

## Report to the Schools Forum 19 May 2022

### High Needs Update

#### 1 Background and Context

- 1.1 Allocations of DSG funding to support high needs have increased significantly in recent years. However, as illustrated by DSG balances (predominantly a result of the high needs position) expenditure has broadly tracked the increase in funding.

Year	High Needs DSG Allocation	DSG balance at beginning of year
2017/18	£20.150m	£271,000
2018/19	£21.224m	(£544,000)
2019/20	£21.979m	£20,000
2020/21	£25.070m	£120,000
2021/22	£28.139m	£576,000
2022/23	£31.693m*	£333,000

\* Includes additional allocation of £1.144m

- 1.2 The above position is significantly better than the DSG position in many local authorities. The net increase in the funds available for the high needs budget is less than the above, as prior to 2020/21, the Forum has agreed in successive years to transfer 0.5% of the schools block (equating to £0.6m) to high needs. This ceased after 2019/20. In addition, around £0.5m of the 2021/22 increase arises from moving teachers pay grants to within DSG, so is not net new money. Nonetheless, the significant increase in funding in 2020/21 and 2021/22 is clear.
- 1.3 The DfE has indicated that future increases are likely to be on a lesser scale compared to recent years, with around 5% in 2023/24 and 3% thereafter.
- 1.4 The local authority is therefore aiming to perform a balancing act with high needs. In the context of the DSG position, we wish to take advantage of the opportunity to make investments that will improve high needs provision for our children and young people, whilst being mindful of the unavoidable pressures that will continue to require additional funding.

#### 2 High Needs Pressures

- 2.1 In 2021/22 there was an increase in expenditure on specialist hubs with full year or new costs arising from the new or recent hubs. In addition the substantial net income that the authority used to receive as a result of more high needs pupils from outside T&W being in borough schools compared to vice versa has diminished over the last couple of years, as there is now a closer balance between imports and exports.
- 2.2 Expenditure on independent/residential schools for pupils with the most complex needs began to increase again in 2021/22 after a couple of years of relative stability. In this area a small number of young people can make a substantial financial difference given the high cost of each placement.
- 2.3 The increase in independent placement costs is particularly marked for post 16 and combined with increasing costs for post 16 high needs college placements, overall

post 16 costs were approximately £0.5m higher in 2021/22 compared to the previous year.

### **3 Plans and Proposals**

#### **Special School Funding**

- 3.1 The number of places at special schools (which continue to be funded at £10,000 per place) remains similar to 2021/22. The additional top-up amounts for pupils bands have been increased by 1% - an increase below inflationary pressures but in the context of considerable revenue balances in some special schools. We are also open to discussing specific circumstances with individual schools.

#### **Additional Specialist Provision Hubs**

- 3.2 Two new high needs specialist provision hubs opened in 2020, managed by Haughton but located at Hollinswood and Old Park primary schools. These have been supplemented by a further hub at John Randall 2021 and the first secondary hub at Telford Langley in 2022. These are intended to provide provision that bridges the gap between mainstream and special schools and relieve pressure on special school places.
- 3.3 Provision has also been opened at Wrockwardine Wood Infants since September 2021 – this replaced accommodation that the Bridge had ‘borrowed’ from HLC and enabled the Bridge to continue to offer a similar number of places.

#### **Alternative Provision**

- 3.4 The local authority recently commissioned a review of alternative provision (AP) and SEMH provision in the Borough. Arising from this review, additional resources, £80,000, have been provided to secondary schools to support transition between years 6 and 7 and an alternative provision development fund pilot has been established providing £300,000 for secondary schools to develop provision, together with a sliding scale of repayment if pupils are then excluded. This is also in line with ambitions to move resources towards mainstream provision as identified in both the School White Paper and the SEND Green paper.

#### **SEND Fairer Share funding**

- 3.5 The authority has a ‘Fairer Share’ fund for SEN which was previously known as SEN contingency. The first part of this distributes £100,000 to schools with higher numbers of EHCPs than the school demographics would usually be associated with. A formula is used which ranks schools by deprivation, low prior attainment and EHCP hours (the first 15 of each EHCP only).
- 3.6 In 2020/21 the Fairer Share Fund was extended so that in schools could also apply for additional discretionary funding. A further £100,000 per annum was originally allocated but £146,000 was distributed in 2021/22 as we seek to ensure that mainstream schools with excellent inclusionary practice feel properly financially supported. In total, £246,000 was distributed via the Fairer Share fund in 2021/22.

### **Cluster level funding for primary settings**

- 3.7 Following the review of Alternative Provision, one recommendation was to build on the strong partnership that exists between schools in clusters. £125,000 has been allocated across the five clusters to support the development of early intervention activities in primary schools to support children's social, emotional and mental health needs. Clusters have been asked to coordinate and determine provision that will complement the existing offers within settings.

### **Development of Nurture Provision**

- 3.8 In 21/22 one off funding was allocated (£100,000) to a number of schools (15) to support the development of nurture provision. All schools had the opportunity to bid and funding was allocated based on set criteria. The intended outcome of the provision is to build resilience within the mainstream sector to meet increasing complexity of mental health need.

### **Inclusive School Forum Funding**

- 3.9 Several years ago the authority established an Inclusive School Forum which is a school led panel with the power to distribute funds for individual pupils. In 2021/22 these panels distributed £372,000, compared to £225,000 the previous year. The majority of these funds flow to early years settings and primary schools and are part of the drive to promote early intervention in order to better support high needs.

### **Proposed developments for 22/23**

In consultation with partners the following developments are proposed for 22/23, alongside existing commitments.

- 3.9 We wish to develop, in consultation with schools, settings and other stakeholders, a unified banding system for SEND, which extends across both mainstream and specialist provision. Over recent years we have developed a banding system for special schools, but this has been changed independently from the EHCP banding system for mainstream schools, which has not been reviewed for some time. A theme of the authority's ambition for SEND is to have a more flexible system which reduces the mainstream/specialist divide and a unified banding system would promote this aim. In the context that the amounts associated with EHCP bands have not changed for some time, it is anticipated that this will require some additional investment.
- 3.10 We will explore expansion of specialist hubs to include further secondary places and consider alternative options to delivery whereby mainstream schools retain pupils on roll, where this is agreed. This will further support our inclusive approach and help to keep special schools place numbers stable.
- 3.11 To further complement the work of support services and in consultation with our special school partners we will seek to expand special school outreach. This aims to support our endeavours to meet children's special education needs in mainstream schools wherever that is possible.

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