**Schools Forum**

**9**

**14th November 2017**

**Permanently Excluded Pupils - Redetermination of schools budgets**

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| **Forum asked to decide / steer / be informed** | **To request a change in the redetermination of school budgets in respect of pupils that are permanently excluded** |
| **Time Needed** | **15 mins** |

**Current procedures**

The LA follow the Exclusion rules, on a financial year basis, from the schools finance regulations for pupils who are subject to a governor upheld permanent exclusion.

Here is a brief summary of the exclusion rules:

* The LA reduce the budget share of the excluding school by the  AWPU (average weighted pupil unit) value for the age of the pupil from the date of the governor upheld exclusion dividing the AWPU value by 52 weeks and multiplying by the number of weeks remaining in the current funding period
* The LA will make a further one off £4,000 adjustment under a final adjustment order where an appeal panel has quashed the governing body’s decision to permanently exclude a pupil and directed they reinstate the pupil, and the school does not do so
* The LA increase the budget share of the admitting school by  the  AWPU (average weighted pupil unit) value  for the age of the pupil , divided by 52 weeks and times the number of weeks remaining in the current funding period during which the pupil is a registered pupil at the admitting school
* In addition to the AWPU the LA is required to re-determine the excluding school and admitting school budget in respect of any pupil premium payable for that pupil

The Forum discussed and agreed that from 1st September 2015, it is also appropriate that if a pupil is subject to a governor upheld exclusion between the Autumn census date and the end of the financial year 31st March, that a reduction is made in the budget share of the excluding school for the following financial year/funding period in respect of the AWPU and if applicable any of the pupil premium grants, if the pupil was on roll on the relevant October or January census.

There has been a recent update in the Schools Revenue Funding Operational Guidance for FY2018-19 with regard to the redetermination of schools budgets where pupils have been excluded and here is an extract:

* 1. *When a pupil is excluded from a mainstream school, the local authority 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’.*
  2. *This means the deduction should cover not just the basic entitlement, but also the relevant amounts for pupil-led factors, such as free school meals or English as an additional language, where the pupil attracted funding through those criteria.*
  3. *Where the pupil is funded according to the post-16 formula, the amount attributable to the pupil is £4,000*.

1. *The adjustment for a particular exclusion relates only to the current financial year, and cannot be applied to subsequent years.*
2. *As the wording relates to the finance regulations, the adjustments should also relate to the local authority financial year; local authorities can change this to the academy financial year, by local agreement*.

The above guidance was discussed with representatives from the EFSA Funding Policy Unit at a recent South West Regional Finance conference and clarification was sought about whether LA’s could make financial adjustments for exclusions in both the current financial year and the next financial year if the Schools Forum had made this decision. We have now had the following response to the question raised:

***Question*** *- Can schools make financial deductions for exclusions in both this year and the next i.e. overrule the regulations?*

***Answer*** *- Paragraph 83 of the schools operational guide states that adjustments can only apply to the current financial year, and not subsequent years, but paragraph 90 allows, subject to local agreement, for the adjustment to relate to the academy financial year for academies (rather than local authority financial year).*

**Proposal**

The Forum is asked to note that the LA will re-determine school budgets for a pupil who is subject to governor upheld exclusion for the **current financial year** only from 1st September 2017.

The schools forum is asked to decide:

1. If they would like the LA to re-determine school budgets for Academies on an academic year basis from 1st September 2017
2. If the methodology for re-determining schools budgets should also include other pupil led factors such as free school meals (FSM) or English as an additional language (EAL) where the pupil attracts funding through this criteria. Currently the LA uses the AWPU value and pupil premium grants values in the calculation. See below for the current values:

For the financial year 2017-18 the AWPU, Pupil Premium Grant, FSM and EAL values per pupil per annum are as follows:

AWPU - All Primary aged pupils - £2,574.90 pa

AWPU - KS3 – £3,433.16 pa

AWPU - KS4 – £4,363.62 pa

AWPU equivalent - EFA Funded Post 16 - £4,000pa

FSM per primary pupil - £1,658.09

FSM per secondary pupil - £2,005.68

EAL per primary pupil - £1,010.20

EAL per secondary pupil - £2,020.40

Pupil premium Ever 6 FSM (Free School Meals) Primary - £1,320 pa

Pupil premium Ever 6 FSM (Free School Meals) Secondary - £935 pa

Pupil premium Ever 5 Service Children - £300 pa

Pupil Premium Post LAC - £1,900 pa (Adopted from LA care, or left LA care on a Special Guardianship or Arrangement Order)

(**Excludes** the Pupil premium for LAC which follows the child and is managed by the Virtual School head teacher)

***Please note that the above values will change for FY2018-19 depending on which formula process is adopted and change in data in respect of characteristics of the pupils on roll in Oct 2017.***