

<b>Committee:</b>	Schools' Forum
<b>Meeting Date:</b>	9 <sup>th</sup> May 2024
<b>Title:</b>	Increase in High Needs Bands and SEMH School Funding
<b>Author:</b>	Gemma Morgan, Head of SEND Funding and Provider Services
<b>Decision making / consultative / information:</b>	Information and Decision Making
<b>Who can vote?</b>	All Members with Voting rights

### **Decision Making and Information**

1. To propose an increase in High Needs Funding Bands from September 2024.
2. To ask Schools Forum to vote on moving all Social Emotional and Mental Health (SEMH) Schools to a separate funding model outside of the current agreement.

### **Reason for recommendation**

3. To look to increase the High Needs Funding Bands, to support all settings with the increase of costs across the system.
4. To support SEMH schools with the high level of needs for the children within these schools and recognize that a slightly different funding agreement is needed.

### **Who will be affected by this decision?**

5. This situation affects all education providers in Suffolk.

### **Main body of the Report**

#### **Suggested increase in High Needs Funding Bands**

6. It is recognised that all education settings are facing additional costs across the system, due to the current cost of living crisis as well as the issues surrounding recruitment of experienced, trained staff. To support this Suffolk County Council are proposing an increase in the High Needs Funding Bands. from September 2024.

7. Modelling has been undertaken to understand what the additional costs would be if the bands were increased by 2%, 3% and 4%. The tables below show the breakdown by band and the Autumn term 2023 data has been used for the purpose of the calculation. It must be noted that for illustrative purposes the funding for this increase has already been added to the deficit mentioned in the previous paper.
8. The following table shows that an estimated increase in funding of £1,066,910 is required if the funding bands are increased by 2%:-

Band	Current Value	2%	Increase	Autumn 2023	Cost Increase
Band C	£1,500	£1,530	£30	2,416	£72,480
Band D	£3,300	£3,366	£66	2,420	£159,720
Band E	£5,500	£5,610	£110	2,084	£229,240
Band F	£8,200	£8,364	£164	1,610	£264,040
Band G	£10,500	£10,710	£210	1013	£212,730
Band H	£13,000	£13,260	£260	495	£128,700
				<b>10,038</b>	<b>£1,066,910</b>

9. The table below shows that an estimated increase in funding of £1,641,740 is required if the funding bands are increased by 3%:-

Band	Current Value	3%	Increase	Autumn 2023	Cost Increase
Band C	£1,500	£1,550	£50	2,416	£120,800
Band D	£3,300	£3,400	£100	2,420	£242,000
Band E	£5,500	£5,670	£170	2,084	£354,280
Band F	£8,200	£8,450	£250	1,610	£402,500
Band G	£10,500	£10,820	£320	1013	£324,160
Band H	£13,000	£13,400	£400	495	£198,000
				<b>10,038</b>	<b>£1,641,740</b>

10. Finally the below table shows that an estimated increase in funding of £2,133,820 is required if the funding bands are increased by 4%:-

Band	Current Value	4%	Increase	Autumn 2023	Cost Increase
Band C	£1,500	£1,560	£60	2,416	£144,960
Band D	£3,300	£3,432	£132	2,420	£319,440
Band E	£5,500	£5,720	£220	2,084	£458,480
Band F	£8,200	£8,528	£328	1,610	£528,080
Band G	£10,500	£10,920	£420	1013	£425,460
Band H	£13,000	£13,520	£520	495	£257,400
				<b>10,038</b>	<b>£2,133,820</b>

11. To support with the management of the continued underfunding for Suffolk and the ever-growing deficit within the High Needs Block, Suffolk County Council would recommend that the increase of 3% is agreed by Schools Forum. As part of this agreement, we would propose that this is reviewed in 3 years time, ready for academic year 2027/28.
12. Forum are asked to vote to agree an increase in the High Needs Top-Up Bands at a rate of 3% with a review date in three years ahead of academic year 2027/28.

### **Social Emotional and Mental Health Schools - Funding**

13. Suffolk County Council have been approached by the Academy Trusts delivering the three SEMH schools across Suffolk. They have made a case that the current funding levels are not adequate for this type of school.
14. A paper proposing a change to the funding for these schools is attached to this paper as Annex A.
15. The schools would like to increase their funding to £18,500 per place with Band I requests only being considered over the value of £25,500, there would also be a funding cap applied to each setting.
16. Modeling based on the current numbers has been undertaken and this change will increase the funding to these schools by approximately £626,639 per academic year, if the levels of pupils remain the same, this would obviously rise if the admissions increase.
17. Schools' Forum are being asked to vote on whether they agree to this increase in funding for SEMH schools.
18. This change will mean a change to the SCC High Needs Funding Policy which we consulted on in 2019.

## **ANNEX A: Social Emotional and Mental Health Funding Proposal Paper**

### **Social Emotional and Mental Health School Funding Proposal**

#### **Introduction**

A child attending a Social, Emotional and Mental Health (SEMH) special school will have significant SEMH needs which have caused substantial barriers to learning in a number of the following areas; self-perception, difficulties managing mood, relationships, regulating emotions and experiences of stress or trauma.

It is recognised that due to the nature of the needs of the children attending a Social, Emotional and Mental Health (SEMH) school and the fact that the barriers to learning have meant that they have found a mainstream classroom a difficult environment, smaller classes are required and a higher staff to pupil ratio is needed with tailored support for their individual needs. Additional resource is also required to deliver support to maintain safeguarding and Family Support workers are key within an SEMH School; additional access to therapeutic resources, psychology input and/or mental health support agencies may also be required.

The current banding system is not necessarily fit for purpose for SEMH schools. Each of the current SEMH schools in Suffolk are receiving exceptional funding. One of the schools receives an agreed increased set amount for each placement and the other two are receiving an additional £5,000 per place. On average the current placements are being funded at £15,000 per place. However, the schools are unable to meet need at this level of funding and this is resulting in consults being rejected and pupils being placed in out of authority places which cost between £35,000-£48,000. Currently there are seven children within the three schools who are receiving Band I funding, these range from £18,750 up to £33,585.

#### **Background**

Suffolk County Council have met with the current Academy Trusts who are the providers of SEMH schools in Suffolk. These schools are all new in the last few years - they are Sunrise which opened in 2017, Sir Bobby Robson which opened in 2020 and Sir Peter Hall, the newest school which opened in the academic year 2022/23. They are delivered by SENDAT and Unity. Until these schools opened there were no SEMH special schools in Suffolk.

Suffolk County Council publishes descriptors for pupils who are considered to have SEMH needs, to support with the allocation of High Needs Funding. For those requiring the highest Band H (£13,000) it is identified that a pupil will have the following needs.

- Severe difficulty in engaging in peer relationships due to lack of understanding, awareness or interest and attempts to support engagement

can result in distress and/or extreme withdrawal. Severely restricted ability to interact with others and with any programme of personal and social development. Lack of understanding of personal space and social rules and boundaries.

- Severe and complex behavioural needs – requires resources for crisis intervention. Difficulties can be directly attributed to severe neurodevelopmental difficulties, attachment disorder or past trauma. Unsafe, risky, or anti-social behaviour that may require body protection for self - injurious actions or injury to staff. 1:1 support in specialist teaching groups with high levels of intervention. Detailed risk assessment overseen by an individually trained adult and regularly updated.
- Requires an integrated plan of advice and support from CAMHS (or equivalent). Detailed risk assessment overseen by an individually trained adult. May be severely withdrawn from daily life and involved in self-harm that is a risk to life. Attendance can be severely affected by SEMH needs.

It has been identified that this highest level of funding is not adequate to provide the support that a pupil needs within an SEMH Special School. The schools and SCC Inclusion Service have modelled the provision based on the current cohort and consider that a High Needs Funding top up value of at least £18,500 per pupil is required. This would provide class sizes of 8-10 and ensure the pupils have access to the tailored individual provision as required and therapeutic services provided by the school.

Benchmarking was undertaken with comparison schools and Local Authorities across the country. All schools provided class sizes of 8-10 and funding varied from £13,000 up to £25,000. The schools we looked at were statistical neighbours, geographical neighbours as well as provision delivered in North England.

### Recommendation

It is recommended that all pupils attending an SEMH Special School receive top-up funding of £18,500. This would ensure the schools are better able to ensure the infrastructure is available to meet the needs typical of a pupil at an SEMH school, and the administration is simplified as individual requests for band Is for additional resourcing is not required for the majority of pupils. This would mean that they would not be subject to the High Needs Funding moderation process. However, it would be necessary for children and young people to be given a Band at the point of transition to another setting. Currently all of the schools are paid exceptional funding which is an average cost of £15,000 per place. If an increase is agreed to £18,500 the financial impact will be £686,000 (196 x £3,500) per year.

Currently, within the three SEMH schools there are seven pupils receiving Band I funding at a total cost of £186,063. Of these, two are below £25,500 and one of those is only slightly above the £18,500 proposed funding level. Band I funding

requests could still be submitted to the Local Authority. However, it would be agreed that this would be for those who require support over the value of £25,500 (rather than the £18,500 per child) and that a maximum of 5% of the children on roll would be eligible for a Band I request. Any request for Band I funding would have to clearly demonstrate what is required and how the resources already available within the school have been used.

The current cost of Band I funding for these three schools is £186,063, as three of these funding levels are below the £25,500 threshold the Band I funding for these can be offset against the increased cost for these schools. Therefore, the financial impact of this increase of £686,000 can be reduced by £59,361 and would actually be an annual impact of £626,639.

It is also proposed that the funding be capped at a maximum value for each individual school. To identify this cap we would calculate an overall funding value for each school based on each pupil receiving £18,500 per place, we would then allow a 5% allowance for Band I funding and create a cap at this level. For example:-

$60 \text{ places} = 60 \times £18,500 = £1,110,000 + 5\% \text{ Band I} = 3 \times £7,000 = £1,131,000.$

Each school would have an individual commissioning agreement based on the number of pupils they are commissioned to have on roll, this number would dictate the maximum funding cap.

Making this change will help ensure these schools have the capacity to support children and young people with complex SEMH needs without the Local Authority needing to find more expensive, independent provision.