

High Needs Report

Schools' Forum Date	20 th June 2019
Type of Decision	For decision
Background Documents	High Needs Strategy
Authors	Philip Haslett, Head of Education Strategy and Development
Purpose of Report	<ul style="list-style-type: none">• To provide an update on the year to date high needs budget• To update and receive feedback from the Schools Forum on the High Needs strategy and associated activities.
Key Recommendations	<ul style="list-style-type: none">• That there will be no discussion regarding a transfer from the schools block until further details of the new funding is available.
Resource Implications	The High Needs Block is in a deficit position, with a deficit carry forward of £2.88m from 2018/19 and an in-year forecast of £4.26m, total of £7.14m.

1. High Needs Budget

The high needs block is continuing to come under significant financial pressure. As at the end of July 2019 the forecast for the year is showing a further £3.07m overspend after setting a deficit budget of £1.19m. This increases the in-year deficit to £-4.26m and the total predicted deficit including the carry forward from 2018/19 to £-7.1m. The current forecast for 2019/20 is shown below.

<u>High Needs Block</u>	Budget £000	Actual £000	Variance £000
Alternative provision - places & top ups	5,647	5,732	85
Alternative provision - Glos Hospital Education	1,619	1,645	26
EHCP Costs - College and FE	3,961	4,592	630
EHCP Costs - Early Years	166	166	0
EHCP Costs - Primary	6,522	6,722	200
EHCP Costs - Secondary	3,662	3,762	100
Excluded pupils	0	-78	-78
LA Services and staffing	3,376	3,528	152
Independent Special Schools	10,727	12,092	1,365
Restorative Practice	200	195	-5
Special Centres	488	492	4
Special school provision	16,602	17,262	660
Support Services	1,263	1,198	-65
Virtual School	610	610	0
High Needs Unallocated	-1,258	-66	1,192
Recoupment	6,351	6,351	0
	59,936	64,202	4,266

You will note from the variance column there are three budget lines that are significantly overspending: EHCP costs for FE and Colleges; Independent Special School places; and special school places are a significant element of this (£2.65m).

2. What is driving the overspend?

As discussed in the June Schools Forum this increased cost is driven by the continued rise in the number of EHCPs in the system..

An analysis of the most recent figures from the Office for National Statistics (ONS) 2018/9 shows a 47% increase in the number of children in receipt of EHCPs since 2015. The same data shows Gloucestershire's increase at 50.85%. This significant rise contrasts starkly against the previous 4 years (2010-14), in which there was a 4% rise in SEN statements.

This significant rise is attributed to a number of changes and pressures. The first and most important of which are the changes to the code of practice which:

- extended the age range to include 19-25 year olds, moving responsibility for these children and young people from adult services to children's services. The cost of provision for 19-25 years olds is £3.1m this financial year.
- raised expectations of parents of children with SEND about the level of support that their child should receive as part of a state-funded education.

Secondly we are seeing an increasing complexity and depth of need in children and young people, which is increasing number of EHCPs but due to the increasing complexity also increasing the average cost of an EHCP.

Finally the increasing pressure on school budgets means that schools are less equipped and have reduced staffing to support children with additional needs and therefore seeking funding via an EHCP.

3. What are we doing to reduce cost and improve the service?

At the Schools Forum in June we reviewed the high needs strategy and the key activities that are being delivered to reduce costs and improve the services available to children and young people. Outlined below are progress updates on key areas of activity.

3.1. Reducing Permanent Exclusion and cost of Alternative Provision

Work being done to reduce exclusion has been effective. In 2018/19 the work of the inclusion service and the restorative practice team contributed towards an 18% reduction in permanent exclusions. Support and intervention from the inclusion service avoided 80 permanent exclusions, which would have cost High Needs at least £1m.

We are continuing to invest and support the roll out of restorative practice to schools across the county. So far this academic year we have trained 6 schools and 2 children's centres, a total of almost 400 Education staff. Following a period of research and evidence gathering, we are working on a more robust training offer for schools that includes Trauma as a Core element of the approach not just an add on.

We are also continuing to refine the 'Team Around the School model' and are looking at how this links to the Local Inclusion Clusters.

The reduction in exclusions, coupled with a more straight forward funding model and reorganisations and improvements made by the AP schools has ensured the Alternative Provision budget is in a significantly better position compared to last 2018/19 when there was a £1m overspend.

As discussed in the June Forum plans to develop a devolved funding model are underway. We are currently exploring:

- How the devolution of funding to schools could work, including how schools provide peer challenge and support.
- What is the impact for the commissioned AP service and what will we need to commission in the future.

Initial proposals and options will be brought to the working group for review and challenge. We are aiming to pilot an approach in the new calendar year, so that we are in a position to implement fully in the next academic year.

3.2. Specialist Commissioning

The strategy outlines our intention to build and open a new 11-16 special school for children and young people with Social, Emotional and Mental Health needs (SEMH) special school in 2022; this will meet a rising SEMH need that is currently being met by independent special schools. When it is fully operating at commissioned numbers we predict this will save in the region of £1.5m per annum.

Even though the independent special school budget is continuing to rise the specialist commissioning team are continuing to negotiate with independent special schools to reduce placement costs. Savings in 18/19 were calculated at nearly £1m and we are seeing similar levels of saving this year.

The team are developing a new banding system that uses both the Resource Allocation System (RAS) and the required provision. The intention is that this will work across mainstream and special schools. We plan to start sharing the draft with colleagues, SENDCOs and Special Heads during September.

3.3. Early Years

We have developed (in draft and out for consultation) an Early Years (EY) to Primary transition guide that outlines how the EY provider and receiving school can work together to support good transitions especially for children with identified additional needs. We have developed a "school ready" information leaflet for EY practitioners and parents. This aims to provide some consistency around what we expect children to be able to do/demonstrate before they start in Reception and in year one and some guidance for parents about what they can help their child to practice before they start school.

We have a DfE funded project in place in Gloucester City providing an early help pathway for children aged 0-3 yrs who have been identified as presenting or at risk of language, communication, interaction difficulties. We are in the process of setting up a second DfE funded project, The Professional Development programme, this will provide training for a cohort of EY setting practitioners to help to develop their skills and confidence around supporting children with communication/language difficulties.

We are in conversation with speech and language therapy and Health visiting colleagues to consider how we develop a consistent speech, language and communication pathway to facilitate language/communication assessment of all 2 year olds accessing EY provision.

The EY service have reviewed and amended their programme of training for EY practitioners based on an analysis of the requests for support received in relation to both individual children and general setting practice support. There will be a stronger focus on SENCO training and training specifically around managing behaviour and how behaviour links with communication/interaction difficulties.

We have had a strong focus over the past 8 months looking at our EYFS performance and have been working with Reception teachers to ensure that they are confident in making accurate EYFS judgements. Preliminary EYFS data for 2019 indicates that for the first time in years the % of children achieving the expected levels (good level of development GLD) in Gloucestershire matches the National average. Last year we were 2.4% below the national average and this has been the picture for many years. We will continue to work closely with

EY settings and receiving schools to ensure that this performance data continues to improve.

In acknowledgement of the benefits, in terms of supporting cognitive, emotional and social development, of children accessing their entitlement of EY Education, we have been working hard to increase the % of eligible children who take up the EY offer, especially those eligible for 2 year old funding. We have seen an increase from 71% to 72.8% since January, this is now higher than the England average (68%) and whilst still below the average for the SW region (75%), the gap is closing. We have an action plan in place to further increase the 2 year old take up.

3.4. Post-16

During 2018/19, a transition panel model was piloted, alongside Gloucestershire College, with a group of 4 schools; Cleeve, Barnwood Park, Pittville and Tewkesbury. The model replicates one that has been successfully implemented in Somerset, which has produced excellent outcomes for young people in supporting them with the transition at Year 11 into post 16 education.

The schools, colleges and support agencies involved felt the process to be very positive. The following feedback from Gloucestershire College encapsulates the purpose of the transition panels.

The benefits of this approach are:

- We get insights into some of the care / safeguarding needs for the students so we can ensure support is in place from day one
- The knowledge on the student enables us to better prepare the staff to 'manage' those students when they are here
- For those who are anxious we can support pre enrolment with transitioning through tasters and managed visits
- We also will have formed relationships with the key contacts in the school so we can feedback how they are getting on/ if they don't turn up etc. so there is a joined up approach to supporting these vulnerable young people

Following on from the success of the pilot, the transition panels are being rolled out across county involving Stroud and Cirencester Colleges, in addition to Gloscol, and their key feeder schools. There will be panel meetings in October, February and June.

A special school/college working group met last term to scope out a pilot for a similar model for special school students. A pilot panel is planned for November 5th involving Milestone, Alderman Knight and The Shrubberies along with the colleges, social care, casework, SCT and the travel team.

A survey of careers leads is planned for the Autumn to help us to understand what support they would find helpful in delivering their careers strategy.

3.5. Funding EHCPs

As discussed in the June Forum meeting the sustainable change that we need will only come from transforming the way that we approach the funding for EHCPs, so that we can provide intervention and support earlier and more flexibly.

Currently an EHCP is the only way to access high needs funding for children with additional needs. This is encouraging applications for an EHCP, which in many cases is not necessary and ultimately costs more time and money for all involved.

The aim is to develop a model that makes funding available to schools in a more accessible way; that provides earlier support to children and young people; and that does not lock us into an expensive, restrictive and time consuming statutory process.

We are currently researching models that are being used elsewhere so that we can develop options for the working group to look at in the new year. This will need to link to the banding work that is being undertaken by the specialist commissioning team.

4. Additional Funding

The recent funding announcement identified £700m additional funding for SEND in 20/21. It is not clear how the DfE intends to allocate this funding and whether all of it is destined for High Needs. The previous announcement by Damien Hinds in December 17 allocated £350m to support SEND of which £250M went to High Needs. Gloucestershire received 1% of this allocation 2.5m spread over two years (this is the final year of that funding).

If the funding is apportioned to High Needs in a similar way to 2017, we could expect to receive around £5m. If all £700m was allocated to High Needs we could expect to receive around £7m.

However, this would not be a panacea. The funding announcement only allocated additional SEND funding for one year and whilst we might expect this to continue, it is by no means guaranteed.

Should the additional funding arrive at either of the levels outlined above this would provide us with respite to implement the High Needs Strategy, whilst bringing the budget back into balance and starting to recover the accumulated deficit.

Recommendation: That there will be no discussion regarding a transfer from the schools block until further details of the new funding is available.