
Special School Funding

Report being considered by: Schools Forum on 8th March 2021

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Item for: Decision **By:** All Forum Members

1. Purpose of the Report

1.1 To seek agreement from the Schools Forum to increase the value of special school funding bands by 5%.

2. Recommendation(s)

2.1 That the Schools Forum agrees to increase the value of the funding bands for West Berkshire maintained special schools by 5%.

Will the recommendation require the matter to be referred to the Council or the Executive for final determination?	Yes: <input type="checkbox"/>	No: <input type="checkbox"/>
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3. Introduction/Background

3.1 It was agreed at the Schools Forum meeting in January 2021 that a report would be brought to the March meeting about special school funding.

4. Supporting Information

4.1 The funding scheme for special schools was devised in 2013 and includes 22 funding bands (see attached)

4.2 Since the funding scheme was introduced, the value of the special school funding bands has never been increased; in fact there was a 0.5% reduction in 2016-17 as part of a range of savings to address the overspend in the HNB.

4.3 It is true that there has also been no increase in the value of the funding bands for children with EHCPs in mainstream schools and resourced schools. However, special schools are affected more by this than mainstream and resourced schools as all of their children have EHCPs and therefore all of their funding is derived from high needs funding arrangements.

4.4 Since 2013, mainstream school budgets have increased by 13.1% while special school budgets have decreased by 0.5%. Special schools have faced the same year on year increases in costs as mainstream schools, including increased salary and pension costs.

4.5 The result of this is that special schools have been reliant on carried forward funds which are now reducing and they have also had to make reductions to their provision including, for example:

- Staff reductions leading to larger teaching groups

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- Reduced TA support
- Reduced management capacity
- Reduced curriculum offer, eg. fewer subject specialists
- Less access to specialist equipment and resources
- Reduced support for families through FSWs
- Reduced staff training
- Reduced access to college for taster courses

4.6 The special schools have both reported that they will have to set deficit budgets from 2021-22 to avoid provision for children becoming unsafe, if there is no increase in funding.

4.7 Brookfields School has reported that by 2023 it will have a deficit of approximately £1.1M if there is no increase in funding.

2020-21	£360,000
2021-22	£541,000
2022-23	£627,000
Cumulative total deficit	£1,528,000
Minus reserves	£ 400,000
Total deficit by 2023	£1,128,000

4.8 The Castle School has reported that by 2023 it will have a deficit of approximately £870K if there is no increase in funding.

2020-21	£330,000
2021-22	£490,000
2022-23	£560,000
Cumulative total deficit	£1,380,000
Minus reserves	£510,000
Total deficit by 2023	£870,000

4.9 At the same time, it has become apparent that Local Authorities in neighbouring areas, such as Reading and Wokingham, are increasing their special school funding in

order to address similar issues. Reading Borough Council, for example, is increasing the value of its special school funding bands in 2021-22 by 5%.

5. Options for Consideration

- 5.1 Maintain special school funding at current levels
- 5.2 Increase special school funding bands by 5%

6. Proposals

6.1 That the Schools Forum considers an increase in the value of the special school funding bands in order to partly address the real terms reduction in special school budgets over time and to protect the quality of provision offered to children in our maintained special schools.

6.2 The approximate cost of a 5% increase in top up values would be £213,788 in 2021-22.

7. Conclusion

7.1 West Berkshire maintained special school funding has not increased since 2013 and has reduced by 0.5%. In real terms therefore funding levels have reduced, given the increases in staffing and other costs during that period.

7.2 Special schools have been using up funding reserves and making systematic cuts in provision over that period.

7.3 There is also some evidence that West Berkshire special schools are falling behind funding levels in neighbouring Local Authorities.

7.4 It would be reasonable to consider an increase to the value of special school funding bands in 2021-22 in order to partly address the real terms reduction in budgets over time and protect the quality of special school provision.

8. Consultation and Engagement

8.1 Consultation has taken place with the Council's Accountancy Service, Head of the Education Service and Headteachers of the two West Berkshire maintained special schools.

9. Appendices

Appendix 1 – High Needs Top Up Bandings 2020-21

10. Heads Funding Group Recommendation

10.1 HFG recommended an increase to the value of special school funding bands of 5%.