


Agenda Item 5

	<p style="text-align: center;">London Borough of Hammersmith & Fulham</p> <p style="text-align: center;">SCHOOLS FORUM</p> <p style="text-align: center;">Tuesday 23rd March 2021</p>
<p>Update: High Needs Block 2020/21</p>	
<p>Open</p>	
<p>Classification - For Scrutiny Review & Comment</p>	
<p>Key Decision: No</p>	
<p>Wards Affected: (All Wards): All</p>	
<p>Accountable Director: Jacqui McShannon, Director of Children's Services</p>	
<p>Report Authors: Joe Gunning Commissioning and Transformation Lead, Children's Services</p>	
<p>Purpose of the report</p> <p>This report provides an update on the High Needs Block, pressures and forthcoming programmes of work.</p>	

Introduction

1. The High Needs Block is a defined block within the Dedicated Schools Grant (DSG) for the provision of education services to children with SEND. The High Needs Block in H&F, as is the case nationally, remains under pressure.
2. Hammersmith and Fulham is forecasting an overspend of £1.2m in 21/22 with a cumulative deficit of £24m.
3. This report sets out the historical context, significant programmes of work to date and the next phases of transformation to bring the HNB spend to within our annual allocation.

Context

4. Nationally High Needs Block (HNB) budgets are under significant pressure due to rapid increases in, and complexity of demand, however the effects in H&F are particularly acute because of historic funding allocation methodologies.
5. The funding formula is in part based on historic planned spend allocations and recent movement away from that element has benefitted Hammersmith & Fulham, as have recent import and export formula adjustments as the

borough has a significant number of children and young people with SEND placed from other boroughs.

6. H&F's initial deficit position built up during a period where no import/export formula compensated for significant number of children and young people with SEND placed from other boroughs as well as legacy arrangements including no recharge arrangements to placing authorities for services such as Speech and Language and Occupational Therapy.
7. In 2018/19 the overspend was the equivalent of 32% of our annual allocation. The cumulative deficit at 21/22 is forecasted to be £24m.
8. There has been significant effort and focus on the High Needs Block (HNB) overspend since 2018/19 and we have established a comprehensive programme of efficiencies to seek to regularise spend against annual allocations. A programme approach was undertaken with phases one and two now completed, delivering savings with a cumulative effect to 21/22 of £9.3m with no reductions in service delivery.
9. After the successful completion of phases one and two the Council is now proceeding with phase three including transformation projects to ensure the continued provision of high-quality services to our children and young people.

Phase 3 transformation

10. Officers have engaged schools and parent's representatives to develop a programme of whole system reform which aims to deliver improved early identification and support for children with special educational needs whilst maintaining high quality services for those with EHCPs. This programme of works is being monitored by the DfE in line with the statutory requirement to deliver within the funding allocation in the medium to longer term.
11. Phase 3 of the transformation programme, is a reform workstream, ensuring children and young people receive the support they need at the earliest point in their educational journey through a continued focus on early identification and intervention through integration of early years and SEND pathways.
12. In this phase, we will continue to develop a robust local and ordinarily available offer that is focused on early intervention to meet needs at SEN Support. Mainstream settings will be supported in meeting needs at all stages through access to an extension of hybrid model of traded and centrally supported interventions.
13. A comprehensive review of the local provision will also be undertaken to inform medium to long-term needs and the future shape of local provision, whilst working to improve our data quality to support service redesign, commissioning and strategic priorities.

14. Throughout we will work collaboratively with stakeholders and partners to understand regional commissioning needs. Coproduction with our children, young people and their families will also be at the heart of this transformation.
15. In returning to a balanced position, it is important that we continue to review and invest in services to ensure the best outcomes for our children and young people, moving to a point where disapplication requests are no longer required to balance the budget and these funds can be released back to schools.
16. Officers have identified opportunities and in parallel there is also significant investment profiled to continue to develop services and target early intervention. Pace will be essential to enable these reforms to be delivered in 21/22 financial year to mitigate the current forecasted overspend.
17. These opportunities will be brought to Head Teacher workshops shortly and a report will subsequently be brought to Schools Forum for approval.
- 18. Schools Forum are asked to note the current position of the High Needs Block (HNB) and forthcoming transformation programmes**

Report End