

Higher Needs funding provision update

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Division and Local Member: Childrens Services

1. Summary

- 1.1. To provide an update on progress against the SEND strategy 2016-2019
- 1.2. To outline spend against the Dedicated Schools Grant (DSG) High Needs funding, projected outturn and annual allocations in relation to revenue and capital spend in meeting the SEND strategy.

2. Issues for consideration / Recommendations

- 2.1. To consider and comment on the significant demand and pressures related to activity across the Local Area partners and specifically for children and young people who may have SEND and identified actions and progress.
- 2.2. To recognise the on-going work to refresh the SEND Strategy and align it with the new Children and Young People Plan.

3. Background

- 3.1. Nationally there remain significant financial pressures within Schools. Funding since 2010 is reported at 8%, alongside well documented reductions to Childrens and Adult services budgets with estimated reductions in these budgets ranging from 25% to 54% being reported, against a back drop of increases in statutory functions and regulatory control. Public spending remains a matter for national debate and concern.

Schools are funded from the Dedicated Schools Grant (DSG). Within the grant there are 4 distinct allocations of funding known as Blocks: Early Years, central schools, schools and high needs. School funding is governed by the schools and Early years finance regulations(find) and is governed locally by the Schools Forum and the Local Authority, with the DCS and lead members oversight.

With effect from 2019/20 DfE intends to tighten up the rules under which LAs set out their plans for bringing the DSG account back into balance. The DfE require a report from any LA that has a DSG deficit of more than 1% of its gross DSG as at 31st March 2019, such a report will need to be discussed with the Schools Forum and set out the authority's plans for bringing the DSG account back into balance within 3 years across all blocks. The gross DSG for 2018/19 is £368.988m equal to 1.57% thereby potentially requiring a plan to be returned to the DfE.

There continues to be an ongoing pressure within the High Needs Block of the DSG and work has been ongoing since the implementation of the SEND

review in 2016. Pressures have been identified across 5 key interdependent areas and are seen most sharply in spend for independent Schools and independent non-maintained Special schools, with the spend exceeding budget by more than £2m and within spend against provision for pupils who are permanently excluded or whom need provision which is not within mainstream for medical reasons, identified as £2m.

The High needs budget 2018/19 was set at £45,982,719 with a projected outturn reported to Schools forum on March 6th 2019 of £48,917,969 in year overspend is projected at £2,935,250, approximately 6% over budget. This is a reduction from 11.5% in 17/18. This reduction in overspend is seen mainly due to transfers between blocks.

In Somerset the cumulative deficit 2017/18 was £5,620,150. For 18/19 (with projected outturn) this increases to £8,555,400. With agreed mitigations applied of £2,205,000 the final High needs deficit is projected at £6,350,400. This is an increase in year of £730,250.

The agreed mitigations are detailed in the High Need Paper received by Forum on 6th March (attached as Appendix 1). In summary they include savings made across the DSG, transfers from the Schools block as agreed 17/18 and additional funding allocated from the DfE¹. The impact for Somerset of this additional high needs funding is £1,171,257 for 2018-19 and 2019-20.

- 3.2.** To support a strategic focus on Inclusive education changes the 2019/20 gross provisional HNB has been set at £55.592m. This accounts for forecasts against all budget lines as of end February and includes an increase of 2% across all top up funding. This exceeds DfE funding by £3.447m however the shortfall is planned to be met from the following transfers and savings targets and was considered by Schools forum on 6th Marc ².

Ongoing mitigations will include potential transfers between blocks and includes a reduced disapplication agreement by the Secretary of State of £298,200. This leaves a shortfall of £0.570m and this will need to be found within year. Any efficiencies or savings achieved over and above this figure will go towards reducing the cumulative overspend projected as £6.350m.

The DSG (HNB) recovery plan is being updated continuously and aligned with strategy direction and forms part of ongoing recovery work by officers, forum and partners. It focusses upon redistributing the budget spend across the 5 key areas to improve local inclusion in schools, by improving joint commissioning with partners and Local Area improvements as set out in the SEND strategy through the Local area Improvement network (LAIN).

Projects focus on a “A Local First approach” and include: “Reducing our reliance on Independent schools”, “Identifying and managing behaviour”³ and the investment in the Capital programme. Ongoing alignment of services

¹ The Secretary of State announced on 17th December 2018 an additional £250 million of high needs funding, £125 million for 2018-19; £125 million for 2019-20; and a further £100 million top-up to the special provision capital fund for local authorities in 2019-20.

² Details of all school forum reports can be found on the Somerset CC website: Schools forum

³ Name as yet not confirmed

continues , which realise management savings and allow for co-production of new services with parents, such an example is the PIMS team are now part of a newly forming Sensory Service.

Alignments across services internally will form part of Children's Services transformation and support schools as the self-improving school system locally and regionally builds capacity in Schools to improve outcomes for all children and to work in collaboration with the LA for those schools who are causing concern, are at risk of failure or where Ofsted has rated them Inadequate or Requiring Improvement.

3.3. SEND strategy

The Somerset SEND Strategy for children and young people aged 0-25: 2016-19 has **5 key outcomes**

Our families, children and young people report a positive experience of our SEND systems and support, feel empowered and confident to engage and make decisions

Parent/carer engagement through SPCF and participation of C&YP through 'Unstoppables' is a strength with SPCF Directors having regional and National responsibilities to support and share good practice.

Recent Local Area Roadshows "Local Offer Live" demonstrate high levels of engagement from parents/carers and are informing ongoing development of the local offer, improvement planning, updating on progress on the capital programme, future uses of capital funding and provided opportunities for parents and practitioners to meet, however not all parents / carers and young people yet report a positive experience.

Timely and accurate identification and assessment of SEND across education, health and care services

The new Local Offer is providing clearer information and guidance however some pages are incomplete and ongoing improvement will continue with parent/ carer forum and the Unstoppables.

Multi Agency Identification & Support in the Early Years (MAISEY) meetings are working well in supporting early identification of SEND needs and individual transitions into school and termly online Schools information packs are providing clearer guidance for schools. The Core standards developed in 2016 is supporting a graduated response from schools and is being refreshed and improved with School SENCOs.

Data suggests that we are over identifying pupils with Social, emotional and Mental health needs and under-identifying Autism and there is evidence that an Autism diagnosis is sometimes delayed with the quality and speed of Health diagnoses varying between areas and professionals however AET⁴ training to schools is due to be rolled out shortly.

⁴ AET "Autism Education Trust" licence accredited trainers to support autism friendly schools

Implementation of revised 'Banding' system and High Needs Funding for pupils with SEN support across all schools, combined with improved data matching with Children Social Care is improving identification of children to be prioritised for an EHCP and we are developing a strategic approach to the Dedicated schools grant (DSG) with School partners outlined in section 3.2.

Inclusive and equitable access to good quality local education

Revised Statutory panel guidance is supporting improved and more consistent decision making on statutory SEND assessments; reasons for decisions are clearer for parents and scheme of delegation is clear.

The new online portal is in place and supports more timely and consistent assessment requests and annual review submissions and there is an ongoing programme of support to embed its use.

In Spring 2018 performance in delivery of EHCPs against target 20 weeks increased to above regional and national average. Improvements against statutory timescales are seen monthly however this is not yet consistent and competing priorities are likely to reverse this trend towards the end of this financial year. Improving performance and assuring the quality of EHCP's remains a priority area of work.

There is scope for further improvement in completing annual reviews and SEND support reviews within target timescales, with full 'voice' of all involved in young person's provision (including child themselves and family) and in ensuring assessments into adulthood are consistently timely across the county.

Smooth and effective transitions happen at key points for the child and young person

The number of Electively home educated children remains comparatively high and the system for monitoring children moving out of education has been strengthened and where parents wish to return their children to a school this is supported through the admissions process for those at SEN support or via the SEND statutory team for those with EHCP's.

Insufficiency of places and full special schools has led to high number of pupils being placed out of area. This remains a significant challenge with 272 young people placed in INM provisions however a significant investment of £34m of Local Authority Capital Investment Programme is ongoing and detailed in section 4.

Exclusion rates continue to be high and we are working with schools, PRU's and the specialist sector and aligning multi- agency partners within a single joint project.

We are continuing implementation of new High Needs Funding and develop a High Needs deficit recovery plan with School partners with a strong focus on increasing placements in local provision and supporting inclusion.

Creative partnership working delivers effective, fair and transparent

systems and services

The Joint Commissioning Strategy is now in place with clear strategic links to H&WB, C&YP and SEND outcomes; partnership working continues to strengthen

4. Capital programme

4.1. Investment in specialist provision

The LA have agreed to invest £34m in building additional capacity within Somerset for high needs children and young people. The planned investment will create up to 247 additional specialist places over 4 years, 50 are already in use from September 2018.

- £800k on a new and extended primary-phase ASD Resource Base at Westover Green, Bridgwater. 8 new places (now in use)
- £900k on a new secondary-phase ASD Resource Base at Bridgwater College Academy- 20 new places (now in use but not all commissioned)
- Bridgwater £620k on a new and extended secondary-phase ASD Resource Base at Heathfield, Taunton- 10 new places (now in use but not all commissioned)
- £900k on a new primary-phase ASD Resource Base at Holway Park, Taunton- 14 places – 6 in Sept 2018.
- £180k on extending an existing primary-phase ASD Resource Base at Oaklands, Yeovil- 6 places
- £400k on extending an existing secondary-phase ASD Resource Base at Preston, Yeovil- 9 places
- £9m on expanding an existing all-through special school at Selworthy, Taunton- 80 places from September 2019
- £18.5m on replacing and expanding existing special school buildings at Elmwood (secondary) and Penrose (primary), Bridgwater, with a new all-through school building- 60 places (Sept 2020). Approved at Cabinet on 11th March 2019.
- £4m on expanding an existing SEMH special school at Sky College, Taunton (40 Places Date not known- feasibility to be programmed)

In addition to these confirmed investments, we're also carrying out:

- A feasibility study to expand an existing special school at Fiveways, Yeovil and a feasibility study to expand an existing special school at Fairmead, Yeovil, which have subsequently been given approval to progress
- We applied to the DfE for free special school for SEMH and SLCN⁵ in South Somerset 120 places. As with all Free schools if approved the place funding for the agreed opening cohort is funded direct by the EFSA for 2 years from opening. This has now been approved by the Secretary of State on 11th March 2019.

- 4.2.** The special provision fund allocations announced on 4 March 2017 support local authorities (LAs) to make capital investments in provision for pupils with special educational needs and disabilities Local authorities can invest in new

⁵ Social emotional and mental health, speech, language and communication needs

places and improvements to facilities for pupils with education, health and care (EHC) plans in mainstream and special schools, nurseries, colleges and other provision and approvals were supported in line with the outcomes in the SEND strategy. In order to draw upon this allocation Local Authorities are expected to make decisions in consultation with local stakeholders and to publish the outcome of this on the Local Offer.

The Department for Education is providing £365 million of special provision fund allocations for the financial years 2018-19 to 2020-21. In May 2018 and December 2018 the DfE increased the total fund as part of their announcements to support children with SEND, increasing Somerset's allocation from £1.716m to £2.913m.

Allocations for 2018-19 to 2020-21

Somerset's allocation is outlined below:

2018/19	£572,132
2019/20	£1,170,873
2020/21	£1,170,873
Total allocation	£2,913,878

In 2017/18 consultation with stakeholders was based on identifying preferred options and approval for projects supporting reasonable adjustments in mainstream schools across Somerset to meet the needs for pupils with physical impairments / disabilities or complex medical needs and works which upgrade the facilities of maintained special schools across Somerset to enable them to meet the therapeutic and sensory needs of children with complex, physical, medical and sensory conditions were progressed.

For 2019-20, the LA is proposing to broaden the range of projects which can be funded by the Special Provision Fund in line with assessed local need, current pressures and in line with the SEND strategy and which support new emerging priorities. On that basis, the nature of the consultation has broadened to seek support to fund a range of projects which fit the descriptions below:

- Reasonable adjustments in mainstream schools across Somerset to meet the needs for pupils with physical impairments / disabilities or complex medical needs.
- Works which upgrade the facilities of maintained special schools across Somerset to enable them to meet the therapeutic and sensory needs of children with complex, physical, medical and sensory conditions.
- Reasonable adjustments in FE Colleges across Somerset to meet the needs for pupils with physical impairments / disabilities or complex medical needs.
- Works which provide nurturing environments in maintained mainstream schools across Somerset to enable them to meet the needs of children with challenging behaviour.

Recent "Local Offer Live" roadshows with parents/ carers have provided an opportunity to undertake consultation on specialist capital allocations from central Government.

Feedback from the consultation exercise will be used to inform a recommendation that will be taken through a formal Cabinet Member decision-making process in April 2019 and will be reported to Schools Forum through the High Needs subgroup, through the Local Area Improvement Network through to the SEND intervention Board and through Childrens Scrutiny as required.

5. Implications and risks

- 5.1.** Pressures within the system reflect National reporting however Somerset continue to see a sharper impact due to the requirement to convert from the previous funding system. This is currently creating significant stresses across all statutory teams. Improvements against statutory timescales are seen monthly however this is not yet consistent and competing priorities are likely to reverse this trend towards the end of this financial year.

Whilst capital investment is significant the pressure on places is dependant upon all build programmes delivering places on schedule, delays have implications for further placements to be required in the Independent School sector.

High levels of Exclusions and the need for day 6 provision impact on the availability of preventative outreach support, required across all keystages but most sharply needed at primary phase.

6. Background papers

- 6.1.** School Forum Papers 6th March 2019 Item 9: Arrangements for children and young people with Special Educational Needs

Note; For sight of individual background papers please contact the report author