

High Needs Block Funding Allocation

Key Messages

The Forum is asked to note:

- The overall arrangements and 2021/22 budget requirements for pupils and students with high needs.
- The increase in demand for provision for young people with special education needs and disabilities.
- Note the decision made to increase the funding per place in special schools, integrated resources, Sheffield Inclusion Centre and Hospital and Home Education by £380 per place from the 2020/21 level.
- That the Teachers' Pay and Pension Grants, in line with mainstream funding, are now included in the base funding for High Needs settings.
- The total resource allocation of £27.4m for special schools in 2021/22 is based on February place numbers.
- That 232 integrated resource places have been funded at a total gross allocation of £2.9m.
- That a £3m provision has been made to fund additional pupils requiring specialist provision during the year.
- There is a planned increase in the localities budget of £1.1m.
- Planned expenditure on Specialist Support Services.

1. High Needs Pupils and Students

- 1.1 In line with the Special Educational Needs and Disabilities (SEND) reforms introduced in September 2014, the high needs funding system is designed to support a continuum of provision for pupils and students with special educational needs (SEN), learning difficulties and disabilities from their early years up to age 25.
- 1.2 High needs funding is intended to support the most appropriate provision for each individual, taking account of parental and student choices, providing appropriate provision in a range of settings and avoiding perverse incentives. It is also intended to fund good quality alternative provision for pupils who cannot receive their education in school.
- 1.3 There is an increase in demand for special school places and children with SEND needs. The funding provided by the Education and Skills Funding Agency (ESFA) to support these activities over the years has not kept pace with the increase in demand. The High Needs National Funding Formula (HNNFF) developed by ESFA suggests that based on the current demographics and profile of Sheffield pupils, our High Needs Block in

2021/22 should be £81m. However, based on a historical settlement it is set at £75.5m. While the long-term outlook is that our income on high needs should increase, the challenge remains that we have very significant pressures now with spending exceeding available resources.

- 1.4 Pupils and students supported by high needs funding include:
- Pupils aged from birth to 19 with high levels of SEN in schools, academies or other settings.
 - Those aged 19-25 with Special Educational Needs and Disabilities in further education who have an EHC plan.
 - School-aged pupils placed in alternative provision such as a Pupil Referral Unit (PRU).
- 1.5 Extensive work has been undertaken to review the current provision in the city, identifying gaps in provision and contributing to the revised proposed Inclusion Strategy. This work is ongoing.

2. Places to be Funded for 2021/22 in Special Schools and Integrated Resources

- 2.1 The Schools Forum Funding Working Group has agreed the £380 per place funding increase for 2021/22. This is in addition to an additional £660 per place replacing the previously separate grants for Teachers' Pay and Pension Grants.
- 2.2 The number of places in special schools has followed the trend in the previous years and continued to rise in-year. For this February meeting of the Schools Forum we are issuing budgets for the current numbers of pupils in our special schools and integrated resources. A provision of £3m has been identified to fund additional specialist provision. Some provision is funded from April, while the majority of the funding is for provision from September 2021.
- 2.3 Funding for integrated resources will continue to be calculated as in the same way as in previous years. Pupils in the resource will be included in the pupil number count, with the remaining funding being topped up from the High Needs Block.
- 2.4 The total cost of integrated resource places in 2021/22 is £2.9m. £1m of this funding has been allocated through the Schools Block with the remaining coming from the High Needs Block.
- 2.5 The breakdown of the places in each school is shown in Appendices 1 and 2 (Special and IR Numbers).

2.6 The table below shows the total funding being committed for specialist places in special schools, integrated resources and additional provision.

	2020/21	2021/22	Variance
	£000's	£000's	£000's
Special Schools at February	24,684	27,469	2,785
Integrated Resources at February	2,896	2,977	81
Provision for additional places	3,692	3,000	-692
	31,272	33,446	2,174

2.7 We are proposing that the Forum notes the resource allocation of £33.4m for 2021/22.

2.8 As was the case last year, in addition to the commissioned placements, there are further pupils whose parents have indicated a preference for a special school placement. We will be working with special schools, mainstream schools and parents/carers over the coming months to prepare these pupils through supported and tailored transition planning and facilitating joint planning between current and new schools using our MAST early help professionals.

2.9 We will only refuse requests where we consider a placement to be unsuitable for the individual, or to be incompatible with the efficient education of others or the efficient use of resources. As required, we will inform parents of their legal right to appeal the individual decision that applies to their child.

2.10 We will also continue to develop and provide outreach and emotional wellbeing services. Our moderated decision-making on placements – through the EHC Placement Panel – has ensured that all decisions to name mainstream schools are compatible with provision and that schools and academies should be providing for pupils with a range of SEN. The SEND Code of Practice operates on a presumption for mainstream education, and our Inclusion Strategy aims to develop capacity, skills and competence in mainstream settings in line with national policy and the statutory guidance.

2.11 The increase in demand for special education provision has been underpinned by a combination of key factors including population growth matched to increasing complexity. We are continuing to progress a strategic review of provision and a business case to enable delivery of better support for pupils, drive shared accountability and effective demand management. We are working on the following key areas of work which will influence the future demand requirements.

3. Mainstream Top-up

- 3.1 The Forum agreed to implement a locality model of distributing top-up funding in 2016/17.
- 3.2 A total allocation of £2.1m was made available to provide top-up funding for mainstream schools in 2016/17. It was agreed at the December 2020 meeting of the Schools Forum that this would increase year-on-year until it reaches £4.5m by 2023/24. For 2020/21 the increase was £1.3m, making the mainstream top-up budget £3.4m. For the academic year 2021/22 a budget provision has been made for £1.1m. Further details and an allocation process will be considered by the Schools Forum Funding Working Group and the proposals will be brought to the June Schools Forum meeting.

4. Funding for the Sheffield Inclusion Centre (SIC)

- 4.1 The Sheffield Inclusion Centre (SIC) has a delegated budget and has its own management committee. The budget for 2021/22 has been increased in line with special schools to reflect the Teachers' Pay and Pensions grants being added to their budget along with the £380 per place. The budget for the Sheffield Inclusion Centre for 2021/22 is £3.03m.

5. Funding for 16-24-Year Old Students

- 5.1 The funding source for these students remains a combination of the ESFA and the Local Authority.
- 5.2 With the exception of maintained schools, the ESFA will pay all place-led funding directly to providers, with the remaining funding transferred into the Dedicated Schools Grant (DSG). The place-led funding (calculated using the post-16 national funding formula plus £6,000) for all institutions will be paid directly by the ESFA as part of the post-16 formula.
- 5.3 For maintained schools it will form part of the post-16 allocations made to local authorities for their schools. The High Needs Block of the DSG is intended to cover top-up funding for all 16-24-year old high needs student placements commissioned by local authorities in maintained schools, academies, non-maintained special schools, colleges of further education and independent specialist providers (ISPs).

6. Specialist Support Services

- 6.1 The following specialist support services, including those for pupils with sensory impairments, or tuition for pupils not able to attend school for medical or other reasons is also funded from the High Needs Block/Early Years Block. Also included are the costs of independent and out-of-city places.

	2020/21 £000's	2021/22 £000's
Independent Placements (pre 16)	4,289	4,289
Independent Placements (post 16)	2,599	2,599
Post 16 SEN - colleges and other	2,417	2,417
Vision support	1,023	1,060
Autism	359	383
Hearing Impaired	1,896	1,982
Ed Psychology	1,144	1,152
Home and Hospital	714	857
Early Years SEN	672	672
SEN Assessment	410	413
Out of City – Special schools	1,077	1,077
Localities	3,375	4,500
Total	19,975	21,401

7. Recommendations

The Schools Forum is asked to note:

- Overall arrangements and 2020/21 budget requirements for pupils and students with high needs.
- The £380 increase in place funding for special schools and integrated resources.
- The £3m provision being made for growth in the specialist sector, including additional places in special schools from September.
- That a budget provision has been made for £1.1m for mainstream top-up funding in 2021/22, and that proposals for an allocation process will be brought to the June Schools Forum meeting.
- The increase in funding for the Sheffield Inclusion Centre.
- The increase in spending on Specialist Support Services.