

**Oxfordshire County Council**  
**Schools' Forum – 22 March 2024**  
**Special Schools and Special Academies**  
**Funding 2023/24 and 2024/25**

Settings		Sector	
Academies	✓	Foundation Stage	
Maintained Schools	✓	Primary	
PVI Nurseries		Secondary	
Special Schools	✓	Special	✓
Local Authority	✓	16+	✓
Schools Forum	✓	High Needs	✓

**1. Item for Information - Purpose**

- 1.1. In light of the SEND inspection in 2023, this paper sets out:
- 1.1.1. An amendment to the 2023/24 special schools and special academies top-up.
  - 1.1.2. Proposed 2024/25 funding arrangements for special schools and special academies.
  - 1.1.3. Agreement on the next steps of the development of a SEND financial strategy as part of the SEND improvement plan and transformation journey.

**2. Recommendation for Schools' Forum**

- 2.1. For special schools and special academies, Schools' Forum is asked to:
- 2.1.1. Confirm the in-year change to the special schools and special academies top-up funding in 2023/24 to reflect the proposed uplift to a 9% funding increase.
  - 2.1.2. Confirm that the same methodology for applying the uplift continues at the same rate per pupil in 2024/25.
  - 2.1.3. Confirm support of no other changes for 2024/25 to the principles of the special schools and special academies funding model used in 2023/24.
  - 2.1.4. Note the increase in core top up rate to replicate the 0.5% pupil-led funding per pupil increase to be received by primary and secondary schools in 2024/25.
  - 2.1.5. Note the requirements under the DSG conditions of grant in respect of the Minimum Funding Guarantee and the requirement to pass on part of the additional high needs funding for 2024/25 to special schools, PRUs / AP and the hospital school.

**3. Special Schools Funding 2023/24**

- 3.1. The special schools funding formula for 2023/24 was agreed by Schools' Forum on 8 February 2023. That paper set out a formula that included a 0.5% uplift on the top-up funding aligned to the mainstream school formula, alongside a new element

specified in the national guidance called ‘Additional Funding’ which increased total special school funding by 3.4%<sup>1</sup> allocated on a place basis.

- 3.2. Subsequently to this agreement in May 2023 there was a proposal to uplift the special school funding to a 9% increase from the existing 3.4%. Although this was agreed with the special schools this has not yet been formalised through Schools’ Forum or paid in 2023/24.
- 3.3. During this period there has been some uncertainty about the methodology which should be used to assign this additional increase. However, having reviewed the high needs funding operational guidance for 2023/24, and sought clarification from the Education and Skills Funding Agency (ESFA) we have now confirmed that the only way to apply this additional uplift is through an increase in the top-up funding part of the special schools and special academies formula.
- 3.4. This has therefore been implemented by calculating the cost of a 5.6% increase to the overall funding formula in 2023/24 (£1.626m) and dividing this across the OCC pupils within the formula, giving a value of £1,293.06 per OCC pupil. This has then been multiplied by the number of OCC pupils in the formula to create a school allocation. This means that it is effectively a 13.6% increase in the top up per pupil from the original proposal for 2023/24.
- 3.5. The total countywide cost to the High Needs DSG block of this increase to 9%, representing a further 5.6% increase, is £1.626m. This will not have any further impact on the forecast HN DSG deficit in 2023/24 or 2024/25 as this has been factored into the financial planning since the discussions in May 2023.
- 3.6. The funding will be allocated in 2023/24 as set out below.

<b>School/Academy</b>	<b>2023/24 Additional Uplift</b>
Woodeaton Manor	£103,238
Frank Wise	£138,888
John Watson	£141,590
Springfield	£140,944
Northern House	£111,203
The Iffley Academy	£231,574
Mabel Prichard	£142,237
Fitzwaryn	£145,482
Bardwell	£132,978
Bishopswood	£69,825
Orion	£129,539
Kingfisher	£138,577
<b>Total</b>	<b>£1,626,077</b>

- 3.7. The intention should this be agreed on 22 March 2024 is that it will transferred to schools and paid to academies by 31 March 2024.
- 3.8. For clarity this decision has no impact on top-ups outside of special schools and special academies.

#### **4. Special Schools Funding 2024/25**

- 4.1. Schools’ Forum reluctantly agreed to the continuation of the formula in 2024/25 at the meeting on 7 February 2024. As set out later in this paper a review of the formula and any potential alternatives will need to commence in 2024/25 financial year.

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<sup>1</sup> Detail of this calculation is provided in the national guidance in annex 2. [High needs funding: 2023 to 2024 operational guide - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/118111/high_needs_funding_2023_to_2024_operational_guide.pdf)

- 4.2. The principles of the special schools and special academies funding model for 2024/25 are proposed to remain the same as that agreed by special school headteachers in 2014 and used since the 2014/15 financial year. Details of the funding model are outlined at Annex A.
- 4.3. The local authority, following consultation with all schools and its Schools' Forum, has continued to implement the National Funding Formula (NFF) as closely as possible. As part of the application of this funding approach, all primary and secondary mainstream school settings have initially been guaranteed a 0.5% increase on pupil-led funding per pupil. As in previous financial years, a similar increase as used in the mainstream schools funding model will be applied to pupil related factors in the special schools' formula model in 2024/25.
- 4.4. The place funding rate remains at £10,000 per place as set out in national guidance.
- 4.5. The formula is now made up of the below factors:

Item	Rate	Basis	Set By
Place Funding	£10,000.00	Per place	DfE/ESFA
Teacher Pay & Pension Funding	£660.00	Per place	DfE/ESFA
Core Top Up	£8,224.87	Per OCC pupil	LA – +0.5% from 2023/24
Bonus Top Up	£1,321.00	Per OCC pupil	LA – no change from 2023/24
Additional Uplift Top Up	£1,293.06	Per OCC pupil	LA – no change from 2023/24
Other Top Up Factors	Variable	School specific	LA – no change from 2023/24
Residential Allocation	£18,531.00	Per place	LA – no change from 2023/24
MFG	4.3%	Protection/Uplift	LA – DfE/ESFA guidance
Additional Funding	Variable	Per place	DfE/ESFA

- 4.6. The core top-up factor has been increased from £8,183.95 in 2023/24 to £8,224.87. This increase will be a base level funding adjustment and will form the starting point top up rates for future years. All other top up figures remain unchanged per pupil from 2023/24 as per the previous report on 7 February 2024.
- 4.7. All other formula factors including Planned Places will be allocated at the same rate as in previous years as set out by the High Needs guidance.
- 4.8. The additional uplift agreed in 2023/24 as set out above will continue to be allocated as an additional top-up element in 2024/25 with the funding per OCC pupil remaining at £1,293.06 per pupil.
- 4.9. High needs place funding for the financial year 2024/25 is based on High Needs place numbers confirmed and published by the ESFA for academies, along with the latest information available from the SEN team in respect of local authority maintained special schools. Academies will receive their place funding direct from the ESFA, and the authority will pass place funding to maintained special schools..
- 4.10. The number of places at each special school is a composite place number. Composite places numbers are calculated for the 2024/25 financial year - translating academic years to financial years on the basis of 5/12 (April to August), 7/12 (September to March) for pre-16, and 4/12 (April to July), 8/12 (August to March) for post-16.
- 4.11. The ESFA funds academies from the LA's High Needs budget for each agreed place, regardless of whether the place is occupied. The LA, therefore, adopts a cautious approach when agreeing place planning submission numbers.
- 4.12. Top-up place numbers follow the same composite place number methodology. The majority of funding will transferred to all special schools by the local authority. The

payment of top-up funding for places in special schools and special academies commissioned by LAs other than Oxfordshire will be met by the commissioning authority. As in previous years, special schools and special academies will be expected to agree top up funding with other local authorities for out of county pupils on roll and be responsible for the collection of the funding.

- 4.13. Top-up funding for Oxfordshire pupils will be paid to special school and special academies on a monthly basis. The amount payable for all schools and special academies will be based on an initial estimate of the Oxfordshire pupils attending during the financial year. If the actual number of children is significantly different, the top up funding will be adjusted in year on the basis of pupil information submitted by special schools and special academies to the local authority's Special Educational Needs (SEN) team.
- 4.14. Allocation of funding for other funding model elements for each school, including Premises, Split Sites, Hydrotherapy Pools and Deprivation, will be allocated in line with the formula agreed in 2014/15. There is a separate funding allocation, applied to a number of residential places, made to Woodeaton Manor special school in respect of its residential facility. Appendix A outlines the main funding principles used.
- 4.15. For the 2024/25 financial year, the historic teachers' pay grant (TPG), and the teachers' pensions employer contribution grant (TPECG) have been incorporated into the high needs NFF allocations to local authorities. As in 2023/24, an allocation of £660 per pupil will be included for 2024/25 to reflect the teachers' pay and pensions funding. This funding will be included as a separate line on special schools' statements so that it is transparent and readily identifiable.
- 4.16. The Minimum Funding Guarantee (MFG) will continue to apply to maintained special schools and special academies (including special free schools) in 2024/25. This is a protection mechanism for special schools. For 2024/2025 this will be set to +4.3% which ensures a 4.3% increase in the budgets. Combined with the 9% these increases overall special school funding by 13.3% from the original 2023/24 formula. The 2024/25 MFG allocation is a total of £1.796m.
- 4.17. The additional funding has been allocated in line with the ESFA High Needs Operational Guidance which states "Local authorities must allocate the same amount per place as in 2023 to 2024, using the total number of places being funded in academic year 2023 to 2024. If a revised number of places has been agreed with the school for the academic year 2024 to 2025 - through the place change process where applicable - the local authority may use that number to calculate seven-twelfths of the allocation (for the period September 2024 to March 2025) and add that to five-twelfths of the annual amount determined based on the number of places funded in academic year 2023 to 2024." We have therefore calculated the amount per place received in 2023/24 and applied this to the 2024/25 composite place numbers for each school.

## **5. SEND Financial Strategy**

- 5.1. During the 2024/25 financial year Oxfordshire County Council will need to begin to develop and implement a SEND financial strategy linked to service strategies. This will include reviewing the top-up methodology and formulas used across all SEND services to understand the options available to allocate the resource to deliver the outcomes desired, which may result in a new special school formula. As a minimum it would be suggested that the current formula needs to be simplified.

- 5.2. This needs to be considered in the context of the High Needs DSG deficit both cumulative and annual held by the council, and work alongside any deficit management plans with the aim of addressing this over the medium term.

## **Appendix A: Special School Formula**

### **1. Principles of Special School Funding Model Agreed and implemented 2014/15 and to continue for 2024/25**

- 1.1. The original intended approach for the financial year 2014/15 was to review the profile of pupils across each of the special schools and special academies and develop a banding system that reflected the different levels of support required for pupils. At that time this proved difficult to achieve, and special school and special academy headteachers asked local authority officers to investigate a simpler modelling approach which gave schools the same level of top-up per pupil but differentiated on some other specific costs relating to each school such as premises factors and pupils, such as deprivation.
- 1.2. The overall level of top-up for pupils in each school would therefore be different, mainly because of premises and deprivation variances. The rationale for having the same average top up per pupil in respect of non-premises costs put forward by schools and adopted by the local authority is based on the following:
  - all schools have pupils with a wide range of needs, and on average it is expected that this approach would provide each school with a reasonable distribution of the resources available.
  - schools were concerned about the time needed to develop and moderate the pupil profiling approach and the accuracy / objectivity of such an approach.
  - it was expected that the top up funding available overall is unlikely to increase to any great extent and therefore the available resources will need to be divided among all special schools and special academies as fairly as possible.
  - schools and academies would have more predictability and stability in their budgets which would help them plan support for the different needs of all of their pupils over the short and longer terms.
  - schools would be able to apply a form of pupil profiling if they so wish, determining low, medium and high-cost students when calculating the level of top up funding to be claimed from other authorities.
- 1.3. As expected, remodelling resulted in winners and losers, and Dedicated Schools Grant (DSG) conditions provide for Minimum Funding Guarantee (MFG) protection relating to special school top up funding in a similar way as for primary and secondary schools. The operational guidance provides some more information about the principles to be applied but does not state a formula that is to be applied in the same way as that for primary and secondary schools.

### **2. Detailed assumptions used in modelling.**

- 2.1. Place funding for the financial year 2024/25, subject to the specifics below, is in general based in part on the academic year 2023/24 place numbers and places agreed for September 2024 for the first part of the 2024/25 academic year. Place numbers are provided by the LA's SEN team following discussion with special schools and special academies.
- 2.2. Place number calculation

- Full time equivalent Pre-16 places are calculated 7/12<sup>th</sup> agreed place numbers for academic year 2023/24 and 5/12<sup>th</sup> agreed place numbers for academic year 2024/25
- Full time equivalent Post-16 places are calculated 8/12<sup>th</sup> agreed place numbers for academic year 2023/24 and 4/12<sup>th</sup> agreed place numbers for academic year 2024/25

This weighting approach mirrors the funding methodology assumed by the ESFA/DfE for Pre-16 and Post 16 pupils.

- 2.3. Once formula funding allocations are issued and the financial year has begun, any agreed increase in place numbers and resultant funding is dealt with outside of this formula modelling. In exceptional circumstances should place numbers fall, reduction in funding to the school or academy will be considered by the local authority.
- 2.4. Funding per place falls into two parts:
  - Core funding: £10,000, as set by the DfE and explained in detail in the DSG High Needs funding guidance is set out as place funding. The DfE have incorporated the teachers' pay grant (TPG) and teachers' pension employer contribution grant (TPECG) within the high needs national funding formula. An allocation of £660 per pupil will be included from 2023/24 onwards to reflect the Teachers' Pay and Pensions funding (formerly TPG and TPECG). This funding will be included as a separate line on special schools' statements so that it is transparent and readily identifiable.
  - Top-up funding: a level of funding required over and above core funding to enable a pupil with high needs to participate in education and training. This is the balance of the overall budget available for special schools and special academies after core funding and other specific funding allocations have been made (see paragraphs 2.5 to 2.9 below).
- 2.5. The residential allocation for Woodeaton Manor, applied to a number of residential places, has been maintained at the same level as for prior years.
- 2.6. Premises allocations totalling £1.06m has been allocated to special schools on the basis of previously available floor area information.
- 2.7. Split sites allocations have been included in the modelling. Special school headteachers had previously agreed which schools have additional sites and this information is used to allocate the overall split site budget between these schools. The level of funding for this factor has been maintained as recommended by special school headteachers to ensure smaller schools such as Bishopswood have some protection against costs of being on multi-sites. The total budget of approximately £112k is divided equally between the 4 schools identified as having an additional site, giving £28k each. Schools identified as having additional sites are as follows.
  - John Watson
  - Springfield
  - Mabel Prichard
  - Bishopswood
- 2.8. A deprivation allocation totalling approximately £100k is divided between schools on the basis of the latest available FSM Ever6 pupil numbers from the

DfE, the same data used to allocate the Deprivation related element of Pupil Premium. This results in an allocation for 2024/25 of approximately £225 per FSM Ever6 pupil, based on June 2023 pupil data.

- 2.9. A small allocation continues to be made in the modelling for hydrotherapy pools. This follows from earlier work by special school headteachers and their recommendation that this should be recognised as an unusual cost. Allocations are made to those schools that have a pool to maintain based on the surface area / volume of the facility at the school. Allocations are made to the following schools: Frank Wise, Springfield, Bardwell and Kingfisher. Information available indicates that the Kingfisher pool is approximately double the size of the pools at the other three schools and therefore the allocation to Kingfisher (£13,000) is twice that of the amount allocated to the other schools (£6,500). Headteachers had previously agreed that the smaller hydrotherapy pool at Bishopswood should also be included and £1,000 is therefore again allocated to that school in the modelling.
- 2.10. The additional uplift agreed in 2023/24 has been included as an additional top-up figure on the basis of the same unit value as in 2023/24. This unit value has been applied to the number of OCC funded places.
- 2.11. The 2023/24 additional funding has been continued in 2024/25, but the allocation methodology has changed. The guidance prescribes that this should be allocated on the basis of the per pupil amount in 2023/24. This is then adjusted for the total number of places in 2024/25 at each school.
- 2.12. Minimum Funding Guarantee (MFG) protection has been calculated at 4.3% for 2024/25, based on a like-for-like comparison with a special school's overall budget in 2023/24 after the addition of the additional 9% uplift agreed in year.
- 2.13. The process for agreeing and transferring any additional funding where pupil numbers differ from initial top up estimates will continue as in previous years. An initial prudent and agreed estimate is made of the number of Oxfordshire pupils in each special school and academy for 2024/25 and planned regular top up payments for the financial year will be based on these numbers. Top-up funding being passed to institutions at the start of each month for maintained special schools and mid-month for special academies, aligned with the allocation of actual cash to the local authority's bank account from central government. If the actual number of Oxfordshire children on roll exceeds those commissioned, then Oxfordshire will make funding available from the month in which the pupil starts at the special school or academy. Funding for these latter pupils will be passed separately to institutions and will be in accordance with agreed additional allocations protocol.
- 2.14. Charging and recovery of top-up and other applicable funding relating to places commissioned by other local authorities is the responsibility of the special school concerned as previously agreed with maintained special school headteachers. Academies or their Trust have this responsibility automatically.
- 2.15. The special schools funding model provisionally allocates £32.7m, as summarised below.



2.16. Funding Factors Percentage

Planned Places	42.11%
Place led top up funding	34.64%
Bonus top up	5.35%
Addition top-up uplift 2023-24	4.96%
Additional High Needs Funding for 2023-24	2.79%
<b>Place related total</b>	<b>89.85%</b>
<u>Specific funding factors</u>	
Split Sites	0.34%
Residential	0.68%
Hydrotherapy Pools	0.10%
Premises	3.24%
Deprivation	0.31%
MFG	5.49%
<b>TOTAL</b>	<b>100.00%</b>

2.17. Overall special school budget model has initially increased by 9.04% with the majority related to the MFG and the balance relating to additional places assumed within the model.