

**Oxfordshire County Council
Schools Forum – 7 February 2018
Special Schools and Alternative Provision Funding 2018-19**

Settings		Sector	
Academies	✓	Foundation Stage	✓
Maintained Schools	✓	Primary	✓
PVI Nurseries		Secondary	✓
Special Schools	✓	Special	✓
Local Authority	✓	16+	✓
Schools Forum		High Needs	✓

1. Item for Information and Decision

2. Purpose of Report

The report updates Schools Forum on the proposed funding arrangements for special schools and alternative provisions for 2018-19.

3. Recommendations for Schools Forum

3.1 Schools Forum is asked to note the report.

3.2 For special schools and academies - see Section 4 below. Schools Forum is asked to confirm approval of the proposed arrangements of no change for 2018-19 to the principles of the special school / special academy funding model used in 2017-18, as detailed at annex 1.

3.3 Schools Forum is asked to note the increase in top up rates to replicate the 0.5% pupil related factors increase to be received by primary and secondary schools in the financial year 2018-19.

4. Special School / Special Academy Funding 2018-19

4.1 The principles of the special school / special academy funding model for 2018-19 are proposed to remain the same as used for 2014-15 to 2017-18, as outlined at annex 1.

4.2 The local authority, following consultation with all schools and Schools Forum has implemented as far as financial possible the national funding formula. As part of application of this funding approach all primary and secondary school settings are to be guaranteed 0.5% increase on pupil related allocation factors. At Schools Forum funding discussions in November 2017 an undertaking was given that a similar increase would be applied to similar pupil related factors in the special schools' formula model.

4.3 With reference to point 4.3 above the top up factor has been identified as pupil related factor and the top up rate from 2017-18 will be increased from £7,609 to £7,647.37. This increase will be a base level funding adjustment and will form the top up rates for future years. All other formula factors including Planned Places will be allocated at the same rate as 2017-18.

4.4 The Minimum Funding Guarantee (MFG) rate will also remain as used in 2017-18. However, the capping rate will change to mirror the amount needed to fund MFG. Should the MFG requirement fall, it will allow the capping rate to change accordingly and allow budget gains to flow through the model. For special schools MFG is fully funded by capping.

4.5 Statements of expected top up funding to be paid will be sent to special schools and special academies as soon as possible, and before end of February 2018.

4.6 High needs place funding for the financial year 2018-19 is based on High Needs place numbers published by the ESFA and the latest information available from the SEN team. Academies will receive their place funding direct from the ESFA and the authority will pass place funding to maintained special schools. Top up place numbers follow the same notification methodology with the majority of funding being passed to all special schools' settings by the local authority. The payment of top-up funding of places in special schools and special academies commissioned by LAs other than Oxfordshire will be met by the commissioning authority. Responsibility for collecting top up income from other local authorities remains with the relevant special school.

4.7 Composite places are calculated for the 2018-19 financial year - translating academic years to financial years on the basis of 5/12 (April to August), 7/12 (September to March) for pre-16, and 4/12 (April to July), 8/12 (August to March) for post-16.

4.8 Top up funding for Oxfordshire pupils will be paid by BACS or internal recharge transfer (as appropriate) to special settings on a monthly basis. The amount payable for all schools and academies will be based on an initial estimate of the Oxfordshire pupils attending during the financial year. If the actual number of children is significantly different the top up funding will be adjusted in year on the basis of pupil information submitted by special schools and special academies to the Special Educational Needs (SEN) team. As in previous years, special schools and special academies will be expected to agree top up funding with other local authorities for out of county pupils on roll and be responsible for the collection of the funding.

4.9 The place funding rate remains at £10,000 per place. The Oxfordshire top up per pupil rate is expected to be as stated in paragraph 4.3 above. Allocation of funding for other elements for each school, including Premises,

Split Sites, Hydrotherapy Pools and Deprivation, will be allocated in line with the principles agreed for 2014-15. Annex 1 outlines the main principles used.

4.10 There is no one-off funding available in 2018-19.

4.11 Initial work on special schools funding allocations for 2018-19, subject to final validation and checking indicates that there is a financial pressure, resulting from the full year effect of September 2017 increase in place numbers, part year effect of anticipated September 2018 increase in place numbers while change to MFG and capping is marginal. The financial pressure will be off-set by re-alignment of High Needs budgets to address the balance required.

5. Oxfordshire Hospital Service

5.1 This service is currently in the process of academisation. The funding model for and services to be provided by the successor academy are under discussion. The local authority's High Needs Block within Dedicated Schools Grant includes an allocation for Oxfordshire Hospital Service. On completion of these negotiations the funding and services to be provided will be reported to Schools Forum.

5.2 The local authority will pay funding to the academy on a monthly basis, in a similar way to the arrangements for special academies. Until academy conversion has been completed, the internal transfer arrangements used in 2017-18 financial year will remain in place.

6. Meadowbrook College¹

6.1 The local authority will commission provision for 2018-19 but as with the Hospital Service negotiations are in progress and cover Alternative Provision services and specific functions such as Next Steps. On completion of these negotiations the funding and services to be provided will be reported to Schools Forum.

6.2 The anticipated funding streams for 2018-19 will be place-led funding will be received directly from the ESFA, while the balance, both for top up funding and specific commissioned services will be paid monthly by the local authority mirroring the arrangements used for special academies.

7. Financial and Staff Implications - centrally and for schools

The focus of this paper is finance so no further comment is included.

¹ Meadowbrook College is part of the Radcliffe Academy Trust

8. Equal Opportunities Implications and Impact on Equality Groups

Where the LA continues to have discretion in the funding decisions made, it will continue to give priority to the needs of vulnerable pupils and the Council's aims of raising attainment, narrowing the attainment gap and safeguarding children.

9. Conclusions

Schools Forum is asked to endorse the recommendations included in Section 3.

10. Future Review by Forum in: 1 year

11. Contact Details of Lead Officer/Author

If you have any queries or comments in advance of the Schools Forum meeting about this report, please contact:

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Annex 1 attached

1. Principles of Special School Funding Model

Agreed and implemented 2014-15 and continued into 2018-19

- 1.1 The original intended approach for 2014-15 was to review the profile of pupils across each of the special schools and special academies and develop a banding system reflecting different levels of support required for pupils. This proved difficult to achieve and special school and special academy headteachers asked LA officers to investigate a modelling approach which gave schools the same level of top up per pupil, but differentiates on some other costs relating to each school such as premises factors and pupils such as deprivation.
- 1.2 The level of top up for pupils in each school would therefore be different, mainly because of premises and deprivation differences. The rationale for having the same average top up per pupil in respect of non-premises costs is based on the following:
- all schools have pupils with a wide range of needs, and on average it is expected that this approach will provide each school with a reasonable distribution of the resources available
 - schools are concerned about the time needed to develop and moderate the pupil profiling approach and the accuracy / objectivity of such an approach
 - it is expected that the top up funding available overall is unlikely to increase and the available resources will need to be divided among all special schools and special academies as fairly as possible
 - schools will have more predictability and stability in their budgets which should help them plan support for the different needs of all of their pupils
 - schools can trial the pupil profiling tool to determine low, medium and high cost students if they feel this would be helpful to, for example, calculate the level of top up funding to be claimed from other authorities
- 1.3 The remodelling resulted in significant winners and losers, and DSG grant conditions provide for Minimum Funding Guarantee (MFG) protection for special school top up funding in a similar way as for primary and secondary schools. The operational guidance provides some more information about the principles to be applied but does not provide a formula that needs to be applied in the same way as for primary and secondary schools.

2. Detailed assumptions used in modelling

- 2.1 The residential allocation for Woodeaton Manor has been maintained at the same level as for prior years.
- 2.2 Premises allocations totalled approximately £1.1m in 2012-13 budgets. In the current model, about £1m has been allocated to special schools on the basis of available floor area information. As previously recommended by special school headteachers any remaining will be distributed via the pupil top up.

- 2.3 Split sites allocations were included in the modelling. Special school headteachers agreed which schools had additional sites and these were used to allocate the overall split site budget between schools. Special school headteachers recommended that the overall level of allocation should be maintained to ensure smaller schools such as Bishopswood have some protection. The total budget of approximately £112k is divided equally between the 4 schools identified as having an additional site, giving £28k each. Schools identified as having additional sites are as follows:
- John Watson
 - Springfield
 - Mabel Prichard
 - Bishopswood
- 2.4 A deprivation allocation totalling approximately £100k was divided between schools for 2014-15 on the basis of the latest available FSM Ever6 pupil numbers from the DfE used to allocate Deprivation Pupil Premium in 2013-14. This resulted in an allocation of approximately £305 per FSM Ever6 pupil. £305 per FSM Ever6 pupil was allocated for 2015-16 on the basis of updated information from the Deprivation Pupil Premium in 2014-15 to 2016-17, and the same approach is proposed for 2017-18.
- 2.5 Minimum Funding Guarantee (MFG) protection has been calculated at the DfE recommended rate of -1.5%. Again the capping of gains is calculated at a rate that fully funds the MFG total, as there is no additional funding to cover MFG outside the model.
- 2.6 Place funding for the financial year is based in part on the academic year 2017-18 and 2018-19 position and the latest information available from the LA's SEN team.
- 2.7 A small allocation was made for hydrotherapy pools in the revised modelling. Special school headteachers recommended that allocations were made to those schools that have a pool to maintain and that surface area / volume is taken account of in the allocations. Allocations were initially made to the following schools: Frank Wise, Springfield, Bardwell and Kingfisher. The historic information available indicates that the Kingfisher pool is approximately double the size of the pools at Frank Wise, Springfield and Bardwell, therefore the allocation to Kingfisher (£13k) is double that of the amount allocated to the other schools (£6.5k). Headteachers agreed that a smaller hydrotherapy pool at Bishopswood should also be included and £1k was therefore allocated in the model.
- 2.8 Outside of the model, funding for exceptional circumstances was proposed by Special School headteachers at £40,000 (reduced from £80,000 in 2013-14). headteachers are expected to plan and meet the range of needs in their school within the resources allocated. In exceptional circumstances, where a child's needs fall outside the range normally found in special schools, e.g.

requiring 2:1 support for most of the time, a case for exceptional funding can be made.

- 2.9 The process for dealing with pupil numbers that differ from initial top up estimates is proposed to continue on the same basis as used for 2014-15 to 2017-18. An initial prudent estimate will be made of the number of Oxfordshire pupils in each special school and special academy for 2018-19 and planned regular top up payments for the financial year will be based on these numbers. If the actual number of Oxfordshire children on roll exceeds those commissioned then Oxfordshire will fund the full costs from the month in which the child starts.