



**Agenda Item
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Report Status

For information/note
For consultation & views
For decision

Report to Haringey Schools Forum – date 13.7.2017

Report Title: Schools forum Update High Needs Block – SEN contingency funding

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Purpose: Decision on usage of the SEN contingency

Recommendations:

That the forum agree to a ratio of 40% usage of a schools SEN funding before SEN Contingency payments are made

That the forum agree to pay SEN contingency payments for the period April 2017- July 2017 at 40% of 500K

That the forum agree to pay SEN contingency payments for the period Sept 2017- March 2018 at 40% of 400K, should the school funding formula be implemented

1. Background

1.0 SEN Funding

Schools receive funding to support children with SEN from a three elements.

Element 1. The basic cost of educating any pupil, regardless of special or additional educational need, national notional average £4,000.

Element 2. Funding to be found from within a school's delegated budget share for the cost of educating a pupil with **additional** needs; maximum expected contribution is £6,000. Element 2 is not a specific funding factor, but the Notional SEN Budget gives a **notional** value. This comes from within the schools overall budget.

Element 3. Centrally retained funding allocated for high needs pupils whose additional costs exceed £6,000 from the high needs block.

If a child goes onto require an education health and care plan, the first £6,000 of funding within the child's education health or care plan is drawn from a schools notional SEN funding or element 2, and the element 3 funding is provided from the high needs block.

2.0 Purpose of the SEN Contingency Funding

The purpose of the SEN contingency of £500K in the high needs block, is to reduce the financial load on schools who have disproportionate numbers of children compared to their levels of deprivation funding. Schools with proportionately larger number of children with Educational Health and Care (EHC) plans within smaller schools, or schools with overall higher volumes of children with EHC's, draw more heavily on a schools notional SEN funding to provide the first £6,000 of the funding within a child's Education Health and Care plan. As a result, this can limit the amount of funding that can be ascribed to support children who may require only short term or lower level support.

2.1. Usage of the contingency

Historically the contingency has been paid out to schools using a deviation ratio of 20% e.g. the assumption that once 20% of the schools notional SEN funding has been used the school will receive some form of payment. This resulted in more than 60 of the boroughs 72 schools receiving money, however the amounts were low in the main, the majority receiving less than £1,500, with many receiving just a few pounds.

2.2. Proposed changes to the contingency

The contingency was re-modelled using the different deviation variables of 20% (original), 30%, 40% and 50% as thresholds, with a range of budget from £500K to £200K used for the contingency. Through the modelling it became apparent that the levels of 20% and 30% still gave to grea a spread of payment, with amounts of limited use to schools. The clearest distribution was available with 40%, e.g. when 40% of the schools notional SEN funding was being used on funding the first £6,000 of children's EHC's. this appeared to give the clearest threshold for those schools with highest volumes but lowest deprivation levels.

3.0 Amount of SEN Contingency

Due to the pressures on the high needs block at this stage, the original proposal was to reduce the amount of contingency available, and therefore reduce the over spend. This proposal comes at the same time as a number of local and national changes including:

- The move to a more fully traded model for the educational psychology team
- The implementation of the national funding formula in April 2018

It is proposed that the amount of the SEN contingency remains at £500K from April 2017 to September 2017 and is delivered through the new deviation ratio of 40% (see appendix 1). The proposal is that the SEN contingency is then reduced by £100K in September 2017 and the £400K is distributed though the 40% deviation ration taking into consideration the EHC pupil numbers of the new academic year.

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