

High Needs National Funding Formula Consultation

Comments to Oxfordshire Schools Forum, January 2017

The government is avoiding its responsibility to provide a NFF for HN by only operating at the LA level, with promises to fund a strategic review at a local level. Schools have been lobbying for a clear, fair and nationally set formula for all this time and this approach cannot deliver that. It will at best end up in a shambles like the SEND reform pathfinders, and at worst it will entrench major differences leading to inequity that will have no hope of being rectified in any of our lifetimes.

The children deserve better than this.

Separate grant to all LAs to review high needs funding - OASSH must have a strong voice in this. OCC is being allocated £288,000 for this.

Capital Funding of £200 million - LA need to be proactive in developing plans for tackling the need for several new schools and expansions. At the moment the only ones we know of are the Didcot school being promoted by the LA possibly through the Propellor Trust, and the proposal for Iffley North, as part of the Iffley Academy Trust.

If HN funding does get an increase in any LA, that should be passed on at the same % increase directly to schools; certainly for OCC the flat rate agreed with OASSH schools/academies makes this perfectly feasible.

2.8

Current funding (vast majority) based on spending from 2012-13, which itself derives from 2005-06.

Massively out of line with present needs (eg post-16 provision in special schools didn't even exist then), and will reflect the problems of historical decisions made back at those times.

2.14

This is virtually the only reference that might encompass the independent sector (other than 2.55 & 2.56 which simply say they will leave it as it stands) and it is clear that the government have no idea what to do on this highly costly aspect of high needs spending.

2.15

The proposal to distribute high needs funding on a proxy basis rather than individually negotiated could be said to align with OCCs model for OASSH of setting a single flat rate applied to any pupil in those schools.

On the other hand, there were mixed responses to this, and their next point, 2.16, suggests that they then abdicate the responsibility to the local authority with the potential to then treat each school differently and for each LA to differ from all of the others in how funding is passed to schools and academies.

In my view this undermines the potential strength of a national formula and will make it impossible to compare within a county let alone across borders.

2.17

They refer to wanting to avoid perverse incentives, hence the idea of proxy indicators. They say this will avoid encouraging LAs to identify more SEN to gain more money. But that's ok at the school level is it? If the principle applies at the LA level then what is different when you ask schools (with strangled budgets) to advise on just how severe the needs of their particular cohort of children might happen to be?

2.19

Allowing LAs to move money out of the schools block into high needs may give a slight relief to high needs funding, but at what cost? We know full well that the schools block will be under-funded, how does this help overall?

2.24

The Formula Factors

Population. The excuse for not taking the 19 - 24 (25?) age into account is appallingly poor. When we are explicitly discussing high needs funding, to identify the single "problem" in covering the fuller age range that other legislation requires LAs to cater for as being that some of those young people enter higher education is unworthy of further note.

Low attainment at KS4. Here the document talks about reflecting the characteristics of the 16-24 cohort most likely to require high needs funding. Have they not just said that in regard to population they will ignore most of these people?!

DLA. Very muddled thinking here. Once again the red herring of some being in higher education is rolled out, but more to the point they accept that DLA is replaced by PIP post-16, but then seem to use that in itself as the reason to simply stop this factor at 16 altogether. This makes the factor ineffective and unrepresentative of reality.

FSM. It should not be possible for this to be included as a factor in formula funding unless the government tackle the haphazard process for schools trying to establish eligibility. Get that in place and this can work.

IDACI. The document states that as the dataset is not updated frequently it will increase the stability of the formula. It must also be recognised though that it will also entrench inaccuracies and be less responsive to real change, which is surely part of the reason for attempting to tackle long embedded inequities in funding across the country?

2.32

This provides an interesting acknowledgement from the government that changes in KS2 test results are "probably largely due to an increase in our expectation of the standard, rather than because the pupils sitting these tests have achieved less than previous cohorts."

2.33

In using bad health and DLA as factors, we need stronger understanding of who the gatekeepers are who make these judgements. We know that currently some children perceived by a school to have very similar needs may receive significantly different levels of DLA. With regard to bad health I believe that this arises from parents/carers themselves simply stating this, which may need a more objective view.

2.37

Import/Export adjustment. Are we confident that this national level of scrutiny of data will work and will deliver the correct re-balancing of funds to each LA?

2.43

Build the brave new formula on the foundation of “the actual costs that LAs are currently facing.” This way madness lies! Saying that this is just “until we next review the formula” completely misses this extremely important opportunity to work from *principles, not history*.

Why should children with high levels of special needs be treated so differently from their mainstream peers?

Furthermore, what they refer to here as the “historic spend factor” can turn into a license for independent settings to completely ignore the pressures faced by state funded schools and academies, and to continue to charge whatever they deem necessary and leave the rest of us to scramble about for the scraps of what is left to share between ourselves.

2.44 / 2.45

This is a key concern.

The principle of protecting any LA from losing funding when others might gain is to be welcomed. What is not welcome is the faint whiff of sentimentalised attitudes towards children with special needs, and the frankly discriminatory process this entails.

It is absolutely necessary to work in this way, protecting those who would otherwise be losers in the formula, and it can only work through an injection of additional funding into a system that otherwise is based on (controlled) winners and losers.

But the logic inescapably points to this applying to all children, in all settings. This is about fundamental principles of equality.

Either the government must apply this “no losers” approach to all children (which reflects F40’s original lobbying position), or they must reject it for all. There can be no fudged discriminatory position that only protects those children who happen to be tagged with the HN label when we know that levels of academic need sit on a fluid and continuous spectrum. It might even be argued that this would create a perverse incentive to assess as many children as possible as having HN, and to make sure that once there, they stay there. Should the government, in choosing between either protecting all or none, decide that they will protect none, they need to be aware that they will face a huge and vociferous battle. They have made a sound case for protecting a significant population of children, they must now recognise that the only way they can do so in a way that aligns with the principles of equality legislation is to apply this protection to all children, and to ensure that this covers at the very least the 2 - 19 age group.

The children who receive high needs funding support are not stamped at birth with a barcode to identify them, and actively cutting funding to some schools within the schools block in order to finally address the under-funding of others will unquestionably lead to higher demands on the high needs block over time.

2.52 & figure 4

Funding of special units at mainstream schools. It is welcome that the model gives some security to the host school to continue to have available provision through the same system of place funding that applies to special schools (i.e. £10,000 for the place, whether it is used or not). However, playing devil’s advocate, and this applying to mainstream units and to special schools, is there not a perverse incentive at times of great financial constraint, to accept the place funding, but keep one or two places unfilled for as long as possible, so that the funding can support the intense pressures across the rest of the setting without actually having to cater for the extra high needs pupil?

2.54

It seems to me to be a good idea to site the funding of high needs children who attend mainstream schools within the schools block; but this requires *additional* funding, not transferring £92 million out of the high needs block! How does that help a sector you have already stated to need extra support?

2.55 / 2.56

This reads very much as though the government is caving into the independent schools sector. This review has completely glossed over this massive cost pressure on national funding for high needs.

3.5

The historic spend factor again. Surely the safety net of the “funding floor factor” could still be used on a radically new system based on agreed principles, and there is no need for this factor which will impact on high needs funding for many years to come?
We are still burdened with the inequity of history.

3.6

They say the next review would be in 4 years? How can we put any faith in that? And this is worth **50%** of the formula (see 3.5)!!

3.8

This all sounds very up to the minute, but if we look a little deeper....

2018-19 funding will be based on 2017-18 baselines.

2017-18, as we have been told earlier in 1.7, is itself based on 2016-17.

2016-17, again from 1.7, is based way back on 2005-06.

This cannot be allowed!

3.12

I disagree with their view that allocating place funding of £10,000 might create a perverse incentive for LAs to place pupils in special schools (I also bristle at the implied message that this is a “bad thing”). The idea that the additional £6,000 can be driven through historic spend factors is lunacy if we are trying to make things more equitable up and down the country. There has been a long period of prejudice against early choices for special school settings, going back for well over a decade, nearly two perhaps, and this ‘historic’ approach will simply sustain that way of thinking and will risk missing a ‘historic’ opportunity to genuinely address the child’s needs rather than bowing to society’s sensitivities.

3.14 & figure 7

With regard to the various weightings of factors in the formula - I have no idea of whether 7.5% for DLA is appropriate, nor indeed the other factors. Subject to all of my earlier criticisms, even if every factor was perfect and appropriate, I do not know how they should be weighted.

3.19

Deprivation factor. I think it would be a view widely shared (and presumably based on sound evidence?) that deprivation is highly correlated with the need for AP. What is missing in this section is a recognition that it also impacts on special schools and academies, and of course on mainstream schools and academies as well. This will apply to EY settings also, although they are not part of this paper.

3.24

It is worrying to learn that the health and disability factor which will impact on high needs funding for at the very least, the next 4 years, is to be based on indicative data from 2011. For an important formula factor it is important that this consultation seeks effective sources of data which can be expected to reflect change as responsively as possible.

3.26

It is a good point that the area cost adjustment needn't apply to historic spending. However, the adjustment equating to an increase of as much as 20.4% is very surprising, and does require that this factor be extraordinarily sensitive to geography to avoid entrenching historic inequity purely based on broad brush distinctions and boundaries.

4.2

The new formula "may direct high needs funding towards where it is most needed" not "will".

4.3

Given that they are making a statement here as of fact, it should be noted that there is a very poor, and historically burdened understanding of what more specialist provision actually is.

4.4

It is typical to bandy about phrases such as "to integrate pupils so far as is possible" but for this to be useful it must be very carefully defined. Are we talking geographical & institutional (e.g. being in the same school counts, irrespective of the pupils' individual experience), educational (e.g. taking part in the same lessons with the appropriate differentiation) or social perhaps (which doesn't even have to be based on attending the same school necessarily).

4.9

The superficial aspiration is supposed to be for this to be a crucial moment in schools funding at which historical inequity is swept away, at least structurally. The line we are being fed is that no matter how long the transitional phase may be, we should accept "some continuing local flexibility." It is clear that the government has no vision at all on the issue of national equity in high needs funding.

4.13

This represents yet more muddled thinking. Firstly, why should it be only the primary and secondary schools and academies who get a say in whether or not to move funding between the schools and the high needs blocks? It shines a spotlight on the implicit recognition that the high needs block is under-funded, since it doesn't encompass the option of funds passing in the other direction.

Furthermore, if moving funds is left to local decisions, why should the government put any kind of cap on this (the noted 2% or 3%)? If moving funds is left to local decisions then give LAs free reign, if not, then ban it.

4.14

The comment "not to postpone planning decisions and the benefits that can accrue from taking such decisions early" contrasts starkly with the idea of a 50% basis for high needs funding based on historical spend combined with leaving this alone for at least 4 years before being reviewed. There are multiple examples of ill thought out proposals across this consultation where the left hand doesn't know that the right hand even exists.

4.15 - 4.19

This reads as aspirational guff. It would be valuable to know how much, if any of the statements, are based on scientifically respected research, and in proposing major SEN reviews with significant funding all over the country we need to be very careful to separate opinion from evidence.

4.27

This paragraph seems to completely ignore the crisis in social care funding and the impacts that this and the under-funding of education have in both directions, not to mention the health service.

4.28

In devolving the responsibility for this to LAs, an honest government would be advising them to develop PR expertise to do what they can to 'sell' the message.

4.34

This seems a sound proposal, and would imply that the charges in the independent sector are well beyond the savings that could be achieved with a more robust approach by the commissioning LAs.

4.36 & 4.37

This is both welcome and shocking. Shocking that it wasn't part of the 1st stage of consultation, and welcome as facilitating a considered review. It hits both facets with regard to it being part of 2016-17 funding, as we have now only 3 months to go in this financial year and a great risk that this major slice of new funding will be squandered in the scramble to find some ways to make use of the unexpected windfall.

4.45

The definition of special units or resourced provision in mainstream schools is "a type of special provision involving more integrated teaching and learning". Once again, although there is an element of definition, key terms are left undefined, i.e. "integrated" and "more integrated" with regard to teaching and learning.

This makes it hard to assess the data represented in the charts and certain facts quoted in each paragraph, as what the government mean or what they measure may be quite different from our interpretation of their language.

4.59

The number of places allocated to special free schools inevitably raises questions on the quality of demographic forecasting. It would be interesting to know if there have been any significant failures in whole schools or general forecasts of numbers and if this has been dealt with by the government claiming back the allocated funding, as has been highlighted in the mainstream sector.

4.64

This is very disappointing; until the independent schools are incorporated into the overall state funding model for high needs children there is no hope of creating an equitable funding system for this sector. For mainstream children, their families make a choice to buy independent provision outside of the state sector while still (hopefully) paying taxes to support it. For the majority of SEN children, the family gain funding from within the state sector to pay for what are often very high cost placements outside of the state funded school system.

Once again, the government maintains a system which sets children with SEN apart from their mainstream peers, and which creates a massive drain on the centrally funded provision for maintained and academy special schools.

The abdication of the government's responsibility to tackle this side of high needs provision is hugely disappointing.

5.4

It is cavalier of the government to predict that they will notify authorities of special provision capital funding allocations in early 2017 when this consultation doesn't even close until March 2017, and when this announcement has come out of the blue. This can only lead to speculative and potentially inappropriate or ill-thought out proposals for funding, and will send funding to those with the capacity to 'get off the blocks' rapidly, rather than being a carefully considered assessment of need over the whole country.

Sean O'Sullivan Headteacher, Frank Wise School