

Date: 18 September 2013 :

Updated November 2013 : changes from Sept 2013 shown in blue text

FUNDING OF HIGH-NEEDS PLACES WITH POST 16 PROVIDERS AND PRE 16 SPECIALIST PROVIDERS IN THE 2014/15 ACADEMIC YEAR

Recommendation:

Sensory Services should note and take necessary action during the Autumn Term 2013 to ensure the appropriate number places for pupils and students with sensory impairment are commissioned in 2014/15

1. BACKGROUND AND PURPOSE

- 1.1 The Education Funding Agency (EFA) is asking local authorities to review the distribution of high needs places in collaboration with other LAs and with institutions and decide if any changes are necessary for the 2014/15 academic year.
- 1.2 To inform this review the EFA has issued a guidance document: *Implementing high needs place funding arrangements for 5-25 year olds 2014 to 2015 academic year*
<http://media.education.gov.uk/assets/files/pdf/h/high%20needs%202014%20to%202015%2018%20july%20final.pdf>
- 1.3 This paper summarises the guidance highlighting key points that Heads of Sensory Support Services may want to note and take action

2.0 DEFINITION OF A HIGH NEEDS PLACE

- 2.1 For purposes of this guidance the EFA includes within its definition of a high needs place:
 - a) any place with a pre -16 specialist provider such as a special school or a mainstream school with a specialist resource centre or unit
 - b) any post 16 student with high needs irrespective of whether that student attends a mainstream provider or a specialist provider.
- 2.2 The guidance states: *A place is defined as:*
 - *a place to be occupied by a 5-25 year old with high needs, i.e. one who will require top-up funding (element 3) from a commissioning local authority;*
 - *pre-16: a place applies only to special schools and special academies, pupil referral units (PRUs) and alternative provision academies, non-maintained special schools, and designated resourced places and special units within mainstream schools and academies. Other pre-16 high needs pupils in mainstream schools are eligible for top-up funding, but are not included in this exercise. Place numbers are used to distribute base funding (elements 1 and 2) to specialist institutions; and*

- *post-16: a place applies to all kinds of institutions, since it is used to distribute part of the base funding (element 2) to mainstream schools and colleges as well as to specialist institutions.*

Special Note: Although the guidance issued in July 2013 which is quoted above defines a place as a place occupied by a 5-25 year old, subsequent advice from the DfE makes it clear that places for pre-school aged children come within the scope of the high needs place funding arrangements. For more information see the DfE webinar about 37 to 38 minutes into the presentation.
<https://registration.livgroup.co.uk/EventWebsites/academyfunding/Presentations/localauthwebinar/>

3.0 PLACE FUNDING AND TOP UP FUNDING – A QUICK RE-CAP

- 3.1 Appendix 1 gives a brief summary of SEN and Learning Difficulty and Disability (LDD) funding in pre 16 schools and post 16 providers. This may be helpful to those who require a quick reminder of how the new SEN/LDD funding system operates.
- 3.2 The place funding system has two aspects: place-led funding and top-up funding.
- 3.3 Specialist providers of pre and post 16 places for high needs pupils and students receive place funding of £10,000. Post 16 mainstream providers receive the 16-19 funding formula (course cost plus £6000). They then receive top up funding from a Local Authority's high needs budget to meet the individual needs of pupils and students who require additional support over the funding provided to the institution through place led funding.
- 3.4 The aim of place-led funding is to ensure the number and distribution of places in the system reflects need and to provide financial stability for institutions (especially specialist institutions) to invest in staffing and infrastructure.
- 3.5 The EFA state that: *place-led funding does not require a named individual for a place to be confirmed and for the 2014 to 2015 academic year will be based on the outcome of LA place reviews.*

4. THE REVIEW PROCESS

- 4.1 The table below sets out the timetable for identifying places:

Key dates	What will happen	Possible action for Heads of Sensory Support Services
July - Sept	The EFA has provided each local authority with details of its pre-16 and post-16 places for the 2013 to 2014 academic year by institution. This is the starting point for the	Check the accuracy of the information. Start to have discussion with commissioners of high needs places on possible changes for the 2014/15 academic year. Identify

Key dates	What will happen	Possible action for Heads of Sensory Support Services
	review and the baseline for the 2014 to 2015 academic year place numbers. LAs are expected to share the information with institutions and collaborating LAs to inform discussions.	pupils moving into post 16 provision where the demands of the curriculum and setting may now mean they require higher levels of support and hence meet the criteria for place funding in mainstream of specialist post 16 provisions
End Sept	The EFA issues a template to LAs on which they need to (i) return place numbers for the academic year 2014/15 in December 2013 and (ii) submit evidence for the places required.	Ask the commissioner in places for a copy of the template so that you can become acquainted with what is required. The EFA will have also providing briefing sessions for LAs at it may be helpful to find out from your commissioner of places what has been said in your LA.
30 November	The EFA will give each LA an update of the template issued in September. It will contain the 2012 to 2013 academic year data for post-16 institutions (from the Individual Learner Records). This will show the LA's distribution of post-16 places in the 2013 to 2014 academic year ¹ and actual recruitment for 2012 to 2013. LAs will be required to take this into account ahead of the December return.	Ask to see the template so that you can check the accuracy and identify possible changes for 2014/15 academic year
23 December	This is the deadline for LAs to make their returns to the EFA for the number of places required	Check your LA's submission for accuracy. Notify your LA's commissioner of places of any subsequent changes. Check that any places for preschool aged children requiring a special school or mainstream resourced provision are included

¹ Places funded entirely through an LA's top-up funding in the 2013 and 2014 academic year are not included in the baseline place numbers. Where LAs want to maintain the places they have commissioned in an institution for the 2013 to 2014 academic year, this should be reflected in the return.

Key dates	What will happen	Possible action for Heads of Sensory Support Services
3 Jan 2014 through to 31 March 2014	EFA consider (i) submissions from LAs and (ii) submissions from institutions on an exceptional basis	
By 31 Mar 2014	EFA calculate allocations of place funding for institutions and Dedicated Schools Grant (DSG) high needs block funding for LAs	

5. COLLABORATIVE COMMISSIONING OF PLACES

5.1 A substantial number of providers admit pupils and students from more than one Local Authority area. The EFA is therefore expecting to see joint commissioning arrangements in place by September 2013:

Following discussions with the Local Government Association (LGA) we expect that LAs will collaborate in the place review on the following basis:

- *existing regional or sub-regional networks for officers handling finance and SEN for children and young people aged 5-25 can be adapted to form the basis of collaboration;*
- *LAs may work with different partners for different purposes, for example where there is a specialist institution near the border of two regions that is equally used for pupils from both regions; and*
- *LAs will collaborate with institutions situated within the LA and outside the area serving the needs of the LAs residents.*

We recommend that LAs agree their collaborative arrangements as soon as possible and in advance of the September / October briefings.

5.2 In the light of this Heads of Services may wish to use any regional meetings they are holding this term to discuss the requirements for places for pupils and students in their region to inform any broader collaborative arrangements that may be operating.

6. OTHER POINTS TO NOTE

6.1 The EFA is seeking overall numbers for purposes of calculating the budget stating that: *place-led funding does not require a named individual for a place to be confirmed and for the 2014 to 2015 academic year will be based on the outcome of LA place reviews.*

6.2 The EFA is seeking to constrain any pressures resulting from demographic growth: For example it states:

LAs can change the distribution of places across pre and post-16 as long as the total number remains within their combined pre and post-16 baseline, or within the collective baseline of a joint LA return

It will require a local authority to provide a submission to accompany the return if:

- *an LA's place numbers exceed the baseline figure and are not part of a collective return;*
- *a collective return does not balance the baseline places across the LAs; or*
- *an LA is reducing place numbers and requesting that it should retain the funding released*

Where a submission asks for additional places these will have to be paid for by LAs collectively through a top slice from the DSG and will therefore require very strong supporting evidence.

- 6.4 The EFA's sets out criteria against which submissions are assessed in Annex B of its guidance.

7. NATSIP COMMENTARY

- 7.1 The approach and timetable should help avoid the uncertainty and confusion over budgets that occurred in for the last budget round

- 7.2 NatSIP is concerned by the reluctance of the DfE to fund demographic growth particularly that resulting from its own policies

- 7.3 Pages 16-19 of the DfE evidence pack which accompanies the Children and Families Bill has these projections:

In 2014/15 there will be:

- 9,361 16/17 year old NEETs who will have to participate under raising the participation age (RPA) and therefore will all have plans.
- 6,171 18-24 year old NEETs who will successfully apply for an EHCP.
- Total completely new plans (i.e. not being funded currently by LAs through statements or LDAs = **15,532**)

This is based on a DfE assumption that 10% of 18-24 year olds who are NEET and had a statement of SEN when 15 will choose to and be successful in applying for an Education Care and Health plan. The rationale for this is not clear it could be higher or lower. The DfE states that: *it is unlikely that many people in this group would seek to re-enter the system. Many will be on active benefits – which they would lose if they returned to education – or will be firmly embedded within the adult care system and will not want to risk losing established support.*

- 7.4 Organisations such as the Special Education Consortium, NDCS, SENSE and RNIB have and will continue to raise this issue with the DfE particularly during the passage of the Children and Families Bill through Parliament.

Appendix1

SPECIAL EDUCATIONAL NEEDS / LDD FUNDING ARRANGEMENTS FOR SCHOOLS AND POST 16 PROVIDERS

	Pre 16 mainstream school funding	Pre – 16 specialist funding (special schools and mainstream resource centres)	Post 16 – all providers mainstream and specialist
Element 1 Core Education Funding	Mainstream per-pupil funding (Age Weighted Pupil Number)	Base funding of £10,000 for SEN and £8,000 for alternative provision placements, which is roughly	The provider receives mainstream per-student funding (as calculated by the national 16-19 funding system)
Element 2 Additional Support Funding	The school receives a notional SEN budget based on proxy indicators or need such as lower prior attainment, indicators of social deprivation. From this it meets the first £6,000 of meeting the cost of a high needs pupil	equivalent to the level up to which a mainstream provider would have contributed to the additional support provision of a high needs pupil. Base funding is provided on the basis of planned places.	The provider receives £6,000 for every high needs student to additional support required by a student with high needs
Element 3 Top Up Funding	“Top-up” funding from the commissioner to meet the needs of each pupil or student placed in the institution		

Note: post 16 providers receive disadvantage funding (based on social deprivation factors and number of students not gaining a C grade or higher GCSE in English or Maths. This is included in the Element 1 funding whereas in schools it is part of element 2 (apart from the pupil premium which is an additional payment).