

## NORTH YORKSHIRE SCHOOLS FORUM

<b>Date of meeting:</b>	Thursday 23 November 2023
<b>Title of report:</b>	<b>2024/25 Special Schools &amp; Academies Funding Consultation Results</b>
<b>Type of report:</b> Delete as required	For comment
<b>Executive summary:</b> Including reason for submission	This report provides the results of the 2024/25 Special Schools and Academies Funding Consultation that ran from 29 <sup>th</sup> September 2023 to 27 <sup>th</sup> October 2023. The report requests the Schools Forum to comment on the consultation response received in relation to the level of the Special School Minimum Funding Guarantee.
<b>Budget / Risk implications:</b>	Individual special school budget levels for the 2023/24 financial year.
<b>Recommendations:</b>	Following the consultation with all special schools and academies in North Yorkshire, the Forum is asked to comment on the outcome of the consultation. The views of the Schools Forum will be submitted as part of the approval request to the Executive in January 2024.
<b>Voting requirements:</b>	N/A
<b>Appendices:</b>	N/A
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**2024-25 Special School & Academy Funding  
Consultation****1.0 PURPOSE OF THE REPORT**

- 1.1 This report provides an overview of the results and responses received from special schools and academies to the 2024/25 Special School Funding Consultation.
- 1.2 The Schools Forum is asked to consider the results of the Consultation and the responses received.

**2.0 BACKGROUND**

- 2.1 Special school funding arrangements for 2024/25 will be impacted by a combination of:
- uplift factors applied to Banding allocations (for top-up funding)
  - uplift factors applied to Contextual Funding
  - the specific operation of the Minimum Funding Guarantee in the Special school sector at a national level, and local level.
- 2.2 Consideration of Special School funding arrangements needs to be undertaken within the context of the position on the High Needs budget remaining extremely pressured. The estimated in-year financial pressure in 2024-25 is in the order of £7.5m that will add to the estimated accumulated High Needs Deficit of £13m as at 31<sup>st</sup> March 2024. Unchecked, this will lead to an accumulated deficit of c.£20m by 31<sup>st</sup> March 2025. Projections beyond 2024/25 show an increased number of children and young people assessed as requiring an Education Health and Care Plan with an associated increase in pressure on the High Needs budget. This financial pressure is felt across the SEND system in North Yorkshire and represents an unsustainable position for mainstream schools and academies, special schools and special academies, other settings and provision for children and young people with additional needs and the local authority.
- 2.3 The High Needs Block provisional allocation for 2024-25 amounts to £83.5m. This provisional allocation is currently estimated to reduce to £74.9m after further revisions in respect of updated data on pupil numbers in special schools, the difference between the total number of high need places North Yorkshire commissions in maintained schools, and the number of places funded directly by the Education & Skills Funding Agency (ESFA). The allocation also incorporates funding for teachers' pay and teacher's pension employer contribution historic grants.
- 2.4 The local authority is aware and acknowledges the financial pressure facing special schools and has sought to ensure protection and investment for the sector, balanced against the very challenging High Needs funding settlement for North Yorkshire as a whole. Any decisions around the funding for Special Schools in North Yorkshire will be taken in conjunction with participation in the Delivering Better Values in SEND programme.

**3.0 BANDED FUNDING ALLOCATIONS (TOP UP ALLOCATIONS) & CONTEXTUAL FUNDING**

- 3.1 The Local Authority is carefully considering what potential rate of increase for **Banded Funding allocations** will be applied for 2024/25. The banded funding allocation reflects costs incurred beyond the Element 2 funding allocation of £6,000.

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- 3.2 The Local Authority intention would be to increase the factor elements within the **Contextual Funding** by the same inflationary increase that is applied to the banded funding allocations.
- 3.3 The **Minimum Funding Guarantee (MFG)** has been modelled at 0% and 0.5% (as per the DfE 2024/25 High Needs Operational Guidance). Further discussion is included in Section 4 below.

**4.0 MINIMUM FUNDING GUARANTEE FOR SPECIAL SCHOOLS 2023-24**

- 4.1 MFG is a protection for special schools against seeing a reduction in funding from year to year assuming that the number and type of places remain the same. For 2024-25 DfE have prescribed that the MFG protection level for special schools must be set within the boundaries of between 0% and 0.5%, which is in line with mainstream schools.
- 4.2 In terms of NYC methodology, the minimum funding guarantee determination is actioned in January (for the following financial year) and is based on the pupil population in place at that particular point in time and compares funding allocations in the baseline funding allocation period and the future allocation period. This approach is adopted to ensure that the MFG calculation is not distorted by fluctuations in the band mix of pupils from one year to the next - in accordance with the DfE High Needs operational guidance.
- 4.3 Within the MFG determination, the comparison looks at place funding and top-up funding. It also incorporates the contextual funding component and previous year's minimum funding guarantee sum.
- 4.4. To give an understanding of the implications between setting the MFG at 0% and 0.5%, appendix 1 gives an illustration of the MFG for each special school at both a 0% and a 2.5% banding and contextual uplift. Whilst setting the MFG at 0.5% offers a greater level of protection to all individual special schools when there is a 0% uplift in banding and contextual funding, and a degree of additional protection to three schools when a 2.5% uplift in banding is assumed, this does come at the expense of more resource needing to be earmarked from the High Needs budget (circa £35k when a 2.5% uplift in banding is assumed, and £123k when a 0% uplift in banding is assumed).
- 4.5 The table below provides details of the impact of the MFG funding options at individual school level:

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Based on 0% Banding and Contextual Funding uplifts

School	Option A 0% MFG	Option B 0.5% MFG
Brompton Hall	£1,115	£7,558
Welburn Hall	£45,898	£55,837
The Woodlands	£1,238	£12,247
The Dales	£29,699	£38,062
Springhead	£7,961	£18,991
The Forest	£37,895	£51,746
Springwater	£17,559	£30,669
Brooklands	£28,914	£38,093
Mowbray	£2,588	£32,265
Forest Moor	£146,011	£156,263
<b>TOTAL COST</b>	<b>£318,878</b>	<b>£441,731</b>

Based on 2.5% Banding and Contextual Funding uplifts

School	Option A 0% MFG	Option B 0.5% MFG
Brompton Hall	£0	£0
Welburn Hall	£21,370	£31,309
The Woodlands	£0	£0
The Dales	£1,207	£9,570
Springhead	£0	£0
The Forest	£0	£0
Springwater	£0	£0
Brooklands	£0	£6,772
Mowbray	£0	£0
Forest Moor	£106,138	£116,390
<b>TOTAL COST</b>	<b>£128,716</b>	<b>£164,041</b>

It needs to be noted that the final value of MFG may change significantly by the point that the actual budget determinations are made (due to changes in pupil numbers, commissioned place numbers and/or changes in the assessed needs of the pupils).

- 4.6 The DfE High Needs guidance makes no provision for the application of the MFG for alternative provisions.

**5.0 RESULTS OF THE 2024/25 SPECIAL SCHOOLS & ACADEMIES FUNDING CONSULTATION**

- 5.1 3 out of the 10 special school and academies within North Yorkshire have provided a response to the 2024/25 funding consultation.
- 5.2 The Consultation requested the views of special schools and academies on 2 options related to the level of the Minimum Funding Guarantee for 2024/25. The consultation results are detailed in the table below:

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Option	MFG %	No. Responses Received Supporting Option
A	0%	0
B	0.5%	3
<b>Total Responses</b>		<b>3</b>

- 5.3 All of the responses received to the Consultation indicate support for a MFG of 0.5%
- 5.4 None of special schools and academies responding to the consultation provided any additional comments to support their responses.

**6.0 RECOMMENDATIONS**

- 6.1 Following the consultation with all special schools and academies in North Yorkshire, the Forum is asked to comment on the outcome of the consultation. The views of the Schools Forum will be submitted as part of the approval request to the Executive.

STUART CARLTON  
Corporate Director – Children and Young People's Service