



# High Needs Block Funding Review

June 2019



# Background

- High Needs Block (HNB) Funding Review - carried out over a 10-week period from April to June 2019
- Provides options for the future High Needs (HN) funding system in Oxfordshire
- Commissioned to support future decision-making about the allocation of HNB funding in the light of continuing financial challenges



# Rationale for the review

- To create a single, consistent funding formula across all areas of High Needs' provision
- To ensure this funding system allows funding to follow the child
- Flexible use of available resources to help meet the range of needs in schools and settings
- Budgetary realism
- To look at what additional needs mainstream schools and colleges should meet from their own resources and where top-up funding should appropriately be provided
- DfE Call for Evidence – on financial arrangements for children and young people with SEND



# Oxfordshire Schools and Settings

## Maintained:

Academy/Independent mainstream (primary and secondary) schools with children with SEN accessing 100% mainstream provision

## Resource bases:

Mainstream resource bases with children accessing the base for most of their education provision but are expected to access up to at least 30% of their provision within mainstream classes

Resource bases	Status	Age	Designation	Total 18-19 numbers
Cherwell	Academy	Sec	C&I	21
Cherwell	Academy	Sec	HI	9
Fitzharrys	Academy	Sec	C&I	12
Larkmead	Academy	Sec	VI	8
Lord Williams	Academy	Sec	C&I	21
Marlborough	Academy	Sec	PD, C&I	25
New Marston	Academy	Primary	HI	4
St Andrews	VC	Primary	C&I	7
St Nicholas	Community	Primary	C&I	15
Warriner	Academy	Sec	C&I	12
Woodgreen	Academy	Sec	MLD	20



# Oxfordshire Schools and Settings

## Special Schools

Special Schools	Status	Designation	2018/19 place numbers (pre and post 16)
Endeavour Academy	Academy	SEMH/ASD	30
Iffley Academy	Academy	SEMH/ASD/MLD	155.75
Northfield School (Boys)	Maintained	SEMH/ASD	76.58
Northern House School	Academy	SEMH/ASD	86
Woodeaton Manor School	Maintained	SEMH/ASD	80.67
Bardwell School	Maintained	PMLD/SLD	78
Bishopswood School	Maintained	PMLD/SLD	58.5
Fitzwaryn School	Academy	PMLD/SLD	101.42
Frank Wise School	Maintained	PMLD/SLD	111.05
John Watson School	Maintained	PMLD/SLD	84
Kingfisher School	Academy	PMLD/SLD	84.92
Mabel Prichard School	Maintained	PMLD/SLD	99.66
Springfield School	Maintained	PMLD/SLD	107.33



# Oxfordshire Schools and Settings

## Alternative Provision

Alternative Provision	Status	Age range	Designation	Total 18-19 ESFA placenumbers
Meadowbrook College	Academy	2 to 19	PRU	106
Other providers	Various			Unknown

## Hospital Education

- The Oxfordshire Hospital School (OHS) provides education to children and young people unable to access mainstream education due to their medical needs.
- This is done at Highfield, the Children’s Hospital Teaching Service and through outreach services

## Early Years

- Currently approx. 350 settings excl. childminders in Oxfordshire, 100 primary schools providing nursery classes and maintained Nursery Schools
- A SEN Inclusion Fund is available to providers of 3 and 4 year olds with low level, emerging SEN needs who get Early Education Funding and are not yet in a reception class.
- This is funded at approximately £540,000/year and sits in the Early Years block of the DSG
- Additional Funding sits in the HNB of the DSG



# Current funding

## Primary

- 1. Element 1 – AWPU = £2,806.76/child in KS1 (incl Reception)  
= £2,806.76/child in KS2
- 2. Element 2 - Notional = £6,000/child = 15 hours support
- 3. Element 3 – top-up:

Funding per annum	Equivalent hours (TA support)	Total support (element 2+3)
£2,174.25	Equivalent to an additional 5 hours	20 hours (15 + 5)
£4,348.50	Equivalent to an additional 10 hours	25 hours (15 + 10)
£6,522.57	Equivalent to an additional 15 hours	30 hours (15 + 15)
£7,392.45	Equivalent to an additional 17 hours	32 hours (15 + 17)

## Secondary

- 1. Element 1 – AWPU
  - = KS3 = £3,946.70/yr
  - = KS4 = £4,481.25/yr
- 2. Element 2 - Notional = £6,000/child = 15 hours support
- 3. Element 3 – top-up = devolved funding for additional educational needs

Secondary schools receive their HNB per pupil funding as a block payment based on a formulaic pre-determined amount - this funding does not ‘follow the child’ and is based on models which were routinely used prior to the SEN Code of Practice 2015.



# Current funding

## Alternative Provision

- Meadowbrook College receives top-up funding from OCC of £1,491,000 as follows:
  - 106 Core/Preventative places
  - 8 places (Next Steps)
- 106 places have place funding of £10k/place = £1,060,000
- This is paid directly by the Education & Skills Funding Agency (ESFA) and deducted from OCC's HNB DSG

## Hospital Education

- The Oxfordshire Hospital School (OHS) provides education to children and young people unable to access mainstream education due to their medical needs.
- This is done at Highfield, the Children's Hospital Teaching Service and through outreach services
- In 18/19, the Outreach Teaching Service provided for an average of 45 fte pupils per annum and was funded at a rate of £10,000 per pupil.
- In 18/19, the Hospital Teaching Service provided the equivalent of 60 fte places per annum and was funded at the LA special school rate of £17,609 per pupil
- This totalled full funding of £1,506,540 in 18/19



# Current funding

## Early Years

- A single base rate funding formula for all settings but no SEN element included in this
- Approx 350 settings excluding childminders in Oxfordshire as well as 100 primary schools providing nursery classes
- SEN Inclusion Fund is available to providers of 3 and 4 year olds with low level, emerging SEN needs who get Early Education Funding and are not yet in a reception class.
- This is funded at approximately £540,000/year and sits in the Early Years block of the DSG
- For children with higher or more complex needs who do not have an EHCP, additional funding is available for settings seeking to support eligible children
- Additional Funding sits in the HNB of the DSG



# Current funding

## Overview

The table below shows the average total funding (top up plus place funding) per student for Special Schools and Resource Bases

Provision	Average total funding per student	
Special Schools	£	18,529
Resource bases	£	19,953

1. The average total funding per student is less for Special Schools than it is for children in Resource Bases
2. There has been no discernible uplift in the overall HN DSG budget since 2013 despite the numbers of children requiring specialist support increasing over the same period
3. Schools may not be using the same thresholds for referring pupils for statutory assessment/additional resourcing which can result in differing expectations of the level of additional resourcing they might need
4. Whilst the ongoing rise in numbers of pupils with EHCPs (and associated costs) may reflect a real increase in need for these young people, growth in expenditure is proving to be unsustainable for schools and their broader school budgets. It is important for officers and schools to continue to work together consistently to identify pupils with the most significant needs and ensure that funding allocations are consistent and equitable



# Conclusions from initial findings

1. There needs to be a single model of top-up banding for all high needs' funded provision in Oxfordshire with the 'top-up' paying for additional support over and above the school's initial 6k
2. The top-up needs to be specific for the child and follow the child if they move to another provision and is a statutory entitlement once detailed in their EHCP
3. The current funding model across mainstream secondary schools may also act as a disincentive for schools to accept young people with more challenging needs or, to develop creative individually tailored support packages as the schools receive the same top-up amount for all SEND students, regardless of need
4. As the funding model does not follow the child, it potentially allows for 'double funding' as the child's funding stays with their school but who is funded again from the HN Budget
5. To allow schools/settings to meet the additional needs that they face, the top-up amounts need to be clearly defined and included in the EHCPs
6. Based on analysis of top-up funding to Special Schools, mainstream schools and resource bases, there is an imbalance in funding received between the special schools and mainstream bases compared to their need



# Options

## Option 1 - Leave system as it currently operates

1. No change to existing system with continuing pressure on HNB of the DSG

## Option 2 – Devolve top-up funding to clusters of schools

1. Increase the level of devolution of funding to school SEN budgets to reflect the national requirement on schools to use the first £6k for pupils with ‘high level needs’
2. Consider devolving top-up funding for lower level Band EHCPs to clusters of schools, with the focus of Local Authority decision-making on a smaller number of pupils with complex and significant needs (e.g. higher level Bands).



# Options

## Option 3 - Banding system - move to a universal banding system

1. Oxfordshire adopts one clear and transparent Top Up Banding model for all Mainstream settings for start of 20/21 financial year for all new EHCPs
2. Implement at all Annual Reviews
3. The model to be outcome-based (SEND Code of Practice) and not defined by staff support hours
4. Link bandings to clearer understandings of the 'mainstream offer' as part of the implementation of the SEND reforms (improved transparency/consistency)
5. Develop a stronger emphasis on the concept of 'predictable needs' (the range of needs that schools should meet successfully within their own delegated funding), with a view to greater consistency in thresholds and wider transfer of good practice
6. The Banding model deployed will be made available on the Local Offer
7. The decision point for defining the individuals Top up Banding as detailed in the EHCP will be transparent and clearly understood by both schools, professionals and parents
8. One outcome of a banding system might be to establish a 'moderated profile' for each school, with an average 'top-up' paid for each new admission based on this assessment. Moderation should be a collective exercise carried out periodically by senior managers in OCC and the schools. We could also explore the possibility of schools moderating each other



# Next steps & timeline

- The development of a banding model for Oxfordshire
- The setting up of working groups/project teams as appropriate to support the delivery of a banding model system of funding for Oxfordshire
- Consultation to transfer the running of the resource bases from the local authority to the schools
- Detailed financial modelling with 2 to 3-year forecasts of the recommendations be undertaken

What	Who	When
1 Presentation to OCC DLT	Head of SEND/Interim PM	13-Jun-19
2 Presentation to Schools' Forum	Head of SEND/Interim PM	19-Jun-19
3 Implementation programme		
Confirm basic structure i.e. no of bands	SEN/EP/Finance/HTs	Jun/Jul 19
Agree primary need categories to be used	SEN/EP/Finance/HTs	Jun/Jul 19
Review descriptors	SEN/EP/Finance/HTs	Jun/Jul 19
Case audits and peer review to support as required	SEN/EP	Aug/Sep 19
Financial modelling	PM/Finance	Aug/Sep 19
4 Consultation on Resource Bases staffing	OCC	Jul-Oct 19
5 Consultation with schools	OCC	Sep/Nov 19
6 Consultation with parents	OCC	Sep/Nov 19
7 Implementation start	OCC	Jan-20