

## TRAFFORD COUNCIL

**Report to:** Accounts and Audit Committee  
**Date:** 19<sup>th</sup> March 2024  
**Report for:** Information  
**Report of:** Karen Samples: Director of Education

### **Report Title: High Needs Deficit Management Plan**

**1. Purpose of the Report**

To update the committee on the Dedicated Schools Grant High Needs Block Deficit Management Plan.

**2. Recommendations**

To note the actions in place to manage the High Needs Block Deficit.

**3. Current High Needs Block position**

The HNB has been the recipient of some of the biggest increases in funding due to the pressures to fund and support the SEND system. In FY 2018/19, the HNB was £26m, and now 5 years later it is £42m, yet still overspending due to the demand for SEND provision over the period. Without new interventions the high needs deficit is forecast to continue to increase and is not financially sustainable.

The DfE's Safety Valve (SV) and Delivering Better Value (DBV) programmes target local authorities with the biggest DSG deficits. The SV programme was introduced in 2020 and targets the authorities with the highest percentage deficits. The DBV programme, introduced in 2022, targets authorities with slightly smaller deficits. In addition, the Education and Skills Funding Agency (ESFA) is working with the remaining authorities that have DSG deficits. The purpose of all three programmes is that participating authorities will establish sustainable high needs budgets.

Whilst Trafford is not part of the SV and DBV programmes, we meet with representatives from the Education & Skills Funding Agency team within the DfE, to present our current position as detailed in the deficit management plan and discuss the actions we are taking to mitigate against the increased spend.

The DSG deficit management plan requires 2 versions to be calculated: mitigated and unmitigated. The mitigated forecast is after accounting for the cost reduction and/or invest to save measures in place. The unmitigated forecast is prior to accounting for any cost reduction and/or invest to save measures in place; a 'do nothing' forecast and assumes numbers and costs will continue to rise at current levels.

The tables below set out both positions.

#### **Unmitigated HNB position**

	<b>2024/25 (£m)</b>	<b>2025/26 (£m)</b>	<b>2026/27 (£m)</b>
<b>HNB Grant</b>	42.288	43.566	44.863
<b>Projected spend</b>	52.637	57.961	64.281
<b>In-year deficit</b>	10.349	14.405	19.418
<b>Cumulative deficit</b>	<b>21.698</b>	<b>36.103</b>	<b>55.521</b>

**Mitigated HNB position**

	<b>2024/25 (£m)</b>	<b>2025/26 (£m)</b>	<b>2026/27 (£m)</b>
<b>HNB Grant</b>	42.288	43.556	44.863
<b>Projected spend</b>	51.229	54.176	58.562
<b>In-year deficit</b>	8.941	10.620	13.699
<b>Cumulative deficit</b>	<b>20.290</b>	<b>30.910</b>	<b>44.609</b>

Assumptions of growth in HNB funding are as follows:

<b>Assumptions</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
HNB funding growth	3%	3%	3%

**4. Growth in Education, Health & Care Plans**

Pressure on the HNB in Trafford is directly related to the increasing number of children and young people with an Education, Health and Care Plan (EHCP).

The number of school-aged children and young people with an EHC plan has increased over the last 2 years by 19% and Trafford's percentage of EHC plans is higher than the national figure at 4.8%. (Nat 4.2%) The highest number of young people with an EHC plan are in the North and West localities of the borough.

10.8% of pupils are being support through SEN Support, which is below the national average. (Nat 12.9%).

**5. DSG HNB Deficit Management Plan update**

Contained within the HNB Deficit Management Plan submitted to the DfE are a number of mitigating items Trafford are implementing to reduce the pressure on the High Needs Block. These focus on 2 key areas: managing demand and increasing sufficiency.

**6. Managing the demand for EHC Plans: Preventative Support**

**a. Early Years and Early Identification**

Reducing costs through managing demand for EHC plans has involved rolling out the Graduated Approach to SEND across all our Early Years settings and schools aimed at the early identification of children's needs and delivery of appropriate support. There has been an increase in demand for EHCPs for children who are

in the 0-7 age group, many of whom have speech and communication needs possibly linked to the impacts of reduced socialisation during the COVID-19 pandemic.

Every child in Trafford has a named Health Visitor and targeted support is provided to families with a child with SEND when needed. Specialist health visitor support is offered with children with significant needs via the **Trafford Early Development Service (TEDS)** which provides home-based portage outreach support to those aged 0-4years and liaises with early education settings where appropriate.

To further enhance early identification of emerging need and consistency of approach, a new Integrated Approach to the 2-2.5-year developmental review has been co-produced and is being rolled out borough wide.

Our **multiagency SEND Panel for Early Years** is proactively used to allocate funding to early education settings for eligible 2 and 3-year-old children to support access and inclusion of the early education entitlement with funding level being allocated in line with need. Support and provision have increased year on year with 174 children supported via their early education setting to date this academic year (September - June). Recent changes have included an enhanced transition grant for children with complex needs to ensure children can access early education as soon as possible whilst provision maps and plans are co-produced.

Trafford is actively involved in the Greater Manchester Early Years Delivery Model (EYDM), an integrated model with specific points of contact with the baby/child and family. Trafford's Early Years **Speech, Language and Communication pathway** is well developed with support offered at universal, targeted and specialist level. The use of WellComm/ Big Book of Ideas along with the Trafford Assessment of Speech Sounds (TASS) at a universal level across all group based private, voluntary, and independent settings and school nurseries ensures early identification of need and support is available to all children.

We are also developing and evolving our social emotional wellbeing and development pathway. A **'Feel Good' Early Years programme** is in place for early education settings to help support and identify emerging social and emotional needs. This incorporates the evidence-based assessment ASQ3 (SE) and the Emotional Literacy Support Assistant (ELSA) approach which has been co-produced with early years practitioners specifically for use with early years children.

**b. Support in schools**

The Local Authority SEND Inclusion Services is made up of Educational Psychology Service (EPS), SEN Advisory Service (SENAS) and Sensory impairment support Service (TSISS).

SENAS offer specialist advice relating to Autism and Social Communication, Physical and Medical Needs, Specific Learning Difficulties. The service works collaboratively with SENCOs in Trafford and we have recently funded Cluster Lead SENCOs to provide SEND development work to our schools. They have seconded time with the aim of improving consistency of SEN Support processes and provision across Trafford starting with effective provision mapping and leading on moderation of SEN support and Requests for EHC.

Moving forward SENCOs will be supported by SENAS to moderate their SEN support plans and we will develop quality assurance processes for EHC needs assessment requests.

In response to the increased demands around Social and Emotional Mental Health needs, the EPS offer is inclusive of evidenced-based programmes to schools to build capacity and a whole school approach to emotional health and wellbeing.

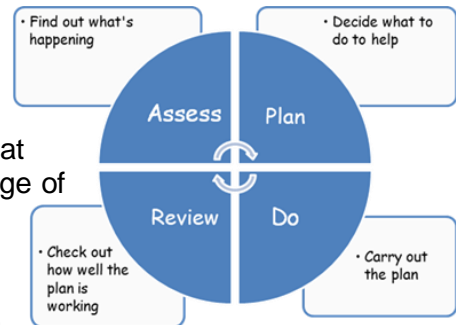
As part of our commitment to develop Trafford schools to be autism-friendly, we submitted a successful bid to Greater Manchester to take forward the Autism in Schools work. The aim of the project is to develop autism friendly practice, parent support groups and peer support for pupils. This will ultimately be implemented in 6 schools in Trafford.

We have also implemented Mental Health Support Teams across 33 schools with a further roll-out in train.

**c. Ordinarily Available Provision**

Ordinarily Available Inclusive Provision is the range of activities, opportunities and strategies that are offered as basic good practice to meet a range of additional needs without the need for a formal diagnosis or specialist support.

It is expected that most children will have their needs met by universal and mainstream services through an ethos of best practice and reasonable adjustments in line with the SEND Code of Practice. Ordinarily Available Inclusive Provision guidance sits within the universal section of Trafford's Graduated Approach.



Currently, an Early Years version has been developed in collaboration with Early Years professionals, practitioners, health colleagues, parents and Information Advice and Support Officers from across Greater Manchester and a Primary School version will be prioritised next.

**d. Trafford's Inclusion Charter and the work of the Inclusion Collaborative**

The Inclusion Charter will be a framework around which schools, colleges and the local authority can fulfil a shared commitment to inclusion.

The chart below, highlights the number of pupils with an EHC Plan across the different year groups. This reflects the spike in the number of requests and issued plans at the end of Key Stage 2 in readiness for transition into secondary school.

Continuing to prioritise inclusive practice in Trafford is key to reducing the demand for EHC Plans and building parental confidence in our secondary sector. This will be achieved through the development of high-quality training, self-evaluation materials and an evidence-based design process. The Trafford collaborative group of professionals will work together to design, deliver and reflect on this work.

The expectation is that traction on this change programme will be realised in the 2023/24 academic year.

**e. Establishing a robust workforce strategy to strengthen quality of SEN Support**

To build confidence and trust in the quality of SEN Support, a robust workforce strategy for all partners is required. This will be a priority across the SEND Partnership this year.

Currently we know that Autism and SEMH are growing needs and long waiting time for diagnosis can compound some of the challenges. There is support available through SENAS, MHST in schools and the Autism in Schools Project, but this is

not available to all schools and children/young people and there is variation in the take-up of the training offer. A Strategy will be informed by the lived-experience of our children and families and will be co-produced by partners to ensure it is cohesive, joined-up, evidence-based and impactful.

We have funded 6 lead SENCOs who will also support the quality assurance of SEN Support provision in schools with an aim to improve consistency of planning, provision-mapping and practice. This includes the quality assurance of requests for assessments.

## 7. **Sufficiency Planning**

The Council has a statutory duty to secure sufficient school places that meet the needs of children and young people with special educational needs and disabilities (SEND). To support the achievement of this duty the Council has received an allocation of £4.729m High Needs Capital Provision for 2022/23 and £3.680m for 2023/24.

In Trafford, children with additional needs benefit from excellent mainstream and special school provision. However, there is very limited capacity to meet increasing demand for places in both primary and secondary settings in the future.

Our strategic priorities are to increase capacity within local specialist provision, including small specialist classes within mainstream schools, to meet the increasing demands for places. We are committed to supporting our schools and settings within the borough to meet this increasing demand as we believe that local provision offers the best outcomes for the children and young people of Trafford. This fits with our commitment to the Trafford Inclusion Charter and the aims of the DfE's SEND/AP Improvement Plan.

Small specialist classes (SSC) have been developed to make sure most pupils with complex special educational needs can have their additional needs met within a mainstream school. These classes are usually for around 10 pupils with an Education, Health and Care Plan (EHCP). Staff are experienced and trained in the specialism of each class as well as general special and additional needs. Pupils from the SSC often spend time in the mainstream classes in the school when they show themselves able to cope with the social and educational demands of this provision in particular areas of the curriculum, and they are fully integrated into general school life.

Below is an overview of the **pre-16 placement** provision in Trafford currently:

SSC/Resourced provision	Number of places Sept 23	Specialist provision	Number of places Sept 23
Acre Hall Primary	30	Delamere	119
Barton Clough Primary	20	Pictor	114
Firs Primary	20	Orchards	120
Moorlands Juniors	10	Longford Park	75
Wellfield Infants	8	Brentwood	96
Wellfield Juniors	10	Manor	164
Lostock School	30	Egerton	64
Wellington School	22		
<b>Total</b>	<b>150</b>	<b>Total</b>	<b>752</b>

Below are tables which illustrate the average costing of placements for SEND provision.

## A. Trafford Special Schools

2024/25	Top-ups	Place Funding	Total
	£	£	£
Pictor	14,243	10,000	24,243
Delamere	11,845	10,000	21,845
Brentwood	12,803	10,000	22,803
Longford Park	9,733	10,000	19,733
Egerton	15,105	10,000	25,105
Manor	8,239	10,000	18,239
Orchards	10,087	10,000	20,087

These are the budgeted average costs of pupils in Trafford special schools in 2024-25. Each pupil has a primary need descriptor and the funding for the pupils depends on the value attached to those descriptors. The £10k place funding is set by Department for Education and has not increased for a number of years.

Special schools face large inflationary pressures, not least because teaching assistants have had 10% increases for the last 2 years.

## B. Costs in settings excluding Trafford schools and academies

Pre 16	Total cost	Average cost
	£	£
NMSS (including StJV)	1,819,441	41,351
Independent Special Schools	3,337,261	52,145
Other LA Special Schools	198,128	11,007
Other LA Mainstream	458,263	5,801
Alternative Provision	161,595	17,955
<b>TOTALS</b>	<b>5,974,688</b>	<b>27,919</b>

### C. Costs in settings excluding Trafford schools and academies

Post 16	Total cost	Average cost
Trafford College	557,926	12,680
Other Post 16 colleges	770,507	8,197
Alternative Provision	668,758	15,553
OLA Schools	75,308	7,531
NMSS (including StJV)	306,547	30,655
Independent Special Schools	661,799	66,180
Specialist Provision	1,301,972	68,525
<b>TOTALS</b>	<b>4,342,817</b>	<b>18,882</b>

### D. Total cost projections in non-Trafford schools (pre and post 16)

The adjusted costs below have factored in the additional SSC places that have been created and the reduction in prices due to improved commissioning arrangements.

Financial year	Cost	Average cost
<b>2023/24</b>	<b>14,028,858</b>	<b>16,943</b>
<b>2024/25</b>	<b>15,894,696</b>	<b>17,451</b>
<b>2025/26</b>	<b>18,008,691</b>	<b>17,975</b>
<b>2026/27</b>	<b>20,403,847</b>	<b>18,514</b>

### E. Trafford Mainstream Top-ups (pre-16)

The adjusted costs below have factored in mitigations to bring down the cost and volume of EHCPs

Year	Numbers	Total amount (£m)	Average cost (£)
<b>2018/19</b>	<b>720</b>	<b>2,934</b>	<b>4,073</b>
<b>2019/20</b>	<b>790</b>	<b>3,562</b>	<b>4,509</b>
<b>2020/21</b>	<b>921</b>	<b>4,130</b>	<b>4,484</b>
<b>2021/22</b>	<b>971</b>	<b>4,724</b>	<b>4,865</b>
<b>2022/23</b>	<b>1,093</b>	<b>5,859</b>	<b>5,360</b>

<b>2023/24</b>	<b>1,012</b>	<b>8,053</b>	<b>7,957</b>
<b>2024/25</b>	<b>1,144</b>	<b>8,270</b>	<b>7,229</b>
<b>2025/26</b>	<b>1,190</b>	<b>9,101</b>	<b>7,649</b>
<b>2026/27</b>	<b>1,237</b>	<b>10,032</b>	<b>8,107</b>

What we are seeing is requests for the higher band funding increasing.

The table below illustrates the allocation of capital funding to the various schemes:

<b>HIGH NEEDS (SEND) CAPITAL PROVISION PROGRAMME – TABLE 2</b>		<b>£m</b>
Allocation c/f from previous report (Jul '21)		0.122
Savings/overspend from previous SEND capital & High Needs capital schemes		0.132
2022-23 allocation		4.729
2023-24 allocation		3.680
<b>Total</b>		<b>8.663</b>
<b>School</b>	<b>Work</b>	<b>Estimated Cost £m</b>
Brentwood School	Adaptations to 2 classrooms for Year 7 cohort	0.044
Delamere School	Creation of nurture space for individual	0.060
High Needs Service	Robots to support remote access to the classroom	0.016
Brentwood School	Expansion of 45 places and option to consider individualised learning spaces	4.400
Longford Park School	Phase 2 – Creation of a further 2 classroom spaces for 16 pupils	0.540
Egerton School	Creation of sixth form provision	2.700
Primary School in Central	EOI- Additional Small Specialist Class – KS1 & KS2	0.640
Primary School in North	EOI- Additional Small Specialist Class – KS1 & KS2	0.250
		<b>£m</b>
<b>Total Cost of schemes to be approved</b>		<b>8.650</b>
<b>Total Allocation Available</b>		<b>8.663</b>
<b>Balance still to allocate</b>		<b>0.013</b>

As part of the SEND Ambitions Plan, a sufficiency strategy is being developed to scope out further potential projects to meet anticipated needs dependent on the financial envelope available to us.

## **8. Strengthened Commissioning Arrangements**

We have undertaken a number of needs analysis and commissioning activity to help inform what more we need to do to meet the needs of our children and families and to



drive forward our joint commissioning activity including an Early Help Needs analysis that provides a review of the effectiveness of existing LA commissioned contracts.

In addition, we are developing a Dedicated SEND Needs Analysis and a SEND Commissioning strategy that is overseen through a joint commissioning steering group. We are actively working towards this being a 3-year strategy recognising the challenging financial climate and level of change required across the system.

Changes that we have adopted to strengthen our system wide governance and to ensure strong connectivity with the integrated care board arrangements have included reshaping our dedicated Children's Commissioning Board, that reports directly into the Trafford Locality Board (our local ICB arrangements). This is aimed at promoting a whole system line of sight to commissioning and transformation activity, including funding pressures and the SEND system.

## **9. Conclusion**

The main risk against this budget remains the rising number of children and young people with Education, Health and Care Plans (EHCPs).

There also remains the risk of rising inflation prices for SEND provision in out of borough and independent settings where provisions are also seeking over inflationary prices to deal with pressures. However, this can be partly mitigated by strengthening effective commissioning arrangements.