

Item	<b>High Needs Funding Block</b>
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## 1 Introduction

This report aims to achieve the following:

1. Detail the projected 2017-18 outturn position against the budget.
2. Provide analysis of the key pressures seen in 2017-18.
3. Detail proposed budget for 2018-19.
4. Recommend options to achieve a balanced budget for 2018-19.
5. Provide a summary of the SEND place planning review.

1.1 The overall projected position for the High Needs Block 2017-18 is as follows:

Budget £m	Projected Outturn £m	Variance £m
44.061	45.124	1.063

- There were two primary drivers that contributed to this variance. The first of these was the increase in the numbers and complexity of pupils in special schools. The second driver was the increase in places and costs for post 16 students including the expansion of the age range to include 19-25 High Needs pupils.
- This additional expenditure in 2017-18 is being funded from reserves which exist as a result of careful financial management and the stripping out of specific SEN contingencies in previous years.

1.2 The analysis of the key pressures is broken down into the following sections:

- Special schools;
- Additional Resourced Provision;
- Post 16;
- Mainstream schools;
- Out of borough schools;
- Independent schools.

1.3 In addition, as appropriate, the report includes a narrative to describe mitigating actions that are proposed to achieve a balanced budget for 2018-19.

## 2 Special Schools

Special School Bandings in 2017-18 in £s:

	Band	Band	Band	Band	Band
Special Schools	E1	E2	E3	E4	E5
	£	£	£	£	£
<b>Base place rate - annual</b>	10,000	10,000	10,000	10,000	10,000
<b>Secondary top-ups - annual</b>	6,382	8,935	15,318	25,530	38,295
<b>Primary top-ups - annual</b>	5,802	8,123	13,925	23,209	34,813
<b>Acorn place rate (FTE) - annual</b>		18,123	23,925	33,209	

Note: Acorn is an assessment centre for nursery children with SEND based at Oakleigh Special School.

The 2018-19 banding rates for Special Schools will remain the same as 2017-18.

Special School Top Up Funding			
Special School Funded Place Numbers	2017/18 Funded places	2018-19 Funded places	Change Funded places
<b>Oakleigh (includes 24 ACORN places)</b>	106	106	0
<b>Oak Lodge (includes Post16 places)</b>	180.83	190.83	10
<b>Mapledown (includes Post16 places)</b>	78	78	0
<b>Northway</b>	105.83	110	4.17
<b>Oak Hill</b>	37.92	40	2.08
<b>Total places</b>	<b>508.58</b>	<b>524.83</b>	<b>16.25</b>
<b>Top Up Funding £m</b>	<b>£6,579</b>	<b>£6,796</b>	<b>£0.217</b>
<b>Top Up Average Cost/Place £</b>	<b>12,936</b>	<b>12,948</b>	

- 2.1 For 2017-18 the places in special schools increased by 20. Northway School and Oak Lodge School places both increased by 10 in September 2017.
- 2.2 The special school budget for 2017-18 was under-estimated. The combination of this, increased places and increased complexity of need contributed to a pressure of £610,000.
- 2.3 From September 2018, Oak Lodge School will increase by a further 10 places at pre-16.
- 2.4 Elements of the additional expenditure projected for 2018-19 will be offset by the increased High Needs pupil numbers on the census data and the introduction of the High Needs Funding Formula.
- 2.5 The strategy to provide additional specialist places in Barnet schools in order to ensure a sustainable offer for Barnet pupils will continue. This will reduce the requirement to commission as many places in schools outside of Barnet.

### 3 Additional Resourced Provisions (ARPs)

Agreed ARP places			
School	ARP type	ARP (Pre-16) places 17-18	ARP (Pre-16) places 18-19
CHILDS HILL SCHOOL	ASD	13	13
COLINDALE PRIMARY SCHOOL	PD	9	9
COPPETTS WOOD PRIMARY SCHOOL	SPL	9.67	6.83
COPPETTS WOOD PRIMARY SCHOOL	ASD	1.17	3.17
LIVINGSTONE PRIMARY AND NURSERY SCHOOL	ASD	14	14
SUMMERSIDE PRIMARY ACADEMY	HI	11	11
THE ORION PRIMARY SCHOOL	ASD	16.75	16.75
BROADFIELDS PRIMARY SCHOOL	ASD	24	24
WHITEFIELD SCHOOL	PD	3	4.17
HENDON SCHOOL	ASD	21	21
HENDON SCHOOL	HI	20	20
JCOSS	ASD	36.83	35.42
LONDON ACADEMY	SPL	18	18
		<b>197.42</b>	<b>196.33</b>

- 3.1 There are two additional ARPs planned for 2018-19. Both of these remain subject to public consultation. The first of these is proposed to be located at Chalgrove Primary School. It is intended that this will provide for pupils with Autistic Spectrum Conditions (ASC). The second is proposed to be located at Whitefield School (a secondary Academy). It is also intended that this will provide for pupils with ASC. This will represent a change in specialism for the school from supporting pupils with physical difficulties to ASC.
- 3.2 Coppetts Wood Primary School is currently transitioning its designation from speech and language to ASC. This has been in response to the growing demand for places in this area of need.
- 3.3 Elements of the additional expenditure projected for 2018-19 will be offset by the increased High Needs pupil numbers on the census data and the introduction of the High Needs Funding Formula.
- 3.4 For 2018-19, the Complex Needs Panel will be required to apply the funding thresholds and criteria with less flexibility than has been possible in previous years.
- 3.5 As a result of implementation of the National Funding Formula, ARP pupils now receive 'core' per pupil funding through the Schools Block formula and the new (Element 2) funding of £6,000 per place; this means ARP pupils are being funded in excess of the £10,000 place funding that schools received in 2017/18.
- 3.6 In 2017/18 schools received £10,000 place funding, notionally consisting of £4,000 Element 1 funding plus £6,000 Element 2. The new arrangements for 2018/19 are that the Element 1 funding is now covered by the school funding formula, meaning schools receive greater than the £4,000 received in 2017/18 – ranging from £4,100 to £4,500 for primary ARPs, £6,000 to £6,500 for Secondary ARPs. Element 2 remains at £6,000 for all occupied ARP places.
- 3.7 Going forward, it is proposed to harmonise the top ups for ARPs by specialism. This will achieve a more equitable set of funding arrangements. At present, schools with provisions for the same presenting needs of pupils receive different top up rates. It will be proposed that the harmonised top up rates take account of the increase in core funding and offset this to ensure the total allocations

remain broadly consistent, assuming the same pupil numbers in ARPs. This will ensure there is parity for schools that are providing support for pupils with the same level of need.

- 3.8 Total allocations for existing ARPs (£5.38m) through formula funding, Element 2, and revised top up values will be in line with the total funding allocated in 2017-18, but there will be some movement in funding between ARPs. It is proposed that this approach be phased in over a period of 2 years with full implementation from April 2020. The consultation on this process will begin in April 2018. The phased implementation of the changes will start in September 2018.

## 4 Post 16

### Post 16 Top Up Funding

	2017-18	2017-18	2017-18	2018-19
	<b>Budget</b>	<b>Forecast</b>	<b>Variance</b>	<b>Budget</b>
Setting Type	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>FE Colleges</b>	2.200	2.852	0.652	3.150
<b>Independent Service Providers</b>	0.850	0.702	(0.148)	0.702
<b>Total Post 16 Top Up Funding</b>	<b>3.050</b>	<b>3.554</b>	<b>0.504</b>	<b>3.852</b>

	2017-18	2018-19	2018-19
	<b>Place Numbers</b>	<b>Forecast Place Numbers</b>	<b>Cost per place £</b>
Setting Type			
<b>FE Colleges</b>	234	269	11,710
<b>Independent Service Providers</b>	25	22	31,909
<b>Total Post 16 Place Numbers</b>	<b>259</b>	<b>291</b>	

- 4.1 The number of commissioned places in 2016-17 was 234. This was increased to 259 in 2017-18.
- 4.2 The proposed number of commissioned places for 2018-19 is 291.
- 4.3 For 2018-19, there are a number of actions that are proposed in order to mitigate the pressure on the High Needs budget. These include:
- A revised set of commissioning arrangements with Barnet and Southgate College. This will include the implementation of banding.
  - A value for money project focused on Independent Specialist Providers.
  - Ensure annual reviews are carried out for all year 9 students to ensure that provision in their Education, Health and Care Plan is accurate.

## 5 High Needs Places in Barnet Mainstream Schools

### Barnet Mainstream Schools Funding

	Budget	Outturn	Variance	Budget	Change from outturn
Setting Type	2017-18	2017-18	2017-18	2018-19	
Primary Mainstream Schools - £m	5.358	5.247	(0.110)	5.381	0.134
<b>Places</b>		681		703	
<b>Average/Place £</b>		7,705		7,654	
Secondary Mainstream Schools - £m	3.721	3.772	0.051	3.714	(0.058)
<b>Places</b>		457		434	
<b>Average/Place £</b>		8,254		8,558	

- 5.1 In order to achieve a balanced budget for 2018-19, a number of budgets have been reviewed. The first of these is the Exceptional Needs budget. This has been allocated for pupils with high needs that come into Barnet in-year and approximately £0.110m has been allocated from this budget in 2017/18.
- 5.2 The other budget in this area that has been reviewed is known as Medical Pathway funding. This has been allocated for pupils with medical needs that may impact on their ability to access education.
- 5.3 In 2018-19 separate budgets will not be available for Exceptional Needs and Medical Pathway. Instead, funding will be directed into EHC plans with all cases being evaluated through this established assessment process.
- 5.4 Mainstream funding is based on the allocated top up band on a per pupil basis. Each band is based on the number of hours of support needed and identified on the EHCP.
- 5.5 The average cost is the current spend divided by the number of children.
- 5.6 The mainstream bands can be seen in the tables below:

	Band	Band	Band	Band	Band	Band
Statements / EHCPs in Mainstream	A	B	C	D	E	F
Nursery children - 15 hours - annual	8,558					
Top-up rate - annual	2,432	5,285	8,137	10,990	13,843	16,695

	Band	Band	Band	Band	Band	Band	Band	Band
Statements / EHCPs in Mainstream	G	H	I	J	K	L	M	N
Nursery children - 15 hours - annual								
Top-up rate - annual	19,548	22,401	25,253	28,106	30,959	33,811	36,664	8,558

## 6 Placements in Other Local Authorities' Provision

### Out of Borough School Top Up Funding

Setting Type	Budget 2017/18	Outturn 17/18	Variance	17/18 FTE Places	2017/18 Average cost	Proposed Budget 2018/19	18/19 FTE places	2018/19 Average cost
	£'000	£'000	£'000		£	£'000		£
Maintained Primary	494	413	-80			413	43	9,615
Maintained Secondary	341	536	195			536	58	9,246
Maintained Special	798	774	-24			774	44	17,580
Academy Primary	66	66	0			67	7	9,460
Academy Secondary	206	335	129			335	43	7,786
Academy Special	183	127	-55			127	13	9,804
Total Out of Borough Top up Funding £m	<b>2,088</b>	<b>2,252</b>	<b>164</b>	<b>208</b>	<b>10,826</b>	<b>2,252</b>	<b>208</b>	<b>£10,826</b>

- 6.1 The pressure in this area is illustrative of the need to continue to increase the number of specialist places in Barnet schools. The need to commission places in schools outside of Barnet is primarily triggered by either the lack of suitable places or parental preference for a non-Barnet school.
- 6.2 With increased provision in Barnet special schools, and reduced reliance on Out of Borough provision, we are projecting similar expenditure in 2018-19 to 2017-18.

## 7 Placements in the Independent and Non-Maintained Special School Sector

### Independent and Non Maintained Top Up Funding

	Budget 2017/18	Outturn 17/18	Variance	Proposed Budget 18/19	No of FTE	Average cost Budget 18/19
Setting Type	£m	£m	£m	£m		£
Independent Special School Residential	2,196	1,786	-411	1,550	18	86,111
Non Maintained Special School Residential	605	504	-102	504	7	71,930
Nurseries	40	46	6	40	5	8,000
Independent Mainstream	1,462	1,431	-31	1,400	57	24,561
Non Maintained Special School Day	504	488	-16	580	8	72,495
Independent Special School Day	3,104	3,354	250	3,320	82	40,509
Total	<b>7,912</b>	<b>7,609</b>	<b>-£303</b>	<b>£7,394</b>	<b>178</b>	<b>£41,774</b>

For comparison purposes, the 2017/18 Place numbers and average cost by school type is shown below:

Setting Type	2017/18 Place numbers	2017/18 Average Cost £
<b>Independent Special School Residential</b>	18	99,222
<b>Non Maintained Special School Residential</b>	8	61,000
<b>Nurseries</b>	3	15,333
<b>Independent Mainstream</b>	65	22,015
<b>Non Maintained Special School Day</b>	7	72,000
<b>Independent Special School Day</b>	90	37,267
<b>Total Place Numbers</b>	191	39,838

- 7.1 During 2017-18, the effects of the Tripartite Panel can be seen. This panel, made of SEN officers, social care staff and health service representatives, is responsible for funding decisions for children and young adults who require residential and high cost placements. Funding contributions are agreed across education, health and social care.

This panel has significantly reduced the cost to all services. This has enabled the budget in this area to reduce. We are projecting further reductions in the 2018-19 budget as a result of continued Tripartite arrangements.

- 7.2 During 2018-19, further value for money activity will target the costs of placements in Independent Day schools.

## 8 PRUs

The commissioned place numbers at Barnet PRUs in 2017-18 and proposed for 2018-19 are:

Pupil Referral Units	2017/18 place numbers	2018/19 place numbers
<b>Pavilion</b>	116.58	117
<b>Northgate</b>	10	10
<b>Orion</b>	3	3
<b>Danegrove</b>	3	0
<b>Assessment places</b>	0	3 To replace Danegrove places

The 2017-18 PRU top up rates are shown below. These are currently under review and further information on revised rates will be discussed and agreed with the PRUs and will be referred to Schools Forum at the next meeting.

Pupil Referral Units	Northgate	Pavilion HHTT*	Pavilion PRU	Danegrove	Orion
<b>PRU place rate - annual</b>	10,000	10,000	10,000	10,000	10,000
<b>Hospital place rate- annual</b>	17,017	11,742			
<b>PRU top-up rate - annual</b>	201	2,900	8,805	7,076	7,076

- \*HHTT: Hospital and Home Tuition Team, working with children and young people 5-16 with medical needs preventing their attendance at school.

All Local Authorities have been required to carry out a review of their SEND provision. The purpose of this review is to ensure that there will be sufficient places for children with SEND over the coming years. A summary of this review is included in this section.

In June 2016, the Council's Children, Education, Libraries and Safeguarding Committee considered the outcome of consultation and engagement with schools, parents and key partner organisations on a series of options to meet the future need for school places for children and young people with SEND. A full report of the assessment of need and the consultation can be found at:

<http://barnet.moderngov.co.uk/documents/s32465/The%20future%20provision%20of%20specialist%20places%20for%20children%20and%20young%20people%20with%20Special%20Educational%20Needs.pdf>

As a result of this consultation, a proposal to open a new all-through free special school for 90 children and young people with an autism spectrum condition (ASC) was submitted to the Department for Education by Oak Lodge special school (which converted to an Academy on 1 January 2017), with the full support of the council. This new free school – known as The Windmill -, was approved for opening and the Council is working with the DfE to identify a site for the new free school.

In planning future provision to meet the needs of children and young people with SEND, projections for the number of new places required takes account of the following factors:

- Demographic and housing changes, e.g. birth rate, migration patterns, new build housing
- The requirement to maintain more Education, Health and Care Plans for young people between the ages of 16 and 25 as required by legislation
- The local ambition to reduce the numbers of pupils placed in out-borough provision both to reduce unnecessary costs and to improve the experience of the pupils
- The increasing numbers of pupils in mainstream schools that require more specialist provision at the secondary phase
- The need to accommodate the current bulge in the primary phase moving into the secondary phase.

Additional detail on the sufficiency strategy include:

- The expansion of Oak Lodge Special School was completed in July 2017 providing additional capacity for up to an additional 40 children with special educational needs and/or disabilities.
- In February 2017, Kisharon School, an independent all-through special school with a Jewish ethos, was granted planning consent to proceed with the construction of a new school on its current site. This will enable the school to expand its provision.
- For September 2017, new provision was commissioned from Oak Lodge school and located on its current site for children with ASC working at a higher level than the majority of pupils at the main school therefore requiring a specialist and tailored curriculum.
- Coppetts Wood additional resourced provision (ARP) which is currently designated to cater for children with speech and language needs is being re-commissioned to focus on the needs of children with ASC, transition will commence in September 2018.
- Oak Hill Additional Resourced Provision separated from Mill Hill County High School Academy Trust to become Oak Hill Special Academy in March 2017 under the new AP Barnet Multi-Academy Trust (MAT), which has been established by a partnership of Barnet Academies to provide a range of alternative provision and school places for pupils with Social, Emotional and Health Difficulties. The Pavilion Pupil Referral Unit and Northgate School are expected to convert to Academies and join the MAT once building issues have been resolved at their existing sites.
- Additional places for young people with learning difficulties (LDD) and/or disabilities are being created at Barnet and Southgate College in their LDD provision at the Southgate campus, helping to meet the rise in this cohort of young people.



### **The need through to 2025**

The Windmill Free School will provide 90 places. In addition, current projections indicate a need for around 125 additional specialist places by 2025 across the primary, secondary and post-16 phases of education.

The government is making a one-off pot of capital investment funding available to local authorities in recognition of the need to provide more school places for children with SEND. Barnet's allocation is about £3m across 2018/19 to 2020/21 (£1m each year). This provides an opportunity to devise a further investment programme to meet the shortfall.

To deliver the aim of the strategy for services to be delivered locally and as inclusive and close to home as possible, the approach to commissioning future provision is to aim for children and young people to be able to go to a suitable local school. SEND needs in Barnet schools can be met in mainstream classes in mainstream schools or in ARPs in mainstream schools or in special schools.

The Windmill special free school (see above) will provide a brand new special school resource for the borough. In order to maintain a mix of provision across special schools and mainstream schools and colleges, and thus to meet different types of need and to offer some choice to parents, it is proposed to meet the remaining need through:

- Approximately 15 places through 1 more Additional Resourced Provision (ARP) in the primary phase.
- Approximately 50 places through 2 more Additional Resourced Provisions (ARPs) in the secondary phase.
- Approximately 60 additional specialist places in school sixth forms and local colleges.

## **10 Recommendations**

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The recommendations are as follows:

- viii. To approve the proposed place numbers to be commissioned for 2018-19.
- ix. To agree to the proposed approach towards ARP top up values.
- x. To note and approve the draft HN budget as shown in Appendix C.
- xi. To note the outcome of the SEND Review and the specific plans for meeting needs through to 2025.