

Cabinet – 20 March 2024

Proposed High Needs Local Funding Formula 2024/25

Portfolio: Councillor Statham - Education and Skills

Related portfolios: Councillor Bird - Leader of the Council

Service: Children's Services: Education

Wards: All

Key decision: Yes

Forward plan: Yes

1. Aim

- 1.1 Cabinet approved the bandings used in the current Local High Needs Funding Formula on 16 February 2021. The formula provides a fair, needs led and child centred approach to allocating funding for school aged children with Special Educational Needs & Disabilities (SEND) and was implemented from 1 April 2021.
- 1.2 This report provides Cabinet with an update for 2024/25, setting out the proposal to keep top-up rates across all provisions in line with the rates paid in 2023/24 as per the 2024/25 High Needs operational guidance.

2. Summary

- 2.1 A revised High Needs Funding Formula was approved and implemented in 2021/22, which saw the introduction of a new bandings model to support all pupils with Education Health and Care Plans (EHCP's). This was in line with the Walsall Right 4 SEND guidance document, which was written following the formation of the High Needs Working Group working alongside SEND officers. The new bandings model is based on the different areas of primary need, which correlate to the SEND Code of Practice. The top-up rates are set out in detail in Appendix A of this report.
- 2.2 The High Needs Operational Guidance for 2024/25 requires local authorities to set a Minimum Funding Guarantee (MFG) of between 0% and 0.5%. This proposal applies and MFG of 0% for 2024/25.

3. Recommendations

3.1 That Cabinet approve the Local High Needs Funding Formula for 2024/25.

4. Report detail – know

4.1 Background

4.1.1 The High Needs Funding Formula is the local process that is utilised to allocate the High Needs Block of the Dedicated Schools Grant (DSG) funding that the Council receives, to the providers of support to children with additional needs in the Borough of Walsall.

4.1.2 A full review of the High Needs Funding Formula, supporting financial data and guidance was undertaken during 2020/21 by a working group of Schools Forum (which also included full consultation with all schools affected). This led to the introduction of a new formula in April 2021 which included a new banding model and publication of a 'Walsall Rights 4 SEND' guidance document in support of that.

4.1.3 The High Needs Working Group will continue to focus on supporting the implementation of the revised formula for 2025/26 including a review of other areas of SEND including Early Years High Needs Funding, Post 16 High Needs Funding and ARP / PRU funding. Any formal recommendations from this work will be consulted on with schools and Schools Forum and then included in the proposed 2025/26 High Needs funding formula.

4.1.4 The only changes that are therefore proposed for 2024/25 are those formally required by the High Needs block regulations and guidance – which are set out below.

Minimum Funding Guarantee

4.1.5 High Needs guidance for 2024/245 requires that a Minimum Funding Guarantee (MFG) of between 0% & 0.5% is applied to specialist provision (i.e. Special Schools, PRU's, AP Free Schools etc). The revised rates included with Appendix A include a proposed MFG for Walsall of 0% for 2024/25.

Passthrough of Additional Grant funding

4.1.6 A new one off Additional Grant for special schools, pupil referral units and alternative provision free schools was provided to local authorities in 2023/24. This is now included in the 2023/24 baseline data used by the DfE to calculate the 2024/25 High Needs funding allocation and therefore local authorities must continue to pass this funding to eligible schools. The conditions associated with this require the funding to be used to provide an allocation equivalent to 3.4% per place, based on place funding of £10,000 per place plus the average top-up funding for a pupil placement in financial year 2024/25.

- 4.1.7 The Additional Grant funding allocation is required to be paid as a separate allocation to place and top-up funding in 2024/25. Final proposed Additional Grant allocations are set out at Appendix A.
- 4.1.8 Nationally a significant number of authorities are experiencing difficulties managing the increasing demand for high needs support against the funding that is available within the High Needs block of DSG. This has resulted in financial pressures for those authorities and the need to develop DSG Management Plans to set out how a financially viable position will be achieved over the medium term.
- 4.1.9 In summary a DSG Management plan covers a rolling 5 year period (current financial year plus the next 4 financial years) and sets out the estimated High Needs funding that the authority will receive over that period, the likely demand for high needs support and estimated cost of providing that, and whether that is affordable within the funding that will be available. Where it is not affordable actions to mitigate this position need to be identified and implemented.
- 4.1.10 Walsall currently have a DSG management plan in place which identified a number of mitigating actions to ensure spend and growth remain under control where possible. A further iteration of this is currently being undertaken and the updated position will be reported to the ESFA, Schools Forum and Cabinet in due course.

5. Council Plan Priorities

- 5.1 This work relates to the Council Plan Priorities for Children (Ch2 - The gaps in educational attainment between the least and most deprived communities will be narrowed for all under achieving groups). Specifically, the allocation of High Needs Funding should ensure that children identified as having SEND have the right support at the right time to ensure they access their entitlement to a full time education and can make good academic progress and achieve their potential.

6. Risk management

- 6.1 There continues to be a risk that future demand on High Needs funding increases over and above that expected. The DSG management plan aims to identify actions to reduce these risks.

7. Financial implications

- 7.1 There is a DSG management plan in place which identifies a number mitigating actions to ensure spend and growth remain under control where possible. A further iteration of this is currently being undertaken and the updated position will be reported to the ESFA, Schools Forum and Cabinet in due course.

8. Legal implications

8.1 The Department for Education (DfE) has prescribed the way in which schools should be financed for the 2024/25 financial year. These guidelines are set out in the High Needs Funding 2024/25 operational guide. The purpose of these arrangements is to help secure greater consistency in the way in which high needs funding is distributed to schools. The Council is bound to adhere to the rules issued by DfE.

9. Procurement Implications/Social Value

9.1 There are no procurement/social value implications arising from the proposals in this report.

10. Property implications

10.1 There are no property implications arising from the proposals in this report.

11. Health and wellbeing implications

11.1 The expectation remains that the current model for High Needs Funding will support the Marmot objectives of:

- Give every child the best start in life
- Enable all children, young people and adults to maximise their capabilities and have control over their lives

11.2 This will be achieved by ensuring that the approach to funding ensures children have access to the right support at the right time to promote their development, educational outcomes and prepare them for adulthood.

12. Staffing implications

12.1 There are no staffing implications arising from the proposals in this report.

13. Reducing inequalities

13.1 A full Equality Impact Assessment was completed as part of the complete review and update of the High Needs Funding Formula in 2020/21 and the content has been reviewed in line with the changes proposed in this report which has confirmed that it remains current.

13.2 The overall aim of the model is to ensure a fair and equitable approach to the allocation of High Needs Funding. This will reduce inequalities and ensure that children with SEND have access to the provision required to meet their needs, ensure access to their entitlement to fulltime education and to address the gap in outcomes between those with SEND and those without.

14. Climate change

14.1 There are no climate change implications arising from proposals in this report.

15. Consultation

15.1 Consultation has been undertaken with Schools Forum at their meeting on 5 March 2024, with them recommending the proposed local high needs funding formula to Cabinet.

16. Decide

16.1 Cabinet are asked to review and approve the proposed Local High Needs Funding Formula for 2024/25.

17. Respond

17.1 Once approved by Cabinet, the Local High Needs Funding Formula for 2024/25 will be communicated with schools, alongside the provision of indicative high needs budget allocations for special schools and Pupil Referral Units, which will be used to inform each school in setting their budget for the year.

18. Review

18.1 The approach to High Needs funding will be subject to an annual review by an identified sub group of Schools Forum. The allocation of funding will be reviewed alongside an analysis of the changing need reported through the SEN audit process and pupil place planning. The DSG Management Plan will be subject to ongoing (at least annual) review and update and in-year reporting.

Background papers

- Walsall Right 4 SEND guidance document
- Schools Forum report 5 March 2024
- High Needs Funding 2024/25 Operational Guidance

Author

Tanya Collier
Finance Manager – Children’s & Education Services
☎ 01922 652346
✉ tanya.collier@walsall.gov.uk



Coleen Male
Executive Director Childrens & Customer
22.02.2024



Councillor Statham
Portfolio Holder Education & Skills
12th March 2024

APPENDIX A - Proposed High Needs Top-up Rates 2024/25

SEND Band	Special Schools High Needs Top-up Rates 2024/25 £	Mainstream Schools High Needs Top-up Rates 2024/25 £
SEMH Band 1,2 & 3 – funded by school budget	n/a	n/a
SEMH Band 4	n/a	4,181
SEMH Band 5	n/a	6,847
SEMH Band 6	17,100	10,392
SEMH Band 7	22,217	17,075
C&L Band 1,2 & 3 – funded by school budget	n/a	n/a
C&L Band 4	n/a	3,095
C&L Band 5	n/a	4,611
C&L Band 6	6,373	11,800
C&L Band 7	14,935	15,312
C&L Band 8	25,853	20,388
SLCN Band 1,2 & 3 – funded by school budget	n/a	n/a
SLCN Band 4	n/a	3,326
SLCN Band 5	n/a	6,891
HI Band 1,2 & 3 – funded by school budget	n/a	n/a
HI Band 4	n/a	4,611
HI Band 5	n/a	6,847
HI Band 6	10,503	9,923
HI Band 7	14,936	14,471
VI Band 1,2 & 3 – funded by school budget	n/a	n/a
VI Band 4	n/a	5,375

VI Band 5	n/a	8,407
VI Band 6	n/a	15,006
VI Band 7	n/a	17,432
MSI Band 1,2 & 3 – funded by school budget	n/a	n/a
MSI Band 4	n/a	6,216
MSI Band 5	n/a	10,764
MSI Band 6	21,630	16,643
MSI Band 7	36,990	18,159
Physical Band 1,2&3 – funded by school budget	n/a	n/a
Physical Band 4	n/a	3,791
Physical Band 5	n/a	6,745
Physical Band 6	20,512	13,718
Physical Band 7	24,150	18,432

Small Special School Top-up:

A top-up to be applied only to specials schools with less than 50 pupils to support fixed costs.

Small special school	£1,948 per pupil pro rata to week attending
----------------------	---

Top-Up Rate for Pupil Referral Units:

	PRU Top-up rate 2024/25 £ pa
New Leaf	10,255
Shepwell	8,933

Top-Up Rates for Additionally Resourced Provision (ARP) / Specialist Resource Provision (SRP) in Mainstream Schools – 2024/25 for places filled on October 2023 census:

	ARP Top-up rates 2024/25 for Filled places £ pa
Speech & Language -primary	3,171
Speech & Language -secondary	1,441
Dyslexia - secondary	1,436

Visual Impaired - primary	14,380
Physical Disability - primary	10,022
Physical Disability - secondary	8,291
Autism - primary	9,832
Autism - secondary	8,102

Top-Up Rates for Additionally Resourced Provision (ARP) / Specialist Resource Provision (SRP) in Mainstream Schools – 2024/25 for places unfilled on October 2023 census:

	ARP Top-up rates 2024/25 for Un-Filled places £ pa
Speech & Language -primary	2,909
Speech & Language -secondary	2,909
Dyslexia - secondary	2,904
Visual Impaired - primary	14,118
Physical Disability - primary	9,760
Physical Disability - secondary	9,760
Autism - primary	9,570
Autism - secondary	9,570

Teachers' Pay & Pension historic costs – rates for Alternative Provision Free Schools

Funding	Period	Rate per place
Teachers' Pay	April to August	£72.91
	September to March	£102.08
Teachers' Pension	April to August	£202.06
	September to March	£282.89

Payments will be based on the actual published place number for the relevant period, less any places already being paid by the authority via top-up.

Additional Funding for Special Schools, Pupil Referrals Unit and AP Free Schools

School Name	Additional Grant Funding 2024/25 £
Specials:	
Castle	137,914
Elmwood	74,385
Jane Lane	120,044
Mary Elliot	142,125
Oakwood	183,217
Old Hall	99,523
Phoenix	50,250
PRU's:	
New Leaf	29,498

Shepwell	38,467
AP Free School:	
The Ladder School	33,832
Total	909,255