

**SLOUGH SCHOOLS' FORUM**  
**10<sup>th</sup> October 2017**

**Directorate of Children Learning and Skills**

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**HIGH NEEDS BLOCK**

**1 PURPOSE OF REPORT**

This report provides schools forum (SF) with:

- An update on current key issues impacting upon SEND
- The High Needs Block (HNB) 2016-17 outturn
- Update on HNB NFF for 2018-19

The July Schools' Forum requested further information on a number of HNB areas and this report consolidates the officers' response.

**Background**

- 1.1 The July Schools' Forum requested further information on a number of HNB areas.

**2 RECOMMENDATIONS**

- 2.1 Schools' Forum is asked to note this report.

**3 REASONS FOR RECOMMENDATIONS**

- 3.1 To respond to minute 566 of July Schools' Forum meeting.

**4 SUPPORTING INFORMATION**

**UPDATE ON THE KEY ISSUES IMPACTING SEND SERVICE**

- 4.1 At the start of the current financial year there were significant areas of concern across SEND comprising:

- Backlog of work within the SEND Service particularly relating to EHCP transfers
- Timeliness of pre assessment and formal assessment (taking more than 20 weeks)
- Lack of coherent financial governance over HNB/SEND funding decisions
- Lack of accurate data recording to inform accurate accounting and forecasting

- Complex system for SEND top up Banding
- Delay to invoicing process resulting in transfer from one year to the next
- Increase to Out of Area Numbers (26 as of 18/09/17)

4:2 Compounding these issues has been the dramatic increase in the request for and processing of formal assessments, partly due to increase in under 5's assessment and requirement to progress beyond 16+ But the main increase has been in the age 5-10 years a reflection of Sloughs (young) population.

Appendix A demonstrates this increase in assessments showing a 44% increase between January 2010 and 2017 (SEN2 data).

### Progress to date

- 4:3 Progress is being made across all areas, but we have to be realistic in the scale of what still remains to be done and the time it will take to do it. A summary of progress across all activities is set out below:
- a) Increase in the number of EHCP transfers completed with clear targets to maintain increase for the remainder of the year – a full cohort of permanent SEND Officers are now in post, August 2017.
  - b) Permanent Team Manager and Head of Service appointed. Additional capacity and expertise resourced via Interim support (to Dec 2017).
  - c) SEND Service to transfer to Slough Borough Council – (estimated) October 2017
  - d) All decisions regarding EHCP resources, Top Up, Banding, Resource access and allocation now confirmed via SEND panel – **No bypass of this process**. No back payment of 'informal' agreements = no decisions made out of SEND panel processes.
  - e) Financial resources agreed at SEND panel are now part of routine data collection. Additional interim resource supporting establishing improved financial process.
  - f) High Needs Block (sub) group currently data cleansing all budget lines and allocation for HNB centrally retained budgets. Ensuring clear understanding of impact and Outcome of spend.
  - g) Improved invoicing process being developed including the payment of Top Up funding to schools
  - h) Improved recording of and analysis of demographic profiles e.g. Birth to five years to help forecast and inform future SEND needs
  - i) Resource base data on costs per number of placements and Outcomes currently being compiled

- j) Joint decision making for the funding of any Out of Area residential/education provision with Social Care. Negotiation currently underway to involve the CCG continuing care where appropriate
- k) Developing the transitions to adults pathway to ensure VfM and continuity of appropriate level of support.

4.4 Although all of the above will improve Slough's capacity to manage the High Needs Budget appropriately now and in the future, there still remains a significant gap in Slough's ability to accurately account for HNB due to the lack of a coherent data base.

### **Proposals under consideration and further action**

4.5 Specialist provision across Slough lacks the application of coherent thresholds and allows an increasing number of children being placed in resource bases in Mainstream settings, with a higher Top Up allowance than some in Special Schools. Resource bases are currently 'school specific' opposed to offering an additional or specialist level of support to a specific cohort of children as identified by the formal assessment process and allocated placement by that process.

4.6 Contrary to the ethos of the SEN Code of Practice which seeks to ensure barriers to learning are overcome in mainstream settings and more SEND children can access education via Mainstream provision promoting inclusion in mainstream, numbers of children accessing 'specialist/other' provision across Slough is approximately 50% of its entire SEND population.

4.7 **A task and finish review of current location of provision** and profile of that provision needs to be undertaken, with clear objectives to secure provision in mainstream with support for children who can access it. Equally, opportunities for children in Special Schools to transfer back to Mainstream for all or part of their education (particularly relevant for SEND children taking GCSE's). Generating increased 'through flow' from resource base back to Mainstream.

4.8 **Review and redefine Top-up Banding.** Establish a number and range of Bands for Mainstream. Establish number and range for ALL resource bases – which would lead to one Banding profile for all, no differentiation based on resource. Differentiation would be based upon assessed need, and specialist offer and 'follow the child' principal. The threshold at each point indicating level of need, and the need for overlap to be clear. Improved understanding of reasonable adjustments and provision mapping to be promoted via training through teaching alliance and SENCO network.

4.9 Further proposals under consideration include:

- a) The current allocation of Top Up funding will move from day to day adjustment to term time with adjustments to be paid following term.
- b) Define and confirm assessment process requirements regarding evidence of school based Plan, do review, cycle and provision mapping. Unilaterally adopt comprehensive form of Plan do review and provision mapping to ensure equitable

assessment criteria, informs decision making. This process to be supported via SENCO training and network – coordinator post out to advert this term.

- c) Seek to encourage increased ‘cluster’ funding response to common issues such as SALT and Obesity: identify and confirm Pupil premium budgets to enable school clusters to support programmes for ‘school readiness’ and evidence based Parenting interventions. Reduce the reliance of Top Up funding as the route to fund additional provision. Schools can commission across clusters to improve their network of support.
- d) Ensure timeliness of Transition planning to Post 16 and adult services. Destination, information and timeliness of review Plan, Do, Review. Current lack of appropriate early assessment has seen numerous young people transferring to 16+ without sufficient review of the (old Statement) or EHC plan transfer. Aim to ensure all Post 16 transition provision is secured and agreed by December of the transition year.
- e) Conduct a review of all OOA placements to determine longevity and forecast Outcomes – determine clear Outcome monitoring and what will happen when Outcomes are achieved.
- f) Seek to improve the engagement of Parents when cases are becoming problematic ensuring timely and transparent intervention supports outcomes – to decrease the number of formal complaints and tribunals. The gradual increase in formal Mediation and Tribunal cases is often a result of poor and inconsistent case management and decision making, and the break down of relations at school and local authority level. Tribunals often result in large funding costs against the HNB budget it is in everyone’s interest to reduce these and contain issues as early as possible.

4.10 The Council will seek to identify task and finish groups representative of all involved to progress the above areas. Regular progress reports will be made to Schools Forum.

### **Longer-term issues**

- 4.11 There are a number of proposals underway to develop and to invest capital resources in Slough to increase capacity across SEND long term planning to ensure sufficiency informed by improved data collection.
- 4.12 However, the current pressures on the HNB outlined above in addition to the fixed nature of this element of DSG, presents a dilemma. The government are yet to define changes across SEND/HNB budgeting formula, causing increased uncertainty for school budgets already under pressure.
- 4.13 The costs of school places at Special Schools and of the majority of the cost of a place at a Resource Base are met in full from the HNB. The size of the HNB budget is determined based on a formula rather than pupil numbers, so increases in school capacity within Schools are not necessarily matched in terms of the flow of pupil funding by increases in places funded by the HNB. In short, any increase in

capacity as a result of capital investment, brings added challenge to the revenue stream to support it.

## 5 HIGH NEEDS BLOCK OUTTURN 2016-17

- 5.1 The total amount received for the high needs block was **£17.6m** this was **£0.433k** more than budgeted. However, more than **£2m** above the budgeted amount was spent on eligible clients in this financial year. When the favourable variance on the centrally retained element is taken into account, the net position is a budget pressure of **£1.4m** which has been carried forward to 2017/18 and will have to be met from that years grant allocation. This is summarised in the table below.

<b>High Needs Block</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Income</b>			
High Needs DSG	17,315,918	17,749,270	(433,352)
<b>Income Total</b>	<b>17,315,918</b>	<b>17,749,270</b>	<b>(433,352)</b>
<b>Expenditure</b>			
High Needs Funding Maintained Schools	12,889,879	13,820,300	930,421
Alternative Provision	974,956	1,009,932	34,976
Independent Special Schools	800,000	2,064,847	1,264,847
Out-borough	652,950	724,502	71,552
<b>Sub-Total High Needs Funded</b>	<b>15,317,785</b>	<b>17,619,581</b>	<b>2,301,796</b>
Autism	185,730	185,730	0
Hard to Place Pupils	267,000	267,000	0
PFI Contribution	183,890	183,890	0
Sensory Impairment	721,770	400,996	(320,774)
Strategy for SEN and Inclusion	182,000	182,000	0
High Needs Inclusion	708,650	625,183	(73,467)
<b>Sub-Total Centrally Retained</b>	<b>2,249,040</b>	<b>1,854,799</b>	<b>(394,241)</b>
<b>Expenditure Total</b>	<b>17,566,825</b>	<b>19,474,380</b>	<b>1,907,555</b>
<b>2016/17 In Year Outturn</b>	<b>250,907</b>	<b>1,725,110</b>	<b>1,474,203</b>
Brought Forward from 15/16	(190,000)	(195,656)	(5,656)
Carried Forward to 17/18	0	(1,468,700)	(1,468,700)
Non-Controllable Costs - HNB	86,895	87,047	152
<b>High Needs Block Total</b>	<b>147,802</b>	<b>147,802</b>	<b>(0)</b>

- 5.2 As can be seen from the above there are 2 significant areas of overspend

- a) High Needs Top-up budgets for Maintained Schools (**£930k**)
- b) Independent Special Schools and Out of Borough Placements (**£1.3m**)

## 6. UPDATE ON HNB NFF for 2018-19

- 6.1 In releasing their operational guidance last August for schools and high needs DSG there was limited information on 2018-19 funding arrangements. At the time of

drafting this report no allocation for the HNB had been issued by the DfE as promised in their operational guidance. A verbal update will be provided at the meeting.

6.2 For 2018 to 2019, DfE state that every local authority will receive at least a 0.5% increase to the amount of its DSG that it plans to spend on high needs in 2017 to 2018. DfE make this subject to the following adjustments and a summary of their guidance is reproduced below:

- A baseline adjustment has been made to reflect a change in the funding of special units and resourced provision in mainstream schools from April 2018. The high needs operational guide will say more about the implementation of this change locally
- An adjustment will be made to reflect changes between the 2016 to 2017 and 2017 to 2018 academic years in the number of pupils and students in maintained special schools, special academies, non-maintained special schools (NMSSs) and special post-16 institutions (SPIs). We will confirm the details of this adjustment in September
- We consulted on how a change in the placement of pupils and students in schools and colleges located in other local authority areas would affect the amount of high needs funding the local authority receives, and proposed an import/export adjustment of £6,000 per pupil/student in the high needs national funding formula

6.3 Details of the adjustments will be published in September, along with the underlying data and an explanation of which data will be used in any later adjustments and final allocations.

## **7 ALTERNATIVE OPTIONS CONSIDERED**

7.1 Not applicable.

## **8 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

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

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

8.3 There are no access implications.

## **9 CONSULTATION**

Not applicable

Contacts for further information

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## Appendix A

	SEN2 17/01/17	SEN2 17/01/16	SEN2 17/01/15	SEN2 17/01/14	SEN2 17/01/13	SEN2 19/01/12	SEN2 20/01/11	SEN2 21/01/10
All pupils for whom the authority maintains a statement of special educational needs or EHCP								
Under age 5	97	12	56	53	53	55	46	33
Aged 5 to 10	549	356	360	360	339	335	314	293
Aged 11 to 15	453	352	362	356	353	330	333	341
Aged 16 to 19	273	239	64	60	54	84	81	75
Aged 20 to 25	14	0	0	0	0	0	0	0
<b>Total</b>	<b>1386</b>	<b>959</b>	<b>842</b>	<b>829</b>	<b>799</b>	<b>804</b>	<b>774</b>	<b>742</b>
Annual growth	44.5%	13.9%	1.6%	3.8%	-0.6%	3.9%	4.3%	
Growth since 2010	86.8%	29.2%	13.5%	11.7%	7.7%	8.4%	4.3%	
<b>Jan Census Data 5-10 only</b>	14,031	13,429	12,780	12,107	11,384	10,713	10,147	9,700
% of school population with s or EHCP	3.91%	2.65%	2.82%	2.97%	2.98%	3.13%	3.09%	3.02%
<b>Jan Census Data 11-15 only</b>	9,290	8,928	8,573	8,310	8,314	8,265	8,217	8,154
% of school population with s or EHCP	4.88%	3.94%	4.22%	4.28%	4.25%	3.99%	4.05%	4.18%

## Appendix B: EHCP Timeline