

SCHOOLS FORUM AGENDA ITEM

For Action



For Information



Brief Description of Item (including the purpose / reason for presenting this for consideration by the Forum)

This report provides Members with an update on the development of Bradford's high needs funding models and proposals for 2020/21. This update is presented in advance of a more formal and detailed consultation document, which will be finalised shortly and is expected to be published early in November.

Date (s) of any Previous Discussion at the Forum

The Forum considered the consultation on the 2019/20 high needs funding model on 17 October 2018 and set the High Needs Block budget in January 2019. High needs funding is regularly discussed by Members.

Background / Context

Members are reminded that, under National Funding Formula developments, local authorities still retain responsibility for the management of their High Needs Block funding arrangements, with flexibility to adjust the basic 'Place-Plus' structure according to local needs.

Members are also reminded that the size and continuing growth of the cost pressure within the High Needs Block, together with the development of specialist places, is one of key issues the Authority, with the Schools Forum, must manage.

Details of the Item for Consideration

Overview – the National DSG High Needs Funding System

The DfE's Call for Evidence on the financial arrangements for SEND and alternative provision, conducted in summer 2019, and the DfE's announcement at the beginning of September of a larger SEND system review, are important factors in our consideration of how our high needs funding models develop going forward.

Despite indications previously given that the outcomes of the Call for Evidence will influence the funding of high needs from April 2020, the DfE's operational guidance, published on 3 October, has now confirmed that there are no significant changes to the national high needs funding framework for 2020/21. The basic construct of this system – a notional value of £4,000 for element 1 (pre-16), £6,000 for element 2 and £10,000 per place for special schools and PRUs – remains in place and unchanged from 2019/20 arrangements.

Immediately then, Forum Members will identify that there is a continued absence of inflationary increases on these main system reference points. This has a very direct impact on special schools and PRUs, where place-funding again will not uplift for inflation in 2020/21. It also has knock-on consequences for our top up funding model for EHCPs.

It currently feels like we are in a 'holding position', where changes in the high needs system are potentially on the horizon but we do not know what these changes will be. We are also unclear at this time about how the high needs national funding settlement will develop. So we need to tread a little carefully in 2020/21.

For example, the DfE's Call for Evidence asked specific questions about whether the £6,000 threshold should be increased or decreased. Changes in this value will potentially alter the balance of financial responsibilities between schools and the High Needs Block in the provision of pupils with EHCPs. This will potentially also affect rates of top up funding allocated for EHCPs.

The Call for Evidence also asked specific questions about whether the Regulations should be more prescriptive about how local authorities define notional SEND budgets and provide for minimum levels of SEND funding in mainstream schools. Recognising this, generally, we are minded not to propose any amendments to our existing notional SEND and SEND Floor arrangements in 2020/21 and until the outcomes of the DfE's reviews are known. We do not feel that it is productive to potentially implement new arrangements in these two important areas for these to be immediately overridden by new Finance Regulations.

Details of the Item for Consideration

Changes Proposed for Bradford High Needs Funding Models for 2020/21

In previous years in October, the Authority has presented to the Schools Forum a consultation document, which sets out proposals for the District's high needs funding model for the following year. This has been possible because the DfE has published in July detailed information about the DSG settlement and formula funding arrangements. This year, this information is now only just being published and, as a result of this and our conclusion of our EHCP model review, our consultation timetable is a little delayed.

We are developing proposals, which if agreed will mean a change in funding arrangements for 2020/21 in the following three main areas:

- Most significantly, in the funding of EHCPs across mainstream and specialist settings, as well as school-led and Authority-led resourced provisions, moving to a new banded model, which will replace our existing Ranges Model. Subject to agreement, we expect to use the new model from 1 April 2020 and as a vehicle to release a proportion of the additional High Needs Block funding that has been allocated to Bradford in 2020/21, recognising that the values of top up for EHCPs in Bradford have remained cash flat in recent years.
- The funding of PRUs, where we propose to move to a new day-rate based formula model for funding permanent-exclusion provision commissioned by the Authority, which we are currently piloting in Bradford Alternative Provision Academy Central. Forum Members are aware that we have already begun to re-shape responsibilities between the High Needs Block and schools in respect of the funding of alternative provision. We expect to complete this work during 2020/21.
- The funding of specialist equipment across both mainstream and specialist settings.

We anticipate that all other technical aspects of our high needs funding arrangements will remain unchanged in 2020/21 - we will apply the same 'technical framework' as now for the actual operation of the model during the year e.g. the setting-led factors (such as split sites and small setting protection), how this model is applied in the FE sector, the monthly re-determination of occupancy via the Census taken on 10th of each month and the approach to over-occupancy place funding. As stated above, at this stage, we are not proposing to adjust notional SEND or SEND Floor arrangements in respect of mainstream formula funding and its relationship with the EHCP model. These will be reviewed in the light of the outcomes of the DfE's Call for Evidence.

The Authority has been working with representatives of the District Achievement Partnership (DAP) in the development of a new EHCP funding model and is meeting with the DAP on 22 October to discuss and finalise our proposals. It is anticipated that a consultation document will be published early in November and that consultation will run into the new year. The Schools Forum will have the opportunity to discuss the proposals in detail at its December meeting.

Implications for the Dedicated Schools Grant (DSG) (if any)

Yes – will be set out in the consultation document.

Recommendations

The Forum is asked to consider and provide initial feedback on the proposals outlined in the report.

List of Supporting Appendices / Papers (where applicable)

None

Contact Officer (name, telephone number and email address)

Andrew Redding, Business Advisor (Schools)
01274 432678
andrew.redding@bradford.gov.uk