

# High Needs Block Challenges, Pressures, Mitigations and Requirements

14th December 2023





## Context of North Northamptonshire Council

- Predecessor Northamptonshire County Council (NCC) found to be financially unviable and Children's Services Inadequate
- Through LGR in April 2021, NCC abolished and North Northamptonshire (NNC) and West Northamptonshire (WNC) Unitary Councils formed
- Northamptonshire Childrens Trust (NCT) created to provide and improve Children's Social Care, Early Help, Children's Centres, Youth Offending and Youth Services across old county footprint
- New NNC has :
  - 4 Nursery Schools
  - 111 Primary Schools
  - 20 Secondary Schools
  - 1 All through School
  - 8 Special Schools
  - 0 PRU's / AP settings
- NNC Dedicated School Grant 2021/22 £315,336,462 of which High Needs block (HNB) £45,504,413
- Inherited DSG position small surplus of Circa £2.45m



## Challenges Identified

- EHCP 20 week performance circa 7%
- EP service under resources and failing to meet expected timescales
- Significant backlog of EHCP cases not assessed, pupils held in mainstream
- EHCP seen as 'ticket to Special School' number of EHCP in mainstream very low
- No in area PRU / AP schools, and local provision all rated as inadequate
- Early Help services held by NCT and focussed on Social Care issues
- Limited SEND provision (units / special school satellites) outside of Special Schools, all of which full
- No Early Years SEND provision
- No advisory teacher services
- No processes or systems to manage and control HNB expenditure
- No consistency in Early Help Funding
- Lack of support to Early Years SEND



## Challenges Identified and action taken (red)

- EHCP 20 week performance circa 7%  
Investment in team and development of appropriate processes has led to performance now being circa 75%
- EP service under resources and failing to meet expected timescales  
Investment in commissioned resources has strengthened team and led to improved performance
- Significant backlog of EHCP cases not assessed, pupils held in mainstream  
Backlog largely addressed and very few cases over 26 weeks
- EHCP seen as 'ticket to Special School' number of EHCP in mainstream very low  
Numbers of EHCP in mainstream increasing, focus on inclusion with schools
- No in area PRU / AP schools, and local provision all rated as inadequate  
DfE brokered joint working with regional outstanding provider, bid for new AP school outcome awaited
- Early Help services held by NCT and focussed on Social Care issues  
Development of outreach services from three Special Schools to support inclusion and identification of needs, succesful bid for Family Hubs, increased investment in Education Inclusion and Specialist School Support services, system wide review of Early Help, improved Local Offer



## Challenges Identified and action taken (red)

- Limited SEND provision (units / special school satellites) outside of Special Schools, all of which full  
New units and Special School Satellites created, Special Schools expanded, unsuccessful bid for new Special School, refocus of S106 on creating special provision, further new provision planned subject to funding, detailed sufficiency strategy being developed
- No Early Years SEND provision  
New Special Nursery setting opened, further places planned
- No advisory teacher services  
Outreach services provide specialist support, increased use of Sensory Impairment Services to support schools
- No processes or systems to manage and control HNB expenditure  
New processes established to provide required assurance on spend and to forecast future costs
- No consistency in Early Help Funding  
Early Help Locality Funding process developed and implemented, provides consistency and challenge
- Lack of support to Early Years SEND  
Development and implementation of new SENIF and SENIF+ funding and review of Early Years Services



# High Needs Block Summary

Table 3a - Comparison in Spend between Years on the HNB	2022/23			2023/24			2023/24 Variances			
	Budget	Outturn	Variance	Budget @ P7	P7 Forecast Outturn	P7 Forecast Variance	Increase in Budget	Increase in Spend	2022/23 Variances	P7 Forecast Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
High Needs Block	52,370	54,347	1,977	57,925	67,243	9,318	5,555	12,896	1,977	9,318
<b>Comments</b>										
The HNB Budget increased by <b>5,555</b> between 22/23 and 23/24 - spend has increased by <b>12,896</b> and there was an overspend of <b>1,977</b> in 2022/23 which has resulted in a pressure of <b>9,318</b>										



## Pressures

### 2023/24 HNB Outturn

	2023/24 Budget	2023/24 Forecast Spend	Variance
<b>TOTAL SENIF PLUS</b>	<b>£250,000</b>	<b>£244,919</b>	<b>£5,081</b>
<b>TOTAL MAINSTREAM TOP UP</b>	<b>£7,301,174</b>	<b>£9,789,937</b>	<b>-£2,488,763</b>
<b>TOTAL MAINSTREAM UNITS</b>	<b>£2,809,355</b>	<b>£3,082,416</b>	<b>-£273,061</b>
<b>TOTAL SPECIAL SCHOOLS</b>	<b>£28,469,277</b>	<b>£30,326,819</b>	<b>-£1,857,542</b>
<b>TOTAL OUT OF AREA</b>	<b>£1,934,048</b>	<b>£2,047,733</b>	<b>-£113,685</b>
<b>TOTAL INDEPENDENT</b>	<b>£9,999,990</b>	<b>£13,195,746</b>	<b>-£3,195,756</b>
<b>TOTAL ALTERNATIVE PROVISION</b>	<b>£2,650,000</b>	<b>£4,892,887</b>	<b>-£2,242,887</b>
Post 16 Top up	£1,953,207	£1,700,000	£253,207
AP Free Schools	£190,000	£190,000	£0
Support Services	£2,294,080	£2,194,080	£100,000
<b>TOTAL HIGH NEEDS BLOCK</b>	<b>£57,851,131</b>	<b>£67,664,537</b>	<b>-£9,813,406</b>
HNB Allocation	£57,851,131		
Transfer from SB (0.5%)	£0		
Total HNB Funding	£57,851,131		
<b>Budgeted Deficit</b>	<b>£0</b>		



## Pressures

### Increased number of children with SEND and EHCP

- At the end of November 2023, 3,704 children and young people had EHC plans. The cohort has increased by 8% in twelve months
- The total number of young people with a SEND need has risen from 7,284 in 2018 to 10,109 giving an increase of 38.7%
- The average cost of an EHCP in mainstream this year is £7397 compared to last year which was £6823 (April 2022) and there was approximately £120k of historic invoices
- In April there were 107 benefitting from Early Help Funding and since April there have been 307 children benefitting – predicted full year cost £1.3M
- The identification of historic commitments is a one-off pressure and amount to around £500k
- There is an increased number of 'move in's' to the LA, many of these children have EHCP's and many others have complex unassessed needs
- The LA have improved their processes meaning that access to timely and appropriate SEND funding is easier than before
- Increase early help support provides more visibility and financial support to children with SEND – £458k this year
- NCC made no contribution to SALT services, all funded by health, this now needs to be addressed to ensure statutory compliance – proposed cost is £243k





## Pressures

### **Insufficiency of special school places resulting in costly independent provision**

- Sufficiency issues in local SEND placements meaning greater use of independent providers at significantly higher cost – predicted full year cost £13.2M
- There are 21 more children attending independent special school provision this year. This is despite increasing special school and unit places by 101 from Sept 2022 to Sept 2023. The average cost of independent provision has risen from £61,395 to £78,190.
- The increased rate to independent provision fees is above inflation
- The commissioned number of special school places in April was 1265 and we are now funding 1272 - predicted full year cost £30.3M
- 277 pupils have moved in from outside the UK since the start of the academic year this unprecedented. A large number of these pupil arrive with additional needs or no formal education This again has added pressure on places and provision
- There were unpaid invoices from previous financial years equalling £115k
- The development of new SEND units and increased capacity come with one off start up costs. - £66k



## Pressures

### Exclusions and alternative provision

- There were 91 permanent exclusion from April 22-March 23, so far this financial year there have been 56.
- The cost of alternative provision last year was £2.3M and this year we are predicting £5M
- Alternative provision pupil base cost increasing by 12%, 23%, 41% and 75% across the local DFE registered APs
- Lack of local, high quality AP has led to significantly higher use of home tuition services, the cost of which continues to rise
- The use of Special Arrangements, to avoid exclusion or placement moves, has increased

### Attendance

- Rates of persistently (21.1% terms 1 to 4 22/2 ) and severely (2% terms 1 to 4 22/23) absent pupils continues to be significantly higher than pre-Covid, in line with national situation
- The number of parents choosing to move their children to EHE (192 since beginning of the term), and then reapplying for school place is high
- Pressure on mainstream secondary school places reduces options to meet needs



# Pressures

2023/24 HNB Outturn and 2024/25 DRAFT High Needs Block Budget

	2023/24 Budget	2023/24 Forecast Spend	Variance	Total DRAFT 2024/25 Budget	
<b>TOTAL SENIF PLUS</b>	<b>£250,000</b>	<b>£244,919</b>	<b>£5,081</b>	<b>£246,457</b>	
<b>TOTAL MAINSTREAM TOP UP</b>	<b>£7,301,174</b>	<b>£9,789,937</b>	<b>-£2,488,763</b>	<b>£9,966,345</b>	
<b>TOTAL MAINSTREAM UNITS</b>	<b>£2,809,355</b>	<b>£3,082,416</b>	<b>-£273,061</b>	<b>£3,513,566</b>	
<b>TOTAL SPECIAL SCHOOLS</b>	<b>£28,469,277</b>	<b>£30,326,819</b>	<b>-£1,857,542</b>	<b>£31,225,522</b>	
<b>TOTAL OUT OF AREA</b>	<b>£1,934,048</b>	<b>£2,047,733</b>	<b>-£113,685</b>	<b>£1,760,513</b>	
<b>TOTAL INDEPENDENT</b>	<b>£9,999,990</b>	<b>£13,195,746</b>	<b>-£3,195,756</b>	<b>£13,717,536</b>	
<b>TOTAL ALTERNATIVE PROVISION</b>	<b>£2,650,000</b>	<b>£4,892,887</b>	<b>-£2,242,887</b>	<b>£4,849,333</b>	
Post 16 Top up	£1,953,207	£1,700,000	£253,207	£1,700,000	
AP Free Schools	£190,000	£190,000	£0	£190,000	
Support Services	£2,294,080	£2,194,080	£100,000	£2,194,080	
<b>TOTAL HIGH NEEDS BLOCK</b>	<b>£57,851,131</b>	<b>£67,664,537</b>	<b>-£9,813,406</b>	<b>£69,363,352</b>	
HNB Allocation	£57,851,131			£60,564,715	<b>Cumulative Deficit</b>
<b>In Year Deficit</b>				<b>-£8,798,637</b>	<b>-£18,612,043</b>
Transfer from SB (0.5%) *	£0			£1,437,832	
Total HNB Funding	£57,851,131			£62,002,547	
<b>Budgeted Deficit (inc 0.5% transfer)</b>	<b>£0</b>			<b>-£7,360,805</b>	<b>-£17,174,211</b>
Additional Transfer from SB (0.5% - 1.5%) *	£0			£2,875,666	
<b>Potential Reduced Deficit (Maximum transfer)</b>	<b>£0</b>			<b>-£4,485,139</b>	<b>-£14,298,545</b>



# Mitigations

## 2024/25 DRAFT High Needs Block Budget Non Statutory Functions

	<b>Total DRAFT 2024/25 Budget</b>
Early Years - SENIF Plus	<b>£246,457</b>
Mainstream Schools - Early Help Locality Funding	<b>£1,338,329</b>
Mainstream Schools - Special Arrangements	<b>£250,393</b>
Mainstream Units - Special Arrangements	<b>£102,980</b>
Special Schools - Special Arrangements	<b>£1,351,579</b>
Outreach Services	<b>£1,269,130</b>
Inclusion Projects	<b>£182,333</b>
Inclusion Services	<b>£554,416</b>
Specialist Support Services	<b>£649,979</b>
Northamptonshire Parent Partnership Service	<b>£30,000</b>
<b>TOTAL NON STATUTORY FUNCTIONS</b>	<b>£5,975,595</b>



## Mitigations

- Implementation of co-produced SEND strategy
- Development and implementation of SEND Improvement Plan
- Implementation of Coproduction Charter
- Development SEND Sufficiency Strategy
- Development of Joint Commissioning Strategy
- Further development of system wide approach through SEND Accountability Board
- Focus on support for inclusion in all schools
- Review and refocus of Early Help services
- Development of joint work with Third Sector organisations
- Development of further capacity to better meet needs
- Move to permanent, sustainable staffing structures
- Develop Family Hubs offer to provide better access to Early Help services



## Mitigations

- Review of EHCP funding bands
- Review of Special School RAS funding
- Implementation of new blended model of EP delivery through retained and commissioned resources
- Review of scope of outreach services
- Development of new approaches to AP in partnership with Secondary Academies
- Development of new local AP provision in partnership with Outstanding provider
- Further development of EOTAS and personal budget offer
- Further definition of Graduated Response with services focussed at early identification and intervention
- Identification and brokerage of best practice in local schools to support others
- Implementation of new ECMS to improve systems, processes and customer experience
- Review of non-statutory services funded through HNB
- Identification of opportunities to attract additional funding and to make efficiencies



## Requirements

### Revenue

- Recognition that post LGR DSG / HNB does not reflect needs in NNC
- Agreement to transfer more than 0.5% of SB to HNB in 2024/25
- Access to additional revenue resources to deliver focussed developments around inclusion and SEND

### Capital

- Successful outcome of bid to DfE for new AP School in NNC
- Opportunity to bid for new Special School provision in NNC – SEMH highest priority
- Additional capital resources to continue creation and expansion of new SEND provision to meet needs

### Schools

- Focus, support and challenge on inclusion in all schools and academies
- School funding reviewed and increased to reflect expectations and demands



## Requirements

### Local Authority

- Sharing of best practice around all aspects of SEND and identification of Peer to Peer support opportunities
- Effective SEND support from DfE advisors focussed on pragmatic solutions to immediate and medium term challenges
- Clarity around expectations in relation to management of budget position
- Confirmation that arrangements for managing DSG deficit within Council accounts will be maintained in the medium term – Statutory Override beyond March 2026
- Medium term funding allocations that allow more accurate forecasting of available resources to support strategic planning

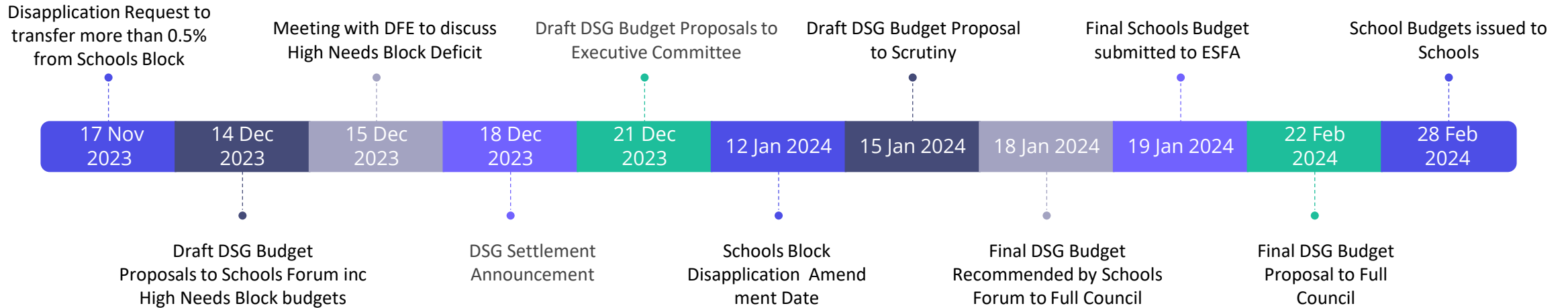
### OfSTED

- Focus on inclusion and identification of poor practice as part of school inspection process
- Targeted inspections where schools are seen not to be acting in an inclusive way
- SEND inspection outcomes that reflect increasing need and pressures





# Timeline



# Mainstream Schools Funding Formula Outcome of Consultation with Schools and Recommendations

14th December 2023





## COMPARISON OF 2023-24 SCHOOLS BLOCK DSG WITH ESTIMATED 2024-25 SCHOOLS BLOCK DSG

Component	Pupil Nos	PUF / SUF*	Total 2023/24	Pupil Nos	PUF / SUF*	Total 2024/25	Pupil Nos	PUF / SUF*	Total Funding
			£			£			£
Primary NFF	29,554.00	£4,735.55	£139,954,444.70	29,547.00	£5,007.20	£147,947,679.69	-7.00	£271.65	£7,993,234.99
Secondary NFF	20,493.50	£6,190.29	£126,860,708.12	20,897.00	£6,491.89	£135,660,952.34	403.50	£301.60	£8,800,244.23
Premises NFF			£1,822,977.00			£2,105,165.23			£282,188.23
Primary & Secondary MSAG			£9,050,422.00			£0.00			-£9,050,422.00
<b>Total Schools Block NFF Allocation</b>			<b>£277,688,551.82</b>			<b>£285,713,797.27</b>			<b>£8,025,245.45</b>
Growth Factor			£1,645,539.00			£1,712,314.96			£66,775.96
Falling Pupil Roll Factor			£0.00			£140,477.38			£140,477.38
<b>Estimated Schools Block DSG &amp; MSAG Funding</b>			<b>£279,334,090.82</b>			<b>£287,566,589.61</b>			<b>£8,232,498.79</b>

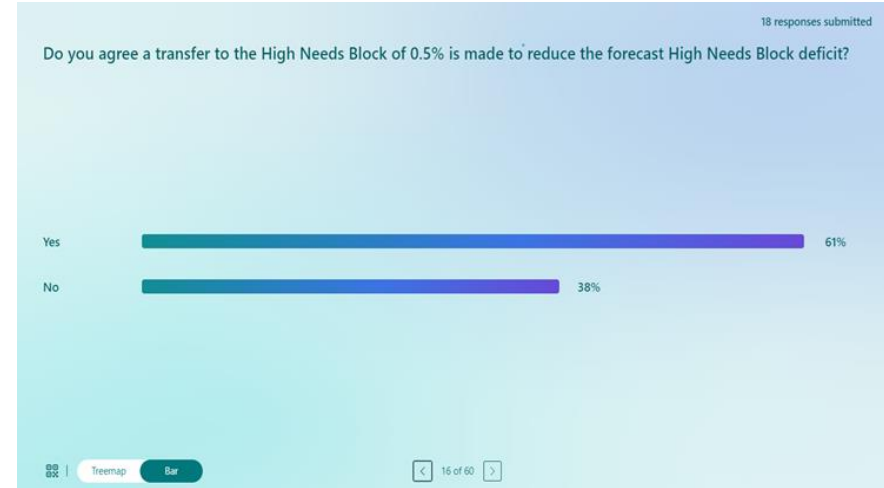
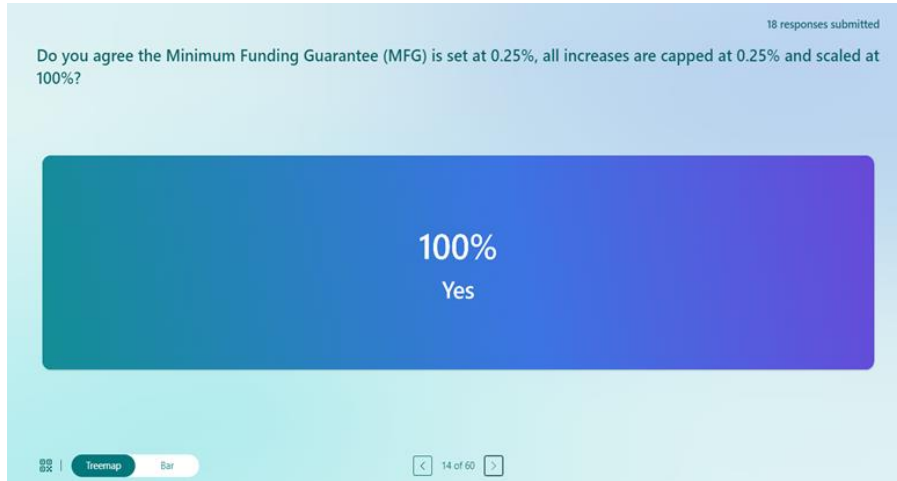


## MAINSTREAM SCHOOLS FUNDING FORMULA MODEL TAKEN TO NOVEMBER 2023 SCHOOLS FORUM FOR CONSULTATION WITH SCHOOLS

Model's	Basis	Total Number on Roll	MFG set at	Capped at	Scaled at	Schools Allocation	HNB % Transfer	HNB Transfer	Growth Fund	Falling Pupil Roll Fund	Schools Block Total	Total Movement of Funds
Consultation Model	Oct 2022 Census and Oct 2022 School Data Characteristics	50,047.50	0.25%	0.25%	100%	£ 281,580,537	0.50%	£ 1,415,647	£ 133,188	£ -	£ 283,129,371	£ 1,548,835



## SCHOOLS CONSULTATION RESPONSES





## WHAT HAS CHANGED?

- Increase in pupil numbers in NNC schools by 396.5 pupils (Draft October 2023 Census)
- Estimated Growth Funding (not possible to calculate without October 2023 Census)
- Estimated Falling Pupil Roll Funding (not possible to calculate without October 2023 Census)



# OPTIONS FOR DECEMBER 2023 SCHOOLS FORUM FOLLOWING CONSULTATION WITH SCHOOLS

Model's	Basis	Total Number on Roll	MFG set at	Capped at	Scaled at	Schools Allocation	HNB % Transfer	HNB Transfer	Growth Fund	Falling Pupil Roll Fund	Schools Block Total	Total Movement of Funds
Consultation Model	Draft Oct 2023 Census and Oct 2022 School Data Characteristics	50,444.00	0.25%	0.25%	100%	£ 282,735,813	0.50%	£ 1,437,833	£ 3,252,467	£ 140,477	£ 287,566,590	£ 4,830,777
Recommended Model	Draft Oct 2023 Census and Oct 2022 School Data Characteristics	50,444.00	0.50%	0.50%	100%	£ 283,284,653	0.50%	£ 1,437,833	£ 2,703,626	£ 140,477	£ 287,566,590	£ 4,281,937



North  
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