

Impact on the Council of the increase in the Higher Needs Block of the Dedicated Schools Grant

Report to Cabinet – 16 November 2021

Background

1. The Overview and Scrutiny Board met on 13 October 2021 to consider the impact of the Council of the increase in the higher needs block of the dedicated schools grant in order to support the number of children with an Education and Health Care Plan (EHCP). Members were advised that there was a long overdue national review of the Special Educational Needs Code due to be released in 2019 with the new Government Minister now wanting to start the review from scratch, it was anticipated that the review would result in a positive decision around future funding but it was not known when this would be published for consultation.
2. The Board asked questions in respect of the following:
 - where did the money come from – the Council cash funds the gap between the funding from the Government and the funding required for the higher needs block, whilst the Council was not responsible for this funding a Statutory Override allows a deficit to be built up and the Council was waiting for the Government to make a decision on who would pay for the deficit from 2023, once the Statutory Override ends;
 - how much money was the Council losing from funding this from our cash holdings – the Council was not losing much income as the investment of its cash was on a rolling basis ensuring that sufficient cash was available each month to make payments such as wages;
 - if we paid for EHCP for children out of Torbay or their transport costs – no this would be paid for by their local authority but we would pay the costs for any of our children placed outside of Torbay;
 - why we have higher numbers of EHCPs than nationally – there was a link to poor historical children’s social care performance, this was currently the subject of a review and part of the recovery plan was to explore how we use early help and other services to support children to avoid the need for an EHCP;
 - was there a maximum cost for an EHCP – schools receive a notional £6,000 to help deliver support for special educational needs with additional funding per EHCP depending on the needs of the individual child; and
 - exclusions and the impact on those with an EHCP – this links to the Council trying to understand what was driving demand and the Council was looking at Plymouth City Council who had completed positive work

around exclusions and Lincolnshire Council who had taken action to reduce the number of EHCPs.

3. The Board requested the outcome of the Review of the EHCP Plan that would be submitted to the Education, Skills and Funding Agency to be reported to a future meeting of the Board prior to submission.

4. The Board recommends that:

the Cabinet be recommended to lobby the Government:

1. to seek the national consultation on the Special Educational Needs (SEN) Code be released together with details on entitlement to funding for SEN provision to ensure best outcomes for children as soon as possible; and
2. to release information on the future of the statutory override to ensure clarity for local authorities to be able to know how they will be funded in the future.