

Review of Integrated Resource Funding

Key Messages

Forum members are asked to:

- Consider the proposed amendments to funding arrangements for integrated resources (IRs) in Sheffield.
- Recommend the implementation of the changes from April 2022 for all integrated resources, including those in academies, so all resources receive increased funding rates from that date, not just maintained schools.

1. Introduction/background

- 1.1. The current model for IRs hasn't been fully reviewed for a significant number of years.
- 1.2. The current model is difficult to understand.
- 1.3. The level of funding for IRs has come under increasing challenge in recent years.
- 1.4. As the funding mechanism for academies hosting IRs has become clearer, it has become apparent that our model needs a revision in line with national expectations.

2. The Proposal

- 2.1. All integrated resources receive £10k base funding and the average pupil funding acts as the top-up. This will result in an increase in funding for all IRs.
- 2.2. The model has the advantage of being, simple, transparent and in line with national thinking and funding regulations.
- 2.3. The table below shows the current model and the proposed change.

Current Method			Model		
Element 1	School Block (average pupil funding)	£4,236	School Block (average pupil funding)	Element 3	£4,236
Element 2	High Needs Block	£6,000	High Needs Block	Element 2	£6,000
Element 3	High Needs Block	£ needed to achieve £13,027	High Needs Block	Element 1	£4,000
	Total Funding	£13,027			£14,236

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	Total Funding	£13,027			£14,236

- 2.4. This model has the advantage, that top-up funding for IRs will be tied to mainstream school funding increases and automatically update for inflationary costs.
- 2.5. The proposed model and increased places will increase the overall funding allocation from £2.977m to £3.9m.

3. Places Funded

- 3.1. The number of places to be funded each year will be agreed by Sheffield City Council with the school or academy trust.
- 3.2. The funded places will not be less than the number in the Memorandum of Understanding.
- 3.3. Any additional placements above the funded number will be funded outside the annual funding process through the SEND Growth funding allocation.

4. Newly Established Integrated Resources

- 4.1. Any new IRs will not have any pupil funding until the academic year following them being established. To allow them to operate, pupil funding will be provided from the High Needs Block.

5. How the School Will Receive Funding

- 5.1. Each IR will receive a statement from the Local Authority (LA), confirming where their funding identified at the February Schools Forum is coming from. It will show funded places, and how much is coming through the General Annual Grant (GAG) statement, and how much from the LA. As the number of empty places changes each academic year for academies, the statement will incorporate published data from the Education and Skills Funding Agency (ESFA).
- 5.2. We will fund maintained schools through the Cash Advance Process. Academies are currently funded termly. Subject to feedback, we will investigate funding monthly from September 2022 using an invoicing mechanism.

6. Post 16

- 6.1. Currently we don't have funding arrangements in place for IR places in post-16. It is suggested that if the annual review recommends that the young person continues in a school's post-16 provision, that IR funding continues.
- 6.2. In line with the pre-16 funding, the first £10k would come from the High Needs Block, with the Element 1 acting as the top-up.
- 6.3. This new approach to post 16 IR funding will be monitored and reviewed once implemented in case further changes are needed in the future.

7. Recommendations

Forum members are asked to:

- **Note** the increase in overall IR funding of £906k in comparison with the previous year.
- **Note** the increased number of schools hosting an IR. 12 Schools were funded in 2020/21. In the financial year 2022/23 we have 16 schools hosting an IR with further schools working through proposals to establish one.
- **Approve** the implementation of the funding formula from April 2022.