

## **High Needs Rates 2016-17**

**12 January, 2016**

### **1. Purpose of report**

- 1.1 To provide information on the funding methodology to be applied in special schools, additionally resources provision and pupil referral units in 2016-17.

### **2. Recommendations**

- 2.1 To note the continued use of “place plus” funding model in high needs settings.
- 2.2 To note that a revision of the cost model for high needs places in Additionally Resourced Provision has taken place.
- 2.3 To note the required change in top-up funding arrangements in regard to short term provision commissioned by schools and academies at the Shepwell Centre Medical PRU, with charges being met from delegated budget shares.

### **3. Background**

- 3.1 The high needs funding arrangements introduced in April 2013 require local authorities to fund provision in special schools, additionally resourced provision (ARPs) and pupil referral units using the DfE’s “place plus” model, comprising of place funding and top-up funding.
- 3.2 The local authority determines the value of top-up rates it will pay for any high needs provision it commissions. However regulations stipulate that School Forum are informed of the arrangements for high needs pupils including the top-rates and the arrangements for paying top-up funding.

### **4. High Needs Arrangements 2016-17**

- 4.1 Funding regulations stipulate the value of place funding must be £10,000 per commissioned place in all high needs provision and this value remains unchanged for 2016-17. This element of funding notified to individual schools is guaranteed and is not subject to change during the year.
- 4.2 Locally agreed matrix bands are the basis of top-up funding for special schools and pupil referral units and the top-up rates for 2016-17 will be published in the spring term.
- 4.3 A report to Forum in spring 2013 confirmed that the costs of top-up funding for New Leaf PRU will be only met by the authority where it relates to provision for a permanently excluded pupil. Top-up funding in respect of fixed term or

at risk pupils will be paid by the home school of the pupil. This arrangement will continue for 2016-17.

- 4.3 In respect of ARP places the cost models used to determine the various top-up rates have been in place for several years. To ensure these models remain fit for purpose a review of staffing ratios for each type of provision has taken place.
- 4.4 The revised ARP cost models result in a reduction in the value of top-up values for most existing ARP. However it should be noted that where a revised top-up rate is less than 98.5% of the 2015-16 rate, the minimum funding guarantee will be triggered which will limit the reduction to -1.5% per place. The exception to this will be any new ARP places agreed for 2016-17, these will be funded via the revised rates from April 2016.
- 4.5 When the new high needs funding arrangements were implemented in 2013, it was understood that provision at a medical PRU should be fully funded by local authorities i.e. both commissioned place funding and top-up.
- 4.6 However local authorities have lobbied the DfE for more detailed guidance in regard to funding of high needs provision and the DfE have recently published additional guidance for authorities relating to the funding of alternative provision.
- 4.7 The guidance confirms that a change in the top-up funding arrangements for provision commissioned schools and academies at the Shepwell Medical PRU is required.
- 4.8 The DfE guidance sets out a number of general principles including that where possible children should be educated in a mainstream setting, however it is recognised that there will be occasions where a mainstream school is not reasonable able to provide suitable education for a pupil and AP would be in their best interests, as a result of a temporary or permanent exclusion or where pupils have medical needs that mean they are unable to attend a mainstream school full time.
- 4.9 In instances where AP is used before the need for permanent exclusion or other short term placements arise, in the majority of cases it would be the intention for pupils to return to their mainstream school. This is the typical type of provision commissioned by schools and academies at Shepwell Medical PRU.
- 4.10 Therefore where schools and academies commission AP and the pupil remains on the roll of their mainstream school, schools retain accountability for the child's education.

- 4.11 The impact of the published guidance confirms a change in funding arrangements in regard to provision commissioned by schools at the Shepwell Medical PRU is required, i.e. that the local authority is not required to meet the top-up costs for pupils who remain on the roll of their mainstream school.
- 4.12 From April 2016, in all instances of fixed term exclusion, temporary or short term placements commissioned by schools and academies, the payment of top-up funding in respect of such placements will be from schools delegated budget shares.
- 4.13 As top-up funding for AP institutions is not usually related to an assessment of special educational needs. A standard top-up funding rate is set for each PRU or AP setting, which reflects the overall budget needed to deliver the service for pupils attending
- 4.14 The guidance stresses the importance of cost transparency in regard to the new high needs funding arrangements. Local authorities, schools and academies should be aware of the full cost of AP. As such it is expected that Schools Forum discusses and is aware of how AP is funded, including information about top-up funding rates and where the top-up funding and place funding for AP comes from.
- 4.15 Top-up funding rates should be determined fairly and maintained schools, academies, free schools and independent schools are to be treated on a fair and equivalent basis and in addition the local authority and schools should ensure there are no perverse incentives and that the funding achieves the intended outcomes.
- 4.16 The revised top-up funding arrangements in regard to provision commissioned at Shepwell will apply from April 2016 for maintained schools, however as the financial year differs for academies, the revised arrangements for those schools will be implemented from September 2016.
- 4.17 Top-up rates for 2016-17 for Shepwell will be published in the spring alongside other high needs provision.

## **5. Financial implications/Value for Money**

- 5.1 As detailed in high needs funding guidance, the costs of commissioned place funding is met by the local authority, having taken account of the number of places required by both the local authority and schools.
- 5.2 The cost of top-up funding is to be paid by the commissioner of the provision.

- 5.3 The local authority will be deemed to commissioner where a pupil is on the roll of a high needs setting, with schools and academies being deemed to the commissioner where a pupil remains on the roll of the school.

## **6. Legal Implications**

- 6.1 The report ensures that high needs funding arrangements comply with school funding regulations.

## **7. School Improvement**

- 7.1.1 No issues arising from this report.

## **8. Members eligible to vote**

- 8.1 The report is for information only and no vote is required.