

WORKING GROUP – HIGH NEEDS SPECIAL EDUCATION NEEDS (SEN) FUNDING IN MAINSTREAM SCHOOLS

SUBJECT:	Place Plus – New High Needs funding criteria of £6,000 or more
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SUMMARY OF REPORT:

From April 2013 the definition of a High Needs Pupil (HNP) is one whose additional Special Educational Needs (SEN) cost £6,000 or more. In order to comply with the new criteria an appropriate structured assessment system and mechanism to robustly cost SEN interventions will need to be implemented. The purpose of this working group and this paper is to make recommendations to the Schools' Funding Forum (SFF) for a fit for purpose process that will identify a HNP as one with additional needs of £6,000 or more.

1 Background

- 1.1 As part of the directed Department for Education (DfE) School Funding Reforms from April 2013 a new method for funding HNPs was introduced called "Place Plus". Place Plus is applied across all types of provision where HNPs are educated and a variation of the Place Plus funding system is applied in each type of provision. This paper and working group is specifically looking at HNPs (Yr R to Yr 13) in mainstream schools and academies but are not in a designated Resource Provision.
- 1.2 Until the introduction of Place Plus the definition of a HNP was not universal across all Local Authorities (LAs). Place Plus now defines a HNP as a pupil that has additional need of £6,000 or more.
- 1.3 The reason for having a universal definition for a HNP is logical and is consistent with both the move towards a National Funding Formula for schools and the change to SEN legislation from September 2014. The big challenge facing all LAs is to develop an underlying method that costs out the interventions to meet the needs of the HNP.
- 1.4 Currently the eligibility criteria for a HNP in Kent is a statement of 25 hours or more. The new definition is fundamentally a different concept as the cost of the additional need now determines if the pupil is "High Needs" and not the amount/hours of support a pupils needs.
- 1.5 It is important from the outset to quantify the financial parameters in which the change to the definition of HNP is to be implemented. The Dedicated

Schools Grant (DSG) is a flat cash settlement until 2014-15 therefore all changes will need to be within the current High Needs cash envelope

2. Current High Need Funding mechanism in schools and academies 2013-14

- 2.1 SEN funding in school/academy budgets is split into two areas:
 - 1) low level SEN funding - is allocated using proxy indicators
 - 2) high level SEN funding- is allocated on named pupils.
- 2.2 Appendix 1 is an example of a school/academy budget statement. Factors 2(excluding Free School Meals (FSM)), 3, 4, 5 and part of factor 6 (lump sum) is collectively termed the notional SEN budget and is the funding in a school/academy budget targeted at low level SEN.
- 2.3 High level SEN funding is triggered when a pupil meets the High Needs criteria, and will be allocated on a named pupil basis. In Kent the current criteria is statemented support of 25 hours or more. There are four different need type funding rates ranging from £10,653 to £19,029, see appendix 2 for details. The origin of the funding rates is Special School day rates and has been used since 2011-12.
- 2.4 As part of the funding reforms from April 2013 schools/academies are required to meet the first £6,000 of additional need for each pupil from their notional SEN Budget. In 2013-14 Kent have used the High Needs funding rates introduced in 2011-12 and reduced them by £6,000 (see appendix 2 for details).
- 2.5 The Place Plus funding methodology is broken down into three elements (Elements 1, 2 and 3). In mainstream E1 = the Age Weighted Pupil Unit (AWPU), E2 = £ 6,000 (contribution from schools notional SEN budget) and E3 = the pupils individual need type funding rate less £6,000 E2.
- 2.6 The DfE recognised shortly after the introduction of Place Plus that the placement of high needs pupils did not correlate with distribution of Low level SEN funding via proxy indicators (factors 2 to 6). They now allow LAs to top up school and academy notional SEN budgets where the placement of the High Needs pupil has a disproportionate impact on the schools notional SEN budget.

3. Costing Additional SEN Need

- 3.1 Place Plus defines a HNP as a pupil that requires additional SEN resources of £6,000 or more. The £6,000 definition means that there is now a universal definition of a High Needs pupil for all LAs and the cost of the additional support is the determining factor and not the additional resource which has an amount of funding attached to it.
- 3.2 Kent has in the region of 750 high need pupils placed in mainstream schools under the current definition of 25 hours or more. It is likely that this number

will change significantly due to the lowering of the threshold and the new mechanism that will more closely reflect the cost of the actual additional SEN need of the pupil.

- 3.3 The definition of a HNP is clear however the challenge is to develop a system that costs the additional SEN consistently and accurately but does not become an administration burden for schools and the LA.
- 3.4 SEN colleagues have developed an approach that we think will be suitable to meet the needs of Place Plus and this will be shared separately with the group on the 9th October.

4. Eligibility -Current and future system

- 4.1 In order for the move to the new costing method of a HNP to be successful there are two areas which need to be agreed and carefully planned. The first is to have a method that robustly costs the interventions to support the HNP and the second is to have a structured system that flows from the point of costing the HNP in the school to the allocation of the funding. Appendix 3 provides an overview of the current and proposed system/process.
- 4.2 Box's 1 to 6 documents the current process. Box 2 is the point where the decision is taken by County Panel to refer for a statutory assessment to be written. The intention in the future is for the Local Inclusion Forum Team (LIFT) to be responsible for this part of the process. Currently three districts LIFTs are piloting this part of the process with full implementation to the remaining 9 district LIFTS to take place in due course.

Changes to the current process

- 4.3 At the point of the submission (box's 1 and 7) the school will in the future need to provide a costed breakdown of the additional SEN need. At this point in the process the costed interventions will not be specifically identified as SEN interventions. It will be later in the process that confirmation will be obtained that the interventions are for SEN.
- 4.4 Referral for statutory assessment or confirmation of resource needed over £6,000 (box's 2 and 9) is where there is a fundamental change in procedure and is the focal point of the new process and key to its success. At this point the financial statement needs to be matched to the written statement.
- 4.5 The product of box 9 will be one of three outcomes ;
 - 1) A statutory assessment needs to be written (by default additional funding will be triggered as additional SEN need must be over £6,000)
 - 2) Funding will be allocated as additional SEN need is over £6,000, however application is not referred for statutory assessment.
 - 3) Funding declined as £6,000 threshold has not been met.
- 4.6 The annual review will in the future include a financial submission from the school which will determine the level of funding for the pupil in the following

year. This is important as the interventions for a HNP can change and we need to ensure that the funding is targeted correctly to meet the needs of HNP in all schools and academies.

5. Implementation of new £6,000 threshold From April 2014

- 5.1 As I have already stated above, there are currently around 750 HNPs in mainstream schools. For two reasons it is not possible to introduce the new £6,000 threshold for these pupils from April 2014. The first is the time scale to assess the intervention cost of these pupils as the suggestion is for this to be done at the pupil's annual review and secondly reasonable notice should be given to schools in respect of any change to the funding rate for the pupil.
- 5.2 It is our intention that from April 2014 all new HNPs in Kent schools and academies will follow this new process.
- 5.3 It is also our intention that from April 2014 existing HNPs will be funded at their current High Needs funding rate and new applications will be funded under the new criteria. The move to the new funding rates for existing pupils will be part of the annual review and will take effect from April 2015.

6. Time Table

- 6.1 In order to make any changes to the High Needs funding process for the financial year commencing April 2014 proposals and recommendations will need to be considered by the SFF at its meeting on the 13th December
- 6.2 Two meetings have been arranged for the working group to consider the new process for funding HNP in mainstream schools and these will take place on 9 October and 11 November (further meetings will be arranged if necessary).

7. Summary

- 7.1 Members of the working group are requested to make recommendations to the SFF on;
 - 1. A mechanism to cost the additional SEN of pupils to comply with the new national criteria of a HNP(Section 30.
 - 2. A structured process that will identify a High Needs pupil from the point of identification at the school, to the point funding is confirmed (Sections 4 and 5)