

Locality SEND Funding Review Update

Key Messages

Forum members are asked to:

- Schools Forum are asked to note the progress outlined in this report and the future funding requirements.

1. Introduction/background

1.1. The review of how Element 3 SEND funding is allocated to schools is intended to improve provision in mainstream 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)

Top-up funding (sometimes referred to as element 3) is the funding required over and above the core funding (referred to as elements 1 and 2).

In Sheffield this 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 commissioning review was requested by Education and Skills with the purpose of ensuring that we are able to meet statutory duties by providing adequate funding for children with high SEND needs in our mainstream schools.

1.2. School Forum agreed an investment of an additional £1.5Mil for this financial year.

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

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

2. Governance and Planning

2.1. A multiagency Steering group is committed to developing our funding mechanisms to get the best value and maximum impact for children in our schools.

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.

2.2. To achieve this, we are working towards a long-term vision where the LA SEND team allocate funding with an ECHP at the point of issue, and localities work to meet the needs at SEN support.

It is essential that we can meet the needs of children with EHCPs according to the provision set out in the plan, and also meet needs of children with SEN support needs who have a MyPlan. To do this we are seeking to develop a model that includes:

a. 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 would be used by SENDSARS at the point of completing a plan.

This model allows us to create a consistent, transparent, and system-based approach to applying funding bands, with funding allocated at the point of plan issue / review.

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

Our localities of schools are well positioned to identify children whose needs require additional funding or resource, and work as a group of schools to build capacity in the SEND and inclusion system.

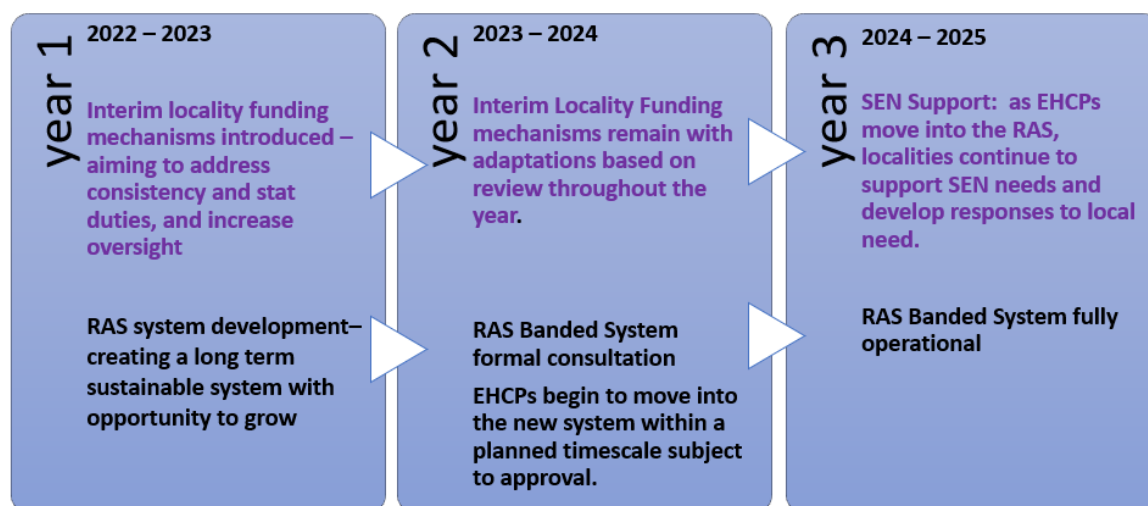
2.3 We need a twin track approach to develop the long-term vision whilst making adaptations to the current model to move us in the right direction at speed

To achieve a Banded or Resource Allocation System (RAS) will take time to establish because we will require analysis of a representative set of EHCPs, their needs,

provision, and costs. This information is then used to create a set of bands within an online system that will be consulted on prior to launching.

In the meantime, we are working as a multiagency steering group to start to adapt locality systems in the shorter time to move us in the right direction and begin to address some of the immediate issues of consistency and ability to target funding.

Three year plan -twin tracking short and long term plans.



Long term Plan can be adapted at each stage if National SEND policy developments introduce a different model of banding.

3. Adaptations to funding mechanisms from September 2022

3.1. Locality funding mechanisms will be adapted from September to create consistency across city.

Through the work of the review, we have highlighted differences in the funding processes across the city which has led to challenges in creating certainty of funding for schools, and accurate funding to meet the provision outlined in children’s plans. Locality Lead Headteachers have worked with the LA to develop an interim way of working for next academic year.

The aim is to create an interim arrangement that enables consistency, creates some speed and certainty of initial funding, and allows us to target the children with greatest need.

The proposed funding allocation model for academic year is as follows:

- a. All Schools will receive 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.

- b. Schools where the provision needed is not covered within their notional funding + the initial high needs funding allocation, will be able to request additional funding through the locality panel. *Panels will take place as they do now but with consistency across the city.*
- c. There will be emergency targeted funding set aside through the year for specific circumstances.

4. Long Term Planning

4.1. There is broad support from stakeholders for a Banded Resource Allocation System for all children with EHCPs in Mainstream.

Moving the funding of provision within EHCPs in mainstream schools into a Resource allocation system would achieve a timely allocation of funding that is dictated by the provision outlined in the plan. This creates a consistent system-based approach. This process would be managed by the LA and funding would be allocated at the point of plan issue and reviewed within the annual review cycle. Stakeholders have been supportive of this concept.

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.'*

The proposed work will put 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. This includes exceptional needs funding, locality funding, and the locality coordination and leadership of the model.

This budget is an increase of £1.5Mil on the previous year, however the projected increase in number of children with high needs, means the real increase of around half of this.

If we were to increase investment in line with growth in numbers 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 exercised detailed in year one of the proposal will provide a more accurate projection based on child level plans.

The rise in needs within mainstream schools is evident. Sheffield has historically seen comparatively (with similar Cities) very low numbers of children with EHCPs in mainstream, and higher numbers of children with SEN support. We are now seeing a steep rise in the number of children with EHCPs.

To be an inclusive city, we need to support children with SEND to meet their full potential in mainstream where possible and appropriate, and the funding in scope of this work is one part of the approach to support mainstream schools in doing so.

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 hampered 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.*

5.3 The funding model needs to contribute towards the Local Authorities statutory duties as detailed within the SEND code of practice, High Needs Funding Guidance, and the Children and Families Act.

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 are able to 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

Schools Forum are asked to note the progress outlined in this report.

- Interim developments to be made to the locality funding model.
- Beginning work to create the building blocks that will enable Sheffield to adopt a Banded or Resource Allocation System for children with EHCPs.

Schools Forum are asked to note the future funding requirements as outlined.