

**Notes of the Gloucestershire Schools Forum High Needs Workshop, held on Wednesday 20 October 2021. The meeting was held remotely.**

**Present:**

**Members:** Stephen Dean (primary school headteacher), Rhian Evans (primary school governor), Andrew Harris (community representative), Becky Martin (special school governor), Dermot McNiffe (secondary school headteacher), Will Morgan (secondary school headteacher), Poppy Scott Plummer (secondary school governor), Clare Steel (special school headteacher).

**Officers:** Philip Haslett, Head of Education Strategy and Development; Neil Egles, Finance Manager, Schools, Strategy and Capital; Suzanne Hall, Finance Business Partner; Chris Hemingway, Finance Manager, Lead for Adults; Jo Bolton, Democratic Services Adviser and Clerk to the Schools Forum.

1. Philip Haslett, Head of Education Strategy and Development, gave an overview of the background and context of the High Needs budget in Gloucestershire. He explained that the National Funding Formula (NFF) did not provide support for schools with high levels of children with additional needs. This had created a funding inequity involving schools which attracted a disproportionate number of children with additional needs.
2. The Minimum Per Pupil Funding level (MPPF) in the NFF is locking in the inequities in the system. He presented an example of a comparison between two schools both for primary and secondary. This set out just how significant the variance could be in regards to the amount schools received per pupil under the MPPF uplift element of the NFF. Schools that had a large number of children with additional needs could receive much less MPPF uplift per pupil than a school which had much lower levels. Schools with a high number of children with additional needs would struggle to balance their budget under the 'hard' NFF.
3. Members were informed that in terms of countering the funding inequities, the 1 in 40 rule had been included as a local element of the NFF, to assist in compensating schools which attracted a disproportionate number of children with additional needs who required an EHCP. The cost of including the 1 in 40 rule in the funding formula was £1.7M in 2021/22. For 2022/23 the surplus in the Schools Block of approx. £0.6M would be transferred to the High Needs block to support the 1 in 40 rule. However, this may not be sustainable in longer term, particularly if the DfE were to undertake a review of our High Needs budget and forecast. Despite this the LA had continued to include the 1 in 40 rule in an aim to support more children within mainstream schools. The removal of the 1 in 40 rule would mean more mainstream schools struggling to meet need and as a result would see more high cost placements into special and independent special schools.
4. The F40 Group had been campaigning for some time now for schools to receive a fairer deal - a minimum per pupil funding amount, *plus* funding for children with additional needs, as part of the NFF.
5. Last year the financial forecasts for the High Needs budget had been broadly in-line with the planned year end deficit budget. This had demonstrated a greater understanding of the level of need coming into the system and the growth trends, enabling more control of the budget and accurate forecasting. However, in the current financial year, the trends were moving away from the previous trajectory, with a significant increase seen in the number of new requests for Education Health and Care Plans (EHCP). Comprehensive modelling work was being undertaken to look at the resulting impact if the number of new requests for EHCPs were to decrease or continued to increase at the current rate.
6. A member commented that the current system meant headteachers were in effect being encouraged to request an EHCP assessment for a pupil in order to access the funding and support. The statutory process needed to be unlocked, so that additional funding and support could be accessed more efficiently for eligible children and young people outside of an EHCP.
7. Members were informed that the pressure on the High Needs budget was predominantly created by the rising level of need - this was a national issue. The ISOS partnership [research into SEND funding pressures](#) was a good basis from which to understand the increases. The reasons for the

increases included population growth, advances in medicine which meant that children born prematurely or with disabilities survived and lived longer than before but often had more complex needs, and an increase in the number of children with social emotional mental health needs.

8. The Head of Education Strategy and Development presented a bar chart which showed the 2017-18 to 2020-21 estimated year end balance of the High Needs block across a number of local authorities. Gloucestershire's High Needs deficit as a proportion of the budget overall was not as significant as many of the other local authorities - there were some local authorities whose deficit is a significant proportion of their overall High Needs budget. However, on the other hand, a small number of local authorities were managing to balance their High Needs budget. The LA wanted to avoid making reactionary local decisions that would negatively affect the quality of provision for children with additional needs, when this was clearly a national crisis. The LA also wanted to avoid creating perverse incentives such as increasing the 1 in 40 rule, when this model supported a culture in which some schools were seen by parents as more inclusive, and to avoid cutting support which would result in an adverse impact in another area of the budget.
9. The Head of Education Strategy and Development explained that the inequity of High Needs funding was a concern. He presented an example of a comparison between Gloucestershire and Buckinghamshire, despite both local authorities having a similar pupil and school population, there was a significant disparity between how much High Needs funding each local authority received - Buckinghamshire received a total of £15M more High Needs block funding than Gloucestershire.
10. A total of 50% of High Needs block funding was based on historic spend at a moment in time, the High Needs formula had then locked in the inequity in how local authorities were funded. This meant that the local authorities that were developing their infrastructure for High Needs at the time the formula was developed were usually receiving more per pupil funding than other local authorities. Buckinghamshire had a similar pupil and school population to Gloucestershire, but received significantly more per pupil funding due to that funding inequity. Therefore, whilst local authorities were doing what they could locally to rebalance their High Needs budget, the issue of how the funding was apportioned through the High Needs funding formula to local authorities needed to be addressed by central government, particularly the heavy dependence on historic funding. The F40 group is undertaking a detailed analysis of High Needs funding to inform the debate with central government around how High Needs funding should move forward nationally.
11. A member suggested that it would be useful to compare 'like for like', in particular the High Needs budget positions of local authority areas that had similar significant levels of deprivation. The Head of Education Strategy and Development explained that the F40 research group was taking a look at the High Needs budget positions of local authorities nationally. A key element of this work was an in-depth look at the local authorities that were managing to balance their High Needs budget, to understand if they were operating in a way in which other local authorities could learn from.
12. Members were informed that the majority of the High Needs budget was made up of core elements that were needs led. The key element which represented approximately 72% of the High Needs budget was the costs associated with EHCPs. The growth trend for EHCPs was continuing as numbers were rising in both the primary and secondary sector. There were a small number of extremely high cost independent special school placements jointly funded by the Health and Social Care budget. These high cost placements can cost in excess of £300,000 a placement, with education contributing to around 30% of these costs.
13. Given that the High Needs budget was predominately needs led, with the key pressure being the costs associated with the rising number of EHCPs in the system, this left only a small margin in which any savings could be made, and it was therefore difficult to make any real immediate savings. The Joint Additional Needs and High Needs Strategies remained focussed on enabling earlier intervention through a long term sustainable model to support a reduction in the level and complexity of need and thus reduce the rise of EHCPs; however, this required the long-term commitment of the school system and multi-agency partners, and it would be some time before there was any material impact on the budget.
14. The Head of Education Strategy and Development explained that the level of need was rising to such an extent that the LA now recognised that more special school places were needed throughout

the county. All special schools in the county were commissioned to full capacity. A new Social Emotional Mental Health school was being built in Brockworth, and work was being undertaken to determine where extra places should be allocated within the existing special school provision.

15. Members were informed that the initial indications from the modelling work being undertaken showed there was potential for an in-year High Needs surplus by 2024/25; however, there was likely to be a £18m deficit by that time. This was also based on the premise that central government would continue to invest in High Needs. If the government withdrew the extra funding as part of its spending review then there would be an extra £5/6M per year deficit to contend with.
16. A member strongly emphasised that the operational aspects involved with children being allocated a special school required improvement. Special school headteachers were receiving requests for places direct from parents, without the needs of the children having been assessed by the LA first as having met the criteria for a special school place. Consequently, it was possible that some children were being allocated a special school, when they could be effectively accommodated within the mainstream sector. The Head of Education and Strategy acknowledged that at present casework was challenging due to the significant pressures resulting from the rise in the number of new EHCP requests. Work was being undertaken to resolve this by implementing a digital platform to operate the EHCP process through an online portal, making it a much more efficient and collaborative system. This would enable caseworkers to have increased focus on the child and their needs rather than all of the processes involved with administering an EHCP.
17. A member suggested that when looking at resolving the issues, the different levels of need should be considered separately - for example those children with the most profound additional needs would not benefit from earlier intervention - more funding was needed for those children with increased funding allocations from health and social care. Increased levels of funding were also needed for the pupils on the mid-range bands.
18. The Head of Education Strategy and Development reported that the new banded funding model would be ready for a trial implementation with a small cohort of schools in January 2022. The LA was working with a number of schools to develop provision maps that would sit alongside each descriptor. The provision maps would then be costed, so that the funding levels could be assessed for each band.
19. A member reported that the level of training staff received and their experience in supporting children with special needs, varied considerably in mainstream primary schools – in some cases staff had received little to no training. Some of the children the staff would be supporting would have profound special needs, to the extent that they would be eligible for a place in a special school. There were concerns that staff would not be able to make any real intervention for those children in the mainstream setting without having received relevant specialist training.
20. The point was made that in many cases parents were requesting 1 to 1 teaching assistant support for their child, through the EHCP process, however in some cases this was not the most effective way of meeting a child's needs. It was recognised that the move towards earlier intervention would need to encompass work around changing mindsets and raising confidence amongst parents/carers that effective support could be accessed outside of the statutory EHCP process, and at the point of need.
21. The Head of Education and Strategy explained that work was being undertaken to look at the provision of whole school level support including through TALC (multi-agency forum to which schools can refer children and young people for multi-agency support), and Local Inclusion Clusters (a multi-agency model, building off the TALC model, but working at a school and system level, rather than child level intervention). The continued professional development of staff was also a key focus, including training on Trauma Informed Restorative Practice.
22. A member commented that special schools did want to work more collaboratively with the mainstream; however, with staffing resource so tight this was not currently practical. Consideration should be given to investment in this area to facilitate the development of teams of staff to work with other schools.

23. A member suggested that in terms of outreach work, schools needed to be made aware of exactly what support was available and there should be an agreed understanding of at which point a school could request the support. The Head of Education Strategy and Development acknowledged that the LA was aiming to get to that position so that schools were informed about what services were available at a child level and a whole school level; however, this was a substantial piece of work and not straight forward.

**Action points:**

1. It was agreed that the Schools Forum would be provided with a breakdown of the data on the High Needs budget to detail the number of pupils using the various types of special educational needs provision in Gloucestershire.
2. To continue the Schools Forum Working Group on the High Needs budget to look at key areas of the budget and development in more depth.

Ends.