

# SEND – Targeted Support Funding Model

(Background Document)

<b>Schools' Forum Working Group Date</b>	22 <sup>nd</sup> February 2024
<b>Type of Decision</b>	For information and decision
<b>Background Documents</b>	<a href="#">Schools Forum Report – January 2023 (Pgs 68-70)</a> <a href="#">Schools Forum Working Group Paper and Minutes – March 2023</a>
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<b>Purpose of Report</b>	To support discussion and decision making regarding the need, focus and scale of support provided by a 'SEND – Targeted Support Funding Model'.
<b>Key Recommendations</b>	None
<b>Resource Implications</b>	Not applicable

## 1. Background

- 1.1. Despite the significant financial pressure on the High Needs Block, the Local Authority and Schools Forum have continued to support the provision of targeted support funding for schools that are supporting disproportionately high numbers of children with SEND.
- 1.2. To date funding has been allocated and delivered through a model that utilises; the number of children and young people with Education Health and Care Plan's (EHCP) and the Number on Roll (NOR) at the school to create a threshold, after which the High Needs funding would be provided to support Element 1 (£6,000) of the EHCP funding.

**Example:** a school with 300 children and young people on roll would have a threshold of 10 (300/30). The school would fund Element 1 for the first 10 EHCPs from the schools notional SEND budget, thereafter the High Needs block would provide the £6,000. So, if the school had 15 children with EHCP's, the school would fund £60,000 from their notional budget and the targeted support funding would provide £30,000.

## 2. Why are we changing the model?

- 2.1. There are a number of factors that are driving our decision to review and adapt the 1 in 30 model.
  - **Sustainability:** the continued adjustments to the threshold to make the model work within a broad budget of £3-3.5m is not sustainable. It is predicted the model would have to change to 1 in 25 for 2024/25 and change further in future years.
  - **Financial control:** the current model is needs led and as such there is no control over the spend on the model. It rises alongside the rise in EHCPs, which in the current financial context for the High Needs block is also a sustainability issue.
  - **Impact:** We are currently providing over £3.2m in additional high needs block funding to schools and no visibility of the impact of that funding. If we are able to assess the impact, we could make the case for further investment in this model to reduce the use of high cost specialist placements.
  - **Complexity of needs:** Using the EHCP as the only identifier or proxy factor to recognise the complexity of needs for a school cohort is a significant limitation in the existing model.
- 2.2. Over the years the model has not changed, but the threshold has risen repeatedly. This is because the growth in the number of EHCPs has significantly increased the cost of the model. This was explored in more detail at the School Forum in January 2023, the papers for which can be found [here](#). On page 69 of the report, fig.7 shows the spend on the model since 2016/17. Final expenditure for 2023/24 is forecast to be £3.5m.
- 2.3. At the previous working Schools Forum group meeting it was agreed that we needed to move towards a more sustainable funding model; that we should consider a broader view of the complexity of a school's cohort (not just EHCP data); and that we should fund the schools SEND provision rather than individual children and young people.

### 3. Modelling and options appraisal

3.1. To aid in decision making we have developed a financial model which enables us to consider the impact of different approaches to allocating the funding. The model uses anonymised current data from the most recent census, so is 'live' data.

3.2. Key things to note when using the financial model:

- Only cells highlighted in yellow are 'entry' cells in which you can make changes. Any changes to these cells flow through the calculations in the model.
- The model is structured in 2 parts, under three worksheets:
  - New Formula Summary Sheet (summary sheet)
  - Primary and Secondary Schools Formula Sheets (School Sheets)

3.3. The summary sheet allows you to see the impact of adjustments to:

- The total amount of money allocated to provide target support funding (currently £3,503,000).
- The proportion of funding that is allocated to primary and secondary schools. The proportion split in 2023/24 for the 1 in 30 is 65% primary and 35% secondary.
- The weighting that is applied to the different proxy factors. Increasing or decreasing the number associated to each factor reduces or increases its impact on the allocation of funding. Members should consider these in three parts:
  - **The SEND factors:** 3-year average SEND support pupils; 3-year average EHCP pupils and Low prior attainment.
  - **The deprivation factors:** Free Schools Meals; Free School Meals ever 6 and Income Deprivation Affecting Children Index (IDACI).
  - **Other factors:** Mobility and English as an Additional Language.

3.4. For members reference, we have included details of the current weightings for these factors in the Schools National Funding Formula.

3.5. Any changes made on the summary worksheet flow through to the more detailed school level information on the Primary and Secondary Schools Formula worksheets (school worksheets).

3.6. When looking at the school worksheets you should note:

- Column BM is a consolidation of all the weighted proxy factors into a single calculation as a percentage of the numbers on roll for each school. This is used to distribute the funding. Schools with a high percentage score in this column will receive a larger proportion of the funding

- Cell BO:6 allows you to set a threshold against column BM. Any school below the threshold you set would not receive funding. This is important, as the basis of this model is to support schools with disproportionately high levels of need. The lower the threshold, the more schools receive a split of the funding. If you have a higher threshold, less schools will receive funding, but will receive more funding.
- At the bottom of the sheet (after all the school information), you will see a summary which will tell you how many schools are qualifying for funding and the minimum, maximum and average % for the consolidated weighting. When considering the threshold, we would expect it to sit above the average, as this funding is supporting those with disproportionately high levels of SEND.
- Column BP shows how much funding a school would receive based on the current entries you have made.
- Column BQ shows how much funding the school is receiving in 2023/24 from the 1 in 30.
- Column BR shows the difference in funding that a school would receive in 2024/25 compared to 2023/24 (based on your current entries)

3.7. We are conscious that members ability to access and utilise this model will vary. As such we will run two drop-in sessions on Monday and Tuesday the 19<sup>th</sup> and 20<sup>th</sup> February to walk through the model and ask any questions (members will receive invites to these separately).

3.8. In developing the model to this point, it's clear that we will need to consider a careful transition. Any additional weighting that is applied to the broader proxy factors means that schools currently in receipt of funding will see a reduction. This is because the EHCP cohort does not necessarily align with the broader proxy factors that are being considered.

3.9. We are also seeing the impact of using a three-year average for the EHCP numbers. For example, the secondary school in receipt of most funding in 2023/24 has a lower three-year average than other schools, so is also most certainly going to lose funding if the three-year average is used.

3.10. In undertaking the modelling, we have maintained a view of the existing funding allocation as a baseline and reference point. In 2023/24 the 1 in 30 was allocated as follows:

Phase	No. of schools receiving funding	Avg. funding level	Min funding level	Max. funding level
Primary	135	£16,864	£16	£80,318
Secondary	19	£64,511	£756	£243,213

3.11. The anonymised school level details are provided in the model, but as you can over half of primary schools and broadly half the secondary schools are receiving some funding.

3.12. Annex A provides 2 variations that we have modelled. In exploring the modelling it is clear that we will need to be clear about how we want this model to support the local system moving forward.

3.13. At the working group meeting on the 22<sup>nd</sup> February 2023, we will be considering:

- Does this revised approach provide benefits outlined in 2.1 above?
- Should we expand the proxy factors that identify schools that qualify for this funding beyond just the EHCP data? The impact of including the additional proxy factors will mean that existing schools will lose funding and others will gain.
- What are the strengths and weaknesses of using a three-year average for EHCP numbers?
- How broadly do we want funding to be spread – over 50% of schools receiving funding – is that ‘targetted’?
- In implementing a new model what approach should we take:
  - A slow and smooth transition that ensures no schools see a significant and immediate impact in loss or rise in funding through this new model.
  - A single year protection. Ensure that 2024/25 sees no major loss of increase in funding and then move immediately to a new model of distribution.
  - Move to straight to a new model of distribution in 2024/25
- Is there a benefit in consider a separate funding allocation for primary and secondary schools?

## 4. Modelling

**Model 1:** 3-year Average for EHCP numbers the only factor affecting distribution, with the weighting set at 30 and the threshold set at the average (81% for primary and 72.5% for secondary).

### Summary of new formula

Split of Funding Available	%	Amount
Allocate to Primary	65	£2,276,950
Allocate to Secondary	35	£1,226,050
<b>Total Amount Available</b>	<b>100</b>	<b>£3,503,000</b>

24/25 NOR		3 year Ave	3 year Ave	-----From 24/25 NFF APT-----						Total
		SEND Support Pupils	EHCP Pupils	Prior Attainment Pupils	FSM Pupils	FSME6 Pupils	IDACI Pupils	EAL Pupils	Mobility Pupils	
47,183	<b>Primary Model</b>									
	Primary Unweighted pupils	7,444.67	1,215.94	14,195.55	8,586.94	8,788.03	13,170.96	3,225.46	524.91	
	Weighting to apply:	0.00	30.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Primary Weighted Pupils	0.00	36,478.33	0.00	0.00	0.00	0.00	0.00	0.00	36,478.33
	Amount per weighted pupil	£62.42	£62.42	£62.42	£62.42	£62.42	£62.42	£62.42	£62.42	£62.42
	Funding to allocate	£0	£2,276,950	£0	£0	£0	£0	£0	£0	£2,276,950

36,806		3 year Ave	3 year Ave	-----From 24/25 NFF APT-----						Total
		SEND Support Pupils	EHCP Pupils	Prior Attainment Pupils	FSM Pupils	FSME6 Pupils	IDACI Pupils	EAL Pupils	Mobility Pupils	
	<b>Secondary Model</b>									
	Secondary Unweighted pupils	4,683.50	877.67	7,436.28	6,629.63	7,051.51	9,396.47	751.69	52.85	
	Weighting to apply:	0.00	30.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Secondary Weighted Pupils	0.00	26,330.00	0.00	0.00	0.00	0.00	0.00	0.00	26,330.00
	Amount per weighted pupil	£46.56	£46.56	£46.56	£46.56	£46.56	£46.56	£46.56	£46.56	£46.56
	Funding to allocate	£0	£1,226,050	£0	£0	£0	£0	£0	£0	£1,226,050

Current thresholds and qualifiers being used in the primary & secondary formula sheets	Primary	Secondary
Threshold of weighted pupils as a % of NOR being applied:	81.0%	72.5%
Number of schools qualifying for funding	98	21
Total number of schools	244	41

### Comparator table

Phase	No. of schools receiving funding	Avg. funding level	Min funding level	Max. funding level
2023/24 – 1 in 30 (Primary)	135	£16,864	£16	£80,318
<b>Model 1 impact - Primary</b>	<b>98</b>	<b>£23,234</b>	<b>£2,180</b>	<b>£83,227</b>
2023/24 – 1 in 30 Secondary	19	£64,511	£756	£243,213
<b>Model 1 impact - Secondary</b>	<b>21</b>	<b>£58,383</b>	<b>£18,289</b>	<b>£86,704</b>

**Model 2:** This model adds the national funding formula proxy weightings into the calculation alongside the 3-year Average for EHCP numbers with the weighting set at 30 and the 3 year ave support for SEND support weighted at 5. The threshold was then set at 320% for secondary and 350% for primary schools.

Summary of new formula

Split of Funding Available	%	Amount
Allocate to Primary	65	£2,276,950
Allocate to Secondary	35	£1,226,050
<b>Total Amount Available</b>	<b>100</b>	<b>£3,503,000</b>

24/25 NOR		3 year Ave SEND Support Pupils	3 year Ave EHCP Pupils	-----From 24/25 NFF APT-----						Total
				Prior Attainment Pupils	FSM Pupils	FSME6 Pupils	IDACI Pupils	EAL Pupils	Mobility Pupils	
47,183	<b>Primary Model</b>									
	Primary Unweighted pupils	7,444.67	1,215.94	14,195.55	8,586.94	8,788.03	13,170.96	3,225.46	524.91	
	Weighting to apply:	5.00	30.00	2.65	1.11	1.86	1.00	1.34	2.18	
	Primary Weighted Pupils	37,223.33	36,478.33	37,618.20	9,531.50	16,345.74	13,170.96	4,322.12	1,144.30	155,834.49
	Amount per weighted pupil	£14.61	£14.61	£14.61	£14.61	£14.61	£14.61	£14.61	£14.61	£14.61
	Funding to allocate	£543,883	£532,997	£549,652	£139,268	£238,833	£192,445	£63,152	£16,720	£2,276,950
36,806	<b>Secondary Model</b>									
	Secondary Unweighted pupils	4,683.50	877.67	7,436.28	6,629.63	7,051.51	9,396.47	751.69	52.85	
	Weighting to apply:	5.00	30.00	3.62	1.00	2.45	1.29	3.23	2.82	
	Secondary Weighted Pupils	23,417.50	26,330.00	26,919.35	6,629.63	17,276.21	12,121.44	2,427.96	149.05	115,271.14
	Amount per weighted pupil	£10.64	£10.64	£10.64	£10.64	£10.64	£10.64	£10.64	£10.64	£10.64
	Funding to allocate	£249,074	£280,052	£286,320	£70,514	£183,754	£128,926	£25,824	£1,585	£1,226,050

<b>Current thresholds and qualifiers being used in the primary &amp; secondary formula sheets</b>	<b>Primary</b>	<b>Secondary</b>
Threshold of weighted pupils as a % of NOR being applied:	350.0%	320.0%
Number of schools qualifying for funding	70	18
Total number of schools	244	41

**Comparator table**

Phase	No. of schools receiving funding	Avg. funding level	Min funding level	Max. funding level
2023/24 – 1 in 30 (Primary)	135	£16,864	£16	£80,318
<b>Model 2 impact - Primary</b>	<b>70</b>	<b>£32,527</b>	<b>£3,577</b>	<b>£86,755</b>
2023/24 – 1 in 30 Secondary	19	£64,511	£756	£243,213
<b>Model 2 impact - Secondary</b>	<b>21</b>	<b>£68, 113</b>	<b>£16,347</b>	<b>£107,802</b>