

---

# **Review of High Needs Block – SEN Support for Pupils in Mainstream**

Children and Young People's Scrutiny Panel  
June 2021

# Background to SEN Support Review

- Leicester City is facing unprecedented challenges around provision for children and young people with SEND.
- High Needs Block funding has not kept pace with the rapidly growing level of demand for support.
- The High Needs Block is ringfenced and is the total sum available for SEND Support in Leicester City
- We all want the best possible outcomes, therefore ensure there is equality and parity of funding for all pupils in mainstream provision.
- This review is **not about reduction** in funding but spending funds more effectively to meet needs and improve outcomes for children and young people with SEND.
- We are undertaking an engagement process to gather views and inform a formal consultation.

# National and Local Context

## Nationally...

- Pressure on the HNB is a recognised national issue
- At the end of 2018-19 half of LAs nationally were experiencing an overspend in the Dedicated Schools Grant (DSG)
- Government funding policy changes now prevent the LA from using general funding to cover an overspend in the DSG

## Locally...

- HNB forecast deficit budget for 20/21 £6.6M
- Since Element 3 top-up was introduced the costs have risen by £8.53M (362% in 6 years)
- Schools have raised concerned around Element 3 processes

# Top-Up Funding

Latter years include increases in personal budgets (ABA) and EOTAS but will not account for more than £150,000 in any year.

## E3 top-up funding paid to schools since 2014/2015

| Mainstream top-up payments        | 2014/2015 | 2015/2016 | 2016/2017 | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021  |
|-----------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| <b>Spend</b>                      | 3,253,000 | 3,792,000 | 4,965,000 | 6,177,000 | 8,249,000 | 9,870,000 | 11,784,000 |
| <b>Annual Increase £</b>          |           | 539,000   | 1,173,000 | 1,212,000 | 2,072,000 | 1,621,000 | 1,914,000  |
| <b>Annual Increase %</b>          |           | 17%       | 31%       | 24%       | 34%       | 20%       | 19%        |
| <b>Increase Since 2014/2015 £</b> |           | 539,000   | 1,712,000 | 2,924,000 | 4,996,000 | 6,617,000 | 8,531,000  |
| <b>Increase Since 2014/2015 %</b> |           | 117%      | 153%      | 190%      | 254%      | 303%      | 362%       |

## Increase of 362% spend in 6 years

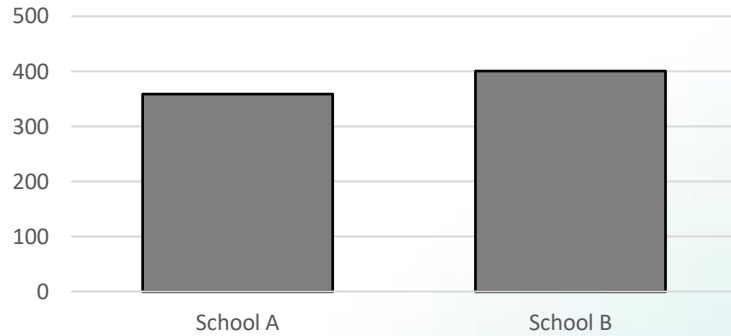
This equates to an additional 530 SEN Teaching Assistants across the city or an average of 5 per school.

## Similar size schools E3 payments in 2020/2021

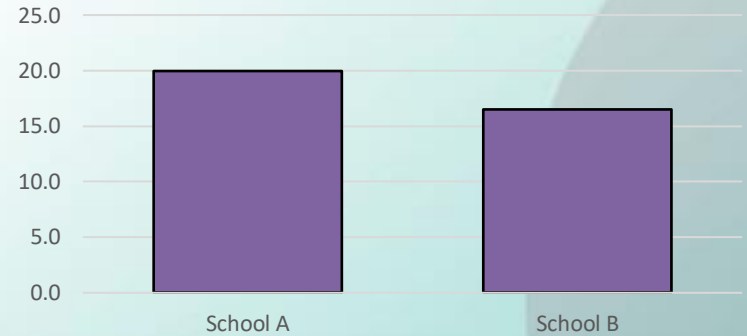
| School   | NOR | Average E3 / EHCP Pupils (Apr 20 - Mar 21) | Banded Funding | Notional Top-up | Total Top-up Funding Paid |
|----------|-----|--|----------------|-----------------|---------------------------|
| School A | 359 | 20.0                                       | 92,108         | 249,365         | <b>341,473</b>            |
| School B | 400 | 16.5                                       | 119,035        | 0               | <b>119,035</b>            |

# Charts

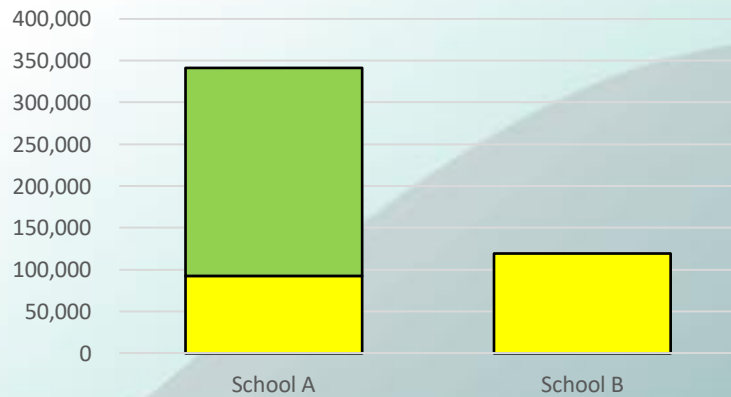
## Numbers On Roll



## Pupils With E3 / EHCP Funding

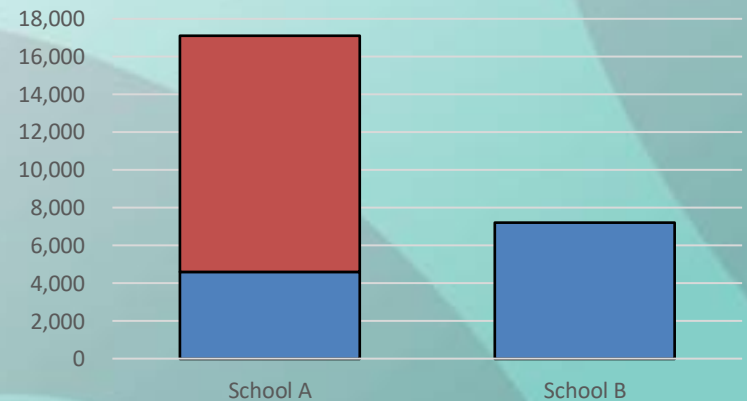


## Total E3 Top-up Funding



■ Banded ■ Notional

## Funding Per Pupil With E3 / EHCP



■ Banded ■ Notional

# Table for Top-ups

| Type of Funding                      | Band 1 | Band 2  | Band 3  |
|--------------------------------------|--------|---------|---------|
| Element 2 (From Notional SEN budget) | £6,000 | £6,000  | £6,000  |
| Top up funding (Element 3)           | £2,272 | £5,636  | £8,900  |
| Total                                | £8,272 | £11,636 | £14,900 |

In addition to the above some schools will receive up to an additional £15,000 per pupil due to way the Leicester City funding model operates.

However, there is very little correlation between the indicators for SEND that are used to calculate the notional SEND budget and the number of children on the SEND register.

i.e. The notional SEND budget as a percentage of the school budget does not correlate with pupils on the SEND register as a percentage of school population.

# Current Context

- In Leicester City we provide top up funding for pupils with an EHCP but also have an additional mechanism for funding pupils at SEND Support.
  - The funding for EHCP pupils is statutory
  - The funding for SEND Support pupils is discretionary
- As shown in the previous slide, funding is allocated to schools in two parts
  - Banding Top- Up
  - Notional Top- Up
- The current notional top up mechanism does not fairly distribute funding to schools.
- The way we distribute funds disproportionately favors those schools with low deprivation figures.
- The LA is looking to consult on a possible redistribution of funding. This review is **not about reduction** in funding but spending funds more effectively to meet needs and improve outcomes for children and young people with SEND.

# Proposal

We are proposing that the changes to Element 3 will cover 3 aspects of this:

- Processes
  - Application and allocation of funding
- Use of funding
  - Is funding always used in the most efficient and effective ways to support our children and young people?
  - Is best inclusive practice in SEND always considered?
  - Is there accountability for the spend?
- Additional resource to support schools
  - Quality and Inclusion Team



# Current Processes

- Capturing your views
  - What works?
  - Where are there challenges?
  - What can be done better?
- Ensuring processes are clear and understood by all
  - Decision making
  - Information
  - Training
- Digital transformation
  - Better data to analyse in order to drive improvement

# Use of Funding

Redistribution of funding costs, however there is a finite pot and we cannot continue to manage the growth in costs.

## **We want to consider:**

- Ways in which the money can be spent - must show impact on the CYP
- Group applications
- Accountability
- Looking at alternative ways of funding:
  - No change
  - Increase threshold for triggering additional funding
  - Keep notional budget but freeze at a fixed amount
  - Remove notional (high-needs) top-up, increase individual pupil top rates
  - Other suggestions from schools

# SEND Quality and Inclusion Team

- Team leader- Martine Hudson (from April 21)
- 2 seconded SENCOs (from September 21)
- Using best practice in SEND
- Supporting efficient and effective use of top-up funding
- Initial focus on Element 3 top-up (rather than children with EHCPs)
- Gathering evidence and sharing best practice
- Supporting the improvement of processes
- Working closely with School Improvement Lead and Funding and Grants Manager
- Linking to Best Endeavours and Reasonable Adjustments (BERA) work

# Next steps and timeline

## **Informal Engagement:** April 2021 - July 2021

We will involve CYP, families, professionals across education including

- Parent and Carers Forum
- Schools Forum
- Big Mouth Forum
- Heads (LPP/EIP/MATs)
- SENCOs
- School Business Managers
- SENDIASS
- Unions

## **Formal Consultation:** Autumn 2021

- Developed through co-production and based upon outcomes of engagement process

## **Changes to be implemented:** April 2022

# Questions

Are there any other areas you feel we should be  
looking at?

Please send your comments and queries to  
[consultations.leicester.gov.uk/sce/element3review](https://consultations.leicester.gov.uk/sce/element3review)

by 30<sup>th</sup> June 2021