

SEND Top-up and Locality Funding Update

Key Messages

Forum members are asked to:

- Note the overview information below.

1. Introduction/background

- 1.1. A review of SEND high-needs funding was instigated in 2021.
- 1.2. In 2022, following extensive cross-sector activity we procured a resource allocation system called 'Formulate for SEND' from Imosphere. This is a banded funding system.
- 1.3. The phased implementation started in September 2024, and the system will go live to allocate funding for all pupils with Education, Health and Care (EHC) plans in mainstream schools from September 2025.

2. Update on the implementation of Formulate for SEND

- 2.1. The system went live in September 2024 for pupils in mainstream schools whose EHC plans have been issued in the 2024/25 school year. In addition, the Local Authority (LA) team have completed the needs profiles for all pupils in mainstream provision in mainstream schools from September 2025. The LA has received a small number of funding band review requests for the newly issued EHC plans and are reviewing these on a half-termly basis as the plans are issued. The first two terms' payments have been made to schools in January 2025 and April 2025, the third payment will be made in July 2025. Schools were notified of their remaining pupils' funding band allocations in April 2025. The LA team are now working with schools to resolve any queries, review funding allocations and any bespoke funding that may be required for exceptional circumstances. The LA team are also refining the internal processes including standardisation and moderation to ensure accuracy and consistency in implementation across the team.

3. School level high needs support fund

- 3.1. Now that the majority of work has been completed for the cohort of pupils with EHC Plans, the team has considered funding allocation for pupils with high needs SEND whose needs can be met without an EHC Plan.
- 3.2. An additional budget of £2.5 million has been identified to invest in mainstream schools to support this cohort of pupils.

3.3. Investing in this area of need supports schools to meet the needs of their pupils without escalation to an EHC needs assessment. This reflects an ongoing change in the needs profile of the mainstream school cohort.

3.4. The LA team developed a number of models for distributing this funding across schools. The models were:

- Schools' Sheffield Support Grid (SSG) levels from 2024
- IDACI
- Hybrid

Alongside the above, the team also considered minimum funding allocations.

3.5. Following discussion and consultation with the SEND Funding Advisory Group and the Inclusion Taskforce, there was agreement on distributing the funding using a weighting of 40% of the schools Income Deprivation Affecting Children Index (IDACI) levels and 60% of the school's SSG levels, with a minimum funding guarantee of £10,000 for standalone infant schools and nursery infant schools due to unique pressures around unexplored SEND needs experienced by these schools.

3.6. All schools have been sent letters advising of their funding allocation, how it has been calculated and when they will receive the funding.

3.7. A new SSG return and updated IDACI data will be available soon so this model and distribution method will also be reviewed before September 2026.

4. Locality Funding

4.1. The third element of the previous funding model is an allocation to each of the seven localities to support management, leadership, and strategic work across the locality.

4.2. Historically this funding has supported lead SENCO time for moderation and mentoring, along with locality head time for supervision and locality panel processes. The funding has also supported training and additional commissioned activity unique to the needs of each locality, such as Birmingham Toolkit for SEND training, and Trauma Informed working supervision.

4.3. Following discussions with sector representatives at the SEND Funding advisory group and the Inclusion Taskforce, it has been agreed that this funding will continue to be distributed in the same way for the 2025/26 school year.

5. Cost implication to the High Needs Block

5.1. The LA is currently in an overspend position with regard to the High Needs Block.

- 5.2. A new funding model for pupils with and without EHC plans will require increased investment in mainstream provision in excess of the funding already allocated and will increase this overspend.
- 5.3. Investment in mainstream provision is essential in order to strengthen mainstream provision, support inclusion, educate children within their communities with their peer group wherever possible, and improve their outcomes.
- 5.4. The more children who can attend school locally will prevent additional expenditure on transport.
- 5.5. Investment in non-statutory SEND will provide support for those children for whom EHC plans are not appropriate but require support beyond the funding already allocated to schools via notional SEND funding.

6. Recommendations

Forum members are asked to:

- Note the update provided above with a focus on the school level high needs support fund.