Report to School Funding Forum 14th March 2023 **Agenda Item 5**

Special School Funding 2023-24

Introduction

1. The overall framework and processes for allocation of High Needs funding to Local Authorities (LA's) and schools is largely unchanged from 2022-23. Overall funding to LA's nationally is increasing by £970m; the majority of this increase being included in LA's Dedicated Schools Grant (DSG) allocations. Allocation of the DSG to LA's is based on a National Funding Formula (NFF).

Minimum Funding Guarantee (MFG)

2. The High Needs Operational guidance sets out that it is the top-up funding rather than places funding which is intended to reflect cost increase that schools and colleges are facing. The DSG grant conditions for 2023-24 require LA's to implement a Minimum Funding Guarantee (MFG) for special schools of 3% compared to 2021-22 funding levels.

3. The MFG calculation means that a special schools overall funding allocation in 2023-24 must be at least 3% higher than the comparable funding in 2021-22 based on the same pupil numbers/ characteristics

Additional Funding for 2023-24

4. In the Autumn Statement the government announced an additional £400m of funding for 2023-24. Part of this additional funding is being distributed as a mainstream schools additional grant separate from the DSG. To align with this, mainstream special schools, PRU's, special and alternative provision academies and hospital schools will receive an additional separate funding allocation amounting to 3.4% of their 22/23 total place funding and top-up income. This will be paid directly by the LA who maintains the school or, in the case of academies the area in which the school in located.

5. Any remaining grant allocation can be used by LA's for top-up funding for mainstream schools, funding for non-maintained and independent special school placements and SEND services.

The additional grant is separate from the MFG calculations so special schools should receive both a 3% MFG increase (over the 2 year period) plus the 3.4% additional grant.

Implications for Trafford Special Schools

3% increase to MFG on 21/22 funding

In order to fund a 3% Minimum Funding Guarantee increase for Trafford mainstream special schools, PRU's, special and alternative provision academies, the top-up rates have been

increased by 3%. In order to reflect a 3% increase to the £10,000 place led element, the top up rates have been increased by a further £300.

The top-up rate for the maintained college has been increased by 3% to reflect the Minimum Funding Guarantee and has not had the £300 additional increase to reflect a 3% increase on place funding as the EFSA are responsible for funding College places.

In addition the capping and scaling element of the MFG has been withdrawn for 23/24 to ensure that the full 3% MFG increase is passed on to all mainstream special schools, PRU's, special and alternative provision academies.

Special School Additional Grant

In addition to the 3% MFG increase on 21/22 funding levels mainstream special schools, PRU's, special and alternative provision academies will also receive a 3.4% increase on funding based on 22/23 funding levels. This amounts to £577k across Trafford's mainstream special schools, PRU's, special and alternative provision academies. This additional grant has not been incorporated into the top-up rates, as we are awaiting clarification as to how the additional funding will be received in future years

Teachers Pay and Pension Grant

The Teachers pay and Pensions grant will continue to be funded in 23/24 using the existing rate £665.52 per place based on 23/24 place numbers and a historic supplementary element for some establishments . The total distributed through the Teacher Pay and Pension grant is £621k. This has not been incorporated into the top-up rate and will be funded as a separate grant.