

Special provision fund allocations: Explanatory note

Overview of Methodology

The special provision fund allocations announced on 4 March 2017 are to support local authorities (LAs) to make capital investments in provision for pupils with special educational needs and disabilities. Local authorities can invest in new places and improvements to facilities for pupils with education, health and care (EHC) plans in mainstream and special schools, nurseries, colleges and other provision.

Every allocation is at least £500,000. Most areas will receive above that amount and over half will receive more than £1 million.

The funding will not be ring-fenced.

Allocations for 2018-19 to 2020-21

The Department for Education is providing £215 million of special provision fund allocations for the financial years 2018-19 to 2020-21.

The formula for allocation is based principally on projected population growth for children and young people aged 2-18 between the years 2018-19 and 2020-21. Location factors are also applied to take into account the varied costs of building in different regions. We have topped up the lowest allocations so that local authorities receive at least £500,000. The City of London and the Isles of Scilly will not receive an allocation.

These allocations are provided in addition to the basic need capital funding that local authorities receive to support the capital requirement for providing new pupil places.

Demographic growth

Weighting by location factors (building costs)

Minimum funding adjustment so that each LA get at least £500k

Final allocation

Figure 1: Outline of the methodology for special provision allocations:

Meeting local need

These allocations will support local authorities to create new places and improve facilities at existing schools. This funding is primarily intended to develop provision for pupils with more complex special educational needs (i.e. an EHC plan or a statement of special educational needs) in mainstream and/or special schools. However, local authorities are free to spend the fund on other education-based provision for children and young people

aged from 0 to 25 where this meets local needs, such as early years settings or further education colleges.

Local authorities have a statutory duty to ensure that there is a school place available for every child. The Children and Families Act 2014 requires local authorities to keep the provision for children and young people with SEN and disabilities under review (including its sufficiency), working with parents, young people, and providers. In this context local authorities will wish to consider how best to use their capital allocation from the special provision fund to support them in their plans to meet local need. We expect local authorities to plan and make decisions in consultation with local stakeholders. Engagement with parents and young people is crucial and local authorities should consult with parent carer forums, to ensure that the range and quality of provision reflects the needs and aspirations of children and young people in the area. Local authorities are required to complete and publish a concise plan to show how they intend to invest their share of the fund. Further information, including a template, will be provided.

The recent consultation on changes to high needs funding¹ recognised that local authorities will want to develop and publish strategic plans setting out how the special educational needs of children and young people in their area should be met. This consultation announced £23 million of additional revenue funding in 2016-17, to increase local authorities' capacity to undertake this strategic review and planning activity. The use of this special provisional capital funding should be consistent with the overall strategic plans that authorities have drawn up or will be developing.

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¹ https://consult.education.gov.uk/funding-policy-unit/high-needs-funding-reform-2/supporting documents/