



NORTH YORKSHIRE SCHOOLS FORUM

Date of meeting:	Thursday, 26 September 2019
Title of report:	High Needs Block Summary
Type of report: Delete as required	For Information
Executive summary: Including reason for submission	Highlights the projected financial pressure in the High Needs Block in 2020-21 and subsequent years, and the specific challenges facing the local authority and schools. The report provides information on SEND trends particularly around Education, Health and Care Plans and exclusions.
Budget / Risk implications:	
Recommendations:	That members of the Schools Forum note the contents of the report
Voting requirements:	None
Appendices: To be attached	None
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Presenting officer: If not the originator	Howard Emmett – AD Strategic Resources (CYPS)

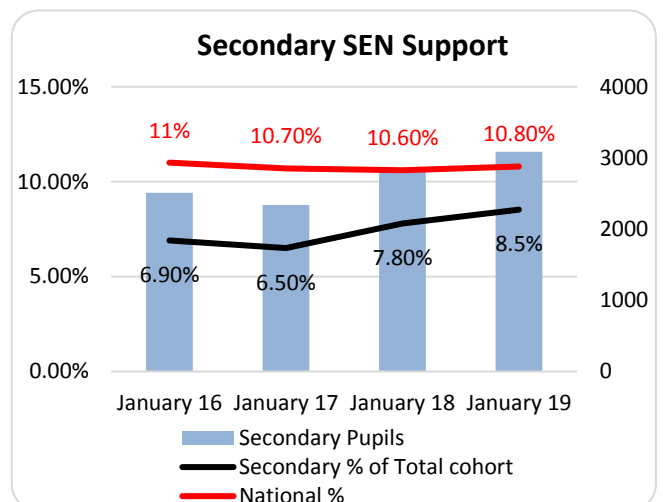
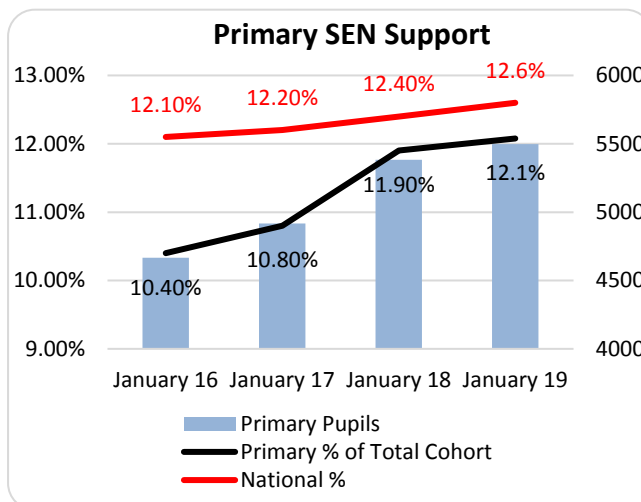
1.0 PURPOSE OF THE REPORT

1.1 The paper provides information on trends with Special Educational Needs and Disabilities (SEND) giving rise to the financial pressures outlined in the School Funding paper. It summarises the current budget and outlines progress in establishing a new free special school in Selby.

2.0 IDENTIFICATION OF CHILDREN AND YOUNG PEOPLE WITH SEND

Children at SEN Support

2.1 Between January 2016 and January 2019, North Yorkshire has seen a 16% in the proportion of Primary School pupils in receipt of SEN Support (up from 10.4% up to 12.1%), against a national increase of just 4% (from 12.1% to 12.6%). Similarly, between January 2016 and January 2019, we have seen a 23% increase in the proportion of Secondary pupils in receipt of SEN Support in North Yorkshire (from 6.9% to 8.5%). Whilst across both phases, North Yorkshire rates remain below the national, over the past 4 years the 'gap' has closed considerably as North Yorkshire's rate continues to increase faster than the national rate.



2.2 As can be seen from the chart above, we continue to see a significant difference between the proportion of primary school pupils receiving SEN Support and the proportion of secondary school pupils receiving SEN Support. The table below shows the breakdown of primary and secondary schools based on the proportion of pupils on roll in receipt of SEN Support. As can be seen a vast majority of schools have between 5% and 15% of pupils receiving SEN Support.

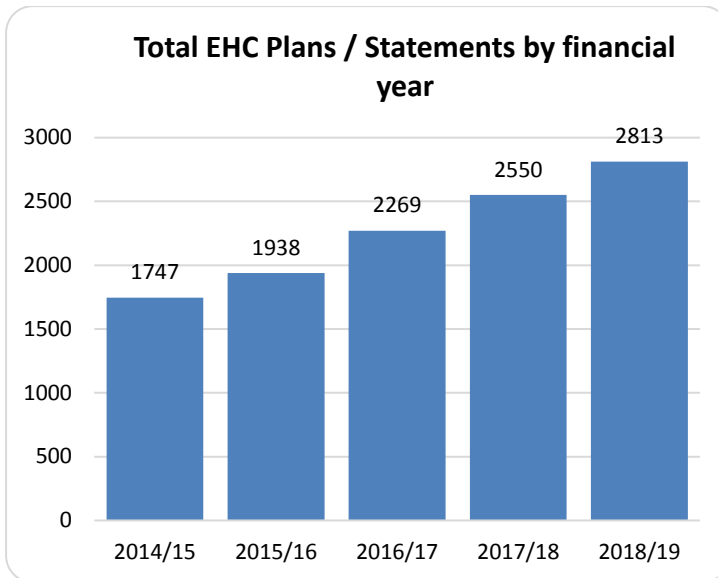
SEN support school analysis						
	North Yorkshire Overall	Number of schools less than 5%	Number of schools between 5- 9.9%	Number of schools between 10-14.9%	Number of schools between 15-19.9%	Number of schools 20% and over
Primary	11.8%	27	96	105	41	34
Secondary	8.4%	10	13	14	3	3

Children with EHC Plans/statements

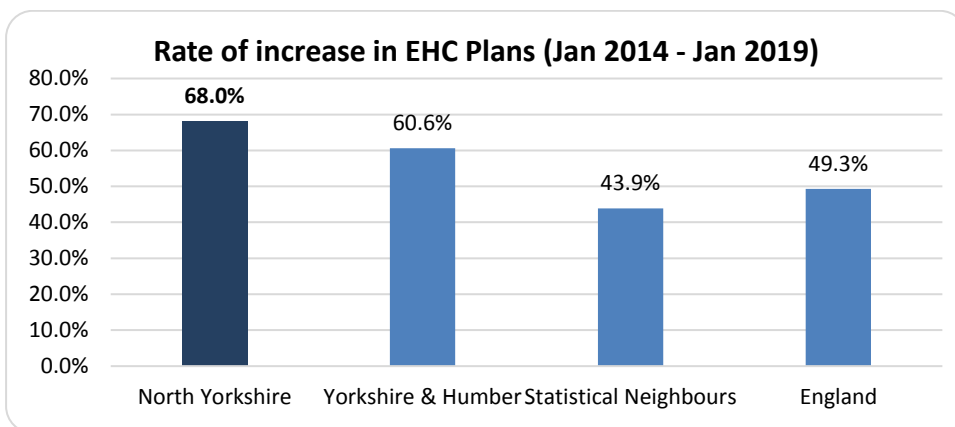
- 2.3 The number of requests for Education, Health and Care (EHC) assessments increased by 76% between 2015 and 2017 (calendar years). The 2018 calendar year has seen a slight decrease, to 661, though this is still higher than 2016 and 2015.

Requests for EHC assessment			
2015	2016	2017	2018
407	614	717	661

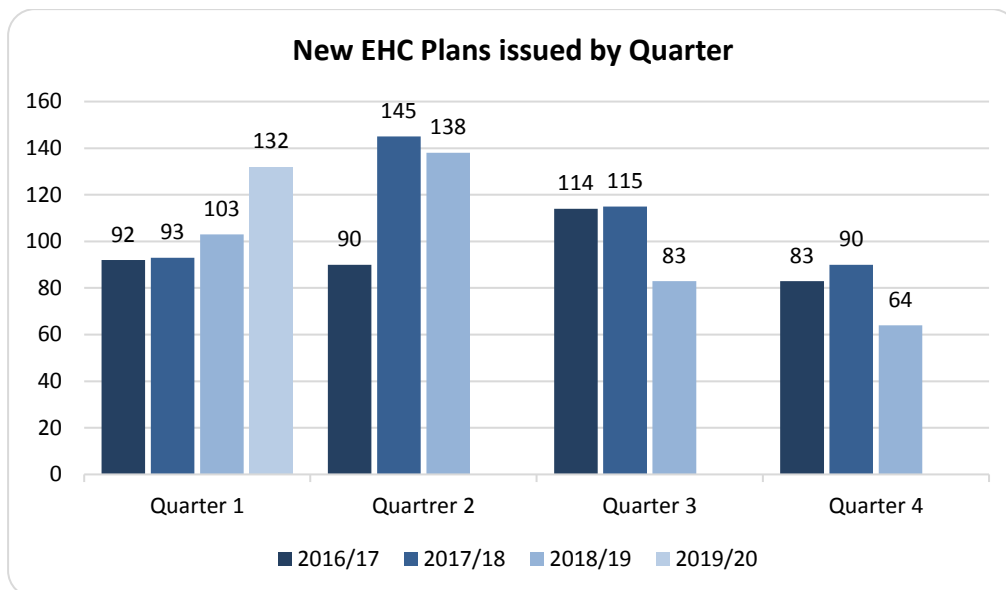
- 2.4 The percentage of initial requests for EHC assessments refused in North Yorkshire is 31.7% which is above all benchmarks. In North Yorkshire that percentage of refused assessments has increased slightly, from 30% last year.
- 2.5 Furthermore, 15% of EHC assessments resulted in a decision not to issue an EHC Plan being taken. This is up from 11% last year, and remains above all comparable benchmarks.
- 2.6 Over the past few years, similarly to the number of children in receipt of SEN support, we have seen a considerable and sustained increase in the number of children receiving support via a Statement/EHCP. By the end of the 2018/19 financial year, there were 2,813 children and young people in receipt of support via an EHC Plan. This is up by 10% on the end of last financial year, and represents a longer term increase of 61% compared to the position at the end of the 2014/15 financial year. It is worth noting that some of this increase may be attributable to the move from Statements to EHCPs.



- 2.7 Over the period between January 2014 and January 2019, the number of children receiving support under an EHC Plan (or Statement of SEND before their introduction in 2015), has increased by 68%. This is a notably higher increase than has been seen across the Yorkshire & Humber region (60.6%) and is significantly higher than both the national (49.3%) and statistical neighbour (43.9%) comparators.



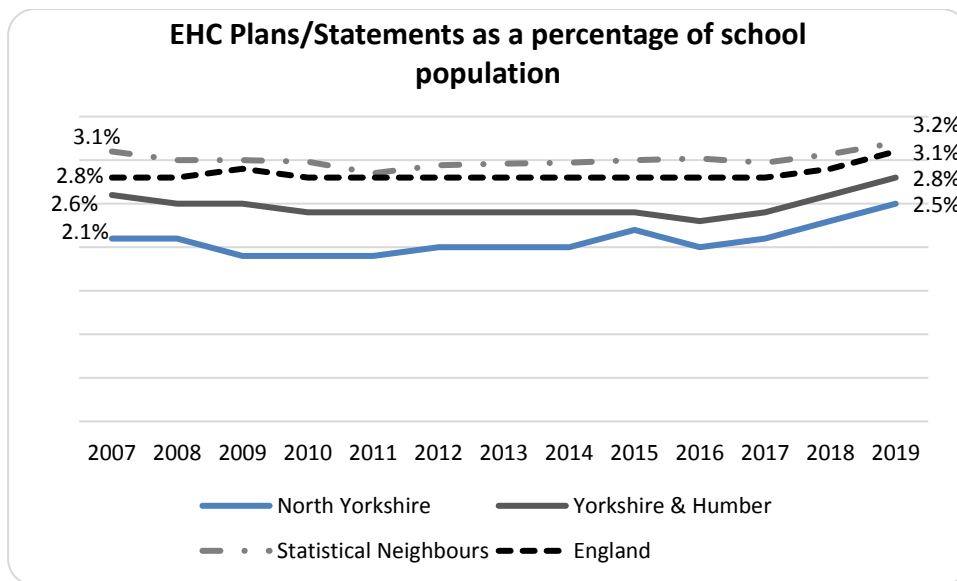
- 2.8 Since the start of 2016/17, the average number of new EHC Plans issued per Quarter has been 103. Over recent Quarters, however, we have seen the number of new EHC Plans each Quarter vary more than previous years. This is highlighted by the low of 64 new EHCP in Quarter 4 2018/19, followed by a relative high of 132 new plans in Quarter 1 2019/20.



- 2.9 Having witnessed a considerable increase in the number of ceased EHC Plan during 2017, the 2018 calendar year saw a continuation of this upwards trend with 126 EHC Plans being ceased. It is worth noting that compared to 2017, this is a 5.9% increase in the number of plans being ceased against a 13% increase in the number of plans.

Ceased EHC plans			
2015	2016	2017	2018
80	51	119	126

- 2.10 The rate of EHC Plans as a percentage of the school population remains below all benchmarks, which has been the case since 2007.



- 2.11 The EHC Plan forecast - based on historic trend since the implementation of the SEND code of practice - is shown in the table below (forecast number for January in each year). The forecast takes into account new plans issued and plans ceased, but does not factor in the Strategic Plan for SEND Education Provision nor the impact of reaching 6 years post-SEND reforms when the impact of increasing the age range from 18 to 25 will be fully realised.

EHC Plan forecast (based on historic trend since implementation of the SEND code of practice)							
2020	2021	2022	2023	2024	2025	2026	2027
2,990	3,197	3,377	3,474	3,586	3,711	3,808	3,917

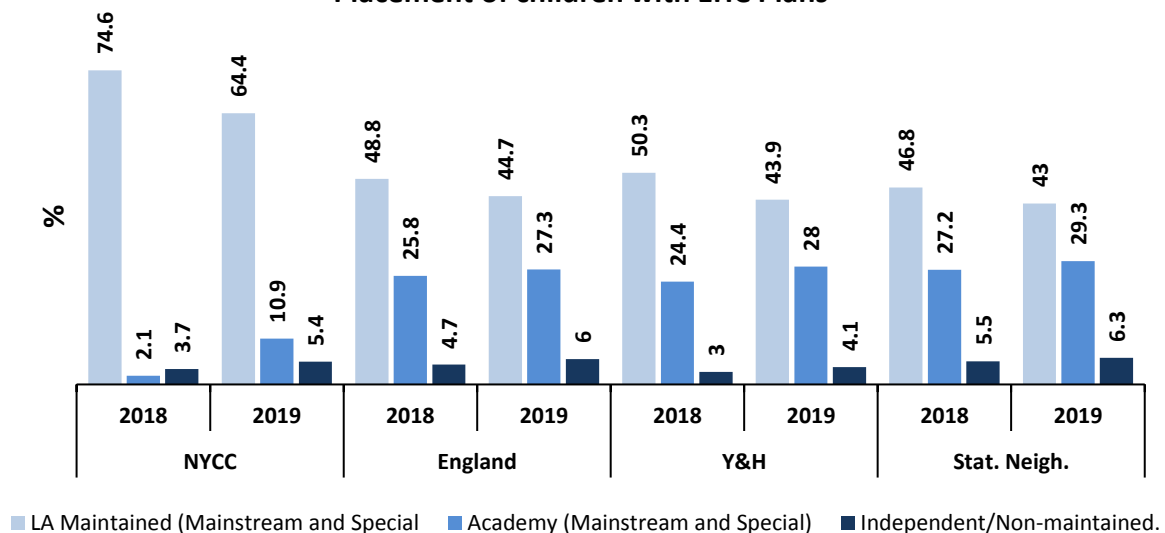
Count of North Yorkshire funded Statements and EHC plans by age group

Age Group	Jun-15	Jun-16	Jun-17	Jun-18
Under 5	36	45	57	141
5 to 10	563	618	718	1,040
11 to 15	784	804	874	1,016
16 to 19	408	498	578	523
20 to 25	5	62	130	105
Total	1796	2027	2357	2,825

Placement of children with an EHC Plan

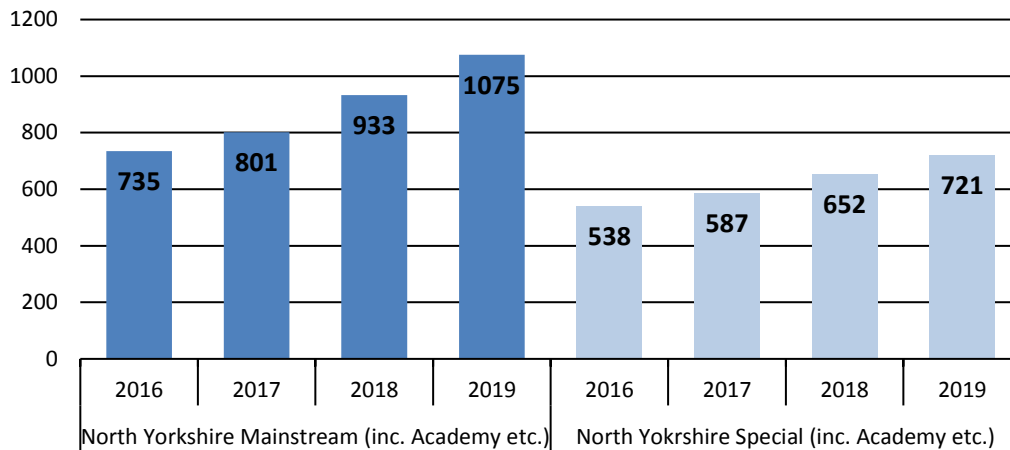
2.12 Virtually two in every three (64.4%) children with an EHC Plan have a place in a local authority maintained school (albeit, not all in North Yorkshire). Whilst this is much high than other benchmarks, over the last year, we have seen the difference between North Yorkshire and the national benchmark reduce. Last year, 74.6% of NYCC EHC pupils had LA maintained school places, compared to 48.8% nationally (a difference of 25.8%). This year 64.4% of NYCC EHC pupils had places in LA Maintained schools against 44.7% nationally (a difference of 20.3%). This is indicative of the increase in the number of Academy schools in North Yorkshire over the past year.

Placement of children with EHC Plans



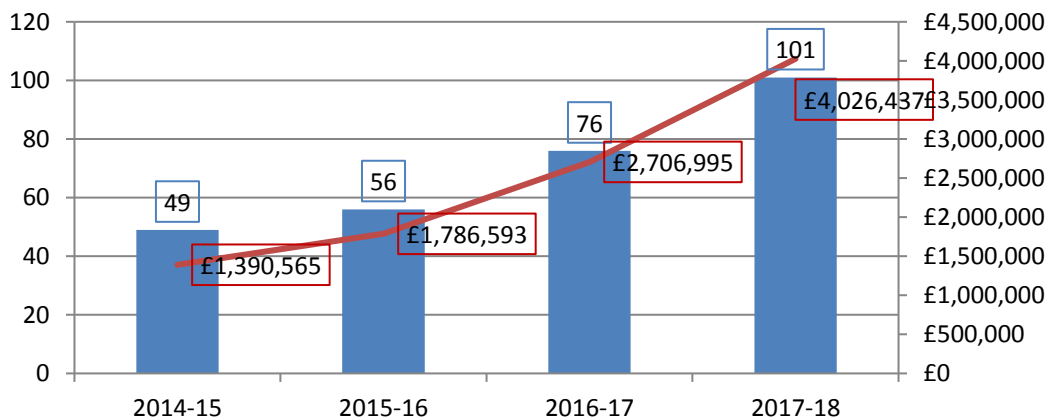
2.13 The number of pupils (Reception to Year 11) with an Education, Health and Care Plan in North Yorkshire mainstream schools (maintained and academy) has increased by 46.3% since 2016, from 735 in 2016 to 1,075 in 2019. Similarly, the number of pupils with an EHC Plan in North Yorkshire special schools (maintained and academy) has increased by 34%. Over the past 4 years, both groups have seen a steady increase as the overall EHCP cohort as increased.

Pupils in mainstream and special provision in North Yorkshire



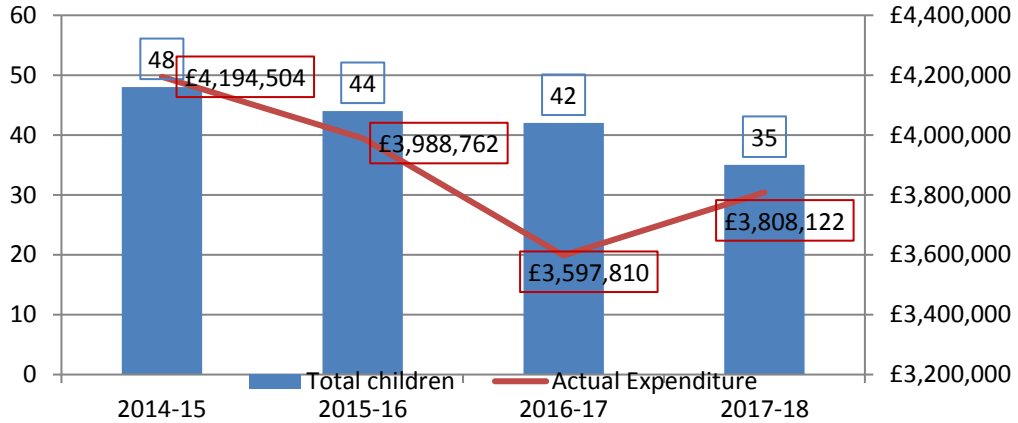
2.14 The total number of pupils in independent and non-maintained day out of authority placements (which includes independent and non-maintained providers in North Yorkshire) has shown a year on year increase since 2014-15. The expenditure has also increased year on year. In 2017-18 the average cost per pupil was £54k.

Independent & non-maintained day out of authority placements



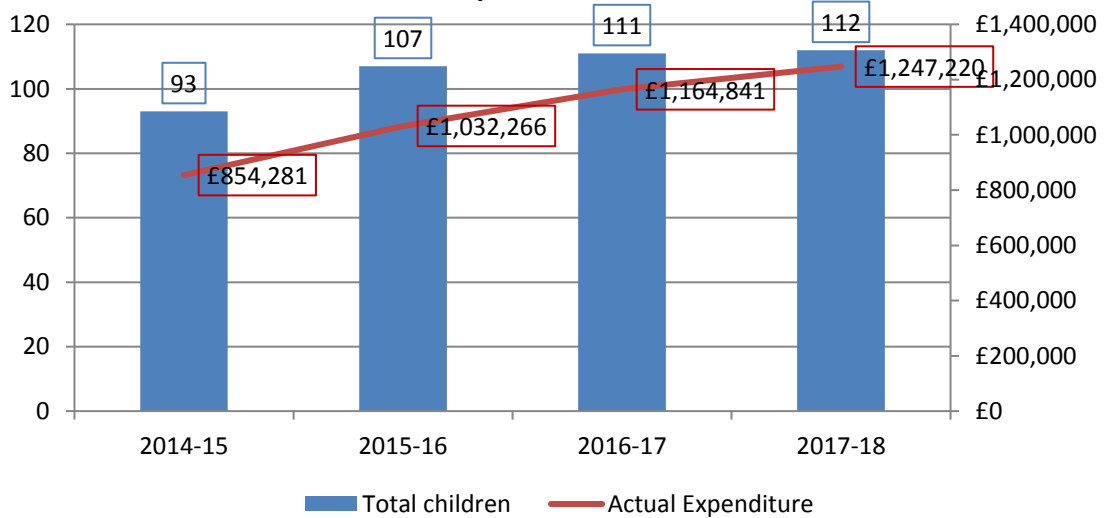
2.15 The total pupils in independent and non-maintained residential out of authority placements (which includes independent and non-maintained providers in North Yorkshire) has decreased year on year since 2014-15. Expenditure has reduced over the period, but increased between 2016-17 and 2017-18 despite fewer pupils. In 2017-18 the average cost per pupil was £135k.

Independent & non-maintained residential out of authority placements



2.16 The total pupils in other Local Authority maintained special school and special academy day placements has shown a relatively small increase since 2014-15. The expenditure has also increased year on year. In 2017-18 the average cost per pupil was £13k.

Other LA maintained special school & special academy day placements



3.0 IMPACT ON HIGH NEEDS BLOCK FUNDING

3.1 The High Needs Block for North Yorkshire amounts to £51.96 million (including £1.66m transfer from Schools Block).

3.2

Budget Area	Budget as per March 2019 (£k)	Change since Original Budget (£k)	Revised Budget (£k)	%
High Needs Commissioning	40,350	-	40,350	77.7
Alternative Provision (PRUs, Hospital Provision)	4,304	-	4,304	8.3
Education Psychology	256	(67)	189	0.4
Enhanced Mainstream Schools	3,322	(323)	2,999	5.8
SEN Support & Outreach	2,688	323	3,011	5.8
Higher Education for LAC	47	-	47	0.1
Virtual School	486	-	486	0.9
School Improvement	66	-	66	0.1
Other Budgets	735	-	735	1.4
Budget Shortfall	(372)	142	(230)	(0.4)
TOTAL	51,882	75	51,957	100

Budget Line	£k	%
North Yorkshire Special Schools	17,172	42.6
North Yorkshire Mainstream School E3 Top-up Funding	6,215	15.4
Independent and Non-maintained Special Schools	6,578	16.3
Special Provision Institutions	3,139	7.8
Other Local Authority provision	1,817	4.5
Pooled Budget	1,565	3.9

FE Colleges	1,309	3.2
Personalised Learning Pathways	1,260	3.1
Early Years	619	1.5
Other	676	1.7
TOTAL	40,350	100

3.3 It is anticipated that the estimated financial pressure in 2019-20 will be in the order of £1.5m. This is reduced, in part, by the application of the supplementary 0.5% (c.£1.6m) transferred from the Schools Block into the High Needs Block. The underlying overspend is, therefore, £6.8m.

3.4 However, demand predictions outlined in section 2 indicate that, other things being equal, the underlying financial pressure of £6.8m will grow by approximately £1.5m - £2.5m in each of the next few years. Overall, the local authority, schools and academies in North Yorkshire are facing a recurring funding shortfall of between £10m - £13m by March 2022. This estimate is being refined but provides a crude indicator of the scale of the shortfall. As previously reported to the Schools Forum, this financial pressure is not sustainable.

4.0 CONCLUSIONS

4.1 As outlined the School Funding paper, the scale of the financial pressure facing the High Needs Block is significant and likely to continue to exceed the High Needs Dedicated Schools Grant. This financial pressure is not unique to North Yorkshire and reflects the national trend. SEND trends and data indicate that further financial pressure will continue in 2020-21 and beyond and the local authority must continue to implement the Strategic Plan for SEND Education Provision 0-25 to help achieve a financially sustainable position in the medium-term.

5.0 RECOMMENDATIONS

5.1 That Schools Forum:

- Receive the report and notes the financial implications

STUART CARLTON

Corporate Director – Children and Young People’s Service