

Post 16 High Needs Funding Update

Schools Forum

Date: 18th October 2016

Author: Strategic Commissioner – SEN

Wards: All

Locality Affected: All

Parishes Affected: All

1. Purpose and Reasons

- 1.1 To advise Schools Forum on the level of funding available.
- 1.2 Propose funding allocations to providers for the 2016/17 financial year.
- 1.3 Utilisation of the Dedicated Schools Grant (DSG) has a direct link to priority two of the Council's four priorities – "Offer educational opportunities that lead to the right skills, and right jobs in the right places".

2. Recommendations

The Schools Forum is recommended to:

- 2.1 Note that the latest projected 2016/17 financial year costs arising from the LA funding responsibilities for Post 16 High Needs Students is estimated at £1.954m for 311 post 16 (excluding sixth form) high needs students. This includes the costs of 36 placements at ISPs of £0.383m and indicative allocations to FE colleges and training providers of £1.323m for 275 students. (para. 3.7)
- 2.2 Note that banding values for the 2016/17 academic year remain at the indicative values notified to Schools Forum in July 2016, which have reduced slightly since the 2015/2016 academic year to fit within the available funding envelope. (para. 3.9)

3. Detail

Current Forecast for Post 16 placements

- 3.1 Although the Post 16 financial year runs from August to July, the DSG is allocated and reported on a financial year basis. Therefore this report is aligned to the financial year.
- 3.2 As reported to Schools Forum in July 2016 the total funding available for 2016/17 financial year for post 16 providers (excluding school sixth forms) is £2.000m.

Proposed 2016/17 ISP Costs

- 3.3 For placements at Independent Specialist Provider Colleges (ISPs) annual costs are at individually negotiated rates. Pupils attend ISPs when their needs cannot

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be met within the mainstream or special school 6th form, or mainstream FE College provision with additional support or a bespoke package.

Where appropriate placements are jointly commissioned, with social care and health agreeing contributions. ISP placements from September 2016 are estimated at 36 places with 2016/17 financial year costs of £0.383m.

Proposed 2016/17 FE College and Training Provider costs

- 3.4 In September 2014 the Universal Banding approach was implemented in all FE Colleges and Training Providers for High Needs students. The banding scheme was based on the model already used in special schools and SRPs. All students are funded at the same level and a range of supplements were agreed. Students have been allocated against the same 6 prime need bandings used for special school and SRPs and indicative post 16 banding values were calculated based on the funding envelope as calculated below:

- Total funding envelope financial year **£2.000m**
- Less term 5 and 6 costs from the 15/16 academic year **£0.671m**
- Balance available for terms 1- 4 of the 16/17 academic year **£1.329m** (September-March)
- Less ISP costs September – March **£0.195m**
- Balance available for FE Colleges and Training Providers September – March **£1.134m**

Funding Allocations 2016/17

- 3.4 At this stage in the year the LA is unable to confirm precise funding allocations for individual providers because some students have not yet confirmed their placements for the 2016/17 academic year. Table 1 below provides the LA's best estimates:

Table 1 – Indicative 2016/17 Academic Year Allocations					
	Estimated places for 16/17 as reported to Schools Forum in July	Latest estimated places – for Sept 2016	2016/17 Financial Year payment April – August	2016-17 Financial Year payment Sept - March	Financial Year Total April 2016 – March 2017
Cirencester College	3	4	£6,312	£6,724	£13,036
New College	83	83	£133,050	£301,279	£434,329
Swindon College	139	136	£160,385	£365,255	£525,640

Further information on the subject of this report can be obtained from Lyn Frith on 01793 463217, lfrith@swindon.gov.uk

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Wiltshire College	7	6	£58,295	£11,803	£70,098
FE College Total	232	229	£358,042	£685,061	£1,043,103

Training Providers Total	30	46	£125,501	£155,121	£280,622
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ISPs	3	3	£72,594	£32,405	£104,999
UET	37	33	£115,262	£162,984	£278,246
ISP Total	40	36	£187,856	£195,389	£383,245

Contingency	65	81	0	£246,999	£246,999
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Overall Total	367	392	£671,399	£1,282,570	£1,953,969
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- 3.5 The LA expects to fund element 3 top ups for a total of 311 students during the 2016/17 academic year.
- 3.6 There are currently 81 pupils who have been identified as being high needs, but their post 16 destination is currently unknown. Schools Forum should note that it is still early in the term and students are still enrolling in to post 16 provisions.
- 3.7 The latest projection based on the current known student numbers and the bandings allocated through the moderation process will mean an estimated total financial year spend of £1.954m.
- 3.8 A contingency budget of £0.247m has been developed for the period September-March for the identified pupils who are high needs but where a destination has yet to be confirmed as it is still early in the term.
- 3.9 Although the allocation of learners has changed slightly since the July Schools Forum we are not proposing to adjust the indicative values which were noted within the previous report and which can be found in Table 2 below.

Table 2 – Proposed 2016/17 post 16 post school High Need Band Values & Supplements			
<u>Universal Banding Descriptor</u>	<u>Values 2015/16 AYR</u>	<u>Values 2016/17 AYR</u>	<u>Difference in Value</u>
Band 1 – 100%	£8,155	£7,910	-£245
Band 2 - 90%	£7,340	£7,119	-£221
Band 3 - 60%	£4,893	£4,746	-£147
Band 4 – 37.5%	£3,058	£2,966	-£92
Band 5 - 30%	£2,447	£2,373	-£74
Band 6 – 15%	£1,223	£1,187	-£36

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Supplements			
Medical Needs	£750	£750	£0
Manual Handling	£500	£500	£0
Transition	£250	£250	£0
Workshop / High Risk Environment	£400	£400	£0
Open campus	£250	£250	£0

Members of the Schools Forum are now asked to:

- **Note that the latest projected 2016/17 financial year costs arising from the LA funding responsibilities for Post 16 High Needs Students is estimated at £1.954m for an estimated 311 post 16 (excluding school sixth form) high needs students. This includes costs of 36 placements at ISPs of £0.383m and indicative allocations to FE colleges and training providers of £1.323m for 275 students**

Note that banding values for the 2016/17 academic year remain at the indicative values notified to Schools Forum in July 2016, which have reduced slightly since the 2015/2016 academic year to fit within the available funding envelope.

4. Alternative Options

- 4.1 The LA has a statutory duty to manage and distribute the Dedicated Schools Grant (DSG) in accordance with prevailing grant conditions and School Finance Regulations. DfE have prescribed the options available to Local Authorities, some of which are mandatory whilst some are discretionary, but in most cases funding values are to be locally determined. The proposals in this report are aimed at containing costs within the level of funding provided by EFA to meet the LAs responsibilities. As no elements of the DSG are ring fenced it is for individual LAs to decide how best to manage this funding via consultation with Schools Forum.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 As this is essentially a financial report the implications are explained throughout the document. At this stage the impact of any funding changes on individual colleges and other providers cannot be precisely determined although the establishment of banding and supplement values should reduce financial uncertainty.

Legal and Human Rights Implications

- 5.2 There are no legal and human rights implications arising from this report.

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All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 Although the impact on individual settings cannot be determined at this stage the school funding reform programme is causing a degree of volatility which may have implications for schools and other providers which are detrimentally affected by the redistribution of funding. In determining funding levels the LA is required to comply with the school finance regulations and providers are expected to manage their operations and spending within their available funding including brought forward balances.

Diversity Impact Assessment

- 5.4 The DfE's funding reform programme is aimed at simplifying fair funding although funding changes at individual settings is inevitable. The reform programme is clearly aimed at ensuring funding is targeted at disadvantaged pupils and at pupils with low prior attainment and/or special education needs in order to narrow the attainment gap between these and other pupils.

Risk Management

- 5.5 The key risks arising from this report are that local decisions relating to Post 16 funding could lead to an overspend on the 2016/17 DSG and/or that the EFA could deem that our funding arrangements do not comply with the school finance regulations requiring budgets to be recalculated.

6. Consultees

- 6.1 The Board Director Finance, Resources (Section 151 Officer), Board Director, Commissioning (Director of Children Services) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 None

8. Appendices

- 8.1 None