

SEN Formula Review – Primary Phase Delegation

Purpose of the paper

1. To provide Schools' Forum members with information about the engagement of schools in considering the Special Educational Needs (SEN) Formula for primary phase schools, and to outline possible adjustments to both the total sum to be delegated and the distribution formula.

Background

2. The current SEN funding arrangements for primary schools date from 1999. Primary schools make provision for pupils at School Action and School Action Plus equivalent to up to 5 hours named pupil allowance, which may be shared provision, and fund the first 5 hours of provision for pupils with statements of SEN. Resources to cover the first five hours of statements for pupils with hearing impairment, visual impairment or physical impairment were not delegated and these are currently fully funded by the Local Authority (LA). The current delegation formula is made up of an AWPU element, a flat rate element, the numbers on the SEN register and KS1 SATs results. Additional funding for individual pupils is also allocated to schools for short term behaviour and speech and language needs, and some hearing, visual and physical needs.
3. In 2005 the LA engaged with all schools to consider revision to the arrangements for SEN resources. A two stage consultation process was employed. The first stage, responded to by 82 schools, showed strong support for the principle of increased delegation. However significant concerns were raised about the overall level of resources available for delegation to primary phase schools. In December 2005 the Delegation Reference Group decided that it was not possible to proceed with the second stage of consultation, including increased primary phase delegation, until there had been further consideration of the formula to be used and other sources of funding retained by the LA.
4. In the recent SEN Consultation, February 2010, views were sought about whether the funding of SEN provision in mainstream schools should be considered again. There was strong support for doing this, only four of the 101 school responders disagreed.
5. Through links with Primary Heads' Forum school representatives were identified to meet with LA finance and SEN personnel. At meetings held in June, July and September 2010 this group has considered different aspects of SEN funding. Considerations have focussed upon the formula to be used and SEN funds currently retained by the LA.

Review of SEN Formula

6. The group considering aspects of SEN funding in the primary phase has agreed a number of proposals for consideration by Schools' Forum.

Proposals relating to the funds to be included:

- i. The funding currently delegated, equivalent to up to 5 hours of NPA, should be included within the total funds to be distributed across schools using whatever the new agreed formula is.

- ii. NPAs for all types of need should be included within the total funds to be distributed across schools. This would include the NPAs currently available to pupils at School Action Plus for hearing, visual, physical, speech and language and behavioural needs.
- iii. The funding allocated to pupils in the reception year as an outcome of the Transition in School Support Meetings (TISSM) should be included within the total funds to be delegated across schools by formula.
- iv. The new funding model for primary phase schools should increase delegation by a further 5 hours. This would increase the level delegated to up to the equivalent of 10 hours NPA, including the first 10 hours of provision set out in statements. (The group making these proposals also considered delegation of a further 10, rather than 5, hours to increase the level to 15 hours, which would be in line with secondary schools. However it was agreed that this would be too large a change to implement in one stage and carried a higher level of risk for small schools.)
- v. The notional SEN element within schools' budgets since 1990 should be made explicit as part of the SEN funding received by each school. This is already within AWPU funding. It should be calculated by the LA and confirmed with a sample of schools.

Proposals relating to the formula used to distribute the funds:

- vi. The funding should be allocated on the basis of prior attainment averaged over the previous three years and latest social deprivation information. Two prior attainment measures should be used. Firstly the Foundation Stage Profile, pupils not achieving at least 78 points and 6+ in all PSE and CLL. Secondly, moderated teacher assessment at the end of KS1, pupils scoring 2C and below in writing. (The group drawn together to make proposals also considered including KS1 maths results along with writing. However the inclusion of maths did not make a significant difference to the distribution of resources.)
- vii. The social deprivation measure should be derived using the Experian Mosaic postcode level data and relate to the number of pupils in each school within the lowest quartile nationally for wealth/poverty factors.
- viii. The weighting of the prior attainment and social deprivation should be 75% on attainment and 25% on social deprivation. This balance is being recommended following consideration of the effect of using a wide range of different weightings, 50% attainment and 50% social deprivation, see tables in Appendices 1 and 1a. Schools are listed in the tables in order of the percentage of each school's population within the lowest quartile nationally for wealth/poverty factors.
- ix. A small Age Weighted Pupil Unit (AWPU) element should be included to reflect the relative size of schools, after consideration of different values £29 per pupil is recommended.
- x. A small flat rate should be included, the recommendation is £2201 which is equivalent to an NPA of 5 hours.
- xi. A mechanism to protect schools with a high percentage of statements should be included. It is recommended that schools should receive direct funding that covers the first 10 hours of NPA for any pupil with a statement over the number equivalent to 3.5% of the school's total population. This protection for a small number of schools with a disproportionate number of statements mitigates significant losses for those with a very high proportion of high level need pupils. Using September 2010 data five schools

would receive additional funding at a total cost of £17,300 with the amount for individual schools ranging from £264 to £10, 873.

7. The total funding potentially available for distribution is £2,750,592. This comprises: the funds currently delegated; the funding for above 5 hours of NPA up to the 10 hours level for all statements; the NPAs up to 10 hours currently allocated for hearing, visual, physical, speech and language, and behaviour needs; and an additional £700k from centrally retained budgets including TISSM funding and the Independent Special Schools budget. It is important to note that the final amount of additional funding is dependent upon the overall DSG settlement. The SEN and Social Deprivation Working Group wishes to recommend to Schools' Forum that SEN should not be disproportionately affected by any reduction in DSG.
8. Adjusting the SEN funding formula results in some schools having increased resources whilst a smaller number of schools would receive a lower level of funding. This is the case, even with the addition of the £700k from centrally retained budgets, because a proportion of the money that it is proposed should be allocated through the new formula is currently allocated in a variety of different ways to individual schools. All the current funding arrangements have been taken into account in the calculation of how the proposed new funding arrangements would affect individual schools' budgets. See Appendices 1 and 1a.
9. The group proposes a transitional protection factor at 50% of any reduction in SEN funding above 1% of a school's total budget for 2011-12 financial year. The cost of this and number of schools affected changes according the proportions of attainment and social deprivation used. Using 75% attainment and 25% social deprivation this one off payment would apply to 4 schools at a total cost of £23k, if using 50% attainment and social deprivation it would apply to 5 schools and cost £27k. See Appendices 1 and 1a.

For consideration

10. Members of the Schools' Forum are asked to consider the recommendations of the working group for funding SEN in primary phase schools for implementation from April 2011.