



Schools Funding Forum 14th September 2017 ITEM 6

Subject Heading:

High Needs Funding

Report Author:

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Eligibility to vote:

All members

SUMMARY

This report summarises the forecast expenditure in 2017-18 from Havering's DSG allocation from the DSG (Dedicated Schools Grant) High Needs.

RECOMMENDATIONS

That the Schools Funding Forum notes the forecast position on High Needs expenditure for financial year 2017-18 and notes the range of pressures that are to be addressed within the High Needs review.

REPORT DETAIL

Funding in support of high need provision is funded to local authorities through the High Needs Block of the Dedicated Schools Budget (DSG). An allocation is made for all provision for Havering pupils but a proportion is then recouped for provision made through non maintained special schools, 6th form colleges and academies.

Havering's allocations in the last four years has been as follows:

	2014-15 £m	2015-16 £m	2016-17 £m	2017-18 £m
Initial allocation	18.874	18.981	19.485	22.698
Recoupment	0.716	1.075	2.581	3.581
Available funding	18.158	17.906	18.304	19.117
Spend	17.910	18.728	18.225	19.304
Spend vs Budget	(0.248)	0.822	(0.079)	0.187

The allocation in 2016-17 includes £1.4m that was transferred into the High Needs Block from the Schools and Early Years Blocks to meet increasing costs and prevent overspend.

The funding available from High Needs allocations needs to be used to support Havering's draft LA High Needs Strategy which sets out the vision for SEND provision and services for young people aged 0 – 25 years.

The forecast expenditure as at September 2017 is for an overspend of £187k against a high needs block DSG allocation of £19.1m. Appendix A provides a further breakdown.

The annual allocations of high needs funding to the LA in the above table are based on a methodology that relates to expenditure on high needs from 2012-13 and has not been adjusted by the DFE to meet changing levels of need. As part of the national funding formula proposals, the DFE intends to distribute high needs funding to local authorities according to a formula. 50% of this formula will again be based on historical spend, 25% on population and the remaining 25% on a range of deprivation factors. Based on the application of this formula to 2015-16 data Havering would receive an increase in funding of 8.2% but the proposal also include a cap of 3% which would limit the additional funding received. It is estimated that the new formula would provide an additional £600k of funding.

There are, however, a number of competing pressures on high needs funding. These include:

- An increasing number of pupils and students requiring EHC Plans within a growing pupil population;
- An increase in the complexity of need of children requiring placement in Havering schools;
- The revenue costs of funding a new special school for SEMH and ASD children;
- The revenue costs of more additionally resourced provisions in mainstream schools;
- Funding that recognises the pressures on schools with high numbers of pupils with EHC plans;

- The need for additional support within children's early years;
- An increase in post 16 provision up to the age of 25;
- Pupils with medical needs but no EHC Plan; and
- Additional training for school staff for children with SEND