



National Network of Parent Carer Forums

'Our Strength Is Our Shared Experience'

High Needs Funding Reforms – Stage 2

The dedicated schools grant (DSG) is the main source of government funding to local authorities for education provision in their area. It is currently allocated to local authorities from the Education Funding Agency of the Department for Education in three notional blocks: schools, high needs, and early years. In consultation with their schools forum, local authorities make decisions about the split in funding between the blocks, and the local formulae that determine the allocations for individual schools and early years providers. Initial allocations of high needs funding to local authorities are the source of the majority of place funding for special schools and units, colleges and other post-16 providers, and of the top-up funding for children and young people with high-cost SEN and disabilities. Local authorities also hold some DSG centrally to spend on schools and central services.

The Department for Education is introducing a national funding formula to make funding fair for schools and children. They are currently seeking views on the detailed design of the formula, which builds on the earlier consultation on the principles and structure.

The consultation closes on **22nd March 2017**.

The proposed changes are complex. The NNPCF have produced this briefing to help forums to understand the proposed changes and how they may affect children and young people with SEND.

The proposed formula would distribute funding on the basis of the local demography and proxy factors that indicate the level of need amongst children and young people in an area. For example, funding will be targeted towards areas of deprivation, reflecting the evidence of a link between deprivation and high needs.

With regards to High Needs funding the Department for Education have confirmed:

1. They will introduce national funding formulae for schools, high needs and local authority services for schools in **2018-19**.
2. The dedicated schools grant (DSG) will be split into 4 blocks – for schools, high needs, early years (on which we have consulted separately) and central school services.
3. The school-level ('hard') formula for the schools block will be introduced from **2019-20**. In the interim, schools will still be funded according to a local formula. The schools block will be ring-fenced for spending on schools, but there will be some limited scope for movement before 2019-20, and some continuing local flexibility from 2019-20.
4. The high needs formula will comprise the 9 factors that the Department for Education in the first consultation; each factor will have a relative weighting. The factors are:
 - Basic entitlement
 - Population factor



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- Health and disability factors (DLA and children in bad health)
 - KS2 and KS4 low attainment factors
 - Deprivation factors (free school meals and IDACI)
 - Historic Spend
5. The pressure local authorities are facing on their high needs budgets was a recurring theme throughout the first stage of consultation. The Department for Education have listened to these concerns and are setting out our plans for protection and transition to support local authorities to deliver high quality provision for young people with high needs. For high needs the Department for Education proposes:
- To provide up to 3% increases in 2018-19 and 2019-20 respectively for local authorities due to gain under the formula
 - That there will be no cash losses to local authorities as a result of the high needs formula

For central school services the Department for Education proposes:

- To allow local authorities increases of up to 2.4% in 2018-19
- That no local authority will lose more than 2.5% of its per pupil funding in either 2018-19 or 2019-20.

The Department for Education have provided a summary of the illustrative impact of the formulae on local authorities (see link below).

The Department for Education are also publishing full details of the impact of the proposed formulae as part of the consultation. This is so that head teachers, governors, local authorities and parents can see how the proposals would affect them.

6. The Department for Education are planning research on the costs and outcomes resulting from different types of provision, which will inform a review of the factors in the high needs funding formula after four years.
7. A high needs strategic planning fund is being allocated this year, to encourage all local authorities to review their special provision and plan ahead in light of what this consultation indicates about the level of high needs funding they will receive in future years. **The Department for Education expect local authorities will produce strategic plans for SEN and disability provision, working with schools (mainstream and special), early years providers and further education providers, and involving parents and young people.**



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8. Early in 2017 the Department for Education will provide more information on the allocation of capital funding for special provision, and set out next steps in the process for establishing new special schools, where they are needed, funded through the free schools programme.

Details of the consultation can be found at:

<https://consult.education.gov.uk/funding-policy-unit/high-needs-funding-reform-2/>

What should forums do?

- Read the consultation and consider the impact on your Local Authority and schools within your area.
- Identify the High Needs funding that is available to your local authority for SEND and ask your SEND Lead, Director of Children Services or Lead Member how this money is going to be used to ensure:
 - The effectiveness of the local area in identifying children and young people who have special educational needs and/or disabilities
 - The effectiveness of the local area in assessing and meeting the needs of children and young people who have special educational needs and/or disabilities
 - The effectiveness of the local area in improving outcomes for children and young people who have special educational needs and/or disabilities
- Request that your forum works in partnership with your Local Authority to strategically plan future specialist provision.
- Respond to the consultation as a forum
- Encourage forum members to respond to the consultation
- Feedback your forum's views to your regional Steering Group member to inform the NNPCF response.

If you have a question about the consultation you can email HighNeedsFunding.Consultation@education.gov.uk



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The National Network of Parent Carer Forums (NNPCF) was launched in 2011, and is funded by central government.

We became a formally constituted Group in November 2013. The NNPCF membership is made up of Parent Carer Forums of which there is one in almost every local authority area in England. Each parent carer forum in receipt of the Department of Education participation grant is a member of the NNPCF.

The function of the NNPCF is to develop cohesive good practice and effective participation and a solution focused approach at all levels, locally, regionally and nationally.

The aims of the NNPCF are to:

- ensure that good practice, knowledge and shared expertise about parent participation continues to grow and strengthen.
- develop a cohesive and coherent structure to sustain and develop the effectiveness of parent carer forums across England.
- strengthen the pan disability, parent led model of local forums and boost our collective voice.

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