

## High Needs

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| <b>Schools' Forum Date</b>   | 20 <sup>th</sup> October 2017  |
| <b>Type of Decision</b>      | For decision   |
| <b>Background Documents</b>  | Report and presentation to Schools Forum 21 <sup>st</sup> June 2017<br>Government announcements on a national funding formula for schools and high needs 14 <sup>th</sup> September 2017 |
| <b>Author</b>                | Stewart King, lead commissioner for education and skills   |
| <b>Purpose of Report</b>     | To update the Forum on the High Needs programme  |
| <b>Key Recommendations</b>   | <ol style="list-style-type: none"> <li>1. That progress be noted</li> <li>2. That the investment proposal for Restorative Practice be agreed</li> </ol>                                  |
| <b>Resource Implications</b> | High Needs funding from government will increase marginally over the next two years to £57.7m but will reduce in real terms  |

### 1 Government announcements

On 14<sup>th</sup> September the government announced the outcome of the consultation on the introduction of a National Funding Formula for High Needs. There are no changes to the proposed formula. However, in line with the NFF for schools, every LA will receive a 0.5% increase per head in 2018/19 and a further 0.5% per head in 2019/20 over the 2017/18 baseline.

For Gloucestershire, after allowing for the change in the funding of special units referred to in the school funding paper, the High Needs block will increase by 0.91% in 2018/19 and a further 0.47% in 2019/20.

Gloucestershire High Needs Block – indicative allocations per 14<sup>th</sup> September 2017 announcements:

| 2017/18 baseline | 2018/19     | 2019/20     | Full NFF    |
|------------------|-------------|-------------|-------------|
| £56,936,639      | £57,454,334 | £57,720,384 | £57,720,384 |

Although the additional funding for the next two years is very welcome, it still represents a real terms reduction of around 2.5% before allowing for population increases.

Funding from 2020/21 onwards will be determined by the autumn 2019 spending review.

## **2 High Needs spending in Gloucestershire**

On current forecasts, the high needs block will be overspent in 2017/18 by £0.8m. The detail is shown in Annex A. The areas of particular concern are:

- EHCP top-ups in primary schools
- Placements in independent special schools

DSG balances available to support high needs brought forward from 2016/17 totalled £3.5m. On current projections we expect that to reduce to £2.7m at year end (the statement at Annex A assumes investments totalling £150,000). Although the measures we take to manage spending in the medium term should have some impact from next year it would be prudent to assume the need for further support from balances in 2018/19.

The Forum has agreed in principle to consider proposals for investment that are likely to:

- Reduce spending in the medium term
- Improve outcomes in areas of particular concern

There has been consensus in the initial engagement phase on three areas for investment:

- Early years
- Mental health and behaviour support, including measures to avoid exclusion
- Restorative Practice (RP)

The Forum heard about the RP programme at the June meeting. The roll-out at Tewkesbury school has progressed well, with good prospects of a positive impact on attendance and exclusions as has been the case elsewhere. There is strong interest from other schools. An update and proposal for RP is attached at Annex B, seeking agreement to staffing costs totalling £73,600 to enable the programme to be expanded to other schools as detailed. The paper also includes an anonymised case study of the use of a Family Group Conference for a year 10 pupil. It is recommended that the proposal be agreed. Proposals for the other priority areas will be submitted to future Forum meetings.

As noted in the report on School Funding we are not asking the Schools Forum to consider a transfer from the Schools Block to support High Needs. The rationale is:

- It would be a one-off rather than a permanent transfer
- There are DSG balances available specifically to support the high needs budget
- School budgets are under great pressure too

- We are talking with schools about new approaches to identifying and meeting additional needs; a deduction from school budgets would be an unhelpful backdrop to those discussions

It would be an option for the Forum to consider for 2019/20 but again only as a one-off transfer. The arrangements thereafter are unclear. The parliamentary timetable does not appear to enable a move to a 'hard' NFF for schools until 2021/22 but our working assumption is that movement between the blocks will not be an option beyond 2019/20 so can only at best be a short term strategy.

Reports from around the south west and other areas suggest that all LAs are struggling to contain spending with a number running into deficit and/or taking emergency measures which may have negative consequences in the longer term. In comparison we are in a position in Gloucestershire to take a more measured approach.

### **3 A new approach to High needs – the programme**

The DfE expects local authorities to develop a strategic plan for high needs and provided funding in order to create capacity. John Reilly is now engaged full time to support the work. His initial priorities have been Alternative Provision and exclusions, and engaging with schools on the inclusion issues. We are now seeking additional capacity on post 16 where our costs are out of line with our comparator group.

The key phases of the programme are:

- September/October 2017 – open engagement with schools and LA staff on what is working well and priorities for action
- November 2017 to February 2018 – consultation with a wide group of stakeholders: schools, parents, young people, social care, health and others on some outline areas for change. Significant milestones include:
  - Consultation paper to be issued mid November 2017
  - Major stakeholder event late January
  - Session at Gloucestershire education conference 7<sup>th</sup> February 2017
- March 2018 – Schools Forum to agree the strategic implementation plan and budget for 2018/19 and medium term financial plan

NB we are also proposing to bring together the high needs strategic plan and the SEND strategic implementation plan into a single process.

The project plan will be circulated at the meeting. However I do need to draw the Forum's attention to developments on Alternative Provision and exclusions. Permanent exclusions continue to be at an alarmingly high level. The Exclusions

Report for the 2016/17 academic year is attached at Annex C. Further, the APS Management Committee has agreed to disband. A new governance model will be in place from January 2018 with a management committee for each of the schools. Those management committees will need strong representation from local schools; volunteers are being actively sought.

Forum members should also be aware that the Council has set up a Scrutiny Task Group on exclusions. The Task Group will begin its deliberations in November.

The Institute for Public Policy Research has just published an important report on the impact of exclusion (available at [link](#)).

Finally, as reported to the Forum in June, a task and finish group has been pulling together a statistical profile of SEND in Gloucestershire. This is now attached at Annex D.

Stewart King  
October 2017