**Enclosure 8**

**Additional High Needs Funding for Schools with high proportions of EHC Plans**

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<tr>
<th>Fiona Phelps</th>
<th>Chair of Schools Forum Brenda Morley MBE</th>
<th>18 June 2019</th>
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<td>AD Education and SEND</td>
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**Background**

1. Since 2014, under the local formula, schools have received an additional £1500 per pupil for schools that have above average numbers of pupils with Education, Health and Care plans (average taken here to mean average in Sutton rather than a national average). This is both for primary and secondary schools where for secondary the average relates only to non-selective schools.

2. The funding for 2019/20 is £93k - £63k in primary sector and £30k in secondary sector. 16 primary and 2 secondary schools will receive additional funding ranging from a minimum allocation of £1.5k and maximum allocation of £18k. The funding in 2018/19 was £91.5k.

3. The High Needs National Funding Formula and National Funding Formula doesn’t anticipate this type of funding mechanism and in line with our approach to move toward the NFF we believe this funding arrangement should cease. In addition there is a further rationale for ceasing this funding arrangement.
   - Whilst there is some logic to there being an additional cost for schools supporting, on average, a higher number of young people with additional needs, schools receive funding for these pupils through the agreement of the Education Health and Care Plan. The more EHC plans there are the more funding that is attracted. We are of the view that the case for this funding is weaker than it perhaps was when this funding was originally agreed.
   - The High Needs Block review has recommended redesigning the funding model in Sutton such that there is greater investment at the SEN support level - based on the feedback from the HNBR review sessions throughout April / May this principle is something that schools have generally been in favour of: this funding could therefore be redirected for this purpose. It would also help to reduce the reliance on the Schools Block to cover overspends in the High Needs Block given that 0.5% has been transferred in successive years.

4. Officers recognise that this is something that would ideally have been discussed as part of the December or February Forum meetings when setting the 2019/20 DSG budgets, nevertheless the funding for this year has only been allocated on a monthly basis (3 months funding so far) so it would be possible to cease this funding with a partial year effect. There are four broad options available.
A. Cease the additional funding immediately and move the money back into the High Needs Block for this financial year (2019/20) to provide additional support at SEN support level (as yet undefined)

B. Cease the additional funding part way through this year (say from September 2019) and move the remaining money back into the High Needs Block to provide additional support at SEN support level (as yet undefined)

C. Continue the funding for this financial year (2019/20) and cease the funding next year (2020/21)

D. Make no changes

5. The Local Authority would be minded to take option A but would like to hear the views of Schools Forum before a final decision is made.