**London Borough of Tower Hamlets**

**School Forum**

**Executive Summary**

**AGENDA ITEM 06**

**Title of report:**

**High Needs Block Strategy - update**

**Author of the paper:**

**John O’Shea**

**Officer to present the paper to School Forum:**

**Christine McInnes.**

**Details on who has been consulted with on this paper to date:**

Christine McInnes, Steve Worth.

**Exec Summary:**

The High Needs Working Group was set up to review options for reducing budgetary pressures in the following four agreed areas:

1. Increase special school places

2. Review top-up payments for special schools and resource bases.

3. Review SEMH provision.

4. Reduce LBTH retained budgets

This report is an update on progress**.**

**Action Required:**

**Schools Forum is invited to note and comment on progress**.

**High Needs Block Strategy**

1. **Background**

* 1. The High Needs Block (HNB) of the Dedicated Schools Grant (DSG) funds the additional cost of pupils with high needs. It includes the funding of pupils placed in special schools, alternative provision and Private, Voluntary and Independent (PVI) provision. It also provides top-up funding for pupils with special needs in mainstream provision and centrally retained high need support services The HNB covers students in further education to the age of 25. The Local Authority decides how this block is used but it is recommended practice to discuss with the Forum.
	2. The majority of local authorities are facing significant and continuing pressures within their HNBs. Tower Hamlets is no exception and the latest projection for the HNB in 2018-19 is an overspend of £2.9m.
	3. The High Needs Funding Review Group was set up in 2017 to examine ways of managing costs. A report to Schools Forum at its meeting of 17th January 2018 set out the recommendations and principles devised by the Group. The overall aim is to reduce budget pressures in the HNB and achieving financial balance over the period 2018 – 2022 through action in the following four review areas.
1. **Review Update**
	1. Increase special school places

A thorough needs analysis and projection for special school places was undertaken which will see a year on year increase in the number of places within special schools up to a total of 120 places in 2021.

* 1. Review top-up payments for special schools and resource bases

One of the underlying principles of the High Needs Funding Review was:

*Maintaining a commitment to a mixed economy of provision that provides choice for parents / carers and a range of good educational opportunities for children and young people.*

Resource base provision is an important element of the mixed economy of provision for SEND in Tower Hamlets.

An initial review of resource base provision is underway which includes:

1. identification of gaps within the current resource base provision
2. the capacity (and willingness) to expand resource base provision within mainstream schools
3. review of the current provisions (to begin in Autumn term 2019)

The review of the resource base provision will continue into the Spring Term with recommendations to be delivered in the Summer Term.

A further work stream will need to be developed, with schools’ representation, to look specifically at the current banding system for **top-up payments**, including benchmarking of other Local Areas and looking at Local Area data and provision.

The scoping of this piece of work has not yet been undertaken and would have a timeline for completion and reporting in the 2019/20 academic year.

* 1. Review SEMH provision

A review of provision for pupils with Social Emotional and Mental Health needs is taking place this term. The review group is being led by an independent chair person and includes officers of the council, CAMHs representatives and representatives from mainstream primary and secondary schools.

The review is looking at a number of areas, including:

* To better understand the routes into requiring an EHC plan and/or alternative provision, with SEMH as the student’s principal need.
* To identify examples of strong practice in supporting children and young people with high levels of SEMH need; both in Tower Hamlets and elsewhere in London.
* To consider the financial sustainability of the current education provision and make recommendations.
* As a result of the above, to recommend principles and actions to develop a renewed education continuum / pathways and recommend ways to implement in Tower Hamlets.

The final meeting of the Review group took place on the 28th November 2018 and the report, with recommendations is due to be delivered in the Spring Term.

* 1. Reduce LBTH retained budgets

The review of the Support for Learning Service has begun, with a focus on looking at how the amount of the High Needs Funding Block retained by the council can be reduced. This work has included bench marking visits to other Local Authorities and schools have been contacted for meetings to look at a number of areas, including those below:

* Defining the service users – pupils or schools?
* Identifying the needs of service users
* Identifying the options for a new model of support of high needs provision in the borough by LBTH, schools and health partners

This project proposes the reduction of the centrally retained SLS budget by at least £1 million to manage the current pressures on the levels of high needs spend.

This review will run for most of the next academic year and may go into the Autumn term of the 2019-20 academic year.