

SLOUGH SCHOOLS FORUM
3 October 2012

School Funding Reform 2013-14

Proposed Arrangements – Notional High Needs Block

(Director of Education & Children's Services)

1 PURPOSE OF REPORT

- 1.1 To inform Schools Forum of the proposed arrangements for the notional High Needs Block for the financial year 2013-14.

2 RECOMMENDATIONS

- 2.1 That Schools Forum notes the notional High Needs Block Analysis.
- 2.2 That Schools Forum notes the arrangements to be implemented for 2013-14, and keeps high needs provision and notional SEN for 2013-14 under review pending clarification of the final Dedicated Schools Grant (including all of the notional blocks).

3 REASONS FOR RECOMMENDATIONS

- 3.1 Schools Forum has a key role in the implementation and approval of the reformed funding arrangements.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Not applicable.

5 SUPPORTING INFORMATION

- 5.1 Members of Schools Forum will recall that in March 2012, the Department for Education (DfE) issued consultation on School Funding Reform: Next Steps towards a Fairer System and in June issued School Funding Reform: Final Arrangements 2013-14.
- 5.2 As previously reported, the implementation of the new arrangements from 1 April 2013 will be challenging in view of the considerable changes required within tight timescales. Members of Schools Forum received a report on the proposed arrangements for the notional Schools Block at their meeting on 12 September 2012. This report focuses on the proposed arrangements for the notional High Needs Block for 2013-14.

5.3 The notional High Needs Block has been derived from an analysis of the 2012-13 statutory section 251 budget return as follows:

Gross DSG	£128.235m
Notional High Needs Block	£19.790m
Notional Early Years Block	£8.699m
Notional Schools Block	£99.746m.

The baseline values for the notional blocks are currently subject to further review with the Education Funding Agency.

5.4 The notional high needs block includes delegated budgets of maintained special schools, pupils with statements and resource units as well as centrally managed budgets for pupils with statements, SEN support services, support for inclusion, independent special school placements, pupil referral unit and education outside school.

5.5 There are two key changes which will impact on the value of the High Needs Block and the provision to be funded. Firstly, with the implementation of place-plus, inter-authority recoupment will end. Funding transfers will be made between authorities based on data which is currently being verified. Similarly, local authorities will take on responsibility for post 16 students with high needs. A similar data and funding transfer process is in progress.

5.6 School Funding Reform includes a new approach to funding provision for pupils and students with high needs. Pupils and students with high needs include pupils aged from birth to 25 with high-level SEN; pupils of compulsory school age in alternative provision (AP); and those aged 16-25 with high-level learning difficulties or disabilities (LDD). The new approach defines high needs pupils as those who require provision costing more than about £10,000 per year in total. This threshold distinguishes between the needs that will be met through mainstream funding and the point at which additional high needs funding is provided. There are a number of key implementation tasks required in order to adapt current arrangements to this new threshold for high needs.

5.7 There are three key implementation tasks that must be undertaken before April 2013: (i) mainstream pre-16 formula funding, including Notional SEN budget (ii) places in specialist SEN and AP settings, and (iii) reworking providers budgets as place-plus so as to set top-up rates for 2013-14.

5.8 In constructing the new funding formula for 5-16 provision in schools and Academies, a decision is required on the level up to which mainstream schools and Academies will contribute to the needs of high needs pupils. Slough intends to set the level at £6,000 of additional educational support per high needs pupil or student in line with the strong recommendation of the DfE. This has been reflected in the setting of the notional SEN budget for mainstream schools through the deprivation, low cost, high incidence SEN and mobility factors in the proposed new formula. A transfer of funding from the High Needs Block of £1m will be made to support this.

5.9 A return was made to the Education Funding Agency (EFA) in August regarding the number of places in special schools and the PRU / alternative provision, both

in Slough and other local authorities. Officers are now reviewing feedback from the EFA with a view to confirming the number of specialist SEN, AP and hospital education settings that will be funded in 2013-14.

Establishment	Apr-Aug	Sept-Mar
	No	No
<u>Nursery</u>		
Baylis Court Nursery	4	4
Chalvey Early Years Centre	5	5
Slough Centre Nursery	6	6
<u>Primary</u>		
Castleview	15	15
Colnbrook C.E	12	12
Foxborough	8	8
Godolphin Infant	9	9
Godolphin Junior	0	12
Marish	12	21
St. Ethelbert's Catholic	14	14
Priory	60	60
Ryvers	8	8
<u>Secondary</u>		
The Westgate	15	15
Wexham	23	28
Slough & Eton CofE B&EC	25	25
Langley Academy	5	5
<u>Special</u>		
Littledown	29	29
Arbour Vale	264	264
Haybrook (Millside)	45	60
PRU (Haybrook)	92	92
Total Planned Slough Provision	651	692

The final level provision will be dependant on the available funding which will not be known until later this year.

- 5.10 By April 2013, officers will work with schools and Academies to agree and confirm the rates of per-pupil top-up funding that will be used in 2013-14. In calculating rates of top-up funding to be paid in 2013-14, Slough will honour existing financial commitments and apply the additional transitional protection required under the new arrangements to places in resource units.
- 5.11 Specialist SEN settings, including special schools, resource units and independent providers in which Slough pupils are placed, will receive £10,000 for

each commissioned place as confirmed through the process outlined in paragraph 5.8. By April 2013, officers will work with the special schools to agree and confirm the rates of per-pupil top-up funding that will be used in 2013-14. In calculating rates of top-up funding to be paid in 2013-14, Slough will honour existing financial commitments and apply the additional transitional protection to places in special schools.

- 5.12 The pupil referral unit at Haybrook will receive £8,000 for each commissioned place as confirmed through the process outlined in paragraph 5.8. By April 2013, officers will work with the PRU to agree and confirm the rates of per-pupil top-up funding that will be used in 2013-14. In calculating rates of top-up funding to be paid in 2013-14, Slough will honour existing financial commitments and apply the additional transitional protection to places in special schools.
- 5.13 To implement these reforms, officers will also recalculate the budgets of the special schools, resource units and the PRU as base funding and top-up funding.
- 5.14 The place-plus commissioning model being implemented will end all inter-authority recoupment. As indicated in paragraph 5.5, officers are working with the EFA to agree the funding transfers to support these new arrangements. Current data suggests, that as at January 2012, other local authorities placed 52 5-16 pupils in Slough schools, Academies and PRU whereas Slough placed 81 relevant pupils in schools, Academies and PRU in other local authorities.
- 5.15 The provision with in Haybrook College includes hospital services. From April 2013, the confirmed budget for hospital education will be passported to Haybrook by Slough and there will no longer be any need for inter-authority recoupment.
- 5.16 Implementation of the new arrangements for maintained schools will be on 1 April 2013 and for mainstream Academies from 1 September 2013. The current operating model for resource units and pupils with statements in Academies will apply for the period from 1 April to 31 August as a result of the lagged funding arrangements. The resulting payments made to Academies will be recovered from the EFA.
- 5.17 A report will be brought to Schools Forum on arrangements for post-16 high needs students at a future meeting. Members of the Forum should note that the new arrangements do not apply to the Further Education sector until August 2013.
- 5.18 Confirmation of the notional High Needs block based on 2012-13 spend is expected to be issued in December 2012, possibly updated with 2013-14 population projections.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The relevant legal provisions are contained within the main body of this report.

Section 151 Officer – Strategic Director of Resources

- 6.2 The financial implications of the proposed changes will be managed within the Dedicated Schools Grant funding envelope. The specific financial implications for the local authority, maintained schools, Academies and the PVI are being kept under review and will be reported to Schools Forum as appropriate.

Access Implications

- 6.3 There are no access implications.

7 CONSULTATION

Principal Groups Consulted

- 7.1 None.

Method of Consultation

- 7.2 Not applicable.

Representations Received

- 7.3 Not applicable.

Background Papers

DfE School Funding Reform: Next steps towards a fairer system (March 2012)

DfE School Funding Reform: Arrangements for 2013-14 (June 2012)

Schools Forum papers – April to July 12 (including Schools Budget 2012-13; School Funding Reform - various)

DfE 2013-14 Revenue Funding Arrangements: Operational Guidance for Local Authorities

Contact for further information

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