

School Engagement Activity November – December 2024

SEN Funding Consultation

Why are we consulting?

- Need to move to a financially sustainable model
- Need agreement on the principles of funding
- Currently operating four (plus) different funding models
- Need to move to one model for all state funded school aged children – this does NOT apply to EY, Post 16 or INMSS
- Need to give schools time to understand the implications and take their own management action
- Need to bring equity to how we fund rather than be dependent on ‘need type’, diagnosis, a ‘claims based’ application and individual officer decisions

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.

Key Challenges with the current funding systems for HNF Element 3 Top-Up Funding

- We currently have different approaches to funding children with SEN depending on where they are educated. Leading to lack of parity & transparency
- Funding rates are driven by the need type of a child but there are challenges around diagnosis and children being more than a “need type”
- SRP and Special School funding rates have not been reviewed since 2010. Average rates of funding apply – no recognition on the level of adaptation required. Increasing exceptional pupil need requests
- Mainstream top-up funding was last reviewed in 2018. Claim-based system with no obvious means for budget control or accountability
- Supporting a system of top-up funding in mainstream schools which is not dependent on having an EHCP – intention was to ensure more children can be successfully supported in mainstream without the need for an EHCP... BUT demand for EHCPs is still high in Kent (although dropping)

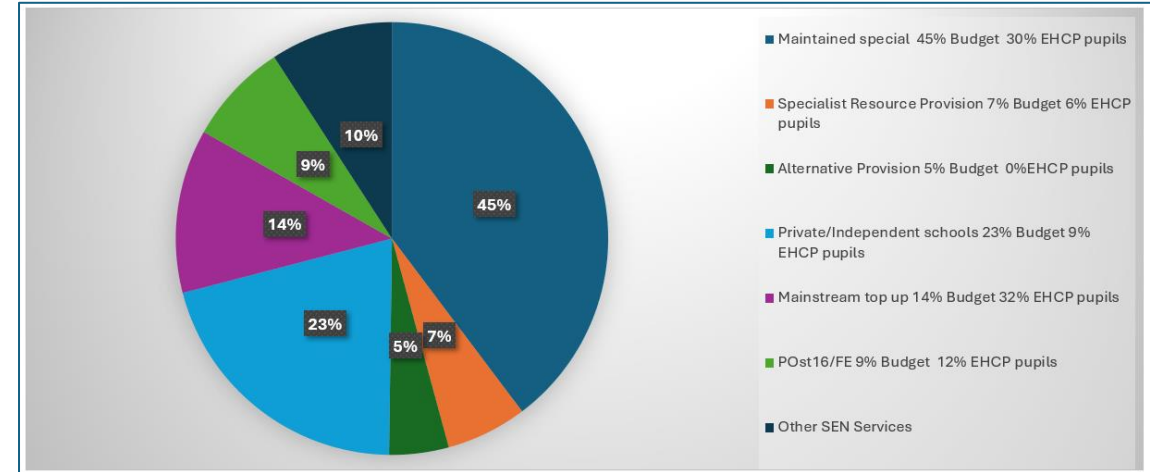
Funding for SEN Services

Spending on SEN Services comes from:

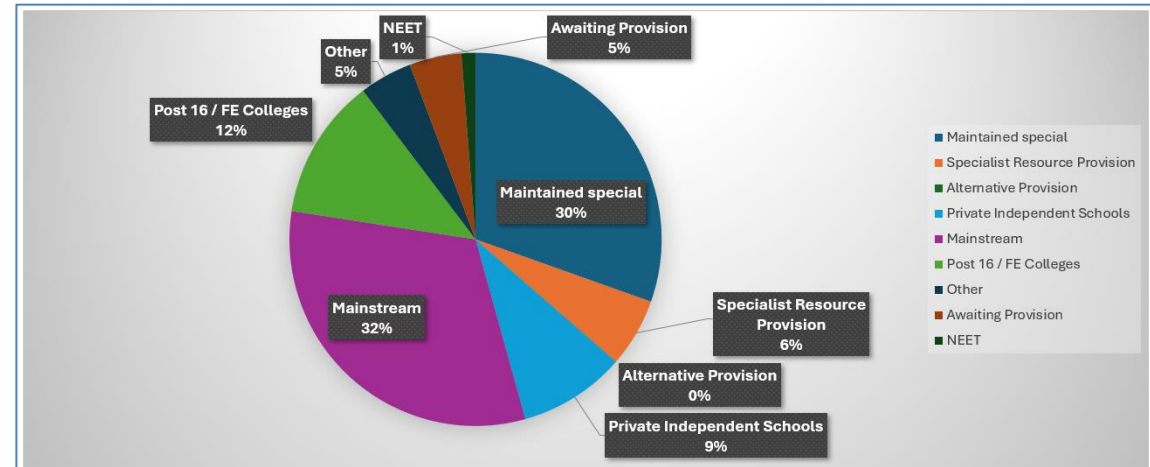
- Primary & Secondary school budgets (Notional SEN Budget & sometimes use of other specific grants)
- Early Years Block of Dedicated Schools Grant (i.e. SENIF)
- **High Needs Block (HNB) of the Dedicated Schools Grant**
- Council Tax (SEN transport, SEN assessment & review)

Spending on mainstream, SRPs and Special Schools makes up the highest proportion of spend on the HNB (76%) – need to ensure methods for allocating funding reflect changes in SEN landscape

HNB spending (%) 2023-24



Educational placement of children with EHCP (%) Jun 24



The Kent Context (influencing factors)

- DfE statutory requirements (HNB & distributing funding to schools)
- Responding to OFSTED judgements (SEN transformation)
- Special Schools Review
- SRP Review
- Localities Model
- Development of Continuum of Need & Provision in Kent
- Early Years Review ([link](#))
- Safety Valve agreement & identified actions including:
 - Implementation of CATIE to further build capacity in mainstream schools
 - Introduce robust SEN offer for EY, exploring alternatives to special school admission prior to KS2
 - Ensure there is sufficient and consistent capacity across the county to support children with severe and complex needs in their local area where possible
 - 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

What are we consulting on?

- Principles of a single funding model for the distribution of **Element 3 Top-Up Funding** for Mainstream, SRPs and Special Schools
- How we calculate the formula for the communities budget
- How we distribute funding for children who have the most complex needs – specific allocation funding (tariff funding streams)
- How we support the special school review and the SRP review
- Transition arrangements from current funding model

What is Element 3 top up SEN funding?

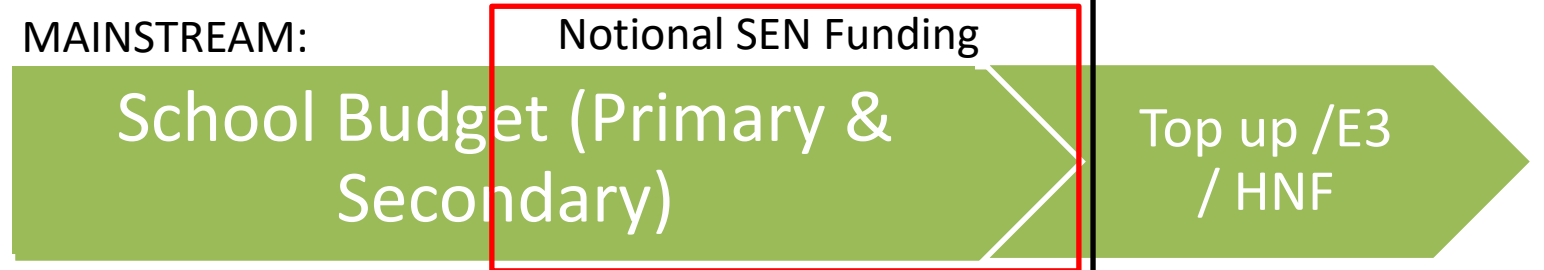
Total funding rate for a child with SEN is split into 3 parts:

- Element 1 (E1) Core Education Funding - the funding that any pupil would attract
- Element 2 (E2) Additional Support Funding - the additional cost that a school would be expected to provide without the pupil being considered 'high needs' (first £6,000)
- **Element 3 (E3) Top-Up Funding - this is any extra funding necessary to meet the needs of the pupil**
- Pupils with additional needs costing more than £6,000 may be eligible for extra funding from the LA's High Needs Block

DFE "PLACE PLUS" BREAKDOWN OF A SEN FUNDING RATE



MAINSTREAM:



SRP:



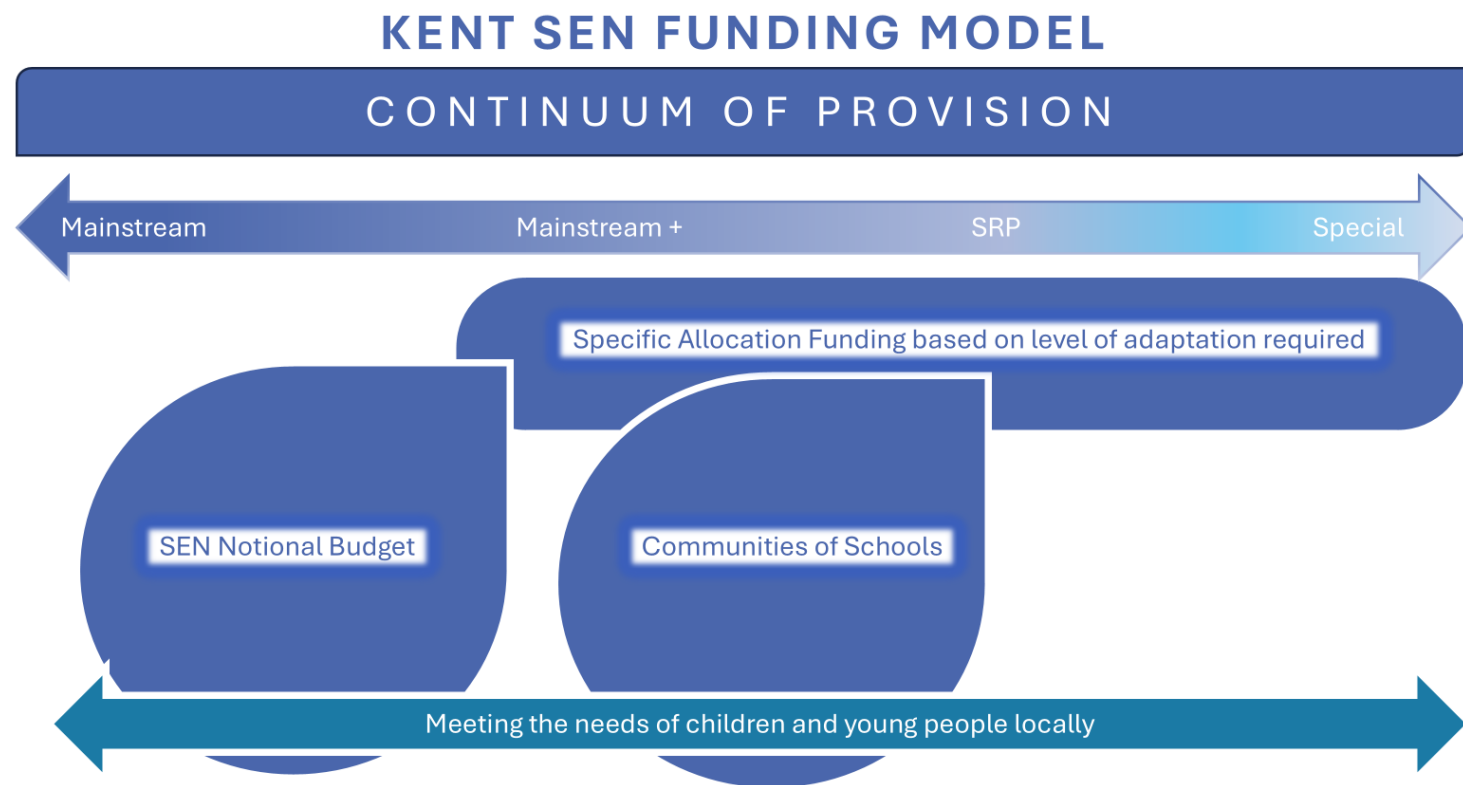
Special Schools:



Overview of the proposed funding model for SEN top up for Mainstream, SRP and Special Schools (E3)

The proposed SEN Funding Model:

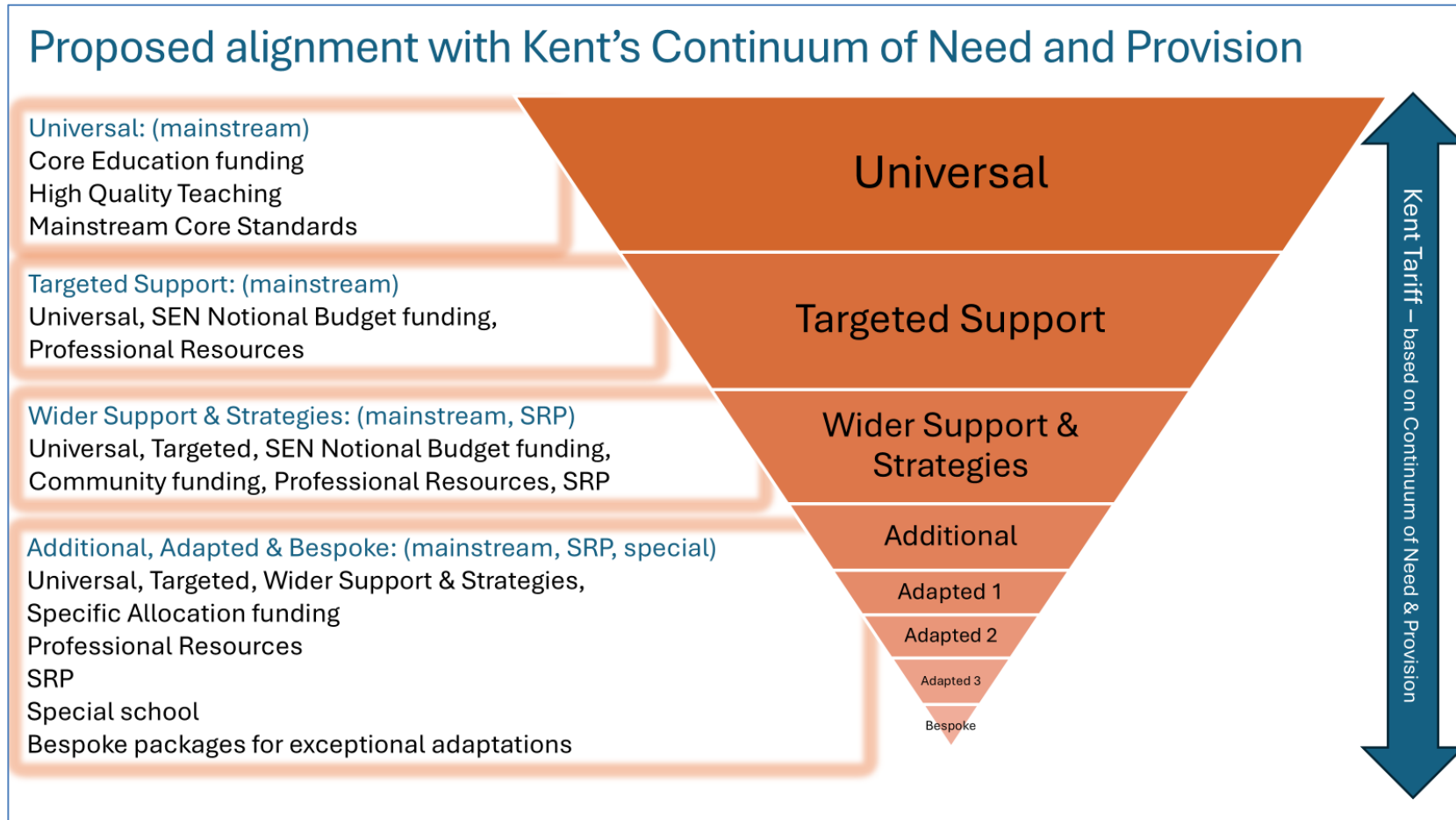
- Brings together the different funding arrangements for E3 top-up funding for mainstream, SRP and special into one funding system
- The same tariff structure will be used to inform the funding allocations for children with an EHCP attending special schools and SRPs; and identify the relevant funding stream for pupils in mainstream schools
- Funding for mainstream schools' top-up (E3) will either be paid to the school directly (for the most complex children) or through the communities of school budgets (based on eligibility)



Overview of the proposed funding model for SEN top-up for Mainstream, SRP and Special Schools (E3)

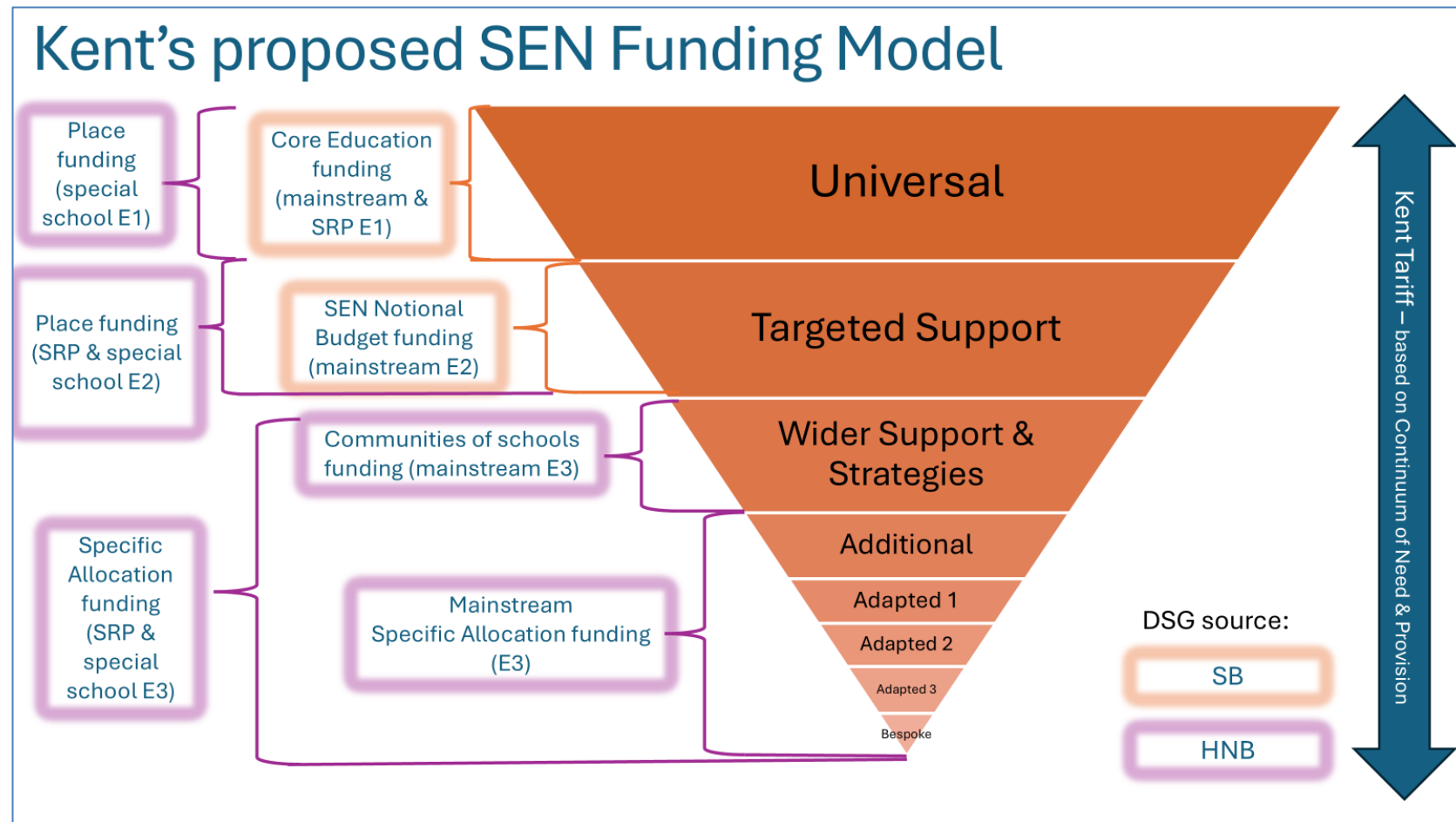
Draft tariff structure

- How the proposed tariff is intended to align with Kent's Continuum of Need and Provision
- Proposed tariff runs from Universal to Bespoke
- Tariff is based on the extent the curriculum must be adapted
- Each tariff level has a set of funding descriptors to support mapping children with an EHCP against the tariff (a draft is included in the consultation – welcome views and feedback)



Overview of the proposed funding model for SEN top-up for Mainstream, SRP and Special Schools (E3)

- How the tariff will be used in the SEN Funding Model
- Pupils mapped to either universal or targeted would not be expected to receive any top-up funding
- Funding tariff rates are expected to increase the higher the level of adaptation required
- There is expected to be parity in the tariff rates set against each funding descriptor for mainstream, SRP and Special schools



Why have we not included the proposed tariff rates in the consultation?

- Tariff rates for each of the funding descriptors will be assigned after the mapping of most children is complete
- Tariff rates need to be set in the context of the total funding available and the estimated demand
- Limited synergy between the old and new funding systems to allow desktop estimates to be made
- Tariff rates would be subject to annual review (as is the case with the current funding system)
- The consultation is seeking views on the principles and implementation of the proposed model

How will the proposed SEN Funding Model work for SRPs? Overview

SRP's funding breakdown:

E1 Core Funding (school budget or HNB)

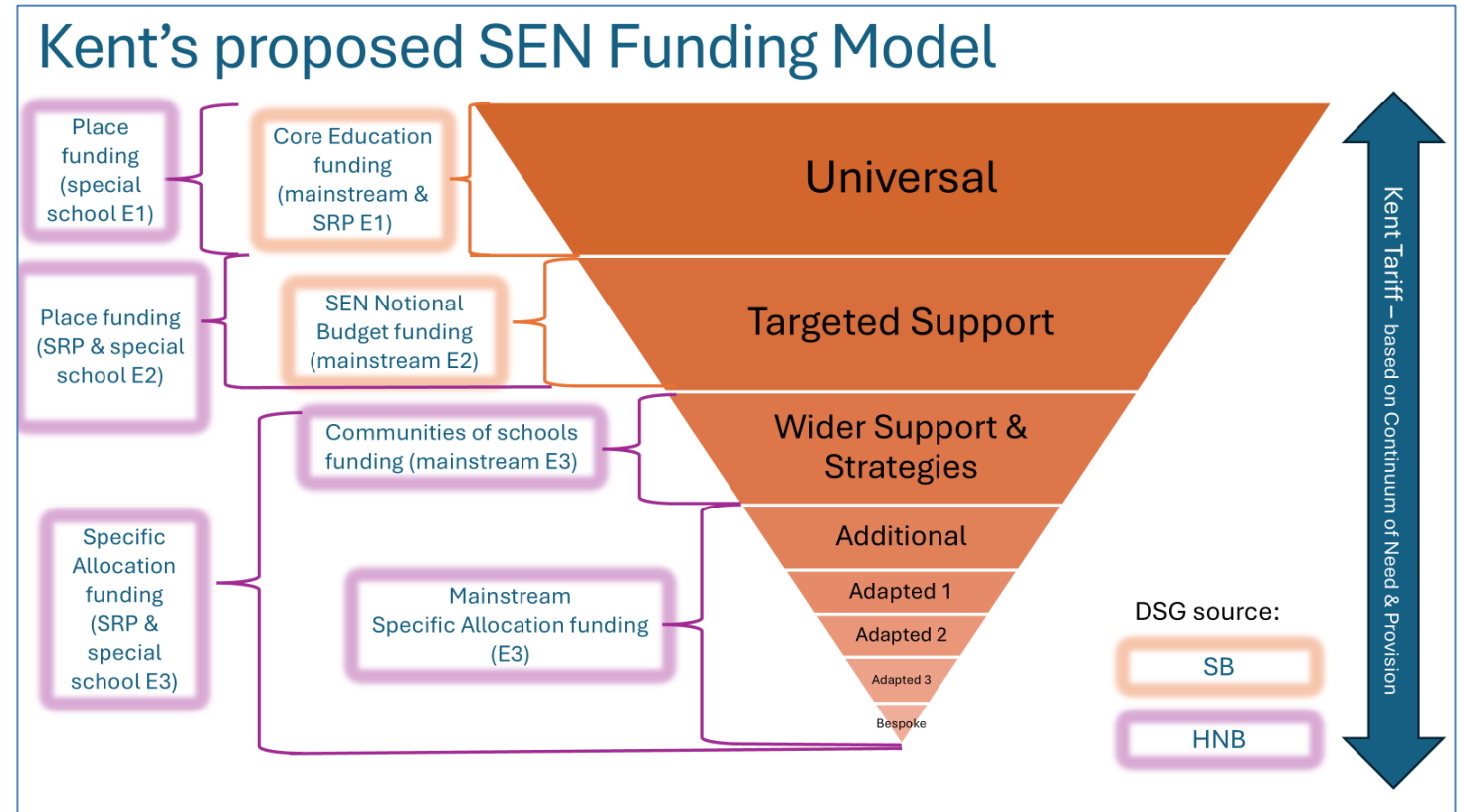
E2 £6k place funding (HNB)

E3 Top-Up Funding Rate (HNB)

- This consultation does not change the process for receiving E1 & E2 funding (linked to commissioned places)

For E3 top-up funding:

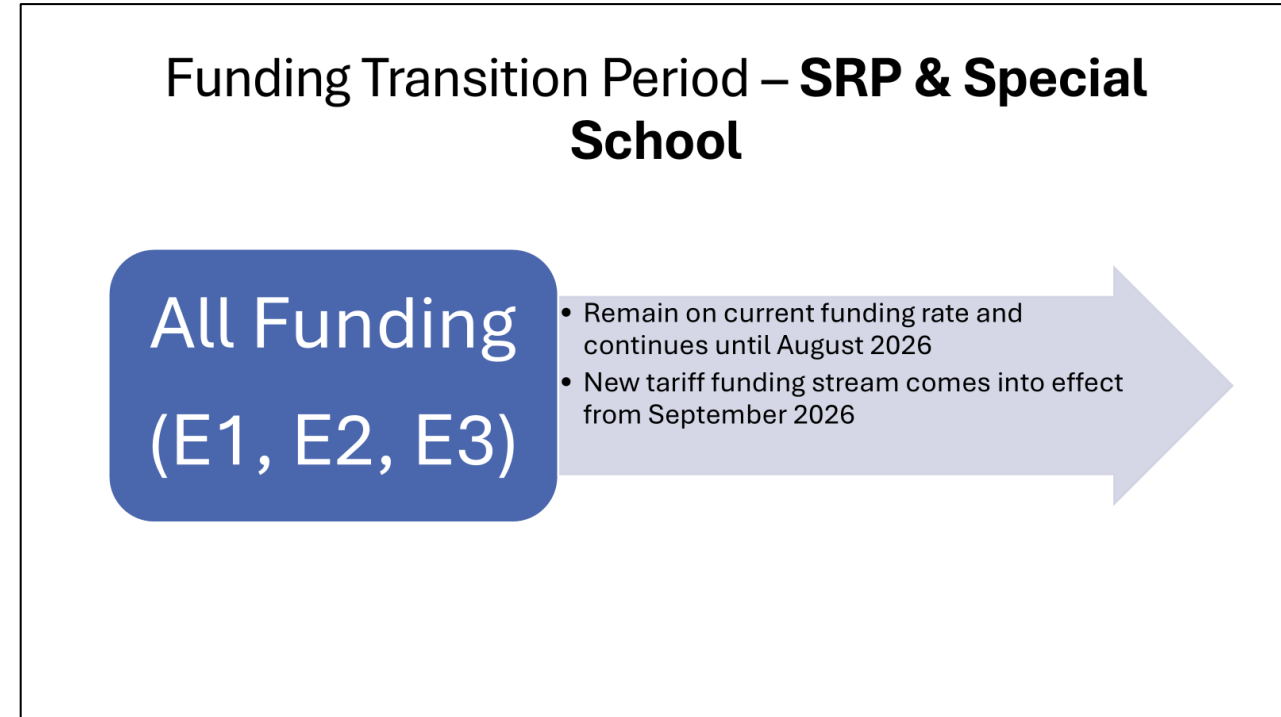
- All pupils attending an SRP will be mapped against the funding tariff
- Pupils mapped to either universal or targeted would not be expected to receive any top-up funding
- Top-up funding rates will be applied to pupils mapped against the tariff between “wider support & strategies to “Bespoke”
- Funding tariff rates are expected to increase, the higher the level of adaptation required



- It is proposed future SRP funding rates are pupil-led based on the pupils they are supporting at the time, rather than based on an average rate of the children they have historically been supporting

How will the proposed SEN Funding Model work for SRPs? Timeline for Implementation

- Existing process for calculating top-up funding rates will continue until August 2026
- Existing pupils will be mapped against the tariff using the funding descriptors (planned completion during 2025)
- Funding rates for each tariff will be confirmed once mapping is complete and expected to be in line with budget setting process for 26-27. Funding tariff rates are expected to increase the higher the level of adaptation required
- Each SRP will receive top-up funding rates according to the mapped tariff level for pupils they support (pupil-led funding process)
- New funding model planned to be implemented from Sept 26



Consultation Questions (SRP focused)

The Proposed SEN Funding Model

Q2: Do you agree/disagree with the proposal that SRP E3 funding is allocated via specific allocation funding (a tariff funding stream)? If not, what is your alternative?

Q3: 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? If not, why? What is your alternative?

Q4: Comments on draft funding descriptors

Interim model (Transition)

Q16: Do you agree/disagree with the proposal that there is no transition period for SRPs between the current and proposed new funding model for E3 funding (using tariff funding descriptors to determine standard funding rates), with the expectation the new model will go live from September 2026? If not, why?

How will the proposed SEN Funding Model work for Special Schools? Overview

Special Schools' funding breakdown:

E1 } Combined place funding (HNB)

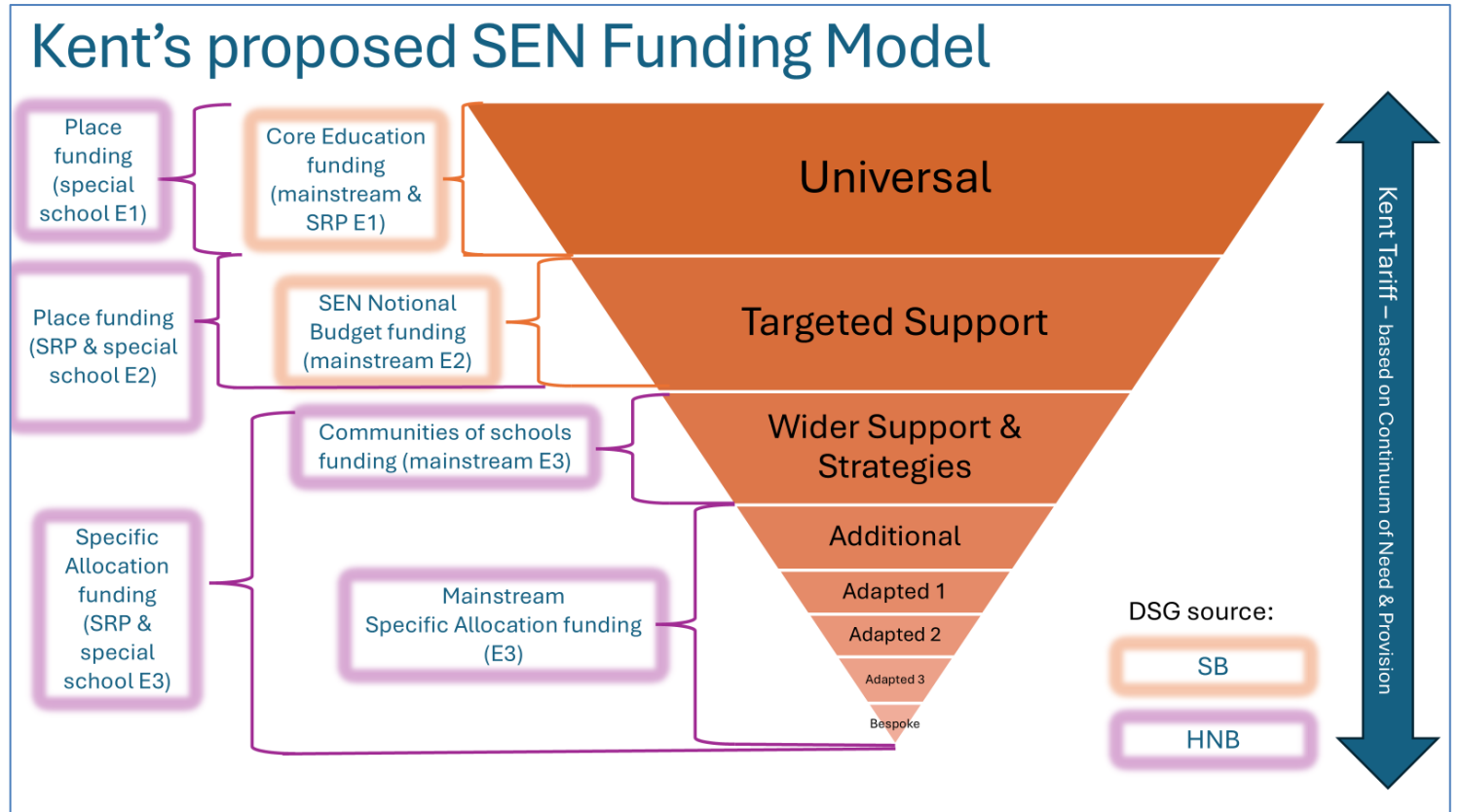
E2 } total £10k

E3 Top-Up Funding Rate (HNB)

- This consultation does not change the process for receiving E1 & E2 funding (linked to commissioned places)

For E3 top-up funding:

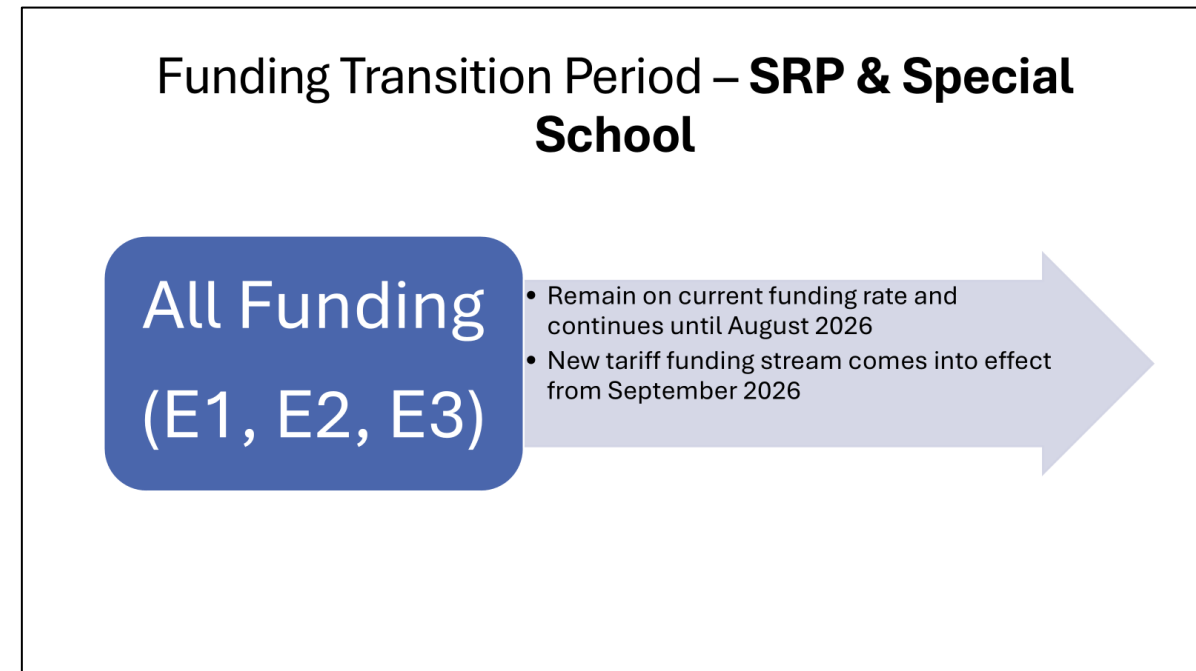
- All pupils attending a Special School will be mapped against the funding tariff.
- Pupils mapped to either universal or targeted would not be expected to receive any top-up funding.
- Top-up funding rates will be applied to pupils mapped against the tariff between "wider support & strategies" to "Bespoke"
- Funding tariff rates are expected to increase the higher the level of adaptation required.



- To provide greater certainty of future funding for special schools it is proposed an average rate of funding per pupil is calculated from the mapping of existing pupils attending the school. Special Schools will then be paid for the forthcoming academic year for all pupils (including new pupils at this calculated average rate).

How will the proposed SEN Funding Model work for Special Schools? Timeline for Implementation

- Existing process for calculating top-up funding rates will continue until August 2026
- Existing pupils will be mapped against the tariff using the funding descriptors (planned completion during 2025)
- Funding rates for each tariff will be confirmed once mapping is complete and expected to be in line with budget setting process for 26-27. Funding tariff rates are expected to increase the higher the level of adaptation required
- For each special school, the average funding rate will be calculated from the existing pupils mapped in the school. This average top-up rate will be used to pay the special school for all existing and new pupils attending the school during the forthcoming academic year.
- Where there is expected to be a significant change in the profile of new pupils attending the school, the average rate will be updated to reflect this presumption. This will be informed as part of the annual commissioning process



- Where there is expected to be a significant change in the profile of new pupils attending the school, the average rate will be updated to reflect this presumption. This will be informed as part of the annual commissioning process
- New funding model planned to be implemented from Sept 26

Consultation Questions (Special Schools focused)

The Proposed SEN Funding Model

Q1: Do you agree/disagree with the proposal that special school E3 funding is allocated via specific allocation funding (a tariff funding stream)? If not, what is your alternative?

Q3: 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? Why not? What is your alternative?

Q4: Comments on draft funding descriptors

Interim model (Transition)

Q17: Do you agree/disagree with the proposal that there is no transition period for Special Schools between the current and proposed new funding model for E3 funding (using the tariff funding descriptors and standard funding rates to determine a funding rate), with the expectation the new model will go live from September 2026? If not why?

How will the proposed SEN Funding Model work for Mainstream Schools? Overview

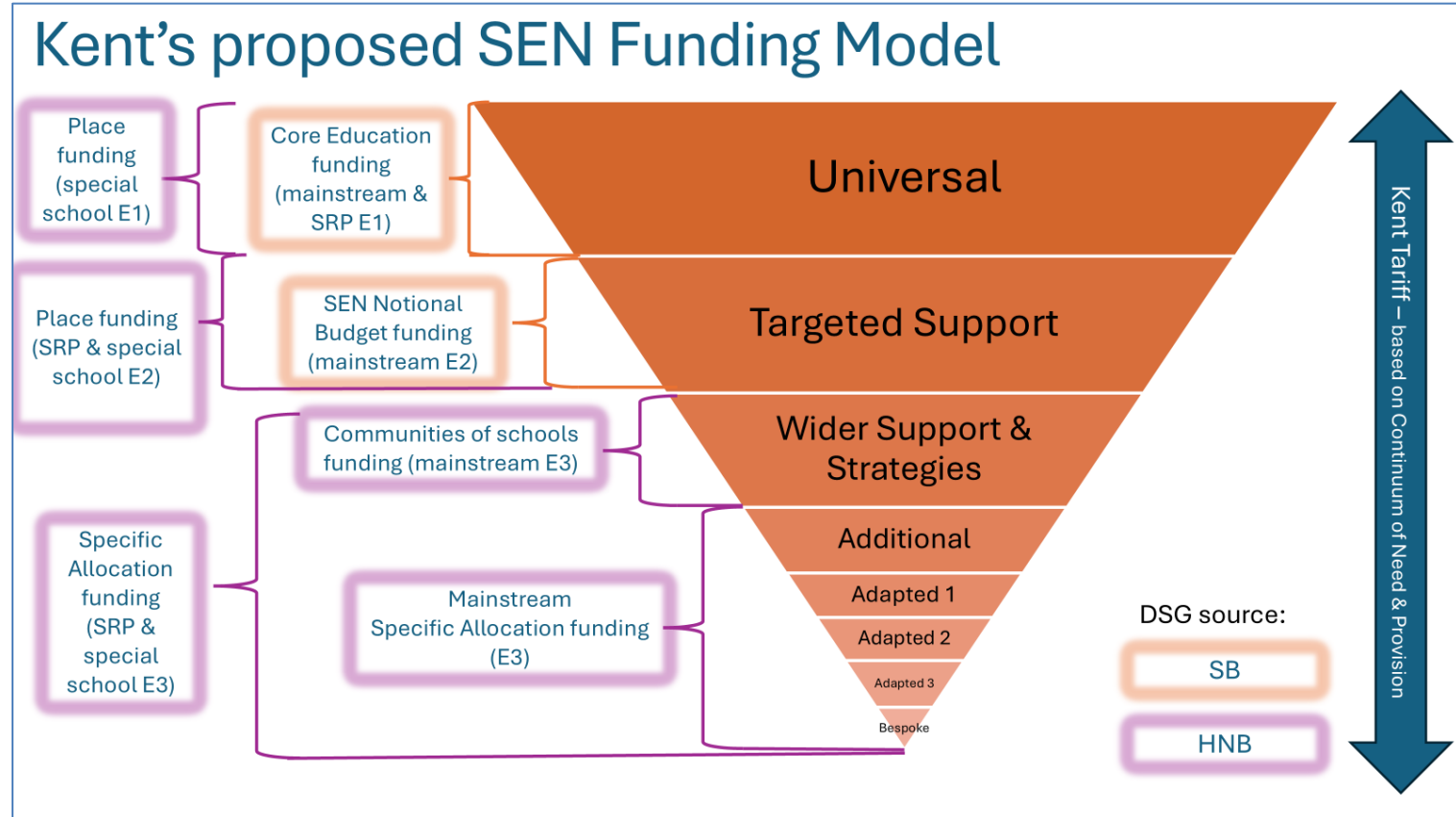
Mainstream's funding breakdown:

E1 Core Funding (school budget)

E2 £6k place funding (school budget)

E3 Top-Up Funding Rate (HNB)

- Schools will still be expected to fund the first £6k of additional support from their school budget
- All funding requests for children on SEN Support will be managed through the Community of Schools budget
- The tariff mapping will only be applied to pupils with an EHCP
- Pupils with an EHCP mapped to either universal or targeted would not be expected to receive any top-up funding
- Pupils with an EHCP mapped to the “wider support & strategies” tariff level may require top-up funding with funding requests administered through the Community of Schools budget



- Pupils with an EHCP mapped between “additional” to “Bespoke” – schools will receive a specific funding allocation. With funding tariff rates increasing the higher the level of adaptation required

Consultation Questions (Mainstream focused)

The Proposed SEN Funding Model

Q8: Do you agree/disagree with the proposal that mainstream schools E3 funding for children with significant needs is allocated directly to schools via specific allocation funding (a tariff funding stream) rather than through the community budget? If not, what is your alternative?

Q3: 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? If not, why? What is your alternative?

Q4: Comments on draft funding descriptors

How will the proposed SEN Funding Model work for Mainstream Schools? Communities of schools' budget

Each community will have a budget to support:

- pupils with SEN Support
- pupils with an EHCP (mapped to wider support & strategies on the tariff)

Contributions to schools for Community Chairs & administration will be funded from the Community of Schools budget

Communities will be able to use the funding more flexibly to support children with SEN. Schools are encouraged to consider top-up requests for groups of children within and between schools.

Each community will have awareness of their schools SEN Notional Budget for targeted support, along with spending in their area relating to: Mainstream Top-Up, and local children who are being educated in a SRP, Special School, Independent Schools

Calculation of Community of Schools Budget:

- The proposal is that Communities of schools' budgets will be set based on a formula.
- Formulas are widely used in allocating school financing and should be a familiar distribution method to schools,
- the following proxy indicators are proposed for the Communities of schools' budget allocation which aligns with the current model for funding AP:
- For the first 2 years, it is proposed historic spending by each community of school is also taken into account on a reducing basis.

Formula for Community of Schools	Year 1	Year 2	Year 3
Pupil Numbers	12.5%	25%	50%
Income Deprivation Affecting Children's Index (IDACI)	10%	20%	40%
Looked After Children (LAC)	2.5%	5%	10%
Historic Spending (August 2024 snapshot)	75%	50%	0%

How will the proposed SEN Funding Model work for Mainstream Schools? Communities of schools' budget

- Consultation includes anonymised modelling of estimated community of schools' budgets over the next 3 years, in comparison to current allocations.
- Help schools to understand the estimated size of budget allocations and impact of the proposed formula.
- The Community of Schools budgets are NOT devolved funding allocations. The budgets will continue to be held and managed by KCC.
- KCC will be acting on recommendations put forward by the Community of schools for the spending of the monies (in line with operating guidance)
- Sample Moderation is expected where E3 top-up allocations for an individual child, or the average rate of top-up funding per children is greater than £6,000 (or total additional support exceeds £12,000 when the first £6,000 funded by schools is included).
- NB. The communities budget is only expected to support children whose additional support requirements total more than £6,000. Schools will still be expected to fund the first £6,000 of additional support (in line with DfE and current local guidance).

Consultation Questions (Mainstream focused)

Community of School Budgets

Q6: Do you agree/disagree with the proposal to use the proxy indicators of pupil numbers, IDACI and LAC to determine Community budgets? If not, what other indicators should we consider? Should the budgets be adjusted to reflect the proportion of children successfully supported locally rather than in SRP, Special or independent?

Q7: 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? If not, What would be the alternative?

Q9: Do you agree/disagree that the cost of the Chair and the Administrator should be top sliced from the Community budget? If not, where should they be funded from?

Q11: 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? If not, why?

Consultation Questions (Mainstream focused)

Notional SEN Budgets

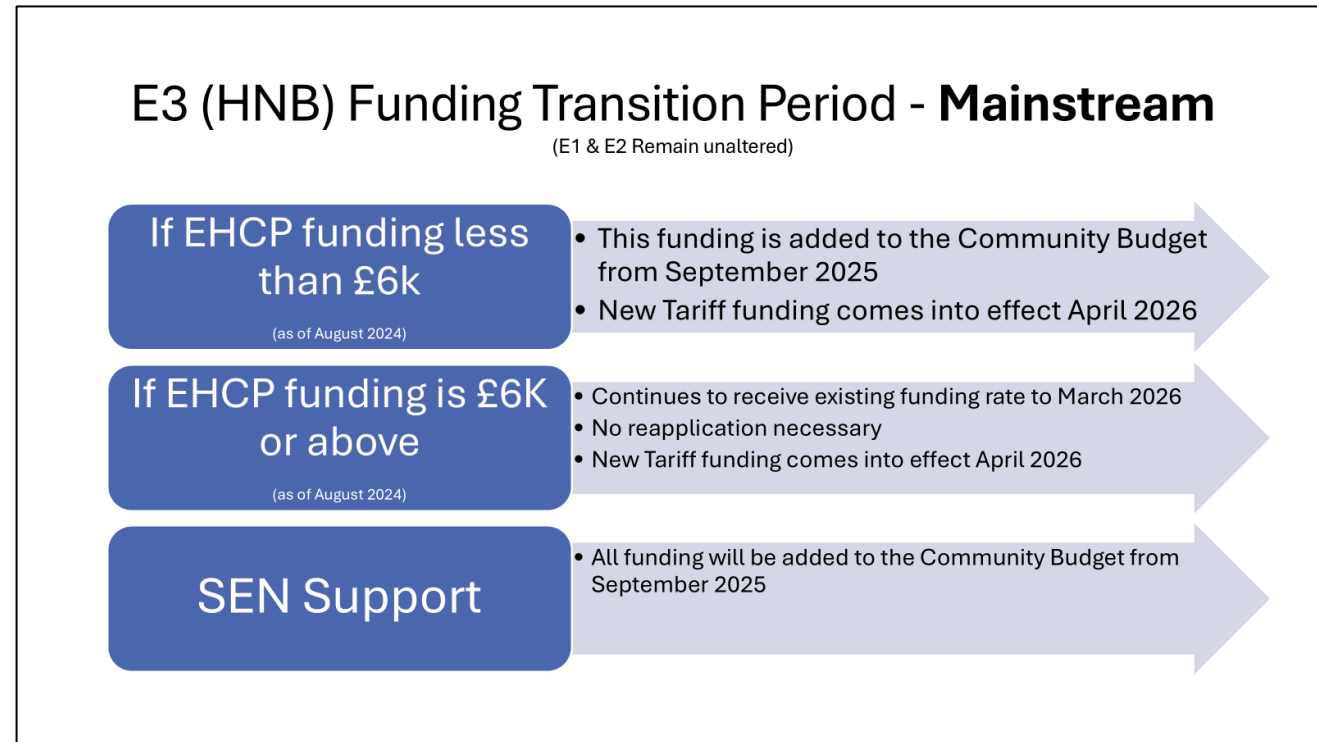
Q5: Did you know about the ESFA's guidance on SEN notional budgets for mainstream schools?

Q5a&b: Is there further guidance you feel is necessary on Notional Budgets for mainstream schools in Kent? What information?

How will the proposed SEN Funding Model work for Mainstream Schools?

Timeline for Implementation & Transition Model

- Existing process for calculating top-up funding rates will continue until March 2025 and funding will continue to be paid for pupils until August 2025 (*subject to demand*).
- Existing pupils will be mapped against the tariff using the funding descriptors (planned completion during 2025)
- Funding rates for each tariff will be confirmed once mapping is complete and expected to be in line with budget setting process for 26-27. Funding tariff rates are expected to increase, the higher the level of adaptation required
- New funding model based on the use of tariff rates is planned to be implemented from April 26

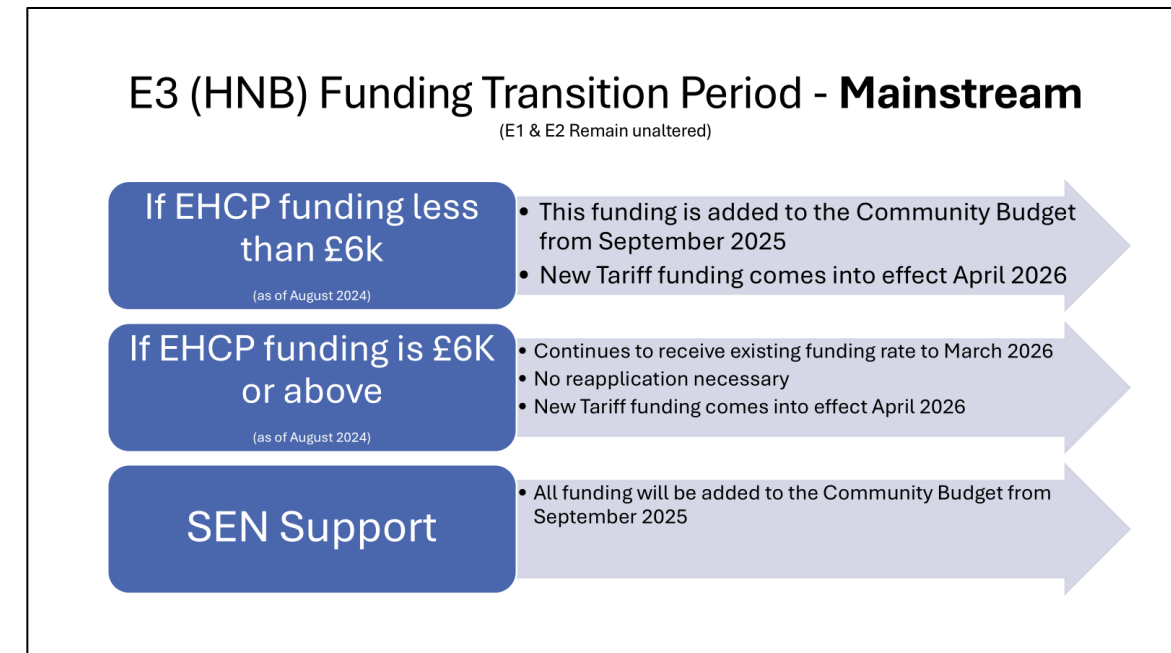


- In lieu of the completing the tariff work, an interim model will be implemented from September 2025 to create a Community of Schools Budget.

How will the proposed SEN Funding Model work for Mainstream Schools?

Timeline for Implementation & Interim Model (2)

- Interim funding model will be in place from September 2025 until at least April 2026, **or** when the new funding model can be rolled out in full (dependent on successfully mapping all pupils to the funding tariff).
- From September 2025, the communities of school budget will administer all top-up funding requests for pupils on SEN Support and all funding requests for pupils with an EHCPs, as at Aug 2024, where their existing top-up rate was less £6,000.
- Existing top-up allocations for pupils with an EHCP, as at Aug 2024, that are more than £6,000 will continue to be paid to the school directly until March 2026
- Top-up requests for pupils with an EHCP issued from Sept 24 will be administered through the Community of Schools budget until the new funding model is implemented



Consultation Questions (Mainstream focused)

Interim Model (transition)

Q10: 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? If not, why?

Q12: 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? If not, why?

Q13: 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)? If not, why?

Q14: 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? If not, why?

Q15: 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? If not, why?