

**Schools Forum**

**13 December 2021**

**SEND & HIGH NEEDS BLOCK REVIEW FOLLOW UP  
CONSULTATION PROPOSALS REPORT**

**This report is for Information & Decision**

**1. Recommendations:**

That Schools Forum members:

- 1.1 Note the contents of the report in relation to the additional information requested at the meeting on the 8 November 2021 following the SEND Consultation analysis
- 1.2 Make recommendations on the options consulted on, having considered the financial implications.

**2. Purpose**

- 2.1 To provide Schools Forum with additional information and financial implications of the SEND & HNB consultation outcomes.
- 2.2 To provide schools forum with an overview of the financial and timing implications of the High Needs Provision Capital Allocation Grant.
- 2.3 The DFE agreed a three-year increase in HNB funding and 2022/23 is the last year of that agreement. Further announcements are anticipated for 2023/2024 onwards but no timescales have been given.

**3. SEND HNB Consultation Outcome Options**

- 3.1 There were 6 proposals that were consulted on and presented at the last Schools Forum Meeting.

#### **4. Proposal 1**

- 4.1 Should the Time Allocation Model of Inclusion Support Services be reviewed for Secondary Schools from a flat rate allocation to a formula allocation in line with the primary model?
- 4.2 Schools Forum agreed to the change from a flat rate to a formula model with further consultation with Secondary representatives on specific elements and weightings to the formula (option 1.2). The proposal has been presented at JEG, Primary and Secondary Partnership within November 2021. A steering group of Secondary representatives will be formed in the new year
- 4.3 This will have no financial implications on the HNB
- 4.4 Table 1 in Appendix 1 shows the financial implications of this option on the HNB and has been used as a status quo position. The estimated outturn reported in the October 2021 monitoring report has been used as the starting point for the projected carry forward. An indicative estimate for 2022/23 has been used to produce the cash flow.

#### **5. Proposal 2**

- 5.1 This proposal was to determine the use of funding being held with the SEN Support Service category of the HNB to employ a Secondary Preventing Exclusions Team (PSE). An alternative proposal was put forward to use this funding to employ the Transition / Reintegration Team currently funded through schools Exclusion Levy.
- 5.2 Schools Forum agreed the use of the PSE allocated budget to be used to fund the reintegration officers.
- 5.3 The Financial implications of this is a saving of £37,100 per annum
- 5.4 Table 2 in appendix 1 shows the impact of this option compared with the baseline.

#### **6. Proposal 3**

- 6.1 To determine the level of top up funding allocated to children and young people with an Education, Health and Care Plan (EHCP). This proposal had 5 options.

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- 6.2 **Option 3.1** to increase the element 3 top up by 1% across all top ups. To include mainstream schools, special schools, focus provision schools and PRUs (excluding Albright).
- 6.3 **Option 3.2** to increase the element 3 top up by 2% across all top ups. To include mainstream schools, special schools, focus provision schools and PRUS (excluding Albright).
- 6.4 **Option 3.3** to increase the element 3 top up by 1% across all top ups in mainstream schools and focus provisions schools only
- 6.5 **Option 3.4** to increase the element 3 top up by 2% across all top ups in mainstream schools and focus provisions schools only
- 6.6 **Option 3.5** to maintain current levels of top-up funding for all pupils.
- 6.7 Schools forum deferred this proposal to the next meeting pending further financial information.
- 6.8 The annual impact of proposal 3 was calculated based on the current anticipated outturn as at 31/3/22 and the predicted budget for 2022/23. The financial impact of each option is shown in Tables 3- 7 of Appendix1.

## 7. **Proposal 4**

- 7.1 To incrementally increase specialist places for primary and secondary aged pupils with severe learning difficulties / complex needs and secondary aged SEMH students.
- 7.2 There has been a steady increase year on year in the number of Children and Young people requiring additional support though an EHCP. This increase is expected to continue over the next 5 years.
- 7.3 The anticipated increase in the number of EHCPs over the next 5 years is approximately 1300. The expectation is that 35% of these will require specialist places and as Sandwell schools are very inclusive 65% will be met in mainstream with support.
- 7.4 Over this 5 year period 271 specialist places have already been agreed through the opening of Specialist Free Schools and expansions of existing provisions and built into the HNB cashflow leaving approximately 1029 still to be planned and funded.

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- 7.5 Of the 1029 still to be agreed, 184 will be specialist places and 845 will be mainstream with support.
- 7.6 The current need for specialist places are KS3 SEMH Focus provisions, KS3/4 SEMH special school places and SLD Primary and Secondary satellite schools/extensions.
- 7.7 The cost per place has been calculated as an average, however, the actual cost could be higher following the statutory assessment process and finalising the new EHCPs.
- 7.8 Capital cost of the specialist provision will be met through the High Needs Capital Allocation as applicable.
- 7.9 Schools forum deferred this proposal to the next meeting pending further financial information
- 7.10 There is no additional funding in the HNB to fund the place elements and top up for these additional EHCPs, but each year the funding is adjusted for special school pupils on roll by a small amount per place equating to £4000.
- 7.11 At this point in time there has not been an announcement for any increases after 2022/23
- 7.12 Table 8 in Appendix 1 shows the estimated financial impact on the HNB from April 2022 onwards. The actual impact will vary based on timelines for expansion completions.

## **8. Proposal 5**

- 8.1 To support the development of specialist teaching environments in mainstream schools.
- 8.2 The purpose of the grant is to enable mainstream schools in Sandwell to become “even more inclusive” and meet the growing complexity of pupils Special Educational Needs entering their schools. The grant will be for one-off capital funding to be used to enhance the physical accommodation of the school site, to provide specialist teaching and/or intervention spaces to enhance school provision. Examples include: structured teaching spaces for pupils with ASD, Sensory rooms, nurture / therapeutic environments, hygiene rooms.
- 8.3 Funding for this would be from the High Needs Capital Allocation and have no impact on the HNB

8.4 Schools forum deferred this to the next meeting pending further information on how the grant system would work. A draft proposal is attached at Appendix 3

## **9. Proposal 6**

9.1 To provide a limited one-year resource grant, funded by the HNB to schools who establish the specialist teaching spaces detailed in proposal 5

9.2 This would be a maximum of £100K for 1 year and schools would receive a maximum of £2000 per school. The criterion for the resource grant is included within Appendix 3.

9.3 The financial impact of this would be minimal on the HNB.

9.4 This was deferred by Schools Forum pending the additional information requested in proposal 5.

## **10. Conclusion to the Proposals**

10.1 The financial impact tables 1-8 in Appendix 1 are in isolation for each proposal. Appendix 2 Tables 9-13 show the impact of Proposal 2 which has already been agreed, Proposal 3 which is the increases in top ups and Proposal 4 the anticipated increase in the number of pupils with EHCPs over the 5-year period. Table 14 shows the capacity created in the development of specialist places and the impact in mainstream.

10.2 The increase anticipated in the assessment for EHCPs is a national issue therefore these places will be needed over the 5-year period and there is a real risk that the HNB will go into deficit if additional funding is not forthcoming from Central Government.

10.3 If the HNB goes into deficit the Local Authority will need to submit a deficit recovery plan to the DFE stating how the deficit will be managed. There are three ways to manage the deficit.

1. Review EHCP banding matrix and reduce the amount of “top up” money to all schools (as we have done previously). This will financially impact on schools. And would be subject to consultation with schools and parents.
2. Review support services and additional service level agreements paid for through the HNB. This might lead to schools purchasing services directly that are currently

provided through the HNB. This will impact financially on the schools to maintain the support they currently receive.

3. Local Authorities can continue to transfer up to 0.5% of the schools' block to other blocks in the DSG, with Schools Forum approval. The LA has never requested a transfer from the schools' block to the HN block, and it was reported at 8 November 2021 meeting, that the Authority will not be requesting a transfer for 2022/23. This is also a short-term solution as this option will not be available once the Hard Funding Formula is finalised which will be 2024/25 at the earliest.
4. Schools are asked to look at their pathways and structures to accommodate the pupils that the LA wishes to place. This will impact on both schools and the HNB funding but could be partly funded by reducing out of borough placements.

## **11. HNB Capital Allocations**

- 11.1 The recent announcement allocated Sandwell £1.48m and there is a carry forward of £0.6m from the SEND capital allocation.
- 11.2 Some capital expenditure will be required to go through Cabinet for approval so may result in a delay in starting the projects. This will mean that buildings/adaptations will be completed but the places not fully utilised until phased transfers in September 2023 as phased transfers for September 2022 need to be finalised by February 2022.
- 11.3 The implications of this means that some pupils will still be placed out of borough into independent schools in the intervening period.

## **12. Other Considerations**

- 12.1 The basic entitlement factor in the HNB is increased to account for increases in special schools/academies at approximately £4000 per place. Therefore, there will be some guaranteed increases in the HNB funding from 2023/24 onwards.
- 12.2 A budget for 12 places at Westminster SPI has been included in the cash flow projections. This is a new initiative to support pupils post 19 into work/apprenticeships. This pilot scheme started on 1 September 2021 and is due to be reviewed shortly. If the pilot does not continue this will result in a saving in the HNB.

**13. Recommendations**

- 13.1 That Schools Forum note the contents of the report, the risks involved and the impact of not expanding specialist places in borough.
- 13.2 That Schools Forum consider the options presented and provide a decision on which ones will be implemented.

Date: 30/11/21

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