
High Needs Place Funding & Recoupment of Empty High Needs Places

Purpose of Report

1. To outline the current process for funding additional High Needs places in Resource Bases (RB) and Enhanced Learning Provision (ELP) settings in mainstream schools and to propose changes in light of the new National Funding Formula (NFF) for High Needs.

Current Position – Funding of High Needs Places

2. For several years, High Needs has been funded using the ‘place plus’ system where place funding has been set at £10,000 and schools receive a ‘top up’ based upon the banding attributed to each individual pupil.
3. The Local Authority (LA) has agreed the number of planned places with each of the High Needs settings directly. Each institution is then funded for the number of High Needs planned places which is detailed on their respective funding certificate. The Education and Skills Funding Agency (ESFA) have allowed LA’s to vary the numbers of planned places on an annual basis, since the 2015-16 academic year. Wiltshire has taken the opportunity each year to revise the number of High Needs places agreed with each institution.
4. The number of High Needs places is currently deducted from the Number on Roll (NOR) figure for the school and therefore, the schools do not receive AWPU funding for each of the High Needs places. The table below sets out an example of the current methodology.

	Number	Value	Funding
Actual Number of Pupils on Roll	200		
Number of Resource Base / ELP places	15	£10,000	£150,000
Net number of AWPU’s funded	185	£3,000	£555,000
Total Funding			£705,000

Current Position – Funding of Additional High Needs Places and Recoupment

5. Schools Forum has worked to a principle of *‘the money following the child’*, for several years. Whilst the SEN team has endeavoured to ensure that the number of High Needs places correlates with the number of pupils attending individual settings, it is well recognised that variances will occur due to the ever-changing demand for High Needs places.
6. Where a setting accepts additional pupils, and exceeds the number of planned places, then the LA has funded the additional places at £10,000 per place, pro-rata’d at £833.33 per month, for the number of months where the number of planned places is exceeded.

7. Prior to 2015-16, there was a significant mis-match between the numbers of planned places in a setting and the number of pupils attending each setting. As a result, the LA was funding a number of additional places in some settings, whilst others were in receipt of funding for 'empty' places.
8. A system of recoupment was introduced in 2015-16 to compensate for this anomaly, enabling the LA to withhold top up funding from those schools with consistently empty High Needs places.
9. Recoupment is calculated as being the net value of the planned place funding of £10,000 less the appropriate AWPU for the Key Stages of pupils at the school. The rates would therefore vary between primary and secondary schools. For secondary schools, the average AWPU between Key Stage 3 and Key Stage 4 is used. The table below sets out the amounts which are recouped for empty places in 2017-18.

	KS 1 & 2	KS 3 & 4
Place Funding	10,000	10,000
AWPU	2,998	4,274
Amount Recouped	7,002	5,726

10. In calculating the recoupment values, the AWPU is deducted from the place funding, because the NOR is reduced for the school by the number of planned places. Therefore, the school is having its NOR funding reduced even if it does not have pupils attending its High Needs setting.

2018-19 Position – National Funding Formula

11. Following the proposals of the National Funding Formula (NFF), funding for High Needs places is changing. Places will be funded at the level of £6,000 per planned place. In addition, schools will receive an AWPU for all pupils on the school roll. No deduction will be made in respect of the number of planned places.
12. The ESFA have deemed that schools will receive the overall notional '£10,000' per planned place but that the funding will now comprise the place funding of £6,000, plus the AWPU plus the Prior Attainment and other formula factor funding for the pupil. Overall, the school should still receive the £10,000 per place however, this is not particularly transparent.

2018-19 Proposals for Funding Additional Places and Recoupment

13. The ESFA are moving to a system of only funding the LA at the rate of £6,000 per planned place and therefore this is the new default rate for High Needs settings. In meeting the ESFA's expectations and given the funding constraints within the High Needs Block, the LA would no longer be able to sustain the funding of additional pupils in excess of the agreed number of planned places at the £10,000 level.
14. The proposal for 2018-19 is that additional places will be funded at a rate of £6,000 per place and that recoupment will be based on a place value of £6,000

15. In Secondary schools, the general position is that pupils would move from within the mainstream element of the school into the ELP provision. Pupils do not generally move to another alternative secondary school, once they have been recognised as requiring ELP support. Therefore, the school will have received the initial AWPU for the pupil and if the school moves to exceed its number of High Needs places, then it is entirely consistent that the school would receive an extra place funding of £6,000.
 16. In Primary schools the position is slightly different. SEN colleagues have confirmed that in most instances pupils move from their existing school to a new school with a RB. To remain consistent with ESFA funding, if a primary school RB exceeds its planned number of places, it is proposed that the extra place would be funded at £6,000 per place from the high needs budget.
 17. Schools Forum is asked to note the content of the report and confirm its support for the funding of additional High Needs places to move to £6,000 per place, in line with the changes implemented by the National Funding Formula.
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