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Mark Popplewell
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26th November 2015

Dear Jerry

Subject: The Acorn Alternative Provision Free School Funding

The schools forum regulations are intended to ensure that the arrangements for Alternative Provision (AP) funding are properly discussed at local level – with engagement not only from the Local Authority, which carries the overall legal responsibility for securing suitable education for all children and young people in its area, but also from the mainstream schools and academies, pupil referral units (PRUs) and AP in academies and free schools.

Lincolnshire received notification from the Education Funding Agency (EFA) in 2015/16 of a Dedicated Schools Grant (DSG) funding deduction for 29 places identified for The Acorn Free School.

It is important that the schools forum is engaged in discussions about where the funding comes from. Any increase in places would create a cost that would have to be funded out of Lincolnshire's DSG. There may need to be a discussion with schools and academies about whether such a cost should be met by reductions in the schools' budget shares. This will require schools and academies to think collectively about their use of AP, and how the full cost of provision, including the place funding, is to be met.

Cost transparency is an important feature of the new high needs funding arrangements. Local Authorities, schools and academies should be aware of the full cost of AP in different institutions and be able to make placement decisions on the basis of the cost and quality of what is on offer. It is therefore important that schools forum discussions about how AP is funded should include information about top-up funding rates for institutions and where the top-up funding and place funding for AP comes from.

A standard top-up funding rate is often set for each PRU, AP academy or AP free school, which reflects the overall budget needed to deliver the service for pupils and students attending.

A report is being tabled at the January 2016 schools forum explaining AP funding arrangements to meet the schools forum regulations to have an open and

transparent discussion at local level. We feel it would be beneficial to have your input into The Acorn Free Schools funding arrangements, which includes the following:

2013/14 Financial Year

- Total Place Numbers funded for.
- Average FTE occupancy across the period.
- Total Income broken down by place funding, top up funding, one-off grants (revenue and capital), and other funding streams.

2014/15 Financial Year

- Total Place Numbers funded for.
- Average FTE occupancy across the period.
- Total Income broken down by place funding, top up funding, one-off grants (revenue and capital), and other funding streams.
- Draft 2014/15 financial accounts.

Please could you provide a response to the request for information by Tuesday 15th December 2015 to enable it to be incorporated within the report.

Yours sincerely

Mark Popplewell
Head of Finance
Children's Services