

BRIEFING PAPER

SUBJECT: High Needs Block

DATE: 13th January 2016

RECIPIENT: Schools Forum

THIS IS NOT A DECISION PAPER

SUMMARY:

1. This paper outlines the proposals for the High Needs Block including funding for Special schools, special units in maintained schools and Pupil Referral Units (PRUs) from April 2016.

A new funding formula for Schools, High Needs (HN) and Early Years (EY) will be introduced to address the current disparity in per pupil funding rates across England. There will be a national basic per pupil rate, with additional amounts for pupils with higher needs. Following consultation in 2016, the new formula will be introduced from 2017/18, with a transitional period to help schools manage the change.

BACKGROUND and BRIEFING DETAILS:

2. The proposed High Needs Block is shown in Appendix 1.

The Children and Families Act 2014 extends local authorities' statutory duties relating to SEN across the 0 to 25 age range. A range of providers, including maintained nursery schools, maintained schools, academies (including free schools), non-maintained special schools, further education and sixth form colleges, as well as those independent special schools and specialist post-16 institutions, have a duty to cooperate with the local authority on arrangements for children and young people with SEN (with a reciprocal duty on the local authority) and a duty to admit a child or young person if the institution is named in an Education Health and Care (EHC) plan.

The high needs funding system remains largely unchanged from 2015 to 2016. This means any pressures over and above the unchanged baseline budget position will add pressure to High Needs block.

As per the DFE announcement there is an overall pressure on high needs of £3,412,000. The school forum agreed a significant transfer of funding of £2,049,200 for High Needs pressures from the Schools block (£1,808,300) and Early Years block (£240,900) in January 2015. As a result of an increase in ongoing high needs pressures, this amount has increased to £3,412,000, an increase of £1,362,800.

Due to the flexibility available within Early Years block, an additional £281,000 is proposed to be transferred to High Needs block. This means the remaining balance of this pressure of £1,081,800 will need to be funded by reducing schools block.

BRIEFING PAPER

3. High Needs pupils in maintained schools

From April 2014, the DfE imposed a mandatory threshold of £6,000 of additional support per High Needs pupil that schools are required to fund from their formula budget. This was in line with the 2013/14 threshold implemented in Southampton and will continue to be implemented for 2016/17.

For 2016/17 Schools will continue to be reimbursed for support of more than 12 hours per week, term time only at a rate of £10.98 per hour.

4. Special Schools, Special Free Schools and Special Units

The local authority has identified, based on current profile, the number of places required at the five special schools, three special units and one free school in the 2016/17 financial year as shown in Table 1 below.

School	Places April 2016	Places Sept 2016
Springwell School	128	144
Great Oaks School	170	170
The Cedar School	70	70
The Polygon School	55	55
Vermont School	32	32
Bitterne Park School	8	8
Tanners Brook Primary School	14	14
Redbridge Community School	7	7
Rosewood School	32	32
Total	516	532

5. It is planned to expand Springwell special school by 16 places in September 2016 at a cost of £93,300 for the part year. Further analysis of the growth from 2015/16 and the pressure it generates is provided below.
6. Special schools, special free schools and maintained schools with a special unit are funded on the basis of a flat £10,000 per place plus a per pupil top-up. Schools only receive top-up funding for the actual numbers of pupils in their school.
7. While there is not a Minimum Funding Guarantee for Special school and units, there is a requirement that the top-up element of the funding is set at such a level that, if all the places were filled and the pupils came from the maintaining authority, the school's budget would reduce by no more than 1.5%. Top-up banding rates will be kept at 2015/16 level.
8. Pupil Referral Unit – Compass School

The PRU will continue to be funded for 160 places. Each place will attract a base level of funding of £10,000 as per the DfE requirements. Top-up funding per pupil will be paid by the commissioner of the place (either the local authority or a school) on the basis of three place types – Band 1, 2 and 3. Correspondingly top-up rates will reduce to offset the increase in base level funding as per DfE guidelines. The overall budget will remain consistent with the 2015/16 level.

BRIEFING PAPER

9. High Needs Pressures

The school forum agreed a significant transfer of funding of £2,049,200 for High Needs pressures from the Schools block (£1,808,300) and Early Years block (£240,900) in January 2015. As a result of an increase in ongoing high needs pressures, this amount has increased to £3,412,000, an increase of £1,362,800.

Due to the flexibility available within Early Years block, an additional £281,000 is proposed to be transferred to High Needs block. This means the remaining balance of this pressure of £1,081,800 will need to be funded by reducing schools block.

		High Needs Pressures	Comments
Total High Needs Pressure		£3,412,000	
High Needs pressures funded from Schools Block in 2015/16	(£1,808,300)		
High Needs pressures funded from Early Years Block in 2015/16	(£240,900)		
Total Transfer between blocks in 2015/16		(£2,049,200)	Agreed by School Forum in January 2015
Additional High Needs pressure in 2016/17		£1,362,800	
MARP - Education Placements	£729,100		The pressure is due to forecast and known increase in activity.
SEN Post 16	£206,800		The pressure is due to forecast and known increase in activity.
Special Schools and Pupil with Statements	£448,000		The pressure is based on the latest activity information and projected growth for 2016/17.
Other minor movements in high needs programme	(£21,100)		
Total Transfer between blocks in 2016/17		£1,362,800	

10. Furthermore, 2016/17 will see a significant increase in places at special schools. The place numbers reported to Schools Forum in January 2015 were 508 for September 2015. This has increased to 532 by September 2016.

Appendices/Supporting Information:

Appendix 1 Estimated High Needs Block 2016/17

Further Information Available From:

Name: David Cuerden

Tel: 3878

E-mail: David.Cuerden@Southampton.gov.uk

BRIEFING PAPER

Appendix 1

Estimated High Needs Block 2016/17

High Needs Block	2016-17
DfE 2016/17 High Needs Block	£18,087,000
Transfer from Early Years block, (as detailed within EY report)	£521,900
Transfer from Schools block*	£2,890,100
Total High Needs Block	<u>£21,499,000</u>

*£1,808,300 transferred in 2015/16. £1,081,800 new for 2016/17.

Funding for Academies, Free Schools and Colleges	£2,600,400
Funding for independent providers	£2,989,600
Funding for maintained providers	£13,475,900
Other Alternative Provision	£77,900
SEN support services	£808,500
Support for inclusion	£1,219,700
Overheads	£327,000
TOTAL	<u>£21,499,000</u>