Wiltshire Council

Schools Forum
27th June 2013

Top Up Payments for Non-Wiltshire Pupils in Wiltshire Schools

Purpose of report

1.   To notify the group of issues relating to the payment of Named Pupil Allowances (NPAs) for out of county pupils in Wiltshire mainstream schools and to consider options for the resolution of this issue.

Main considerations

2.   Prior to 2012-13 schools were paid Named Pupil Allowances (NPAs) for the full value (hours) of a statement of SEN for non-Wiltshire pupils. This meant that schools were being funded more favourably for non-Wiltshire pupils than for Wiltshire pupils. For example a Wiltshire pupil with a statement of 20 hours would be funded with a NPA of 10 hours in a primary school in 2012-13, whereas the school would receive funding for 20 hours if that pupil were a non-Wiltshire pupil.

3.   Through the system of inter-authority recoupment the full amount was recouped from the placing Local Authority.

4.   This anomaly was recognised and raised at Schools Forum in March 2012. At that meeting it was agreed that schools should be funded consistently for all pupils with special needs. Because of the impact on schools of ceasing to pay the full hours for existing pupils, it was agreed that from 2012-13 the existing cohort of pupils would continue to be funded in that way but that new pupils would be funded according to the Wiltshire methodology.

5.   In 2013-14 School Funding Reform has required LAs to make changes to the way in which pupils with special educational needs are funded. The changes make it more difficult for differential funding methodologies to be applied to different groups of pupils.

6.   For pupils in mainstream schools (and not in Resource Bases), in addition to the AWPU all schools are now required to meet the first £6,000 of provision for additional needs of pupils. In Wiltshire this has led to further delegation of SEN funding to primary schools so that the first 15 hours (as defined in Wiltshire statements) can be met from the school budget. The first £6,000 for high needs pupils is delegated according to a formula and so is not based on individual pupils but on the overall population of the school.

7.   From April 2013 NPAs are paid as top up funding for statements over and above 15 hours for Wiltshire pupils.

8.   The new funding system has brought an element of consistency to the funding of SEN across all schools with the expectation that schools will meet the first £6,000 of additional needs for all pupils. Money has been delegated to schools to enable this to happen.

9.   Local Authorities will now be expecting only to pay the top up value over and above the first £6,000 in mainstream schools and would be likely to question any charge that is over and above agreed top up values. This may mean that it is likely to be difficult to recoup a higher figure from the placing authority.

10.   Inter-authority recoupment for SEN has ceased under the new school funding rules however Wiltshire Council, along with a number of other LAs in the region, has continued to offer this service to its schools. The purpose of this is to reduce the administrative and cashflow burden on schools who would otherwise need to carry out their own recoupment and negotiation of top up values. This means that payment for NPAs for non-Wiltshire pupils are still made along with payments for Wiltshire pupils and the Council is then recouping the NPA value from the placing authority.

11.   Regionally it has been agreed across the South West, and South East, that LAs will honour the top up rates for the LA making the provision, there is no agreement to fund higher top up costs and so any higher value would need to be the subject of individual negotiation.

12.   A summary of the impact on schools is provided at Appendix 1. The summary shows the NPAs paid in 2012-13 compared with the expected NPA for 2013-14 if pupils are funded only for the top up amount. In most cases schools would only have one or two pupils but there are a small number of schools for whom the impact is higher. This comparison does not take account of the additional delegation of SEN funding to primary schools from 10 to 15 hours.

Options for consideration

13.   There are a number of options for the current financial year:

- *Option A* – Wiltshire continues to operate a recoupment system and continues to fund the schools according to the previous agreement for existing non-Wiltshire pupils. This would mean schools will continue to be funded for the full value of a pupil's statement but the financial risk of not being able to recoup the amount from the placing LA is left within the central High Needs budget. Total potential risk £144,145.

- *Option B* – Wiltshire continues to operate a recoupment function and pays NPA top ups for all non-Wiltshire pupils on the same basis as Wiltshire pupils. The financial risk is then borne at individual school level.

- *Option C* - Wiltshire continues to operate a recoupment function and pays NPA top ups for all non-Wiltshire pupils on the same basis as Wiltshire pupils but with 50% transitional funding (for one year only) to schools for whom the impact is greater than, for example, 1% of budget. Financial risk is shared between individual schools and the central High Needs budget.

- *Option D* – Wiltshire ceases to operate a recoupment function for non-Wiltshire pupils in mainstream provision and schools negotiate top up rates directly with the placing authority. Financial risk or benefit is borne at individual school level as is the task of recouping the top up from the placing LA

14.   These options have been considered by the SEN Working Group and the Group recommended that Option C be implemented, with 50% transitional funding to be paid from the High Needs Block for one year only to schools where the impact is greater than 1% of budget.

Proposal

15.   That Schools Forum agree which option should be implemented in 2013-14.

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Appendices:

Appendix 1 – Summary of Mainstream Recoupment NPAs by school