

HIGH NEEDS FUNDING FORMULA AND OTHER REFORMS
Draft joint response of Herefordshire Council and Schools Forum

Question 1

Do you agree with our proposed principles for the funding system?

Response

Yes

- Herefordshire Is extremely pleased after many years of unfairness and campaigning in conjunction with the f40 group the government is tackling the long funding inequity and unfairness both between LAs and schools.
- Fairer Funding cannot come soon enough and that transition needs to be as short as practical
- Any formula funding for high needs is better than the current unfair frozen historic cost basis that leads to inequitable provision that no longer bears any relationship to current need and does not reflect future growth.
- Re the simplicity principle – if the formula is overly simple then it will not be sufficiently responsive to need.
- See comments in schools national funding formula response

Question 2

Do you agree that the majority of high needs funding should be distributed to local authorities rather than directly to schools and other institutions?

Response

Yes

- the high needs block of DSG funding being distributed direct to LAs rather than directly to schools and institutions.
- And that top up funding and matrix/banding systems will continue to be developed and managed locally by LAs.

Question 3

Do you agree that the high needs formula should be based on proxy measures of need, not the assessed needs of children and young people?

Response

Yes -agreed that the high needs formula should be based on proxy measures of need, not the assessed needs of children and young people. Using proxy measures reduces the likelihood of perverse incentives that may occur if funding were to follow assessment

Question 4

Do you agree with the basic factors proposed for a new high needs formula to distribute funding to local authorities?

Response

Yes but

- Agree with basic factors proposed but as with the national school funding proposals it

is difficult to comment on this without some idea of how these factors will be constructed, weighted and costed together with the operation of any MFG and any scaling for affordability will be crucial.

- It is essential that growing high needs population and increasing complexity of need are fairly funded as both contribute to high needs cost pressures.
- Re Health and disability – disability living allowance (DLA) is not always an accurate predictor of need

Question 5

We are not proposing to make any changes to the distribution of funding for hospital education, but welcome views as we continue working with representatives of this sector on the way forward.

Response

Yes but DfE need to consider a fair mechanism to fund growth as we continue to face increasing costs from rising demand. Herefordshire would not support the sole use of inpatient data to determine funding as there is a significant number of longer term cases where children are not well enough to attend school but require hospital-school type provision e.g. enduring mental health difficulties and those in post-16.

Question 6

Which methodology for the area cost adjustment do you support?

Response

Yes – we support ACA on the 'hybrid' model. A clear explanation of how the ACA factor will work and how it truly reflects cost differentials will be important in gaining nationwide acceptance for the new formula.

Question 7

Do you agree that we should include a proportion of 2016-17 spending in the formula allocations of funding for high needs?

Response

Yes but the proportion needs to be carefully considered to reflect the ability of historically high funded local authorities and schools to adjust down to lower funding in future.

Question 8

Do you agree with our proposal to protect local authorities' high needs funding through an overall minimum funding guarantee?

Response

Yes but

- MFG is a common approach to school funding however changes in high needs provision at an authority and/or school level will need to be handled sensitively and may well require a minimum 5 year timescale.
- Not sure if the MFG simply duplicates the historic spend factor? Can the 5 year MFG be better handled in the historic spending factor?

Question 9

Given the importance of schools' decisions about what kind of support is most appropriate for their pupils with SEN, working in partnership with parents, we welcome views on what should be covered in any national guidelines on what schools offer for their pupils with SEN and disabilities.

Response

Some guidance on expectations of what a mainstream school or college could be expected to offer would be a useful starting point for further work with parents.

Question 10

We are proposing that mainstream schools with special units receive per pupil amounts based on a pupil count that includes pupils in the units, plus funding of £6,000 for each of the places in the unit; rather than £10,000 per place. Do you agree with the proposed change to the funding of special units in mainstream schools?

Response

Yes but the need for change is not a provision issue but a technical one as the Education Funding Agency merely want to discard the pupil number adjustment process for the schools national funding formula.

Question 11

We therefore welcome, in response to this consultation, examples of local authorities that are using centrally retained funding in a strategic way to overcome barriers to integration and inclusion. We would be particularly interested in examples of where this funding has been allocated on an "invest-to-save" basis, achieving reductions in high needs spending over the longer term. We would like to publish any good examples received.

Response

No comment.

Question 12

We welcome examples of where centrally retained funding is used to support schools that are particularly inclusive and have a high proportion of pupils with particular types of SEN, or a disproportionate number of pupils with high needs.

Response

Many small rural schools would prefer a "high needs" pupil factor in the school funding formula so that they could be funded for the actual number of £6,000 thresholds in school rather than a concessionary allocation from the high needs block that will be cut at the first signs of high needs cost pressures. If the DfE believe all the £6,000 thresholds are already in the schools national formula, as they do. Then it automatically follows that if the thresholds are in the wrong schools then it is the school funding formula that should re-distribute the threshold. This was raised with ISOS but has not been accepted by ISOS or the DfE. Please provide the evidence/arguments as to why.

Herefordshire has used an SEN protection factor, funded from the high needs block, for those schools with a disproportionate SEN cohort. This has been successful and both Schools Forum and LA officers consider that it contributes positively to inclusion in mainstream schools.

Question 13

Do you agree that independent special schools should be given the opportunity to receive place funding directly from the EFA with the balance in the form of top-up funding from local authorities?

Response

Yes but it could drive up costs as independent schools could take advantage to put up their prices and who will know or monitor?
It could also lead to further confusion in relation to which organisation is responsible for the sufficiency of specialised place planning.

Question 14

We welcome views on the outline and principles of the proposed changes to post-16 place funding (noting that the intended approach for post-16 mainstream institutions which have smaller proportions or numbers of students with high needs, differs from the approach for those with larger proportions or numbers), and on how specialist provision in FE colleges might be identified and designated.

Response

This is a really complex area and further policy guidance and discussion is required in Stage 2 as indicated in the consultation paper. However, we would like to work more with Post-16 providers in Herefordshire and the funding arrangements should support this

Our view, expressed as part of the Isos research, is that post-16 funding should be aligned and consistent with pre-16 to provide simplicity, equity and transparency. We have already implemented this in Herefordshire with top-up funding arrangements consistent across both pre and post-16 environments. We would be happy to elaborate further on this.