Enc 5 - Appendix B - SEN Spend proforma and predictable needs funding

PREDICTABLE NEEDS FUNDING:

1. Brief summary:

PREDICTABLE NEEDS funding is provided for Sutton schools to support Sutton students who can access mainstream with support and whose needs are predictable ie ordinarily found within the mainstream population. Those with existing EHCs where HN (High Need) funding is below £10k are counted as such until moderation or other exercise indicates otherwise. Predictable needs funding for schools is made up of:

- Those monies attached to EHC children with predictable needs (ie below £10k additional funding)
- Additional funds of £400k - £500k to support schools to respond and meet predictable needs without the need to apply for an EHC (agreed by Schools Forum in February 2020).

This money will be distributed through the PREDICTABLE NEEDS formula. For 2021, each school will get more than the monies needed to support Sutton EHC children with predictable needs; this allows planning and use of the resource to meet need for those that otherwise could only access support through an EHC application.

NB Those with exceptional needs (specialist level provision or level of need not ordinarily found within the mainstream population) are funded separately as is currently the case at an individual level. For existing EHCS, these are those with HN funding of above £10k (so £16k in total). For those moderated as exceptional needs without an EHC, funding should be sought on an individual level and through application for an EHC.

2. PREDICTABLE NEEDS FUNDING – how it works

It is agreed that:

- additional monies will go into Sutton mainstream to help with predictable needs funding for Sutton children for the next two years and to help transition to new approach (£400k - £500K)
- EHC monies paid by the LA for predictable need EHCs is part of predictable needs funding
- the additional funding will be split unequally between phases to reflect current predictable need Sutton EHC spend
- where the Notional SEN funds the first £6k of EHCs more than <u>double</u> the proportion of the average in the phase, that extra funding be provided to cap it at <u>double </u>the average. Monies from the additional funding will be used before the factors below are applied. The factor of 2 (double) is used in 2021, but will be reviewed each year.

2.1   FACTORS TAKEN INTO ACCOUNT IN DISTRIBUTING THE REMAINING PREDICTABLE NEEDS FUNDING:

It is confirmed that the formula used to distribute the overall predictable needs monies will that will apply will draw on the following factors as key drivers for the funding each school receives:

- Numbers of Sutton children (using the October Census information) ignoring post 16
- Notional SEN share received by the school through its funding as at October Census
- Weighting for numbers on roll (Sutton children) compared to Notional SEN share (whole school) at 75% : 25%.
- The school weighting factor

2.2   SCHOOL WEIGHTING FACTOR:

There is a school weighting factor. In the first year, this will be set to ensure that all schools receive funding to cover the HN costs of predictable needs EHCS plus (primary only) at least £3k above this. NB Where schools indicate that they do not need additional predictable needs funding, then the factor for additional predictable needs funding will be set at 0.

2.3   SEN SPEND

Schools will be asked to indicate how they spend their SEN income. SEN Income is made up of:

- Notional SEN funding
- High Needs funding from Local Authorities eg for EHCs (including the predictable needs funding described above) IGNORING OPPORTUNITY BASE FUNDING

Schools will be provided with a proforma (23 September 2020) to record hours of support and other costs and be asked to complete a declaration. This needs to be returned by 18th October 2020. The SEN SPEND return will be used to:

- provide an accountability structure that is critical to the success of the SEN funding model
- equip SENCOs for conversations with HTs/Governors and parents/carers
- share SEN Spend across the LA and/or in clusters to help transparency and the sharing of best practice
- support a consistent approach to the equitable use of funding and to support moderation of eg universal versus targeted versus specialist support
- help put early SEN support into place, without diverting resources to the EHC process
- make explicit how we use the Notional SEN and High Need funding in mainstream schools
- manage and understand SEN Spend across all areas of provision and thus plan strategically for the future

SEN Spend will be collected and used in future years to adjust individual school weightings so that schools who are not utilising their SEN Spending will not qualify for additional funding. However, the following transition arrangements are put into place:

- if a school underspent on Notional SEN in 1920 AND is committing to addressing this in 2021, then their school weighting will not be adjusted downwards – ie a year of transition to resolve Notional SEN spend for relevant purposes
- All those that meet the requirements of confirming the full SEN SPEND commitment would have a share of the additional funding in Year 1

2.4 FUNDING PAYMENTS:

The principle of a set budget for exceptional and predictable needs in mainstream for a given year is confirmed. Predictable needs allocation for an individual school will be set for the year based on the formula, and there are not in –year changes (unless exceptional circumstances when eg EHC septuplets move into a one form primary school)

Payment will be in three tranches in the academic year, once per term.

3 AFTER 2021

- Build in Moderated and agreed HN students into calculations (ie those that require additional support beyond £6k but do not have an EHC)
- Adjust school weightings to take into account Predictable HN and Predictable EHC costs

4 Annual Review:

1. Decide any review in factor for numbers vs notional Sen weighting (ELG or Strategy Group)
2. Decide any adjustment in total budget for secondary versus primary (LA to consult relevant bodies eg ELG, School Forum etc)
3. Decide the level of "exceptionally high predictable" EHC/HN numbers factor (currently 2)
4. Decide whether to introduce a lower weighting where low HN compared to average as more resources available to use within that school for Early help
5. Decide the model of distribution ie school level weightings to apply
6. Review costings to take into account any pay increase that applied at October in the year passed

EXTRA FUNDING: RATIONALE

1. Without providing additional funds, schools will be expected to find the additional predictable needs costs for those students that in the past would have accessed resources through the EHC process.
2. Providing additional funding helps the transition process to the new model.
3. Putting in more money is a risk BUT it enables schools to start to think more holistically about the use of SEN funding, rather than slicing income into support for individuals (which by definition can be non-efficient)
4. Having a more consistent sum of money supports schools to plan over time for support structures for predictable needs. It also means that support can be provided promptly and without the need for the EHC process, to the benefit of all parties.
5. Confirmed sum of £400k as additional resource for mainstream schools for the next two years; may increase further.

PREDICTABLE NEEDS FUNDING:

6. We currently have many EHCs for Sutton residents in Sutton schools with individual resource allocations. We can not ignore this in the transition to any new arrangement. As a rough rule of thumb (as a starting point) we need to split current EHC monies into two pools:
   - Monies attached to EHCs for predictable needs
   - Monies attached to EHCs for exceptional needs.

   The first pool is the pool we want to incorporate into our new whole school formula. The second pool would remain on a per pupil basis coming into schools.

   In practice, there may be children with predictable needs whose resources allocation would be more in line with exceptional needs. Trying to moderate this is difficult and not helpful at this stage. Overtime, this can be addressed through the correct moderation processes but we need to start somewhere.

   As a starting point, those with over £10k additional monies (ie resource costs of £16k in total) will be omitted and seen as exceptional. This is for the following reasons:

   - This is a relatively high level. £16k would provide eg 23 hours of 1-1 LSA support or full-time shared LSA support (eg with another student) and time for other input eg therapies, interventions, mentoring etc. It seems a reasonable level for the start of exceptional needs
   - This level splits the existing pool into £1041k and £438k for predictable and exceptional needs, meaning funding split of 70% predictable and 30% exceptional.
   - In terms of numbers, this is 87% of current EHCs counted as predictable, and 13% as exceptional; there are a large number of EHCs with minimal additional funding (approx. a third have less than £4k additional funding)
   - Overtime, improved moderation may mean that there are savings in the exceptional needs budget that can be diverted into predictable needs. A target balance may be 80% for predictable.

   HOW TO DISTRIBUTE THE PREDICTABLE NEEDS FUNDING?

7. Trying to do this at individual pupil level through moderation and clusters is impractical. There are too many students for regular review in any meaningful way. A whole school formula would use agreed factors, and (provided it has flexibility built in for anomalies and exceptional circumstances) would be a valid mechanism.

   MODEL FOR DISTRIBUTION:

8. The model agreed has the following factors:
   - Numbers in the school (adjusted to take into account Sutton student proportion as agreed)
   - Notional SEN monies (adjusted to take into account Sutton student proportion as agreed)

- Weighting factor for individual schools that is used to increase (or decrease) the number factor or the Notional SEN monies factor. The default position would be 1.
- Factor weighting – which decides what proportion of the monies should be distributed against the adjusted Number factor, and what proportion of the monies should be distributed against the adjusted Notional SEN monies.

9. The model distributes monies in proportion within phases using EHC current spend rather than across schools regardless of phase.

10. The model takes into account exceptionally high predictable needs numbers in a school, and backfills lost Notional SEN where a very high proportion of Notional SEN used to support these specific students.

A   Sutton Resident weighting:

Any formula for predictable needs funding must target Sutton residents in Sutton schools as agreed. This is a weighting eg 1 for where 100% of students count; 0.5 for where 50% count). This means:

- we don't fund support beyond the Notional SEN for those where HN funding rests with another Borough
- we fund at pupil level Sutton children who are in OLA schools ie no predictable needs whole school funding model applies to OLA (unless similar system used and implemented cross-border)

B   Weighting factor for individual schools:

11. In an ideal world, the distribution would be so perfect that this would be 1 for all schools. In practice, there are the following issues that will need some adjustment for exceptional cases. These issues include:

- Notional SEN monies are significantly underused and no need and/or plans to increase spending. No case for additional predictable needs funding should be made. (Weighting at 0)

- Notional SEN monies are fully utilised but that numbers of predictable needs HN students are much lower than would be expected. (Weighting between 0 and 1?)

- Levels of HN students in a particular school that are high compared to average distribution, thus reducing Notional SEN "left" for spend on non-HN students, thus impacting upon SEN provision compared to other "average" schools. (Weighting above 1)

In the shorter term, we also have existing EHC commitments for predictable HN students. It would seem difficult to implement a new whole school predictable needs funding model where these additional monies were below the current EHC income for any one school. However, in the longer term, the level of demand by HN students needs to be taken into account in distributing funding.

C   Weighting Factor for School Numbers (Sutton residents) against Notional SEN

12. The model presented shows 75% of additional HN funding for predictable needs to be linked with adjusted numbers, and 25% for adjusted Notional SEN funding. This figure of 0.75 is currently agreed but can be reviewed.   This figure was chosen because:
- Currently, the NFF is roughly 75% basic entitlement (numbers) and 25% other factors (deprivation, prior attainment, mobility, EAL, etc, and lump sum)
- Nationally, Notional SEN is set at a level that is approximately 11% of the NFF
- Currently, difficult to argue that the Notional SEN accurately matches the number of HN predictable needs students (though this may change as time goes on) (ie should not set factor for numbers at 0 and put 100% of funding into Notional SEN shares)

- Currently, difficult to justify that an argument which says that numbers of HN predictable students are only proportional to numbers (ie should not set numbers factor at 1 and ignore school profile as measured by Notional SEN)