

FUNDING PUPILS AND STUDENTS WITH HIGH NEEDS (SEN)

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1. Context

- 1.1 The Green Paper on special educational needs (SEN) and disability, *Support and aspiration: A new approach to special educational needs and disability* sets out a reform agenda for raising aspirations and improving attainment of pupils and students who require additional specialist, often costly, educational support that is currently usually provided through a statement of special educational needs. The Green Paper signals matters that need to be developed.
- 1.2 A new set of funding arrangements for pupils and students with high needs is proposed to help achieve the aspirations in the Green Paper. The new funding arrangements for SEN are a set of very detailed proposals set out in *School funding reform: Next steps towards a fairer system* that cover funding for all schools.
- 1.3 The funding proposals that are being made are due to come into effect for all schools from April 2013. There are some transitional arrangements for the years 2013-14 that offer some financial protection. They are outlined in section 5.
- 1.4 *School Funding Reform* sets out ten general principles that will underpin the new system. These are:
 1. The funding provided should meet the impartially assessed needs of the child or young person for whom it is provided.
 2. So far as practicable, the preferences of the parents or young person should be followed in placing the child or young person.
 3. The interests of the taxpayer require that funding and resources should be used efficiently and to best effect.
 4. The funding should not be seen as fixed, but subject to review, and may change as the child or young person's assessed needs change.
 5. Where children or young people have social care needs or health needs, appropriate contributions should be made from the budgets for those services.
 6. The commissioning body (usually the local authority) should meet the cost of the educational provision, in order that proper regard is given to financial considerations.

7. The commissioning body should have an open and transparent system for the allocation of high needs resources, which makes use of expert advice and is consistently applied.
8. The commissioning body should monitor the effectiveness of the provision, and that it achieves relevant and appropriate outcomes for the child or young person.
9. Because of the specialist nature and high cost of premises and staffing, funding systems need to provide some protection to institutions in which not all the places are filled. But this does not mean that indefinite protection should be given to unsuccessful institutions.
10. Pupil Premium and equivalent Post-16 disadvantage funding is additional to all other sums allocated.

1.5 The new funding system's approach will be one in which:

- i) **funding is genuinely responsive to individual pupils' and students' needs** in a way balances greater responsiveness of providers' funding to actual pupil or student numbers with an appropriate degree of funding stability for specialist providers;
- ii) **all providers are funded on an equivalent basis** so that the programme of education for a high needs pupil or student is funded in a comparable way whatever form of institution they attend;
- iii) **education funding for pre-16 and post-16 high needs provision is brought together** so as to support the development of the integrated approach to assessment and planning from birth to 25 proposed in the SEN and disability green paper, as well as ensuring that young people are able to make successful transitions at 16 and to adult life;
- iv) **there is clear information about available provision for high needs pupils and students** in the form of local offer that will set out clearly what providers will be expected to provide to high needs pupils and students.

Q1: We must adopt the principles and approach to guide local policy development. Are there any additional principles or characteristics to add to the approaches outlined above that the LA should also consider adopting?

2. Future SEN and the Local Context

2.1 Wirral has extensive and successful specialist provision. It comprises:

- i) **Special Schools**
Foxfield, Meadowside, Hayfield, Clare Mount, Orrets Meadow, Elleray Park, Lyndale, Kilgarth, Observatory, Stanley, Gilbrook. (11)
- ii) **Resourced Provisions**

These are locally known as Education Inclusion Bases or Units in primary schools. In total there are 17 mainstream schools with Resourced Provision

iii) Alternative Provision (AP):

St Michael's and Riverside Behaviour Bases, Wirral Hospital Schools, and Wirral Alternative Schools Programme (WASP).

- 2.2 The new national funding arrangements will apply to all of this provision. The same principles and approaches are to be adopted to improve clarity and transparency about funding. The same funding model will apply to all of this provision nationally.
- 2.3 Funding arrangements for AP are modelled the same way as the funding arrangements for specialist SEN provision. The only difference will be in the size of the national threshold of funding to Alternative Provision which will set at a lower level than to SEN provision. For SEN provision it will be £10,000 and for AP it will be £8,000.
- 2.3 The language and concepts in SEN are also changing. There will be only one school based category of SEN to replace School Action and School Action Plus. This school based category will cover pupils known as Low Needs-High Incidence. Pupils who needs are not normally met in mainstream provision will be referred to as High Needs/Low Incidence. It is funding for the latter with this consultation is largely concerned and the section headings of High Needs, High Needs Block, and Place-Plus will outline how they relate to funding.
- 2.4 The funding changes will not be neutral. A new system is being developed that provide us all with challenges and opportunities as historic and local arrangements will need to change in line with the principle and approaches set out above.

3. High Needs

- 3.1 There is no precise definition of a high needs pupil or high needs student, but the government means those pupils or students who require provision that would not normally be available in mainstream settings. They have deliberately chosen to define a financial threshold as opposed to an assessment based threshold for defining high need, such as having a statement of special educational needs, since the latter could create perverse incentives if assessment was directly linked to additional funding. High needs are defined as those requiring provision costing around £10,000 or more per year.
- 3.2 Currently, in Wirral this would include all pupils with statements attending special schools, pupils with statements attending mainstream schools, pupils without statements attending primary language bases and Orrets Meadow, pupils who receive additional support in the form of Health Care Plans, Individual Pupil Funding Agreements, and direct support from Hearing and Vision Services. It will also include those pupils and students educated in non-maintained independent and non-maintained independent special schools.

4. High Needs Block

- 4.1 The government intend to bring together all education revenue funding for high needs pupils and students across the SEN, 16+ Learning Difficulties/Disabilities (LDD), and

Alternative Provision (AP) sectors, in the form of a clearly identified notional High Needs Block within the Dedicated Schools Grant (DSG).

- 4.2 This will mean that local authorities will receive an identified amount of funding for high needs pupils and students aged from birth to 25, and for which the LA must commission provision and provide funding for providers. This funding is indicative and not ring fenced.

5. Inclusion Services from Special Schools

- 5.1 Currently, special schools receive some monies that could remain in the High Needs Block so it is important to consult with you about these monies.
- 5.2 All Wirral's special schools, and including the Hospital School, each receive a sum of £33,470, making a total of £ 401,601 for them to promote inclusive activities for the benefit of special school's own pupils into mainstream schools, and inclusive activities for mainstream schools. This money was agreed by the Schools Forum in June 2005. A number of future options are possible about the use of this money.
- i. The money remains in the High Needs Block and special schools inclusion work is reviewed to re-commission successful projects and initiatives from special schools.
 - ii. The money is placed in the high needs block to fund provision for pupils' and students' special needs so that it disappears as a separate budget and is subsumed into the High Needs Block and then distributed for pupil funding.
 - iii. The money becomes available for the LA to commission new activity in priority areas of need such as social communication difficulties, early intervention, for targeted work on groups of pupils who have the lowest needs and the highest probability of being included in mainstream school full-time, etc.

Q 2: What are your views about these alternatives?

6 Future Funding in Specialist Settings: Place-Plus

- 6.1 One of the key planks of high needs funding reform is to move towards a more pupil-led funding system in which there remains an element of place-led funding. Under this Place-Plus system funding, in special schools and other specialist pre-16 SEN settings, such as resourced provision as units and bases, will be determined partly on the number of places, and partly on the number of pupils attending the special school or provision.
- 6.2 Currently, special schools are funded for a number of places and receive a budget based on the number of places whether or not places are filled. In the future all places in all specialist provision will receive a base level of funding at £10,000 per place.
- 6.3 Top-up funding in the new system is not provided on the basis of planned places, but on a per-pupil basis. It is matter for local determination how top-up rates are set and when they are paid, guidance suggests payment could be monthly or termly.

- 6.4 Like many authorities Wirral currently uses a banded framework to generate special schools budgets and guidance suggests that we build on such a framework. There will not be a national framework of top up funding.
- 6.5 Wirral's framework was designed eleven years ago. It was initially based on assessed need but over time it has largely become a financial tool not related to current assessed need except, that is, in the cases of Hayfield and Clare Mount where pupil are admitted on the basis of one of the two funding bands applicable to the school.
- 6.6 Guidance suggests that we review our local funding arrangements and consider a banded approach. Clearly, this will have implications for admissions because pupils needs and proposed funding will be at the centre of dialogue between the commissioner and provider and not historic models of funding and admissions.
- 6.7 The implication of the place-plus approach for specialist provision is that they will experience budget changes depending on the number and needs of pupils attending the provision as this will affect the amount of top-up funding they receive.
- 6.8 Resourced provision is funded from a mixture of a single lump amount and the AWPU for the pupil attending. Funding of Wirral's various resourced provisions is historic. Place-Plus funding will apply to these provisions in the future. In the future they will receive a base budget of £10,000 per place and a top-up that is determined locally.
- 6.9 Table A illustrates what a banding system may be like applied to Wirral's special schools and resourced provision from 2014-15. It is for illustration only. The tables shows the impact of three possible funding bands., Table A(i), funding where all the places are full and Table A (ii) funding based on current pupil numbers. The bands are built around the best fit from current budgets across all specialist provision, with this illustrative example showing only one possible band for each provision. What is clear is that implementing a top-up system based on banding may lead to some redistribution of funding.

Q 3: *What do you think about a banded top-up system and about the rates shown? Would you like to see a small working group from the School Forum tasked with developing a local banding system that applies to special schools and resourced provision and that reports before the end of this calendar year?*

7 Transitional Arrangements for 2013-2014: Minimum Funding Guarantee (MFG) for Specialist Provision

- 7.1 The MFG for special schools and resourced provision applies to the place element of funding and represents the principal protection for these settings, and it will be the agreed number of places funded at £10,000 per planned place with top-up funding coming from each LA that places pupils in the school or setting. This protection is for one year only.
- 7.2 In addition, in the first year the government has set as condition of grant that the level of top-up funding should be such that, were all the high needs pupils in that setting placed

by that LA, the school's total funding for 2013-14 would not be more than 1.5% below the funding that the school received in 2012-13.

- 7.3 The DfE has clarified that this means total budget funding will not be more than 1.5% below the funding received in 2012-13 if all the places were full as the MFG for special provision is attached to the pupil top-up funding rather than the places. This means that a school with empty places in its specialist provision can expect less funding if it does not fill its places.
- 7.4 Table B uses the DfE steps to produce a special school funding with the MFG to provide a budget for special schools and resourced provision using the 2012-13 budget with the January Census pupil count of 2012. This particular budget is constructed using a school specific single top-up as the current banding no longer applies to the majority of special schools.

Q 4: Should Wirral use the MFG to construct budgets for the transitional year?

Q 5: Should Wirral devise any local protection for special schools in addition to the MFG where budgets will reduce as a result budget changes and empty places whilst plans are developed and implemented to reconfigure provision? If so, what could they be and how would they be funded?

8 Funding Number Over Roll in Specialist Provision

- 8.1 Wirral currently has a locally agreed mechanism that gives extra money to special schools that take pupils over their place number. The mechanism is triggered when a school has more than five pupils above its place number.
- 8.2 The DfE propose that it is up to school and commissioner to agree the amount of top-up funding if a school has a significantly higher number of pupils on roll than the number of places for which it is funded.
- 8.3 We think it fair, and in the spirit of the reforms, to use the top-up to fund each pupil over numbers.

Q 6: Do you have any comments on funding excess places?

9. Reviewing the Number of Places in Specialist Provision

- 9.1 The Education Funding Agency (EFA) is proposing a two year reviewing cycle to determine future changes to the number of planned places in special schools and specialist provision. The new reviewing arrangements for LAs to plan places with the EFA regularly produce a reviewing cycle for the number of specialist places needed.
- 9.2 Since the Autumn Term 2010 the LA has been involved with the Schools Forum, governing bodies and headteachers of all Wirral special schools in developing a process of managing surplus places in special schools that involves reducing surplus places or using the money to re-commission the school with surplus places to provide something different.

Q 7: *Should the work developing a reviewing cycle of the number of surplus places be amended to include considerations about excess demand and thus trends in either direction to integrate with the EFA arrangements?*

10 Exceptional Needs

- 10.1 Currently, there is a local agreement that maintained special schools can access a centrally held budget of £480,000 for pupils who have exceptional needs - and/or are at risk of exclusion - and/or may need an out-of-borough place. The budget has been stretched for a number of years. It is proposed to place this money in top-up funding where it can honour existing exceptional needs commitments.
- 10.2 In line with the underpinning principles funding should not be seen as fixed, but subject to review if a pupils' or students needs' change. In the future any change to funding would occur as a result of a review. For instance, using the illustrative banding model a review could mean funding at the higher adjacent band. In the illustrative example of 'low' 'medium' and 'high' needs banding then a review would mean moving to the next banding so a pupil in 'low' moves to 'medium'; a pupil in 'medium' moves to 'high'; and pupils in access 'high plus' that is currently only accessed by non-maintained independent placements.

Q 8: *Do you agree with this suggestion? If not, what are your views about the future use of this budget?*

11 Place Numbers for Specialist Provision 2013-14

- 11.2 As part of authorities' work with the EFA on calculating the baseline for the high needs block we will need to determine the number of places in maintained specials schools and in resourced provision or units in maintained schools for 2013-2014.

- 11.3 Table C shows the number of current places. Any amendments to this must be discussed with the EFA in July 2012.
- 11.4 In keeping with our statutory duty to keep provision constantly under review we are currently in varying stages of discussion and planning with a number of providers about place numbers, therefore we need to consult with you about whether or not to continue with our plans and discuss amendments to the 2013 baseline with EFA shortly.
- i) This means that measures have been put in place for The Lyndale Primary Special School and Foxfield Secondary Special School to have their budgets reduced in September 2012 and the number of their places reduced by five in April 2013.

Q 9: Should we move ahead with the locally planned changes to Lyndale and Foxfield's number of places or not? What are your views?

- ii) The LA had intended to present a paper to the Schools Forum in July 2012 proposing an increase in the number of places at Gilbrook Primary Special School from 50 to 55. This is because the number of pupils on roll has been regularly above this number over recent years and a clear trend in the need for provision has been established.

Q 10: What are your views about the Gilbrook proposal? Should the LA proceed?

- iii) Preliminary discussions have also been undertaken with Rock Ferry Primary School about the future of the base commissioned for pupils with moderate learning difficulties and whether it would like to consider changing its designation to another type of SEN. This is because there is a clear downward trend in the numbers of pupils attending the base.

Q 11: Should the LA propose closure of this provision for the end of the academic year 2013?

- iv) Elleray Park School has been over its place number for the last three years. In the January census for 2012 it had 84 pupils, in 2011 78 and in 2010 76 pupils.

Q 12: Should the LA consider approaching the EFA to increase its place number to 80?

12. Place-Plus in Mainstream Schools

Under a place-plus approach high needs funding will comprise three elements, which can be applied across all provision for high needs pupils and students.

- i) Element 1 or “core education funding, this is the basic unit of per pupil funding - the age weighted pupil unit or AWPU (post 16 this is the national funding per student). The amount is deemed to be around £4,000.
- ii) Element 2 or “additional support funding”. Schools receive funding for additional SEN support in the form of units of resource. The first 5 units are included in the delegated budget. From 2013-14 the sum that schools will be expected to contribute as a national minimum will be £6,000 (Post 16 this is directed through National Formula Funding for Additional Learner Support – ALS).
- iii) The total of Element 1 and 2 therefore is £10,000 and matches the proposed place funding within special schools. Element 3 or “top-up funding” above £10,000 to meet the total cost of provision will be paid by the LA (commissioner).

13. Notional SEN Budget

For pupils with statements and to align Wirral with the nationally suggested figure for element 2 we propose to delegate a further £250,000 so that the additional support schools are deemed to contribute from their delegated budget is £6,000. That means Wirral’s five units of support will be increased in value from £5,665 to £6,000. It will also result in a corresponding reduction in the value of support in excess of £6,000.

Q 13: *Do you agree with increased value of the individually assigned pupil units?*

Q 14: *Are there are any other comments you wish to add?*

Table C. Proposed Places in Specialist Provision for Academic Year 2013-14

Name of Provision	Current Number of Places	Changes for Sep 2013
Special Schools:		
Elleray Park Primary CLD	75	80
Lyndale Primary CLD	45	40
Stanley Primary CLD	90	
Gilbrook Primary BESD	50	55
Hayfield Primary MLD/SCD	120	
Clare Mount Secondary MLD/SCD	189	
Foxfield Secondary CLD	138	133
Kilgarth Secondary BESD	50	
Observatory Secondary BESD	50	
Meadowside Secondary CLD	75	
Orrets Meadow Primary SpLD	66	
Resourced Provision:		
New Brighton Primary L&MLD	22	
Devonshire Park Primary SCD	26	
Rock Ferry Primary MLD	12	0
Fender Primary SCD	16	
Eastway Primary SCD	16	
Woodslee Primary SCD	8	
Priory Primary L	10	
Bidston Primary MLD	24	
Townfield Primary Hearing	12	
University Academy of Birkenhead Secondary SpLD	40	
Woodchurch Secondary SCD	15	
Oldershaw Secondary MLD	20	
Hilbre Secondary MLD/SCD	15	
Bebington Secondary MLD	20	
Wallasey Secondary MLD	25	
Alternative Provision:		
St Michaels Primary Behaviour	8	
Riverside Primary Behaviour	8	
Hospital School Secondary		
Wirral's Alternative Schools Programme Secondary Behaviour		

CLD: Complex Learning Difficulties
MLD: Moderate Learning Difficulties
BESD: Behaviour, Emotional and Social Difficulties
L: Language Difficulties
Behaviour: Risk of Exclusion