

**Oxfordshire County Council  
Schools Forum – 4 February 2019**

**Special Schools Funding 2019-20**

<b>Settings</b>		<b>Sector</b>	
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 for 2019-20.

## 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 agreement of the proposed arrangements of no change for 2019-20 to the principles of the special school / special academy funding model used in 2018-19, 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 2019-20.

## 4. Special School / Special Academy Funding 2019-20

4.1 The principles of the special school / special academy funding model for 2019-20 are proposed to remain the same as used for 2014-15 to 2018-19, and are as outlined at annex 1.

4.2 The local authority, following consultation with all schools and Schools Forum has continued to implement as far as financial possible the national funding formula. As part of application of this funding approach all primary and secondary school settings have initially been guaranteed 0.5% increase on pupil related allocation factors, on top of the previous year's increase of a similar amount. At Schools Forum funding discussions in November 2018 an

undertaking was given that a similar increase would be applied to (place) pupil related factors in the special schools' formula model.

4.3 With reference to point 4.2 above the top up factor has been identified as pupil related factor and the top up rate from 2018-19 will be increased from £7,647.37 to £7,685.60 (up from £7,609 in 2017-18). 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 2018-19.

4.4 The Minimum Funding Guarantee (MFG) rate will also remain as used in 2018-19. However, the capping rate will change to mirror the amount needed to fund MFG. The MFG requirement is likely to fall and this will reduce the capping rate accordingly and allow budget gains to flow through the model. For special schools MFG is fully funded by capping.

4.5 High needs place funding for the financial year 2019-20 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.

4.6 Composite places are calculated for the 2019-20 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.

4.7 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.

4.8 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 funding principles used.

4.9 There is no one-off funding available in 2019-20.

4.10 Initial work on special schools funding allocations for 2019-20, subject to final validation and checking indicates that there is a financial pressure, resulting from the full year effect of September 2018 increase in place numbers, part year effect of anticipated September 2019 increase in place numbers while change to MFG and capping is marginal. The financial pressure will need to be off-set by re-alignment of High Needs budgets to address the balance required.

4.11 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 2019.

4.12 The following grants are not included in the funding methodology or calculations and are subject to separate allocation regimes.

1. Teachers Pay
2. Pupil Premium
3. Universal Infant Free School Meals (UIFSM)
4. PE and Sports
5. Devolved Capital

## **7. Financial and Staff Implications - centrally and for schools**

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

## **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

### 1. Principles of Special School Funding Model

#### Agreed and implemented 2014-15 and continued into 2019-20

- 1.1 The original intended approach for financial year 2014-15 was to review the profile of pupils across each of the special schools and special academies and develop a banding system that reflected the different levels of support required for pupils. At that time this proved difficult to achieve and special school and special academy headteachers asked local authority officers to investigate a simpler modelling approach which gave schools the same level of top up per pupil, but differentiated on some other specific costs relating to each school such as premises factors and pupils such as deprivation.
- 1.2 The overall 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 put forward by schools and the local authority and adopted is based on the following:
- all schools have pupils with a wide range of needs, and on average it is expected that this approach would provide each school with a reasonable distribution of the resources available
  - schools were concerned about the time needed to develop and moderate the pupil profiling approach and the accuracy / objectivity of such an approach
  - it was 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 and academies would have more predictability and stability in their budgets which would help them plan support for the different needs of all of their pupils
- schools would be able to apply a form of pupil profiling if they so wish, determining low, medium and high cost students when calculating the level of top up funding to be claimed from other authorities

1.3 As expected remodelling resulted in winners and losers, and Dedicated Schools Grant (DSG) conditions provide for Minimum Funding Guarantee (MFG) protection relating to 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 state a formula that is to be applied in the same way as that for primary and secondary schools.

## 2. Detailed assumptions used in modelling

2.1 Place funding for the financial year 2019-20, subject to the specifics below, is in general based in part on the academic year 2018-19 place numbers and places agreed for September 2019 for the first part of the 2019-20 academic year. Place numbers are provided by the LA's SEN team following discussion with special schools and academies.

### Place number calculation

- Full time equivalent Pre-16 places are calculated  $7/12^{\text{th}}$  agreed place numbers for academic year 2018-19 and  $5/12^{\text{th}}$  agreed place numbers for academic year 2019-20
- Full time equivalent Post-16 places are calculated  $8/12^{\text{th}}$  agreed place numbers for academic year 2018-19 and  $4/12^{\text{th}}$  agreed place numbers for academic year 2019-20

This weighting approach mirrors the funding methodology assumed by the ESFA/DfE for Pre-16 and Post 16 pupils.

Once formula funding allocations are issued and the financial year has begun any agreed increase in place numbers and resultant funding is dealt with outside of this formula modelling. In exceptional circumstances should place numbers fall reduction in funding to the school or academy will be considered by the local authority.

Funding per place is falls into two parts:

- £10,000. Core funding as set by the DfE and explained in detail in the DSG High Needs funding guidance.
- Top-up funding, a level of funding required over and above core funding to enable a pupil with high needs to participate in education and training. This is the balance of the overall budget available for special schools and academies after core funding and other specific funding allocations have been made (see paragraphs 2.2 to 2.8 below).

2.2 The residential allocation for Woodeaton Manor has been maintained at the same level as for prior years.

- 2.3 Premises allocations totalling £1.06m and has been allocated to special schools on the basis of previously available floor area information.
- 2.4 Split sites allocations have been included in the modelling. Special school headteachers had previously agreed which schools have additional sites and this information is used to allocate the overall split site budget between these schools. The level of funding for this factor has been maintained as recommended by special school headteachers to ensure smaller schools such as Bishopswood have some protection against costs of being on multi-sites. 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
- 2.5 A deprivation allocation totalling approximately £100k is divided between schools on the basis of the latest available FSM Ever6 pupil numbers from the DfE, the same data used to allocate Deprivation related element of Pupil Premium. This results in an allocation for 2019-20 of approximately £284 per FSM Ever6 pupil, based on June 2018 pupil data.
- 2.6 Minimum Funding Guarantee (MFG) protection has been calculated at the DfE suggested rate of -1.5%. Again, the capping of gains is calculated at a rate that fully funds the MFG adjustment in full, as there is no additional funding to cover MFG outside the model.
- 2.7 A small allocation is also made for hydrotherapy pools in the modelling. This follows from special school headteachers recommending this should be recognised as an unusually costs. Allocations are made to those schools that have a pool to maintain based on the surface area / volume of the facility at the school. Allocations are made to the following schools: Frank Wise, Springfield, Bardwell and Kingfisher. The historic information available indicated 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 twice that of the amount allocated to the other schools (£6.5k). Headteachers had previously agreed that the smaller hydrotherapy pool at Bishopswood should also be included and £1k is therefore allocated to that school in the modelling.
- 2.8 The process for dealing with pupil numbers that differ from initial top up estimates is proposed to continue as in previous years. An initial prudent and agreed estimate is made of the number of Oxfordshire pupils in each special school and academy for 2019-20 and planned regular top up payments for the financial year will be based on these numbers. Top-up funding being passed to institutions at the start of each month. If the agreed actual number of Oxfordshire children on roll exceeds those commissioned then Oxfordshire

will make funding available from the month in which the pupil starts at the special school or academy. Funding for these latter pupils will be passed separately to institutions.

- 2.9 Top up and other applicable funding relating to places commissioned by other local authorities is the responsibility of the special school concerned to collect as agreed with maintained special school headteachers. Academies have this responsibility already.
- 2.9 The special schools funding model allocates approximately £22.2m, as summarised below.

Annex reference	Funding Factors	Percentage
Para 2.1	Planned Places	52.7%
Para 2.1	Place led top up funding	40.5%
	<b>Place related total</b>	<b>93.2%</b>
	Specific funding factors	
Para 2.4	Split Sites	0.5%
Para 2.2	Residential	1.0%
Para 2.7	Hydrotherapy Pools	0.2%
Para 2.3	Premises	4.8%
Para 2.5	Deprivation	0.3%
Para 2.6	MFG/capping	0.0%
	<b>TOTAL</b>	<b>100.0%</b>