

SLOUGH SCHOOLS' FORUM
January 2019

Directorate of Children Learning and Skills

High Needs Block Deficit Reduction Strategy

1 PURPOSE OF REPORT

This report provides Schools Forum (SF) with an update on the High Needs Block Deficit Reduction Strategy.

1.2 Background

The High Needs Block is projected to overspend by £7.080m by the end of this financial year.

This is inclusive of the cumulative overspend of £5.514m from the previous financial years 2015-16 and 2016-17. **(Table 1)**

The overspend to the HNB is due almost entirely to the growth in demand for Education Health & Care Plans (EHCPs) since the implementation of the SEND Reforms of 2014, in part due to the extension of the age range to 0-25. These pressures are magnified by the rising number of children with complex needs in the school system. As outlined in Tables 1 and 2, funding in Slough has not risen in line with demand. Therefore, whilst we are actively working to reduce the deficit, it is simply not possible to meet the needs of children and young people with SEND within existing budgets.

Table 1 highlights the growth in the number of children and young people with Statements of Special Educational Needs (Statement) /EHCPs) since the reforms of 2014 and the total funding of the High Needs Block. It also illustrates the impact this has had on the outturn of the HNB.

There has been a 56% increase in children and young people accessing a Statement or EHCP since 2014, set against a 15% increase in funding over the same period of time. Almost inevitably this has led to an overspend.

Table 1

	Number of CYP with Statements/ EHCPs	Total HNB	Outturn	Cumulative
2014-2015	829	£20,024,957	£-745,571	£-1,045,571
2015-2016	842	£20,600,000	£849,915	£-195,656
2016-2017	959	£20,910,000	£1,669,860	£1,474,204
2017-2018	1388	£22,133,483	£4,039,814	£5,514,018
2018-2019 (inclusive of additional £440,000 funding)	1295	£23,467,893	£1,566,372	£7,080,390

Table 2 highlights the substantial increase of new statements/ EHCPs being issued since 2014, which equates to a 105% increase since the start of the reforms.

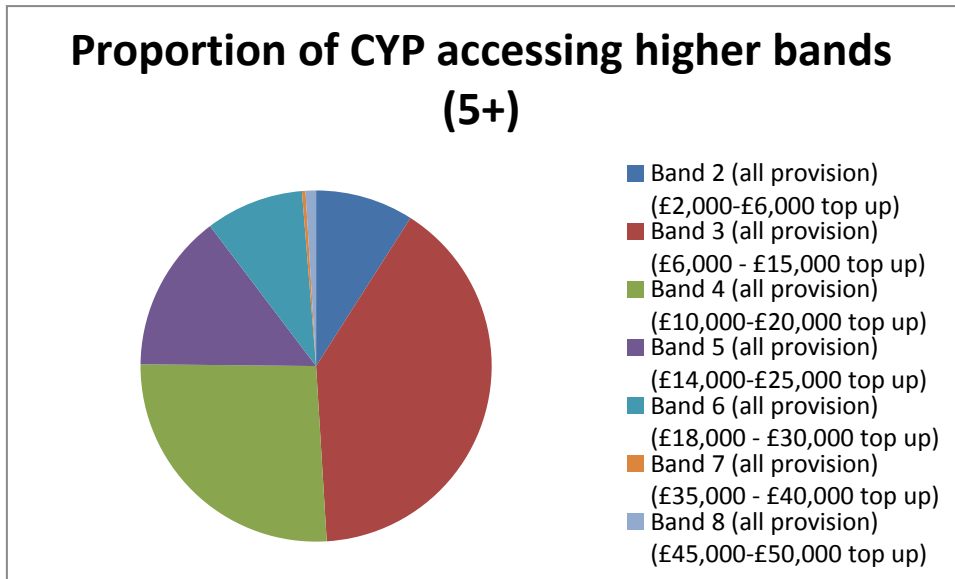
Table 2

Year	Number of new issued statements/EHCPs
2014-2015	90
2015-2016	106
2016-2017	183
2017-2018	185
Growth in number of new statements/EHCPs issued since 2014	105%

Complexity of need

There has been a significant increase in the number of children and young people requiring a higher level of support. Figure 1 illustrates the current top up - banding levels of children with EHCP in Slough.

Figure 1



Expansion of the Reforms 0-5, 19+

The SEND reforms have extended the entitlement to an EHCP from children from 0-and young people up to the age of 25. As outlined in Table 3, there has been growing number of children accessing an EHCP between 0-5 and young people with an EHCP accessing Post 16 education.

This is positive as it demonstrates early identification for children and further provision for young people, but it has created additional pressures on the HNB budget.

Table 3

	2016	% against total	2017	% against total	2018	% against total
Under Age 5	12	1%	97	7%	89	7%
Aged 5-10	356	37%	549	40%	505	39%
Aged 11-15	352	37%	453	33%	386	30%
Aged 16-19	239	25%	273	20%	265	20%
Aged 20-25	0	0%	14	1%	50	4%
Total	959		1388		1295	

Figure 2 – Increase in Post 16 CYP with EHCPs

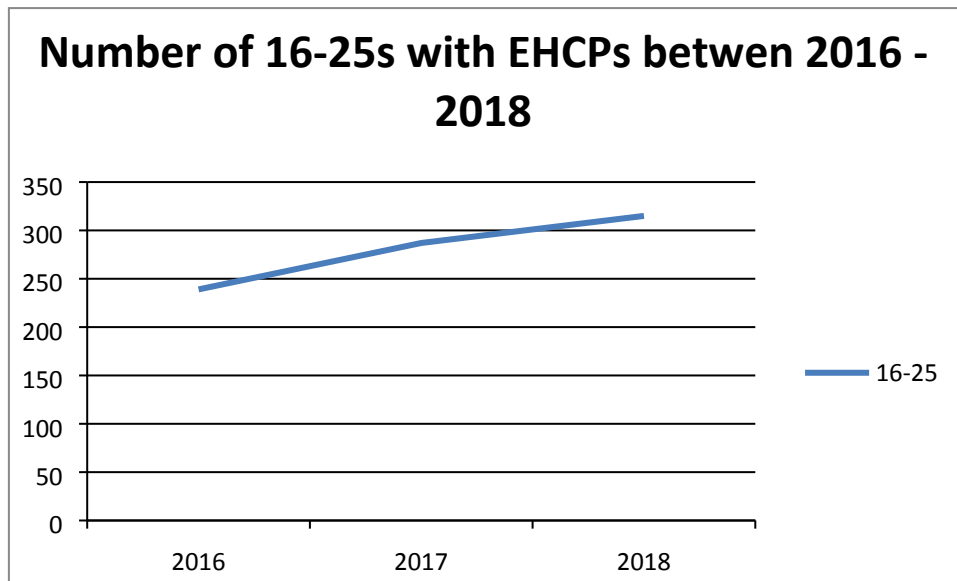
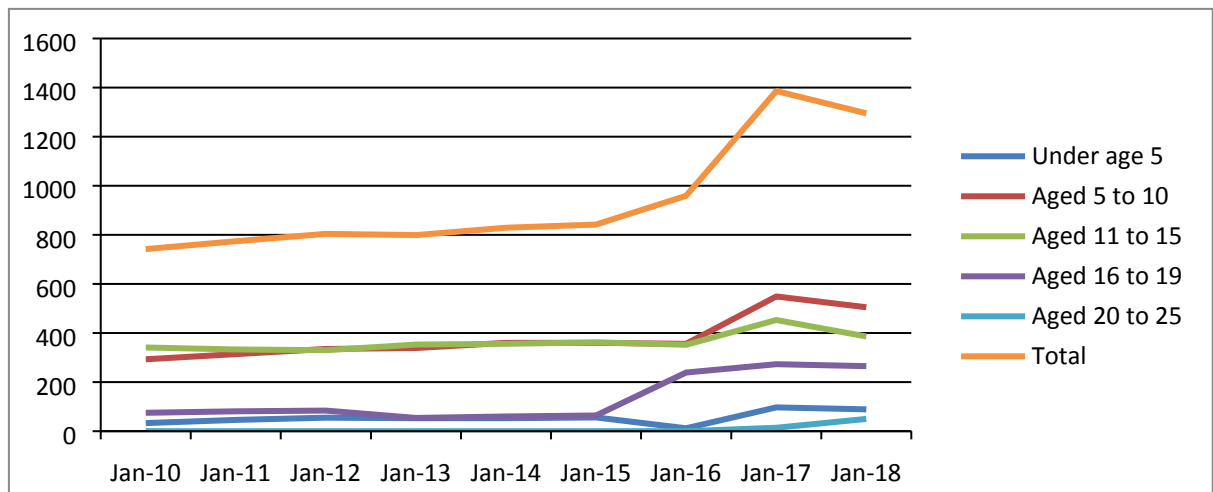


Figure 3 – Total number of CYP with statements/EHCPs broken down by age range



2 RECOMMENDATIONS

2.1 Schools Forum is asked to consider and comment on the proposals.

3 REASONS FOR RECOMMENDATIONS

3.1 To provide Schools Forum with an update on the plans that the Local Authority have to mitigate further risk assigned to the High Needs Block.

4 SUPPORTING INFORMATION

4.1 Current Pressures

Table 4 highlights the additional pressures that have been identified this financial year which, despite the additional funding of £440k, has increased the deficit from £5.514m to a projected total of £7.080m (approximately £1.5m).

Table 4

Contributing factors which make up £2m overspend	
High Needs Funding in-borough schools	£347,000
Early Years inclusion	£166,000
Independent Special School Settings	£1,000,000
Post 16 settings	£468,000
Hard to Place students	£158,000
TOTAL	£2,139,000

4.2 Strategies to reduce the deficit/overspend

The main strategies for reducing the deficit are:

- i) Re-assignment of budget blocks
- ii) Reducing reliance on Specialist Independent settings
- iii) Reducing the Demand

4.2.1 Re-assignment of budgets

Early Years Inclusion Funding (EYIF) has been provided to settings since 2016. This funding is used to support Early Years settings with financial resource whilst they are gathering information and evidence for an Education, Health and Care Needs Assessment.

Prior to September 2017, settings could draw down funding for this support without a formula in place. Since 2017, settings have been able to draw down funding following a funding methodology (a maximum of £14 p/hour x 15 hours x22 weeks).

Early Years Inclusion Funding has not been factored into previous High Needs Block budget builds and so any cost assigned to EYIF would naturally contribute to an overspend. Officers will seek to assign EYIF to a more appropriate block.

A pressure of £158,000 for Hard to Place funding has sat within the High Needs Block, however this cost was associated with school place sufficiency pressures and we will seek to re-assign this to the Schools Block.

Whilst this activity will contribute to reducing the deficit within the High Needs Block, this will cause additional pressures on respective blocks where costs are re-assigned.

4.2.2 Reducing reliance on Specialist Independent settings

We have seen an increase in the number of children and young people accessing Specialist Independent Settings with an increase of 18 to 42 CYP accessing this setting over the past academic year.

This has been in part due to both the increasing complexity of needs of CYP in Slough and the fact that Slough's only all-through specialist setting rated Inadequate by Ofsted.

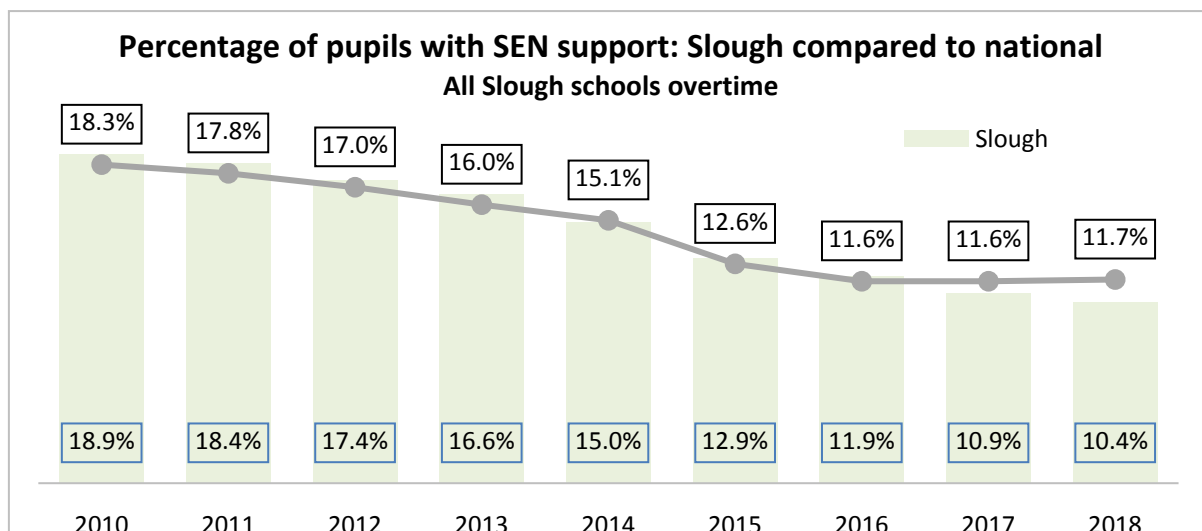
There was a high level of challenge from parents whilst this provision was deemed inadequate, which resulted in a number of CYP accessing independent settings. This school has now had a positive Ofsted monitoring visit and has recently converted to Academy status, supported by a sponsor with a track record in high quality specialist provision.

SEND officers will attend annual reviews for children in specialist independent settings to signpost the closer provision where this is appropriate. Officers are working with the local special school to ensure that they are meeting the needs of the most complex CYP and conversely are exploring ways in which existing CYP at the all-through specialist school can be transitioned to a more appropriate setting.

A Special Schools Forum was devised in 2018 which includes members from all three specialist settings and two primary schools with considerable Resource Bases. This forum has been utilised to discuss the transition of CYP both in and out of the all-through specialist setting.

4.2.3 Reducing the Demand

Whilst the number of statutory plans have risen year-on-year, the number of children and young people accessing SEN Support has remained below national average since 2016.



4.2.3.1 Mainstream inclusion

An increase in statutory plans and reduction in SEN support could be linked to a lack of confidence in parents and carers that their son/daughter will achieve good outcomes without a statutory document.

The refreshed SEND strategy, which will launch in Spring 2019, emphasises the importance of inclusion and early intervention within mainstream schools.

The SEND Strategy will be underpinned by a workforce development plan which will ensure that teachers and school staff have the skills to support children and young people with Special Educational Needs.

A re-structure of the SEND Service in early 2019 will result in an early intervention approach to identifying the needs of children and young people with SEND to reduce the demand for statutory assessment.

The inclusion of a 'My Support Plan' will support school settings plan and coordinate the support for children with SEN support. We therefore expect to see an increase of children on SEN Support within school settings.

4.2.3.2 Re-aligning existing RB provision to better match needs

A Resource Base working group was established with Head teachers in 2018 to review the current arrangements for Resource Bases in Slough. At present there are 17 Resource Bases spanning Early Years to Secondary provision.

The working group sought to re-align existing Resource Bases with specific designation of needs to ensure the sufficiency in provision for children and young people in need of Resource Base provision.

To date, the work has resulted in closing one setting due to low numbers and re-establishing commissioning arrangements with Resource Bases. Savings have been found through closing and re-assigning designations of need with settings that were under-utilising commissioned places.

5 ALTERNATIVE OPTIONS CONSIDERED

5.1 Not applicable.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

6.1 Monitoring Officer

The relevant legal provisions are contained within the main body of this report.

6.2 Section 151 Officer – Strategic Director of Resources

The financial implications of the report are outlined in the supporting information.

6.3 Access Implications

There are no access implications.

7 CONSULTATION

7.1 Not applicable

Contact for further information

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