

APPENDIX 2

FUNDING FOR EXCLUDED PUPILS

1. INTRODUCTION AND BACKGROUND

- 1.1 The process for adjusting schools budgets for excluded pupils has been questioned over the past couple of years. The current process removes budget based on Basic Entitlement (AWPU), pro-rata to the relevant date of exclusion for the financial year. This budget is then allocated to the Pupil Referral Service (PRS) as in most cases this is the provision where the excluded pupil will be placed.
- 1.2 The Schools Revenue Funding Operational guidance 2020-21 clearly states where pupils are excluded, funding should flow in-year from the school that has excluded the pupil to the provision that takes responsibility for the pupil. If a school subsequently admits a pupil who has been permanently excluded during that financial year, it should then receive additional funding.
- 1.3 This paper provides the planned process for funding adjustments for exclusions, for both removal of budget from the excluding school and allocation of budget to a school admitting an excluded pupil. It should be noted that all calculations will be based on the Local Authorities (LAs) financial year, April to March.

2. PLANNED PROCESS FOR DEDUCTIONS FROM THE EXCLUDING SCHOOL'S BUDGET

- 2.1 The Schools Revenue Funding Operational guidance 2020-21 states that the LA must deduct from the school's budget in-year the amount within the formula relating to the age and personal circumstances of that pupil, pro-rata to the number of complete weeks remaining in the financial year from the 'relevant date'. This means the deduction should cover not just the basic entitlement but also the relevant amounts for pupil-led factors, such as free schools meals or English as an additional language (EAL), where the pupil would attract funding through those criteria. The budget share must also be adjusted for the pupil premium on the same basis as the school formula adjustments.
- 2.2 On this basis, the LA intends to implement the below deductions on the pro-rata basis from the 'relevant date'. The 'relevant date' is the sixth school day following the date of the permanent exclusion.
 - Basic Entitlement
 - Free School Meals
 - Free School Meals Ever 6
 - EAL
 - Pupil Premium Ever 6
 - Pupil Premium Service Child
 - Pupil Premium Former LAC
- 2.3 An example of what this would mean for a Primary and a Secondary School is included at **Appendix A**, based on 2020-21 rates.

3. PLANNED PROCESS FOR ADDITIONS TO THE ADMITTING SCHOOL'S BUDGET

- 3.1 The Schools Revenue Funding Operational guidance 2020-21 states where a school admits a pupil who has previously been permanently excluded, then the LA must increase the schools budget in-year.
- 3.2 The LA intends to implement additional budget to admitting schools on the same basis that is used to calculate the exclusion deduction. Therefore, the admitting school would receive the pro-rata (to the number of complete weeks) amount of funding, as per the categories included in 2.2, from the 'relevant date' of admission. The 'relevant date' of admission being the date the pupil becomes a single registered pupil at the admitting school. The Admissions service will advise Finance of this 'relevant date' to allow the adjustment to take place. Therefore, it is important the school inform the Admissions service as soon as the pupil becomes single registered.
- 3.3 An example of what this would mean for a Primary and a Secondary School is included at **Appendix B**, based on 2020-21 rates.

4. THE FINANCE REGULATIONS

- 4.1 The finance regulations apply specifically to mainstream maintained schools. However, as the operation guidance states, academies have provisions in their funding agreement that require the same adjustment to their budgets if requested to do so by the LA. As stated in 1.3, the adjustments relate to the LA financial year.
- 4.2 It is the intention that academies will be treated in the same way as mainstream, maintained schools when completing these funding adjustments.

5. SUMMARY

- 5.1 The LA intends to update the funding adjustment process for excluded pupils and admission of excluded pupils to ensure the funding is in line with the operational guidance.

Example budget deduction for a Primary Exclusion on 1st January 2021

		Relevant Date of Exclusion
		01/01/2021
Pro-rata weeks to end of financial year		13
Sector:		
<input checked="" type="radio"/> Primary Pupil <input type="radio"/> KS3 Pupil <input type="radio"/> KS4 Pupil		
		£710
Basic Entitlement Deduction		
		£0
Free School Meals Deduction		
		£140
Free School Meals Ever 6 Deduction		
		£130
EAL Deduction		
		£0
Pupil Premium; Ever 6 Deduction		
		£0
Pupil Premium; Service Deduction		
		£590
Pupil Premium; Former LAC Deduction		
Total Deduction from Excluding Schools Budget		£1,570

Example budget deduction for a Secondary Exclusion on 1st January 2021

		Relevant Date of Exclusion
		01/01/2021
Pro-rata weeks to end of financial year		13
Sector:		
<input type="radio"/> Primary Pupil <input checked="" type="radio"/> KS3 Pupil <input type="radio"/> KS4 Pupil		
		£1,000
Basic Entitlement Deduction		
		£0
Free School Meals Deduction		
		£200
Free School Meals Ever 6 Deduction		
		£360
EAL Deduction		
		£0
Pupil Premium; Ever 6 Deduction		
		£0
Pupil Premium; Service Deduction		
		£590
Pupil Premium; Former LAC Deduction		
Total Deduction from Excluding Schools Budget		£2,150

Example budget allocation for a Primary Admission on 31st January 2021

Relevant Date of Exclusion
31/01/2021

Pro-rata weeks to end of financial year **8**

Sector:

- Primary Pupil
- KS3 Pupil
- KS4 Pupil

Basic Entitlement Deduction	£440
Free School Meals Deduction	£0
Free School Meals Ever 6 Deduction	£90
EAL Deduction	£80
Pupil Premium; Ever 6 Deduction	£0
Pupil Premium; Service Deduction	£0
Pupil Premium; Former LAC Deduction	£360
Total Deduction from Excluding Schools Budget	£970

Example budget allocation for a Secondary Admission on 31st January 2021

Relevant Date of Exclusion
31/01/2021

Pro-rata weeks to end of financial year **8**

Sector:

- Primary Pupil
- KS3 Pupil
- KS4 Pupil

Basic Entitlement Deduction	£620
Free School Meals Deduction	£0
Free School Meals Ever 6 Deduction	£130
EAL Deduction	£220
Pupil Premium; Ever 6 Deduction	£0
Pupil Premium; Service Deduction	£0
Pupil Premium; Former LAC Deduction	£360
Total Deduction from Excluding Schools Budget	£1,330