**BRIEFING NOTE TO FOLLOW UP PROBITY QUESTION AT SCHOOLS FORUM 12 March 2020**

**Question 1:** Can we use transfer High Needs Block to other blocks?

**Answer:** YES

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*16.* ***Local authorities can transfer funding between the high needs or early years funding blocks but should ensure adequate consultation with the schools forum and providers likely to be affected by the transfer****. The schools block will again be ring-fenced in 2020 to 2021, but local authorities can transfer up to 0.5% of their schools block to other blocks of the DSG, with schools forum approval. A disapplication will be required for transfers above 0.5%, or any amount without schools forum approval; this applies to any transfers over 0.5%, even if approval was given for the same amount to be transferred this year or last year. Further information is included in the movement between blocks section of the schools revenue funding 2020 to 2021 operational guide.*

*17. In consultation with their schools forum, local authorities make decisions about the delegation of funds to schools, which for primary and secondary schools is on the basis of a local formula, and on the spending of funds held centrally, most of which is used for making high needs provision. These spending decisions are most effective when there is a strong partnership between the local authority and the institutions providing education. The schools forum is one way in which partnership working can be strengthened, particularly with schools. However, local authorities should engage with all of those providing education in their area, including early years settings and post-16 institutions, as well as parents and young people, in fulfilling their statutory duties to keep the services and provision for children and young people with SEND under review, as required by the Children and Families Act 2014.*

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***High needs funding: local authority allocations***

*18. ESFA makes an allocation to local authorities for high needs as part of the DSG to support them in meeting their responsibilities for children and young people with SEND set by the Children and Families Act 2014, and for those who need alternative provision (including hospital education). High needs block allocations are calculated through the high needs national funding formula.*

***19. Local authorities decide how much to set aside in their high needs budget for place and top-up funding given to institutions, central high needs services (which may be devolved to schools or other institutions and funded through a service level agreement), and other aspects of provision related to SEND and AP as permitted by the School and Early Years Finance Regulations. Schedule 2 to the regulations sets out the categories of central spend permitted to local authorities.***

**Question 2**: Can we use High Needs Block funding for mainstream schools?

**Answer:** Yes we can for pupils with high needs in mainstream schools

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***High needs funding: institution allocations***

*44. Institutions receive high needs funding in different ways:*

* *core funding: the annual allocation an institution receives either directly from the provider local authority (for maintained schools and PRUs, based on the financial year), or from ESFA (for academies, free schools, colleges, independent learning providers (ILPs), non-maintained special schools and special post-16 institutions, based on the academic year)*
* *top-up funding: the funding required, over and above the core funding, to enable a pupil or student with high needs to participate in education and training.*
* *funding under a service level agreement: where a service relating to SEND or AP has been commissioned by a local authority and is delivered by an institution, the local authority can pay for that service from its high needs budget where permitted by the funding regulations*

***Core funding and top-up funding by institution***

*45. The following summarises how high needs provision is funded in different types of provider for both pre and post-16 pupils and students. Further information is available in the section on provider types.*

***Mainstream schools, mainstream academies and mainstream free schools:***

* *pre-16 core funding: included within the funding through the local schools funding formula*
* *schools meet the first £6,000 of additional support costs from delegated funds within school budget share and academy grant, calculated under the local schools funding formula*
* *pre-16 top up funding (real time): Agreed per pupil top up paid by commissioning local authority*
* *post-16 core funding: element 1 (based on 16 to 19 national funding formula) plus element 2 (£6,000 per place) based on the number of places to be funded*
* *post-16 top up funding (real time): agreed per pupil top-up paid by commissioning local authority*

***SEN units and resourced provision in mainstream schools, academies and free schools:***

* *pre-16 core funding: a combination of per-pupil funding through the local schools funding formula, plus £6,000 per place for those occupied by pupils on roll, and £10,000 per place for the remainder of places to be funded*
* *pre-16 top up funding (real time): agreed per pupil top-up paid by commissioning local authority*
* *post-16 core funding: element 1 (based on 16 to 19 national funding formula) plus element 2 (£6,000 per place) based on number of places to be funded*
* *post-16 top up funding (real time): agreed per pupil top-up paid by commissioning local authority*

***Maintained special schools, special academies, special free schools, and non-maintained special schools (NMSS):***

* + *pre-16 core funding: £10,000 per place based on number of places to be funded*
	+ *pre-16 top up funding (real time): agreed per pupil top-up paid by commissioning local authority*
	+ *post-16 core funding: £10,000 per place based on number of places to be funded*
	+ *post-16 top up funding (real time): agreed per pupil top-up paid by commissioning local authority*

***Maintained pupil referral units, AP academies and AP free schools***

* + *pre-16 core funding: £10,000 per place based on number of places to be funded*
	+ *pre-16 top up funding (real time): agreed per pupil top-up paid by commissioning school or local authority*
	+ *post-16 core funding: element 1 (based on 16 to 19 national funding formula) plus element 2 (£6,000 per place) based on number of SEND places to be funded*
	+ *they will not receive AP place funding for post-16 students because these institutions are, by definition, schools set up to educate children of compulsory school age*
	+ *in the event that an AP institution does have post-16 high needs students with special educational needs, usually with an EHC plan, these places are funded on the same basis as post-16 students in mainstream schools*
	+ *post-16 top up funding (real time): agreed per pupil top-up paid by commissioning local authority*

***Nursery schools***

* + *pre 16 core funding: per pupil funding through the early years funding formula*
	+ *the place funding system doesn’t operate in 0 to 5 year only settings*
	+ *pre 16 top up (real time): agreed per pupil funding paid by commissioning local authority for costs assessed by the authority and not met through the early years funding system*

***Independent schools (including independent AP)***

* + *pre-16 core funding: place funding system doesn’t operate in independent schools*
	+ *pre-16 top up funding (real time): agreed per pupil funding paid by commissioning local authority*
	+ *post-16 core funding: place funding system doesn’t operate in independent schools*
	+ *post-16 top up funding (real time): agreed per pupil funding paid by commissioning local authority*

***FE institutions, special post 16 institutions (SPIs) and independent learning providers (ILPs)***

* + *post-16 core funding: element 1 (based on 16 to 19 national funding formula) plus element 2 (£6,000 per place) based on number of places to be funded*
	+ *post-16 top up funding (real time): agreed per pupil top-up paid by commissioning local authority*

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***Additional funding for mainstream schools***

*89. One of the categories of high needs spending referred to above is targeted funding to mainstream schools. Local authorities can provide additional funding outside the main funding formula for mainstream schools and academies on a consistent and fair basis where the number of their pupils with SEND and/or high needs cannot be reflected adequately in the funding they receive through the local funding formula. They should define the circumstances in which additional funding will be provided from their high needs budget.*

*90. Additional funding may be provided where there are a disproportionate number of pupils with a particular type of SEND. For example, a primary school may have developed a reputation for meeting the needs of high achieving pupils with autistic spectrum disorder, or pupils with physical disabilities, and it’s not possible to target additional funding to the school through factors in the school funding formula.*

*91. Local authorities should have a formula or other method, based on their experience of distributing additional funding to their schools and academies. This should be agreed with schools and described on the authority proforma tool (APT). In all cases the distribution methodology should be simple and transparent, and devised so that additional funds are targeted only to a minority of schools which have particular difficulties because of their disproportionate number of pupils with SEND or high needs or their characteristics.*

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***Specialist support services***

*92. If mainstream provision is to meet a wide range of additional needs, it is important that schools, colleges and settings have access to high-quality specialist support (for example, to help with the needs of children and young people with autism, speech and language needs, social, emotional and mental health needs, sensory impairment or challenging behaviour). This typically involves specialist teachers with expertise in supporting pupils with complex needs who are available to advise, train and support other teachers and SEN co-ordinators in mainstream schools and colleges, and who can provide other support, for example through networking and targeted training.*

*93. It is important that such support is available to mainstream schools (maintained schools as well as academies and free schools), further education colleges, sixth form colleges and 16-19 academies, since they are all statutorily required to identify the special educational needs of their children and young people and to use their best endeavours to make sure that a child or young person who has SEN gets the support they need.*

*94. Local authorities and mainstream schools and colleges should discuss how such specialist support should be delivered when considering how to spend the high needs funding available to them. Many local authorities employ specialist teachers, funded directly from their high needs budget. Others give special schools additional funding to provide specialist support to other schools. Such arrangements are frequently accompanied by a service level agreement confirming what will be delivered in return for the additional funding.*

*95. Specialist support for pupils at risk of exclusion may be commissioned by the local authority or by schools (using funding devolved by the local authority). Further information on centrally commissioned AP services can be found in annex 2.*