1. **How will the allocation beyond the basic entitlement but up to the threshold be paid?**

Since 1999, local authorities have had to supply maintained schools with a notional SEN budget, which is an amount identified within their budget for the support of pupils with SEN. This will continue under the new system and the amount will also be made explicit to academies. As part of designing the new formulae, local authorities have been looking at whether they need to change the formula for the notional SEN budget and whether they need to change the threshold below which they expect schools (and academies) to fund pupils with SEN. It should be noted that the expected threshold is £6k on top of the basic entitlement, not £10k in every school/academy.

Schools already fund pupils with SEN from their base budget to some extent and this amount is already in academies’ SBS. In some local authority areas where the current levels of delegation are significantly at variance with the £6k threshold, local authorities may decide on a higher or lower threshold as a step towards the £6k. So, for example, if the local authority’s threshold is £7,000 and the basic entitlement – i.e. age-weighted pupil unit (AWPU) of funding – is £2,800, the academy would be expected to meet all the costs of SEN pupils, with or without statements, up to £9,800.

It should also be noted that the notional SEN budget is for the additional needs of all children with SEN – of whom there are nearly 2 million identified in England – and that the new system does not allow for a separate funding allocation specifically for pupils with statements. Rather, schools and academies will be expected to provide SEN support for all pupils with SEN up to a threshold of £6k.

2. **In what way will the reforms be better for special needs children?**

The reforms will strengthen the links between the commissioning local authority and the providing school or academy, in that top-up funding will form part of these discussions. This will bring together consideration of the needs of the child, how those needs are to be met, what the outcomes for the child should be, and what the commissioner is going to pay in top-up funding to bring them about.
Also, by equalising the marginal costs of placing pupils in different settings, the new system will encourage local authorities to meet the wishes of parents to have their children educated in a particular school or academy.

3. **How will we be notified of the costs associated with a High Needs pupil?**

When a local authority wishes to place a statemented pupil in your school, it will discuss with you what the needs of the pupil are and how much it proposes to pay in top-up funding.

4. **What happens if a pupil moves away or leaves the provision? Do we lose the funding?**

Top-up funding will move with the pupil in real time. This would generally be true now of what a local authority pays to a school to meet the costs of pupils with statements, often known as Individually Assigned Resources. The rest of the budget is not affected in-year.

5. **What is the incentive to get a statement if the local authority only pays beyond £10k and the provision may cost less than that?**

There is not intended to be an incentive to get a statement: if the provision costs less than around £10k, a statement should not usually be needed. In fact the new funding arrangements should end the perverse incentive that currently exists in some areas, where to secure additional funding schools are encouraged to push their pupils with SEN through what can often be a lengthy and bureaucratic statementing process, when a statement is not really needed.

6. **How easy is it to receive funding from the home local authorities?**

Top-up funding rates will be a matter for discussion between commissioning local authorities and the academy. For academies which take in pupils from other local authorities, there should be discussions anyway about what the academy is providing in support of a statement of SEN, etc. Top-up funding will in future be a part of those conversations, but this need not be time-consuming or difficult. Local authorities often operate banding systems, which they are now adapting to the new arrangements, and will be required to treat academies on the same basis as the maintained schools they fund. There will also be a condition of grant that local authorities must pay top-up funding monthly unless agreed otherwise with the
provider. We are working with the Local Government Association on simple contracts and payment arrangements that the LGA can recommend to local authorities.

7. What will happen (in funding terms) to pupils who are already in receipt of a statement?

Local authorities will be required as a condition of grant to continue to support high needs pupils who are already in place at April 2013. Since academies’ budgets will not change until September, we are asking local authorities to pay as much top-up for the summer term as the pupil would currently get. With new placements, the placing LA will open a discussion with the academy as described above.

8. I have a high than average number of High Needs pupils, how will this be reflected in my funding?

Local authorities should be taking these issues into account in devising their new formulae, and the way in which they set up the notional SEN budget. If the notional SEN budget does not adequately deal with the issues, local authorities should use their high needs budget to set up a supplementary scheme to provide additional funding to schools with large numbers of high needs pupils. If you have a relatively high number of high needs pupils, talk to the LA to see how they are dealing with this issue.

9. What happens to the April – August funding element for special needs funding which schools currently receive from their local authorities?

As noted above, we are asking local authorities to continue with the current arrangements for the April-August period before academies move to the new 2013/14 funding formulae. Local authorities will be reimbursed where necessary through adjustments to the amount recouped from them by the EFA.

10. If the number being funded is incorrect, how long will it take for funding to be recalculated?

The concept of planned places only applies to special schools and to special units within schools. In these institutions, the numbers of places funded by EFA will be that which was agreed by the LA and checked with the academy. This will provide a level of base funding that will not change for the year, whether or not the pupil
number occupying those places ends up being less than the place number or more. We have advised that place numbers should be reviewed at least every two years, but our expectation is that the EFA, with local authorities and academies, will wish to review this number each year, at least initially.

11. Does High Needs cover things other than statemented SEN – in particular pupils who need to have alternative provision for part or all of their time in a mainstream setting?

Yes it does – it covers the alternative provision (AP) budget of the LA. This is handled in different ways in different places: sometimes by the LA centrally, sometimes by devolution to schools or groups of schools, and there is no general guidance we can give. Generally speaking, the current local arrangements can continue as they are, except that from April pupil referral units (PRUs) maintained by the LA will get delegated budgets and, to the extent that PRU and AP academy places can be identified, they will be funded through the “place-plus” system of base funding (£8,000 per planned place) plus top-up funding.

12. The final funding statement includes information on High Needs – what will this amount show?

This is funding for places in a special unit, where an academy has one.

13. We operate a PRU under an SLA, how would the funding work with that?

The academy would have to work out the details with the LA with which it has the Service Level Agreement (SLA) - assuming that the SLA referred to is between the academy and an LA - and any other local authorities, schools or academies that would be commissioning services from the PRU. But the general principle with PRUs is that they get base funding at £8k per place and then top-up funding for the pupils actually placed in them. Depending on the local arrangements, the top-up funding would come directly from the commissioning LA, school or academy. If it comes from a school or academy, again depending on local arrangements, the top-up funding element could be included in their delegated budgets (i.e. academies’ General Annual Grant) or through devolved funding supplied separately by the LA on an equitable basis to both its maintained schools and the academies in its area.