

## Schools Forum

17 March 2022

### **Pupil-led funding: medical needs, managed moves and in-year transfers**

#### **Purpose of the report and summary of proposals**

To ask Schools' Forum to comment on proposed changes from September 2022 to pupil-led funding factors, prior to the Local Authority making a final decision, when pupils are not attending school due to ill-health, or where there is a managed move or in-year transfer. This will bring the local authority into line with the [ESFA Schools revenue funding 2021 to 2022](#) Guidance.

1. To increase the school contribution from 80% to 100% of AWPU when a pupil receives their education from the Flexible Learning Team (FLT) and to recoup 100% of AWPU for the duration of a stay when a pupil is admitted to hospital and the local authority is charged for educational provision.
2. To recoup 100% of Education Health & Care Plan top up when a pupil with an EHC Plan receives provision from FLT or for the duration of a stay when a pupil is admitted to hospital and the local authority is charged for educational provision.
3. To recoup 100% of Pupil Premium when a pupil who is eligible receives provision from FLT or for the duration of a stay when a pupil is admitted to hospital and the local authority is charged for educational provision.
4. For funding to follow the pupil where there is a managed move or in-year transfer and for this to be on the same financial basis as a permanent exclusion.

#### **1. Pupil-led funding in relation to pupils with medical needs**

##### **1.1 Background and Statutory Legislation**

Section 19 of the Education Act 1996 requires local authorities to ensure arrangements are made for pupils who are unable to attend school because of ill health. When carrying out this duty due regard must be given to the statutory guidance, "Ensuring a good education for children who cannot attend school because of health needs", DfE, 2013. In Warwickshire this service is provided by the Flexible Learning Team and schools contribute 80% of the child's Age Weighted Pupil Unit towards the cost.

## Key points of the Statutory Guidance

### Local authorities **must**:

Arrange suitable full-time education (or as much education as the child's health condition allows) for children of compulsory school age who, because of illness, would otherwise not receive suitable education.

### Local authorities **should**:

Provide such education as soon as it is clear that a child will be away from school for 15 days or more, whether consecutive or cumulative. They should liaise with appropriate medical professionals to ensure minimal delay in arranging appropriate provision for the child.

Ensure that the education children receive is of good quality, as defined in the statutory guidance Alternative Provision (2013), allows them to take appropriate qualifications, prevents them from slipping behind their peers in school and allows them to reintegrate successfully back into school as soon as possible.

## Responsibilities of Schools

Section 100 of the Children and Families Act 2014 places a duty on governing bodies of maintained schools and academies to make arrangements for supporting pupils with medical conditions. School Governing bodies must ensure that school leaders consult health and social care professionals, pupils and parents to ensure that the needs of children with medical conditions are properly understood and effectively supported.

### **1.2 Previous Reviews**

The funding of provision for pupils who are unable to attend school due to illness was last discussed at Schools' Forum in October 2018. Two recommendations were put forward, firstly charging schools 100% of the AWPU and secondly charging schools from day one when a pupil is referred to the Flexible Learning Team, rather than after six weeks.

Alongside a number of other recommendations to offset the £3.9m deficit in the High Needs' budget at the time, no final decision was made about this, and other recommendations and the minutes recorded "The Chair, in concluding the discussion, summarised by saying that Members understand the cost pressures and the need to get the deficit down, but felt what is being proposed has too many negative implications and risks".

Given the continuing deficit in the High Needs' budget, further proposals need to be considered to ensure that when a learner receives support from the Flexible Learning Team, funding follows the pupil.

### **1.3 Current Review**

As part of the SEND and Inclusion Change Programme, the Flexible Learning Team (FLT) was reviewed by an external consultant in Autumn 2020. The final report highlighted the positive feedback from stakeholders: "The team is highly valued by their users with very

high levels of satisfaction expressed by parents and carers and young people. The parents and carers stated that the FLT is: 'amazing', 'they think outside of the box', 'an unbelievable service', 'inspirational', 'helped us as a family when we were in crisis', 'my child has thrived at the Hub' and [my child was] 'nurtured by all the team'. Head Teachers and SENCos were also consulted: "There was a high level of consistency of responses across the sample and these were broadly positive". Less positive feedback related to referral processes and knowledge of FLT. These issues have been addressed through the development of an online form, a weekly panel and briefing sessions for SENCos and Attendance Leads. The leadership team has also worked hard to ensure all those referred are on a school roll and are retained on that roll to continue receiving a service.

The service offer currently comprises core subject teaching, dependent upon the pupil's key stage. Maths, English, Science and ICT are taught by qualified teachers. Regular mentoring sessions and PSHE are also included in the timetable, along with support to build resilience and reintegration back into school/appropriate destination.

There is an over-representation of children and young people with autism diagnoses, either confirmed (62%) or awaiting an assessment through the Neurodevelopmental Pathway. 43% of learners supported by FLT have EHC Plans; this is significantly more than the Warwickshire average of 3.6%. The rate of Children Looked After referred to FLT is 2%, compared with the 0.4% of the general Warwickshire school population, while pupils eligible for pupil premium referred to FLT is 30%, compared with 18.8% of the general Warwickshire population.

A significant majority of requests (91%) for support are for pupils with needs associated with anxiety and mental health which present as a barrier to accessing school. The other 9% include those with low immunity, a temporary restriction in mobility, a condition which requires ongoing hospital treatment, including post-operative recovery where school attendance is not yet appropriate.

The length of time that learners access support from FLT varies; 43.75% of cases are closed within 12 weeks, a further 12.5% within 13-18 weeks. 43.75% are open longer but more than two thirds of these are Y11 and above, remaining with FLT until external examinations have been completed and secure transitions achieved. On average learners referred with mental health needs remain with the service for 157 days, compared with 105 days for other needs.

The table below summarises the destinations and reasons for closure for 2020-21:

Destination	Number	Percentage
AP	12	8.1
College	12	8.1
Deceased	2	1.4
EHE	1	0.7
Hospital	1	0.7
Non-engagement	20	13.5
Moved out of county	1	0.7
Specialist setting	21	14.2
Moved to new school	6	4.1
NEET	1	0.7
Referred to Prospects	3	2.1
Returned to setting	19	12.8
School to offer own support	8	5.4
Seeking employment	1	0.7
Too ill to access FLT	5	3.4
Yr 11 Leaver - AP	1	0.7
Yr 11 Leaver - Apprenticeship	3	2.1
Yr 11 Leaver - College	17	11.5
Yr 11 Leaver - Unknown	7	4.7
Yr 11 Leaver - SENDAR	4	2.7
Yr 11 Leaver - Sixth Form	3	2.1

#### 1.4 Hospital Tuition

The Flexible Learning Team is also responsible for managing the Hospital Tuition Cost Centre (WC ref: HC609). This is a demand led budget which funds educational provision when children and young people are admitted to longer stay hospitals such as Tier 4 mental health beds. This allocation of £180,000 from the High Needs' block has not increased over the last five years. WCC is charged day rates of between £160 to £185 per day for the educational provision received while in hospital; most are placed with Huntercombe, who charge £175 a day. Before payment is made, evidence is obtained of attendance, learning intentions and programmes of study being followed. The average length of admission is 161 days; this has increased from 127 days in the last twelve months due to the complexity of need. WCC does not currently recoup any funding from schools to offset the average cost of £16,000 for a learner's education provision. In three out of the last four years, the budget has overspent and is forecast to overspend in 2021-22 by £70k.

HC609	2017-18	2018-19	2019-20	2020-21	2021-22
<b>Budget Allocation</b>	£102,302	180,000	180,000	180,000	180,000
<b>Number of new admissions</b>	41	35	11	19	19
<b>Actual outturn</b>	£240,416	£195,437	£91,477	£199,544	£277,424

## **1.5 Funding**

In 2021-22 FLT received a net budget allocation of £840,151 from the High Needs' Block to fund staffing, travel, resources and hire of accommodation. This is currently topped up by income from schools, recouping 80% of a pupil's AWPU. The service is struggling to meet demand and is seeing a significant increase in referrals from schools post-COVID.

The external review concluded that the current funding model is unsustainable.

## **1.6 Prevention and links to the SEND Change Programme**

Whilst stakeholders' express satisfaction with the quality of support and range of provision received from the Flexible Learning Team, ultimately questions need to be asked about the increase in extended non-attendance at school, particularly related to learners with ASD, anxiety and related mental health conditions.

The Autumn Term is usually the "quieter" of the three for the FLT, however, comparing the team's "active" cases over the first three months of the academic year over the last three years, highlights the extent of the pressure the team is feeling currently:

Period between start of September and 22nd November over the last 3 years:

01/09/2019 - 22/11/2019 - 91 active cases

01/09/2020 - 22/11/2020 - 109 active cases

01/09/2021 - 22/11/2021 - 183 active cases.

Timely interventions from relevant specialists, initiation of Early Help and training for schools, settings and families are key priorities highlighted in the "Emotionally Based School Avoidance" workstream in the SEND Change Programme. FLT managers, EPS and the Warwickshire Attendance Service are working closely with schools to identify learning from the "Extended Non-attendance at School" pilot and recommend changes for the future.

Currently, the cost of FLT provision for schools, at 80% of Basic Entitlement, is relatively inexpensive at £64.06 for Primary a week, £90.34 for KS3 and £101.81 for KS4. The Service Review questioned whether this disincentivised earlier intervention and bringing in appropriate external specialists, such as Autism specialist teachers and EPs.

## **1.7 How do other local authorities deliver medical needs' provision?**

Medical Referral Units are the more usual provider of medical needs' provision in other local authorities, alternatively services are commissioned via a local hospital school or Alternative Provision. Funding models include a mix of Dedicated School Grant budget and contributions from schools.

## 1.8 Proposals

Currently only 80% of the AWPU is recouped, no other funding follows the child while they access their provision from the Flexible Learning Team. The proposed funding model strengthens the link between the learner and the pupil-led elements of funding.

In the new model, 100% of the AWPU will be deducted, along with the other pupil-led funding streams, including the EHC Plan top-up funding and Pupil Premium (PP) will also be required to follow the child for the period of time that the pupil is accessing their education from the FLT. This will be at a rate of 100% of the EHC Plan top up, if the learner has an EHC Plan and 100% of Pupil Premium.

The Table below shows some examples of what a school might be expected to contribute based on 2021-22 values:

<b>Examples</b>	<b>AWPU (100%)</b>	<b>EHCP top up (estimate based on 100% of average top up)</b>	<b>Pupil Premium (100%)</b>	<b>School contrib'n per half-term (pro rata for no. of weeks)</b>	<b>Compare Current half-term contrib'n</b>
Primary Child no SEN and no pupil premium	£3,123	-	-	£521	£416
Primary Child eligible for Pupil Premium	£3,123	-	£1,345	£745	£416
KS3 pupil with EHC Plan	£4,404	£6,600	-	£1,834	£587
KS4 pupil eligible for Pupil Premium	£4,963	-	£955	£982	£662

It is proposed also that funding is recouped at the same levels for the duration of their hospital stay to offset the cost of educational provision when a pupil is admitted to hospital and the local authority is charged for this. The Flexible Learning Team is often identified as an appropriate service to support with the reintegration of students as part of the discharge planning from hospital.

Based on an analysis of historic data around average pupil numbers, key stage, numbers with SEND and Pupil Premium Funding, the total contribution from schools to the Flexible Learning Team may increase by around £265.3k per annum and to the Hospital Tuition budget by around £85.2k. These figures would be variable depending on the number and mix of pupils accessing the service and being admitted to hospital.

## 1.9 Summary of Proposals on medical needs from September 2022

1. To recoup 100% of AWPU when a pupil receives their education from FLT or is admitted to hospital and the local authority is charged for educational provision.

2. To recoup 100% of EHC top up when a pupil with an EHCP receives provision from FLT or is admitted to hospital and the local authority is charged for educational provision.
3. To recoup 100% of Pupil Premium when a pupil who is eligible receives provision from FLT or is admitted to hospital and the local authority is charged for educational provision.

## 2. Pupil-led funding in relation to Managed Moves and In-Year Transfers

### 2.1 What happens currently

In line with the [ESFA Schools revenue funding 2021 to 2022](#) Guidance, when a Head Teacher permanently excludes a pupil from school, Warwickshire County Council (WCC) recoups pupil funding from the excluding school.

WCC's Exclusions' Team calculates the in-year amount to be deducted and re-claims this from the excluding school's budget. This amount relates to the age and personal circumstance of that pupil, pro-rotta to the number of complete weeks remaining in the financial year from the relevant date; the relevant date is from the sixth school day following the date of permanent exclusion (p.35).

The deduction covers the basic entitlement, and the relevant amounts for pupil-led factors, such as free school meals or English as an additional language, where the pupil attracted funding through those criteria.

Where the excluded pupil is entitled to pupil premium, funding is recouped/re-claimed on the same basis.

The following worked example from the ESFA guidance demonstrates how the deduction from the excluding school's budget is calculated, where the 'relevant date' is 1 October (26 weeks remaining in the financial year):

Funding formula factor	Amount
Basic entitlement	£4,000
Free school meals	£500
English as an additional language	£300
Sub-total	£4,800
Pro-rata total for 26 weeks	£2,400
<b>Deduction from excluding school's budget</b>	<b>£2,400</b>

## 2.2 Managed Moves and In-year Transfers

There are, however, a number of other circumstances where pupils transfer between schools, which include:

- a. Managed Moves
- b. In-year transfers.

As part of trying to prevent a permanent exclusion, the managed move process has been used across WCC since 2018. There has been an agreement between schools that they would transfer between them the pupil led funding. However, this has not been formalised in the same way as the clawback for permanent exclusions.

To date there has not been any transfer of funding between schools for in-year transfers.

The proposals, therefore, are to formalise the existing practice of transferring pupil-led funding for managed moves and to introduce from September 2022 the practice of the funding following the pupil for in-year transfers in addition.

## 2.3 Summary of proposals on managed moves and in-year transfers from September 2022:

- a. Funding follows the pupil for managed moves and in-year transfers, on the same financial basis as permanent exclusions.
- b. Schools invoice each other.
- c. Schools use the same formula as used for the clawback in permanent exclusions.

## 3. Overall Summary of financial impact of recoupment

### Funding recouped from schools and academies

Current recoupment structure		Actual to Jan 2022	Forecast Full Year
Exclusion - Acad	Recoup 80% of AWPU	234,754	340,000
Exclusions - Maint	Recoup 80% of AWPU	16,364	25,238
<b>Total</b>		<b>251,118</b>	<b>365,238</b>



<b>Estimate with proposed structure</b>		<b>Forecast Full Year</b>	
Exclusions - all	Recoup 100% of AWPU	456,500	
Exclusions - all	Recoup 100% Pupil Premium	42,000	*1
Exclusions - all	Recoup 100% EHCP top-up	132,000	*2
Medical - all	Recoup 100% of AWPU	78,000	*3
Medical - all	Recoup 100% Pupil Premium	7,200	*3
<b>Total</b>		<b>715,700</b>	

\*1 Based on 30% students with Pupil premium, for average 26 weeks

\*2 Based on 40 students with top-up funding, for average 26 weeks

\*3 Based on 19 students, for average 26 weeks, typically without EHCPs.

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