

Project: Review of the High Needs Block - Sponsor : Phil Leivers

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Date: 29/4/19 1<sup>st</sup> Draft**1. Background**

- a) The DSG overspent by £1.7m in 18/19. The 'real' overspend before one-off resources were applied was £4.1m. This gives a potential underlying overspend in 19/20 of £5.8m.
- b) The bulk of this is as a consequence of demand costs in the High Needs Block and specifically the costs of Out of Borough Placements. However top-up payments are also increasing significantly across all categories of spend, as are payments for specialist programmes (e.g. Speech/Language and Social/Emotional support).
- c) The DSG outturn does not trigger a report and recovery plan to the DFE in 19/20. However, this will not be the case based on the potential 19/20 position.
- d) The MTFS has given additional resources to the Core SEND service in order to support the EHCP process. We also have a new approved Ed Psychs service. Both are designed to help minimise the number of plans coming into the system.
- e) There is no corporate funding to support the on-going DSG overspend.

**2. Current State**

- a) There is an approved SEND Commissioning Strategy
- b) An Inclusion Strategy is being drafted.
- c) There is evidence of some over-funding (double funding of pupils, e.g. LA is paying for college course whilst pupil on roll of school that receives top-up funding).
- d) The SEND front door is under capacity (to be addressed by the additional MTFS funding) and as a consequence under pressure.
- e) The Educational Psychology service is still being developed (with successful recruitment) and in particular now needs to develop a traded offer to schools and other parties.
- f) There is no clear 'set of rules of the game' and frontline staff have no formal guidance to work to.
- g) There are some weaknesses in the control of expenditure
- h) Options to recover costs from schools (e.g. for children educated out of school) are not being explored.

**3. Scope**

- a) The review covers all HNB services.
- b) There are 5 broad strands:
  - SEND Placements Commissioning Strategy
  - Inclusion Policy
  - SEND Processes
  - Review of current and future provision
  - Funding Strategy and Planning

**4. Methodology**

- Establish Project Group, TOR, Timetable/timescales
- Produce relevant A3 plans with project lead officers

**5. Stakeholders**

- DLT
- CLT
- Cabinet Member
- Service Staff
- JAM
- School Forum and Ed SEND Group
- Schools and PRU's
- Clients

**6. To Do****a) SEND Placements Commissioning Strategy**

- Green – strategy approved, moving into implementation phase, so monitor implementation / annual update

**b) Inclusion Policy**

- Amber – needs formal "write up" and acceptance of schools, approval and then implementation

**c) SEND Processes** – still Red – capacity of team and service delivery remains in crisis / firefight mode

- 'Rules of the Game' – develop service scripts (Legal aspects, EHE, schools grounds to refuse, parental preference)
- Process reviews – key stage transfers, quality of data, post-16 process EHCP reviews, ceasing EHCPs
- Financial Management
- New START structure

**d) Review of current and future provision**

- Place Provision – Special Schools, ARPS, Independent/OLA's
- Alternative Provision – Phase 2 looking closely at form / function / numbers / budgets. AP is not included within Commissioning Strategy
- Specialist Services – SISS, ESCOS, EASL, LACES - will have to provide significant savings.
- Other SEND services e.g. S/L, mediation, SENDIAS etc.

**e) Funding Strategy and Planning**

- 3 year funding strategy and costed models based on the above
- Calculate impact on core services such as SEND transport
- Pursue top-slice of school budgets for 2020-21 – complex process requiring approval (or not) of School Forum, and probably a case to Secretary of State for approval. Top-slice 0.5% Forum approval required, no approval or greater than 0.5% requires government approval
- New funding model for Free School AP Academy
- Develop funding model for financing new Autism free school from out-borough placement savings

**7. Questions****8. Risks**

- a) Impact of changes on schools – inclusion, budgetary
- b) Impact of DSG funding changes and on DSG funding
- c) Project Management costs – scale and funding
- d) Careful assessment of unintended consequences e.g. saving in one area causes costs to rise in another – e.g. cuts to early years team reduces inclusion in infant classes
- e) Accommodation issues – investment in existing and alternative provision, de-commissioning. To include
  - Mill Lodge
  - Hatchford Brook YC
  - Coronation YC
  - Castle Bromwich YC
  - Jensen/Auckland and Daylesford sites
  - Brackley's Way
- f) Staff implications - recruitment/retention, severance, impact of pay awards/T&C/Pensions
- g) Future demands – numbers, needs
- h) Legal challenge – a number of LA attempts to reduce HNB overspend have resulted in high profile judicial reviews.
- i) Capacity of START team to "get off the treadmill" and design and implement service changes – mustn't keep under-estimating the resources required to effect change

**9. Future State**