

Agenda Item

Report Status

For information/note x
For consultation & views
For decision

Commissioning Unit

Report to High Needs Block –

Report Title: High Needs Block Budget projected position for 2020/2021,

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The purpose of this paper is to:

Set out the projected budget position for the High Needs Block 2020/2021.

Outline the pressure driving the financial position on the High Needs Block.

identify initial deficit recovery steps

For Information

1.0 Introduction

- 1.1 The primary purpose of this paper is to set out the current projected position for the High Needs Block (HNB) and to outline the contributory factors .
- 1.2 The HNB has been under pressure since its introduction in 2013. The purpose of the budget is to fund provision identified in a child or young person's EHCP (Education health and Care Plan) following a statutory assessment. Critically this responsibility includes young people from ages 0-25.
- 1.3 The national picture is one of insufficient funding (provided by Central Government) to meet the additional demands placed on Local Authorities. This has been a consistent message since the implementation of the SEND Reforms in 2014. The ESFA have provided additional funds to local authorities to alleviate some of the pressure faced.
- 1.4 Haringey received an additional £4.7 million pounds for the financial year 2020/2021. Bringing its total high needs allocation to £38.9 million.
- 1.5 The ESFA have communicated that a further allocation will be provided to Haringey for the 2021/2021 financial year. Early indication is that this figure will be £44.457 million. Confirmed is expected December 2020.

2.0 Current projected position for 2020/2021 High Needs Block.

- 2.1 Current projections are an additional overspend of £5.269 million from HNB for the 20/21 financial year.

High Needs Block (Grant Reserve Position)	
2020-21 DSG Budget Forecast @ P7	High Needs (£000)
C/Fwd	10,067
Transfer between blocks	0
Revised C/Fwd	10,067
Budget	38,929
Projected Expenditure	44,197
In Year Deficit (+) / Surplus (-)	5,269
Projected Deficit Carry Forward into 2021/22	15,336

Table 1 high needs block position and carried forward deficit

- 2.2 This will result in a total projected overspend of £15.336m. This deficit will carry forward for the high needs block into future years.
- 2.3 The drivers associated with increasing costs are consistent with previous updates.

Sector	Budget	Projected spend	Difference
Independent and non-maintained	£6,706million	£8,416million	1,710million
Special school place funding	£4,493million	£5,890million	1,396million
Mainstream top up	£5,111million	£6,080million	£968,859
Special unt top ups	£311,910	£1,935million	£1,624million
Further Education Top up	£3,250million	£3,737million	£487,699

Table 2 projected spend on most pressured budget lines

- 2.4 It should be noted that further work is required to finalise the funding levels for the FE sector. Expectation at this stage is that the position for this budget to become increasingly challenged.
- 2.5 We have continued to increase the number of places commissioned within our special schools to meet the increasing demand. We increased capacity by an additional 152 places over the last 5 years.

Setting	Places 2015	Places 2020
The Vale	99	106
Blanche Nevile	70	68
The Brook	100	110
Riverside (Including Learning Centre)	120	140
The Grove	42 (was Heartlands)	93
Haringey 6 th form	55	120
Mulberry	18	19
West Green	8	8
Total	512	664

Table 3 illustrates commissioned places in special schools.

- 2.6 It is important to note that all new places created through at the Grove Special school will be fully utilised by Sept 21. Work is being undertaken to

understand the impact of this for Sept 22. Current expectation is increased pressure at secondary stage transfer.

3.0 Understanding the landscape

3.1 Significant work has been undertaken to understand the drivers behind the increasing demand on the high needs block.

3.2 Data has been drawn from the SEN2 return to compare Haringey's figures with national data and other neighbouring boroughs.

Boroughs	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	Statements	Statements	Statements	Statements	Statements	Total Statements and Plan	Total Statements and Plan	Total Statements and Plan	Total Statements and Plan	EHC plans
Haringey	143	149	157	161	156	153	157	175	209	215
Hackney	136	138	144	152	159	173	183	199	203	214
Waltham Forest	145	147	151	150	150	155	154	152	183	204
Southwark	149	149	147	144	148	138	157	186	201	222
Lambeth	137	153	139	149	161	155	158	185	219	246
Lewisham	144	140	141	142	148	143	150	177	206	239
Enfield	111	110	110	113	120	121	122	167	190	214
Greenwich	141	136	128	129	127	123	131	146	169	174
Islington	125	119	120	120	127	116	122	129	139	154
Hammersmith and Fulham	104	105	106	113	117	131	141	137	156	191
Croydon	149	150	152	157	161	157	164	180	192	214
England	135	134	134	136	137	138	147	165	183	202

Table 4 (rates per 10,000 0-25 years old) of young people with an EHCP (sen2 data)

3.3 Certainly, when considering the data detailed in Table 4, this would suggest that Haringey has a higher proportion of plans per 10,000 than the national average.

3.4 The national figure being 202 per 10,000 against Haringey's 215. This higher proportion indicates why the borough's high needs block is so pressured.

3.5 It is important to understand this differential. This will form a clear line of enquiry when considering any mitigating actions to reduce the high needs deficit.

Boroughs	2010	2011	2012	2013	2014	2015	2016	2017	2018
	Statements	Statements	Statements	Statements	Total	Total	EHC plans	EHC plans	EHC plans
Haringey	17	18	19	21	19	12	17	21	28
Hackney	19	20	21	24	23	22	27	29	25
Waltham Forest	17	16	18	19	20	21	31	37	33
Southwark	16	16	15	17	13	18	25	24	27
Lambeth	26	18	25	23	20	16	25	30	31
Lewisham	13	19	17	14	17	12	24	29	68
Enfield	12	14	13	17	17	18	20	29	31
Greenwich	12	10	13	11	10	14	19	15	27
Islington	12	13	15	15	15	5	17	25	23
Hammersmith and Fulham	10	14	17	14	21	7	9	35	25
Croydon	20	20	18	21	21	19	23	26	28
England	15	16	17	17	16	16	21	24	28

Table 5 (rates per 10,000) children and new statement or EHCP by local authority, (sen2 national data)

	Under 5 years of age	Aged 5-10	Aged 11-15	Aged 16-19	Aged 20-25	Total
Haringey	7	68	73	49	19	215
Hackney	14	86	81	29	4	214
Waltham Forest	16	81	64	34	9	204
Southwark	8	74	71	52	18	222
Lambeth	11	85	86	52	12	246
Lewisham	5	79	83	56	15	239
Enfield	6	80	74	39	15	214
Greenwich	5	60	63	36	10	174
Islington	8	59	53	29	6	154
Hammersmith and Fulham	4	74	62	38	12	191
Croydon	9	76	78	43	7	214
England	8	67	72	44	11	202

Table 6 split of EHCP per 10,000 0-25 year olds. (SEN2 data)

3.6 When considering the split of plans against national figures by age group Haringey remains broadly in line with national data from 0-15.

3.7 It is at the point that a child turns 16 that deviation from the national figures become apparent.

3.8 This is particularly pronounced when considering the 20-25 cohort as we have a higher proportion than any another LA's illustrated within the data.

Year Group	Mar-19	Nov-19	Mar-20	Nov-20
Pre-School/Nursery	36	8	31	11
Infants - Recep	80	86	94	106
Infants - Year 1	93	99	103	105
Infants - Year 2	99	99	104	112
Junior - Year 3	106	113	121	115
Junior - Year 4	133	109	111	127
Junior - Year 5	111	146	149	118
Junior - Year 6	128	126	131	158
Secondary - Year 7	132	143	142	141
Secondary - Year 8	130	142	146	152
Secondary - Year 9	143	137	136	151
Secondary - Year 10	136	151	153	143
Secondary - Year 11	154	139	141	153
Secondary - Year 12	130	162	162	143
Secondary - Year 13	106	133	132	160
Beyond Year 13	365	463	461	562
Grand Total	2082	2256	2317	2457

Table 7 split of Haringey EHCP's by year group.

3.9 Table 7 illustrates the spread of EHCPs across the age range in Haringey. We are seeing year on year increase in the number of young people supported by a plan beyond year 13. This is reflective of the sen2 data in table 6.

4.0 Distribution of plans across the mainstream sector.

- 4.1 The local authority has been contacted by a number of head teachers over the last 6 months. They identify significant financial pressures relating to supporting learners with send.
- 4.2 3 schools who have requested a license deficit this year. These schools site SEND as a contributing factor to their financial position.
- 4.3 Work has been undertaken to understand the distribution of EHCP's across mainstream secondary and Primary provision within Haringey.
- 4.4 National data suggests that the average proportionality for EHCP's against the full school population should be approximately 3%.

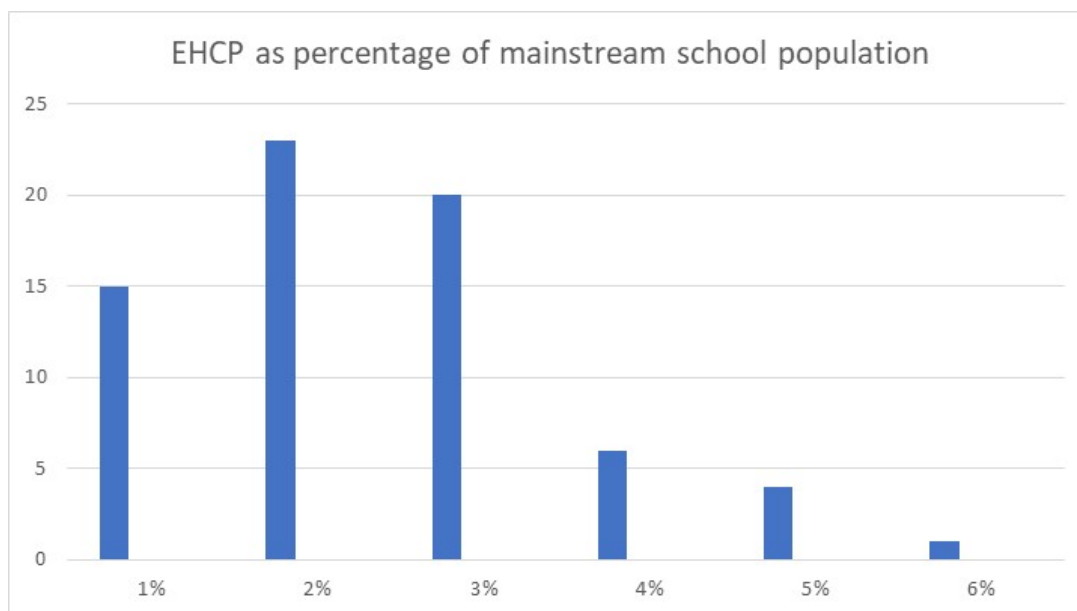


Table 8 number of schools with the percentage of EHCP against school population

- 4.5 Table 8 illustrates that 1 mainstream school has 6% of its school population with an EHCP, creating significant financial pressure for the school.
- 4.6 Of note 39 mainstream primary and secondary schools, more than half, have less than the recognised average of 3%.
- 4.7 Table 8 suggests that a small number of schools are taking a disproportionate amount of young people with an EHCP. Further examination is required to understand the drivers creating this uneven spread across the system.

5.0 Independent and non-maintained provision analysis.

- 5.1 Analysis has been undertaken to better understand the cohort of children and young people accessing independent and non-maintained provision.
- 5.2 The 50 most expensive placements will be analysed to inform next steps.
- 5.3 These 50 placements account for £5,951 million of the high needs spend, with an average cost of £119k per annum.
- 5.4 Only 17 of these placements were residential placements.
- 5.5 These 17 residential placements currently cost the LA £3.56 million.
- 5.6 9 placements are for young people with ASD with an average cost of £264k cost pr annum and 7 placements are for young people with SEMH with an average placement cost of £194k cost per annum.
- 5.7 The 1 remaining placement is for a young person with severe learning disabilities and was secured following tribunal decision.
- 5.8 The remaining 33-day placements currently cost the LA £2,38million. Of this group 23 have ASD with an average placement cost of £76k and 7 have SEMH with an average placement cost of £64k.
- 5.9 This initial data clearly illustrates that it is vital that Haringey explores options to develop in house provision to meet the ASD and SEMH cohorts of young people currently accessing independent provision.

6.0 Deficit recovery.

- 6.1 It must be recognised that there is no single line of focus when considering the borough's deficit recovery. The solution has to be many faceted.
- 6.2 Work has commenced to develop a workstream to robustly address Haringey's deficit recovery plan to submit to the DofE.
- 6.3 These are the key areas of focus:
 - **SEND Support** – the development of core standards to ensure that all children and young people receive a consistent offer at all schools within Haringey.
 - **Focused piece of work on the 20-25 cohort** – the data and analysis detailed in table 6 requires further understanding to articulate the tasks required to reduce this number in line with national figures.
 - **Review of the high needs funding system** – it must be recognised that this piece of work is unlikely to secure any short-term savings. However, the development of a responsive and transparent system will ensure clarity and confidence across the system.
 - **Consideration for the development of further provision within Haringey** – a heavy reliance on local independent sector provision for two categories of

need certainly supports the development of further local provision to meet the needs of children and young people with ASD and SEMH.

- **Sufficiency planning** – the need to effectively understand growth and need across the system to ensure effective planning and remove the position where the LA is required to utilise independent provision as we have sufficient provision in Haringey.
- **AP review** – the development of nurture hubs to provide early intervention to children at an early stage in their educational journey. To explore the possibility of developing Haringey SEMH specialist provision. To bring in house current provision delivered by the private sector for children and young people with EHCPs.

Further updates will be provided to Schools' Forum focusing on the specific areas identified in the deficit recovery plan.