

18 September 2019

Update from High Needs Sub-Group

Report of the Director of Children's Services

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1.1 To provide an update from the High Needs Funding Sub-group

2. Summary

2.1 An initial report on the Schools Budget Strategy for 2020-21 is included under another item on this agenda and includes information about the high needs budget. This report provides further information about high needs budget issues as reported in the latest High Needs Sub-group minutes which are attached as annex A.

3. Recommendations

3.1 The Schools Forum is asked to

- a) note the latest minutes of High Needs Funding Sub-group
- b) agree to the request to delegate the decision to approve special school funded places for 2020-21 to the High needs sub group and to agree to submit these changes to the ESFA
- c) agree the disapplication of the MFG in the calculation of the special school top up rates for 2020-21

4. Background

4.1 Information about the high needs budget is provided in the notes of the recent High Needs Sub-group meeting. Two specific items require the approval of the Forum at this meeting.

5 Delegated Decision – Special school, Special units & FE college places

5.1 A return is required to be submitted to the ESFA for any changes in the number of funded places in special schools, special units and FE colleges in 2020-21 by mid-November. As the date of submission is before the next Schools Forum the Forum

is asked to delegate the decision regarding any place changes to the High Needs Funding Sub-group.

The final proposed changes will be taken to the High Needs Sub- group on 12th November and submitted to the EFA by the deadline.

6 Special School Top Ups and Minimum Funding Guarantee (MFG)

6.1 Top Ups

Special School top ups include an element which delivers a lump sum to each school. As a result this element of the top up varies between schools depending on the size of the school .The lump sum is intended to cover fixed costs and protect small schools. Where there is a change in funded places the lump sum element will be recalculated so that the same lump sum is delivered to the school. Where the size of the school increases the lump sum element of the top up reduces because it is a per pupil allocation. The opposite will apply if place numbers decrease. See illustration below of two schools of similar type.

	Funded Places	Lump Sum Top-Up / Place	Total Lump Sum
School A	140	£1,952.04	£273,286
School B	64	£4,078.90	£273,286
If increase places & don't reduce top up:			
School B	140	£4,078.90	£571,046
If increase places & reduce top up:			
School B	140	£1,952.04	£273,286

By not reducing the top up as numbers increase school B will receive significantly more funding when the schools reach the same size.

6.2 Minimum Funding Guarantee (MFG)

Under the school funding arrangements special schools are protected at a percentage of the previous year's total funding per pupil (currently 98.5%). Depending on the actual place changes which are determined, it is possible that some special schools total funding per pupil will reduce by more than the percentage permitted by the MFG as a result of the change in the lump sum element of the funding. To avoid the scenario described above, the Forum is asked to support an application for an MFG exception for any schools where the increase in place numbers reduce their total funding per pupil by more than the permitted level.

7 Conclusion

7.1 An update on the 2020-21 budget will be provided at the November Forum meeting. It will also take account of any further government funding announcements.

7.2 Forum is asked to agree the recommendations in section 3 of this paper.