

Research into funding for pupils with SEN

The current method of allocating local authorities the high needs block is not always fair, and the government should consider moving to a formula, say Natalie Parish and Ben Bryant in their recent report for the DfE.

The DfE commissioned the report in summer 2014 to undertake research into the SEN funding arrangement. To carry out the research, Parish and Bryant worked with a representative group of 13 local education systems.

The resulting report, 'Research on funding for young people with special educational needs', raises concerns about the way the high needs block is currently allocated to LAs – i.e. on the basis of historic spending levels. The researchers found that historic spending does not necessarily match levels of current need, and felt that the current distribution of the high needs block was not always transparent, objective or fair.

As a result, they recommend a move away from historic levels of spending to a formula-based allocation.



How effectively are schools providing the first £6,000?

The view of LAs was that having the £6000 threshold was a positive development and meant that LAs were more able to hold schools to account for what they should be providing.

The reaction from schools was mixed. Some schools felt confident that the threshold had improved the dialogue they had with LAs.

The authors suggest that some schools attract a disproportionately high number of pupils with SEN due to their attitude and aptitude for meeting their needs:

‘The funding challenge is that any formula-based method of allocating resources will not be able to reflect differences in the size of the school’s SEN population where these are driven, to a large extent, by the culture of the school in question, rather than underlying demographic and contextual factors that can be measured, such as deprivation or prior attainment.’ p. 11

This means that some schools are struggling to meet the first £6,000 from their base budgets. The researchers found that small schools and disproportionately inclusive schools struggled the most. The pupils who appear to be losing out most in relation to this are those whose needs fall just below the threshold for top-up funding.

The report recommends that LAs should work with schools to agree a ‘core entitlement’ that all schools must provide as a matter of course and that this should be published as part of the LA Local Offer. There should be a clarification of the expectations of the system and what schools should provide as part of the first £6,000 of additional support.

They also recommend that the DfE should consider using the 0-15 disability living allowance (DLA) claimant measure as an additional factor in school funding formulae.

The researchers are not convinced by the effectiveness of schools having a ‘notional’ SEN budget. They suggest that these do not correlate well with reported need and that the DfE should consider removing them from the funding system for mainstream schools. Instead, they would like to see:

- clearer expectations of what schools should provide for pupils with SEN

- clear communication about how core funding is calculated
- a simple financial planning tool to guide schools' decisions.

LAs do have some local funding discretion to help schools struggling to meet the first £6,000 of SEN support costs. However, the researchers found some very inconsistent practice, with only a third reporting that they provide funding outside the formula. In some cases, it was underused. They suggest that to address this, there should be clearer direction for LAs.

There were also inconsistencies identified in relation to top-up funding with a lack of clear and consistent expectations around inclusion. There was strong support for a set of core principles about how top-up funding should operate. They recommend that the DfE should develop and publish a set of principles or minimum standards for its effective operation. LAs should also publish information about their top-up funding arrangements.

Overall, the report indicates a system that is still struggling to cope with the spirit of SEN reform. There remain many inconsistencies and difficulties with joint working. The researchers recommend that there should be guidance on which aspects of provision should normally be funded by education services and which by health services.

Should you read this document?

It is useful to be aware of this in summary form but not necessary to read through the whole document. It will be interesting to see if any action is taken following this report. Its recommendations do seem logical and, overall, indicate that greater guidance and criteria is needed for some of the disparities and inconsistencies to be removed.

More information

- › **Read the full report:** [Research on funding for young people with special educational needs](#)