

SCHOOLS FORUM

Meeting date: 11th March 2021

**From: Daniel Barton
Assistant Director – Education & Skills**

HIGH NEEDS CONSULTATION

1.0 EXECUTIVE SUMMARY

- 1.1** *This report sets out the proposed changes within the High Needs funding consultation.*

2.0 STRATEGIC PLANNING AND EQUALITY IMPLICATIONS

- 2.1** Ensuring that Cumbrian schools are funded appropriately is supportive of the Council Plan outcome that ‘People in Cumbria are healthy and safe’.

3.0 RECOMMENDATION

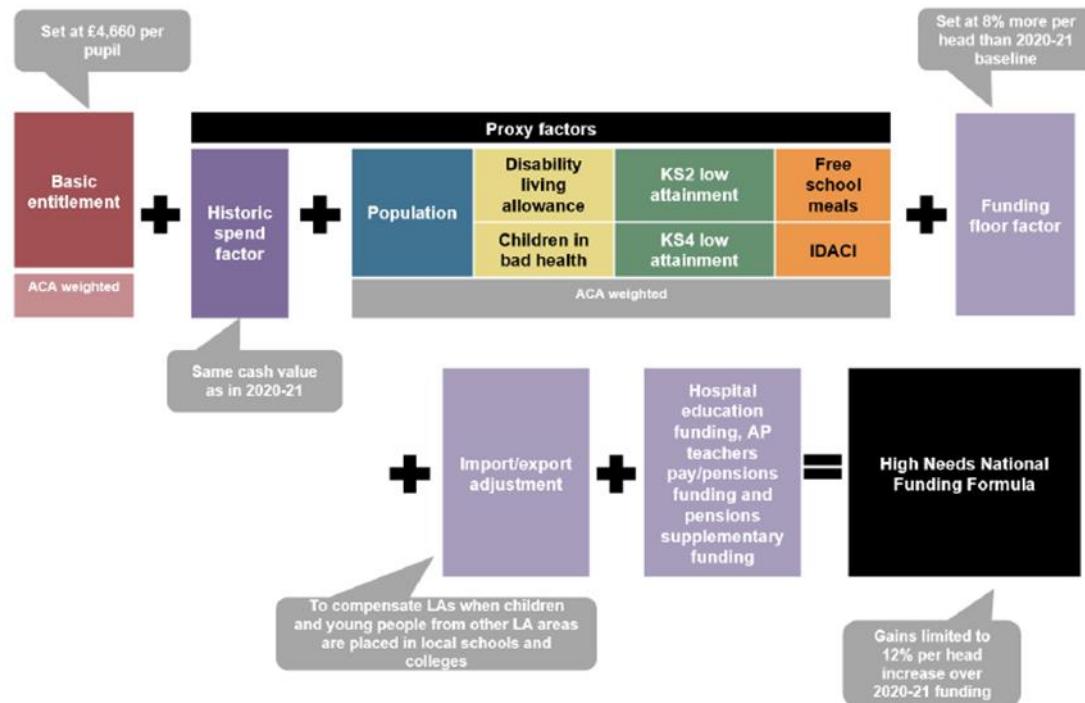
- 3.1** The Schools Forum are recommended to note this paper and are encouraged to respond to the consultation by the deadline of 24 March 2021.

4.0 BACKGROUND

- 4.1** The DfE launched a consultation on High Needs block funding on 11 February 2021. The consultation closes on 24 March 2021 and any changes resulting from the consultation will affect 2022/23 High Needs allocations.

- 4.2** Since 2018/19 a national Funding Formula (NFF) has been used to allocate High Needs block funding to individual local authorities. Allocations for 2021/22 are based on the formula shown in the diagram below and explained in more detail in Appendix 1.

Diagram 1: High Needs Block Funding Formula



5.0 CONSULTATION PROPOSALS

- 5.1 The consultation is about the method of allocation, not the overall level of funding and is looking at just 2 of the factors used in the current High Needs NFF: historic spend and attainment factors. The full formula will not be reviewed until after the publication of the SEND review report due in Spring 2021. Consultation questions are included at Appendix 2.
- 5.2 The historic spend factor is currently based on 50% of a local authority's high needs planned spending for 2017/18 and has been maintained at the same cash value since 2018/19. Increases elsewhere in the formula to High Needs block allocations have reduced this factor to 34% of total High Needs allocation in 2021/22.
- 5.3 The DfE consider this factor to be the main proxy used to reflect local demand and supply constraints which can affect local authorities' levels of spending on high needs. DfE considers that the proposed changes will better reflect local factors that drive the costs of provision locally and which take time to change.
- 5.4 The proposal is to use actual 2017/18 expenditure on high needs as it is considered this is a better representation of past spending levels than the planned spending amounts previously used in the formula. DfE do not propose updating the factor on a regular basis as this is considered to be an incentive on local authorities to spend more in order to attract more funding in future.

- 5.5** The consultation proposes to amend this factor by basing it on actual spend in 2017/18. The impact of this for Cumbria, excluding other factors in the formula and the impact of funding floor protection and caps on gains, would be a reduction in the historic spend allocation of £1.024m if this were applied to 2021/22 allocations.
- 5.6** The consultation also asks whether this amended factor should be increased within the formula so that it accounts for more than 50%.
- 5.7** Within the current formula are 2 attainment factors based on KS2 and KS4 low prior attainment over the past 5 years. Due to COVID19 there were no KS2 tests or GCSE exams in 2020 and therefore the proposal is that rather than using older 2015 – 2019 data, the 5 year data sequence starts in 2016 and data for 2019 is used twice. Given the ongoing disruption in 2021, a similar approach may be needed for the 2023/24 funding formula.
- 5.8** The consultation also asks whether any other proxy actors should be used, or existing factors replaced.
- 5.9** It is not possible to model the potential implications of the consultation proposals for Cumbria as not all factors will be affected and the overall funding floor mechanism and cap on gains will also impact on final allocations.

6.0 OPTIONS

- 6.1** Schools Forum is asked to note the report and consider any issues they consider are pertinent to the response.

7.0 RESOURCE AND VALUE FOR MONEY IMPLICATIONS

- 7.1** Resource and value for money implications are considered throughout this paper.

8.0 CONCLUSION

- 8.1** The Schools Forum are asked to note this paper.

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