

Appendix B - Principles for AEN/SEN Funding (From Marsh; 2004)

A range of principles or criteria may be used for the design and evaluation of a funding formula or scheme [Marsh, 2003a]. The principles and associated key questions need to be judged against the main policy objectives of the LEA and the intended purpose[s] of the funding. The principles have been drawn from three sources: Ross [1983], Levacic [1995]; Ross and Levacic [1999]. The key questions have been drawn from the 2001 DfES guidance to LEAs on the distribution of resources to support inclusion [DfES, 2001].

- a. **Simplicity.** Is the funding scheme easy to understand and does it have low administrative costs both at LEA and school level?
- b. **Equity.** Are the levels of resources for different SEN Funding Blocks judged to be fair? Is there fair and equal treatment for all schools and does the funding scheme promote inclusive practice? Should the same amount of money [unit value] be allocated to each pupil irrespective of the nature or degree of their need?
- c. **Effectiveness and Standards.** How well does the funding scheme meet the LEA's policy objectives? Are monitoring arrangements in place for pupil outcomes of pupils with SEN?
- d. **Responsiveness to Needs.** Is the funding scheme flexible enough to make provision for children with complex needs? Are children with additional educational needs supported and not just those who experience special educational needs? Are the requirements of statements met?
- e. **Efficiency/Value for Money.** Does the funding scheme adhere to the principles of whole school funding to ensure maximum effect? Is early identification supported with appropriate intervention strategies? Are perverse incentives avoided? Does the scheme in general offer value for money?
- f. **Cost Containment.** Are resources distributed to meet the additional and special educational needs of children in mainstream settings, irrespective of whether or not a statement is held?
- g. **Accountability.** Are the relative roles, duties and expectations of schools and LEAs clearly outlined? Are arrangements included to monitor the use of resources?
- h. **Transparency.** Is the funding scheme readily understood by schools, governing bodies and parents? Are schools aware of the amount received for pupils with additional and special educational needs and of the intended purpose of the funding? Has there been open dialogue between stakeholders and the LEA?
- i. **Stability of Funding.** Are there major shifts in funding between schools?
- j. **Willingness to Accept Change.** Has the funding scheme been developed in partnership with schools and other relevant stakeholders? Are schools willing to change? Has a clear plan for transitional arrangements been formulated?