

READING BOROUGH COUNCIL
REPORT BY FINANCIAL SERVICES

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| TO: | Reading Schools Forum | | |
| DATE: | 14 th December 2017 | AGENDA ITEM: | 6 |
| TITLE: | High Needs Block (HNB) update | | |
| SERVICE: | Education & Children's Services | WARDS: | All |
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1. PURPOSE AND SUMMARY OF REPORT

- 1.1 To provide an update to Schools Forum on the progress made against the actions agreed at the meeting on 19th October 2017.

2. RECOMMENDED ACTION FOR SCHOOLS FORUM

- 2.1 To note the progress made against the agreed actions from the previous meeting.
- 2.2 To consider the feedback from schools on the consultation to move 0.5% of the schools block to the High Needs Block.
- 2.3 To approve the movement of 0.5% of the Schools Block to the High Needs Block in 2018.

3 POLICY CONTEXT

- 3.1 The Council has strategic aims to establish Reading as a learning city and a stimulating and rewarding place to live and visit, to promote equality, social inclusion and a safe and healthy environment for all. Education and the funding of education is a key factor in the achievement of this aim.

4 BACKGROUND

- 4.1 At the Schools Forum meeting on 19th October, the Schools Forum received a report on the High Needs Block (HNB) of the Dedicated Schools Grant (DSG) outlining:
- a breakdown of the actual and forecast spend against each line of the HNB;

- the detail of the numbers of pupils supported by each element where available;
- key issues;
- next steps.

4.2 It was agreed that the Schools Forum would receive an update at each meeting regarding the progress of the work.

4.3 The following next steps were agreed to be taken forward by the Strand 1 Working Group of the SEND Strategy Board. Schools Forum members are part of this working group.

- 1) Consider whether early years functions should be funded from early years block.
- 2) Review possible additional sources of income to support High Needs Block functions and ensure all elements meet requirements of School Funding Regulations.
- 3) Review specialist provisions including funded projects taking into account occupancy, and alternative models of delivery.
- 4) Using developed templates, write SLAs and monitoring frameworks for all provisions and commissioned services.
- 5) Strand 3 of the SEND Strategy are focusing on operational models for outreach and school to school support, starting with ASC and SEMH, taking account of current gaps, including those identified in secondary.
- 6) Carry out benchmarking review with other Local Authorities of top up funding for specialist places, to include banding descriptors/admissions guidance.
- 7) Using data report identify which elements we need to consider stopping, reducing or increasing and where we need to focus resources.
- 8) Review all external placements and consider development/changes to Reading provision to meet needs more locally.
- 9) Seek clarification on SALT contract.
- 10) Write SLAs for all commissioned services and specialist provision which include clear reporting mechanisms.
- 11) All new contracts and retendered contracts will ensure tight clear specification, service level agreements and contract monitoring, including financial monitoring.

5 UPDATE ON PROGRESS MADE

5.1 Consider whether early years functions should be funded from early years block. The Council is currently working to ensure that the correct functions are funded from the right blocks and budget sources. Functions will be funded from the correct blocks for 2018/2019.

5.2 Review possible additional sources of income to support High Needs Block functions and ensure all elements meet requirements of School Funding Regulations.

There are two central posts that should not be funded from HNB or DSG. The SEND Adviser post is vacant. If it is deemed as a necessary requirement in the future funding would need to be secured from buy back. We will also look at alternative models of delivery, including commissioned school to school support. The SEND Manager post should be funded centrally and will be from 2018/2019. We are reviewing all complex cases to see where there may be some that should be jointly funded.

5.3 Review specialist provisions including funded projects taking into account occupancy, and alternative models of delivery.

Visits have now taken place to all schools with a specialist provision or receiving funding for a project. A meeting has been held with Baylis Trust at Reading Girls' School 4th Oct where it was mutually agreed to terminate the arrangement at the earliest possible date. A consultation has been carried out with affected staff and it is expected to terminate at the ends of the Autumn Term 2017. The number of places at Highdown for VI pupils has been agreed to be reduced from September 2018 to take account of historic and expected occupancy levels. We have increased the numbers of places required from Blessed Hugh ASC Resource and The Avenue School to align with forecast demand. We are currently reviewing occupancy levels at all maintained schools with provisions and projects, as well as the type and level of needs of pupils that are currently accessing these. A summary report of findings is being produced which will include recommendations for next steps.

5.4 Using developed templates, write SLAs and monitoring framework for all provisions and commissioned services. This has been combined with actions 10 and 11.

The contract/SLA and performance monitoring framework for Cranbury College has been drafted and is being discussed with the school. The Contracts/SLAs for other areas will be completed by the end of March 2018. Schools Forum will receive an annual report of commissioned contracts funded by High needs Block in future.

5.5 Strand 3 of the SEND Strategy are focusing on operational models for outreach and school to school support, starting with ASC and SEMH, taking account of current gaps identified in secondary years.

This work is underway. Secondary schools visited have asked if the Council could facilitate a secondary SENDCo Forum where best practice could be shared. Initially this will be facilitated by the Council.

5.6 Carry out benchmarking review with other Local Authorities of top up funding for specialist places, to include banding descriptors/admissions guidance.

An email has been sent to Heads of School Finance lads and Heads of SEND across the region. Responses are currently being collated.

5.7 Using the data report identify which elements we need to consider stopping, reducing or increasing and where we need to focus resources.

An Action Plan has been developed taking account of the agreed actions and is being amended as the working group interrogated the data and information being collated.

5.8 Review all external placements and consider development/changes to Reading provision to meet needs more locally.

This work is underway.

5.9 Seek clarification on SALT contract.

All Berkshire Authorities appear to be funding the majority of the SALT Contract. The Strand 1 Working Group has requested that schools are surveyed to determine what schools are commissioning directly themselves in addition to those being provided in on order to review what is required. This has been drafted and will also include some questions from the Strand 3 Working Group.

6. Consultation on movement between the Schools Block and the High needs Block

- 6.1 The DfE have stated that from 2018/19 the Schools Block allocation of the dedicated schools grant (DSG) will be ring-fenced to individual school allocations and approved growth fund expansion projects. The DfE has also indicated that the Local Authority (LA) can move - if required - up to 0.5% of the total Schools Block allocation into another block of the DSG. Any proposed movement of funding must be justified by the LA who are required to consult with all schools.
- 6.2 With the change in demographic across Reading there has been significant growth in the numbers of pupils supported by the High Needs Block over the last few years. In January 2012 there were 849 Statements of SEN, and in October 2017 there were 1126 pupils with either a statement or an Education, Health and Care Plan (EHCP), which is an increase of 33%. During that same period the High Needs Budget has increased from £16.4m in April 2012 to £17.4m April 17, an increase of only 6%.
- 6.3 The consultation was initiated on 5th December proposing to move 0.5% funding from the Schools Block to the High Needs Block. The **estimated** total of this movement is £425k although the final actual Dedicated Schools Grant figures will not be known until towards the end of December 2017. The outcome of the consultation will be reported to Schools Forum at the meeting on the 14th December.
- 6.4 Due to the implementation of the national funding changes from April 2018, Reading will receive over £2.5m extra funding within the schools block that will go towards the growth of schools and support the transition to the national funding formula by 2020 - 2021. This means that if the proposal goes ahead, schools will not see a reduction in the per pupil element of their budget.

7. NEXT STEPS

- 7.1 The Draft Action Plan for the Strand 1 Working Group has been attached as a background paper for information, and will be shared with Schools Forum on a regular basis.