

Paper 4 - for information / decision and agreement

Locality SEND Funding Review Update

Key Messages

Forum members are asked to:

- Note the progress outlined in this report and the future funding requirements.
- Consider an ongoing agreement for the £1.5 million to remain in mainstream schools.

1. Introduction/background

- 1.1. **The review of how Element 3 SEND funding is allocated to schools is intended to improve provision in mainstream schools and ensure that statutory duties are met.**

The scope of this review is Sheffield's Element 3 as defined below:

Funding for children in schools covers:

- Age Weighted Pupil Unit /AWPU (Element 1 = average 3-4k)
- Notional (Element 2 = 6k)
- Top-up (Element 3 = Delegated Locality Funding and Exceptional Needs Funding)

In Sheffield, top-up funding comprises of Locality Funding and Exceptional Needs Funding. Sheffield manages this funding through localities, with a locality lead headteacher leading the mechanisms in each area.

A review of high needs funding is underway for mainstream schools, early years and Post-16, with the purpose of ensuring that we can meet statutory duties by providing adequate funding for children with SEND needs in educational provision across the city. This review is being led by the Head of SEND – Rose Ward.

In October 2022, the funding review passed from commissioning into operational delivery, to ensure the model of funding was operationalised at pace.

This paper updates on the work undertaken by Commissioners and outlines the findings of the consultation made to schools on the additional £1.5 million.

- 1.2. **Schools Forum agreed an investment of an additional £1.5Mil for this financial year.**

The additional £1.5Mil is allocated into the locality funding mechanism to increase capacity to support children with high needs.

This funding is to respond to the rising number of high needs children based on current funding levels and some additional real terms investment.

A formal consultation was issued to schools requesting feedback on this proposed £1.5m investment for 2023/24.

Consultation findings are as follows:

All mainstream schools were asked to complete the consultation response. 73 responses were received.

- 66 (90%) were in favour of the ongoing £1.5 million allocation
- 7 did not agree with the proposal

The main themes for those in favour were:

- Funding is needed to ensure children have the right support.
- More funding is needed as needs are rising.
- Without additional funding, children's needs will not be met in the mainstream schools and more money will be needed in special schools.
- The money is vital, and the needs of our children are complex.
- A review of all the high needs money is needed, as mainstreams school don't have enough.

The main themes for those not in favour were:

- If we redirect money, we mask the gap in funding.
- The amount of wrangling it takes is not worth the small amounts allocated, this is not enough.

2. Governance and Planning

2.1. A multiagency steering group remains committed to developing our funding mechanisms to get the best value and maximum impact for children in our education providers.

The steering group has agreed the following principles that we will work within:

Consistency: localities will work towards the same broad funding model to ensure there is consistency and equality across city.

Timeliness: confirmation of funding will be given to schools as early as possible in the process to enable planning.

Targeted: we will aim to target funding to those children with high needs to enable effective provision.

Accountable: all funding is recorded so that we can track and measure outcomes and identify gaps.

Adaptable: we will develop long term plans collaboratively with the sector, and with the recommendations of the Green Paper in mind, ensuring plans are agile and responsive.

This steering group will be expanding from January 2023 for the review of high needs funding to broaden into early years and post-16 and will include:

- Mainstream locality head teacher/s.
- Educational Psychology.
- Sheffield Parent, Carer Forum
- 0-5 SEND team lead.
- Post-16 provider (Sheffield college – TBC).

2.2 We continue to work towards the long-term vision set out as follows:

1. LA SEND team allocate funding with an ECHP at the point of issue, and
2. localities work to meet the needs of children at SEN support.

To ensure the LA meets the statutory duties of enabling provision in EHC Plans being delivered, and through the agreement from the Schools Forum, we are now working towards:

A Banded Resource Allocation System

A Resource Allocation System is a banded approach to funding using an online tool that takes the needs and provision specified in an Education Health and Care Plan and uses prepopulated intelligence to produce a recommended funding band.

The system has now been procured by the Commissioning Team and work will hand to the operational delivery service to enable this tool to be developed.

Locality Systems to support children with SEN support needs as well as developing locality-based responses to local needs.

Through the development and expansion of our city's inclusion model, Education, Health and Care providers are enabled to work across groups of schools, in localities to build capacity in the SEND and inclusion system.

2.3 A twin track approach has been developed, to drive the long-term vision whilst making adaptations to the current model to move us in the right direction at speed.

While we work to achieve the banded funding model using the procured Resource Allocation System, we continue to work with the multi-agency steering group to adapt locality systems in the shorter term to move us in the right direction and begin to address some of the immediate issues of consistency and ability to target funding.

3. Adaptations to funding mechanisms from September 2022

3.1. Locality funding mechanisms have been adapted from September to create consistency across the city.

So far this year, schools have:

1. Received an initial SEND High Needs funding allocation based on the Sheffield Support Grid data at the beginning of the school year.
(This is intended block funding to contribute to provision across the high needs SEND cohort for the school. For some schools it may be enough funding, coupled with notional SEND, to meet provision needs; for others it is expected that additional funding will be needed.)
2. Where provision needed is not covered within their notional funding + the initial high needs funding allocation, schools will be able to request additional funding through the locality panel.
(Panels are taking place across the city, consistently to allocate additional money, to meet the needs of children with EHC Plans and complex SEN support needs.)
3. There will be emergency targeted funding set aside through the year for specific circumstances.

4. Long Term Planning

4.1. Support from stakeholders for a Banded Resource Allocation System for all children with EHCPs in Mainstream.

Mainstream schools continue to be supportive of the Resource Allocation System to achieve timely allocation of funding that is dictated by the provision outlined in the plan.

This work has been confirmed to operationally commence in January 2023.

4.2 These changes are in line with the national SEND agenda and local priorities.

The recent SEND Review Green paper (*published in March 2022*) indicates an intention to *'...introduce a new national framework of banding and price tariffs for funding, matched to levels of need and types of education provision set out in national standards.'*

This work puts Sheffield in a strong position to be able to move into a banded approach in line with the national direction.

These actions also relate to our One-year Plan by striving to deliver effective person-focused SEND services and reduce exclusions by funding effective and targeted provision for children with high needs.

5. Financial Investment

5.1 Further investment will be needed if we are to meet the needs of our SEND children in the mainstream.

The budget for Element 3 in academic year 2022 – 2023 is £5.6Mil, inclusive of the £1.5 additional funding agreed by the Schools Forum.

This includes:

- Exceptional needs funding;
- locality funding; and
- locality coordination and leadership of the model.

Increasing numbers of children with EHC Plans and the increasing number of children with high / complex needs, means there is likely to be a need for further growth over time.

If we were to increase investment in line with growth over time, we would need a further investment of **£2.5Mil** over the following two academic years. giving a total **overall allocation of £8.1Mil by 2024-2025.** (*These calculations are based on growth and current data. The planned costing exercise using the RAS will provide a more accurate projection based on child level plans.*)

To ensure inclusivity, we need to support our schools to support children with SEND to meet their full potential in mainstream. It is only by supporting this, we can affect other SEND budgets.

This funding review is one part of the approach to support schools in meeting the needs of children with SEND.

5.2 Without investment we are likely to see a continued rise in demand for special schools and a decline in the outcomes of our SEND children.

Historical underfunding of High Needs Block and rising demand has affected our ability to further increase investment into Element 3 funding which may be contributing towards an increase for Special Schools requests.

The SEND Review Green paper highlight that: *'Whilst future funding will need to take account of the increasing prevalence of children and young people with the most complex*

needs, this needs to be balanced with targeting spending more at strengthening early intervention.'

We will know we are successful when:

- The funding model is sufficient to enable more young people with high needs to be supported effectively in mainstream school.
- The local authority has a more robust grip on how and where funding is allocated resulting in a clearer line of accountability and ability to identify gaps in provision.
- ALL Children with EHC plans in mainstream have a clear plan of provision in place that is funded through a transparent and consistent model to meet their needs meeting our statutory duties, and we can evidence this.
- Children with SEND (no EHCP) are identified at the earliest point and there is access to support and provision to meet their needs.

6. Recommendations

The Schools Forum is asked to:

- Note the progress outlined in this report on all former agreements.
- Consider the agreement to keep additional funding within mainstream schools to enable savings in other SEND budget areas as children remain in their mainstream schools.
- Agree to the transfer of £1.5m from Schools Block to High Needs Block in 2023/24, based on the outcome of the consultation.