

TO: All Primary & Secondary Schools

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Dear Colleague

High Needs Funding 2019/20

The High Needs Funding statements for 2019/20 can now be downloaded via anycomms. The High Needs allocations are based on pupil information as at February 2019. Adjustments for any further changes in March will be made in the new financial year.

In North Yorkshire, as elsewhere in the country, the pressures on High Needs budgets continue to grow and relate to:

- High Needs Block funding provided by the Department of Education is simply insufficient.
- There has been an unprecedented increase in Education, Health and Care Plans (EHCPs). Since 2014, there has been a 46% rise in EHCPs and this trend has continued throughout 2018 and currently stands at 50%+. This is an unfunded burden on schools and the local authority.
- Tackling the financial pressure requires a system-wide approach to the development of plans and will not provide immediate relief in sustainable savings.

There is a projected £5.89m overspend in 2018-19 which is offset, in part, by the contribution of £1.6m (0.5%) transferred from the Schools Budget in 2018/19 and the additional funding allocation announced by the DfE in December 2019 of £1.243m per annum for 2018/19 and 2019/20. This leaves a £2.99m projected deficit at the end of 2018-19 which will, effectively, be the first call on the 2019-20.

The DfE has acknowledged the pressures faced across the country and has allowed LAs, with the permission of their School Forums, to continue to use up to 0.5% of the Schools Block to support High Needs in 2019-20. Any request to transfer more than 0.5% of the schools block requires the local authority to submit the request to the Secretary of State. Against the background of continued and significant High Needs budget pressures for 2019/20, North Yorkshire County Council consulted schools and sought the views of the Schools Forum on a

0.5% and a 1% transfer. Schools responding to the consultation indicated majority support for a 0.5% transfer of funding from the Schools Block to the High Needs budget. Whilst the Schools Forum recognised the pressures on the High Needs Budget they felt unable to support a 1% transfer due to the level of general funding pressures that schools are experiencing.

The local authority acknowledges the views of schools and the Schools Forum in supporting a transfer of up to 0.5% transfer of funding from the Schools Block to the High Needs budget in 2019/20. However, the local authority has a corporate duty to address the forecast underlying budget overspend of £5.7m on the High Needs budget. The North Yorkshire Strategic Plan for SEND Education Provision 0-25 sets out areas of detailed review to reshape provision in both mainstream and special school settings, the core and additional offer to schools around inclusion support services, the bid for a free special school and ways of working, collaboration and governance. This Plan is a comprehensive strategy aimed at improving the offer for children and young people within the budget available. Whilst the proposals in the Plan are being progressed to address the pressures on High Needs, it is unlikely that they will fully address the increasing demand for High Needs support and services and the associated budget pressures in the next 12 -24 months. Against this background, and in order to help mitigate the impact of the current forecast overspend on the future funding position, the LA submitted a request to the Secretary of State to transfer 1% from the Schools Block to the High Needs budget. The DfE acknowledged that North Yorkshire County Council have "...a clear strategic plan to control high needs spend..." that recognises that we are "...working towards completely re-shaping [our] high needs provision, which in turn will see the funding being spent more efficiently." The DfE have, therefore, approved the 1% block transfer request for 2019/20.

Element 3 Top-Up Funding – Transfer from the Can-Do Resource Allocation System to the new Banding System

From 1st April 2019, NYCC will stop using the Can-Do and will start to use the new banding system – details of which are being shared at the Spring SENCO networks and will also be sent out in the red bag.

Children currently with an EHCP will transfer over to the banding system after their annual review and this will start with all annual reviews from 1st April 2019. Over the course of the year, all children with EHCPs will transfer from their Can-Do to the new banding allocation. This relates to all children and young people of all ages except for those in our LA Special schools who will all transfer on 1st April 2019.

Any change in funding as result of the annual review process and the transfer to the new band will be implemented from the date of notification of the new funding band.

As of now, it is recommended that SENCOs do NOT submit Can-Dos with their EHCARs, as if they are assessed, the end of the process will be after 1st April and a banded amount will be given to them. New EHCPs issued from 1st April 2019 will be given a banding allocation.

Any requests for funding change resulting from change of need identified at annual / interim review up until the 31st March 2019 will be processed using the Can-Do.

Funding for young people with EHCPs in mainstream school sixth forms.

From 1st April 2019, NYCC will fund the Element 3 top up funding for Post 16 pupils at 16 hours per week in line with the tuition they receive.

Exceptional Element 2 Funding

Exceptional Element 2 funding will no longer be provided in 2019/20 for pre-16 pupils.

Non-statutory Element 3 and Exceptional Funding

A pilot is currently operating until April 2019 to allocate funding at a non-statutory level in order to get resources to children and young people more quickly. If a child requires short-term funding, schools will be able to submit an Exceptional Funding SEN Support Form which will provide them with up to two terms of financial support to meet these needs. Where a child goes on to be issued with an EHCP we know that this is likely to be of a significant duration and there are resource commitments for both the school and the LA in terms of statutory duties. If a responsive short-term solution can meet the need, this could be a more effective use of resource (both time and finances) for both the school and the LA. Where a child has long-term, high-level Special Educational Needs, the LA is committed to supporting them through an EHCP. The proposal does not seek to reduce the number of children who require an EHCP from receiving them. Eligibility will be restricted to the following groups:

- Moved-in pupils (particularly from military families)
- Transitional support
- High needs that are time-limited - such as those resulting from emotional trauma or significant life events.

The progress and outcome of the pilot will be reported to the High Needs Sub Group and the North Yorkshire Schools Forum. A report detailing the impact of the pilot will be developed based on the monitoring form returns from schools by Easter 2019. It is vital that these forms are returned as soon as possible in order for the impact to be assessed and so that a decision can be made as to whether this should become an ongoing funding source.

If you require any clarification or advice about how your school budget has been calculated please contact the Finance Enquiry Service by completing the on line form available at <https://wa5.northyorks.gov.uk/eforms/fes/preReq> or by ringing 01609 797601

Yours sincerely



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