

Harrow DSG Deficit Recovery Plan 2020-2023

Context

The demand for places for pupils with Special Educational Needs and Disabilities (SEND) is increasing significantly. The number of pupils with Education, Health and Care Plans (EHCPs) has increased, over a 6 year period, by 53.7% from 1168 in January 2014 in comparison to 1796 in January 2020 as shown in the table below.

Year	2014	2015	2016	2017	2018	2019	2020	2014-20
EHCPs	1,168	1,183	1,336	1,477	1,623	1,645	1,796	
Increase		15	153	141	146	22	151	628
%		1%	13%	11%	10%	1%	9%	54%

Within this cohort of children and young people (CYP) subject to an EHCP the number requiring special school provision to meet their needs has also risen from 440 (38% of total statements/EHCPs) in 2014 to 634 (35% of total EHCPs) in 2020 which is an increase of 44% of the number of special school places required. Out of the 634 CYP requiring special school provision 211 (33%) are placed out borough in either other LA special schools or an INMSS.

The number of CYP subject to an EHCP will continue to increase, firstly, as the Children and Families Act 2014 extended the eligibility age range beyond 19 and up to 25 which has led to young people with an EHCP remaining in the education system. Secondly, the number of CYP identified with complex SEND requiring special school provision has increased evidenced by the increase in the number of CYP and future projections. By 2023 it is estimated that there will be approx. 2,000 CYP in Harrow subject to an EHCP, a projected increase of 71% since 2014.

(Appendix 1-Harrow's SEN Profile Report)- The SEN Profile Reports compiles data from the January 2019 school census about pupils aged 3 to 19 with SEN at Harrow's primary, secondary and special schools, and compares to the national picture. Harrow has a changing profile in terms of its population and pupils which is impacting on school place planning. The main headlines from Harrow's SEN Profile report are:

- *Pupils with a SEN increased in 2019 for the third consecutive year during the last 5 years.*
- *The main primary need of pupils with SEN with an EHCP in Harrow and England is Autistic Spectrum Disorder.*
- *The proportion of pupils with a SEN with an EHCP has increased in mainstream primary schools and decreased in mainstream secondary schools from 2018 to 2019 as more children of secondary school age subject to an EHCP are accessing special school provision. . Harrow is in line with the national picture.*
- *The main primary need in special schools in Harrow is Severe Learning Difficulty and in England is Autistic Spectrum Disorder.*

1-What plans have you put in place to reduce the deficit in increments over the next 3 years?

Harrow's SEND Strategy 2019-2024 outlines the current context for SEND nationally and locally, sets out the vision and guiding principles and four strategic priorities (**Appendix 2-Harrow's SEND Strategy 2019-2024**).

The principle to reduce the deficit in increments over the next 3 years is implicit in the 4 strategic priorities which have been further developed into key task and finish activities.

- Strategic Priority 1: Review in-borough specialist provision in the context of a changing demographic profile, pre-school, school and college organisational changes and other developments
- Strategic Priority 2: Review current provision and need for children, young people and young adults with social, behaviour and mental health needs to ensure continuum of provision and support.
- Strategic Priority 3: Improve local education and social care opportunities for post-16 provision working in partnership with other agencies
- Strategic Priority 4: Improve outcomes for children and young people (0-25) with SEND and ensure appropriate staff skilled and qualified in all provision.

Strategic Priority 1 is the priority likely to make the biggest financial impact in terms of mitigating the deficit as it focusses on increasing in-borough special provision to prevent expensive out of borough provision. The other three strategic priorities will support the system shift and strengthen the continuum of local provision.

Projections (Appendix 3-Projection modelling)

The LA has carried out projection modelling for pupil planning purposes to identify requirements for SEND provision and the most cost effective provision model. These will be updated on an annual basis once the sequential September phase transfers are confirmed.

Analysis of data on primary categories of need and projection modelling has shown that there are now greater numbers of CYP in Harrow with SEND who have increasing levels of need such that they will be identified as having severe learning difficulties (SLD). Based on actual pupil numbers of CYP who required SLD provision, between 2015 and 2019, and projections of pupil numbers and need, the projections show that, 25 new children each year will require SLD special school provision.

Projections, for pupil planning purposes have been modelled on new children entering the system in the Reception Year and rolling through actual pupil numbers in the primary and secondary phases of education. This does not include CYP moving into the borough or needing to move out of mainstream into special provision in other age groups.

Do nothing model (Tab A-excel spreadsheet projection modelling) Projections based on 25 new children entering the system in Reception (Sept 21- based on actuals in correct year group)						
Year	Sep-21	Sep-22	Sep-23	Sep-24	Sep-25	Sep-26
Primary (Woodlands) - Capacity 135	135	136	140	154	155	161
Secondary (Kingsley)- Capacity 96	111	127	138	136	148	158
Total Shortfall	15	32	47	59	72	88

Projection modelling confirms that the immediate and significant pressure is for secondary phase SLD special school places from September 2020. To accommodate this immediate place pressure Harrow has expanded Kingsley Special School, to its full capacity, from 90 to 96 places for September 2020.

Analysis of SEND data and trends indicate that there will continue to be growth in demand for primary SLD special school places. Prior to 2020, the growth in numbers has been largely accommodated in primary through two expansions at a primary SLD special school (Woodlands School) and the development of a primary SLD resourced provision in a mainstream school (Belmont School). These developments have managed demand in the primary sector but as pupils roll through will create pressure in the secondary sector.

From September 2021 to September 2026 Harrow will require on average 12- 15 additionally new SLD special school places.

In line with the key priority, to reduce out borough placements, Harrow has 2 main strands of development:

- A 'Whole System Shift' model
- Further expansion of the additional resourced mainstream school (ARMS) provision

A 'Whole System Shift' is a strategic and cultural approach across all Harrow's special and mainstream schools to develop the education provision on offer in Harrow as a continuum of provision so the finite numbers of special school places are prioritised for CYP with the greatest complexity of need.

The 'Whole System Shift' also takes into account that vacant capacity in nearby out borough day special schools is significantly limited, and there is a potential problem looming that provision may not be available in out borough schools, which further strengthens the priority to develop, support and strengthen Harrow's special and mainstream schools.

Special School Places-The current number of places across the primary and secondary special schools in Harrow is presented in the table below:

School	Designation	Number of places	Maximum capacity
Primary –Alexandra (Academy)	MLD	80	80
Primary-Woodlands (Maintained)	SLD	136	136
Secondary-Kingsley (Maintained)	SLD	96	96
Secondary-Shaftesbury (Maintained)	MLD	175	175-200

The LA has been in discussions with the four special schools in Harrow, two of which are designated MLD, to explore how best SLD provision can be expanded across a 'Whole System Shift' model and subsequently how MLD provision can be expanded and developed within mainstream schools.

In order to achieve an increase in SLD places it is proposed that the 2 MLD schools review their designation of MLD to include SLD and offer SLD provision. Discussions are in progress with one school to amend the admission criteria for the schools to reflect a new pupil cohort.

The engagement and commitment of the MLDs schools and mainstream schools to develop ARMS provision, to the 'Whole System Shift' model is critical to the LA's SEND Strategy and key priority to increase the number of SLD places. This approach will reduce the pressures on the HNB created by expensive out of borough placements thus enabling spend to benefit the development of Harrow's school provision for Harrow pupils. In addition this approach will secure diversity in the provision of schools and increase choice for parental preference.

Secondary-Shaftesbury High School

In alignment with the SEND strategy and the 'Whole System Shift' model from September 2021 Shaftesbury High School would need to allocate 8 SLD pupil places at the start of each academic year. The focus will be on new pupils joining in year 7. No pupil currently attending the school would be displaced by the approach. It is proposed that by 2025 NOR at Shaftesbury High School will be approximately 172 of which 40 will be SLD places.

Primary-Alexandra School

The increase of SLD places in the primary age range can be more gradual as Harrow's SLD primary school (Woodlands School) has capacity for the next 3 years to take in 25 new places at the start of each of those academic years due to previous expansion and the roll though of the number of leavers in year 6. However this is subject to the temporary classrooms remaining in situ in order to continue to accommodate NOR of 135..Alexandra in alignment with the SEND strategy and the 'Whole System Shift' will be including 5/6 SLD pupils from Woodlands in September 2020. From 2024 the number of proposed SLD pupil places per year would need to be 6. It is proposed that by 2025 NOR at Alexandra Primary School will be 80 of which 21 will be SLD places.

This approach will contain the growth in demand however there will still be a shortfall of SLD local special school places and so inevitably there will be a continued reliance on out-borough placements.

Projections based on 25 new children entering the system in Reception (Sept 21- based on actuals in correct year group)						
Year	Sep-21	Sep-22	Sep-23	Sep-24	Sep-25	Sep-26
Woodlands-Capacity 135	135	136	140	154	155	161
Kingsley-Capacity 96	111	127	138	136	148	158
Total cumulative shortfall	15	32	47	59	72	88
SLD planned capacity provided by Shaftesbury	8	16	24	32	40	48
SLD planned capacity provided by Alexandra	4	5	9	15	21	27
Total cumulative shortfall	3	11	14	12	11	13

Additionally Resourced Mainstream Schools (ARMS)

For there to be an effective 'Whole System Shift' resulting in an increase in SLD provision across the 4 special schools Harrow will work with mainstream schools to further develop and upskill provision to meet the needs of CYP with MLD. This will be achieved through developing additional resourced provisions on mainstream school sites and further build on the additionally resourced mainstream school (ARMS) model in Harrow to ensure there is a pathway of specialist provision from primary through to secondary.

With the establishment of a 'Whole System Shift' model, pathway projections determine that, 43 secondary and 29 primary ARMS places will need to be developed by 2026 to meet capacity of demand for MLD pupils who would have previously been offered a MLD special school place.

ARMS - MLD	Sep-21	Sep-22	Sep-23	Sep-24	Sep-25	Sep-26
Number of Leavers from Primary (Earlsmead) requiring secondary MLD ARMS cumulative impact	3	6	7	9	11	12
Number of Leavers from Primary (Earlsmead) requiring secondary MLD ARMS cumulative impact plus 8 MLD pupils who will need an MLD ARMS to accommodate the system shift up to NCY 11	11	19	27	35	43	43
Number of Leavers from Primary (Earlsmead) requiring secondary MLD ARMS cumulative impact plus 8 MLD pupils who will need an MLD ARMS to accommodate the system shift up to NCY 13	11	19	27	35	43	51
Number of pupils requiring primary MLD in addition to the provision at Earlsmead to accommodate the system shift in the primary range and the change in cohort of Alexandra	4	7	11	17	23	29

In parallel to the 'Whole System Shift' Harrow is also working towards ensuring a continuum of provision for ASD in mainstream schools. Harrow currently has 5 mainstream schools with designated ASD additionally resourced provision. These provisions provide 42 places across the primary sector and 24 across the secondary sector. Analysis of NOR and roll through of actuals in schools evidence that to ensure there is sufficient pathway capacity for pupils with ASD Harrow will need to develop 2 new secondary school ASD ARMS to prevent children being placed in out borough provisions due to the lack of suitable local provision.

The development of the ARMS model to provide the pathway of provision for MLD and ASD is a phased programme of work over a period of 6 years. The phased programme is focused on implementing a key strategic priority that will reduce expenditure on provision of special needs placements over the longer term.

Harrow's priority is to have 12 MLD high school places 6 MLD primary places available for September 2021. Discussions of plans with 2 high schools and 1 primary are being reviewed in the context of affordability. Prior to COVID 19 the planned timeline was to have reached agreement and started the formal process of consultations in June 2020. This timescale will now be reviewed as part of a Post Covid Recovery Plan.

Pupils currently placed out of borough

The projection modelling and 'whole system shift' approach aims to accommodate current numbers in the system and the projected growth of new pupils. The modelling does not include CYP who are currently placed in out of borough independent provision and the plans do not provide Harrow with sufficient capacity to bring those CYP back in borough and thus reduce the current 'spend' on out borough placements and the overall DSG deficit.

Two Expressions of Interest for a special free school through the free school programme were submitted in 2015 and 2018. The bids were for a 130 place school 5-19 for pupils with SLD and autism. Both bids were unsuccessful.

In the unlikely event that additional school places were created, surplus to projected demand, the LA would seek to offer a local school place to CYP who are currently placed in out borough day schools. The planned approach would be to offer places to CYP at the phased transfer stage.

However the only routes to open a new school are through the free school programme for which the LA has been unsuccessful and for which there are no new waves currently scheduled. Ideally Harrow would seek an ASD/SLD specific school provision similar to the provision on offer at Hillingdon Manor School. Hillingdon Manor is an independent day school and currently at the school Harrow has 29 CYP. Cost per placement is approximately £47,000 per annum per child. There are 29 Harrow children in the lower school. At the phase transfer stage for high school priority would be given to relocate these children to a local special school. The LA continues to actively explore opportunities to reduce the 'spend' on out borough places.

2 Can you specify how continuous improvement has reduced the deficit/ is going to reduce the deficit? This could include sharing best practice, new contracts and efficiency savings

The LA has been active in creating a culture of continuous improvement which is validated by the outcome of the recent Local Area Inspection and the subsequent Ofsted Letter received. Between 1 July 2019 and 5 July 2019, Ofsted and the Care Quality Commission (CQC), conducted a joint inspection of the Local Area of Harrow. In the letter the Local Area's strengths are clearly explained and the findings evidence how well the LA knows its SEND community and is effectively responding to the implications of increased demand for services and has due regard to budget pressures. The letter notes the inclusive nature of the schools and the support young people receive to stay in education, employment or training.

Harrow has been working to reduce the DSG deficit by aiming to reduce the number of pupils placed in out of borough schools so that as many pupils as possible are able to attend local schools in Harrow and by working in partnership with schools to develop their ability to better meet the needs of pupils with SEND.

Harrow has used its SEND Capital Fund to increase provision across, nurseries, schools and colleges.

Between 2015 and 2019 58 new places were opened at three maintained special schools creating 38 additional SLD primary places, 10 SLD secondary places and 10 MLD secondary places. Due to the limitations of the SLD school sites there is no further potential to open any new places.

Additionally resourced mainstream schools make provision for those pupils with an EHCP to access mainstream school curriculum with appropriate support for emotional well-being and

curriculum access. ARMS also provide outreach support for other schools and access outreach from special schools.

Between 2015 and 2019 Harrow opened 6 new ARMs provisions to meet increasing demand for specialist provision creating a total of 66 ARMs places and 12 part-time nursery places.

The Children and Families Act 2014 extended the eligibility age range, for those subject to an EHCP beyond 19 and up to 25. Prior to the 2014 legislation SEND provision in local colleges was limited. Harrow College in partnership with the Council developed specialist resourced provision, Spring House, for learners to provide a pathway to college for learners from Harrow's 2 special schools. The resource caters for up to 40 high needs learners and has offered local provision which was not previously available preventing learners being placed with more expensive out of borough independent providers (ISP).

New SEND places opened between 2015-2019			
Age range		Type of provision	Number of places
Primary SLD	SLD	Special school expansion	38
Secondary SLD	SLD	Special school expansion	10
Secondary MLD	MLD	Special school expansion	10
Secondary MLD	MLD	ARMS	12
Secondary ASD	ASD	ARMS	12
Primary MLD	MLD	ARMS	12
Primary ASD	ASD	ARMS	18
Primary SLD	SLD	ARMS	12
Nursery	Complex/Medical/SLD	ARMS	12 P/T
College	Complex/Medical/SLD/ASD	Specialist	40

The creation of these new places prevented CYP being placed out of borough and without these prior expansions the position on the HNB would have been as follows:

Deficit £'000	2019-20	2022-23
Cumulative deficit without prior expansions (to 2019)	£5,638	£27,424
Current cumulative projected deficit after prior expansions (to 2019)	£2,944	£16,517

The LA is part of the West London Alliance (WLA) and a key partner in the supported internship and employment programme. In 2017 the LA in partnership with Harrow College set up 'Project Search' which is an internship programme leading to employment for young people with SEND. So far over 60% of the interns have moved on successfully to employment thus reducing further funding for education provision.

Alongside setting up of additional provision the LA has actively worked to support Harrow schools to better meet the needs of pupils with SEND. As part of the SEND Strategy the LA and Health services are working with schools to identify good local SEMH provision and arrangements and share good practice through developing networks and partnership working. Schools in Harrow are inclusive and their ability to effectively meet the needs of pupils with SEND has prevented increased placement breakdown and potential requests for more specialist provision.

To support schools the LA has reviewed the allocation of 'Top Up' funding to all Harrow special and mainstream schools. Proposals for allocation of funding were drawn up and consultations took place in the autumn term 2019. There were no immediate savings attached to the proposals. The proposals were embedded within the wider context of the

SEND Strategy and reflected the LA's commitment to enhance local provision and to support the development of provision within Harrow's special schools to meet pupil projections for future demand, thereby also reducing the amount spent on out borough provision.

In mainstream schools the proposal gave them more flexibility to support a pupil with an EHCP and to reflect the wide range of strategies and interventions that are used in schools to support a pupil's learning.

3 Please provide details of any previous movements between blocks, what current cost pressures those movements covered, and why those transfers have not been adequate to counter the new cost pressures

The following table shows the transfers from the Schools Block to the HNB since 2014

HNB £'000	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total
Allocation	£24,041	£23,980	£24,134	£24,445	£28,522	£29,767	£30,535	
Budget	£25,019	£24,726	£26,805	£29,555	£30,979	£30,576	£30,949	
Transfer	£978	£745	£2,671	£5,110	£2,457	£810	£414	£13,185

There has been over £13m contributed from the Schools Block since 2013 as the HNB allocation has not kept pace with the increase in number of CYP with EHCPs and complexity of need. The additional funding contributed to the overall spending power within the HNB in order to meet needs.

Since 2015 spend has increased by £5.1m and of this 40% is in the post 19 sector as the Children and Families Act 2014 extended the eligibility age range beyond 19 and up to 25. A further 46% is due to increased requirement for special school provision both in Harrow and out of borough as well as increased investment in Harrow special schools.

It should be noted that spend on INMSS provision has actually reduced by 7% over this period but still remains around 18% of overall HNB spend and is the area expected to disproportionately increase as local provision is at capacity.

The reduced spend on INMSS has meant that the Overall spend per EHCP has reduced by £2,039 since 2015 even though there has been an increase of £5.1m.

Since the regulations changed in 2018 Schools Forum agreed to transfer 0.5% (£807k) of the Schools Block to the HNB in 2018-19 and a further 0.25% (£414k) in 2019-20. However in 2020-21 Schools Forum did not agree to any transfer from the Schools Block for the following reasons:

- The LA needs to address HNB funding with the DfE. Top-slicing funding from the Schools Block reduces funding for schools and masks the issues of underfunding in the HNB which the government needs to address
- The hard NFF will not allow for top-slicing and there needs to be a more permanent solution

4 Please provide details of contributions coming from the health and social care budgets towards the cost of high needs provision

The CYP and Vulnerable Adults Commissioning Executive Board is well established, and the "whole life journey" approach taken from the Health and Wellbeing Board has proved productive in identifying the joint commissioning priorities relevant to the lives of CYP. This

multi-agency commissioning group is clear and well-focused and synergies with the CCG, public health and schools have proved productive.

The CCG and LA signed an umbrella section 75 agreement in 2016 which provides a framework for joint commissioning and a clear funding mechanism for LA and school contributions.

Speech and language therapy (SALT) provision continues to be jointly commissioned by LA and CCG. The LA and CCG are currently reviewing the commissioning of education related OT and to build on effective joint commissioning the LA has agreed to contribute £145K as an interim arrangement for the period 2020/21. This is an additional and on-going pressure to the HNB.

All therapies are being delivered by the London North West University Healthcare NHS Trust (LNWUHT).

A well-established tripartite panel, chaired by the Corporate Director of People Services, has oversight of joint funding arrangements between health and social care for children with highly complex needs. To help ensure early identification of young people with complex needs who will transition to adult services, the panel includes CCG, LA, Continuing Health Care, SENARS and the DCO where appropriate

The tripartite panel operates joint commissioning functions with a focus on transition points to ensure that all opportunities to support CYP locally are taken and where and where appropriate high cost placements are funded three ways.

5 Please explain how the LA has discharged its duties under section 149 of the Equality Act 2010, C&F 2014 and common law to consult with those affected by the changes proposed.

The SEND Strategy was approved by Cabinet in February 2019. Development of the strategic priorities which underpin the strategy were developed in consultation with working groups across, health, social care, education and the parents forum between February 2019-July 2019.

In January 2020 Cabinet approved proposals to increase provision for pupils with SEND in accordance with the SEND Strategy.

In November 2019 Schools Forum, parents and all Harrow schools were consulted on the new funding proposals for mainstream and special schools.

This Recovery Plan has been presented to Schools Forum and the SEND Programme Board.

6 Please include a summary of the savings/and or measure you propose to implement over the next three years which will reduce the over spend.

It is proposed that the following measures will reduce the increase in the deficit:

- To develop the 'Whole System Shift' model and expand SLD provision across all four special schools in Harrow. The target is to create 42 secondary and 27 primary new SLD by September 2026
- To develop the 'Whole System Shift' model and expand additionally resourced mainstream school (ARMS) provisions for pupils with MLD in Harrow to ensure a pathway of specialist provision for pupils who would have previously attended

Shaftesbury or Alexandra. The target is to create 43 secondary and 29 new primary MLD ARMS places by 2026

- To review established additionally resourced mainstream school (ARMS) provisions for pupils and to further expand ASD provision to ensure a pathway for specialist provision from primary through to secondary. The target is to create 13 new secondary ASD ARMS places by 2026.

The measures have taken into account growth in demand and investment in special school and mainstream funding. The measures are containing the new growth in demand and are cost effective in comparison to INMSS; however they are not sufficient to bring the deficit back into balance.

The LA is only able to bring the deficit back into balance if it can further increase special school provision. At this time the LA is seeking opportunities but there is currently no free school programme wave.

Table on P11-Summary of projected deficit

Summary of projected deficit															
Scenario	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Scenario 1	£1,581	£635	-£590	£986	£2,944	£2,851	£4,517	£6,205	£7,805	£10,111	£11,766	£14,144	£15,864	£18,328	£20,127
Less cfwds	-£1,581	-£635	£590	-£986											
Cumulative Scenario 1	£0	£0	£0	£0	£5,638	£11,226	£18,481	£27,424	£37,967	£50,816	£65,319	£82,201	£100,803	£121,869	£144,734
Scenario 2	£1,581	£635	-£590	£986	£2,944	£2,851	£4,517	£6,205	£7,805	£10,111	£11,766	£14,144	£15,864	£18,328	£20,127
Less cfwds	-£1,581	-£635	£590	-£986											
Cumulative Scenario 2	£0	£0	£0	£0	£2,944	£5,794	£10,312	£16,517	£24,322	£34,433	£46,199	£60,343	£76,207	£94,535	£114,662
Scenario 3	£1,581	£635	-£590	£986	£2,944	£2,851	£3,944	£5,304	£6,188	£7,191	£7,895	£8,523	£9,142	£10,247	£11,450
Less cfwds	-£1,581	-£635	£590	-£986											
Cumulative Scenario 3	£0	£0	£0	£0	£2,944	£5,794	£9,738	£15,043	£21,231	£28,422	£36,317	£44,841	£53,983	£64,230	£75,680

Key to Scenarios

Scenario 1 – projected in year and cumulative deficits if previous expansions of special schools and ARMS had not happened (up to 2019)

Scenario 2 – projected in year and cumulative deficits with previous expansions but no further expansions/new provisions beyond 2019

Scenario 3 – projected in year and cumulative deficits with previous expansions and projected new ARMs and increased SLD special school places

The measures:

- Will not bring the deficit back into balance.
- Have taken into account growth in demand and investment in special school and mainstream funding.
- Are containing the new growth in demand and are cost effective in comparison to INMSS
- Do not assume that Harrow opens a new/satellite special school.
- Will reduce the increase in the projected cumulative deficit, over a three year period, from £16.517m to £15.043m.
- Will reduce the increase in the projected cumulative deficit, over a six year period, from £46.199m to £36.317m

7 Please discuss the local circumstances that have contributed to your deficit. Please provide a brief summary of the pressures in the box below and transfer the forecast spend in this area on the financial summary tab via the appropriate link. Local authorities should consider providing budget pressures in the following areas:
A) mainstream schools; B) state-funded special schools, C) further education and sixth form colleges, D) independent specialist provision; E) alternative provision

Analysis of the accumulated DSG deficit, local circumstances and the current and projected number of CYP with SEND in the system evidence that the LA will not be unable to recover the deficit in the short to medium term and the accumulated DSG deficit will continue to be outstanding.

The LA has been active in creating and supporting a culture of continuous improvement and has used its SEND Capital Funding to increase cost effective SEND provision across nurseries, schools and colleges. The table 'summary of projected deficit' which provides cost modelling of three scenarios evidences that the expansion of special school and ARMS places in the period 2015-2019 (Scenario 2) will have reduced the cumulative deficit by £16,383 by the start of the financial year 24/25.

If the LA is able to implement the proposed further expansion of special school and ARMS places under the 'whole system shift' model (Scenario 3) the cumulative deficit will be reduced by £6.011 by the start of the financial year 24/25.

The following local circumstances have contributed to Harrow's deficit and remain key factors and challenges to the LA's ability to recover the accumulated DSG deficit

- Harrow is one of the lowest funded Outer London boroughs in the High Needs Block

Category 2019-20	Harrow	Average
Funding per head of 2-18 population	£634	£709
Funding per EHCP	£21,264	£22,692

- Harrow has experienced significant growth in the number of CYP with an EHCP. Since 2014 there has been an increase in
 - EHCPs 54%
 - HNB budget allocation 29%
 - HNB spend 38%
- Historical baseline on which 50% of HNB allocation is based is £2.9m lower than the spend in that year due to one off funding contributing to the HNB in 2017-18
- Budget has not kept up with the number of CYP requiring provision or the complexity of need.
- Harrow has experienced an increase in the number of CYP with SLD and ASD requiring specialist provision. Based on projections it is estimated that 25 children each year will require SLD special school provision.
- Harrow's number of young people age 19 -25 in education is increasing which is an additional burden. Prior to 2014 college provision was not funded through the DSG.

SEN 2- numbers of young people in education	
Year	19-25 yrs.
2015	15
2020	123

- Harrow has limited potential to develop specialist provision.
- Harrow's expression of interest for a special school was submitted to the DfE in the autumn 2018. The bid was for a 130 place all through school for pupils with SLD and autism. The bid was unsuccessful.
- Harrow's number of CYP requiring hospital education for their SEMH with /without an EHCP is increasing (Need to get data from SENARS)
- The outbreak of COVID-19 is affecting all aspects of the education sector and children's social care system. The impact will be felt in the short term as well as longer-term.
- Expanding provision is challenging at the best of times and there are many complex issues to over come. COVID 19 will present further challenges to the lead in time for developing and progressing new provisions and the 'whole system shift 'model. The priority for education settings at this time is to prepare for the wider opening and for pupils and staff to return safely.

8 Please provide any further detail here if required, including any attachments that support your recovery plan and any disapplication reference number.

Appendices

Appendix -1-Harrow's SEN Profile 2019

Appendix -2-Harrow's SEND Strategy 2019-24

Appendix -3-Projection modelling

Any LAs that propose to leave part or all of their accumulated DSG deficit outstanding will need to provide a clear explanation as to why their deficits could not be recovered in the short term and provide thorough evidence to support their proposals.

Despite the significant proposals and measures planned over the next ten years, this will not reduce the deficit. This is due to the following contributory factors:

- historical underfunding
- current budgets being based on historical budgets rather than historical spend
- extension of age range to include 0-5 and post 19
- current and projected formulaic funding which does not keep pace with demand
- significant historical and projected growth in number of EHCPs
- continued growth in complexity of pupils' needs
- limitations about creating cost effective provision in borough due to capacity and site limitations