

<b>Committee:</b>	Schools Forum
<b>Meeting Date:</b>	29 November 2018
<b>Title:</b>	Policy for the Local Authority recoupment of funding after the permanent exclusion of a pupil from mainstream school – updated paper
<b>Author:</b>	Jamie Mills
<b>Decision making / consultative / information:</b>	Information and Consultation
<b>Who can vote?</b>	All members with voting rights

#### **What is the Forum being asked to decide?**

1. To note the updates to the proposed Suffolk Policy for Recoupment of Funding following a Permanent Exclusion for implementation from 1<sup>st</sup> January 2019. This paper was initially discussed at Schools Forum in July 2018. Suggested amendments have now been undertaken as requested at that meeting.
2. To note the current position regarding schools' active support for the recoupment policy in Suffolk.

#### **Reason for recommendation**

3. At Schools' Forum in November 2017 the elements of the new policy were agreed, and this item is therefore to comment on the final policy following that decision and request for further updates to be made.

#### **Alternative options**

4. Alternative options were considered in October 2017 and it was agreed then that this was the option that should be taken forward.

#### **Who will be affected by this decision?**

5. All schools in Suffolk.

#### **Main body of the Report**

6. In October 2017 the Schools' Forum considered a new policy for recoupment of funding following a permanent exclusion.
7. This was because Suffolk's current policy for recouping funds for permanently excluded pupils does not align with the new School and Early Years Finance (England) Regulations 2017 nor is it workable in a system where some schools are academies.

8. The Forum was asked to agree a new local policy that will apply to all settings, using the principle that funding 'follows the pupil' where a child or young person has been permanently excluded from either a maintained school or an academy. This was to enable the receiving school to be adequately funded or Local Authority to provide an education for these pupils whilst they are not able to attend mainstream school. Two decisions were taken:

**Decision 1 – Establishing a new policy for financing education for permanently excluded pupils.**

It was agreed to introduce a revised policy that aligns to the School and Early Years Finance (England) Regulations 2017 and which can be universally applied across all settings in Suffolk. The policy would set out the arrangements for the transfer of funding between a school and the Local Authority, or receiving school, when a school permanently excludes a pupil.

It was also agreed that Schools' Forum would approve a local agreement to establish a policy that applies to all schools, regardless of their status, therefore ensuring that the arrangements for funding excluded pupils are consistent, equitable and fair to all settings.

**Decision 2 – To agree the level of funding to be transferred from school budget to the receiving school or Local Authority to support a permanently excluded pupil.**

After considering the options, it was agreed that the new policy should be as follows: that the amount of funding transferred to the receiving school or Local Authority by the school/academy at the point of permanent exclusion (i.e. removal from the excluding school records) is the greater of, the 'funding attributable to a pupil of the same age and personal circumstances' as per the regulations, or the sum of £2,000 + transition support payment (pro-rata); the current level of funding agreed under the existing exclusion policy. The later approach was agreed to protect the high needs block against a further cost pressure where pupils were funded late in the funding year.

9. Officers were asked by Forum to make it clear in the policy which settings it would apply to and how the system would work for settings with differing funding years.
10. The attached paper addresses this request and is for comment by Schools' Forum.

### **The Recoupment process**

The Headteacher or Principal of the school must notify the Local Authority of the permanent exclusion of a pupil (including where a fixed-period exclusion is followed by a decision to permanently exclude the pupil) in accordance with the statutory guidance for those with legal responsibilities in relation to exclusion - *Exclusion from maintained schools, academies and pupil referral units in England (2017)*

11. Once the Local Authority has been notified of the permanent exclusion it will calculate the value of the sum for recoupment and notify the setting by letter of the full recoupment amount with an attached invoice detailing the breakdown of costs.

Payment will be calculated from the time the young person has been removed from roll. The pupil will remain on roll until either;

- a. 15 school days have passed since the parents were notified of the governing board's decision to not reinstate the pupil and no application has been made for an independent review panel; or
- b. the parents have stated in writing that they will not be applying for an independent review panel.

12. Payment will be expected within 21 days from the date the young person has been removed from roll as stated within Suffolk County Council's terms and conditions for outstanding debts.

13. Once funding is received this will be transferred to the receiving school for the pupil in question.

### Outstanding invoices

14. Whilst the vast majority of recoupments have been made in a timely manner there remain a number of outstanding invoices, that despite best efforts have not been resolved. These outstanding invoices are documented in the table below. This table includes the school/academy concerned, the outstanding amount and the date payment was due. Total amount outstanding £31,196.49 (as at 15<sup>th</sup> November 2018).

Table 1 indicates the total outstanding amounts as of 20/11/2018. This includes both the £2000 and the transition support element.

Table 1:

Party Name	Total Outstanding Amount
SAXMUNDHAM FREE SCHOOL	2,000.00
IES BRECKLAND	2,083.35
PAKEFIELD PRIMARY SCHOOL	2,262.12
FELIXSTOWE ACADEMY	2,575.08
BECCELES FREE SCHOOL	2,755.77
BUNGAY HIGH SCHOOL ACADEMY	2,000.00
PAKEFIELD PRIMARY SCHOOL	3,520.17
THOMAS MILLS HIGH SCHOOL (ACADEMY )	2,000.00
BUNGAY HIGH SCHOOL ACADEMY	2,000.00
BUNGAY HIGH SCHOOL ACADEMY	2,000.00
THOMAS MILLS HIGH SCHOOL (ACADEMY )	2,000.00
THOMAS MILLS HIGH SCHOOL (ACADEMY )	2,000.00
THOMAS MILLS HIGH SCHOOL (ACADEMY )	2,000.00
STOWUPLAND HIGH SCHOOL	2,000.00

Table 2 indicates those schools/academies where the outstanding amount is solely the £2000 deduction.

Table 2:

Party Name	Flat rate element
SAXMUNDHAM FREE SCHOOL	2,000.00
IES BRECKLAND	2,000.00
PAKEFIELD PRIMARY SCHOOL	2,000.00
FELIXSTOWE ACADEMY	2,000.00
BECCLLES FREE SCHOOL	2,000.00
BUNGAY HIGH SCHOOL ACADEMY	2,000.00
PAKEFIELD PRIMARY SCHOOL	2,000.00
THOMAS MILLS HIGH SCHOOL (ACADEMY )	2,000.00
BUNGAY HIGH SCHOOL ACADEMY	2,000.00
BUNGAY HIGH SCHOOL ACADEMY	2,000.00
THOMAS MILLS HIGH SCHOOL (ACADEMY )	2,000.00
THOMAS MILLS HIGH SCHOOL (ACADEMY )	2,000.00
THOMAS MILLS HIGH SCHOOL (ACADEMY )	2,000.00
STOWUPLAND HIGH SCHOOL	2,000.00

Table 3 indicates where the outstanding amount is purely the transition support element.

Table 3:

Party Name	Transition support element
IES BRECKLAND	83.35
PAKEFIELD PRIMARY SCHOOL	2,262.12
FELIXSTOWE ACADEMY	575.08
BECCLLES FREE SCHOOL	2,755.77
PAKEFIELD PRIMARY SCHOOL	3,520.170

## **Policy For The Local Authority Recoupment Of Education Funding After The Permanent Exclusion Of A Pupil From Mainstream School**

### **Introduction and scope**

1. This policy sets out Suffolk County Council's process for the transfer of funding from a school to a receiving school or the Local Authority following the first school deciding to permanently exclude a pupil.
2. In this new local policy, that will apply to all education settings, the core principle will be that funding 'follows the pupil' where a child or young person has been permanently excluded from either a maintained school or an academy, free school, either mainstream, specialist or PRU. This is to enable the receiving school to be adequately funded to provide an education for these pupils or the LA to do so if a child cannot move to another school immediately.
3. This local policy aligns to the School and Early Years Finance (England) Regulations 2018 and will be universally applied across all school settings in Suffolk, both mainstream and specialist. A separate policy will be developed for alternative provision due to the different nature of their funding at this time.
4. The School and Early Years Finance (England) Regulations 2018 indicates that a Local Authority can only apply the guidelines for recoupment to maintained schools in their area, unless the LA agrees a local policy for recoupment that can then apply to all schools in the area, including academies and free schools. This is in line with the national guidance which indicates that a "local authority may ask an academy trust to enter into an arrangement for the transfer of funding for a pupil who has been permanently excluded, on the same basis as if the academy were a maintained school." The Suffolk policy will be agreed with the Schools' Forum and then the LA will write to each academy and free school to confirm their agreement.
5. This policy sets out the locally agreed arrangements between the LA and all schools in Suffolk to ensure a consistent, equitable and fair approach for all mainstream and specialist settings. Therefore, this policy will apply to the following types of primary and secondary mainstream and specialist school:
  - a. Local Authority maintained schools
  - b. Academies
  - c. Free Schools
  - d. Pupil Referral Units

### **Formula for the transfer of funding**

6. From the 1<sup>st</sup> September 2018 the amount of recoupment requested from an excluding school will either be the amount of funding 'attributable to a pupil of the same age and personal circumstances' as per the 2018 regulations **or** the sum of £2,000 + pro-rata transition support payment – *whichever is the greater*. This approach will ensure that if a pupil is excluded near the end of the funding year the receiving school or LA will still have sufficient funding to secure adequate education for the child in question.

7. The regulations for schools also apply to academies. It states that adjustments should relate to the LA financial year but that this can be changed to the academy financial year, by local agreement. In summary, the effects of changing from the LA financial year to the academy financial year are:
- Any pupils that are permanently excluded in the summer term would generate a claw-back to the end of that term only, instead of a further 30 weeks to the end of the Authority's financial year.
  - By contrast, pupils excluded in the autumn and spring terms would generate a further claw-back for the following summer term (i.e. 22 weeks) to the end of the academy's financial year.

The LA proposes to use an academic year calculation for academies as the adjustments would more closely align with the basis on which academies are funded.

8. In calculating the funding attributable to a pupil of the same age and personal circumstances the following formula will be used to make an adjustment:

<https://www.legislation.gov.uk/ukxi/2018/10/regulation/27/made>

$$(A \times (B/52) + C$$

**Where A** is the amount of funding that would be attributable to a *pupil of the same age and personal circumstances* as the pupil in question at primary or secondary schools maintained by the authority for the full funding period.

**And B** is either:

- (i) the number of complete weeks remaining in the funding period calculated from the relevant date, or
- (ii) where the permanent exclusion takes effect on or after 1st April in a school year at the end of which pupils of the same age, or age group, as the pupil in question normally leave that school before being admitted to another school with a different pupil age range, the number of complete weeks remaining in that school year calculated from the relevant date; hence the divide by 52.

**And C** is the £4,000 financial adjustment order if the governing body still refuses to take a pupil back after an independent review panel quashed the permanent exclusion and advised reinstatement.

9. In accordance with national guidance, the Local Authority will include the following factors when calculating the value for **A**:
- a. Transition support payment amount (standard amount dependant on Key Stage)
  - b. Pupil Premium (for individual identifiable pupil)
  - c. Top Up High Needs Funding (for individual identifiable pupil)

10. The calculation of the remaining transition support payment and other pupil related factors will be undertaken in accordance with the funding year relevant to the excluding school in question and will therefore take account of the differing financial years for academies and maintained schools.

11. The table below demonstrates some examples of how the process would work across education settings.

**Adjustment example - applies to LA Maintained, Academies and Free Schools**

Examples	AWPU			Pupil Premium				**Top Up				*Annual £ to be recouped
	Primary - £2,747	KS3 - £3,863	KS4 - £4,386	Primary - £1,320	Secondary - £935	Looked After Child - £2,300	Service Child - £300	Band 1 - £750	Band 2 - £2,000	Band 3 - £4,000	Band 4 - £6,000	
<b>Example 1</b> - Pupil Premium, primary pupil with no Top Up	£2,747			£1,320								£4,067
<b>Example 2</b> - KS3 pupil, Band 2 Top Up		£3,863							£2,000			£5,863
<b>Example 3</b> - Pupil Premium Looked After, KS4 pupil, Band 4 Top Up			£4,386			£2,300					£6,000	£12,686
<b>Example 4</b> - Primary pupil, Band 3 Top Up	£2,747									£4,000		£6,747
<b>Example 5</b> - KS3 pupil, no Top Up		£3,863										£3,863
<b>Example 6</b> - Pupil Premium, KS4 pupil, Band 1 Top Up		£3,864			£935			£750				£5,549

\*Annual amount to be recouped is then pro-rated as necessary for LA maintained schools and academies accordingly as set out in paragraph 7 above

\*\*New Top up bands to be reflected when implemented