

# BRIEFING PAPER

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**SUBJECT:** School and Early Years Finance (England) Regulations 2014  
**DATE:** 10<sup>th</sup> September 2014  
**RECIPIENT:** Schools Forum

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## THIS IS NOT A DECISION PAPER

### SUMMARY:

1. The Department for Education is proposing to amend the Schools and Early Years Finance (England) Regulations 2013. The proposed changes will come into force in January 2015 and will be applied to the financial year 2015/16.
2. Some of the changes have been previously published as part of the Fairer schools funding arrangements for 2015/16 and the Schools revenue funding 2015/16 – operational guide which were published on the 17<sup>th</sup> July 2014.
3. A number of the amendments take into account the new provisions relating to special educational needs in the Children and Families Act 2014.

### BRIEFING DETAILS

4. **SUMMARY OF THE PROPOSED CHANGES IN THE SCHOOL FINANCE REGULATIONS 2014**
5. **Regulation 3 - The Schools Forum Regulations 2012**
  - (i) Amends the 2012 school forum regulations to allow for changes to the membership of the forum:
    - If there are any special academies in the local authority's area, there must be at least one member representing them;
    - If there are any alternative provision (AP) academies in the local authority's area, there must be at least one member representing them.
6. **Regulation 14 (1) - Determination of Budget Shares**
  - (i) The transitional protection in the 2013 regulations for separate levels of place funding for sixth form places in special schools has been removed. Since 1<sup>st</sup> August 2014 these are now funded at £10,000.
  - (ii) The proposed regulations 2014 clarify that the sixth form provision cannot include hospital places or those aged over 19 years of age.
7. **Regulation 14 (3) – Determination of Budget Shares**
  - (i) Implements a change in the value of place funding for an AP place from £8,000 to £10,000 per year. 2015/16 will be a transitional year as the increase is effective from September 2015. The value of a place in 2015/16 will be £9,166.
8. **Regulation 16 – Funding of Early Years Provision**

# BRIEFING PAPER

- (i) Provision is made to require local authorities to pay the early year's pupil premium (of 53p per hour) to all early year providers that are delivering Government-funded early education to eligible three and four-year-olds.
9. **Regulation 21 (2) – New schools, merged schools and closing schools**
- (i) The regulations are updated to make a revised provision for the determination of budgets for new maintained schools and for schools that have opened in recent years and are still adding year groups. Such schools are to be funded on the basis of estimated rather than actual pupil numbers.
10. **Schedule 1 – Paragraph 10 (e) and Schedule 2 – Paragraph 13**
- (i) The regulations 2013 included a split local authority functions in relation to remission of boarding fees between two schedules. The regulations have been amended to put all of the provisions within Schedule 2 to indicate that this type of expenditure should fall within the schools budget.
11. **Schedule 1 – Paragraph 26 – Other functions**
- (i) The former paragraph 26 within schedule 1 of the regulations 2013 has been deleted. This referred to teachers' emoluments in circumstances where they failed to complete induction satisfactorily. This expenditure should fall within the schools budget.
12. **Schedule 2 – Paragraph 14 – Central Early Years Expenditure**
- (i) This paragraph has been extended so that early years expenditure held centrally cannot be relate to an exclude provider. A definition of excluded provider has been added to Regulation 1.
13. **Schedule 2 – Paragraph 18 – Children and Young People with High Needs**
- (i) This has been amended to reflect the provisions in the Children and Families Act. It now makes provision for persons aged between 19 and 25 years of age with an EHC Plan, but not where they are attending schools or academies.
14. **Schedule 3 – Paragraphs 14 and 15 – Additional Factors/Criteria within a Local Authority funding formula.**
- (i) This has been amended to reflect the change in policy in 2015/16 for setting thresholds for average year-group size rather than school size to decide whether a school should receive funding through a sparsity factor.

## **Appendices/Supporting Information:**

The School and Early Years Finance (England) Regulations 2014

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