
SEN FUNDING REFORMS UPDATE

Purpose of the Report

1. The purpose of the report is to update School Forum on the progress for the implementation of the new DFE SEN funding delegation limit.

Background

2. In 2014/15 DFE introduced a new threshold of £6,000 as a delegation limit for high needs. In Darlington currently, primary schools receive additional funding for pupils with high needs in Bands 7 - 10. Funding up to Band 6 (£13,506) is delegated. The maximum additional Individual Learner Support (ILS) payment available to primary schools is £9,004 under the current banding system – see Appendix 1 (Band 10 - £22,510 less the £13,506 that is delegated), this is in addition to any notional SEN received. Secondary schools have all their high needs funding delegated.
3. In the first year the local authority received dispensation to simply move a pot of money from the schools notional SEN into the high needs block. This money was then simply reallocated back to schools at the same level as previously under the funding formula.

SEN Funding Reform – Identification of High Needs Pupils

4. Due to the high levels of delegation of notional SEN funding in Darlington schools, and to be able to move to the lower delegated limit, it was necessary to:
 - identify secondary pupils whose support needs were in excess of £6,000 but did not have a statement or EHC.
 - identify primary pupils whose support needs were in excess of £6,000 but less than the £13,506 above which the schools could apply for additional funding
5. This exercise would also allow the local authority to identify the likely additional costs against the high needs budget and the potential impact on individual schools.
6. In 2015/16, following a review of a number of options, it was decided to use Stockton's costed provision map (CPM) to identify the groups of pupils listed above and estimate the funding level for their support needs. The vast majority of schools have now returned their completed CPMs.
7. As part of the CPM exercise 241 completed costed provision maps were received and reviewed, 41 of those did not exceed the £6,000 threshold. Of the remaining 200:

- 12 identified support needs above Band 10 (£22,510) of which only three pupils had an EHC or statement and only 50% were known to the SEN team. This is in excess of the second highest funded band at Beaumont Hill Academy (Band C)
 - 47 (25%) identified support needs above Band 6 (£13,506). 30 of those were from primary schools who can apply for extra funding above that threshold but hadn't. Only 23 out of the 47 pupils identified were known to the SEN team and only four out of 47 had an EHC or statement.
 - A significant number of claims included 1:1 support in excess of 50% (750 minutes) of the school week and a number of claims exceeded the 1500 minute school week, including one claim which had 2310 minutes of TA support for a single child.
 - Some CPMs included alternative provision, including Turnaround, Future Steps, Rise Carr College, Home and Hospital and external training providers.
 - Some CPMs included funding for privately bought services where local authority or health services were already available.
8. A number of schools were contacted to discuss their submissions, however it is clear that a significant amount of additional work would be required to ensure that the evidence base is robust.

SEN Funding Reforms – Funding Implications

9. The total of the unadjusted CPMs received to date is £1,019,229. The current notional SEN top up, the amount moved into the high needs block, is £651,962. A difference of £367,267.
10. In addition, for those pupils with an EHC or statement (where CPMs were not requested), if we moved the current primary threshold from Band 6 (£13,506) down to £6,000 and included the funding for those high needs secondary pupils that would require an additional £721,408.

£ 664,697	Current ILS Payments
<u>£ 651,965</u>	Notional High Needs Top-Up
£1,316,659	Total Current Expenditure
£1,386,105	Uplifted ILS payments (including secondary and assuming £6,000 threshold)
<u>£1,019,227</u>	Costed Provision Maps (pre moderation)
£2,405,332	Potential Funding Requirement
£1,088,673	Potential Funding Shortfall

11. Whilst a moderation exercise of the CPMs may reduce the funding shortfall the only two ways to fund the identified support needs would be to reduce other expenditure within the high needs block lines or move funding from the schools block.
12. An added complication to implementing the SEN funding threshold is that the DFE have announced that they are consulting on a national funding formula in Spring 2016, for implementation from 2017/18.

Conclusions

14. The costed provision map exercise has been invaluable to identifying a number of high needs pupils that were previously unknown to the local authority, this will be especially useful when Ofsted undertake their SEN inspection. However, the exercise has not necessarily provided a robust mechanism for a funding distribution at this time and a lot of further work is required to move forward on this.
15. The implementation of the changes have been further complicated by the announcement that DFE intend consulting on a national funding formula from Spring 2016 and even if either of the first two recommendations were implemented it may be that that work is undone in 2017/18.

Options

13. There are a number of options that could move us towards the DFE's delegation limit. These are listed below:
 - a. Fully implement the £6,000 threshold based on the costed provision map information that has been submitted by schools. This would require a substantial amount of additional moderation which would need the support from school's representatives or an external consultant (which would come at a cost). Implementation of the DFE threshold would require an additional £1,088,673 from the DSG to meet the current need identified through this data gathering exercise.
 - b. The current arrangements for Primary Schools continue as they are but the funding arrangements for Secondary Schools are amended to be in-line with the Primary model. This would require a reduction in the notional SEN top up amount available to all secondary schools and a process of reallocating the funding using the same delegation limit as primaries (support needs in excess of £13,506) based on the number of EHC/Statement pupils already identified. This currently appears to be cost neutral across the secondary sector but the movement of funding amounts would impact on individual schools. It should be noted that the banding levels of these pupils is based on historic need and in for 13 pupils the detailed funding requirement information is missing (e.g. new assessments or new to authority) so some additional work would be required which may lead to a potential increase in spend for these cases.
 - c. Use the data gathered through the costed provision map exercise to better inform and refine the local authority's identification of SEN pupils, flagging errors in the school census details accordingly, so that all high needs pupils are correctly recorded prior to the implementation of the national funding formula, but leave the notional SEN funding allocations unaltered for 2016/17.

Recommendations

14. That Forum identifies the preferred option outlined in paragraph 13.

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Head of 16-19

Banding Rates for Mainstream High Needs Provision (ILS)

	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	Band 9	Band 10
Funding Level	£2,251	£4,502	£6,753	£9,004	£11,255	£13,506	£15,757	£18,008	£20,259	£22,510
Current Payment (Primary only)	Delegated						£2,251	£4,502	£6,753	£9,004
With £6,000 Delegation	£0	£0	£753	£3,004	£5,255	£7,506	£9,757	£12,008	£14,259	£16,510