

**This document has been withdrawn as it is out of date.**

# Hospital education funding: guidance on local authority applications for changes in 2019 to 2020

## Introduction

1. Local authorities can apply for changes to their hospital education funding for 2019 to 2020. This may be a change in funding due to a change in the health care or medical provision in the local authority area.
2. Local authorities should submit applications in-line with the principles set out in this guidance. A template has been published alongside this guidance and the Education and Skills Funding Agency (ESFA) will consider applications returned with the appropriate supporting evidence. The deadline for applications is 16 November 2018.
3. This process should not be confused with the separate work looking at NHS data to explore and consult with local authorities and others on how this might be used in a hospital education funding formula factor.
4. This process only relates to local authority level funding through the dedicated schools grant high needs funding block. If, as a result of this change, there is also an impact on the number of hospital education places to be funded at an academy, changes to the institution level allocations must also be notified to ESFA through the [2019 to 2020 place change notification](https://www.gov.uk/government/publications/high-needs-funding-arrangements-2019-to-2020) process.

## Background

1. Hospital education can be funded by local authorities either on the basis of an amount per place, or as a centrally funded service. Hospital education places covered by this data collection may be in maintained hospital schools, pupil referral units (PRUs) and the equivalent academies. Independent hospital provision is only covered if a single local authority funds the provision, regardless of where the patients come from.
2. This process is to recognise that a change in medical provision, such as a new hospital ward or mental health unit, can have an impact on the level of hospital education the local authority is required to provide. When new medical provision is proposed, local authorities should work closely with the NHS and education providers at an early stage to agree arrangements for the provision.
3. Local authorities can apply for additional funding in cases where an increase in provision that has occurred in 2018 to 2019 will continue into 2019 to 2020, or where an increase in provision in 2019 to 2020 has been confirmed.
4. There may also be cases where medical provision has closed, or transferred between local authorities, and authorities can use this process to apply for a reduction or transfer of funding.

## Applications: principles

1. ESFA will only consider requests relating to a change in medical provision, where the local authority will incur additional and recurring costs for providing education. This includes hospital education provided directly by the local authority, or by maintained hospital schools, PRUs, the equivalent academies or independent hospital education provision fully funded through the local authority’s high need budget.
2. Requests for the following are out of scope and so will not be considered:
* funding for start-up or one-off costs, such as IT equipment
* funding for discrete services for pupils only from the local authority and not accessible for pupils from elsewhere, such as home tuition
* changes to hospital education provision unrelated to a change in medical provision
	+ for example, if a decision is taken to extend the education provision to cover an increase in teacher contact time for a similar number of pupils with similar needs
* funding for cost increases such as:
	+ pay for salary
	+ pension or national insurance increases for the same number of teachers
* increases in the cost of independent hospital education provision for individual patients
* changes to the 2018 to 2019 planned spend on hospital education information provided by local authorities in April through the [local authority baseline collection](https://www.gov.uk/government/publications/hospital-education-local-authority-baseline-collection), unrelated to a change in medical provision

## How to apply

1. Local authorities must first ensure the request meets the above principles for eligibility and is within scope.
2. Please complete the template published alongside this guidance. This will need to be signed-off by the director of children’s services.
3. Evidence supporting the change in medical provision, from the relevant health care provider (such as an NHS hospital trust), must accompany the local authority’s request. This should be brief and a checklist setting out the information required is provided below.
4. The completed template and NHS evidence must be submitted through the ESFA [enquiry form](https://form.education.gov.uk/en/AchieveForms/?form_uri=sandbox-publish://AF-Process-f9f4f5a1-936f-448b-bbeb-9dcdd595f468/AF-Stage-8aa41278-3cdd-45a3-ad87-80cbffb8b992/definition.json&redirectlink=%2Fen&cancelRedirectLink=%2Fen) with the title ‘Hospital education 2019 to 2020: funding application (insert your local authority name)’.
5. The deadline for applications is Friday 16 November 2018.
6. ESFA will respond directly to all applications in January 2019, confirming the outcome.

## NHS supporting evidence

1. To support the local authority’s application, an NHS letter or document must also be provided as evidence. This should be brief (no longer than two pages) and must include the following information:
* name of hospital or health care provider
* name and type of new provision, for example ward name and type
* the net increase in inpatient beds for children and young people or the change in the average number of children or young people receiving day or ambulatory care
* dates (month and year) at which new beds became or will become available for occupation
* confirmation that the increase in medical provision takes into account the net change, and is not being offset by a reduction in other provision
1. Please note that any additional information provided by the NHS will not be taken into account.

## Outcomes

1. ESFA will write to local authorities that submitted an application, confirming the outcome in January 2019.
2. Subject to the above criteria being met, an adjustment will be made to the 2019 to 2020 local authority’s DSG high needs block. If the change occurred during 2018 to 2019, and was not included or considered in last year’s process, this adjustment will include retrospective funding. Adjustments will be pro-rated if the change in medical provision occurs part way through the 2018 to 2019 or 2019 to 2010 financial year.

An illustration of how this may be calculated is shown in the table below:

|  |  |  |  |
| --- | --- | --- | --- |
| **Full financial year recurrent costs** | **Date of change in provision** | **Pro-rated adjustment by month** | **2019 to 2020 DSG funding adjustment** |
| £100,000 | April 2019 | \*12/12 | £100,000 |
| £100,000 | June 2019 | \*10/12 | £83,333 |
| £100,000 | November 2018 | \*17/12 | £141,667 |

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