

Division(s): N/A

CABINET – 19 JANUARY 2021

FUNDING FOR SPECIAL SCHOOLS

Report by Hayley Good, Deputy Director for Education

RECOMMENDATION

The Cabinet is RECOMMENDED to approve a one-off increase in top-up funding for Special Schools for 2020/21 funded through the High Needs Block (HNB) of the Dedicated Schools Grant (DSG), in line with the increase provided for mainstream primary and secondary schools in September 2020.

Executive Summary

1. Top-up funding is the funding required over and above the core or place funding the setting or school receives to enable a pupil or student with high needs to participate in education and learning.
2. In September 2020, Cabinet approved an allocation of £1.3m funding to uplift top-up funding for mainstream primary and secondary schools. This represented a 16% increase. Currently, Oxfordshire special schools are funded below the national average. This paper outlines a proposal which would provide the equivalent 16% uplift for special school's top-up funding.
3. This paper outlines the current method of SEND High Needs top-up funding for special schools in Oxfordshire, how a one-off transfer of DSG to be used for an increase in top-up funding for 2020/21 would help support schools to better meet the needs of pupils and students.
4. There will be an ongoing impact to the HNB budget from 2021/22 onwards. Officers are working with schools to determine an equitable way of funding SEND for all schools within the financial parameters of the HNB from 2021/22 onwards.

Background

Mainstream Primary and Secondary schools

5. In January 2020 after the National Funding Formula unit rates had been implemented in full for all schools, Schools Forum agreed the OCC recommendation to move the balance of the unallocated funding to the HNB to allocate directly to Special Educational Needs & Disabilities (SEND) budgets in mainstream schools to specifically support High Needs students. £1,300,000 was moved from the Schools Block of the DSG to the HNB of the DSG to support a one-off, one-year only SEND top-up funding increase for mainstream Primary and Secondary schools.

- This funding move was approved by Cabinet in September 2020 and will apply for the academic year 2020/21 only.
- There will be an ongoing impact to the HNB budget from 2021/22 onward if this is maintained.
- Special schools were not included in this arrangement.

Special Schools

6. The Special School funding is agreed annually. The uplift for Special Schools mirrors the guaranteed funding uplift set by the DfE for mainstream schools, this is 1.5% for 2020-21, and 0.5% in the previous 2 years.
 - The basis of the formula has not been reviewed for a number of years and comparative data indicates that Oxfordshire special schools are funded below the national average.

How top-up funding currently works

7. Top-up funding to schools and settings is paid from the High Needs Block of the DSG. The way this is calculated differs between mainstream primary/secondary schools and special schools:
 - Top-up funding for special schools is based upon a formula. At the point in time that the formula was introduced, the top-up was calculated and averaged for each child. The current formula therefore pays the same amount for each child regardless of the number of hours and type of support/therapies that each child requires in order to support the provision detailed within their Education Health and Care plan. The formula was designed to give stability of funding.
 - Funding levels need to be reviewed as they do not cover the costs the schools face and the formula has not been reviewed/increased for a number of years. Special school headteachers have raised their concern about this situation on a number of occasions and believe that the current funding level is dangerously low, leaving schools unable to fulfil their statutory duty in delivering the identified support for children and young people. Officers have reviewed comparative data and evidence and have spoken at length with headteachers. It is agreed that the current funding situation is impacting upon the curriculum which the schools are able to offer.

Proposal

8. Officers will work with Schools over the next 6 months to develop an equitable way of funding all schools, including special schools within the financial parameters of the council's HNB budget from 2021/22 onwards.
9. It is recommended that top-up funding for special schools will increase by 16% (mirroring the uplift awarded to mainstream schools' SEN Funding), representing an increase of £1321 per pupil. This is a one-off increase for the 2020/21

academic year and will be provided in two tranches, one before the end of the current financial year and one in the 21/22 financial year

Financial and Staff Implications

10. The one-off payment from the DSG HNB will support a funding increase to special schools for 2020/21 academic year only. Additional pressure will fall on the HNB budget from 2021/22 onwards if the increase is to be maintained.
11. The one-off payment will be in line with that agreed for mainstream primary and secondary schools in September 2020. It equates to a 16% increase, that is an additional £1,321 per pupil and totals £1.58m. Although this is less funding than the headteachers have requested, it should be noted that this is an interim solution, pending a systemic review of the funding formula for all schools and the completion of the DSG recovery plan for submission to the Department for Education. This uplift has been forecast by officers within the reported in-year deficit on the HNB for 2020/21 of £11m.
12. Under the DSG Conditions of grant for 2020-21, any local authority with a DSG deficit of any size should have a plan for managing its DSG account going forward and must keep its school forum regularly updated about its plan, including high needs pressures and potential savings. It must also respond to enquiries from the DfE about the plan.

Equalities Implications

13. This increase in payments to special schools will support the education of Children with Special Educational needs and Disabilities. They may face significantly greater challenges in learning than their peers or have a disability which hinders their access to the teaching, curriculum and facilities typically found in mainstream educational settings.

HAYLEY GOOD

Deputy Director for Education

Background papers: n/a

Contact Officer: Hayley Good

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