

Schools Forum			
REPORT TITLE	High Needs Sub Group Report - Annual Report		
KEY DECISION	Yes	Item No.	7
CLASS	Part 1	Date	10 December 2015

1. Purpose of the Report

To consider the recommendations of the High Needs sub group and to consider the high needs funding block for next year.

2. Recommendation

1. That the Schools Forum agree		Work stream	Report Ref*	Saving	
				2016/17	2017/18
a	That all commissioned places in Lewisham Special Schools and Resource Bases(resource base places are currently under review) are taken up in full or the number of commissioned places reduced. (with effect from September 2016)	A	4	400	700
b	That the core budget for CLA Education should remain at £0.479m for 2016/17. This includes the former headroom funding for Children Looked After but excludes the pupil premium.	Ei	8	0	0
ci	To cease the funding on the website from April 2016 saving £0.05m in 2016/17 annually	Eii	9	50	50
cii	To note the efficiency saving on the website in year of £0.02 in 2015/2016	Eii	9	0	0
ciii	The closing the gap budget be reduced to £0.05m from April 2015	Eii	9	50	50
d	The contribution of £0.1m to CAMHS be ceased from Sept 2016	Eiii	10	58	100
e	To cease the contribution to secondary schools for attendance and welfare from April 2015(£0.169m).	E iv	11	169	169
f	To agree to the continuation of the work of sub group for the foreseeable future	n/a	16	n/a	n/a
g	To agree the revised constitution of the High Needs Sub group	n/a	16	n/a	n/a
2. That the Forum note the work and that the following reports will be brought					

back in March						
	a	The SEN banding review workstream will report back to the High Needs Group in February and their report will be brought to the Forum meeting on 17 March for a decision to be made.	B	5	0	0
	b	The work on the proposals to secure reductions of 20% to 30% (£395k in a full year) in the Alternative Education Provision budget of £1.6m with effect from September 2016 with a report in March for a Forum decision.	D	7	230	395
	c	Drumbeat support funding				
	ci	Review the central funding provided to Drumbeat for outreach to ensure the outcomes required are being delivered and the funding is spent appropriately.	E v	12	n/a	n/a
	cii	Review the Family Support function (£0.3m) including alternative forms of funding with effect from April 2016.	E v	12	300	300
3. The Forum ask officers to seek the views of schools on the following and report back at the meeting in January 2016						
	a	To no longer provide low level, high incidence funding to school collaboratives of £2.0m from September 2016.	C	6	1,200	2,000
		Total			2,457	3,764

*** High Needs Sub Group Report – see Appendix 1to this report**

3. Dedicated Schools Grant - High Needs Block Forecast 2016/17

- 3.1** The level of funding that will be available to the Local Authority next years is difficult to predict.
- 3.2** During December the DFE expects to announce the allocations of the high needs block element of the DSG to all local authorities.
- 3.3** There has been a bidding process for Local Authorities to seek extra resources for increases in pupil numbers, but this only covers FE Colleges and academies. We have sufficient commissioned places in these areas and no bid was possible. It is assumed that no extra resources will be received and the amount received last year will not have inflation added.

4. High Needs Block Expenditure Estimate for 2015/16

The Local Authority is currently producing an updated SEND strategy, in light of the reforms, and one aspect of this will be to ensure that there is suitable provision in the borough which is more appropriate to needs, which would reduce the use and cost of out of borough placements.

- 4.1** The current forecast indicates a spending pressure of £2.9m on the High Needs Block in 2015/16. This grows to £4.1m in 2016/17. This allows for growth in pupils numbers and accounts for inflation.
- 4.2** If no measures are taken to contain the growth in pupil numbers, together with inflation this would increase the shortfall in 2017/18 by £1.5m and total savings required would be £5.6m
- 4.3** There is a carry forward on the DSG from 2014/15 of £2.2m which can be used to offset part of this year's overspend. This leaves a balance of £0.7m, if the devolved funding to secondary schools for attendance and welfare is stopped from April 2015 this would leave a balance of £0.5m to be found. This could be charged to the schools contingency but would need Forum approval. An alternative would be to reduce the schools budgets in 2016/17.
- 4.4** The Forecast for growth within the budget covers
- 10 extra children each month with Education, Health and Care Plans
 - 9 extra special school pupils
 - 1 extra FE pupil per month
 - 10 extra placements in the independent sector
 - 2 children in post 16 specialist provision
 - It provides for inflation on independent placements

The challenge will be to provide the most cost efficient placements that also meet the needs of the children. The budgets for the funding are set as follows:

	Budget 2015/16	Proposed Reduction (Full year)	Revised Budget
	£m	£m	£m
Place Planning	28.0	0.70	27.3
SEND Banding Review	5.50	0	5.50
Collaborative Budgets	2.00	2.00	0.00
AP Review *	6.70	0.40	6.30
Other DSG allocations			0.00
CLA Education	1.60		1.60
Closing the gap	0.15	0.10	0.05
CAMHS	0.10	0.10	0.00
Attendance and Welfare	0.20	0.20	0.00
Drumbeat	0.80	0.30	0.50
Income streams	-0.40		-0.40
Total	44.65	3.8	40.85

*includes budgets of New Woodlands and Abbey Manor College

The work group considered all aspects of the High Needs Block and both their report and a summary of the workstreams are shown in appendix 1 and 2.

5 Conclusion

- 5.1** The financial constraints that the public sector is operating under are not expected to ease over the next few years. The problem faced by the high needs block is that the growth in expected pupil numbers is higher than the general growth in the pupil population, partly reflecting the SEN reforms. It is believed nationally that the level of funding will be capped or only a small amount of growth allowed for. The planned review of funding of the high needs block could result in a likely redistribution of resources amongst authorities though at best the level of resources is likely to be cash frozen over the next few years.

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