

**Title of meeting:** Schools Forum

**Date of meeting:** 18th December 2013

**Subject:** School Funding Reform 2014/15

**Report from:** Julian Wooster, Director of Children's and Adults Services

**Report by:** Richard Webb, Finance Manager for Children's Services

**Wards affected:** All Wards

**Key decision:** No

**Full Council decision:** No

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**1. Purpose of report**

The purpose of this report is to inform Schools Forum of the progress being made towards the implementation of changes to School Funding for 2014-15 with regard to high needs settings.

**2. Recommendations**

It is recommended that Schools Forum:

- a. Note the contents of report.
- b. Endorses the proposals within the report in respect of the future requirement for high needs places and the submission of the return in December 2013 to the DfE. It should be recognised that this report has been submitted at an early stage in the process and that numbers are still being finalised, in particular with post-16 providers.

**3. Background**

- 3.1. In July, September and October, Schools Forum received a number of reports relating to the implementation of the 2014-15 revenue funding arrangements.
- 3.2. This report provides Schools Forum members with an update on aspects of the funding arrangements for 2014-15 for high needs settings, including Special Schools, Resourced Units and Alternative Provision.

#### **4. High Needs Arrangements**

4.1. The Department for Education (DfE) has issued guidance on implementing the high needs place funding arrangements for 5-25 year olds for the academic year 2014 to 2015.

4.2. Local Authorities are required to review the distribution of their high needs places in collaboration with other Local Authorities and institutions and decide if any changes are necessary. The return is required to be submitted to the Education Funding Agency by the 23 December 2013.

4.3. The DfE have set out a number of key principles which will be applied during this process, including:

- Actual high needs pupils or students attending institutions in the 2013- to 2014 academic year should be the default place numbers for the academic year 2014 to 2015, adjusted only where it is known that significant changes will happen.
- Local Authorities should assume that, for any increase in post 16 places, the costs of the place funding will be deducted from their high needs allocation for the financial year 2014 to 2015.
- For pre-16 high needs places, Local Authorities are required to provide the total number of places required at each institution situated (excluding non-maintained special schools) in their own geographical area (including places commissioned by other Authorities).
- The DfE will announce by 20 December 2013, initial indicative allocations of the high needs element of the Dedicated Schools Grant (DSG) to all Local Authorities.
- The DfE will finalise by the end of March 2014, allocations of place funding for 2014 to 2015 for institutions, as well as the high needs DSG allocations, based on the data in the templates submitted by Local Authorities.
- The total national high needs budget for the financial year 2014 to 2015 has yet to be agreed, but the DfE are working on the expectation that resources will continue to be tight and increases in some allocations will need to be balanced by reductions in others.

4.4. For the academic year 2015 to 2016 the DfE intend to move to a system which bases place funding for institutions on the most recent actual numbers available from census and Individual Learner Record (ILR) data. This will mean that in future, the Local Authority will no longer be

required to submit templates containing place numbers broken down at institution level.

## 5. High Needs Places

### Pre-16

5.1. The table below shows the number of agreed places that are being funded in financial year 2013 to 2014 and the number of proposed places to be funded in the academic year 2014 to 2015 for Special Schools, Resourced Units and Alternative Provision settings in Portsmouth.

School	13/14 Agreed Place No's	13/14 Place Funding £	14/15 Proposed Place No's	14/15 Place Funding £
<b>Special Schools</b>				
Cliffdale (Academy)	104	1,040,000	104	1,040,000
Harbour	84	840,000	84	840,000
Mary Rose (Academy) *	125	1,250,000	125	1,250,000
Redwood	141	1,410,000	141	1,410,000
Willows	42	420,000	42	420,000
<b>Resourced Units</b>				
Devonshire Infant	12	120,000	12	120,000
Milton Park	14	140,000	14	140,000
Northern Parade Junior	6	60,000	6	60,000
Penhale Infant	3	30,000	1	10,000
Portsdown	10	100,000	10	100,000
Southsea Infant	8	80,000	8	80,000
Victory (Academy)	23	230,000	23	230,000
St Edmunds	12	-	12	120,000
City Boys	12	-	12	120,000
Craneswater Annex	0	-	6	60,000
<b>Alternative Provision</b>				
Flying Bull	12	96,000	12	96,000
Harbour	151	1,208,000	151	1,208,000

\* Includes post 16 places

5.2. As previously reported, the values at which each place will be funded will remain at the same levels as in 2013-14:

- Special School Places - £10,000 per place
- Resourced Unit Places - £10,000 per place
- Alternative Provision Places - £8,000 per place

5.3. New resourced units are proposed at St Edmunds and City Boys. These are resourced units for Sensory Impairment and Autism respectively and are already included within the baseline return to the DfE, as they were

expected to have become operational already. Therefore there will not be any additional funding available for these units. The units are now expected to be operational in September 2014 and January 2015 respectively, therefore there will only be a part year cost within the financial year to March 2015

- 5.4. The establishment of the Craneswater Annex was approved by Schools Forum in September 2013 and the number of agreed places will be added to the return in December. The funding for these places will need to be identified from within existing resources as explained in the September report.

### **Post-16**

- 5.5. In financial year 2013 to 14 the number of agreed post 16 places to be funded was 64. The Education Funding Agency is responsible for funding these places directly, however any increase in places for the academic year 2014 to 2015 will be deducted from the Council's high needs allocation as explained in paragraph 4.3.
- 5.6. For the academic year 2014 to 2015, the number of high needs places is expected to be 103. This will partly reflect the new Highbury College and Portsmouth College places, where the Council successfully secured £800,000 of capital funding from the Education Funding Agency (EFA) on their behalf.
- 5.7. The funding will be used to create a specialist learning space for young people with acute behavioural, emotional and social difficulties at Highbury College, as well as a purpose built space for young people with physical disabilities and/or severe learning difficulties. The new provision for Highbury College is expected to be available from September 2014 and Portsmouth College from September 2015.

Where the numbers of places proposed to be funded in 2014-15 are higher than the baseline of 64, the Council is required to complete a Submission Form to evidence the reasons for the variation. The impact on funding will not be known until end of March 2014 when the DfE publish the final DSG high needs allocations for 2014-15.

## **6. High Needs Top-Up Funding**

- 6.1. No changes are proposed to the current top-up funding rates for pupils in Resourced Unit or Alternative Provision settings.
- 6.2. Officers are currently reviewing the results of banding moderation meeting that took place at the end of November 2013, in respect of the new pupils who were not previously allocated a funding band, based on their level of need.

6.3. In order to maintain overall affordability of the top-up funding requirements of Special Schools, it will be necessary to amend the funding values of the Special School top-up rates. Any proposals to amend the top-up funding values will be discussed with the Special Schools and be presented to a future meeting of Schools Forum.

## **7. Hospital Education**

7.1. Hospital Education has been defined as education provided at a community special school or foundation special school established in a hospital, where the child is being provided with such education by reason of a decision made by a medical practitioner.

7.2. Currently the funding for these services has been top-sliced from the DSG by the DfE. The DfE top-sliced £440,000, which the Local Authority was required to transfer directly to the Harbour School who provide these services with Portsmouth.

7.3. In the financial year 2013-14, it was expected that 17 places were required for Hospital Education. For 2014-15 will be requesting 17 places, following discussion with the Harbour School.

## **8. Reasons for recommendations**

Schools Forum are recommended to endorse the proposals contained within the report. Local Authorities are required to review the distribution of their high needs places in collaboration with other Local Authorities and institutions and decide if any changes are necessary; so that the required return can be submitted to the Education Funding Agency by the 23 December 2013.

## **9. Equality impact assessment (EIA)**

This report does not require an Equality impact Assessment as the proposal does not have any impact upon a particular equalities group.

## **10. Head of Legal Services' comments**

Legal comments have been included within the body of this report

## **11. Head of Finance's comments**

Financial comments have been included within the body of this report.

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Signed by:

## Appendices:

### Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<b>Title of document</b>	<b>Location</b>
2014-15 Revenue Funding Arrangements: Operational Information for Local Authorities, June 2013	DfE Website
Implementing high needs place funding arrangements for 5 - 25 year olds - 2014 to 2015 academic year, July 2013	DfE Website
High Needs and hospital education templates: academic year 2014 to 2015 - instructions for local authorities, October 2013	DfE Website

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

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Signed by: