

REPORT TO SCHOOLS FORUM

14 March 2024

Item 4**TITLE OF REPORT: Special Schools Funding 2024/25**

Purpose of the Report

1. To bring to Schools Forum the proposal to increase special school top up unit of funding by 0.5%, and the allocation of funding to special schools and the pupil referral unit (PRU) from April 2024 for the financial year 2024/25.

Background

2. The outcome of the special schools top up review was implemented for 2019/20, and the review of the fixed cost element was implemented for 2020/21.
3. The special schools pupil top up formula is driven by the unit of funding to calculate the banded top ups. By increasing or decreasing the unit of funding rather than the top up values themselves, maintains the ratios between the bandings, and therefore the proportion of funding allocated to each funding band.
4. For 2024/25 it is proposed that the unit of funding be increased by 0.5% in line with the mainstream schools minimum funding guarantee (MFG) percentage. There are no proposed changes to the main top up or fixed cost formulas for 2024/25.

Residential Funding

5. There are currently no residential units operating in special schools in Gateshead, as such it is proposed that this funding is removed from 2024/25. As the current funding (2023/24) for the residential unit is significant, to remove this amount of funding without any protection would have a significant detrimental effect on a school, it is therefore proposed that the funding for the unit is phased out over 2 years. For 2024/25 it is proposed that funding is reduced by 1/3, for 2025/26 funding to be reduced by 2/3 and there will be no residential funding for 2026/27.
6. The residential funding is not protected by MFG as the service is no longer commissioned as per the below extract of the High Needs Funding Operational Guidance 2024/25.
7. "When calculating the protection, local authorities should make sure that they are comparing like for like. Adjustments should be made for changes in the nature of the provision. For example, if previous top-up funding rates included an element for a commissioned service which is no longer provided by the school, the value of that element can be discounted when calculating the MFG protected level."

Work is currently underway between the Local Authority and schools with a view to enhancing provision and utilising both physical and financial resources released by no longer commissioning residential services.

Mainstreamed Grants

8. There are allocations within the high needs block (HNB) of the dedicated schools grant (DSG) for the former teachers pay and pension grant (TPPG) and for the increase in NI contributions (additional costs), and the additional grant from 2023/24. For the TPPG there is an amount of £660 for each special school child on roll at the October census, but there is no allocation for children in alternative provision. The allocation basis for these mainstreamed grants will remain the same as for 2024/25.

Additional Funding 2023/24

9. The additional funding announced Autumn 2022 prescribed additional funding of 3.4% for special schools and PRU's. The DfE produced information to assist local authorities in making the 3.4% additional allocation to maintained AP schools (normally referred to as pupil referral units or PRUs), and AP academies (including AP free schools). The allocation basis for this additional funding will remain the same as for 2024/25.

Proposal

10. It is proposed to increase the funding for special schools top up funding by uplifting the unit of funding by 0.5%. Appendix 1 provides a summary of the current and proposed top up rates.
11. This is estimated to equate to an increase of between 0.26% and 0.4% (calculated on a like for like basis) in main funding via the formula excluding the additional elements for the former TPPG, the increase in NI contributions and the additional grant for 2023/24.
12. It is also proposed that the funding for the residential unit be phased out by the reducing the funding by 1/3 for 2024/25 and 2/3 for 2025/26 and no funding will be provided for 2026/27.

Recommendations

That Schools Forum approves:-

- The 0.5% increase in the special school unit of funding for special school top up funding.
- The phased removal of residential funding

And Schools Forum notes that there will be no changes to the allocation of the additional funding elements for TPPG, NI Grant and the additional grant (3.4%).

For the following reasons: -

- To enable Special School and PRU budgets to be calculated and disseminated.

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Appendix 1

Primary Social Emotional Mental Health		
	2023/24	2023/24
Band 1	£12,978.11	£13,081.10
Band 2	£7,999.92	£8,078.02
Band 3	£1,191.23	£1,235.28
Band 4	-£2,213.56	£-2,186.53
Secondary Social Emotional Mental Health		
Band 1	£12,978.11	£13,081.10
Band 2	£6,389.25	£6,468.34
Band 3	£1,191.23	£1,235.29
Band 4	-£2,213.56	£-2,186.53
Autistic Spectrum Disorder		
Band 1	£12,978.11	£13,081.10
Band 2	£8,668.11	£8,749.55
Band 3	£4,596.02	£4,657.10
Band 4	£212.18	£251.34
Cognition and Learning		
Band 1	£11,318.22	£11,413.57
Band 2	£8,668.11	£8,749.55
Band 3	£1,191.23	£1,235.29
Band 4	-£2,012.75	£-1,984.72