbers, this is the same basis used by the DfE on the LA's indicative allocations. For financial year 2014/2015, the calculation of DFC used a per school sum of £4k and a variable per pupil amount. **Table 15** below details these rates:

Table 15: DFC rates			
	Per Pupil		Lump Sum
	Per non-boarding FTE £	Per boarding FTE £	Per school £
Nursery / primary	11.25	33.75	4,000
Secondary	16.88	33.75	4,000
Special / PRU	33.75	33.75	4,000

Note: FTE = full time equivalent

DCF is distributed to maintained schools only; Voluntary Aided schools receive their funding direct from the EFA. In some instances, schools may have agreed for the LA to retain part/all of the funding to be used for particular projects.

13.4 Universal Infant Free Schools Meals (UIFSM)

Revenue funding is based on a rate of £2.30 for each meal taken by pupils who have become newly eligible for a FSM as a result of the UIFSM policy.

Schools were notified of their provisional full year allocation for the academic year 2014 to 2015 in June 2014. The LA received the first 2014 to 2015 payment at the end of June 2014, with academies and free schools receiving them in July 2014. This funding provided funding for the first two terms of the academic year (which represents the remaining two terms in the financial year 2014 to 2015).

This provisional allocation was based on the pupil data from the January 2014 Schools Census and was based on the assumption that (i) 87% of newly eligible pupils would take meals, and (ii) those pupils would take 190 school meals in the course of the academic year. The final allocation for the academic year 2014 to 2015 will be based on the actual take-up data derived from an average of the October 2014 and January 2015 schools censuses.

The final allocation will be used to calculate a third term payment, to be made in the early Summer 2015; schools will receive an amount equal to their final allocation minus the amount they received in June/July 2014. Any schools with low levels of take-up which results in the final allocation lower than the amount paid in June/July 2014 would not receive the third term payment. The amount overpaid will be deducted from the first payment for the academic year 2015 to 2016.

Funding for this policy has not been confirmed by the DfE beyond the 2015 to 2016 financial year. The LA will inform schools on any updates we receive as soon as we receive them.

If you have any queries about your indicative budget please email in the first instance to

school.funding@nottinghamcity.gov.uk. This will allow us time to look in to your query before getting back to you with an explanation.

14. APPENDIX 1 – Formula Factors

	Formula Factor	Data	Data source
1	Basic Entitlement - AWPU	Numbers of pupils on roll excluding pupils in special units plus reception uplift.	Autumn 2014 Census
2	Deprivation - FSM	Number of pupils eligible for free school meals (Separate indicators for Primary and Secondary).	Autumn 2014 Census
3	Deprivation - IDACI (Income Deprivation Affecting Children Index)	Based on the known post code for each pupil and the probability that that pupil comes from an income deprived home: Band 1 - 20% to 25% probability Band 2 - 25% to 30% probability Band 3 - 30% to 40% probability Band 4 - 40% to 50% probability Band 5 - 50% to 60% probability Band 6 - 60% to 100% probability NB: Only pupils with an IDACI score above 20% can be assigned deprivation funding through this factor.	Postcodes mapped from Autumn 2014 Census
4	Prior Attainment - Primary phase	Years 1 and 2 pupils who failed to achieve a good level of development on the October 2014 Census will have been assessed under new EYSFP profile (published in March 2013). Years 3 to 5 will be assessed under the old profile - pupils who achieved less than 78 points on the pre March 2013 EYFSP.	EYFSP Total score mapped to the Autumn 2014 census for pupils in Y1,2,3,4 Mapping on UPN only
	Prior Attainment - Secondary phase	Funding is provided to pupils not achieving a level 4 in either English or Maths at Key Stage 2.	KS2_Eng_Lev and KS2_Mat_Lev mapped to the Autumn 2014 census for pupils in Y7-11. Mapping on UPN only
5	English as an Additional Language (EAL)	First language 'not English' or 'not believed English'. Funding is allocated to pupils who have been in the school system for less than 3 years and have a language code of "2_OTH", for pupils in the Primary and Secondary phases. NB: Pupils grouped as 3_UNK are excluded alongside Year R pupils.	Autumn 2014 Census

6	Looked After Children (LAC)	All pupils on the return who are being looked after on 31 st March 2014, regardless of how long they have been looked after.	SSAD903 March 2014 mapped on to the Spring 2014 Census. (Jan 2014)
7	Mobility	Targeted only at schools experiencing pupil mobility above a 10% threshold and funding is not provided for the first 10% of mobile pupils. (Separate Primary and Secondary).	Autumn 2014 Census
8	Lump Sum	Amount per school. Amalgamated schools retain 85% of total lump sum in the year after the amalgamation.	
9	Split Site	Paid to schools operating on a split site. Funding is allocated in line with a set criteria. Schools operating on a split site get a block allocation and then if they are more than 400 metres apart are entitled to additional funding for caretaking, additional admin, management, telephone system, 2 nd curriculum internet connection and insurance costs. There are separate rates for each of the elements of the formula for primary and secondary schools. Schools who incur additional costs due to having a second kitchen receive funding for the fixed costs of a second kitchen.	
10	Rates	Based on estimated NNDR bill for 2015/16 +/- any adjustments of previous over or underpaid rates.	NNDR Team

For factors 1 to 7, the DfE provide for each school, the percentage of pupils who match the criteria as set out above. This percentage is then applied to the numbers of pupils on roll to determine the numbers of units funded for each factor.

15. APPENDIX 2: Growth and new schools – funding source



