

MEETING OF THE SCHOOLS FORUM

**Tuesday 20th November 2018, 1pm to 3pm
at Whitmore High School**

AGENDA

Item	Title	Attachments
1	Apologies & Order of Agenda	
2	Minutes of the Last Meeting – 16 October 2018	Attached
3	Matters Arising	
4	DSG Budget Setting 2019-20	Report by Jo Frost attached
5	AOB	

Date of Next Meeting: 15th January 2019

Voting Members Circulation:

Mike Baumring (Headteacher-Kenmore Park Junior School)	Patrick O'Dwyer (Special Needs Service)
Jo Daswani (Headteacher-Whitchurch Primary School)	Anna Smakowska (Headteacher-Woodlands School)
David O'Farrell (Headteacher-St Bernadette's Primary School)	Anne Monahan (Headteacher-St Anselm's Primary School)
Sue Hammond (Chair) (Headteacher-Whitmore High School)	Edwin Solomon (Governor-Hatch End High School)
Nigel Hewett (AHGB Representative)	Jonathan Watson (Associate Headteacher – Whitefriars)
Rebecca Hastings (Headteacher-Cedars Manor School)	Pam Virdee (Headteacher-Longfield Primary School)
Sue Maguire (Headteacher-Hatch End High School)	16-19 Representative (Principals Harrow/Stanmore/St Dominic's)
Rutinder Mahil-Pooni (Headteacher-Kenmore Park Inf Sch)	Claudia Calogero (Governor-Hillview Nursery School)
Paa-King Maselino (Headteacher-The Helix Education Centre)	Keven Bartle (Headteacher– Canons High School)
Paul Gamble (Headteacher-Harrow High School)	Louise Browning (Headteacher – Norbury School)
Vacant (PVI representative)	Geraldine Higgins (Headteacher-Sacred Heart Lang College)
Ian Nutch (Academy High School Finance Manager)	Vacant (Governor)

Non-Voting Members Circulation:

Cllr Christine Robson (Portfolio Holder)	Paul Hewitt (Director of Children's Services)
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Copies to:

Johanna Morgan (Divisional Director, People Services)	Atifa Sayani (Harrow School Improvement Partnership)
Barbara Worrall (Schools Finance Manager)	Jo Frost (Finance Business Partner)

SCHOOLS FORUM

Minutes of the Meeting held on Tuesday 16 October 2018 **at 1.00 pm at Whitmore High School**

Members Present: Sue Hammond – Headteacher, Whitmore High School (CHAIR)
Pam Virdee – Headteacher, Longfield School (VICE CHAIR)
Geraldine Higgins – Headteacher, Sacred Heart Language College
Patrick O'Dwyer – Div. Director Education Services (Special Needs Services)
Paul Gamble – Headteacher, Harrow High School
Mike Baumring - Headteacher, Kenmore Park Junior School
Claudia Calogero – Governor, Hillview Nursery School
David O'Farrell – Headteacher, St Bernadette's Primary School
Sara McCann – Stanmore College (rep. Sarbdip Noonan)
Matt Silver – Shaftesbury High School (rep. Anna Smakowska)
Nigel Hewett - AHGB Representative
Ian Nouch – Academy High School Finance Manager

Officers in Attendance: Jo Frost - Finance Business Partner

SH opened the meeting.

1. Apologies and Order of the Agenda

Apologies were received and accepted from:

Sarbdip Noonan – Principal, Stanmore College
Paul Hewitt – Interim Corporate Director People Services
Jo Daswani – Headteacher, Whitchurch Primary School
Rebecca Hastings – Headteacher, Cedars Manor School
Louise Browning – Headteacher, Norbury Primary School
Christine Robson – Portfolio Holder, Young People & Schools
Rutinder Mahil-Pooni – Headteacher, Kenmore Park Infant School
Sue Maguire – Headteacher, Hatch End High School
Anne Monahan – Headteacher, St Anselm's Primary School
Anna Smakowska – Headteacher, Woodlands School

The order of the agenda was agreed.

2. Minutes of the Last Meeting held on 11 September 2018

The minutes of the meeting held on 11 September 2018 were agreed as an accurate record

3. Matters Arising

a. School Funding Consultation 2019-20

SH reminded colleagues to respond to the Schools Funding Consultation which closes on 19th October. SH to remind secondary colleagues and PV to remind primary colleagues

ACTION SH/PV

b. Admissions update

POD reported that there were no primary and secondary children who had applied for a Harrow school without a Harrow school place on census day

4. 2018-19 DSG Budget Monitoring Q2

JF introduced the report which set out the DSG budget monitoring position for Q2 2018-19.

The report shows an increase in the projected overspend of the High Needs Block taking the total to £2.1m by the end of this financial year.

A discussion and a number of questions arose

SH queried why the LA could continue to overspend and how is it not in breach of financial regulations. POD explained that the law says the LA must meet a child's needs. The LA must meet the growing demand and therefore must choose the most cost effective provision. In addition tribunals often do not rule in favour of the LA. This is a regional and national issue.

IN queried the number of tribunals and the cost of these. POD explained that it is not always the number but the associated cost if the LA is unsuccessful. POD agreed to provide tribunal data showing the numbers and costs/savings as well as for those at the tier below ie mediation level

ACTION POD

POD also explained that the SEND Reforms extended the age range from 19-25 and this is unfunded. IN agreed that funding for post 16 had generally always been inadequate. POD is requested to provide the number and cost of 19-25 year olds

ACTION POD

JF explained that in relation to the financial regulations these allow the LA to either fund any deficit or carry forward to future years.

Schools Forum requested assurance that decisions are made at appropriate levels and that financial controls are in place and being followed and this was given.

SH stated that the deficit with the High Needs Block sits with the LA in the future and by Schools Forum agreeing to fund this deficit from the schools contingency it does not ensure visibility at a local and national political level or force the LA into providing a recovery plan.

Schools Forum agreed to note the pressures on the High Needs Block but did not agree to fund this from the schools contingency.

5. Review of funding for EHCPs in mainstream schools and academies

JF introduced the report which set out the LA's proposals to introduce a new matrix banding system for providing top-up funding for Education Health & Care Plans in mainstream schools and academies.

MS raised a concern on behalf of AS that some of the language is open to interpretation. In addition whilst the banding system is for EHCPs in mainstream schools the funding levels assigned to a Band 4 child is similar to the funding for a child at Shaftesbury.

SH queried whether there could be a pilot with 2 or 3 schools to see if the language works.

PG queried whether the panel could use this as well as the current system as part of a pilot for new EHCPs to see if this matrix is workable. SH explained that the panel is under a huge amount of pressure with the volume of referrals and this would probably be unmanageable.

IN queried the minimum number of points a child could be allocated before an EHCP is given.

In relation to funding levels JF explained that all current EHCPs have been notionally plotted into the matrix and the funding levels for each band has been calculated based on current levels of overall spend. JF explained that there may be some EHCPs which attract more funding and some which attract less but these differences are expected to be minor.

SH suggested that there should be transitional protection for schools that lose.

IN asked the LA to demonstrate the position for each school and how many EHCPs attract more or less funding through this system.

ACTION JF

PG queried whether the LA should be consulting with parents/carers particularly if funding assigned to each EHCP might be different to current funding.

POD explained that the LA is still consulting with Legal Services and would be taking their advice into consideration before finalizing next steps.

Schools Forum requested to see the final consultation document before it is distributed although recognize that this is an LA consultation.

Schools Forum thanked Carole Wells and Gladys De Groot as well as others involved in the process so far.

Any Other Business

None

Next Meeting and Agenda Items

The next meeting will take place on 20 November 2018 at 1pm at Whitmore High School.

The meeting closed at 2.15pm

Meeting:	Schools Forum
Date:	20 November 2018
Subject:	Item 4: DSG Budget Setting 2019-20
Responsible Officer:	Jo Frost, Finance Business Partner – Children's Services

Section 1 – summary

1. This report updates Schools Forum on the 2019-20 DSG budget setting and outcome of the schools funding consultation.
2. Schools Forum is required to:
 - Note the proposals in relation to the Minimum Funding Guarantee (MFG) for 2019-20 as set out at paragraph 15
 - Note the projected Growth Fund allocation and commitments at paragraph 24
 - Vote to decide if there will be a transfer of 0.5% of the Schools Block into the High Needs Block as set out at paragraph 36
 - Vote to decide if the place funding for the first two costed statements will be transferred into the High Needs Block paragraph 41
 - Vote to decide if any of the contingency is applied to the Schools Block in 2018-19 as set out at paragraph 50

Section 2 – report

3. In 2018-19 the government introduced a new National Funding Formula (NFF) for Schools, High Needs and the Central Schools Services Block. For the schools block this means that LAs will be funded on the basis of the aggregate of the NFF for all schools, academies and free schools in its area but the final formula for distribution will be determined by each LA following consultation with schools and Schools Forums.

4. The LA carried out a consultation in Autumn 2017 which sought views on whether the LA should continue to use the Harrow Schools Funding Formula or introduce the National Funding Formula from 2018-19.
5. 76% of schools responded to the consultation and 89% voted in favour of introducing the NFF from 2018-19. The NFF will continue for 2019-20.

Schools Block Baseline Funding 2019-20

6. Table 1 shows the 2019-20 Primary and Secondary Units of Funding (P/SUF) and the total allocation based on the October 2017 schools census. This will be updated for the October 2018 census in December 2018.

Table 1 – indicative baseline funding 2019-20

Factors	PUF	Pupils	SUF	Pupils	Total
Per pupil	£4,138	21,343	£5,638	11,263	£151,807,286
Premises & mobility					£3,508,503
Growth Fund					£4,045,019
Grand Total Indicative Schools Block 2019-20					£159,360,807

7. Funding will be allocated to the LA on the basis of the P/SUF in the above table. This will then be distributed to schools using the NFF. The factor values for this are shown in Table 2 below.

Table 2 – funding formula factor values 2019-20

Factor	Primary	Secondary
Primary AWPU	£3,016.28	
KS3 AWPU		£4,241.31
KS4 AWPU		£4,815.75
FSM	£483.13	£483.13
Ever6	£592.94	£861.95
IDACIF	£219.61	£318.43
IDACIE	£263.53	£428.23
IDACID	£395.29	£565.49
IDACIC	£428.23	£614.90
IDACIB	£461.17	£658.82
IDACIA	£631.37	£889.40
LPA	£1,122.19	£1,701.95
EAL	£565.49	£1,520.77
Lump Sum	£120,783.30	£120,783.30
Mobility	Historic	Historic

Consultation 2019-20

8. Whilst the NFF continues to be the method of distributing funding for 2019-20 there were a number of other areas which required consultation.
9. The LA carried out a consultation which opened on Friday 21st September and closed on Friday 19th October 2018.
10. The consultation sought views on
 - The value of the minimum funding guarantee (MFG)
 - Transferring 0.5% from the Schools Block to the High Needs Block
 - Transferring EHCP funding from the Schools Block to the High Needs Block
11. There were a total of 26 (44%) responses received as shown in Table 3

Table 3 – summary of consultation responses

Phase	Number of Schools	Responses	%
All Through	1	1	100%
Primary	42	16	38%
Secondary	12	7	58%
Special	4	2	50%
Total	59	26	44%

12. Question 1 asked: The LA is able to set a minimum funding guarantee (MFG) of between -1.5% and +0.5% (as prescribed by the DfE), subject to affordability of the overall formula. Please indicate the value of MFG you would support.
13. There were three options: +0.5%, 0% and -1.5%. A summary of the responses is shown at Table 4.

Table 4 – consultation question 1 summary of responses

Phase	Number of respondent	-1.5% MFG		0% MFG		+0.5% MFG	
		Number	%	Number	%	Number	%
All Through	1	0	0%	1	100%	0	0%
Primary	16	11	69%	1	6%	4	25%
Secondary	7	6	86%	0	0%	1	14%
Special	2	2	100%	0	0%	0	0%
Total	26	19	73%	2	8%	5	19%

14. As shown in Table 4 73% of respondents support a MFG of -1.5%. The consultation also provided schools with an opportunity to make any comments. A number of schools provided additional comments of which the main themes were:

- Those in favour of -1.5% expressed a need to get all schools as near to the NFF funding formula as possible
- Those in favour of +0.5% expressed a need to ensure that as much funding goes to schools as possible

15. As a result of this consultation the LA proposed to continue to apply -1.5% MFG in the funding formula for 2019-20. It is not planned to cap gains in the formula but this will be subject to affordability of the final DSG settlement. Both of these approaches are consistent with 2018-19.

Growth Fund

16. There are significant changes proposed by the government for the calculation of the growth fund in 2019-20. In the current year the allocation of growth funding has been based on historic allocations. The growth fund is set aside for growing pupil numbers in permanent expansions, new schools and bulge classes to enable sufficient school places. In addition the current growth fund includes capacity for in-year business rates increases and 'trigger' funding.

17. From 2019-20 growth funding will be allocated to LAs using a new formulaic method based on lagged growth data.

18. Growth funding can only be used to:

- Support growth in pre-16 pupil numbers to meet basic need
- Support additional classes needed to meet the infant class size regulation
- Meet the costs of new schools

19. Growth funding may not be used to support:

- Schools in financial difficulty
- General growth due to popularity; which is managed through lagged funding

20. Despite the change to the allocation of growth funding, LAs are not expected to change the method of allocating funding locally.

21. Harrow's current growth fund for primary expansions and bulge classes allocates £63k lump sum to each school in the September which expand/take a bulge class. This figure is approximately based on the 2017-18 primary school AWPU of £3,268 plus a small sum for resources & equipment, pro-rated for September to March when the pupils will be included in the following financial year's schools budget.
22. In the new funding formula the growth fund will be based on pupil data from the October 2018 census. Funding will be allocated to LAs based on the actual growth in pupil numbers in the previous year. This will ensure that over time LAs are funded on the basis of actual growth rather than historic spending decisions.
23. Growth will be measured at middle layer super output area (MSOA) levels as these are small enough geographical areas to detect 'pockets' of growth within LAs. Growth will be measured by counting the increase in pupil numbers in each MSOA between the two most recent October censuses. Only positive increases in pupil numbers will be included, so an LA with positive growth in one area and negative growth in another will not be denied growth funding.
24. Table 5 below shows the indicative 2019-20 growth fund allocation based on changes between the October 2018 and 2017 census. Please note that at the time of writing the LA does not have census data in relation to a number of academies. These are therefore estimated. In addition is a list of commitments against this funding for 2019-20.

Table 5 – indicative growth fund 2019-20 and commitments

Estimated Funding	£'000
True calculation of growth fund based on changes between censuses	£2,174
Floor protection 2019-20	£1,062
Total growth fund 2019-20	£3,235
Estimated Commitments	
Primary Expansions	£1,186
Bulge Classes (contingency x2)	£126
Trigger Funding	£121
Whitefriars age range extension	£102
Variation to pupil numbers growing schools	£1,078
Total commitments 2019-20	£2,613

25. Based on the above the commitments against the growth fund look affordable. However there is floor protection of £1.062m built into the funding formula. If this is removed in subsequent years then could impact on the overall

affordability. It may not be an issue as commitments in relation to the primary expansions start to drop out as the expansion moves through the school and growing schools have pupils in each year groups. However, if there is an issue the LA would have to look at either reducing the commitments or top slicing the schools block. This is a decision for future years.

High Needs Funding

26. High Needs funding is managed by the LA and is designed to support a continuum of provision for pupils and students with special educational needs (SEN), learning difficulties and disabilities, from their early years to age 25.

27. The funding is driven by:

- Basic entitlement factor for each pupil in a special school or special post 16 institution as recorded on the January Alternative Provision census
- Historic lump sum equal to 50% of each LAs historical high needs blocks
- Proxy factors for population, deprivation, health and disability, and low attainment.

28. The new funding formula for High Needs Funding has reduced the overall level of funding available. This is in part as a result of 50% of the funding being based on previous years' allocations (prior to any growth agreed by Schools Forum) and so the baseline budget is lower than the actual spend in previous years.

29. There has also been a significant growth in demand for Education Health and Care Plans and the cost of SEN provision across the whole age range. However, since the SEND Reforms in 2014 there has been an exponential growth in Under 5, Post 16 and post 19 provision.

30. It should also be noted that historical HNB allocations (of which current and future allocations will be based) were only estimated based on pupils aged 5-16 years old and have not taken account, in the entirety, of those pupils under 5 and post 16 years old. There is also a growth in complexity of need and a lack of capacity within mainstream settings to provide a graduated response to additional needs before turning to a statutory process.

31. The High Needs Block National Funding Formula has generated funding which is £2.9m lower than the actual budget allocated to High Needs in 2017-18. This is partially due to the fact that the 50% of the overall allocation is

based on previous years' HNB allocations, rather than the actual spending on the HNB.

32. In 2018-19 the High Needs Block budget is to overspend by £2.1m. It is therefore anticipated that there will continue to be a pressure in the HNB in 2019-20.
33. In previous years the regulations allowed flexibility to transfer funding from the Schools Block to the High Needs Block with the agreement of Schools Forum. Under the 'soft' National Funding Formula these regulations have been restricted to limit the transfer to 0.5% of the total of the Schools Block.
34. Within the Operational Guidance, the DfE lists the expected evidence that will be presented to Schools Forum to enable a decision on transfer to take place. The required evidence is listed and explained below:

1) Details of any previous movements between blocks

Schools Forum agreed a one off transfer in 2018-19 of 0.5%

2) Full breakdown of pressures that have led to a requirement for a transfer

This has been provided to Schools Forum consistently through the quarterly budget monitoring reports (the most recent of which was provided at the October 2018 meeting). Pressures can be summarised as follows:

- New NFF which has generated £2.9m less funding than the budget in the previous year
- Increase in EHCPs from 1,168 January 2014 to nearly 1,700 October 2018 (increase 46%)
- Complexity of need and cost of provision increasing
- More children with Severe Learning Disabilities (SLD) in Harrow. In-borough SLD provision cost on average £26k-£29k per annum per child compared with out-borough independent SLD day provision which cost on average £47k-£68k per annum per child
- Extended age ranges means CYP are not ageing out (as they previously would) of the system at 19 whilst more CYP continue to enter the system and also at an earlier age
- Breakdown of change in spend and numbers of pre 16 EHCPs since 2015-16 show they have increased significantly

Pre 16 Sector	Number of EHCPs			Cost of provision £'000		
	2018-19	2015-16	% change	2018-19	2015-16	% change
INMSS Day	131	104	26%	£4,793	£3,792	26%
INMSS Residential	21	39	-46%	£1,075	£2,694	-60%
OOB Special Schools	111	90	23%	£2,166	£1,370	58%
In borough Special Schools	474	428	11%	£9,214	£7,951	16%
EHCPs	528	559	-6%	£5,577	£5,681	-2%
ARMs	134	113	19%	£1,587	£1,757	-10%
Early Years	42	20	110%	£355	£39	823%
EOTAS	10	0	n/a	£239	£0	n/a
Total pre 16 EHCPs	1,451	1,353		£25,007	£23,284	

- Increase in requirement for post 16 and post 19 provision

Increase	16-18		19+	
	Number	%	Number	%
Increase Numbers	64	70%	75	156%
Increase cost £'000	£366	38%	£1,309	158%

- Majority of SEND provision in-borough is at capacity
- Physical site limitations to increase capacity as well as regulations which don't allow the LA to open new schools
- Cost of outcome of tribunals

Year	Total	Successful	Unsuccessful	Decision Outstanding	Annual saving	Annual cost
2014-15	13	2	11		-£22,400	£209,400
2015-16	0	0	0		£0	£0
2016-17	12	2	10		-£30,000	£241,800
2017-18	22	7	15		-£116,200	£248,449
2018-19	6	1	2	3	-£11,200	£51,200
Totals	53	12	38	3	-£179,800	£750,849

3) Plans to bring high needs expenditure to levels that can be sustained

SEND Strategy has four priorities:

- Increase in continuum of provision 0-25years
- Improve local education and social care for post 18

- Supporting social emotional behaviour and mental health needs
- Improve outcomes and ensure appropriate staff skilled and qualified

However projected overspends in the HNB are **unlikely** to be fully mitigated by the strategy alone due to the increase in demand

4) Extent to which collaborative working is being developed as a means of securing suitable high needs placements at a cost that can be afforded

- Support CYP in mainstream settings where possible to prevent need for specialist provision
- Continue to create local specialist provision to prevent the need for out of borough & independent provision
- Investigating the development of the ARMs model to create more specialist provision in mainstream schools and early years settings to meet an expanded range of needs.
- Bid to ESFA for a new 130 place special school (outcome expected by Christmas 2018)
- Support delivery of resilient communities from 0-25 in line with Adults' Services vision
- Continue to negotiate costs of provision with providers (WLA Framework)
- Continue to work with partners to make most efficient use of early support and intervention to make settings more effective in making provision for SEN support; e.g. Harrow Horizons commissioned service now delivered through Schools.

5) Evidence of contributions from health/social care budgets towards costs of specialist places

The CCG contributes approximately £350k pa towards specialist provision. This is child-led and based on a child meeting continuing care criteria. The process for agreeing the funding is through the Tripartite Panel which is responsible for deciding on the funding of children in Harrow who are assessed as being in need of joint funding for treatment and care through a combination of Social Care and / or Education and Health. This panel meets monthly and is chaired by the Corporate Director People Services.

6) Funding for high needs pupils in mainstream provision

One of the few areas which the LA can control costs would be to reduce the top-up funding given to schools for EHCPs. However this is not currently being considered

since it could be seen to be counter intuitive to inclusion. The transition to a matrix banding system is intended to distribute the same level of overall funding. The LA strategy is to enable more inclusion in mainstream and in other local provision.

7) Impact of transfer on the schools block

The final 2019-20 DSG settlement is not yet announced therefore the overall affordability and impact on schools is unclear. However in 2018-19 Schools Forum agreed a MFG of -1.5%. In the consultation with all schools October 2018 73% schools again voted in favour to implement -1.5% MFG in order that all schools get as near as possible to NFF. The differential between +0.5% and -1.5% is approximately £1.1m based on October 2017 census therefore there would not be a requirement to top slice from schools budgets as calculated by the NFF.

8) Results of consultation

In the LA consultation Question 2 asked: Do you support transferring 0.5% of the schools budget into High Needs in 2019-20 to enable the LA to partially offset the projected shortfall in funding for children with High Needs? The response is shown at Table 6 below.

Table 6 – consultation question 2 summary of responses

Phase	No. of respondents	Yes		No	
		Number	%	Number	%
All Through	1	0	0%	1	100%
Primary	16	4	25%	12	75%
Secondary	7	0	0%	7	100%
Special	2	2	100%	0	0%
Total	26	6	23%	20	77%

35. As shown in Table 6 77% of respondents do not support a transfer from the Schools Block into the High Needs Block. A number of schools provided additional comments of which the main themes were:

- Those not in favour of the transfer commented: As indicated in last year's response, concerns about the working group and the review of spending across all areas of HNB remain. We believe any overspend should be shown as a deficit so the underfunding of the HNB is visible at both local and national level.
- Those in favour of the transfer commented: We support the 0.5% transfer into High Needs block to ensure right support is provided for the most vulnerable pupils in the local authority but it needs to be linked to a clear long term strategy.

36. Schools Forum is asked to vote to decide if there will be a transfer to the High Needs Block in 2019-20.

Funding for the first 2 EHCPs

37. The current Harrow Schools Funding Formula uses the lump sum value in the National Funding Formula but in addition Element 2 place funding of £12,000 for the first two costed statements/EHCPs in each mainstream school and academy. Each additional statement on the October census is then funded through the High Needs Block. Technically therefore there is High Needs funding currently within the School Block. The High Needs Block cannot take on this additional liability without having the funding that is currently within the schools block baseline. The total of this is approximately £660k based on 55 schools in the funding formula.

38. In the LA consultation Question 3 asked schools to choose one of the following options:

Option 1

Remove the £12,000 from the lump sum in the NFF and schools will not be funded for Element 2 place funding for the first 2 statements/EHCPs on the October Census.

Option 2

Apply to the ESFA to transfer this funding out of the Schools Block into the High Needs Block to the equivalent of £660k which will allow the first two statements/EHCPs to be funded from the HNB on an on-going basis.

39. The response is shown at Table 7 below.

Table 7 – consultation question 3 summary of responses

Phase	No. of respondents	Don't fund first two		Transfer to HNB		Not answered	
		Number	%	Number	%	Number	%
All Through	1	0	0%	0	0%	1	100%
Primary	16	10	63%	5	31%	1	6%
Secondary	7	7	100%	0	0%	0	0%
Special	2	1	50%	1	50%	0	0%
Total	26	18	69%	6	23%	2	8%

40. As shown in Table 7 69% responded in favour of not funding the first two £6ks. A couple of schools provided additional comments of which the main theme was:

- Distribute the funding through the schools funding formula across all factors and not just AWPU.

41. Schools Forum is asked to vote to decide the treatment of the funding for the first two £6ks in 2019-20.

2018-19 Financial Position

42. As reported to Schools Forum in October 2018 there is a net projected overspend in 2018-19 of £1.754m which is made up of an overspend on the High Needs Block of £2.129m partially offset by an underspend in the growth fund of £375k.

43. In previous years over and underspends across all aspects of the DSG have been managed within the contingency. However in 2018-19 Schools Forum has not yet agreed to fund the net overspend from the remaining contingency. This would mean that any deficit would fall to the LA.

44. In 2018-19 there is an uncommitted contingency of £2.663m. This has accumulated for a number of different reasons however £1.026m and £0.59m of funding is as a direct result of underspends in 2017-18 in Early Years and the High Needs Block respectively.

45. As well as the SEND strategy and actions to manage the HNB pressures set out above the LA is also making representation both locally and nationally to highlight the pressures in SEND and cost of provision. These include:

- Raising local political awareness of both Council Cabinet members and Members of Parliament for Harrow which has led to school and HNB funding being subsequently raised in Parliament; for example by Gareth Thomas MP on 24 October in Westminster Hall and on 13 November 2018 in the House of Commons.
- Undertaking a further review of the HNB provision and funding by an independent company, supported and match-funded by the LGA
- Providing data and other evidence requests to London Councils to support their lobbying of central government
- Supporting the National Audit Office to undertake a review of SEND policy and subsequent impact to LAs, providers, parents and children.

46. Schools Forum also wanted clarity on the process for agreeing SEND spend in the LA.

Activity	Context	Challenges
<p>The Wednesday Panel (weekly) Chaired by SEN Manager</p>	<p>The panel has school representation and is essential to maintain the integrity of thresholds. This panel considers:</p> <ul style="list-style-type: none"> • all requests for an EHCP needs assessment • changes to school placements • determining placements • challenges from schools and parents regarding school placements and provision • Tribunal cases • transport and • movers-in • ceasing to maintain a Plan. 	<p>The constraint of the legislation and that includes parental right to Tribunal.</p> <p>The capacity of Special School places in borough and in neighbouring boroughs.</p> <p>The increasing demand for assessment requests.</p> <p>Ceasing to maintain an EHCP especially for YP 19+. A ceased plan can be restored at any time up to the age of 25.</p>
<p>The Thursday Panel (weekly) Chaired by SEN Manager</p>	<p>Following assessment this panel considers whether to issue a draft plan and if a draft plan is issued determines the level of support. The panel also considers any changes to support levels following annual reviews.</p>	<p>In addition to the challenges above there are no audits to confirm consistent levels of SEN support in schools.</p> <p>Schools challenging the decisions reached regarding level of support and placement within a mainstream school.</p> <p>Engagement in the process and funding contributions from other services.</p>
<p>Residential Panel (monthly) Chaired by Divisional Director</p>	<p>This panel determines placements of CYP in residential out of borough settings when their needs cannot otherwise be met. The panel always seeks best value for money. The panel will seek to bring children closer to home whenever possible.</p> <p>The panel has representation from adult social care, children's social care and health.</p>	<p>Costs of out of borough placements and driving down costs.</p> <p>The Care Act and the SEND legislation and Tribunal system.</p> <p>Emergency placements.</p>
<p>Phase Transfer Panels (annual)</p>	<p>When CYP are transferring from primary into secondary and from secondary into College this panel seeks to ensure that their needs are met in the most efficient way and without an unnecessary burden on the public purse. Representation from Specials Schools. The panel considers responses from schools when they say that they cannot meet a child's needs / or request additional support.</p>	<p>As above</p> <p>Supporting parental preference for school placement where the LA is not fully in agreement where placement can fully meet a child's needs.</p>

47. Once special educational provision has been specified in an EHCP, the LA has a legal duty to provide it. This cannot be overruled by the LA's SEN funding policy or internal funding arrangements including banding, matrixes, or notional SEN spending levels such as £6,000 or £10,000.

48. A child or young person has a right to an inclusive education in a mainstream school or college with their typically developing peers if they want it. This can only be refused by an LA in the most exceptional of circumstances. The right to a mainstream education does not prevent a parent/young person choosing a special school/college if that is the best choice for the child/young person.

49. Schools Forum has three options:

Option 1

Fund the entire projected DSG shortfall from the contingency in 2018-19. This will leave approximately £0.8m available to either provide additional funding to schools or carry forward into the contingency to 2019-20

Option 2

Fund some of the projected DSG shortfall from the contingency in 2018-19. The remaining funding can either provide additional funding to schools or carry forward into the contingency to 2019-20.

Option 3

Fund none of the projected DSG shortfall from the contingency in 2018-19. All of the remaining funding will have to be distributed to schools for 2019-20. None of it can be carried forward into the contingency to 2019-20 because whilst the in-year budgets for the blocks are ring-fenced, for the purposes of the contingency they are not and surplus and deficits must be netted off.

50. Schools Forum is asked to vote to agree one of the three options above in respect of the use of the contingency. It is not possible to delay this decision further since if any funding is to be given to schools in 2019-20 it must be distributed through the Schools Funding Formula for which there is a January 2018 submission deadline.

Section 3 – contact details

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