

SEN Funding Model

CONSULTATION PAPERS



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1. Executive Summary

1.1 This consultation is designed to seek views from schools on changes to funding arrangements for children with SEN in all schools and academies in Kent. The changes are designed to promote inclusive practice and incentivise a culture of local collective responsibility whereby children with SEN can be provided for and welcomed locally. Following a key decision in August 2024 to proceed with the Localities Model for mainstream schools, a review of SRP provision countywide and a review of special schools across the county, KCC is launching this consultation for the following reasons:

- There is a need to move to a financially sustainable model to ensure that KCC can continue to provide a good quality education for all children with SEN
- There is a need to move from four different funding models to one model which encompasses the whole system for state funded mainstream schools, state funded mainstream schools with SRPs, and state funded special schools
- There is a need to give schools time to understand the model and the implications for their current provision and for future provision
- There is a need to bring equity to how KCC funds schools and to move away from the current individual 'claims based' system which is dependent on 'need type', diagnosis and relies on individual officer decisions

1.2 The consultation is designed to seek the views of schools on the following points:

- The principles of a single funding system for the future
- The formula for how KCC will calculate the funding for the Communities of Schools to implement the Localities model for mainstream schools
- How funding is used to meet the needs of children who have significant needs in special schools, SRPs and mainstream schools
- How to support schools to transition from one model to another.

1.3 To support schools to engage in the consultation and make an informed response, the following documents are also available as appendices.

- FAQ document which was collected during the Communities of Schools socialisation events in September 2024. Appendix 1
- A PDF document which models the proposed funding for each community of schools over the next three years. Appendix 2
- A draft of specific allocation funding descriptors which KCC is proposing to use to assess the funding for schools to provide for needs of children with significant needs. Appendix 3
- A document which outlines the most recent consultations which have taken place across the education sector, and which provide an evidence base for the proposals. Appendix 4.

1.4 To complete this consultation, please go to the [online questionnaire](#) available on Kelsi to submit your responses, the consultation closes at midnight on 6th December 2024, anything submitted after this date may not be included in the analysis.

2. Introduction

- 2.1 As part of KCC's work to address some of the inspection's areas of weakness, an independent review of funding for children and young people with SEN in Kent mainstream schools was undertaken in 2022. The review formed part of KCC's work to improve the lived experience for children and young people with SEN, and that of their parents, carers, and families. The review found KCC had the highest High Needs Block (HNB)¹ of all the shire counties (£734 per resident, compared to an average of £614), with spend exceeding annual budget allocations. As a result, KCC built up a significant overspend which is unsustainable. Despite this higher-than-average allocation, KCC has seen little impact on improved school experience and outcomes, or parental satisfaction. Even with the increased amount of funding spent on supporting pupils with high needs, demand for specialist provision and places continued to grow. This suggested the current system was not working as well as it could to get the best outcomes for pupils.
- 2.2 Kent is also responsible for the distribution of funding for Special Educational Needs (referred to as High Needs Funding, HNF) to schools which is expected to be fully funded from the High Needs Block (HNB) of Dedicated Schools Grant (DSG) provided by the Department of Education (DFE). KCC, like many other Local Authorities (LA) in the country, found the costs of delivering services to support children with SEN has grown faster than increases in the HNB. This resulted in KCC incurring an annual overspend of up to £50 million (15%), of which around £10m had been funded by primary & secondary school contributions, and the remainder of the balance accumulating in a total deficit of £147 million by March 2023. To address the overspend in the HNB KCC entered into a Safety Valve agreement in 2023 with the Department for Education. The agreement meant the DfE would make a total contribution of £140 million towards the accumulating deficit, alongside an £82 million contribution from KCC itself, to pay off the estimated accumulated deficit by this time and help to balance the high needs budget by 2027-28, in return for KCC implementing actions intended to resolve the in-year overspend and achieve future financial sustainability. This agreement has avoided the need to otherwise impose up to £222 million of spending reductions on SEN support in schools.
- 2.3 Recognising change in SEND services was needed nationally, not just in Kent, the government published a SEND and Alternative Provision (AP) Improvement Plan in March 2023. This communicated a vision for new local SEND partnerships that would create evidence-based Local Inclusion Plans, which "set out how the needs of children and young people in the local area will be met in line with National Standards." Also, that LAs should do what they can to use resources effectively for children and young people with SEND and those in AP. It also included the Government's direction of travel for a future HNF model for schools, by a commitment towards the tariff model (used by many other local authorities) for

¹ Grant funding provided by the government

allocating funding to schools. The government's SEND and AP Improvement Plan was a step towards a more effective, and sustainable high needs system, that works for children, young people, and their families, but implementing this nationally would take time, Kent's position (following inspections and their financial position) meant KCC needed to act sooner.

- 2.4 Acknowledging the current landscape in Kent and nationally, which includes ambitions of continued improvements in the SEN systems for children and young people, the need for financial sustainability in these systems, and ensuring the outcomes and opportunities available to children and young people with SEN are equitable and inclusive, the funding model we are proposing meets these requirements.
- 2.5 Employing the Kent Outcomes Framework will support us in evidencing outcomes for children and young people are being positively impacted.



- 2.6 Implementing structures like the Communities of schools within a new Locality Model (see detail in section 5), and updated thresholds in the Continuum of Need and Provision will strengthen and empower the system to make collaborative decisions, utilise resources more easily and swiftly, in a consistent way.
- 2.7 Current overspending will be halted by utilising a more collaborative, transparent system, that will work together to create a sustainable future in Kent's HNB funding. The HNB for the academic year 25/26 has not been announced by the DfE yet; KCC will only allocate funding within this budget's limits.

The Kent Context

3. Special School Review

- 3.1 A special school is defined in Kent as one which provides education and support to children and young people with an EHCP who have significant needs and require their SEN provision to be delivered in a specialist setting. Any reference to special schools throughout this report relates to state-funded special schools unless stated otherwise. State-funded special school places are commissioned by KCC and fully funded from the HNB of the DSG (along with other specific grants). KCC is the admissions authority for state-funded special schools.
- 3.2 Between November 2022 until November 2024 KCC officers reviewed Kent's state-funded special school provision. The context in which the Special School Review was carried out was one of financial and reputational challenge. Kent has an over-reliance on special school provision, both state-funded and private, in comparison with statistical neighbours and England (DfE 2023).
- 3.3 One of the aims of the recent Special School Review was to establish the principles of funding for special schools. This included:
- Compliant with the Dedicated Schools' Grant Funding Regulations
 - Special school funding is planned within the High Needs Funding available
 - The model and system for allocation is equitable across special schools in Kent
 - The model and approach to funding is transparent and enables the LA to provide education that is suitable and an efficient use of resources
 - Special schools are funded to provide curriculum pathways that are flexible and include bespoke education provision for those with significant needs (without the need to apply for additional funding) - *most LAs have some form of Banding for varying curriculum pathways*
 - The model can support curriculum delivery across special and mainstream settings when planning for young people has a focus on reintegration and independence
 - The funding model is aligned with the principle that children are placed in a special school as close to home as possible and may need to take account of variability in place numbers and funding associated with demography and geographical area
- 3.4 The specific allocation funding (tariff funding streams) system proposed in this consultation is in line with the principles above and can be applied to anything that will result from the special school review as the funding model goes beyond designations and admissions guidance and can be applied to all provisions in Kent.

4. Specialist Resource Provision Review

- 4.1 Specialist Resource Provision (SRP) is defined in Kent as “places that are reserved at a mainstream school for pupils with SEN, who are included within the mainstream school and activities, but require a base and/or some specialist facilities”. Kent resourced provisions:
- Have an SRP Lead Teacher with specialist qualification(s) overseeing the provision
 - Are commissioned specifically for making this kind of SEN provision
 - Cater for pupils who have SEN with an EHCP who may not make progress without specialist facilities and/or expertise
 - Should support pupils with SEN support and EHCPs through delivering in-reach and/or outreach activities.
- 4.2 A review of Kent’s standard SRP contract and service level agreement (SLA)² was carried out from January 2023 through to April 2023. The aim was to strengthen the governance arrangements and to ensure consistency between the two documents. The updated contracts and SLAs were issued to all SRP holding schools from September 2023 through to December 2023, pending the Authority’s decision to enter into these. The updated contracts/SLAs cover the period up to 30 August 2026. CYPE Cabinet Committee and the Cabinet Member for Education and Skills approved the use of the updated documents following the 16 January 2024 meeting.
- 4.3 SRPs play a critical role within Kent’s SEN system and the review aims to implement a robust reporting and monitoring framework as business as usual across the County, enhance pathways between primary and secondary school SRPs, and ensure equitable provision across Districts. With a focus on a sustainable financial model and alignment with Kent’s strategic objectives, the SRP Review is positioned to contribute to improving outcomes for children and young people with SEND in Kent.

5. Communities of Schools (Locality Model)

- 5.1 Kent schools predominantly operate individually; making decisions involving pupils with SEN without much opportunity to make these collaboratively, to moderate any thresholds used, or to make decisions across groups of schools. The current system for allocating HNF reinforces this approach and does little to support those schools that would prefer to take a more collaborative or strategic approach to supporting the needs of children with a similar profile of needs through, for example, commissioning support across a group of schools. This has led to the inconsistencies found in mainstream SEN inclusion and provision, as identified in the area inspection (2019) and re-visit (2022). Some pupils in Kent are potentially placed in specialist provision who would be educated successfully in mainstream settings in other LAs, or in other mainstream schools within the county. The aim is for children and young people with SEN in Kent to receive early and timely support. Greater numbers of children and young people are able to have their needs met within mainstream settings, or should

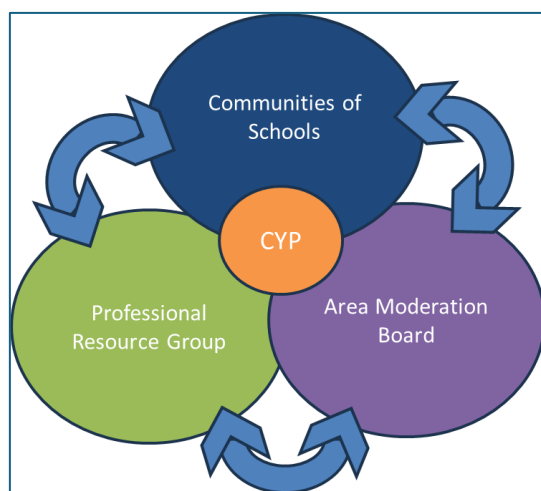
² Contracts are held with schools who belong to a multi-academy trust and SLAs are held with LA maintained schools

they need specialist provision, that wherever possible, they can access this locally, close to where they live.

- 5.2 Research by the DfE finds that more consistent and effective support in mainstream schools leads to positive outcomes for children and young people. LAs who make substantial use of peer moderation and mainstream collaboration have found that doing so improves consistency and is a useful source of advice and support. A Locality Model has been designed to improve the quality of the mainstream education offer in Kent, through early and accurate identification of need, high quality teaching of a knowledge-rich curriculum, and timely access to specialist health and care support, as well as AP placements where they are needed. The Locality Model sets in place the structures (Communities, meetings, guidance and support) that allow for peer moderation to happen on a consistent basis.
- 5.3 Since the consultation KCC has developed the first drafts of operating procedures, meeting terms of reference, proposed schedules, and roles and responsibilities for Communities of schools. We tested the drafts with Inclusion Champions (school leaders) in September 2024 and will further develop them in January 2025 with Community Chairs when recruited.
- 5.4 KCC recognises the importance of an agreed language across the county and also communicating consistently in a clear and understandable way to all relevant parties. As a result, the terms of 'predictable' and 'exceptional' needs are no longer being used. Kent has worked to provide a framework for consistent decisions to be made, making these decisions for children and young people more reliable and transparent. This led to the development of the Kent Continuum of Need and Provision, linking with the SRP and Special School reviews, working collaboratively across these three projects is creating solid foundations for SEN support in Kent.
- 5.5 The Communities of schools will support KCC to use the HNF more effectively in close collaboration with SEN professionals. To do this KCC is proposing it will make an amount of HNF available to each Community, from the HNB, to meet the needs of children and young people with SEN in their local area. Proposed financial adjustments will be used to stabilise current spending and remain within the HNB budget. This shared resource, rather than much smaller amounts of money attached to individual children and young people, will allow schools to explore more options. Funding can be used more creatively and would bring the advantage of economies of scale to purchasing SEND support provision. KCC will remain as the responsible body and also accountable for the administration of these shared resources with schools as the decision-makers.
- 5.6 The specific allocation funding (tariff funding streams) system has been developed (details in the consultation section below), informed by the Continuum of need and provision, with the support of a representative group of school leaders, for SRPs and Special Schools. Alongside the resources available for the Communities of schools this ensures money from the HNB can be allocated responsively and sustainably via

localised evidence-based decision-making. The aim of the new funding model is to create a sustainable system for Kent that will support improved outcomes for children and young people. There will be one financial model that covers the whole SEN system rather than the current position of many models with differing, overly bureaucratic, processes.

- 5.7 The consultation feedback also requested that funding models need to be transparent, consistent and fully explained. By implementing the Locality Model, with peer moderation at its core, there will naturally be greater transparency about the levels of funding involved, and the levels of investment schools should be making themselves (through their delegated/notional budgets), to develop expertise and capacity to support children and young people with SEN in mainstream schools. A stronger emphasis and greater transparency on schools' use of their notional budgets will support schools to recognise needs that should be met from their delegated budget. Part two of this document details the proposed funding model and requests feedback from schools before decisions are finalised.
- 5.8 After reviewing the consultation feedback and accounting for all the responding developments listed above, a key decision was made on 1 August 2024 by the Cabinet member for Education and Skills (following the May 2024 CYPE Cabinet Committee) to proceed with the Locality model and develop a funding model to accompany the changes.



6. School Funding

- 6.1 The DSG is payable to LAs under section 14 of the Education Act 2002. The DSG is intended to meet the educational costs of pupils in primary and secondary education, as well as the educational costs of special educational provision for children and young people with SEN in post-16 provision, including those aged over 19 and up to 25 who have an EHC plan. The DSG is split into four blocks:
- The Schools Block (SB) – used to fund primary & secondary school budgets
 - High Needs Block (HNB) – used to fund educational placements and services for children with SEN, and AP services

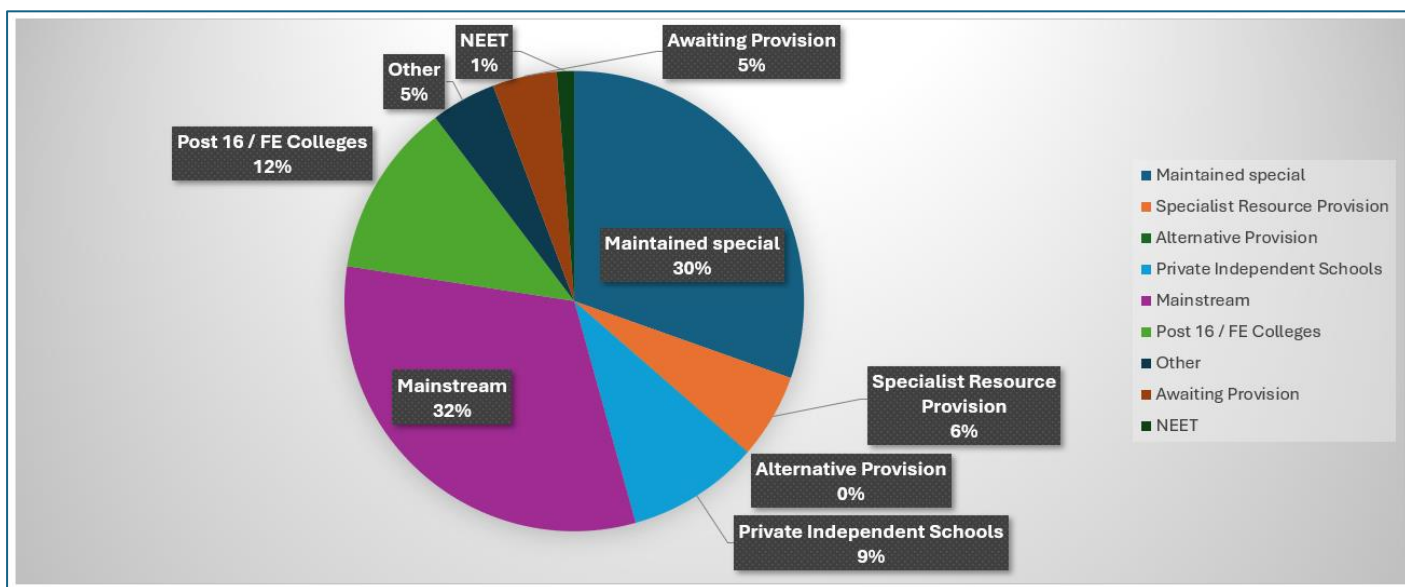
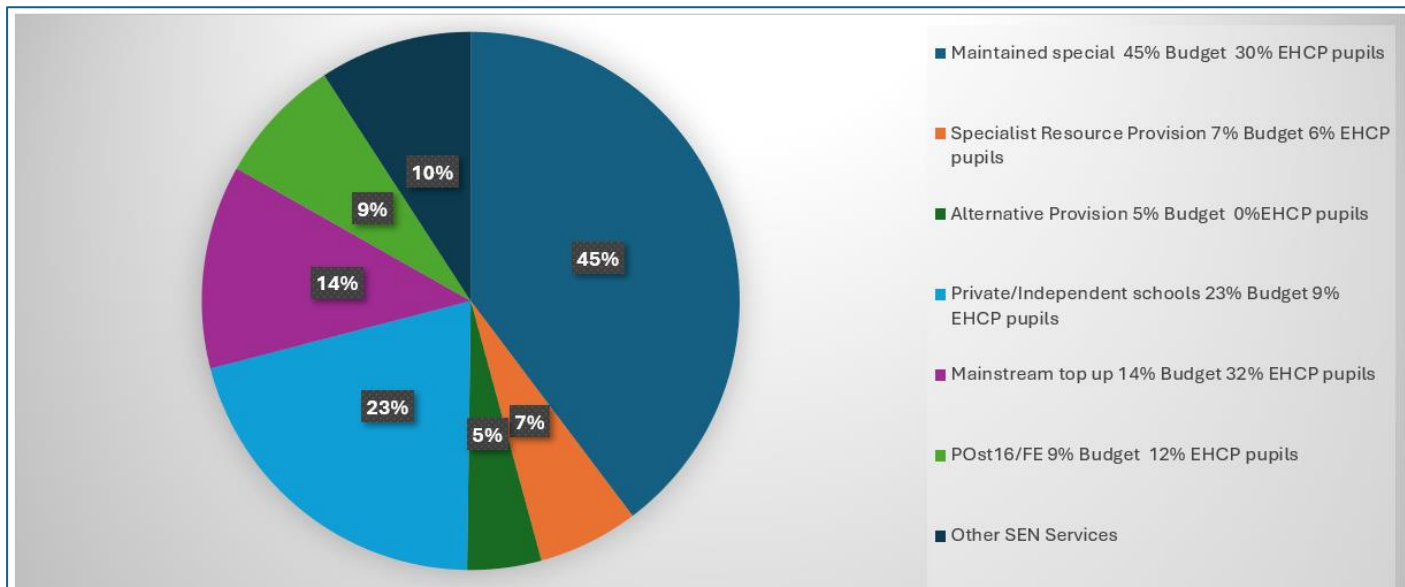
- Early Years Block (EYB) - used to fund the free entitlement payments from 9 months up to 4-year-olds (up to 30 hours free childcare)
- Central Schools Services Block (CSSB) - used to fund several statutory functions exercised centrally for the benefit of all schools within their area.

6.2 The local authority spending on SEN is funded from both the HNB of the DSG and Council tax. The table below shows a snapshot of Kent SEND finance data for the financial year 2023/24. For primary and secondary schools, funding for SEN is also expected to come from their main school budget allocation.

1) How much was spent by KCC on SEND 2023-24 (excluding health spend)?	£456.2m total £84.8m SEN transport & Assessment Service (Council tax) £371.3m SEN non statutory Services & school/education Placements (DSG)
2) How much was the High Needs Funding Block in 2023-24?	£316.9m plus £12m extra from primary & secondary school budget. There was a shortfall of £42.3m
3) Average cost of educating a child with an EHCP in a mainstream school?	£8,600 per child per year
4) In a maintained special school?	£23,600 per child per year
5) In a private/independent school	£46,900 per child per year

6.3 HNF is provided to LAs through the HNB of the DSG, enabling them to meet their statutory duties under the [Children and Families Act 2014](#). The financial allocations from the HNB provide LAs with resources for place funding, top-up funding for schools and colleges, and funding for high needs services delivered directly by the LA, or under a separate funding agreement with a school or college (including funding devolved to schools and colleges), as permitted by regulations.

6.4 The graphs below show a snapshot of HNB spend for 2023/24: Total spend £371.2m / Total income £328.9m. and the total distribution of pupils (excluding EY) of 20,219 pupils with an EHCP, demonstrating how the current distribution of HNB funding in Kent is disproportionate to the placement of children and young people with SEN.



6.5 Local Authorities are required, by the DfE, to fund schools (mainstream, SRPs and Special Schools) based on the “place-plus methodology” which breaks down the funding rates for SEN into 3 elements:
 Element 1 (E1) – Core education funding
 Element 2 (E2) – Additional funding (up to £6k)
 Element 3 (E3) – Top-up Funding (additional funding above £6k)
 The source of funding for elements 1 & 2 varies between mainstream, SRPs and Special Schools, but element 3 (top-up funding) is paid by the Local Authority from the High Needs Block. The payment of top-up funding in Kent has historically been predominantly driven based on the need group of the child with SEN and its calculation/method of allocation is different between mainstream, SRPs and special schools. The following section provides background on the current funding basis for mainstream, SRP and special schools and key spending patterns.

6.6 **Special schools:** Special school funding rates are calculated each year on commissioned place numbers using a weighted average. Special schools receive place plus funding, which is made up of 3 separate elements:

- Element 1 (E1) and Element 2 (E2) constitute the place (base) funding, and
- Element 3 (E3), known as top-up funding, is the difference between the funding rate of the pupils' primary need type minus the E1 and E2 place funding.

The E1 and E2 funding is guaranteed as it is based on commissioned places (currently this is £10k per place) paid as a lump sum. E3 is paid to the school on a monthly pro-rata basis (a month in arrears) based on each month the pupil is on roll at the school.

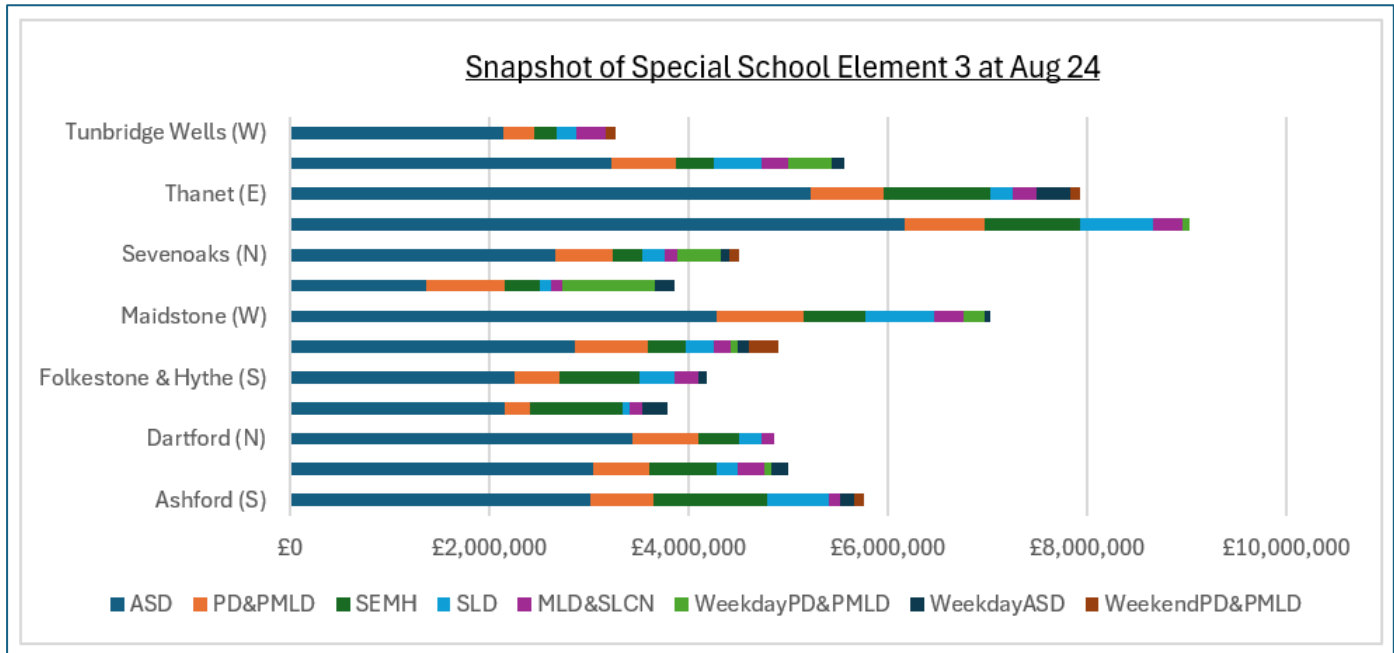
6.7 The agreement of commissioned place numbers occurs every autumn for the following academic year, and this determines the funding rate per pupil for the year. The special school funding rate is determined by a formula which uses several factors to determine a funding rate per pupil based on their primary need type. The factors used are pupil led (a per-pupil rate based on pupil characteristics) and school led (a lump sum based on school factors which is then divided by the number of commissioned places to give an effective rate per pupil) which are then combined to give a rate per pupil for each primary need type. Full details of the pupil and school led funding factors and special school funding can be found in the [Annual School Budget Guidance produced by KCC](#).

6.8 Special schools' E1, E2 and E3 funding comes from the HNB of the DSG.

6.9 The following table and graph visuals show a snapshot of August 2024 E3 funding for special schools, by District and need type.

Snapshot of Element 3 Funding for Special Schools as at August 24 by District and Need Type									
District	ASD	PD&PMLD	SEMH	SLD	MLD&SLCN	WeekdayPD&PMLD	WeekdayASD	WeekendPD&PMLD	Total
Ashford (S)	£3,006,779	£644,717	£1,129,781	£623,328	£116,117		£135,321	£100,528	£5,756,572
Canterbury (E)	£3,041,765	£567,367	£670,250	£210,604	£272,815	£72,121	£166,881		£5,001,803
Dartford (N)	£3,431,349	£668,178	£404,536	£224,218	£127,492				£4,855,773
Dover (S)	£2,159,808	£251,726	£931,264	£64,565	£130,975		£250,322		£3,788,660
Folkestone & Hythe (S)	£2,259,104	£449,313	£795,545	£354,458	£238,303		£83,441		£4,180,163
Gravesend (N)	£2,859,758	£736,675	£372,781	£287,662	£166,470	£72,121	£103,761	£301,584	£4,900,812
Maidstone (W)	£4,282,049	£876,539	£613,090	£684,793	£295,086	£216,363	£51,881		£7,019,801
OLA	£1,362,742	£785,796	£356,403	£114,045	£109,176	£937,573	£187,202		£3,852,937
Sevenoaks (N)	£2,653,648	£582,010	£303,309	£221,364	£124,895	£432,726	£83,441	£100,528	£4,501,921
Swale (E)	£6,171,563	£800,710	£948,878	£734,933	£294,964	£72,121			£9,023,169
Thanet (E)	£5,222,899	£734,252	£1,068,562	£222,335	£243,728		£333,762	£100,528	£7,926,066
Tonbridge and Malling (W)	£3,227,133	£645,564	£384,482	£468,427	£270,639	£432,726	£135,321		£5,564,292
Tunbridge Wells (W)	£2,142,027	£307,813	£223,590	£198,489	£298,267			£100,528	£3,270,714
Total	£41,820,625	£8,050,659	£8,202,470	£4,409,222	£2,688,927	£2,235,750	£1,531,333	£703,696	£69,642,682

Based on pupils' home districts



6.10 KCC has a Dynamic Purchasing System (DPS) framework for provision of placements in the Non-Maintained Independent Special Schools (NMISS). The NMISS DPS was launched in September 2022 for an initial period of 3 years, with potential to extend for up to 3 further years. Since the introduction of the NMISS DPS, KCC has developed a vision and taken significant steps to identify opportunities for strategic system change to improve SEND provision, enhance educational outcomes, and promote inclusivity for children and young people with significant needs, wherever they may be placed within the education system. Going forward, NMISS DPS will need to be considered within this context of the continuum of needs and provision, with a sharper focus on quality, the ability to support children with the significant needs and offer value for money. NMISS funding is not in scope of this consultation.

6.11 **Specialist Resource Provision:** SRP funding is made up of 3 separate elements:

- Element 1 (E1) Core education funding (school formula budget or currently £4k)
- Element 2 (E2) Additional funding (currently £6k)
- Element 3 (E3) Top-up funding (individual to each SRP)

6.12 E1 and E2 combined constitute the place (base) funding and is guaranteed based on the number of commissioned places. E1 is included in the schools mainstream funding formula (unless the number of SRP pupils included in the formula is less than the number of commissioned places, then an allocation of £4k per extra place will be paid). E2 is paid for the current number of commissioned places. E3 funding is calculated by taking the SRP type rate and deducting the E2 amount then paying monthly (one month in arrears) for pupils on roll at the SRP. As with special school funding, the commissioned places are agreed each autumn for the following academic year. If commissioned places are exceeded E1 and E2 will also be paid monthly, on a pro-rata basis, for as long as the number of commissioned places are exceeded. The individual SRP rate is calculated based on the historic individually

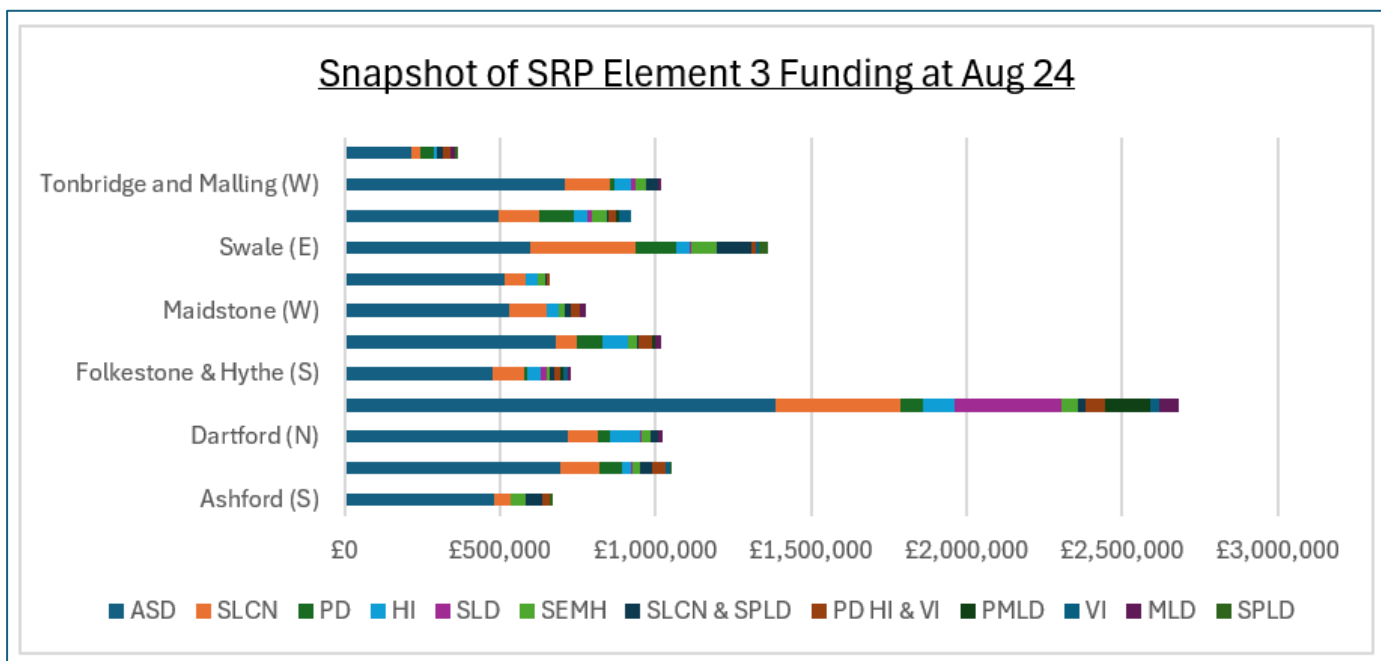
assigned resources rate, which has been periodically uplifted, further details can be found in the previously mentioned KCC [Annual School Budget Guidance](#).

6.13 SRPs E1 funding comes from the SB (unless there is a vacancy at October census), E2 and E3 funding comes from the HNB of the DSG.

6.14 The following table and graph visuals show a snapshot of August 2024 E3 funding for SRPs, by District and need type.

Snapshot of Element 3 Funding for SRPs as at August 24 by District and Need Type													
District	ASD	SLCN	PD	HI	SLD	SEMH	SLCN & SPLD	PD HI & VI	PMLD	VI	MLD	SPLD	Total
Ashford (S)	£478,968	£53,201				£48,703	£55,460	£25,117				£5,797	£667,248
Canterbury (E)	£692,336	£127,145	£72,778	£26,367	£5,683	£24,004	£38,638	£44,127		£14,515		£5,683	£1,051,276
Dartford (N)	£717,568	£97,946	£39,494	£96,754	£4,911	£29,053	£23,445				£12,017		£1,021,188
Dover (S)	£1,383,561	£403,963	£72,893	£100,014	£341,777	£56,213	£24,029	£61,527	£147,279	£28,107	£61,834		£2,681,198
Folkestone & Hythe (S)	£476,461	£98,682	£13,307	£39,551	£23,609	£7,870	£16,246	£17,486	£10,118	£15,033	£7,870		£726,233
Gravesend (N)	£681,090	£64,834	£80,710	£85,306		£28,699	£5,797	£40,718	£12,017			£19,719	£1,018,889
Maidstone (W)	£529,401	£119,045		£42,222		£15,780	£21,810	£27,518				£20,888	£776,664
Sevenoaks (N)	£513,287	£68,828	£0	£40,784		£19,763	£4,911	£13,595					£661,168
Swale (E)	£597,188	£339,261	£131,344	£40,230	£8,295	£79,504	£111,773	£13,134		£9,775	£0	£30,567	£1,361,070
Thanet (E)	£493,461	£133,390	£107,951	£43,250	£17,522	£46,729	£5,743	£22,931	£8,761	£42,826			£922,562
Tonbridge and Malling (W)	£709,856	£140,996	£17,815	£54,025	£10,140	£34,343	£40,582					£11,595	£1,019,351
Tunbridge Wells (W)	£212,282	£30,852	£41,770	£13,595			£15,592	£27,518				£15,348	£362,754
Total	£7,485,458	£1,678,143	£578,061	£582,097	£411,937	£390,661	£364,026	£293,670	£178,176	£110,256	£149,271	£47,845	£12,269,601

Based on pupils' home districts



6.15 **Mainstream schools:** LA's have a responsibility for funding High Needs pupils in mainstream schools, for both LA schools and academies. KCC currently complies with the DfE definition of a High Needs pupil where the cost of the additional need of the pupil is assessed at being greater than £6,000 per annum. Mainstream funding is also made up of 3 elements:

- Element 1 (E1): Core Education Funding (from the school's budget)
- Element 2 (E2): Notional SEN budget (from the school's budget)
- Element 3 (E3): Top-up Funding (currently agreed upon individual application).

6.16 For mainstream schools', E1 and E2 funding comes from their school budget, with E3 coming from the HNB (currently some schools also receive top-up in their E2 funding from the HNB).

- 6.17 Education and Skills Funding Agency (ESFA) produce national guidance, [The notional SEN budget for mainstream schools](#), which states “LAs are required to identify a notional budget for their mainstream schools which helps them comply with their duty to use their ‘best endeavours’ to meet the needs of their SEN pupils.” The notional SEN budget (E2) is not a separate budget but is identified within a maintained school’s delegated budget share, or an academy’s general annual grant and is calculated by using Kent’s local mainstream schools funding formula factors. Kent mirrors the National Funding Formula (NFF) factors for determining this budget, more information can be found in KCC’s [Annual School Budget Guidance](#).
- 6.18 This calculation is reviewed each year to make sure that schools notional SEN budgets are a realistic amount for meeting the costs of additional SEN support up to £6,000 per pupil, noting that any shortfall in this notional budget for schools where a standardised calculation does not work can be met from additional high needs targeted funding. It is intended as a guide for school’s spending decisions and is neither a target nor a constraint on a school’s duty to use its ‘best endeavours’ to secure special provision for its pupils with SEN. High needs Top-up funding (E3) should be allocated in addition to the notional SEN budget for SEN support costs in excess of £6,000 per pupil.
- 6.19 As part of the national guidance the ESFA states, “it is important that local authorities are transparent in their assessment of what provision their mainstream schools should make as part of the local offer of provision for children with SEND. They should identify the resources necessary for schools to deliver both an inclusive environment for their pupils with SEND and any more specialist support that is needed. Local authorities must set out in their SEND Local Offer information about the arrangements the authority has for funding children and young people with SEN, including any agreements about how schools will use any budget that has been delegated or devolved to them by the local authority”.
- 6.20 Detail of Kent’s allocation to mainstream notional budgets (E2) per district, for the last 8 years, is shown in the following table. Notable district variations and an increased year on year allocations are evident.

Mainstream School Notional SEN Budgets £m								
District	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Ashford (S)	£6,678,533	£7,347,053	£8,391,583	£10,295,866	£13,373,775	£13,712,236	£15,186,235	£16,170,724
Canterbury (E)	£6,291,433	£6,938,537	£7,848,151	£9,542,896	£13,272,277	£13,404,670	£15,251,625	£16,624,671
Dartford (N)	£6,754,930	£7,275,066	£8,649,973	£10,872,772	£13,396,861	£13,846,468	£15,455,204	£17,376,827
Dover (S)	£6,767,960	£7,147,442	£8,128,439	£9,748,324	£11,083,673	£11,345,355	£13,207,840	£14,354,121
Folkestone & Hythe (S)	£5,954,613	£6,599,739	£7,403,131	£8,731,997	£10,340,169	£10,375,984	£11,600,886	£12,570,433
Gravesend (N)	£8,472,033	£8,227,486	£9,361,779	£10,990,680	£13,568,543	£13,690,032	£14,744,652	£15,574,329
Maidstone (W)	£7,385,735	£7,992,643	£9,220,338	£11,370,492	£17,735,687	£17,961,142	£19,531,164	£20,542,020
Sevenoaks (N)	£3,106,467	£3,695,158	£4,229,480	£5,163,152	£7,119,304	£7,172,200	£7,793,306	£8,878,040
Swale (E)	£9,541,238	£10,505,087	£11,833,891	£14,082,441	£17,303,685	£17,537,794	£19,563,992	£20,937,533
Thanet (E)	£10,368,590	£10,772,949	£11,789,282	£13,946,549	£15,955,809	£16,535,837	£18,889,393	£19,533,881
Tonbridge and Malling (W)	£5,238,534	£5,902,613	£6,924,288	£8,592,115	£14,119,463	£14,062,722	£14,756,786	£15,821,920
Tunbridge Wells (W)	£3,711,751	£4,029,867	£4,763,620	£6,072,448	£10,993,884	£10,712,508	£11,279,645	£11,870,488
Total	£80.3m	£86.4m	£98.5m	£119.4m	£158.3m	£160.4m	£177.3m	£190.3m

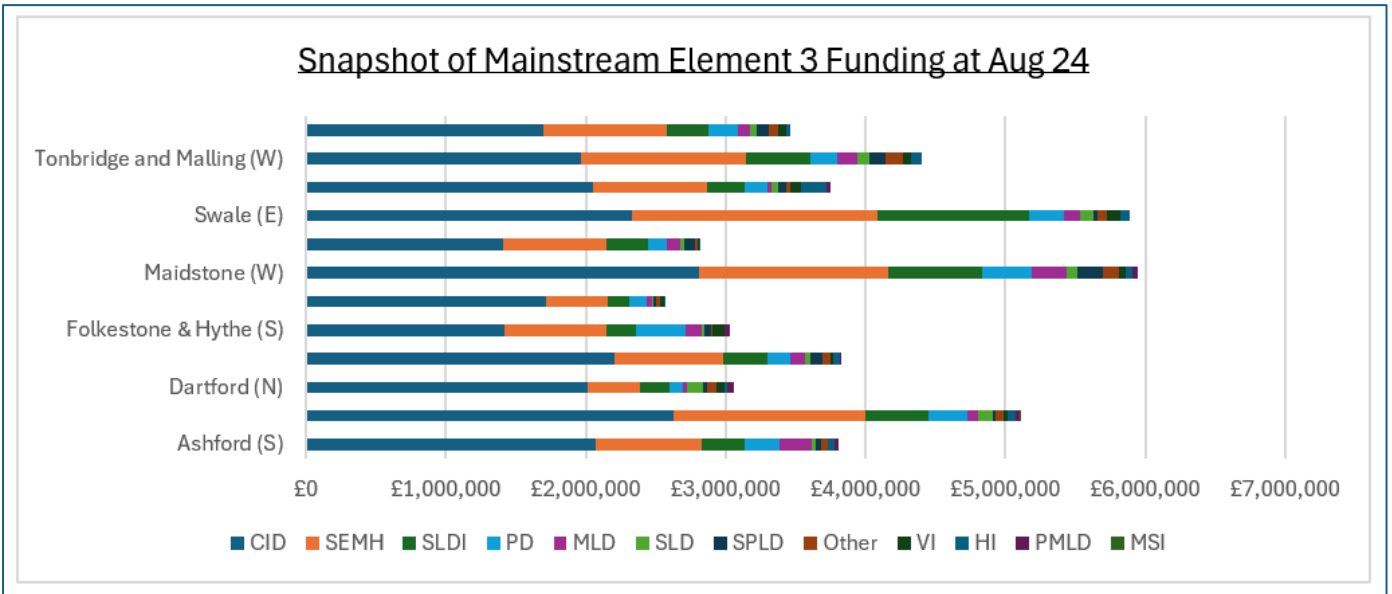
This would need to be considered alongside any increase in pupil numbers

6.21 The following table and graph visuals show a snapshot of August 2024 E3 funding for mainstream schools, by District and need type.

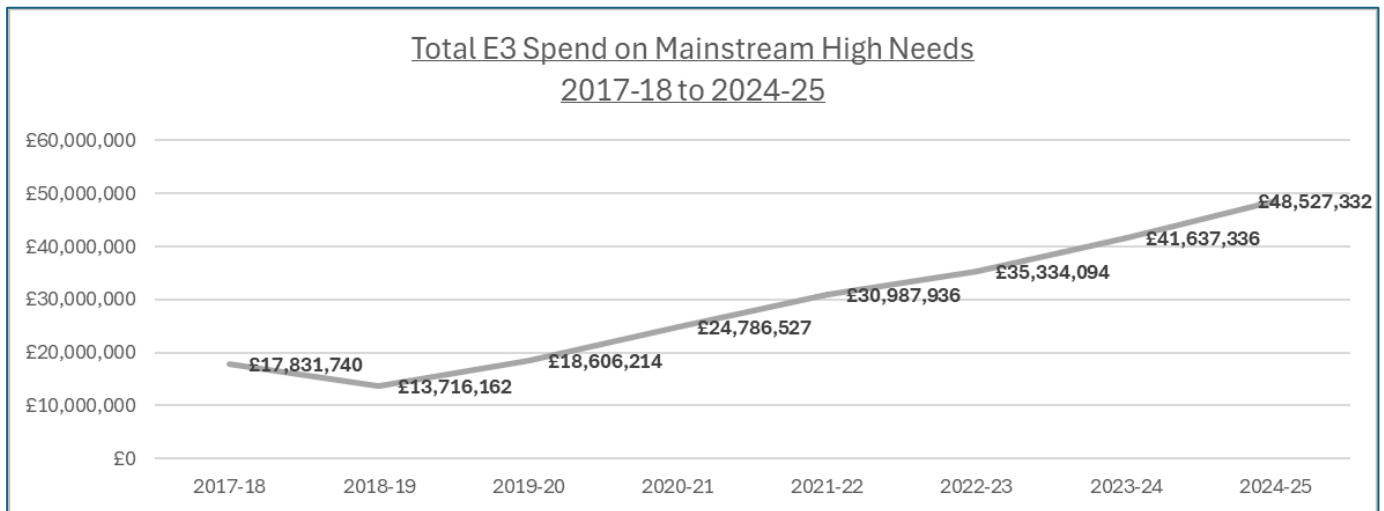
Snapshot of Mainstream High Needs Element 3 Funding as at August 24 by District and Need Type

District	CID	SEMH	SLDI	PD	MLD	SLD	SPLD	Other	VI	HI	PMLD	MSI	Total
Ashford (S)	£2,070,506	£759,986	£308,516	£248,894	£226,656	£30,291	£41,734	£44,367	£46,429	£46,429	£28,259		£3,805,638
Canterbury (E)	£2,628,245	£1,374,346	£444,583	£278,472	£82,545	£106,218	£17,743	£59,105	£25,706	£56,342	£24,856	£13,239	£5,111,400
Dartford (N)	£2,011,573	£375,412	£212,792	£95,377	£30,771	£115,356	£20,693	£67,547	£61,682	£18,082	£48,667		£3,057,951
Dover (S)	£2,204,191	£772,855	£317,595	£163,392	£110,270	£37,422	£82,725	£57,511	£22,942	£46,389	£3,742		£3,819,034
Folkestone & Hythe (S)	£1,417,040	£726,263	£217,391	£354,809	£110,897	£24,948	£44,048	£14,287	£78,156	£4,386	£36,023		£3,028,249
Gravesham (N)	£1,712,544	£444,377	£153,686	£123,424	£34,946	£18,463	£16,157	£28,356	£27,655	£12,626			£2,572,235
Maidstone (W)	£2,807,059	£1,350,900	£675,433	£351,004	£252,655	£81,524	£181,765	£110,513	£48,414	£50,634	£32,877		£5,942,777
Sevenoaks (N)	£1,403,791	£745,870	£292,873	£138,842	£93,194	£29,644	£73,731	£22,728	£3,913	£6,023			£2,810,609
Swale (E)	£2,332,054	£1,755,494	£1,083,697	£250,635	£113,153	£93,638	£28,747	£66,760	£93,498	£68,122			£5,885,797
Thanet (E)	£2,050,174	£820,530	£263,278	£162,783	£33,477	£46,328	£54,724	£26,799	£80,041	£182,204	£24,768		£3,745,106
Tonbridge and Malling (W)	£1,967,557	£1,175,622	£461,512	£192,665	£143,736	£86,107	£115,335	£127,535	£53,644	£81,822			£4,405,536
Tunbridge Wells (W)	£1,698,294	£882,730	£293,079	£214,697	£80,217	£52,318	£83,624	£67,063	£56,477	£34,005			£3,464,504
Grand Total	£24,303,029	£11,184,385	£4,724,434	£2,574,993	£1,312,516	£722,257	£761,026	£692,573	£554,127	£607,063	£199,190	£13,239	£47,648,834

N.B. The District used for this data is the school district

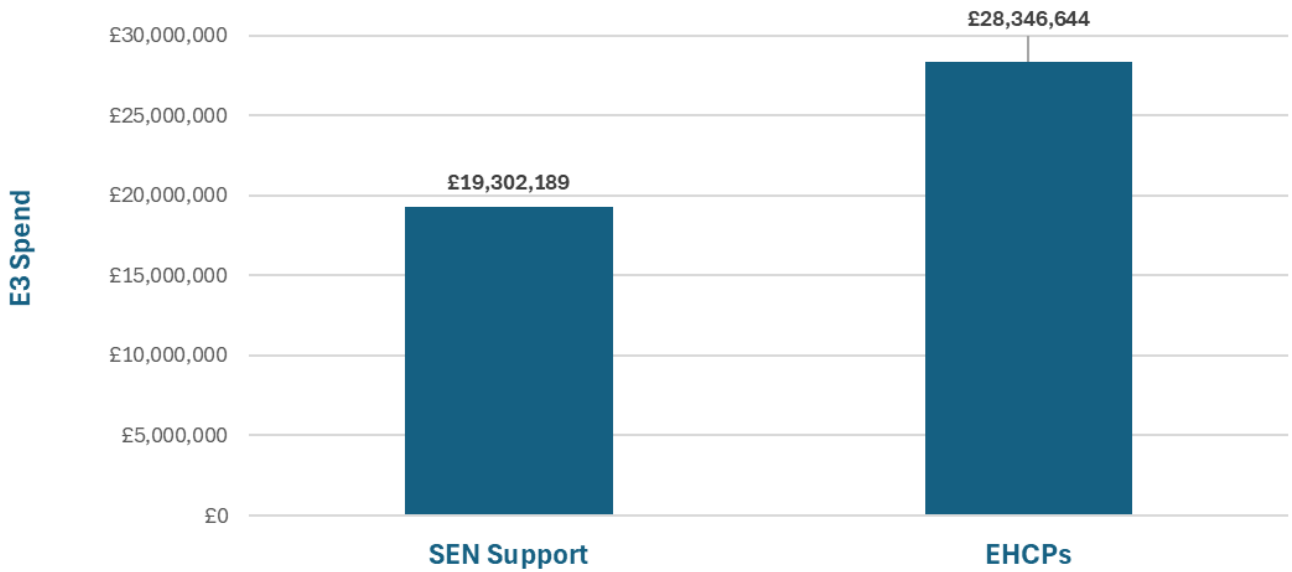


The following graph shows mainstream E3 spend over the last 8 years, a steadily increasing picture since 2018/19.



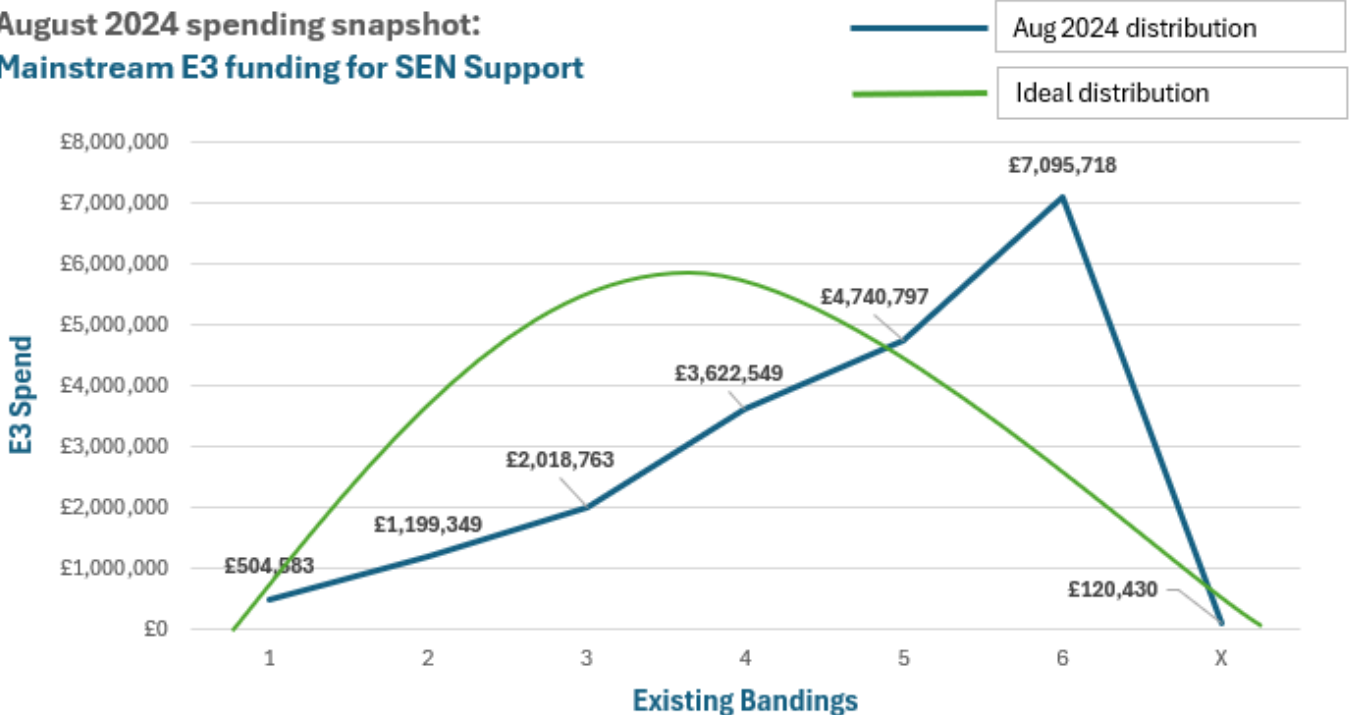
6.22 A snapshot of mainstream E3 spend as at the end of August 2024 is shown in the following graph, split between SEN support and EHCP pupils.

**August 2024 spending snapshot:
Mainstream E3 funding**



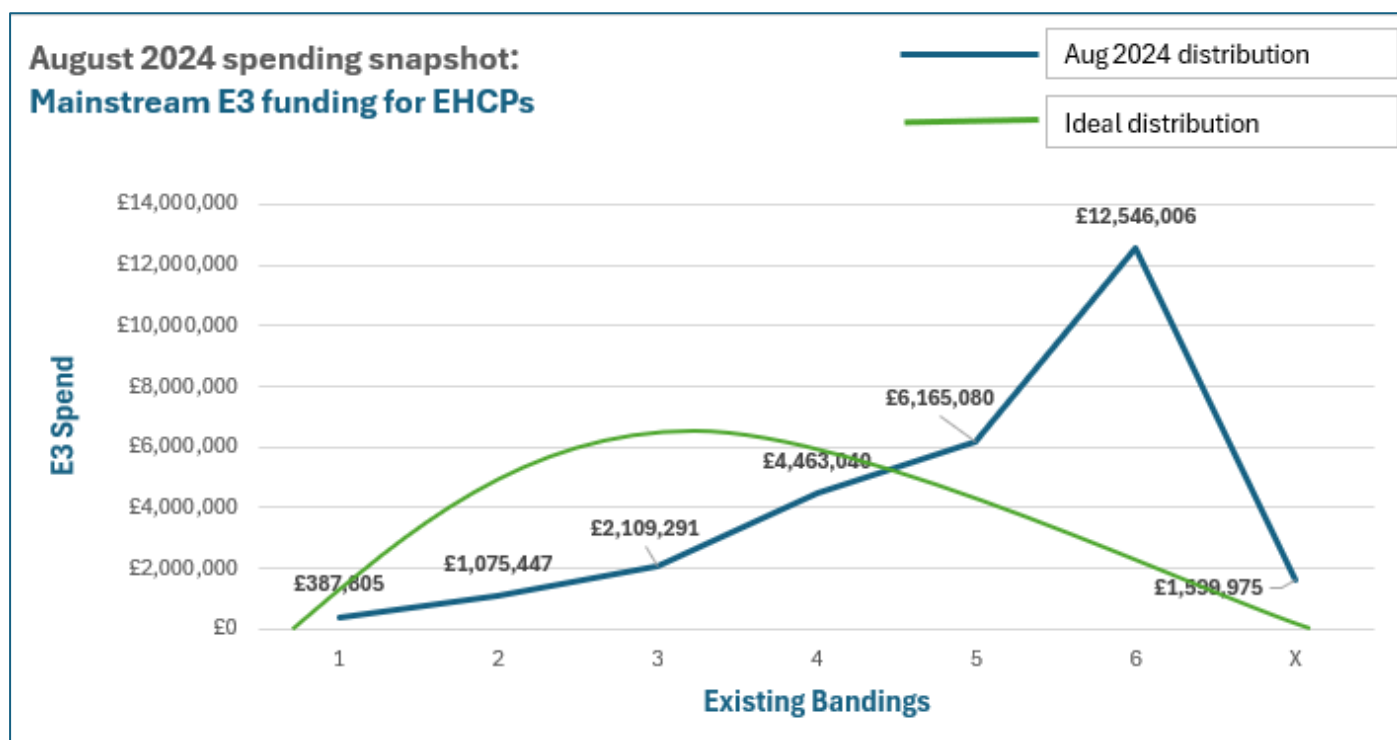
6.23 The following graph shows a blue line with the August 2024 mainstream E3 snapshot data for SEN support pupils across the existing bandings. The green curved line shows spend if it were to follow a normal distribution. Tracking existing spend the distribution shows a steady increase, spiking at the highest banding.

**August 2024 spending snapshot:
Mainstream E3 funding for SEN Support**



6.24 The following graph shows a blue line with the August 2024 mainstream E3 snapshot data for EHCP pupils across the existing bandings. The green curved line shows

spend if it were to follow a normal distribution. Tracking existing spend the distribution shows a steady increase, spiking at the highest banding, the same as SEN support.



6.25 Kent’s existing funding systems are summarised in the following table:

SEN Support in Mainstream Schools	EHCP Support in Mainstream Schools
<ul style="list-style-type: none"> Commissioned services by the LA: training, guidance & outreach. Access based on requests & demand. Mainstream top-up (E3) requests: individual applications for individual children for estimated costs over £6k per year based on criteria. Applications on request. LA determination. £6k SEN notional top up (E2) for schools with disproportionate number of applications above the threshold. Automatic allocation. No moderation. 	<ul style="list-style-type: none"> Commissioned services by the LA: training, guidance & outreach. Access based on requests & demand. Mainstream top-up (E3) requests: individual applications for individual children for estimated costs over £6k per year based on criteria. Applications on request. LA determination. £6k SEN notional top up (E2) for schools with disproportionate number of applications above the threshold. Automatic allocation. No moderation.
SRP Funding	Special School Funding
<ul style="list-style-type: none"> DfE requirement to pay based on “place plus” methodology Element 1 (basic £4k) for vacancies as at Oct census Element 2 (first £6k) based on higher of commissioned or actual places Element 3 (top up) based on primary need of the child and size of SRP – paid on average rate. Exceptional pupil need also paid for individual children based on application taking account on whole provision. 	<ul style="list-style-type: none"> DfE requirement to pay based on “place plus” methodology Element 1 & 2 (place funding £10k) based in commissioned or actual places Element 3 (top up) based on primary need of the child and paid at an average rate. Rates for each special schools vary individually predominantly due to size of school. Exceptional pupil need also paid for individual children based on application for individual child.

6.26 Across all LAs in the country there is no current ‘one model’ of funding SEND.

- 6.27 This consultation relates to funding allocated within the HNB for Element 3 top-up (also referred to as HNF or Mainstream top-up). Detailed Kent school budget guidance is available and updated annually on KELS, [the 24/25 guidance](#) is linked throughout this paper which includes full details of how HNF is currently allocated to Kent Special schools, SRPs, Mainstream schools, and APs (from page 7 of the linked document). [DfE guidance](#) is also available to support LAs in high needs planning to share good practice and support professionals in developing sustainable strategies.
- 6.28 [DfE HNF guidance](#) states, “LAs must ensure that children and young people and their parents/carers are involved in discussions and decisions about their individual support and local provision, in line with their statutory duties and the SEND Code of Practice. Similarly, LAs must ensure any changes to SEND provision and high needs funding arrangements are made in close consultation and co-production with the schools and colleges which will be affected”.
- 6.29 Kent SFF is one way through which partnership working across the education sector is facilitated to ensure Kent’s spending decisions are the most effective, we also have a HNF subgroup of the SFF that meets regularly. The extensive activity and engagement detailed in this report demonstrates how we have involved professionals, children and their families in decisions around local provision, and we will continue to do so. This consultation with schools, and all the prior engagement work undertaken with school leaders, fulfils KCC’s co-production and close consultation duties.
- 6.30 DfE HNF guidance also states that, “to fulfil LA’s 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, local engagement should take place with all of those providing education to ensure good quality provision can be planned, developed and sustained in line with available resources.” Kent is implementing the Locality Model with Communities of schools that will enable improved and ongoing local collaborative engagement with schools.

7. Safety Valve Agreement

- 7.1 Kent entered into a [Safety Valve agreement](#) with the DfE in March 2023. Under this agreement Kent is required to reach an in-year balance on their DSG by the end of the financial year 2027-28 and sustain this in each subsequent year thereafter.
- 7.2 Kent’s Safety Valve agreement with the DfE states: The authority agrees to implement the DSG management plan that it has set out. This includes the following key actions related to this consultation:
- Implement a countywide approach to ‘Inclusive Education’, to further build capacity in mainstream schools to support children and young people with SEND, thus increasing the proportion of children successfully supported in mainstream education and reducing dependence on specialist provision
 - The CATIE was taken to CYPE Cabinet Committee and approved by the Cabinet Member for Education & Skills as a strategy in May 2023

- The Communities of schools (Locality working) is Priority 2 in the CATIE and is progressing as detailed above. This work focussing primarily on improving access to resources (including HNF / Element 3 / Top-up funding) and building capacity in mainstream schools
- Introduce a robust SEN offer for EY, following a review, which explores alternatives to special school admission before Key Stage 2, SEN redesign and implementation of [the] County[wide] Approach[es] to Inclusive Education to support consistent mainstream offer, including leadership development programmes, peer review and core training offer
 - The EY review was started in November 2022 culminating in a public consultation ending in May 2024 with implementation ongoing
 - The SEN redesign was undertaken in 2021/22 and has been implemented progressively from September 2022
 - The CATIE, approved in June 2023 as KCC's strategy, is being implemented, including the Inclusive Leaders of Education training programme, a core training offer
 - The Communities of schools offers the framework for mainstream schools to undertake regular peer reviews
- Ensure there is sufficient and consistent capacity across the county to support children with significant needs in their local area where possible. This includes recruitment of temporary posts to support sufficiency planning, reviewing the use of SRPs and reviewing the specialist continuum to ensure only the most significant needs are supported in special schools
 - The special school review, alongside activity on Communities of schools, is looking at how KCC can ensure there is sufficient capacity across the county for children and young people with significant needs in their local area
 - The SRP review has been undertaken and additional work is ongoing. The contract/SLAs enable more robust governance and monitoring arrangements to be put into place between KCC and SRP holding schools. This enables improved monitoring and oversight of SRPs to ensure good outcomes and value for money
 - The Communities of schools, SRP and special school reviews identified the need for a 'specialist continuum' that spanned all provisions to ensure clarity and consistency for the entire SEN system, hence the development of Kent's Continuum of Need and Provision, detailed above
- Develop a school/area-led approach to commissioning of SEN support services (Locality Based Resources), to better respond to the needs of children and young people with SEND
 - The Communities of schools (Priority 2 in the CATIE) is progressing as detailed above. This work focussing primarily on improving access to resources (including HNF/Element 3/Top-up funding) and building capacity in mainstream schools

- 7.3 Kent must implement a sustainable approach to all HNF spend to meet the DfE Safety Valve agreement and to ensure financial sustainability in this area moving forwards.
- 7.4 The first section of this consultation has highlighted the critical activity that has been underway within Kent's SEN system, mainly over the last 2 years, and emphasises the importance of coherent system-wide change. As evidenced by Appendix 4, what has on the surface appeared to be multiple silo projects are all part of a holistic piece of work to effect necessary improvements for children, young people and their families in Kent.

The Funding Consultation

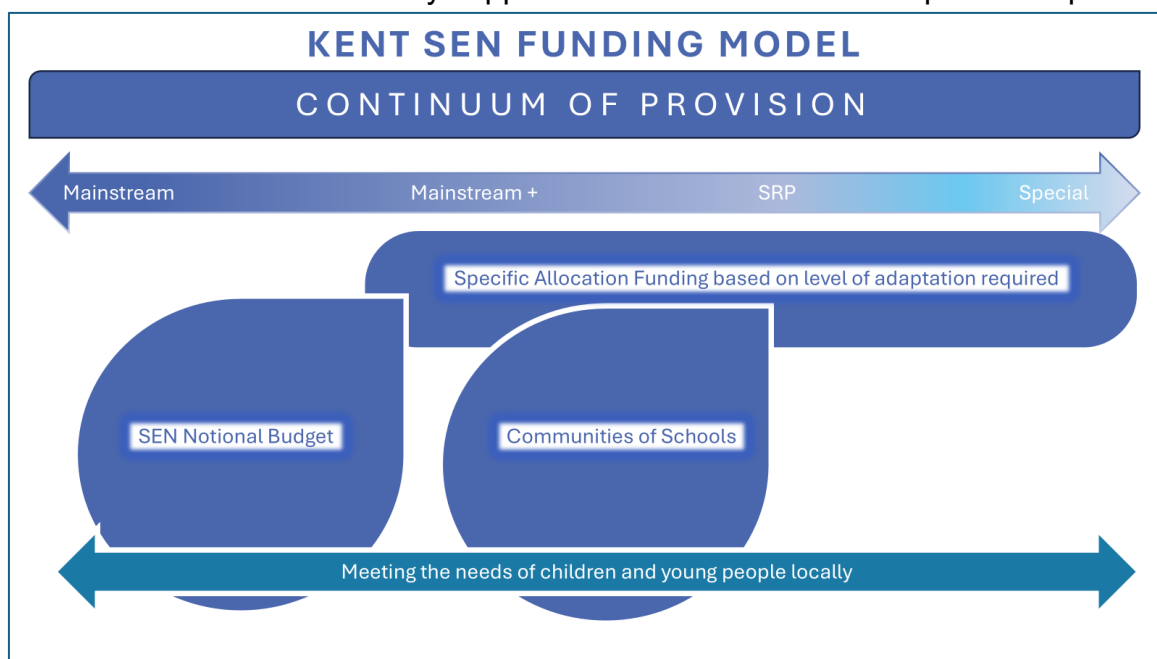
8. Introduction

- 8.1 This report so far has detailed the activities which impact upon, or will be impacted by, a new model of SEN funding in Kent. We have shown why KCC needs to implement a model of funding that will ensure the sustainability of SEN budgets whilst still serving children and young people and their communities in the best way possible. The remainder of this report provides the proposed principles of a new funding model for Kent.
- 8.2 This consultation relates to funding allocated within the HNB for **Element 3 top-up (also referred to as HNF or Mainstream top-up)**. Detailed school budget guidance is available and updated annually on KELSIS, [the 24/25 guidance](#) includes how HNF is currently allocated to Kent Special schools, SRPs, Mainstream schools, and APs (from page 7 of the linked document). HNF is provided to LAs through the HNB of the DSG, enabling them to meet their statutory duties under the [Children and Families Act 2014](#). The financial allocations from the HNB provide LAs with resources for place funding, top-up funding for schools and colleges, and funding for high needs services delivered directly by the LA, or under a separate funding agreement with a school or college (including funding devolved to schools and colleges), as permitted by regulations.
- 8.3 For ease, as you read through the document, we have shown the consultation questions following the relevant information provided in the text. To complete this consultation, please go to the [online questionnaire](#) available on Kelsi to submit your responses, the consultation closes at midnight on 6th December 2024, anything submitted after this date may not be included in the analysis.
- 8.4 **All financial data provided in this section is historic spend, or projections based on historic spend; any examples given are based upon it and are not final figures. The final budgets will be different to data supplied in this document.**

9. Developing a Kent Funding Model

- 9.1 KCC are proposing to implement a funding model for **Element 3 top-up funding** that aims to provide equity within the SEN system, offers sustainability for the future, and supports improved outcomes for Kent's children and young people who have SEN. Aligning with the development of the Continuum of Need and Provision, the funding model will ensure the HNB supports the whole system, offering reduced bureaucracy, increased flexibility and transparency, and swifter delivery.
- 9.2 The proposed funding model for the distribution of HNF from the Local Authority to schools to support SEN will initially affect Mainstream, SRPs and state-funded special schools. The proposed funding model is NOT expected to impact EY (SENIF), post-16 (outside of mainstream education settings, i.e. FE Colleges) AP, or NMISS, these will continue to be funded from the HNB as they are currently. This will be reviewed once the new funding model is fully embedded and stable.
- 9.3 The development of the proposed details of the model has been supported via workshops (since July 2024) comprising a representative group of KCC Officers and senior school leaders; membership can be viewed in Appendix 5. This development activity follows months of engagement with the wider sector on all projects impacting the funding model (summarised in Appendix 4). Three group workshops developed the proposed Kent funding model, which looked at:
- Potential funding models and impact
 - How the Continuum of Need and Provision influences funding descriptors
 - How to set a Locality budget and transition arrangements.
- 9.4 A number of other LA models were reviewed whilst investigating an appropriate way forward for Kent, including using [2022 DfE research](#) into LAs in surplus for their HNB in 2021/22. The authorities that had had the biggest impact on managing growth in numbers of EHCPs (impacting on HNF spend) in this research sample were those that had developed new approaches to mainstream funding. Typically, these were characterised by greater involvement of mainstream headteachers and SENCOs in funding decisions. There was more scope for peer moderation and challenge, which helped raise the bar and achieve greater consistency in expectations of what mainstream schools should 'ordinarily do'. KCC officers visited one case study authority, speaking to staff who have implemented a Locality Model and associated funding systems, to learn from their experiences. A number of the case study authorities had developed banding funding systems, which were seen to have supported greater consistency in LA decision-making about funding levels.
- 9.5 In addition to the case studies included in the DfE research we have also reviewed funding models for Hampshire, Surrey, Medway, Northamptonshire, Hertfordshire, Essex and the London Boroughs of Sutton and Croydon. There is no single model for SEN funding, some LAs use banding models, some a needs-led model and others run locality models. There was no one LA model that would fit Kent as a direct 'lift and fit' model.

- 9.6 The key decision made in August 2024 to proceed with the Locality Model meant KCC would continue to develop Communities of schools and determine a method for the proposed budget allocations from the HNB via financial modelling for Communities, with consideration of how a tariff system could further supplement this model.
- 9.7 From an extensive review of other local authority models, feedback from partner engagement and how the various models could be adapted to the Kent context, the visual below, “Kent’s SEN Funding Model”, sets out the outcome of these discussions/research including how the system will be aligned in relation to the continuum of provision.
- 9.8 In summary, the proposal was to introduce a funding model to determine how funding from the HNB (**Element 3 top-up funding**) will be determined and distributed to mainstream, SRP and special schools in future, with the funding based on the level of adaption required. A tariff system would be used to determine:
- for mainstream schools: whether additional funding requests for mainstream top-up funding (E3) should be accessed through the community budget, or for a child with significant needs, the specific funding allocation the school will receive for eligible children.
 - for SRP and Special schools, the top-up funding rate (E3) the school/SRP would receive for children they support based on the level of adaptation required.



- 9.9 With the development of the Continuum of Need and Provision progressing, in September 2024 the funding reference group were able to review a first draft of funding descriptors that could support a tariff system. This tariff system would go beyond the needs of mainstream schools and the Community allocations to fund pupils with significant needs who may be educated in SRPs and in special schools. Funding descriptors are expected to undergo further testing during the remainder of 2024-25 including, phase transfer District Placement meetings from November 2024,

in Communities of schools' meetings when they launch from January 2025, and with special school and SRP representatives during Autumn/Spring Term.

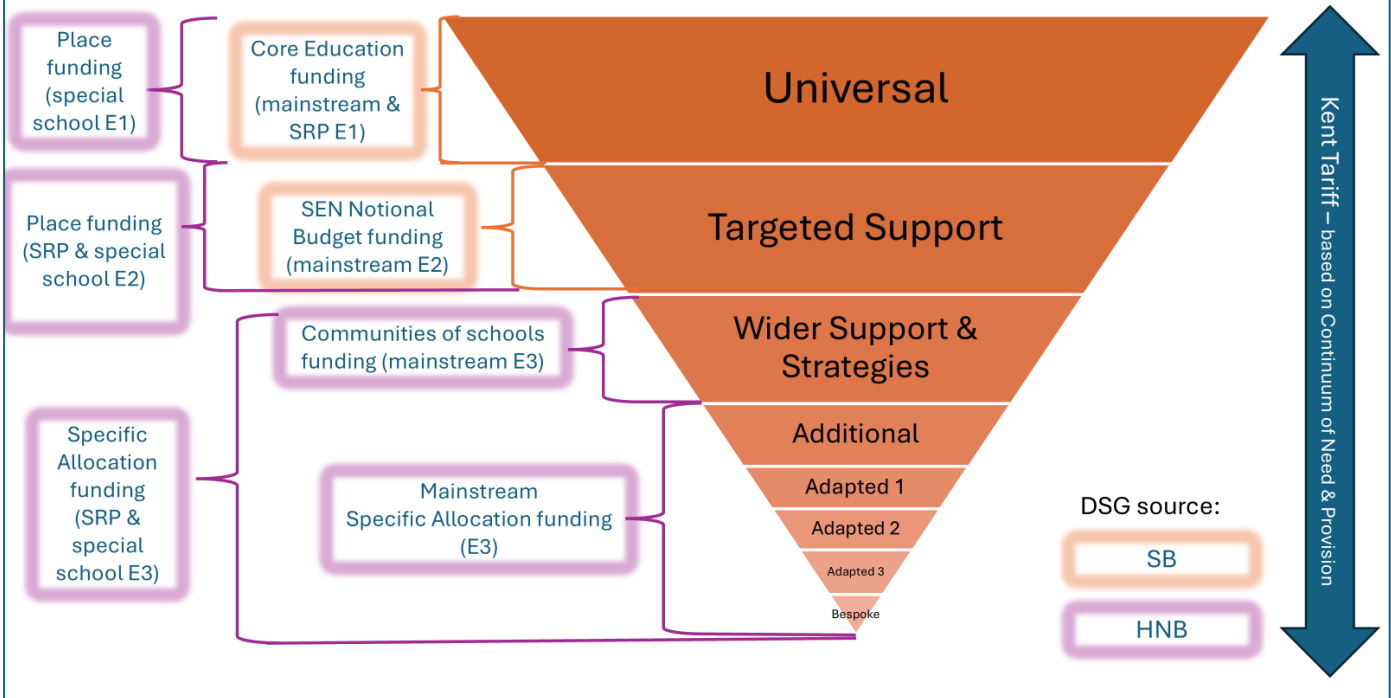
- 9.10 The aim is to harmonise the different funding models for mainstream, SRPs and special schools where there is great equity in the top-up funding rate (Element 3) across the different provision types based on the level of adaptation required rather than employing different funding models (and rates) based on type of education establishment.
- 9.11 A further aim of this funding model was to align with the underlying principles of the various SEN reviews across (mainstream, SRP and specials), whilst allowing the new funding model to be implemented independently where necessary.

10. Principles of the Kent Funding Model

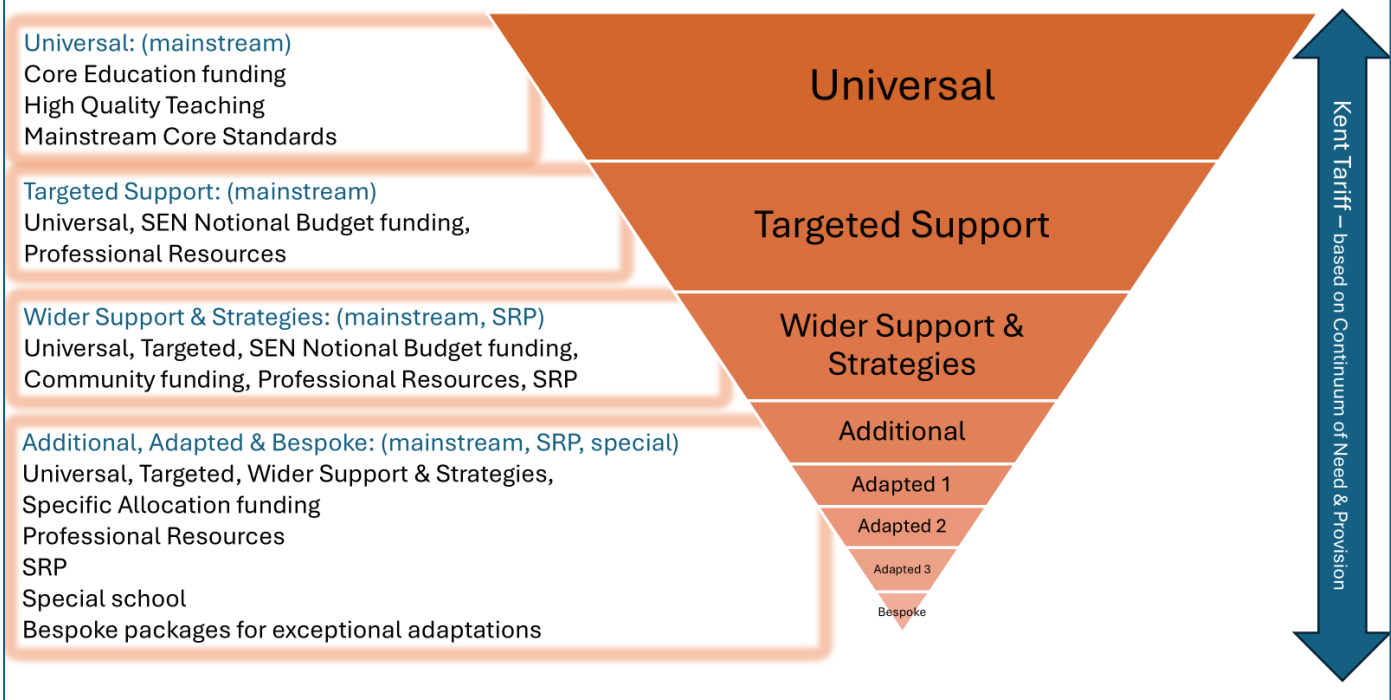
Overview

- 10.1 The proposed funding model will cover mainstream, SRP and special schools, aligning with the Kent Continuum of Need and Provision. The proposed model does not incorporate EY, post-16, AP, or INMSS funding at this time. We aim for the proposed model to be fully implemented from September 2026.
- 10.2 The proposal is to implement a funding model whereby a single tariff funding model will be implemented for children with an EHCP with significant needs attending mainstream, SRPs and special schools to determine appropriate top-up funding rate (**Element 3**), which will be supplemented by a communities of schools budget for mainstream schools, to support top-up payments (**Element 3**) for children at SEN Support level and children with ECHP who have a lower level of adaptation requirements. The visuals below show how the funding model will align and how the different funding streams can flexibly support children and young people as their needs evolve.
- 10.3 The 2 visuals below add further detail how (financially and non-financially) children and young people will be supported at all levels of the Continuum of Need and Provision and the proposed funding descriptors for the tariff.

Kent's proposed SEN Funding Model



Proposed alignment with Kent's Continuum of Need and Provision



How will the new funding system work?

- 10.4 All pupils with an EHCP will be mapped against a set of funding descriptors (aligned to the Kent Continuum of Need and Provision) to correctly identify their needs and level of adaptation required, which will determine their appropriate tariff stream. The proposed alignment for the tariff is set out in the visual above, with draft detailed funding descriptors provided in appendix 3. Not all tariff streams will have funding attached as some EHCPs do not require additional funding to support the pupil.

- 10.5 Pupils who may need increased levels of adaptations to ensure provision is right for them, will be funded directly to the school based on the tariff funding stream (agreed for the relevant the funding descriptor) via specific allocation funding. It is expected children may be educated at Mainstream, SRP, or special school. It is therefore proposed the same funding descriptors and tariff funding streams are used to confirm the E3 top-up rate regardless of the child’s place in education.
- 10.6 Communities of schools will manage a community budget for mainstream E3 funding for:
- SEN support, and
 - Children with an EHCP (who are mapped to the funding descriptor “wider support and strategies”)
- It is intended the community budget will consider more holistically how funding can be used to support cohorts of children with similar modification requirements either within a school, or between schools, to enable the more effective use of the funding available.
- 10.7 The mapping of all children with an EHCP at mainstream, SRP and special schools is a significant task and will take time to process. Therefore, it is aimed for full implementation of the new funding model by September 2026, with the aim for all pupils with an EHCP to be mapped to the tariff funding descriptors by the end of December 2025. Tariff funding rates will not be confirmed until after the majority of children have been mapped to the funding descriptors, to ensure funding is distributed in line with the total budget available.
- 10.8 Once the existing children with an EHCP have been mapped against the tariff funding descriptors, in future it is anticipated pupils with new a newly agreed EHCP will be mapped after issue of the EHCP. Where there are changes to the EHCP at the time at the time of an annual review, there will be an opportunity to re-map the child against the tariff descriptors to ensure the tariff funding stream is still appropriate.
- 10.9 To support the new ways of working for mainstream schools, a transition arrangement is also proposed (detailed later in this section) from April 2025. This is intended to increase the time to embed the principles of the new funding model, particularly in relation to the new communities of school funding pot, ahead of completing the mapping of children with an EHCP to the proposed funding descriptors.

Question 1

Do you agree/disagree with the proposal that special school E3 funding is allocated via specific allocation funding (a tariff funding stream)?

Agree / Disagree

Question 1a

If you disagree, what method of allocation for special school E3 funding would you suggest?

Please complete in the online form

Question 2

Do you agree/disagree with the proposal that SRP E3 funding is allocated via specific allocation funding (a tariff funding stream)?

Agree / Disagree

Question 2a

If you disagree, what method of allocation for SRP E3 funding would you suggest?

Please complete in the online form

Question 3

Do you agree/disagree with the proposal that specific allocation funding rates are consistent, irrespective of where a pupil may be educated, whether in a mainstream, SRP or special school?

Agree / Disagree

Question 3a

If you disagree, please explain why?

Please complete in the online form

Question 3b

If you disagree, what would you suggest as an alternative?

Please complete in the online form

The Funding Descriptors

10.10 The Continuum of Need and Provision will be finalised in Spring 2025. The funding descriptors that align with the Continuum are drafted and will now be subject to different levels of testing including at the phase transfer District Placement Meetings in November and December 2024, with Communities of schools from April 2025, and with special schools and SRPs during the Autumn/Spring term (including exploring options to test via a curriculum pathway mapping exercise). The scope of this consultation does not include the draft funding descriptors, however your thoughts on them are welcomed and will be considered in their development should you wish to comment, they can be found at Appendix 3.

Question 4 (Comments on Funding descriptors)

Please complete in the online form

Communities of school Information Pack (Mainstream)

10.11 Communities of schools will have access to information on spend in their area relating to:

- Mainstream E3 (specific funding allocations – tariff funding streams)
- SRPs (mapped to the child's home address)
- Special schools (mapped to the child's home address)

- Independent special schools (mapped to the child's home address)

This supports a shared knowledge of the context at differing levels within the SEN system locally, allowing for better informed decision-making.

10.12 To comply with national guidance (detailed above), Kent will be publishing Kent mainstream schools' notional SEN budgets on the Kent Local Offer webpages. Principles agreed in the development of Community working included the effective use of available budgets and a willingness to share good practice. With transparency at the forefront of strong partnerships it is proposed Communities of schools should have a greater understanding of their collective SEN notional budgets allocated within their communities. The following questions are to support future training material for communities of schools.

Question 5	(Mainstream schools)
Did you know about the ESFA's guidance on SEN notional budgets for mainstream schools?	
Yes / No	
Question 5a	(Mainstream schools)
Is there further guidance you feel is necessary on Notional Budgets for mainstream schools in Kent?	
Yes / No	
Question 5b	(Mainstream schools)
Add detail of what you would like to see.	
<i>Please complete in the online form</i>	

Communities of schools Budget (Mainstream)

10.13 Communities of schools will manage a community budget to support E3 top-up funding for:

- SEN support, and
- Children with an EHCP (who are mapped to the funding descriptor "wider support and strategies").

10.14 The proposal is that the budget for each community will be set based on a formula. Formulas are widely used in allocating school financing and should be a familiar distribution method with schools, the following proxy indicators are proposed for the Community budget allocation which aligns to the existing model for Kent Alternative Provision funding:

NB The data used for LAC would be current LAC

Pupil Numbers	50%
Income Deprivation Affecting Children's Index (IDACI)	40%
Looked After Children (LAC)	10%

10.15 These proxy indicators have been proposed because they follow the DfE indicators used to allocate the HNB to all local authorities (therefore the formula aligns with how the Council receives funding to support children with SEN). The indicators are also considered to be proxy factors as they cannot be impacted by external influences that could create a funding bias (i.e. in the absence of a national system for registering children as SEN support or requesting an EHCP, local variation in approach by individual schools can occur).

10.16 Consideration has also been given as to whether to link the future size of the community of schools' budget to the number children residing in the local area who are attending an SRP, Special School and Independent school rather than their local school. The presumption being, the higher the proportion of SEN children successfully supported locally, the higher the budget. This has not been modelled at this stage, but we are interested in receiving your views on this option.

Question 6

Do you agree/disagree with the proposal to use the proxy indicators of pupil numbers, IDACI and LAC to determine Community budgets?

Agree / Disagree

Question 6a

If you disagree, what method of allocation, or alternative proxy indicators would you suggest for setting a Community budget? Do you think the size of the community budget should be impacted by the proportion of children successfully being supported locally rather than in a SRP, Special or independent school?

Please complete in the online form

10.17 To support stability in the school system by recognising the historic top-up allocations currently received by individual schools, a transition period is proposed where the historic spending by each community of school will be recognised in the first 2 years of the model. The degree in which historic spending patterns will be recognised will be tapered down so by year 3 historic spending will no longer be recognised. This transition phase will look like:

- Year 1 (April 2025 – March 2026) a community budget will be calculated based on 75% historic spend / 25% new funding formula
- Year 2 (April 2026 – March 2027) a community budget will be calculated based on 50% historic spend / 50% new funding formula
- Year 3 (April 2027 – March 2028) a community budget will be calculated based on 100% new funding formula.

Question 7

Do you agree/disagree with the proposal for the calculation of the community budget to recognise historic top-up allocation patterns in the first 2 years of implementing the model?

Agree / Disagree

Question 7a

If not, what alternative would you suggest?

Please complete in the online form

10.18 To support schools with this part of the proposals (a community budget), and to gain a greater understanding of how the proposed communities' formula may affect the quantum of funding available for future top-up funding (Element 3) by individual community and area, modelling has been completed based on existing mainstream top-up funding data as of August 2024. In lieu of mapping children against the proposed tariff descriptors, a community budget has been estimated based on the assumption all mainstream top-up allocations (Element 3) less than £6,000 for children with an EHCP will be mapped to "wider support & strategies" and so would be expected to be funded from the community budget, along with all top-up allocations for children with SEN Support. Appendix 2 models this assumption by community of schools, by comparing the current number of top-up (element 3) payments and total value split between pupils with SEN Support or an ECHP (as of August 2024), and the estimated budget allocation for the community under the proposed formula and for each year of the transition period. This information is also summarised by area in the tables below.

Area / Community	£ Pupils		£ Pupils		£ Pupils		£ Pupils		£ Pupils	
	SEN Support		EHCP <£6k		Estimated Future Community of School Payments		EHCP >£6k (Estimated specific allocations paid directly to schools)		Total Spend on Mainstream Top Up Payments	
Area A	£6,431,093	781	£674,629	165	£7,105,723	946	£6,954,105	649	£14,059,828	1595
Area B	£5,306,953	688	£930,620	257	£6,237,573	945	£8,547,243	836	£14,784,816	1781
Area C	£4,560,776	573	£575,300	158	£5,136,076	731	£5,405,149	522	£10,541,224	1253
Area D	£3,003,367	442	£756,706	215	£3,760,074	657	£4,502,892	440	£8,262,966	1097
Total	£19,302,190	2484	£2,937,256	795	£22,239,446	3279	£25,409,388	2447	£47,648,834	5726

Area / Community	Apr 25 - Mar 26	Sep 25 - Mar 26	Apr 26 - Mar 27	Apr 27 - Mar 28	Year 1 variance from current	Year 2 variance from current	Year 3 variance from current
	Year 1 (Full Year) 75/25	Year 1 (7/12ths)	Year 2 50/50	Year 3 Fully Implemented			
Area A	£6,567,923	£3,831,288	£6,030,123	£4,954,524	-\$537,800	-\$1,075,599	-\$2,151,199
Area B	£6,540,619	£3,815,361	£6,843,665	£7,449,756	£303,046	£606,091	£1,212,182
Area C	£5,135,753	£2,995,856	£5,135,429	£5,134,783	-\$323	-\$646	-\$1,293
Area D	£3,995,151	£2,330,505	£4,230,228	£4,700,383	£235,077	£470,154	£940,309
Total	£22,239,446	£12,973,010	£22,239,446	£22,239,446	£0	£0	£0

Question 8

Do you agree/disagree with the proposal that mainstream schools E3 funding for children with significant needs is allocated directly to schools via a specific allocation funding (a tariff funding stream) rather than through the community budget?

Question 8a

If you do not agree, what alternative would you suggest?

Please complete in the online form

10.19 Please note Appendix 2 includes anonymised detail for each Community, Area and a Kent total. It is important to note, all data is for illustration purposes only, based on August 2024 financial data and is not confirmation of actual budget amounts. It is intended to help schools understand the impact of the proposed formula across all communities of schools. Actual budget amounts will be refreshed based on latest top-up data and will be informed by the agreed budget available to fund top-up payments for mainstream schools. It is expected a saving can be achieved from the increased sharing of knowledge, experience and resources between schools, along with the increased flexibility on how funding is used to support pupils' outcomes. It is proposed part of this saving will be used to fund the cost of the independent chair and administration as set out below, through the top slicing of the overall community budget.

10.20 Communities of schools will have an independent Chair, recruited to post initially for 18 months, who will be responsible for Chairing meetings, guiding the discussions and decisions made by members of the Community regarding resources and requests for Community funding. A standard financial contribution towards the Chair's time will be made based on the grading of L20, pro-rata for up to 12 days per year with the following approximate costs predicted:

- Chairing costs @ L20 - £75,331
- 12 months – Jan 2025 – Dec 2025 @ £3,588 per community, £190,164 total
- 18 months – Jan 2025 – July 2026 @ £5,382 per community, £285,246 total

10.21 Communities of schools will also have an Administrator, recruited to the post initially for 18 months, who will be responsible for organising and making a record of the meetings, including any decisions made by members of the Community regarding resources and requests for Community funding. A standard financial contribution towards the administrator's time will be based on the grading of Kent Scheme Range (KR6), pro-rata for up to 12 days per year with the following approximate costs predicted:

- Clerking costs @ KR6 - £25,127
- 12 months – Jan 2025 – Dec 2025 @ £1,176 per community, £62,328 total
- 18 months – Jan 2025 – July 2026 @ £1,764 per community, £93,549 total

Question 9

Do you agree/disagree that the cost of the Chair and the Administrator should be top sliced from the Community budget?

Agree / Disagree

Question 9a

If you disagree, how should the posts be funded?

Please complete in the online form

Transition Funding Model: Community budget and mainstream top-up funding April 2025 to September 2026 (Mainstream)

10.22 To support transition from the old funding approach (individual applications centrally controlled with no school-to-school moderation) to the new proposed new funding model (use of tariff funding descriptors and community budgets), it is proposed a transition period of funding is implemented for mainstream schools. This will encompass the principles of the new funding model for mainstream schools and allow schools to start working with a community budget, whilst gaining a greater understanding of the SEN provision and practice across their community ahead of the new full model coming into practice (based on mapping of children against tariff funding descriptors as described previously).

10.23 Under the transition funding model for mainstream schools, it is proposed:
From April 2025 to August 2025:

- **the existing application process for mainstream ‘top-up’ (element 3 funding for both SEN Support and EHCPs) will be followed until 31 March 2025** and allocations are planned to be honoured to the **end of August 2025**.

Please note, this commitment is subject to affordability. Enhanced moderation processes and remedial action will be taken if it is deemed there is a “surge” in applications that makes this commitment unaffordable, or it is identified the total spend on top-up funding is significantly out of step with spending against the available local authority budget.

From September 2025 **the community of schools’ budget** will be expected to consider and agree funding relating to:

- **all SEN support** (either new or existing) in mainstream schools
- **all E3 funding for mainstream pupils with an EHCP, where their previous E3 funding rate was less than £6k** (as of August 2024)
- **all new E3 funding for mainstream children with EHCPs** issued after September 2024

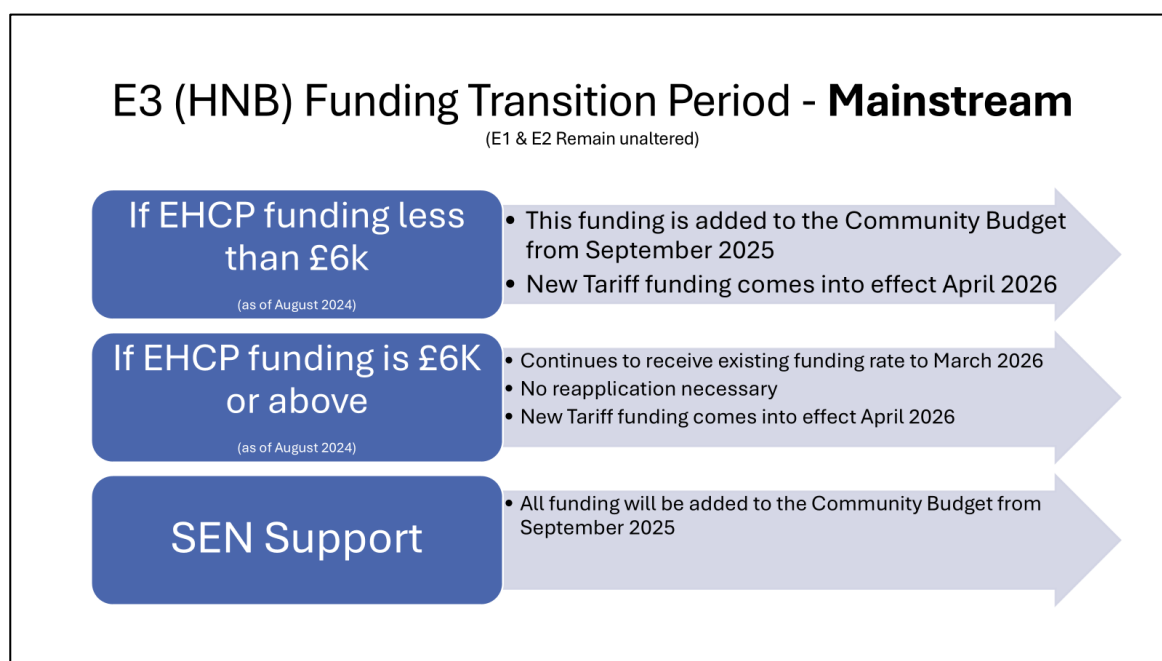
If a community agrees an allocation to a school where the total average allocation per child exceeds £6,000, or where an allocation is agreed for an individual child that exceeds £6,000, this may be subject to additional moderation by a different community and/or KCC officers.

From September 2025 direct allocations to schools will continue for:

- **all E3 funding for mainstream pupils who have EHCP Element 3 allocation over £6k** (excluding the £6k notional spend) where the agreed funding rate for the individual children supported will continue until March 2026 and no re-application will be necessary.

10.24 This funding is expected to continue until the full funding model can be implemented. The aim is to implement the full funding model for mainstream schools from April 2026. This will be subject to mapping most children with an EHCP against the tariff funding descriptors to identify the tariff funding stream and confirm rates for specific funding allocations (this is planned to be completed during 2025). Therefore, this timescale may need to be reviewed in future depending on progress.

10.25 A summary of the transition model for mainstream schools is set out in the pictorial below.



Funding Transition period (April 2025 to August 2026): Special and SRPs

10.26 Section 10.9 sets out the intention to implement the proposed funding model outlined in this consultation to special schools and SRPs from September 2026. This means between April 2025 to August 2026:

- **SRP E1, E2, E3 funding** will remain the same
- **Special school E1, E2, E3 funding** will remain the same

10.27 It is expected the historic funding method for special and SRPs will continue until the full funding model can be implemented, whereby funding rates will be determined by the distribution of children supported against the tariff funding descriptors. The aim is to implement the full funding model to Special schools and SRPs from September 2026. This will be subject to mapping most children with an EHCP against the tariff funding descriptors to identify the tariff funding stream and rates (this is planned to be completed during 2025). Therefore, this timescale may need to be reviewed in future depending on progress.

10.28 A summary of the transition model for special schools and SRPs is set out in the pictorial below.

Funding Transition Period – SRP & Special School

All Funding
(E1, E2, E3)

- Remain on current funding rate and continues until August 2026
- New tariff funding stream comes into effect from September 2026

Question 10

Do you agree/disagree that as part of the transition arrangements all E3 funding for mainstream pupils currently categorised SEN Support will form part of the Community budget from September 2025?

Agree / Disagree

Question 10a

If you disagree, please explain why?

Question 11

Do you agree/disagree that as part of the transition arrangements all agreed allocations made by the Community of schools where either an individual child, or the average funding per child exceeds £6k should be open to further moderation by the Communities of schools and KCC officers?

Agree / Disagree

Question 11a

If you disagree, please explain why?

Please complete in the online form

Question 12

Do you agree/disagree as part of the transition arrangements all E3 funding for mainstream pupils, whose EHCP funding rate (as of August 24) is less than £6k (not including £6k notional spend) will form part of the Community budget from September 2025?

Agree / Disagree

Question 12a
If you disagree, please explain why? <i>Please complete in the online form</i>
Question 13
Do you agree/disagree as part of the transition arrangements all E3 funding for mainstream pupils, whose EHCP funding rate (as of August 24) is above £6k (not including £6k notional spend) will continue to receive their agreed funding rate, until March 2026 (with the expectation that from April 26 they will be funded in accordance with their identified tariff funding stream)? <i>Agree / Disagree</i>
Question 13a
If you disagree, please explain why? <i>Please complete in the online form</i>
Question 14
Do you agree/disagree as part of the transition all E3 funding for new mainstream EHCPs issued from September 2024 will form part of the Community budget? <i>Agree / Disagree</i>
Question 14a
If you disagree, please explain why? <i>Please complete in the online form</i>
Question 15
Do you agree/disagree we aim to implement the proposed new funding model for mainstream pupils (Community budgets and specific allocation funding rates) from April 2026? <i>Agree / Disagree</i>
Question 15a
If you disagree, please explain why? <i>Please complete in the online form</i>
Question 16
Do you agree/disagree with the proposal there no transition period for SRPs between the current and proposed new funding model for element 3 funding (using tariff funding descriptors to determine standard funding rates), with the expectation the new model will go live from September 2026? <i>Agree / Disagree</i>
Question 16a

<p>If you disagree, please explain why?</p> <p style="text-align: right;"><i>Please complete in the online form</i></p>
Question 17
<p>Do you agree/disagree with the proposal there no transition period for Special Schools between the current and proposed new funding model for element 3 funding (using the tariff funding descriptors and standard funding rates to determine an average funding rate), with the expectation the new model will go live from September 2026?</p> <p style="text-align: right;"><i>Agree / Disagree</i></p>
Question 17a
<p>If you disagree, please explain why?</p> <p style="text-align: right;"><i>Please complete in the online form</i></p>

11. Next steps

- 11.1 Responses received by midnight 6 December 2024 to the consultation will be analysed and the Kent SEN funding model will subsequently be adapted as necessary and finalised. The final model will be seen by the Children, Young People and Education Divisional Management Team, School Funding Forum, High Needs Funding Subgroup, Transformation Operational Group 2 and the Partnership Delivery Group before being taken to Cabinet Committee on 16 January 2025; after which the Cabinet Leader for Education and Skills will make a key decision.
- 11.2 Once the new funding model is in place the potential to align or assimilate AP, EY and/or Post-16 funding with it can be reviewed.