

# Central Bedfordshire Council

Schools Forum

1 October 2018

## Special School Banding

---

**Responsible Director(s):** Sue Harrison, [Sue.harrison@centralbedfordshire.gov.uk](mailto:Sue.harrison@centralbedfordshire.gov.uk)

### Purpose of this report

1. To propose a change to the top-up element of the funding formula for Central Bedfordshire to Special Schools.
2. The change to be from individual pupil bands funded at different rates for each special school to a Single Value Top-up (SVT) per school from April 2019.

### RECOMMENDATIONS

1. **Decide whether to implement an SVT approach for financial year 2019/20.**
2. **If yes to SVT, for the financial year 2019/20, implement the SVT values as shown in Table1 below.**
3. **If SVT in place for each special school will not be reviewed for at least two years unless changes are made to the funding levels of mainstream schools.**
4. **The implementation of the SVT funding of special provision to be carried out in two phases with Phase 1 being specifically for Special Schools. Phase 2 will be structured around a full revision of SEN provision and the application of the SVT model to include special facilities.**

Table 1

Predicted budget for 19/20 using Single Value Top-up (SVT)

School	CBC places	OLA places	CBC places	OLA place funding	From EFA	Plus funding	Cost to CBC	OLA for school	School funding
Chiltern	194	16	3,985,764	160,000	-250,000	0	3,895,74	173,018	4,318,782
Oak Bank	67	40	1,612,024	400,000	-1,070,000	0	942,024	740,779	2,752,803
Ivel Valley	175	13	3,472,269	130,000	-350,000	0	3,252,29	144,372	3,746,641
Weatherfield	118	18	1,430,158	180,000	-1,360,000	0	250,158	54,746	1,664,904
<b>Total</b>	<b>554</b>	<b>87</b>	<b>10,500,215</b>	<b>870,000</b>	<b>-3,030,000</b>	<b>0</b>	<b>8,340,25</b>	<b>1,112,915</b>	<b>12,483,130</b>

School	CBC places	OLA places	CBC places	OLA place funding	From EFA	Plus funding	Cost to CBC	OLA for school	School funding
Chiltern	194	16	3,865,191	160,000	-250,000	90,000	3,865,191	173,018	4,288,209
Oak Bank	67	40	1,660,979	400,000	1,070,000	0	990,979	740,779	2,801,758
Ivel Valley	175	13	3,324,919	130,000	-350,000	132,978	3,237,897	144,372	3,732,269
Weatherfield	118	18	1,432,681	180,000	1,360,000	14,056	266,737	54,746	1,681,483
<b>Total</b>	<b>554</b>	<b>87</b>	<b>10,283,770</b>	<b>870,000</b>	<b>3,030,000</b>	<b>237,034</b>	<b>8,360,804</b>	<b>1,112,915</b>	<b>12,503,719</b>

Difference - SVT less existing Top Up (+ is additional funding, - is reduction to funding)

School	CBC places	OLA places	CBC places	OLA place funding	From EFA	Plus funding	Cost to CBC	OLA for school	School funding
Chiltern	0	0	120,573	0	0	-90,000	30,573	0	30,573
Oak Bank	0	0	-48,955	0	0	0	-48,955	0	-48,955
Ivel Valley	0	0	147,350	0	0	-132,978	14,372	0	14,372
Weatherfield	0	0	-2,523	0	0	-14,056	-16,579	0	-16,579
<b>Total</b>	<b>0</b>	<b>0</b>	<b>216,445</b>	<b>0</b>	<b>0</b>	<b>-237,034</b>	<b>-20,589</b>	<b>0</b>	<b>-20,589</b>

<b>Memo: Total cost to CBC in 2018/19</b>	<b>8,554,533</b>
---	------------------

## Executive Summary

3. The LA commissioned further work on the review of the funding of Special Schools. The previous review was based upon an update of the present banding system and initial modelling indicated that it would have increased expenditure due to the impact of the minimum funding guarantee.
4. In discussions with the special school headteachers the idea of an SVT approach was suggested and this was unanimously supported.
5. The present banded funding framework generates unnecessary administrative activity and is difficult to effectively monitor and evaluate. It also needs to be reviewed in order to bring the descriptors in line with the SEN code of practice and to recalculate the values of each of the bands which are different for each school.
6. The LA's responsibility is to ensure that the funding model is transparent, simple, efficient and effective in deploying resources and achieving quality outcomes. The responsibility for delivering personalised programmes lies with special provision.
7. The funding model aims to support real choice and opportunity for the individual within their own communities. The LA will ensure that appropriate support and resources are

made available to families and professionals in order that the children and young people achieve real and high quality outcomes.

## **Background**

8. The 2012 school funding reforms stated that one of its aims was to support the introduction of new SEN provisions being introduced by the new Children and Families Act (Part 3).
9. Developing a funding model that is capable of delivering on those ambitions and the expectations of the Children and Families Act 2014 is challenging in the sense that the new arrangements for the Dedicated Schools Grant (DSG) to local authorities redefines the way in which future funding for low incidence high needs will be deployed and managed.
10. Transparency and choice is the centrepiece to the legislation. The emphasis upon outcomes, choice and control has changed the relationship between the local authority and stakeholders (families, children, young people and providers).
11. Any funding model must be able to ensure that the appropriate funding for the individual child and family is made available regardless of the setting and across the full continuum of provision.
12. The deployment of funding has to be transparent and clear in its aim of supporting an inclusive approach to educating children and young people with special needs.
13. The approach to inclusion is not dependent upon a setting but enables and empowers the family, child and young person to have choice and access to appropriate educational provision that maximises opportunities within their own community.
14. The LA needs to ensure that a simple but efficient method of delivering funding underpins a strategy to meet the needs of children and young people with low incidence high needs whilst ensuring that the settings have stable budgets capable of providing a personalised, high quality educational provision.
15. The funding model must be able to ensure that the cost of provision can be met from the agreed budget.
16. At present Central Bedfordshire Special Schools receive £10,000 per commissioned place from the Department for Education (DfE) with the top up element being provided by the LA via a banded funding framework that delivers a top up amount of funding per pupil depending which band is assigned to the child's needs (each special school has different band values).

17. The LA has carried out extensive consultation on the challenges facing the funding of special provision. The LA has decided to implement a funding model that employs SVT for pupils attending special schools with the intention of including special facilities in the new funding model at a later date.

### **The Challenges in Central Bedfordshire and Rationale for the Introduction of the Single Value Top-up Funding Model**

18. All four special schools in Central Bedfordshire have more pupils on role than their commissioned number.

19. All four special schools have stated they are experiencing budget pressures with at least one considering a second round of compulsory redundancies from teaching and support staff.

20. All four special schools are the preferred placement for many pupils from other local authorities.

21. Other local authorities are prepared to pay a full £10,000 for additional places and top-ups at a higher rate per band than Central Bedfordshire.

22. As can be seen in Table 1 pupils placed by other local authorities tend to have a higher level of need than average for the school, and so funding. This skews the average per pupil cost of the school and the SVT calculation has been based on the average cost for Central Bedfordshire pupils at the schools.

23. One of the special schools has been approached by another local authority to consider increasing its pupil capacity by accepting capital funding from them in return for a guaranteed number of places.

24. However, in spite of the financial advantages of accepting pupils from other local authorities and two of the special schools being academies, they have all stated that they wish to retain a close working relationship and partnership with Central Bedfordshire.

25. The way in which the banding funding model has been historically managed has led to schools becoming overly financially reliant on individual and idiosyncratic decisions.

26. Due to this schools have found it difficult to adapt to the much more dynamic financial culture of funding following individual pupils in real time.

27. This approach has also enabled schools to introduce pedagogy dependent upon staffing levels that are not sustainable in the longer term.

28. The SVT funding model enables future planning for low incidence high needs across the full continuum of provision from mainstream to special schools. Both schools and the

local authority will be able to predict budgetary commitments, beyond the annual financial cycle, and ensure a more effective and efficient use of high needs block funding.

29. The SVT model is transparent and easy to understand.
30. The SVT model supports an approach to inclusion that does not depend on a setting but on supporting educational opportunities within a community through strengthening special provision.
31. The model reduces the Local Authority's administrative burden and simplifies the process of delivering funds to special settings whilst supporting those settings in delivering individually tailored educational provision to children and young people with low incidence high needs.
32. The SVT model is cost avoidance rather than a saving and minimises additional expenditure on pupil number increase.
33. The agreed change to a pro-rata payment of £5,000 for additional Central Bedfordshire pupils over the commissioned number represents a saving as previously £10,000 had been paid.

### **SVT Operation**

34. An appropriate number (to include those from other local authorities) of pupil places will be commissioned at the start of the school year at a cost of £10,000 per place.
35. This number will be reviewed on an annual basis.
36. The agreed SVT for the school will be paid on a monthly basis for Central Bedfordshire pupils on role as at 1.4.19.
37. Top-up funding for pupils from other local authorities will be dealt with directly by the school and other local authority.
38. For Central Bedfordshire pupils joining the school after 1.4.19, pro-rata SVT will be paid from the date they join.
39. When a Central Bedfordshire pupil leaves the school at any time after 1.4.19 their SVT will cease being paid at the end of the following month.
40. A monthly census of all pupils on role at the special schools will be undertaken.
41. If a school goes over its commissioned number of places by the placement of a Central Bedfordshire pupil a pro-rata payment of £5,000 will be paid in addition to the pro-rata SVT.

42. Schools will deal directly with other local authorities when they admit a pupil that takes them over their commissioned number.
43. It is expected that the needs of all pupils on role at a school will be met from the SVT payment.
44. Schools will ensure that pupils needs are met as outlined in their Education Health Care Plan.
45. Special Schools have asked for a set of Bands still to be in practice for school base to set the provision support required for the young person and these are being produced with the Special Schools
46. Exceptional payments will only be agreed by the Head of Service when it can be clearly demonstrated that this is in the pupil's best interests and financially expedient.

### **Options for consideration**

47. Continue to fund with the banding system that we currently have in place and review the descriptors of the bands
48. Implement the SVT from April 2019 at the values stated above for the next 2 financial years

### **Reason/s for decision**

49. To have a fair and equal funding mechanism to all special schools
50. Allow the school to have a clear understanding of the money coming in to their budget at the start of the year and then only amended the small amount of pupils starting and finishing through the year.
51. More transparent system
52. Reduce the administration of the funding to the school.

### **Council Priorities**

- Great resident services
- Improving education and skills
- A more efficient and responsive Council.

### **Corporate Implications**

#### **Legal Implications**

53. The change of method of calculating the top up funding in the way described has a number of positive practical benefits for the special schools in the county and should

serve to enhance the relationship with the Council, which has statutory obligations to place children and young people within the County into appropriate school settings with the appropriate level of funding. Accordingly, there are no adverse legal implications for the changes proposed. In the event a child or young person is adversely impacted by the changes, then legal challenges are possible, but the intended impact of the changes is a positive one and the risk is low.

### **Financial and Risk Implications**

54. This paper has been reviewed by Finance with no issues raised.

### **Equalities Implications**

55. Central Bedfordshire Council has a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The Single Value Top-up model aims to support real choice and opportunity for the individual within their own communities.

### **Conclusion and next Steps**

56. The Local Authority and Special School Headteachers are in agreement that Single Value Top up is the way forwards and we would like to start to proceed with this from April 2019.

57. Schools Forum to confirm the rate that is stated above is appropriate for each school.

58. Special Schools Bands descriptors for internal use to be produced ready for April 2019.

59. Produce an operational guide for Single Value Top Up for Special Schools and Central Bedfordshire.