

Report 8**TITLE OF REPORT: Special Schools Funding Review**

Purpose of the Report

To update Schools Forum on the work that the Special Schools Funding Review (SSFR) group have been undertaking this financial year. This is a sub-group of Schools Forum with the specific purpose to review the special schools funding formula. This report builds on Schools Forum report from February 2018.

Background

The group comprises of all special head teachers and heads of school with input and technical support from a range of officers from Corporate Finance, Educationgateshead, Special Educational Needs and Disabilities Service and other officers as required.

The current special school's formula is based on work that was undertaken approximately ten years ago and had a phased introduction over 3 years from 2009/10. The pupil based elements were based on the relative needs of children over 5 specialties with 4 levels of need in each specialism. The group developed a range of descriptors that described the "typical" pupil in each speciality for each level of need.

The original formula has been tweaked several times to conform with changes in funding regulations, school developments and pressures.

For the 2018/19 formula the special categories were reduced from 5 to 3 deleting the categories of Sensory Physical and Medical and Communication and Interaction leaving Social Emotional and Mental Health (SEMH), Cognition and Learning (C & L) and Autistic Spectrum Disorder (ASD).

The group worked on reviewing the banding descriptors which details the needs and behaviours of pupils within each specialism and each banding. These were re written, reviewed and agreed by the group.

The next task was to review the staffing requirements of each banding level to determine the levels of relative needs of each pupil. This information is then used to calculate the relative needs of each of the bands. Many meetings have been held to determine this and many models produced.

The model that was chosen and agreed by all the special heads was model 2 as this was least worst option for all schools.

The table below sets out the relative weightings between the different bands.

	Level 1	Level 2	Level 3	Level 4
SEMH - Primary	3.810	2.889	1.630	1.000
SEMH - Secondary	3.810	2.593	1.630	1.000
ASD	3.810	3.013	2.259	1.449
Cognition/Learning	3.503	3.013	1.630	1.037

When modelling is undertaken the current year budget is used as a basis and for comparison to understand the probable impact on all schools.

Using the above weightings resulted in the below banding values.

	Level 1	Level 2	Level 3	Level 4
SEMH - Primary	£10,715.03	£6,283.78	£223.14	-£2,807.58
SEMH - Secondary	£10,715.03	£4,858.08	£223.14	-£2,807.58
ASD	£10,715.03	£6,878.55	£3,253.85	-£648.35
Cognition/Learning	£9,238.09	£6,878.55	£223.14	-£2,628.83

A comparison between the current and proposed banding values is detailed in appendix 1.

To protect special school budgets the minimum funding guarantee (MFG) of minus 1.5% will be applied, to make the formula affordable a capping factor will be applied of 3%. These are applied to the individual special school budget and which is divided by the pupil numbers to give an amount per pupil. Therefore, no school can lose more than 1.5% per pupil or gain more than 3% per pupil.

The table below shows the impact on schools as if the formula had been introduced 2018/19.

School	Pupil No.	Estimated 2018/19 Funding	£	Movement	After MFG & Capping	Movement	% Change
DRYDEN	55	£1,259,254	1,349,862	£90,608	£1,297,031	£37,778	3.00%
ESLINGTON	60	£1,230,899	1,273,623	£42,724	£1,267,826	£36,927	3.00%
FURROWFIELD	73	£1,906,163	1,928,664	£22,502	£1,928,664	£22,502	1.18%
GIBSIDE	139.6	£2,947,417	2,826,940	-£120,476	£2,903,206	-£44,211	-1.50%
HILLTOP	115	£2,038,708	2,005,994	-£32,714	£2,008,128	-£30,581	-1.50%
THE CEDARS	169	£2,549,649	2,547,496	-£2,153	£2,547,496	-£2,153	-0.08%
Total	611.6	£11,932,090	11,932,580	490	11,952,351	20,261	

Proposal

It is proposed that Schools forum notes the contents of the report and the work that the SSFR group have undertaken in reviewing the special schools funding formula and approves the new banding values for the calculation of 2019/20 special school budgets.

Further work is to be carried out on nursery age weighted pupil unit allocation and the allocation of fixed costs for each school.

Recommendations

That Schools Forum approves the new banding values for use in calculating 2019/20 special school budgets.

For the following reasons: -

- To enable Special School budgets to be calculated
- To keep Schools Forum informed of the ongoing work of the group

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Appendix 1

Proposed banding values

	Level 1	Level 2	Level 3	Level 4
SEMH - Primary	£10,715.03	£6,283.78	£223.14	-£2,807.58
SEMH - Secondary	£10,715.03	£4,858.08	£223.14	-£2,807.58
ASD	£10,715.03	£6,878.55	£3,253.85	-£648.35
Cognition/Learning	£9,238.09	£6,878.55	£223.14	-£2,628.83

Current banding values

	Level 1	Level 2	Level 3	Level 4
SEMH - Primary	£10,264.74	£3,962.02	£699.13	-£1,685.87
SEMH - Secondary	£10,264.74	£3,962.02	£699.13	-£1,685.87
ASD	£13,735.33	£7,931.91	£4,248.51	£700.16
Cognition/Learning	£9,196.55	£3,589.59	-£458.07	-£2,799.08

Difference in banding values

	Level 1	Level 2	Level 3	Level 4
SEMH - Primary	£450.29	£2,321.76	-£476.00	-£1,121.70
SEMH - Secondary	£450.29	£896.06	-£476.00	-£1,121.70
ASD	-£3,020.30	-£1,053.36	-£994.65	-£1,348.51
Cognition/Learning	£41.54	£3,288.97	£681.21	£170.25