A Create: Schools Guide for Funding

SEND Applicants (Wave 3)

Private & Confidential

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1. Introduction

This guide is designed to support SEND free school applicants with queries they have surrounding SEND free school finances and the types of funding available, in line with the Department for Education (DfE)'s guidance. All free schools are funded directly by the DfE and there are several grants available to applicants, all of which are described in more detail below. This funding guide is applicable only for SEND free schools. For further information, please refer to the academy trust handbook.

Except where stated below, the funding for each free school will be calculated and paid by Education and Skills Funding Agency (ESFA). Funding will be paid monthly in equal instalments. With the exception of the school's first month of opening, when the school will be paid on the eighth working day of the month, the ESFA pays schools on the first working day of the month.

Funding for free schools is calculated and paid by ESFA, except in cases where otherwise is explicitly mentioned. Funding for the school's first month of opening is paid on the eighth working day of the month, from this point onwards however, the ESFA issues payment on the first working day of each month in equal instalments.

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2. Available grants

2.1 Pupil premium

The pupil premium grant exists to provide schools with additional money to meet local challenges, especially those that may arise from deprivation. In 2022-23 schools receive the following funding for each pupil registered as eligible for free school meals (FSM) at any point in the last 6 years. Pupil premium payments are made to academies and free schools in quarterly instalments:

- £1,385 for pupils in reception to year 6
- £985 for pupils in year 7 to year 11
- Schools receive £2,410 for each pupil who has left local authority care through adoption, a special guardianship order, child arrangements order or a residence order.

2.2 General Annual Grant (GAG)

The Secretary of State provides academies with a GAG to cover annual costs, such as the following:

- teachers' salaries and related costs
- non-teaching staff salaries and related costs
- employee expenses
- administration
- materials and equipment used in teaching and learning materials
- buying, maintaining, repairing, and replacing assets such as ICT equipment
- repairs, servicing, and maintenance of buildings
- medical equipment and supplies
- staff and curriculum development
- the costs of providing school meals for pupils - including the cost of providing free school lunches to pupils who are eligible for them
- examination fees

2.3 Teachers' pay grant

- The majority of the historic teachers' pay grant, teachers' pensions employer contribution grant and pensions supplementary fund money now form a part of the high-needs national funding formulae allocations to local authorities.

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2.4 Teachers' pension employer contribution grant

- This funding covers the cost of the increase in the employer contribution rate of the teachers' pension scheme from 16.4% to 23.6% from September 2019.

2.5 Project development grant (PDG)

- This grant covers non-capital pre-opening revenue costs and is split into two elements; an initial allocation of £30,000 followed by the full allocation is paid once the provisional opening date and heads of terms for the site have been agreed in writing.

2.6 PE and sport premium

- Free schools with primary age pupils are entitled to this funding. Allocated by the ESFA, it is based on the number of total pupils between years 1 to 6. The grant's purpose is specific and is paid separately to the GAG funding.

2.7 Universal infant free school meals (UIFSM)

All state-funded schools in England are obliged to provide free school meals to infant pupils (in reception, year one and year 2) who are not otherwise entitled to benefits-related free school meals.

- Currently, schools receive £445 per eligible pupils, the equivalent of £2.34 per day for a school year for each eligible pupil.
- Free schools in their first year of opening will be initially funded based on the estimates of the pupils numbers used to issue their indicative funding letter.

2.8 Capital grant

The Capital Grand is to be used exclusively on expenditure surrounding capital. In order to qualify for these payments, you must provide and evidence an account of all capital cost spending. Detailed below are some appropriate costs eligible to be covered by this grant:

- Buying vehicles
- Acquiring land and buildings
- Equipping premises with networking, computers, operating software and other ICT equipment
- Installing electrical and mechanical services
- Constructing, enlarging, improving, or demolishing any buildings

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2.9 Post-opening grant (POG)

Publicly funded special free schools (excluding LA presumption free schools) receive a post-opening grant to cover the extra expenses associated with setting up a new school that can't be covered by the GAG. The POG offers two forms of funding as the free school expands: non-staffing resources that are calculated based on a per-place basis, and a leadership grant. Note, these names reflect how the funding is calculated, but the grant can be used for any valid expenses related to the school.

The initial element (resources) is paid annually as the school reaches full capacity for each additional place it's projected to create. It's calculated using the financial plan submitted prior to opening and isn't adjusted to account for actual place numbers.

The payment rates for the initial element are as follows:

- £250 for each new place created in the primary phase (years R to 6)
- £500 for each new place created in the secondary and 16 to 19 phases (Years 7 to 13)

KEY DATES FOR POG:

- ✓ The leadership element of the grant is a set figure of £170,000, with 50% paid in the first year, 30% in the second year, and 20% in the third year.
- ✓ The resource element of POG is paid over the first 3 months of the academic year, with 50% paid in month 1, 25% in month 2 and 25% in month 3.

2.10 Create: Schools support

If you have any further questions regarding writing the funding of special free schools, please get in touch with one of our advisors at Create: Schools. The advisory team are available to answer any questions regarding the application, alongside our free support service, including conducting application draft reviews.

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