SEN funding Consultation

Proposals for Changes in 2021- 22 to additional SEN funding for mainstream schools

For the attention of:
The Headteacher & Chair of Governors

Please respond by Thursday 17 December 2020
to ensure your views can be taken into account

SURREY
COUNTY COUNCIL

HOW TO RESPOND TO THIS CONSULTATION

This is an additional consultation paper describing proposed changes to additional SEN funding in mainstream schools in 2021/22.

Maintained schools and academies are invited to respond to this consultation by Thursday 17 December 2020,

Schools are asked to respond by using the online survey at: https://www.surreysays.co.uk/csf/consultation-on-proposed-changes-to-additional-sen.

If you wish to respond but cannot use the online survey please contact schoolsfunding@surreycc.gov.uk for advice as soon as possible and definitely BEFORE Wednesday 16 December 2020.

Results of this consultation will be shared with the Schools Forum at its meeting on 12 January 2021. A decision on the proposals will then be taken by elected members before 21 January 2021. Cabinet will determine at its meeting on 24 November 2020 how this decision will be taken.

A INTRODUCTION

The council funds provision for children with special educational needs and disabilities from the high needs block of the Dedicated Schools Grant. Funding from this source has failed to match increased demand in recent years, leading to a high needs block deficit which is estimated to be one of the highest in England. The council is expected to manage its high needs costs within the funding provided by the DfE and this means reviewing the way in which that provision is made in Surrey. In particular there is a need to better target support for mainstream schools and to support Surrey schools to become even more inclusive, in order to reduce the ever increasing high needs block deficit.

B PROPOSD CHANGES TO ADDITIONAL SEN FUNDING FOR MAINSTREAM SCHOOLS

Background to additional SEN funding

DfE expects that mainstream schools will normally be expected to fund the first £6,000 of additional support per pupil with an EHCP from their main budgets. DfE guidance states that "local authorities can provide additional funding outside the main funding formula for mainstream schools and academies on a consistent and fair basis where the number of their pupils with SEND and/or high needs cannot be reflected adequately in the funding they receive through the local funding formula. They should define the circumstances in which additional funding will be provided from their high needs budget.

Additional funding may be provided where there are a disproportionate number of pupils with a particular type of SEND. For example, a primary school may have developed a reputation for meeting the needs of high achieving pupils with autism, or pupils with physical disabilities, and it is not possible to target additional funding to the school through factors in the school funding formula.

Local authorities should have a formula or other method, based on their experience of distributing additional funding to their schools and academies. This should be agreed with schools …In all cases the distribution methodology should be simple and transparent, and devised so that additional funds are targeted only to a minority of schools which have particular difficulties because of their disproportionate number of pupils with SEND or high needs or their characteristics". (DfE High needs funding operational guide 2021/22)

In 2019/20 84 LAs allocated funding in this way although the method of allocation differed between LAs. Corresponding figures for 2020/21 are not yet available. In Surrey this is referred to as "additional SEN funding", and it is allocated to schools where the cost of funding the first £6,000 per EHCP exceeds the level of the school's "level 2" notional SEND budget (with some technical adjustments). This funding is separate from and additional to individual pupil support budget (IPSB) funding.

In 2020/21 67 primary and 2 secondary schools received "additional SEN" funding at a total estimated cost of £1.002m. The distribution mechanism was modified in 2020/21 following significant overspends in previous years. The current mechanism supports a

mixture of schools with very high incidence of EHCPs and schools where the incidence of EHCPs may not be so high but where the core funding is relatively low. Annex 1 provides further details of the distribution of the current funding. Note that there are three schools for which additional SEN funding is equivalent to more than 5% of the budget share. There have been concerns that the current basis of distribution provides an incentive to some schools to apply for EHCPs where they may not be necessary or appropriate, and that it does not target the schools with the highest needs or benefit the most inclusive schools

Principles for guiding the future funding of SEND in mainstream schools

- To ensure that all schools in Surrey are inclusive schools and are funded in an equitable manner.
- To ensure that Surrey County Council can meet the statutory requirement to set out a recovery plan to address the High Needs Block overspend in the required time frame.

Proposal

We propose that additional SEN funding ceases from 1 April 2021. All mainstream schools would then be required to fully fund the first £6,000 per EHCP from that date.

Transitional arrangements could be considered between April –September 2021 for schools which could demonstrate that the withdrawal of additional SEN funding from this school has an unavoidable detrimental impact on pupils in protected groups under the Equalities Act.

Consultation questions

1 Do you agree that there should be no “additional SEN funding” to schools with effect from April 2021?

2 Do you think there is a need for a process whereby schools could apply for transitional funding between April-August 2021 if they could demonstrate that the loss of additional SEN funding would have an unavoidable detrimental impact on pupils in protected groups under the Equalities Act?

Note on equalities impact

The proposal affects funding which is allocated to schools specifically for SEND but which is not attached to specific individual pupils. Ultimately it will be up to schools to decide how to manage any reductions.

Proposals to withdraw funding do not disproportionately affect schools with high incidence of ethnic minorities or high levels of deprivation or high overall levels of SEND (see annex 2). However, a school level assessment will be undertaken for schools where the withdrawal of funding can be demonstrated to have a negative and destabilising impact on the school as a whole, with the possibility of a transitional plan and transitional funding.

Annex 1 -background data on the distribution of additional SEN funding

Additional SEN funding relative to core funding (primary schools)

Additional SEN funding as a proportion of budget share (excluding SEN place funding) and growing schools funding (primary schools only)	Number of schools
Under 1%	32
1-2%	20
2-3%	8
3-4%	3
4-5%	1
5% plus	3
Total primary schools receiving funding in 2020/21	67

There were 45 maintained primary schools which received additional SEN funding in 2020/21 which also received such funding in 2019/20 of which;

26 had in year revenue surpluses

14 had in year revenue surpluses exceeding the amount of additional SEN funding allocated

19 had year end revenue surpluses exceeding the median for Surrey maintained primary schools (9.52% of budget)

Ten had year end surpluses exceeding 15% of revenue funding (22%, compared to 25% of all schools).

Annex 2 Characteristics of schools receiving additional SEN funding-equalities data

The table below provides additional information on the characteristics of primary schools currently receiving additional SEN funding in 2020/21 (only two secondary schools receive this funding in 2020/21).

Primary schools receiving additional SEN funding in 2020/21 (67 primary schools receive this funding in 2020/21)

Number of schools receiving additional SEN funding	For % Incidence of EHCPs	For % of children on EHCP or SEN support	For % non British	For % non white	For %FSM
Within 25% highest for specified indicator	31	15	18	12	8
Above average but not in 25% highest	27	19	14	24	16
Below average but not 25% lowest	7	19	15	11	21
Within 25% lowest	2	14	20	20	22

Thus, for example, 15 of the 67 primary schools receiving this funding were within the top 25% of schools for the proportion of children with SEN.

Primary schools receiving additional SEN funding in excess of 2% of budget share in 2020/21

Number of schools receiving additional SEN funding	% Incidence of EHCPs	% of children on EHCP or SEN support	% non British	% non white	%FSM
Within 25% highest	11	4	3	1	0
Above average but not in 25% highest	4	3	2	8	4
Below average but not 25% lowest	0	4	4	0	6
Within 25% lowest	0	4	6	6	5

So, while the majority of recipient schools have above average incidence of EHCPs, the majority have below average deprivation and there is no clear link to ethnicity. The same applies to schools receiving significant sums (over 2% of budgets).