

<b>MEETING:</b>	<b>SCHOOLS FORUM</b>
<b>MEETING DATE:</b>	<b>4 APRIL 2014</b>
<b>TITLE OF REPORT:</b>	<b>HIGH NEEDS TARIFF PROPOSALS</b>
<b>REPORT BY:</b>	<b>SCHOOL FINANCE MANAGER</b>

## **Classification**

Open

## **Key Decision**

This is not an executive decision.

## **Wards Affected**

County-wide.

## **Purpose**

To defer implementation of the new High Needs Tariff until September 2014 to allow minor adjustments to the proposals, as identified by the independent review, to be finalised and agreed with the Development Top-Up Group to ensure successful implementation in schools and FE providers.

## **Recommendation(s)**

**THAT:**

- (i) The implementation of the new High Needs Tariff proposals be deferred to 1<sup>st</sup> September 2014 to allow the Top-Up Tariff Development group to finalise the outstanding details; and**
  
- (ii) The recommendations from the independent expert review of the proposals be accepted as follows;**
  - Further independent moderation at Barrs Court school so that the school assessment for all pupils are reviewed;**
  
  - School assessment at the other special schools be accepted as the moderation confirmed their accuracy; and**
  
  - Peer moderation to be adopted from the Special Schools from September 2014;**

- **The Behaviour, Emotional and Social Difficulties (BESD) weighting be increased from 3 to 4 – due to the additional provision that needs to be made because of the presenting difficulties and the impact on other children;**
- **Specific Learning Difficulties (SpLD) factor – the Cognition and Learning category be capped to a maximum number of points (16 points but subject to confirmation) to avoid double counting the weightings/funding in Severe Learning Difficulties/Profound and Multiple Learning Difficulties special school provision; and**
- **To undertake further work for all special schools and particularly for Westfield so that the implications of the Minimum Funding Guarantee are clearly understood and appropriate for schools with a budget shortfall.**

(iii) **confirmation of the final proposals be agreed by Schools Forum in July 2014.**

## **Alternative Options**

- 1 The proposals were well supported by schools as part of the autumn budget consultation. Alternatives could have been developed at that stage but were not required. Options now need only to relate to adjustments to the detailed weightings and are more related to successful implementation.

## **Reasons for Recommendations**

- 2 To defer implementation of the new High Needs Tariff until September 2014 to allow minor adjustments to the proposals, as identified by the independent review, to be finalised and agreed with the Development Top-Up Group to ensure successful implementation in schools and FE providers.

## **Key Considerations**

- 3 The autumn budget consultation with schools included proposals for the introduction of a High Needs Funding Tariff from April 2014 to provide consistency in meeting pupil and student needs across mainstream, special schools and FE providers. The proposals are designed to ensure that pupils and students with the same level of need will receive the same level of top-up funding irrespective of the choice of provision. The DfE has standardised funding arrangements nationally to encourage the development of high quality and innovative provision, to improve transparency and to empower young people and their families and to increase choice.
- 4 The new funding tariff provides a graduated assessment of individual need which will be consistent across all schools and FE providers. The current high needs Banded Funding system in mainstream and special school standard and enhanced funding categories will be replaced by the High Needs Funding Tariff whereby an individual's needs will be split into an arrangement of six separate tariffs (A-F) with top-up funding ranging from £1,350 to £16,000 in addition to the funding delegated directly to the provider.

Subject to final confirmation with Schools Forum in July, the proposed tariff will be

Tariff	£
A	1,350
B	3,500
C	5,500
D	8,500
E	12,000
F	16,000

- 5 The proposals for the High Need Tariff were well received in the autumn consultation and further detailed steps towards implementation has been taken by the Top-Up Tariff Development Group which meets regularly and comprises representative headteachers, SENCOs, Local Authority SEN and finance Officers and FE providers. The most important step has been to arrange the independent moderation of the tariff proposals and the initial pupil assessments by experienced (and out of county) ex-special school Headteachers now practicing as registered Ofsted inspectors and School Improvement Partners. Their advice will provide a useful comparison with similar schemes in other counties.
- 6 The independent report is set out as Appendix 1 and is summarised as follows;
- The SEN Matrix is useful and user-friendly instrument to provide a broad brushstroke picture of individual pupils' needs.
  - Special Schools to collaborate to provide 'in-house' moderation to allow direct comparison and sharing of expertise.
  - In moderating, observation should be used alongside the paperwork.
  - In terms of wording some attention should be paid to frequency – certainly "persistently" could usefully replace "regularly" at Level 4. Possibly "often within a typical week" might replace "often" at Level 2 and "often within a typical day" might replace "frequently" at level 3.
  - The weightings do not appear to recognize the provision required for BESD and recommendation is to increase the BESD weighting from 3 to 4.
  - Consideration should be given to either using the 'Specific Learning Difficulties' column for only mainstream schools or for mainstream and the BESD special school only and not other special schools.
  - It was felt that the usefulness of the Autistic Spectrum Disorder ('ASD') column was debateable.
- 7 The Development Group discussed in detail whether the ASD should be a separate column or not. It was noted that the ASD weighting/column is included as it is part of the SEN Code of Practice. The group considered that the way pupils present is key (rather than the diagnosis) and that this presentation is already represented in the learning and social behavior columns potentially resulting in these needs being scored twice. It was agreed by the group to keep the ASD column to ensure that it is

representative of the SEN Code of Practice but to consider again as part of the implementation review in 2015.

8 The financial implications of the independent report have been assessed as follows;

School	Average top-up payment February 2014	Average top-up at new tariffs-school assessments	Total Increase /(decrease) in Spend	Impact of adjusting BESD weighting to x4	Impact of moderation on all pupils	Revised Increase/ (decrease) in spend
	£	£	£'000	£'000	£'000	£'000
Westfield	£11,611	£9,051	(106)	(46)		(152)
Barrs Court	£8,298	£11,397	+322	(91)	(200)	+31
Blackmarston	£11,195	£12,417	+84	(78)		+6
Brookfield	£8,438	£6,400	(135)	+110		(25)
Total			+165	(£105)	(200)	(140)

9 Taken as a whole the adoption of the suggested changes to the tariff proposals and the full moderation of all the pupils at Barrs Court school will ensure that future high needs total expenditure will be consistent with past total expenditure based on the previous different methodologies. Further discussions are planned with Westfield to ensure that the funding protection available through the Minimum Funding Guarantee will meet the school's needs and be affordable. It continues to be an option to apply to the DfE for an exemption from the MFG and propose an alternative protection scheme; this will be discussed with Westfield and the High Needs Top-up group. In particular, the tariff changes recommended to Schools Forum are as follows;

- Further independent moderation at Barrs Court school for all remaining pupils
- School assessment at the other special schools is accepted as the moderation confirmed their accuracy.
- Peer moderation to be adopted from the Special Schools from September 2014.
- The BESD weighting be increased from 3 to 4 – due to the additional provision that needs to be made because of the presenting difficulties and the impact on other children.

- SpLD factor — the Cognition and Learning category be capped to a maximum number of points (16 points but subject to confirmation) to avoid double counting the weightings/funding in SLD/PMLD special school provision
  - To undertake further work for all special schools and particularly for Westfield so that the implications of the Minimum Funding Guarantee are clearly understood and appropriate for schools with a budget shortfall.
- 10 An appeal process regarding the funding of individual pupils will be set up as follows;
- a. Using High Needs Matrix, SEN Team determine initial allocation via Statutory Assessment
  - b. If school unhappy then discuss with SEN Team with details of changes to High Needs Matrix scoring and additional information as appropriate
  - c. If still unhappy then take school takes to a Panel of peers (as per Banded Funding approach)
  - d. If still unhappy then take to Head of Additional Needs
  - e. Process and individual discussion using High Needs Matrix as the basis for discussion
- 11 The existing high needs top-ups will continue for the Summer term 2014 with a view to implementing the new High Need Tariff Funding from September 2014. There will be a further meeting(s) of the Top-up tariff development group to finalise the outstanding details and agreement sought from Schools Forum in July 2014. It is proposed to undertake an implementation review from January 2015 and to report to Schools Forum in Summer 2015.

## Community Impact

- 12 At this stage, there is no significant community impact.

## Equality and Human Rights

- 13 The funding reforms are national so the DfE has responsibility for the equality impact assessment on a national basis for England as a whole. Regarding implementation in Herefordshire, the high needs tariff is relates only to Element 3 of the national High Needs Block:
- 14 Does the policy affect service users, employees or the wider community, and therefore potentially have an effect in terms of equality?**
- 15 The duty on schools to make the specific provision described in Part 3 of the child/young person's Statement of SEN remains and is not impacted by the change to the way that schools in Herefordshire are funded to make the provision for additional needs. So, while the assigned depending on individual need, it should not be prejudicial to the service users.
- 16 Is it a major policy, significantly affecting how functions are delivered?**
- 17 Given that the duties on schools to make provision is unaltered, this policy should not change how functions are delivered.

- 18 Will it have a significant effect on how other organisations operate?**
- 19 Overall funding to individual schools may change as a result of the new approach but there are protections in place (e.g. MFG) to ensure that organisations are not significantly adversely affected. Schools can appeal on an individual basis if the assessment is considered insufficient to meet the pupil's needs.
- 20 Does it relate to functions that previous involvement activities have identified as being important to particular protected groups?**
- 21 No

## **Financial Implications**

- 22 Adoption of the moderation report will ensure expenditure is consistent with current spend and further financial analysis will be reviewed by the Top-Up Development group to ensure consistent.

## **Legal Implications**

- 23 To be provided by Legal.

## **Risk Management**

- 24 Independent moderation of new High Needs Tariff proposals has not identified deficiencies in the proposals. The appeal process will provide second and further opportunities for review of individual pupil needs.

## **Consultees**

- 25 None

## **Appendices**

None

## **Background Papers**

None identified