



Walsall Council

Walsall Children's Services

Report to: Schools Forum

Date: 12th June 2012

Subject: Schools Funding Formula - SEN

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Purpose of the report: This report highlights key information in the "School funding reform: Next steps to a fairer system" document which relates specifically to the new High Needs Block. This report is an overview and several reports will be produced at future Schools Forums to ensure members are adequately briefed.

Recommendation: To note the report

1. Summary

1.1 Department for Education (DfE) produced "School funding reform: Next steps to a fairer system" on 26 March 2012. While this document has consultative elements, in essence it informs interested parties in decisions that government has made which will start to impact from 2013/14.

1.2 With this document being very complex, DfE have also produced operational guidance, presentations to aid understanding, an ever increasing frequently asked questions and held meetings with school finance officers around the country. There is huge amount of detail.

1.3 The key points of the changes in relation to High Needs Block would be:

1.3.1 The High Needs Block of Dedicated Schools Grant (DSG) will have funding for pupils and students from birth to 25.

1.3.2 High Needs pupils and students will be funded by a 'place plus' approach. This is made up of 3 elements:

Element 1, or "core education funding": the mainstream unit of per-pupil or per-student education funding. In the school sector for pre-16 pupils, this is the age-weighted pupil unit (AWPU), while for post-16 provision in schools and in the FE sector this is the mainstream per-student funding as calculated by the national 16-19 funding system.

Element 2, or "additional support funding": a clearly identified budget for providers to provide additional support for high needs pupils or students with additional needs up to an agreed level.

Element 3, or "top-up funding": funding above elements 1 and 2 to meet the total cost of the education provision required by an individual high needs pupil or student, as based on the pupil's or student's assessed needs.

1.3.3 Special schools will be funded in a completely new way. They will receive £10k per planned place to cover elements 1 and 2. In addition to this they will receive element 3 the 'top up' funding from the commissioner of the service. They will receive no other funding e.g. rates.

1.3.4 Mainstream schools will be expected to contribute the Age Weighted Pupil Unit (AWPU) for that pupil to cover element 1 and £6k per place for element 2 funding from their notional SEN budget. Element 2 is subject to agreement with Schools Forum.

1.3.5 Alternative Provision places would receive £8k per planned place.

Diagram 1 demonstrates the funds flow:

Diagram 1

	Pre-16 SEN and AP		Post-16 SEN and LDD
	Mainstream settings	Specialist settings	All settings
Element 1: Core education funding	Mainstream per-pupil funding (AMPU)	Base funding of £10,000 for SEN and £8,000 for AP placements, which is roughly equivalent to the level up to which a mainstream provider would have contributed to the additional support provision of a high needs pupil. Base funding is provided on the basis of planned places.	Mainstream per-student funding (as calculated by the national 16-19 funding system)
Element 2: Additional support funding	Contribution of £6,000 to additional support required by a pupil with high needs, from the notional SEN budget		Contribution of £6,000 to additional support required by a student with high needs
Element 3: Top-up funding	"Top-up" funding from the commissioner to meet the needs of each pupil or student placed in the institution		

1.3.6 The High Needs Block will be made up of the following:

High Needs Block

- Delegated budgets of special schools
- Centrally funded provision for individual pupils
- Special Educational Needs (SEN) support services
- Support for inclusion
- Independent special school fees
- Inter-authority recoupment
- Pupil referral units
- Education out of school
- Delegated allocations relating to individual pupils – Individually Assigned Resources
- Delegated allocations relating to special units and specially resourced provision in mainstream schools
- Post-16 SEN expenditure
- Adjustments will be made for base funding of high needs places in provision not maintained by the authority, but to which it sends pupils.
- Additions will be made for budgeted spend on high needs students aged 16-25 in further education (FE) providers and independent specialist providers held by the Young People's Learning Agency.

1.3.7 **Appendix 1** is a presentation from the DfE which gives very detailed examples of funds flow.

2. Next Steps

- 2.1 Heather Lomas is on the main funding formula group so at points of 'crossover' Schools Forum can ensure there is continuity.
- 2.2 There will be a meeting with Special Schools Heads on 15 June to develop detailed timetables. Work is already taking place in this area.
- 2.3 These significant changes are being fed into the education contract transition team.
- 2.4 Further reports will be brought to Schools Forum to ensure development can be monitored

3. Recommendations

- 3.1 To note the report and the appendix.