

Total Membership 25
The Forum is quorate if at least 40% (10) of the members are present



London Borough of Waltham Forest
SCHOOLS FORUM

Day/Date/Time	Venue
Wednesday 19 January 2022, 5.30 pm	VIA TEAMS
Contact:	
Clerk to Schools Forum	schoolforum@walthamforest.gov.uk
Maintained Primary Headteacher Representatives (5)	
Claire Nairn	Handsworth
Lindsey Lampard	Chingford C of E Primary
Rosie McGlynn	Our Lady and St George
Tracey Griffiths	Barn Croft Primary School
Zakia Khatun	Whitehall Primary School
Primary Academies and Primary Free Schools Representatives (4)	
Amanda Daoud	Lime Trust (Larkwood, Hornbeam)
Anne Powell	Griffin Trust (Riverley, Willow Brook, Lammas)
Maureen Okoye (Chair)	Arbor Trust (Davies Lane, Selwyn, Woodford Green, Acacia Nursery)
Iram Malik	Genesis Trust (St Marys and St Saviours)
Maintained Primary Governor Representatives (1)	
Aktar Beg	Edinburgh Primary
Nursery School Representative (1)	
Helen Currie	Forest Alliance Nursery Schools (Church Hill, Low Hall)
Maintained Secondary Headteacher Representatives (2)	
Clive Rosewell	Willowfield School
Jenny Smith	Frederick Bremer School
Secondary Academies and Secondary Free Schools Representatives (4)	
Jane Benton	Chingford Trust (North Chingford and South Chingford)
John Hernandez (Vice Chair)	Exceptional Education Trust (Norlington School and Sixth Form)
Rob Pittard	Exceptional Education Trust (Norlington)
Tracey Penfold	Highams Park Trust
Maintained Secondary Governor Representative (1)	
Gillian Barker	Walthamstow School for Girls
Maintained Special School Representative (1)	
Bruce Roberts	Belmont Park School
Special School and Special Academies Representative (1)	
Kirstie Fulthorpe	Whitefield Trust (Joseph Clark, Whitefield)
PRU (1)	
Liz Rattue	Hawkswood Group
Non School Members (4)	
Early Years Providers	Sarah Kendrick (Redwood Pre-School)
16-19 Providers	Janet Gardner (Waltham Forest College)
Trade Unions	Paul Phillips (NEU)
Diocesan	Andy Stone (Holy Family)

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AGENDA

Agenda Item	Report Name	Report Authors
1	Welcome all and Apologies	Chair
2	Declarations of Interest	All
3	Minutes of meeting 8 December 2022	Chair
3a	Decision Sheet from 8 December 2022	For the record
4	Director's Overview: High Needs 2021-22 and 2022-23	David Kilgallon
5	Children and Families Scrutiny Committee Review of High Needs Resource Ladder	David Kilgallon
6	High Needs Block: projected outturn 2021-22 and draft budget 2022-23	Duncan James-Pike and David Kilgallon
	Date of Next Meeting: Wednesday, 5:30pm 9 February 2022	

MINUTES OF SCHOOLS FORUM MEETING

Wednesday 8 December 2021

Day/Date/Time	Venue
Wednesday 8th December 2021, 5.30 pm	VIA TEAMS
Contact:	
Clerk to Schools Forum	schoolforum@walthamforest.gov.uk
Maintained Primary Headteacher Representatives (5)	
Lindsey Lampard	Chingford C of E Primary
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PRU (1)	
Non School Members (4)	
Early Years Providers	Sarah Kendrick (Redwood Pre-School)
16-19 Providers	Janet Gardner (Waltham Forest College)
Trade Unions	
Diocesan	

Officers	
David Kilgallon	Director of Learning and Systems Leadership
Duncan James-Pike	Strategic Finance Advisor, Children and Young People Services
Eve McLoughlin	Head of Early Years, Childcare and Business Development
Hiran Perera	Senior Accountant Education Finance
Lindsay Jackson	Head of Education Business Effectiveness
Lucinda Lord	Senior Accountant Education Finance
Jude Cross-Fernando	Finance accountant Education
Oman Edgal	Senior Accountant Education Finance
Sadia Begum	Business Support Minute Taker
Observers	
Caramina Muffett	
Gurpreet Kataora	
Rebecca Linden	
Shermaine Lewis	
Apologies	
Eva Gunkova	Assistant Director, SEND, LBWF
Sergio Dimech	Head of Education Finance, LBWF
Mohammad Akhtar	Early Years Finance and Business Manager. LBWF
Harun Gulied	Education Finance, LBWF
Amanda Daoud	Lime Trust (Larkwood, Hornbeam)
Rosie McGlynn	Our Lady and St George
Claire Nairn	Handsworth
Gillian Barker	Walthamstow School For Girls

1. Welcome and Apologies

- 1.1 Apologies from Eva Gunkova, Sergio Dimech, Mohammad Akhtar, Harun Gulied, Amanda Daoud, Rosie McGlynn, Claire Nairn and Gillian Barker

2. Declaration of Interests

- 2.1 None.
- 2.2 No Vacancies.

3. Minutes of December School Forum meeting

- 3.1 No inaccuracies documented. Minutes were agreed.

4. Maintained Nursery Schools Business Rates

- 4.1 This report proposes that Schools Forum agrees to transfer £55,000 from the Schools Block to the Early Years Block to fund Business Rates for the three Maintained Nursery Schools (MNS) in Waltham Forest; Acacia, Church Hill, and Low Hall.

Comment: This has been an issue for schools for a long time and is an appropriate adjustment for maintained nurseries.

Question: What % of Schools Block is the £55k transfer?

Answer: 0.03%

Comment: I really welcome this proposal.

4.2 Recommendation: To transfer £55,000 from the Schools Block to the Early Years Block to fund the Business Rates for the three Maintained Nursery Schools.

Vote

Agree -11

Disagree - 0

5. Central School Services Block 2022-23

5.1 This report requests that Schools Forum agrees to allocate the Central Schools Services Block as proposed.

Question: What happened the shortfall from the year-on-year reduction in funding?

Answer: The LA takes the hit on the Retained Duties funding

Question: For how long is the 2.5% going to apply?

Answer: We believe this will continue each year until the retained duties are re-set and / or the grant is changed

5.2 Recommendation: Vote on 2.1.1 agreeing to retain £745,000 from CSSB for Admissions in 2022-2023

5.3 Vote

Agree – 11

Disagree – 0

5.4 Recommendation: Vote on 2.1.2 to retain £36,350 from CSSB for Schools Forum in 2022-23

5.5 Vote

Agree – 11

Disagree – 0

5.6 Recommendation: Vote on 2.1.3 To retain centrally the balance of the CSSB in 2022-23 (after the deduction for copyright licences) to support the LA's Retained Duties

5.7 Vote

Agree – 12

Disagree – 0

6. Services for Maintained Schools 2022-2023

6.1 This report requests that maintained schools continue to allow the Local Authority (LA) to retain centrally funding towards the costs of services that maintained schools cannot perform for themselves. These services include preparing annual consolidated accounts and performance information; pensions administration; and health and safety and asset management responsibilities.

6.2 Recommendation: Vote on 2.2.1, to allow the Local Authority to retain centrally no more than 0.5% of any maintained schools' budget share expressed as a per-pupil amount; with a matching per-place amount applied to the maintained special school and the PRUs in financial year 2022-23.

6.3 Vote

Agree – 7

Disagree – 0

7. School Improvement Budget 2022-23 and 2023-24

7.1 Recommendation: to agree to 2.2, to allow the Local Authority to retain centrally held funds of £80,000 for financial year 2022-23, and in principle £160,000 for financial year 2023-24 and 2024-25.

7.2 **Vote**

Agree – 5

Disagree – 0

Next meeting

Wednesday 19th January 2022 @ 17:30 Via Microsoft Teams Link

Schools Forum 8 December 2021

Summary of Decisions

Item 4 **Maintained Nursery Schools Business Rates**

Schools Forum agreed:

- 2.1 To transfer £55,000 from the Schools Block to the Early Years Block to fund the Business Rates for the three Maintained Nursery Schools.

Item 5 **Central School Services Block 2022-23**

2.1 Schools Forum agreed:

- 2.1.1 To retain centrally £745,000 from the CSSB in 2022-23 and allocate to the Admissions service.
- 2.1.2 To retain centrally £36,350 from the CSSB in 2022-23 to provide support to Schools Forum.
- 2.1.3 To retain centrally the balance of the CSSB in 2022-23 (after the deduction for copyright licences) to support the LA's Retained Duties.

Item 6 **Services for Maintained Schools 2022-2023**

2.1 Maintained School members of Schools Forum (primary, secondary, special and PRU) noted:

- 2.1.1 That there are a number of services that that local authorities have to provide for maintained schools which they cannot perform themselves.
- 2.1.2 Academies are required to perform these functions for themselves or pay their MATs to do so for them.
- 2.1.3 The agreement between maintained schools and the Local Authority in response to the cessation of the Education Services Grant (ESG) that maintained schools would contribute towards the cost of functions that they cannot perform for themselves.

2.1.4 If the LA and Schools Forum are unable to reach a consensus on the amount to be retained by the local authority, the matter can be referred to the Secretary of State.

2.2 Maintained School members of Schools Forum (primary, secondary, special and PRU) agreed:

2.2.1 To allow the Local Authority to retain centrally no more than 0.5% of any maintained schools' budget share expressed as a per-pupil amount; with a matching per-place amount applied to the maintained special school and the PRUs in financial year 2022-23.

Item 7 School Improvement Budget 2022-23 and 2023-24

2.1 Maintained School members of Schools Forum (primary, secondary, special and PRU) noted:

2.1.1 The Department for Education (DfE) proposed reduction to the School Improvement Monitoring & Brokering Grant, of 50% in 2022-23 with it being removed entirely in 2023-24.

2.1.2 The proposed change to regulations for the financial year 2022-23 to allow local authorities to fund school improvement activity via de-delegation from schools' budget shares.

2.2 Maintained School members of Schools Forum (primary, secondary, special and PRU) agreed:

2.2.1 To allow the Local Authority to retain centrally held funds on an annual basis for the next three financial years to enable the local authority to fulfil its duties towards the wider school improvement function, including providing support and interventions for any maintained school falling below an Ofsted categorisation of "Good".

2.2.2 To agree to this centrally retained funding to be £80,000 for financial year 2022-23, estimated at £2.11 per pupil with a matching per-place amount applied to the maintained special school and the PRUs.

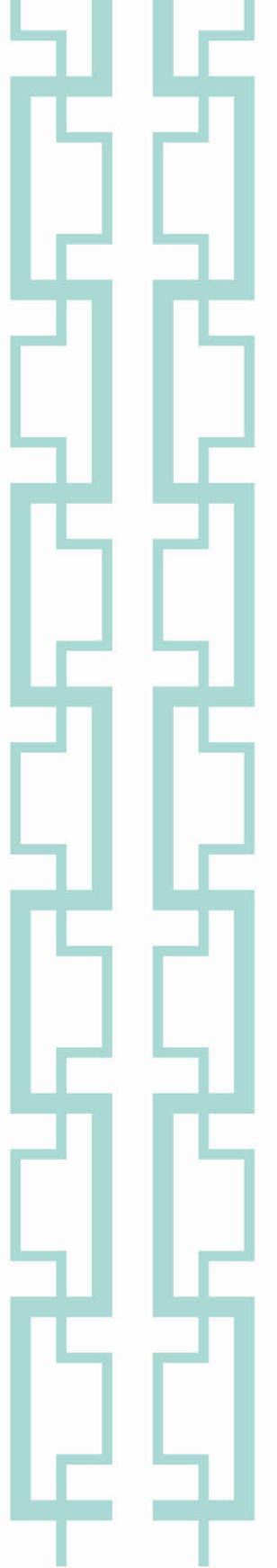
2.2.3 To agree in principle to this centrally retained funding to be approximately £160,000 for financial year 2023-24 and in 2024-25, based on a per pupil amount with a matching per-place amount applied to the maintained special school and the PRUs.

Director's Overview: High Needs 2021-22 and 2022-23



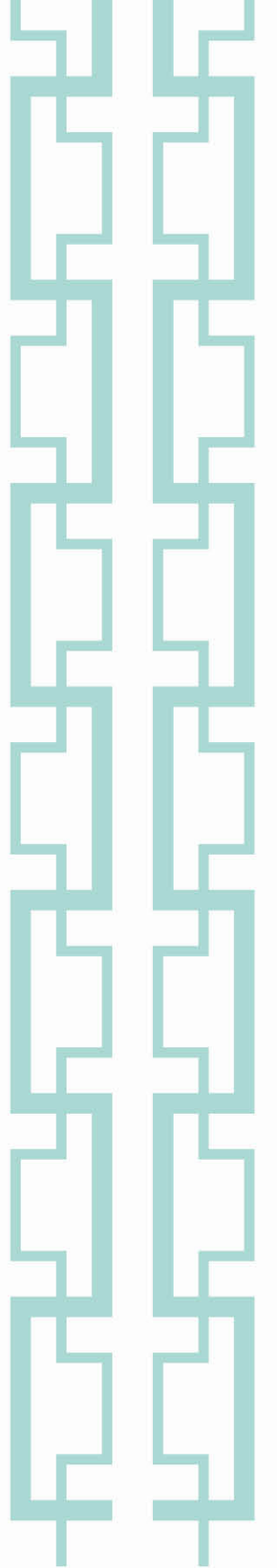
New Resource Ladder

- Pandemic makes comparisons very difficult
- New Resource Ladder system seems to be working
- Appears to be allocating resources more fairly
- 20% of new EHCPs in mainstream on Levels 1 and 2 (below old E)
- Suggests 20% of pupils on old E & F might be fairly funded below old E
- No surge in Es and Fs coming back to panel



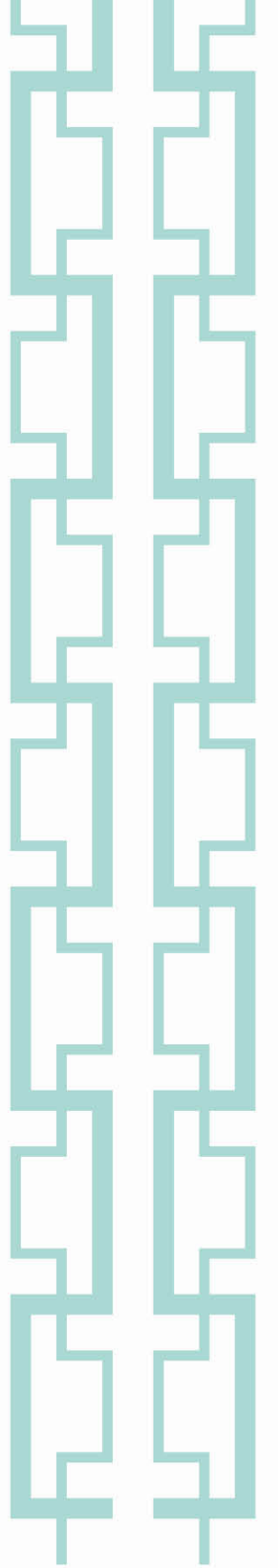
Growth

- Growth in EHCPs continued at 8%
- Reductions in old E and F allowing needs & growth to be met within HN allocation
- May need to consider investment in SEND team
- Ensure SEND panel has flexibility to support our own schools to avoid expensive out-borough placements



Financial Summary

- HNB almost balancing in 2021-22
- Managed growth in EHCPs; pressure from early years; and shortfall in recoupment for excluded pupils and college placements
- Potential to achieve balance 2022-23
- Much better position than 2-3 years ago
- Remains finely balanced / precarious
- Small numbers of low incidence but high cost pupils can swing balance
- More than 8% increase in EHCPs in 2022-23 would threaten balance



Meeting / Date	SCHOOLS FORUM 19 January 2022	Agenda Item	5
Report Title	Children and Families Scrutiny Committee Review of High Needs Resource Ladder		
Decision/Discussion/ Information	For Information and Discussion		
Report Author/ Contact details	David Kilgallon, Director of Learning and Systems Leadership david.kilgallon@walthamforest.gov.uk		
Appendices	Appendix: Report to Children and Families Scrutiny Committee, 12 January 2022		

1. INTRODUCTION

- 1.1 The attached report advises the Children and Families Scrutiny Committee of the impact of the new Resource Ladder for funding Education, Health and Care plans (EHCPs) introduced in September 2020 and as requested by Scrutiny.
- 1.2 The Local Authority must consult Schools Forum on financial issues relating to arrangements for pupils with special educational needs, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding. Sharing this Scrutiny report with Schools Forum is part of that consultation process.

2. RECOMMENDATIONS

- 2.1 Schools Forum to note the contents of this report.

Committee/Date:	Children and Families Scrutiny Committee 12 January 2022
Report Title:	Review of High Needs Resource Ladder
Directorate:	Families
Contact Details	David Kilgallon, Director of Learning and Systems Leadership david.kilgallon@walthamforest.gov.uk
Wards affected:	All
Public Access	OPEN
Appendices	

1. SUMMARY

- 1.1. This report advises the Committee of the impact of the new Resource Ladder for funding Education, Health and Care plans (EHCPs) introduced in September 2020 and as requested by Scrutiny.

2. RECOMMENDATION

- 2.1 The Committee is asked to review the information within the report, ask questions of witnesses and make recommendations as required.

3. BACKGROUND

- 3.1 There are significant financial pressures on High Needs Block (HNB) of the Dedicated Schools Grant (DSG) funding locally, and nationally, with the HNB going into deficit in many local authorities. The deficits are being driven by the increase in the numbers of young people needing additional support and the Government’s decision to raise the age of those supported to 25 without the provision of additional funding to support this new requirement. Additionally, there have been notable rises in numbers of children within the system reported by a number of Boroughs post pandemic.
- 3.2 As at March 2021 the Waltham Forest DSG reserves moved into a net deficit balance for the first time: £942,000 comprising a deficit on the High Needs Block which has accumulated over several years, offset by surplus reserves on the Early Years Block and the Schools Block

	Schools Block	Early Years Block	High Needs Block	Net Total DSG
	£m	£m	£m	£m
DSG Reserves as at 31 March 2021	-1.393	-2.673	5.008	0.942

- 3.3 Under new government regulations, the net deficit has been ring-fenced to the DSG and does not impact on the Council's General Fund.
- 3.4 As an initial part of the recovery plan to achieve a balanced DSG over a reasonable timescale, in March 2020, Cabinet approved several changes to High Needs Block (HNB) funding arrangements including developing a new Resource Ladder for the allocation of Element 3 'top up' funding for children and young people from 0-25 years old with EHCPs.
- 3.5 The then existing Banding System was complex, had been in place for many years and was considered no longer fit for purpose for the allocation of funding. A task and finish group consisting of partners from health, education, early years, the parent/ carer forum, commissioning, and others, looked at existing models of funding and designed a new Resource Ladder which was approved by Executive Decision in August 2020 for implementation from September 2020.
- 3.6 The new Resource Ladder is underpinned by the key legislation of the Children and Families Act 2014 and the Special Educational Needs and Disability (SEND) Code of Practice: 0-25 years, 2014. It is a 'needs led' model spreading across seven ladder levels relating to the four areas of SEND identified in the SEN Code of Practice: cognition and learning; communication and interaction; social emotional and mental health; and physical and sensory needs. The Resource Ladder is helpful in providing clear and transparent funding arrangements for many types of need that may be met in a range of different environments. The final allocation of funding must be sufficient to secure the agreed provision specified in any EHC plan.
- 3.7 EHCPs issued before September 2020 have not been moved onto the new Resource Ladder. If the SEND panel needs to consider changes in funding to reflect a change in a child's needs or circumstances it refers to the former 'banding system' of Levels E, F, G, H, and I.
- 3.8 There are three elements of funding that mainstream schools receive to support young people who have been identified as having SEND.
- Element 1 funding - this is the general pre-16 core funding included within the funding through the local schools funding formula.
- Element 2 funding - this is from the 'notional special needs funding' within the general funding for mainstream schools. Schools meet the first £6,000 of additional support costs from delegated funds within school budget share and academy grant, calculated under the local schools funding formula.
- Element 3 funding - this is the agreed per pupil top up paid by the commissioning local authority and is the amount given to both mainstream and special schools to support individual children with an EHCP.
- 3.9 Special Schools receive £10,000 for every place commissioned. This is not funding for individual children but general funding for special schools as all their children will have EHCPs.

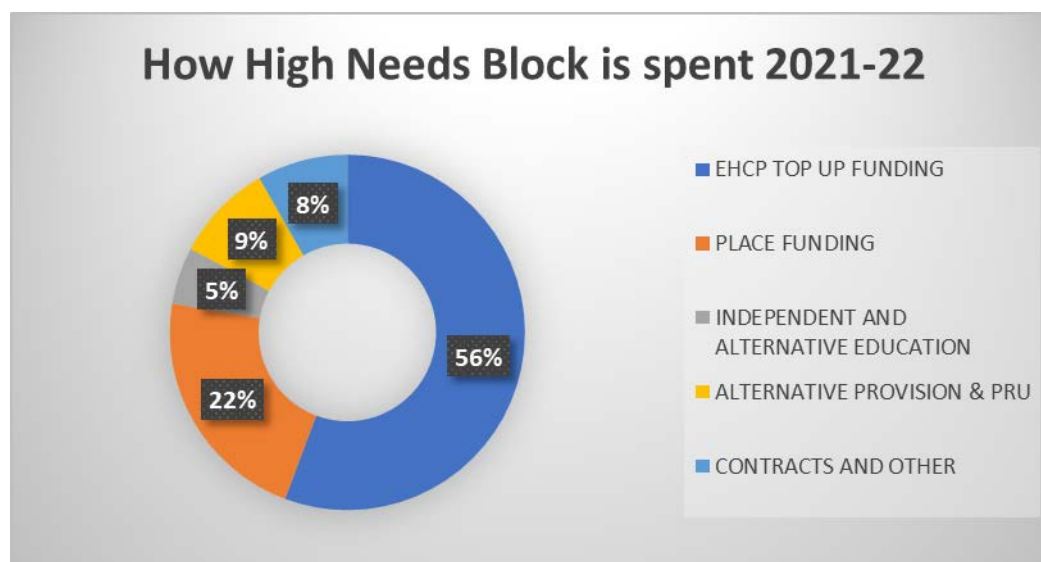
- 3.10 The High Needs Block (HNB) is the funding provided by the government for the Local Authority (LA) to support pupils with SEND, Alternative Provision (AP) and a range of SEND services. Element 3 Top-Up funding and place-led funding for special schools and special resource provisions in mainstream schools are funded from the HNB.
- 3.11 The Waltham Forest Local Offer sets out the arrangements it has for assessing and identifying pupils as having SEND. Individual schools are also obliged to outline how they identify and assess pupils who may have special education needs and disabilities in their “SEN Information Report”.
- 3.12 The SEND Code of Practice 2014 makes it clear that teachers are responsible for the progress and development of all the pupils in their class – and that high-quality teaching, differentiated for individual pupils, is the first step in responding to pupil needs. Schools are expected to meet the costs of their strategies outlined in their SEN information report from their budgets, in particular from Element 2 school notional SEND budget and not from Element 3 Top Up funding which is for the purposes of meeting the needs of individual children with EHCPs.
- 3.13 All pupils are placed on a level on the Resource Ladder according to their needs following appropriate assessment and the issuing of an EHCP. The allocation to a level on the Resource Ladder is decided by the multi-agency SEND panel following a decision to issue an EHCP.
- 3.14 The Resource Ladder sets out seven Levels of Needs and associated funding based on a set of descriptors which describe increasing levels of learning need for children. The descriptors in the lower levels are more commonly types of learning difficulty which may affect one or more area of learning for a child, with descriptions in the higher levels covering more profound overall learning disability for a child. To allocate the funding The Resource Ladder allocates funding by attributing a notional amount of Teaching Assistant hours to express the resources required to meet a level of need, together with allowances for additional support from specialist teachers, therapies, and equipment. The SEND panel considers all EHCP requests as well as subsequent request for increase in funding.

4. CURRENT POSITION

- 4.1 Waltham Forest was allocated £47 million in 2021-22 through the High Needs Block (HNB). 57% (£26 million) of the HNB is spent on EHCP top-ups and 22% (£10m) is spent on commissioning places in special schools and special resource provisions in mainstream schools as shown in Table 1 below.

Table 1: High Needs Block 2021-22

HIGH NEEDS BLOCK 2021-22	£m	%
EHCP TOP UP FUNDING	26.4	56.0%
PLACE FUNDING	10.4	22.0%
INDEPENDENT AND ALTERNATIVE EDUCATION	2.4	5%
ALTERNATIVE PROVISION & PRU	4.0	9%
CONTRACTS AND OTHER	3.9	8%
	47.0	100%



- 4.2 The number of EHCPs has been rising by around 10% each year over the last three years and has increased by 228 (10%) since November 2020 to a total of 2,486 in November 2021 as shown in Table 2 below.
- 4.3 Within that total the number of children with EHCPs in mainstream schools has increased by 111 (14%) to 913. 225 children (just under 25%) in mainstream have been allocated support on the new Resource Ladder while 688 remain on the old Banding System as shown in Table 3 below.

Table 2: Number of EHCPs November 2020 to November 2021

Current EHCP at 1st of the month

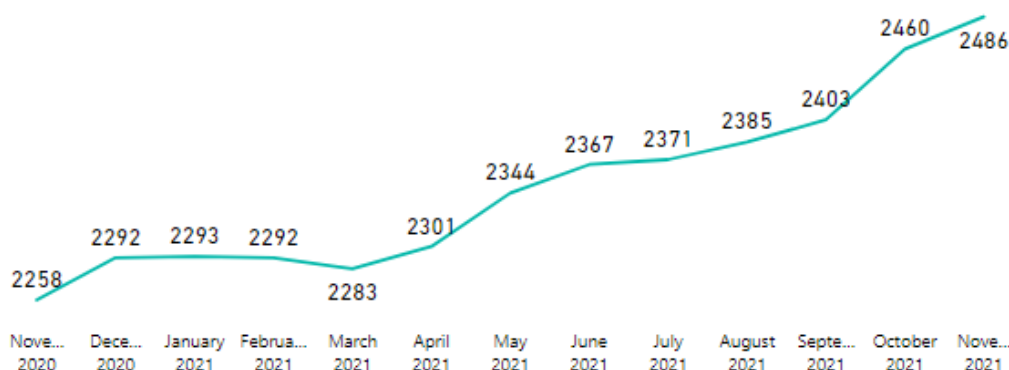


Table 3: EHCPs in mainstream schools

Mainstream Children with EHCP Oct 2021				
Funding Rate	Level	pupils	Annual Cost per level	Percentage of pupils
£3,000	1	13	£39,000	5.8%
£5,000	2	30	£150,000	13.3%
£8,000	3	92	£736,000	40.9%
£9,000	4	53	£477,000	23.6%
£15,000	5	33	£495,000	14.7%
£17,000	6	3	£51,000	1.3%
Above £17,000	7	1	£22,000	0.4%
New Resource Ladder		225	£1,970,000	100.0%
£3,000	2b	1	£3,000	0.1%
£3,500	2C	1	£3,500	0.1%
£4,500	3A	1	£4,500	0.1%
£0	C	0	£0	0.0%
£0	D	7	£0	1.0%
Primary E £7,584	E	294	£2,078,766	42.7%
Secondary E £6,423				
Primary F £13,659	F	368	£4,912,734	53.5%
Secondary F £12,498				
Primary G £17,927	G	16	£281,672	2.3%
Secondary G £16,637				
Old Banding System		688	£7,284,172	100.0%
TOTAL		913	£9,254,172	

4.4 Whist it is too early to draw any definitive conclusions from the data, it would appear that the new resource ladder is leading to a more even 'spread' of allocations of funding – which is exactly what the new ladder was designed to do.

Table 4 Special Resource Provision

SRP Children with EHCP Oct 2021					
Funding Rate	Level	pupils	costs	percentage	
£8,000	3	4	£32,000	33.3%	
£9,000	4	4	£36,000	33.3%	
£15,000	5	4	£60,000	33.3%	
New Resource Ladder		12	£128,000	100.0%	
Mid £9,000	E	36	£324,000	22.0%	
Mid £15,750	F	126	£1,984,500	76.8%	
Mid £28,500	G	2	£57,000	1.2%	
Old Banding System		164	£2,365,500	100.0%	
		188	£4,987,000		

- 4.5 For Special schools, the number of children on the new Resource Ladder is too low to infer any impact: 19, just under 3% of the total of 645. Note under the old banding system each special school was allocated to either a High, Medium, or Low rate depending on their size in 2014.

Table 5 Special Schools

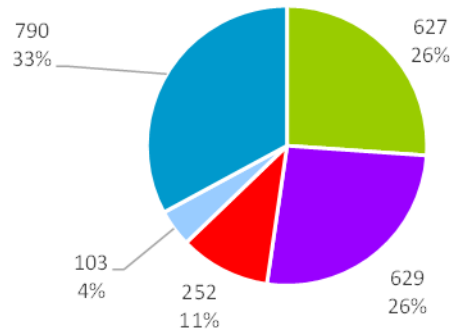
Special School Children with EHCP Oct 2021				
Funding Rate	Level	pupils	costs	percentage
£8,000	3	1	£8,000	5%
£9,000	4	5	£45,000	26%
£15,000	5	10	£150,000	53%
£17,000	6	3	£51,000	16%
New Resource Ladder		19	£254,000	100%
£3,500 to £7,500	D	1	£4,500	0.2%
£7,200 to £10,800	E	71	£578,700	11.3%
£13,275 to £16,875	F	438	£6,001,650	70.0%
£17,500 to £21,500	G	79	£1,411,500	12.6%
£21,250 to £25,250	H	33	£720,250	5.3%
£43,000 to £47,000	I	3	£134,000	0.5%
	Other	1	£15,000	0.2%
Old Banding System		626	£8,865,600	100.0%
		645	£9,373,600	

5. COMMENTARY

- 5.1 The local picture of community needs very much mirrors the wider London and national context of SEND with significant increase in demand and complexity of children's needs. This is evident through SEND data available, partnership's observations and DfE outline provided at London SEND Strategic Forums.
- 5.2 An exploration into difference and proportionality of needs identified that there were parts of our EHCPs cohort that appeared to be overrepresented when compared to our resident population of school children taken from the 2019-2020 academic year school census published by the DfE. The key difference appears to be that our EHC cohort is underrepresented in children from a 'White' background and overrepresented in those from a 'Black or Black British' background. This reflects the national picture across SEND.

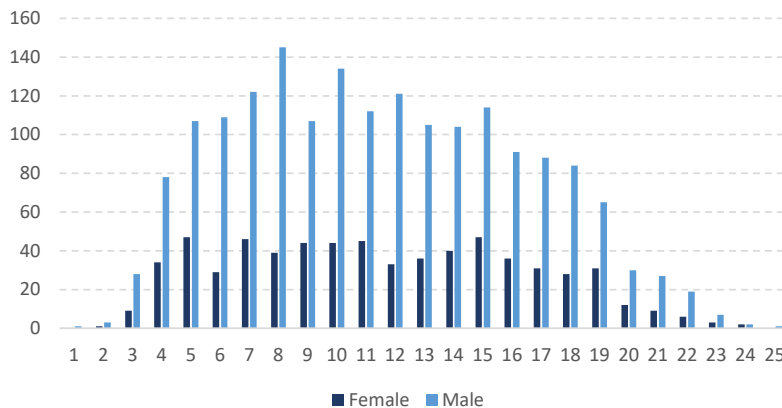
Ethnicity of all children with an EHCP or on EHC pathway 2021 (2461) (where ethnicity recorded - 2401)

■ Asian or Asian British ■ Black or Black British ■ Mixed ■ Other Ethnic Groups ■ White



5.3 The other area where the LBWF SEND EHCP cohort differed from the LBWF resident school population was in the proportions from each gender. Overall, the proportions of male to female are about 3:1. These proportions are fairly consistent over all ages as can be seen in the graph below and reflect a national picture.

Number of children on the EHC pathway by gender



5.4 This desk-based analysis and comparison with London boroughs suggest, that in relation to the possible areas of disproportionality of Gender and Ethnicity Waltham Forest is not significantly out of line with the local and national pictures. That is not to say that there is no disproportionality but if there is, it is inherit in the SEND system across London and the country. The findings have been shared with key stakeholders and part of ongoing work is to support settings and provisions with their understanding of difference and inclusion through the work of Education Psychologists, Early Years developmental pathway as well as outreach services like SEND Success.

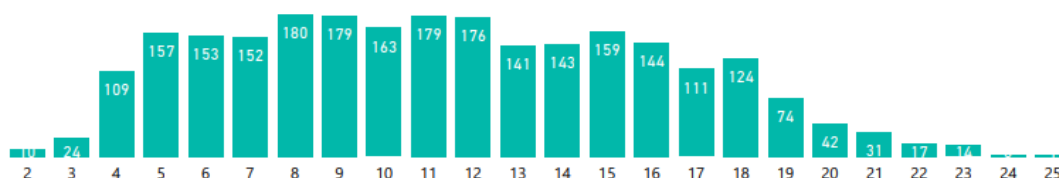
5.5 The year to date data demonstrates 533 new referrals received by October 2021, compare to 421 in previous year. The referrals are currently averaging approximately at 53 a month. We currently support 2486 children through EHCPs and have seen annual increase from 299

to 373 completed in the year. The number of EHCPs has been rising by around 10% each year. This is despite 260 children's plans that ceased in past 12 months.

- 5.6 The below chart shows distribution of EHCPs by age and spreads across 0-25 years. Higher and similar representation is evident in 4-18 year age groups, averaging at 140 EHCPs in each age group.

Distribution of EHCPs by age

Age at 31/08/2021



Source: Monthly SEND Dashboard (October 2021)

- 5.7 From September 2020 the New Resource Ladder supported 256 children in the borough: 225 in mainstream schools, 12 in Special Resource Provision and 19 in Special Schools. Although we are unable to compare both funding models like with like and provide firm analysis of impact at this early point, we are able to demonstrate that 43 children in mainstream school received level 1 and 2 funding, which was not available under the previous funding model. This demonstrates children's needs are being assessed and supported adequately at lower levels of funding, whilst they remain in mainstream schools.
- 5.8 The EHCP process is governed by the SEND panel that meets weekly. The panel also considers requests for increases in funding and in the past 12 months we have seen a total of 115 requests, averaging at 9 a month with 75% of these agreed. The children whose funding increased presented with changing needs and settings requiring additional resources to support their learning and prevent placement breakdowns.

6. CONCLUSION

- 6.1 Although it is too soon to reach firm conclusions, in mainstream schools the Resource Ladder appears to be allowing a greater differentiation in the description of level of need and therefore on the level of funding allocated to meet that need. This is leading to more appropriate allocations of funding that closely match the level of need identified in each EHCP. This is then supported by the SEND Panel work, which is ensuring that any EHCP that needs alterations is being seen in a timely manner.
- 6.2 As an initial part of the recovery plan to achieve a balanced DSG over a reasonable timescale, one of the other changes to High Needs Block (HNB) funding arrangements that Cabinet approved in March 2020 was

to reduce the funding levels of Band E and Band F in mainstream schools by 10%. As can be seen in Table 2 above, the total cost for these is £6.99m (£2.078m Band E + £4.912m Band F). This represents a full year saving of £0.777 million which has been a significant contribution towards containing the cost of growth and towards the HNB being sustainable. The 'safety net' for this decision was the ongoing, and developing use, of the SEND Panel to allocate additional funding where appropriate.

- 6.3 Early indications are that few EHCPs are being submitted to the panel for young people on the E and F bands for additional funding. This would suggest that needs are being met appropriately from within the new funding allocations. A review later in the year will be considered to fully look into this particular issue.

7. IMPLICATIONS

- 7.1 There are no implications for Looked After Children (32) or Care Leavers (19) with EHCPs due to no differentiation in how the model is applied. All children despite their legal status are supported according to their assessed needs.

Meeting / Date	SCHOOLS FORUM 19 January 2022	Agenda Item	6
Report Title	High Needs Block: projected outturn 2021-22 and first draft budget 2022-23		
Decision/Discussion/ Information	For Information and Discussion		
Report Author/ Contact details	David Kilgallon, Director of Learning and Systems Leadership david.kilgallon@walthamforest.gov.uk		
Appendices	Appendix: High Needs Block: projected outturn 2021-22 and first draft budget 2022-23		

1. INTRODUCTION

- 1.1 This report is to inform Schools Forum of the current projected outturn at Month 8 (Quarter 3) for the High Needs Block (HNB) for 2021-22 and the first draft budget for 2022-23.
- 1.2 The Local Authority must consult Schools Forum on financial issues relating to arrangements for pupils with special educational needs, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding. This report to Schools Forum is part of that consultation process.

2. RECOMMENDATIONS

- 2.1 Schools Forum to note the contents of this report.

3. PROJECTED OUTTURN 2021-22

- 3.1 The projected outturn for the HNB at Month 8 (Quarter 3) of 2021-22, excluding recoupment for academy and Further Education places is £37.77 million against a budget of £37.66 million: an overspend of £108,000 or 0.3%. This projection must be treated with caution as meeting low-incidence but high-cost need can cause large movements in spend, for example, two additional pupils have added £25,000 (£100,000 full year effect) to the projection for Independent and non-maintained special schools in Month 8.
- 3.2 If the projection holds, this will increase the cumulative deficit on High Needs from £5.008 million to £5.116 million.
- 3.3 The net position of £108,000 includes two significant items of spend that were not anticipated when setting the 2021-22 budget: £120,000 from the cost of

Education, Health and Care Plans (EHCPs) in Early Years and £390,000 from the cost of underwriting the increase to place-led funding to £23,000 per place for the PRUs and Belmont Park.

- 3.4 The Early Years Block (EYB) has been covering the cost of EHCPs in the Early Years however in 2021-22 this has become unsustainable. The expenditure on EHCPs has increased between 2020-21 and 2021-22, but the biggest increase has been in SENIF funding.
- 3.5 The Special Educational Need Inclusion Fund (SENIF) budget for 2021-22 is £782,000, from a 3.5% top-slice of the EYB agreed by providers.
- 3.6 For SENIF itself, the full-year forecast is £692,000, and for EHCPs, the full-year forecast is £535,000, totalling £1.227 million, producing a cost pressure of £445,000 from funding all EHCP of children in a nursery provision from the EYB in this financial year.
- 3.7 This cost pressure has arisen due to several reasons including:
 - 21 reception aged children remained in a nursery provision (9 with EHCP and 12 with SENIF) which increased the forecast by £100,000.
 - Increase of SENIF awareness and take-up.
 - Increased number of children with higher level developmental delay (13 month +) as a consequence of Covid
 - There are an increasing number of EHCP applications being made by parents
- 3.8 Following mitigating actions including use of EYB reserves, a residual cost of £120,000 will be covered by the HNB in 2021-22. The full year effect in 2022-23 is estimated at £550,000.
- 3.9 In February 2021, Schools Forum agreed a three-year programme of top-up funding contributions to the PRUs and Belmont Park to raise place funding to £23,000, around the London average. This coincided with the implementation of clawbacks from school budgets for excluded pupils, and those who leave school for any other reason who are receiving education funded by the LA by another (non-school) provider, i.e., alternative provision college places.
- 3.10 It was also agreed that the funds generated by clawbacks should be used to support the transition to the new funding rates. The actual level of clawback in 2021-22 has been significantly lower due to a reduced number of permanent exclusions and use of AP college placements. This has produced an in-year pressure of £390,000 to the HNB.

- 3.11 There was a further pressure of £106,000 from extending the increase in PRU place funding to £23,000 from September 2021 for the 14 SEND places.
- 3.12 The growth in EHCPs has continued, reaching 8% for 2021-22, causing an increase in costs of £1.67 million from £20.89 million to £22.55 million. Although this was slightly less than the 9% growth budgeted for, other cost pressures have absorbed the balance.

4. FIRST DRAFT BUDGET 2022-23

- 4.1 The gross High Needs Block allocation has increased by £3.3 million from £46.6 million in 2021-22 to £49.9 million in 2022-23. The net amount received by the LA which excludes recoupment for academy and further education places, should increase by £3.1 million from £37.6 million to £40.7 million.
- 4.2 The first draft budget rolls forward the 2021-22 projections with the following items increased to account for the full-year effect of growth:
- Independent and non-maintained Special schools placements
 - Family Resilience Service contracts
 - Alternative Provision support in mainstream schools
 - Additional funding for PRU SEND places
 - EHCPs in the Early Years
- 4.3 The cost of underwriting the shortfall in clawback funding should reduce due to the taper in supporting the transition in year 2.
- 4.4 This first draft budget suggests it would be possible to hold a contingency of £2.192 million which would manage a further 9.8% increase in EHCP growth but it is unlikely that any contribution towards the deficit could be achieved in 2022-23.

5. ADDITIONAL HIGH NEEDS FUNDING

- 5.1 The ESFA has allocated additional high needs funding of £1.839 million for 2022-23 following the 2021 spending review. This includes funding in respect of the Health and Social Care Levy and extra top-up funding that may be claimed by colleges and other post-school providers offering extra hours of study to 16 to 19 year old high needs students.
- 5.2 This new funding and the spend associated with it will be included in later iterations of the 2022-23 budget.

Description	Revised Budget 2021	FY21-22 Forecast M8	Budget 2022- 23 Draft
	£	£	£
INCOME			
Gross Allocation	46,607,786	46,607,786	49,942,160
Recoupment for Academy and Further Education	-8,947,668	-8,947,668	-9,200,000
TOTAL HIGHNEEDS BLOCK INCOME	37,660,118	37,660,118	40,742,160
EXPENDITURE			
LBWF SCHOOLS			
Special Schools	10,588,100	10,551,500	10,652,375
Special Resource Provision	3,211,000	3,276,013	3,168,000
Mainstream Schools	8,169,400	9,571,359	9,600,000
Growth forecast 21-22	1,021,175		
Additional Growth forecast (Dec-Mar22)		236,984	
Hawkswood & Burnside Top up funding	141,205	164,351	160,000
TOTAL LBWF SCHOOLS	23,130,880	23,800,206	23,580,375
OTHER SCHOOLS			
Independent and NM Special schools	2,071,900	1,956,087	2,080,087
Other LA schools	1,200,000	1,369,469	1,369,469
Alternative Education	624,000	998,367	998,367
Residential cost contribution 20-21		-303,979	
TOTAL OTHER SCHOOLS	3,895,900	4,019,944	4,447,923
ALTERNATIVE PROVISION			
College Places	1,524,700	1,408,527	1,524,700
Family Resilience	600,000	420,170	538,000
Family Resilience - Backfill etc			
New Provisions	277,500	207,500	328,333
Other Items Including Assessment places	352,500	375,490	300,000
TOTAL ALTERNATIVE PROVISION	2,754,700	2,411,686	2,691,033
PRU			
Place funding	830,800	860,000	860,000
Additional Funding for PRU places(Claw backs and Top ups)		390,975	193,000
PRU SEND Place funding	140,000	154,000	140,000
Additional SEND place funding at 13k/place		106,000	182,000
TOTAL PRU	970,800	1,510,976	1,375,000
POST 16 PROVISION			
Top up funding and Spot Purchases	2,603,600	2,593,452	2,593,000
TOTAL POST 16	2,603,600	2,593,452	2,593,000
CONTRACTS			
Home Hospital	427,000	264,000	264,000
SEND Success Excluding EY	617,000	652,584	652,584
SEND Success EY	83,000	83,000	83,000
EY Home Visitors - SEND		108,000	108,000
Speech and Language Therapy	140,000	140,000	140,000
TOTAL CONTRACTS	1,267,000	1,247,584	1,247,584
OTHER HN COSTS			
DES Service	533,000	612,800	612,800
BACME	297,000	324,100	324,100
FAP	72,000	72,000	72,000
Contribution to Direct Payments		224,000	224,000
Contribution to Direct Payments		20,000	20,000
HN Settings Pay & Pension Allocations	808,393	752,000	752,000
EY Inclusion fund overspend on EHCP top ups		120,000	550,000
HN Finance	60,000	60,000	60,000
TOTAL OTHER COSTS	1,770,393	2,184,900	2,614,900
TOTAL HIGH NEEDS BLOCK EXPENDITURE	36,393,273	37,768,748	38,549,815
DEFICIT REPAYMENT	500,000		
CONTINGENCY & GROWTH	766,844		2,192,345
HNB TOTAL	37,660,117	37,768,748	40,742,160
SHORTFALL		-108,630	0

-0.3%