

New Funding Arrangements for Learners with Special Educational Needs

1. Mainstream schools

It is important to recognise the following;

- that the change in the way all learners with SEN are funded in schools is about the process of delegation of funding to schools giving head teachers increased freedom to manage their budgets to meet pupil need, including those pupils at school action, school action plus and with a statement.
- the amount of budget in the system to meet SEN need is actually **increasing** not decreasing because of adjustments to the overall formulae to reduce differentials in school funding
- the main formula factors you should be primarily utilising to identify SEN funding (notional SEN budget) are **AWPU, Deprivation and Low Prior Attainment**

Low Prior Attainment budget consists of:	£m
Statements (first £6k)	5.3
Early Intervention formerly New Approaches	3.5
Low attainment - former Schools Personalisation grant	5.1
Low attainment - former School Standards Grant	1.5
Other funding now channelled via low prior attainment	<u>5.2</u>
Total	20.6m

High Needs Block Funding **2.4m**

What is the impending change?

One of the changes resulting from the government's education funding reforms is the way in which we fund statements in mainstream schools. This change applies to all Local Authorities from next year and will make our current method of allocating statement funding obsolete.

This is because the DfE is taking a very different approach to funding pupils with high needs so that a 'high needs' pupil requires provision costing more than about **£10k** per year in total. This threshold is to distinguish between the low cost high incidence SEN expected to be met through the new Schools Block funding (i.e. delegated formula funding) and the point at which additional high needs funding is provided. Schools Block funding is deemed to be the standard AWPU for all pupils plus the first **£6k** of additional educational support for SEN pupils. Further statement funding above the £6k will be in the form of a top-up from the High Needs Block.

How will pupils with statements be funded in future? AWPU Plus..

The pupils with statements in school will effectively be split into two groups:

- Those where the current level of statement funding is £6k or less, and
- Those where the current level of statement funding is more than £6k i.e. 'high needs pupils'.

Pupils in group A will be supported from the Schools Block delegated formula funding. Pupils in Group B will have the first £6k funded from this with the remainder (or top-up) provided from the central high needs budget.

How has the current funding for delegated statements been divided?

The overall resources for statements remain the same. To establish the Schools Block and High Needs elements, the existing delegated statements budget (£7.7m) has been divided appropriately i.e. according to current expenditure on:

i) Statements below £6k and the first £6k of all others =	£5.3m
ii) The high needs top-up element (High Needs budget) =	<u>£2.4m</u>
	£7.7m

Effectively this means that in future, the funding for statements below £6k and the first £6k of all other statements will no longer be directly determined by the needs of individual pupils with statements. The 2013-14 low prior attainment allocation will therefore not be directly reconcilable to your existing statement funding.

The 2012/13 statements budget has been split as follows:

<u>Total</u>	<u>Notional SEN Budget</u>	<u>High Needs Budget</u>	
	£k	£k	£k
Funding for 123 primary statements <£6k	588	0	588
Funding for 459 primary statements >£6k	<u>2,754</u>	<u>1,726</u>	<u>4,480</u>
Total Primary	<u>3,342</u>	<u>1,726</u>	<u>5,068</u>
Funding for 142 secondary statements <£6k	516	0	516
Funding for 239 secondary statements >£6k	<u>1,434</u>	<u>702</u>	<u>2,136</u>
TOTAL	<u>1,950</u>	<u>702</u>	<u>2,652</u>
TOTAL OF BOTH PRIMARY AND SECONDARY	£5,292k	£2,428k	£7,720k

How will the High Needs budget work?

The High Needs budget will work differently in that it will be allocated as top-ups for individual high needs pupils based on their needs above the value of £6k. Work is ongoing to determine a fair method of allocating these funds by collapsing the existing large number of SEN bands so that the top-up process is simpler. This will be done in line with national thinking. These funds will be adjusted termly in the same way as resources are adjusted currently.

How will the school budget process for expenditure on SEN pupils in future work in practice?

At the start of each financial year a schedule will be produced for each school listing the existing pupils with statements. This will show all statements to be supported from the overall Schools Block budget and those which will be allocated a high needs top-up. Please be aware that if a new high needs pupil is admitted to school in September, school will need to support the first £3,500 of support costs (7/12 x £6k) from the school budget and will receive a top-up for the additional element. Similarly, if a high needs pupil leaves in the summer, the only change in funding will be the deduction of the top-up amount for the autumn and spring terms.

2. Specialist Provision-Special Schools, Resourced Provision in mainstream schools, Alternative Provisions, including Pupil Referral Units/Services

New System of Place-Plus

The new system for funding all the above settings will simply have two elements a place value and a top up element, i.e. place-plus. This will be funded entirely from the High Needs Block.

The place element will be:

- i) Pre-16 provision - a basic £10k per place
- ii) Post 16 - an allocation through the national funding formula plus £6k (broadly equivalent to £10k)
- iii) AP settings - £8k per place

The plus element will be top-up funding to meet the total cost of the education provision required by an individual high needs pupil or student as based on the pupil or student's assessed needs in the individual setting.

Converting the Current Special Schools Formula into Place –Plus Funding

Under the new arrangements, every planned place in a special school will attract £10k base funding. Officers and special school heads are working on co-producing a comprehensive model to implement the top-up allocation which is both fair, meets pupil need and is straightforward to administer. The reform is so extensive that it requires a radical new look at our existing system. We have decided an underpinning principle is to collapse the existing complex system and move to a model with broadly 4 levels of need and funding.

Pupil Referral Units and Alternative Provisions

The place value for PRUs and alternative provisions will attract 8K base funding; the top up element will be different for each provision to provide an educational offer that meets pupil needs. This will be done within the existing budget allocation and allow for outreach services and support to mainstream schools.

Resourced Provisions in Mainstream schools

The place value for specialist provision in mainstream schools will attract 10K base funding; the top up element will again be different for each strand of provision and also allow for outreach services within the existing budget allocation and in line with the implementation of the Review of Specialist Provision.

Post 16 Pupils

The funding for Post 16 pupils in special schools will also be different in 2013/14. The Education Funding Agency will passport funding for the places and top-up to the LA which will then be transferred to the schools. We are currently awaiting more details about this process.

Challenges and Work in Progress

- Develop a new needs led funding model for statements.
- Special School Heads and officer group to continue to develop robust ways of place planning and funding levels.
- Continue to work with post 16 providers to ensure a consistent model of implementation with pre 16 and in line with government requirements.
- Recognise that unfilled places in specialist provision will only be funded the place element and not the top up element.
- Implement a communication plan for all stakeholders to bring support and confidence in the system
- SENCO Net