



Education
Funding
Agency

High needs: place change request process

Technical note for 2016 to 2017

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Purpose

1. This guide is primarily for local authorities and institutions. It describes the 2016 to 2017 academic year high needs place number change request process, key dates and activity for 2016 to 2017 high needs funding arrangements. It should be read alongside the [high needs 2016 to 2017 operational guide](#)

Introduction

2. The Department's Spending Review settlement later this year and subsequent decisions on how it is used will determine how much funding is available for distribution through local authorities' 2016 to 2017 dedicated schools grant (DSG). At this stage local authorities should, therefore assume: that there will be **no additional** high needs funding in 2016 to 2017; that the full year 2016 to 2017 high needs block will be based on the 2015 to 2016 academic year place numbers, and that there will be no change to the remainder of the high needs block for 2015 to 2016.

3. Changes to place numbers will need to be managed within this budget. This means that local authorities will have a degree of flexibility to change their place numbers in 2016 to 2017, in line with the principles described in this guide. There is no additional high needs funding to meet any increased costs incurred by any proposed changes.

4. To ensure that the places funded broadly reflect both the local authorities' recent commissioning activity, we are providing some flexibility to make changes to place numbers for pupils and students with special educational needs (SEN) and disabilities (SEND). The strategic planning that they will do to secure suitable SEN provision and alternative provision (AP) in line with their statutory responsibilities.

5. Under the School and Early Years Finance (England) Regulations 2014, local authorities have the flexibility to make changes to the number of pre-16 places funded in maintained schools and pupil referral units (PRUs). We do not intend to change this flexibility in the regulations for 2016 to 2017, authorities will be able to make such changes from April 2016, although we would expect most changes to be made from the start of the 2016 to 2017 academic year.

6. For the 2016 to 2017 academic year, local authorities are also able to make changes to the pre-16 place numbers used for academies and place numbers at colleges in their area. These changes will be reflected in the institutions' EFA allocation for the academic year and will have to be agreed by the institutions. This technical note sets out the process for notifying EFA of institution level changes to 2016 to 2017 place numbers.

Action for Local Authorities: by 16 November 2015

7. Local authorities who wish to submit 2016 to 2017 place change requests to EFA have until 5pm, 16 November 2015. Any submissions received after this date **will not** be considered.

8. A 2016 to 2017 place change request by a local authority must:

- include the completed 2016 to 2017 place change request [workbook](#)
- include an e-mail in relation to hospital education place changes (if relevant)
- meet the requirements set out in [paragraphs 24 to 33](#) and in line with the notes section of the 2016 to 2017 place change request workbook
- have sign-off by the DCS

9. The 2016 to 2017 place change request workbook and change requests relating to hospital education places (if relevant), must be submitted in an e-mail to highneeds.EFA@education.gsi.gov.uk **no later than 5pm, 16 November 2015**.

Making changes to 2016 to 2017 place numbers

10. The following table shows each institution and place type, identifying which may change place numbers for the 2016 to 2017 academic year and which of these would require submission to EFA by 16 November 2015:

Institution type	Can pre-16 places be changed?			Can post-16 places be changed?		Can hospital education places be changed?	Place change request to be returned to EFA?
	AP	Sen Unit/ RP	Special	16-18	19-25 with ECH plan		
FE colleges	-	-	-	YES	YES	-	YES
CCPs	-	-	-	YES	YES	-	YES
Mainstream academies	YES	YES	-	NO	-	-	YES
Special academies	YES	-	YES	NO	-	YES	YES
AP academies	YES	YES	-	-	-	YES	YES
Maintained mainstream schools	YES	YES	-	NO	-	-	NO

Institution type	Can pre-16 places be changed?			Can post-16 places be changed?		Can hospital education places be changed?	Place change request to be returned to EFA?
	AP	Sen Unit/ RP	Special	16-18	19-25 with ECH plan		
Maintained special schools	YES	-	YES	NO	-	YES	NO
Maintained PRUs	YES	YES	-	-	-	YES	NO
Maintained hospital schools	-	-	-	-	-	YES	NO
All free schools, studio schools & UTCs	YES	YES	YES	YES	-	-	NO
Special post-16 institutions	-	-	-	NO	NO	-	NO
Non-maintained special schools	-	-	NO	NO	-	-	NO

Table 1 - 2016 to 2017 place change summary by type

11. The following sections explain the process for making changes to 2016 to 2017 place numbers.

Who is in scope for 2016 to 2017 place change requests?

12. The institution types that are **in scope** of the 2016 to 2017 place change request are:

- mainstream academies with SEN units or resourced provision (RP)
- special academies
- alternative provision (AP) academies
- further education (FE) colleges
- commercial and charitable providers (CCPs)

13. **The scope to change place numbers in academies applies to pre-16 only.**

This replicates the scope local authorities currently have to make place changes in maintained schools. The regulations do not allow local authorities to make adjustments to the post-16 place numbers used to calculate place funding. Post-16 place numbers are notified by the Secretary of State at school level through the sixth form grant. It is not intended to amend the regulations for 2016 to 2017, but we expect to consult on arrangements for future years as a result of proposals made in a [research report by Isos Partnership](#).

14. Local authorities are therefore advised to view the 2016 to 2017 academic year high needs places at a special school, for example, as a total of both pre and post-16 places. The post-16 places should be considered fixed at the published 2015 to 2016 academic year high needs numbers. When subtracted from the total the remainder can all be considered as the number of pre-16 places. This place number can then be changed, if necessary, with the local flexibility available.

15. We appreciate that this approach cannot be adopted for all academies, for example mainstream academies with sixth forms but without pre-16 SEN Units or resourced provision. The only way to enable changes to post-16 places would have been to open the process to all maintained schools and academies. Following careful consideration, it was felt that the proportion of post-16 places in mainstream schools is very small and this would have created a disproportionately high amount of work and a resource intensive place review process.

New post-16 institutions

16. To be eligible to receive EFA grant funding to deliver specialist education and training provision for students with high levels of support needs in the academic year 2016 to 2017, potential new institutions must have been referenced within their home

local authority high needs place change request workbook, returned to the EFA by **16 November 2015**. They must have at least ten student places identified for 2016 to 2017 to be eligible for consideration for EFA funding.

17. Following the place change request process the EFA will contact eligible institutions to begin a due diligence process. This must be completed by **31 January 2016** for consideration for EFA funding for the academic year 2016 to 2017. [Further information](#) is available on the elements of the due diligence process and the requirements institutions must meet to be eligible for EFA funding. Please note this document replaces the 2015 to 2016 document formerly referred to as the High Needs Students market entry application process. EFA will only consider new institutions that meet the ten student threshold.

Who is outside scope of the 2016 to 2017 place change request process?

Maintained schools, special schools and PRUs

18. Changes to place numbers in maintained institutions are to be managed at a local level using the high needs allocation flexibly, within the terms of the regulations and conditions of grant from EFA. This will continue in 2016 to 2017 and EFA does not need to be informed (via the place change request process) of any changes to place numbers at a maintained institution. No change can be made to post-16 places in maintained institutions. A similar approach to that suggested for academies at [paragraph 14](#) can be considered by local authorities.

Hospital education places in maintained institutions

19. For the 2016 to 2017 financial year changes to hospital education place numbers in maintained hospital schools, special schools and PRUs will be managed at a local level. Arrangements will be agreed with the institutions concerned, using the LA's high needs allocation flexibly and within the terms of the regulations. The EFA does not need to be informed of any changes to place numbers at a maintained institution. Hospital education place numbers in these institutions should be included in section 251 budget statement for 2016 to 2017 in the normal way.

Maintained schools converting to academies after 16 November 2015

20. We recognise that local authorities and maintained schools may have agreed changes to 2016 to 2017 academic year high needs place numbers. However we will not hold this information if a school converts to an academy after 16 November 2015, the deadline for submitting 2016 to 2017 place change requests for academies. In such cases, the following approach will be adopted consistently:

- Until the local authority has determined the 2016 to 2017 budget share for the maintained school, and notified the school of its determination in accordance with the regulations, changes made locally to place numbers are to be notified to EFA before conversion, with evidence of both local authority and school agreement.
- After the local authority has determined the 2016 to 2017 budget share for the maintained school, and notified the school of its determination in accordance with the regulations, changes made locally to place numbers are to be notified to EFA before conversion.

21. If no such changes are notified to EFA, 2015 to 2016 published place numbers will be rolled forward as the basis for EFA funding in the 2016 to 2017 academic year.

Free schools

22. Special and AP free schools are mainly funded from a central departmental budget and therefore not part of this process. From the third year of opening, the cost of AP place funding in AP free schools will be met, at least in part, by deductions from the relevant local authorities' DSG. More detail on this process is set out in the [high needs operational guide](#).

Non-maintained special schools and special post-16 institutions

23. Proposals for the 2016 to 2017 [high needs funding arrangements for NMSS and SPIs](#) have been published. Responses on the methodology for determining the number of places to be funded at these institutions in 2016 to 2017 are to be sent to highneeds.EFA@education.gsi.gov.uk by 23 October 2015.

Completing the 2016 to 2017 place change request

24. The five sections of the 2016 to 2017 [place change request workbook](#) are:

- **Notes** – guidance for local authorities on completion of the workbook
- **Summary** – of change request to place numbers and academic year/financial year funding
- **Requested revisions** – pre-populated with 2015 to 2016 high needs place numbers for academies and FE institution in the local authority area as at 1 September 2015. Local authorities may enter 2016 to 2017 place number changes and must specify whether they are agreed with the relevant institution
- **New institutions** – local authorities may enter 2016 to 2017 high needs place numbers for institutions not on the ‘required request’ tab. This may include new special post-16 institutions (must have at least ten student places identified for 2016 to 2017 to be eligible for consideration for EFA funding), existing academies who are opening new SEN Unit/RP provision for the first time or maintained schools who were out of scope as at 1 September 2015, but which converted to an academy by 16 November 2015
- **DCS Declaration** – all 2016 to 2017 place change requests require sign-off by the **Director of Children’s Services**

25. Where eligible institutions and the local authority agree changes to the high needs place numbers, the revised number must be clearly recorded against the relevant institution in the 2016 to 2017 place change request workbook. There is no threshold for 2016 to 2017 academic year place change requests where the relevant institution has agreed the revised place number.

Changes not agreed with the institution

26. In the event that a local authority has **not** agreed changes to the high needs place numbers with either a special academy or FE institution, the local authority may still complete a place change request for that institution in the “Requested revisions” worksheet of the workbook. It must however, be clearly marked on the 2016 to 2017 as not agreed with that institution. This should not be used where negotiations are ongoing and/or a local agreement may still be reached. In such cases we would expect the local authority and academy to agree the place number in the return, which would be used as the basis for EFA funding. Any changes following this may be taken into account locally in the top-up funding arrangements.

27. We expect to receive very few change requests not agreed with institutions. We anticipate that the following principles used to determine the 2016 to 2017 academic year place numbers, supported by the published [January 2015 Census and May 2015 ILR data](#) are sufficiently clear and that these will assist local negotiations and be used to resolve any disputes. We will update the ILR data to the 2014/15 full academic year outturn at the end of November 2015.

28. Due to the unreliability of data relating to AP places or places in SEN units / RP, we will not consider place change requests submitted, but not agreed by the institution, for this provision type. In such cases the 2015 to 2016 academic year place numbers will roll forward.

29. We will only consider 2016 to 2017 place change requests, that have **not** been agreed with the institution, where the requested change is a reduction or increase of:

- at least 10% of the total 2015 to 2016 academic year places for an institution with more than 50 high needs places; or
- at least 5 places for an institution with less than 50 high needs places in the 2015 to 2016 academic year.

30. We will determine the 2016 to 2017 place number by using 2014 to 2015 ILR R14 (for FE Colleges and CCPs) and the January 2015 census data (for special academies) and adopt the following three principles:

- Where the request and ILR/census data confirm a reduction to the 2015 to 2016 place data; we will change the 2016 to 2017 place numbers to the higher of the ILR/census data or the request.
- Where the request and ILR/census data confirm an increase to the 2015 to 2016 place data; we will change the 2016 to 2017 place numbers to the lower of the ILR/census data or the request.
- Where a request to increase or decrease the 2015 to 2016 place data is not confirmed by the trend in the ILR/census data; we will not make any change to the place numbers and the 2015 to 2016 numbers will be rolled forward.

31. Examples of how this will work for special academies and FE institutions are shown in the following table:

Request	Institution	2015 to 2016 HNP	LA Request	% change requested	2014/15 ILR R14 or January 2015 Census	EFA decision	Basis for EFA decision
Decrease to the 2015 to 2016 places	A	93	65	-30%	67	67	Request and data show reduction to HNP. EFA decide on higher number, which in this case is the data.
Decrease to the 2015 to 2016 places	B	134	40	-70%	18	40	Request and data show reduction to HNP. EFA decide on higher number, which in this case is the LA request.
Increase to the 2015 to 2016 places	C	22	38	+73%	20	22	Request shows increase to HNP, but data is lower. EFA therefore roll forward 2015/16 HNP.
Increase to the 2015 to 2016 places	D	148	220	+49%	253	220	Request and data show increase to HNP. EFA decide on lower number, which in this case is the LA request.
Decrease to the 2015 to 2016 places – below threshold	E	40	36	-10%	36	40	Requested change is 10%, but for 4 places which is below 5 place threshold. Change not agreed.
Decrease to the 2015 to 2016 places on 5 place threshold	F	30	25	-17%	24	25	Change request is on 5 place threshold. Request and data show reduction to HNP. Agree change to 25 places.

Table 2 - Examples of place change request for special academies and FE institutions

Hospital education place changes in academies

32. Local authorities can submit 2016 to 2017 place change requests in relation to hospital education places at an academy. Due to the additional information we require, these **should be submitted in a separate e-mail and cannot be entered on the workbook**. Please copy to the relevant academy and, confirming their agreement detail the following information:

- academy name and LAestab number
- number of hospital education places in 2016 to 2017
- amount of funding per place
- total hospital education place funding
- academy agreement to the above change

33. In all cases these changes will be accepted and we will update the academy's hospital education place data accordingly for 2016 to 2017.

Funding implications of 2016 to 2017 place change requests

34. In the event of an increase or reduction in place numbers for a local authority's FE institution(s), this will be off-set by a funding adjustment to that local authority's 2016 to 2017 Dedicated Schools Grant (DSG). The adjustment will be pro-rated to reflect the 2016 to 2017 academic year. Examples of possible adjustments are shown in Table 3.

LA	Institution type	Total 2015 to 2016 place number	Revised 2016 to 2017 place number	Change	Academic Year impact on local authorities DSG 2016 to 2017 ⁽¹⁾ (£)	Financial Year impact on local authorities DSG 2016 to 2017 ⁽²⁾ (£)	Net impact upon 2016 to 2017 DSG
LA 1	Academy	80	88	8	-80,000	-46,667	-£26,667. Due to increased deduction for 8 academy places and £20k to off-set reduction of 5 FE institution places.
	FE institution	65	60	-5	+30,000	+20,000	
LA 2	Academy	130	110	-20	+200,000	+116,667	+£40,667, due to reduced deduction for 20 academy places and -£76k to off-set increase of 19 FE institution places.
	FE institution	33	52	19	-114,000	-76,000	
LA 3	Academy	12	12	0	0	0	+£28k to off-set reduction of 7 FE institution places
	FE institution	20	13	-7	+42,000	+28,000	
LA 4	Academy	130	147	17	-170,000	-99,167	-£171,167, due to increased deduction for 17 academy places and -£72k to off-set increase of 18 FE institution places.
	FE institution	52	70	18	-108,000	-72,000	

Table 3 – Examples of DSG adjustments

- (1) academic year funding is: £10,000 per pre-16 place in academies (post-16 places are out of scope for this exercise); and £6,000 per place (element 2) in FE institutions/CCPs
- (2) Financial year funding is: £10k *7/12 = £5,833 (September 2016 to March 2017) for academies; and £6k *8/12 = £4,000 (August 2016 to March 2017) for FE institutions and CCPs.

35. The “Summary” worksheet of the 2016 to 2017 place change request workbook presents the total 2016 to 2017 academic year high needs place funding adjustment by

both academies and post-schools. If an institution did not agree the place number, we may determine a place number different to that requested ([see paragraphs 26 to 31](#)). The funding adjustment would reflect this place number, not necessarily that shown in the workbook. **The workbook does not reflect funding in relation to hospital education place changes.**

Next Steps

36. We will issue an acknowledgement within two working days of receipt of a local authority 2016 to 2017 place change request. If this is not received, the local authority should re-send the request ensuring the correct e-mail address has been used.

37. We will validate each 2016 to 2017 place change request workbook and those relating to hospital education places, to ensure the actions required by local authorities as set out in this document have been completed correctly. Subject to a satisfactory validation, all changes agreed by the relevant institution will be updated by EFA for the 2016 to 2017 academic year. Where changes have not been agreed, the 2016 to 2017 academic year place numbers will be updated in line with the principles set out in paragraphs 21 to 25. We will advise local authorities of the outcome in January 2016.

38. **There is no expectation of additional place funding from EFA. It should therefore be noted that in the event of an element 2 funding increase/reduction relating to a local authority's FE institution(s), this will be off-set by a funding adjustment to that local authority's 2016 to 2017 DSG. The adjustment will be pro-rated to reflect the 2016 to 2017 academic year.**

Timetable

Date	DFE/EFA	Local authorities (LAs)
Mid September 2015	<ul style="list-style-type: none"> • High needs funding guide for 2016 to 2017 issued to LAs • 2016 to 2017 high needs place change workbook issued to LAs • 2016 to 2017 high needs place change technical note issued to LAs • Spring 2015 Census and ILR data published to inform place change requests 	

Date	DFE/EFA	Local authorities (LAs)
16 November 2015		Deadline for submission of 2016 to 2017 high needs place changes to EFA
16 November 2015		Deadline for submission of 2016 to 2017 hospital education place changes to EFA
Mid December 2015	Publication of 2016 to 2017 DSG settlement and high needs block allocation	
January 2016	Outcomes of 2016 to 2017 high needs place change requests are confirmed	
29 February 2016		Deadline for confirmation of schools budget shares to maintained schools
February 2016	2016 to 2017 allocations to post-16 institutions, academies and NMSS to be issued	
February 2016	Publication of 2016 to 2017 high needs place numbers at institution level	
March 2016	Publication of updated 2016 to 2017 DSG allocations, including high needs place funding deductions.	
31 March 2016	Deadline for confirmation of general annual grant to academies open by 9 January 2016	
April 2016	First DSG payments to LAs based on 2016 to 2017 allocations, net of academies recoupment and place deductions (DSG allocations updated termly for in year academy conversions)	

Table 4 – High needs timetable

Additional support

39. Questions about completing the place change request workbook should be sent to: highneeds.EFA@education.gsi.gov.uk

40. We value the role of regional meetings of local authority finance officers which provide the opportunity to discuss practical issues and share best practice. Please make every effort to attend and we will ensure that officials continue to attend these meetings.



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