

Council**8 January 2020****Report of the Executive Director for Children's Services****Progress on the review of SEND Discretionary Contingency fund for mainstream schools and academies****1. Purpose of the Report**

To inform Council of progress on the review of the discretionary contingency fund to support mainstream schools with significant numbers of children with additional educational needs.

2. Information and Analysis

As the arrangements in this paper apply equally to mainstream schools and academies references to schools should be taken to include academies as well unless otherwise stated.

At the July 2019 meeting of the Council an amended Motion was unanimously agreed which sought to ensure that every Derbyshire SEND (Special Educational Needs & Disability) pupil gets the education they are entitled to by:

- i. Continuing to pressure the government for more funding to be invested in education, especially SEND; and
- ii. Urgently reviewing the discretionary contingency fund, in consultation with the Schools Forum, so that those schools which feel penalised because they have more SEND Children can be given more financial support; and
- iii. To bring a report outlining progress on reviewing the discretionary contingency fund and with the government to a future Full Council meeting within the next six months.

Following the announcement in the Spending Round that the funding for schools and high needs will, compared to 2019-20, rise by £2.6 billion for 2020-21, £4.8 billion for 2021-22, and £7.1 billion for 2022-23, the final settlement for 2020-21 for each local authority was published on 19th December 2019.

The settlement provides an additional £9.8m (14.0%) increase in funding in the High Needs block for Derbyshire in 2020-21, in addition to an increase of £27.95m (6.3%) for the Schools Block. While Derbyshire's

allocations for the years 2021-22 and 2022-23 will not be published until nearer the time, it is anticipated that they will rise in line with the national increases already announced.

While Derbyshire, as an active member of the F40 Group, will continue to play an important role in lobbying the Government on the wider school funding issues, the above paragraphs explain what has already been achieved with regard to objective (i) of the Motion above. The remainder of this report focusses on item (ii), the discretionary contingency fund arrangements.

2.1 Background to the Motion

Under the national funding framework mainstream primary and secondary schools are expected to fund the first £6,000 of additional costs for any child with additional educational needs. Costs in excess of the £6,000 threshold are funded from the High Needs Block rather than schools' delegated budgets, subject to the approval of a GRIP (Graduated Response for an Individual Pupil) or an EHCP (Education Health and Care Plan).

The issue behind the Motion is the pressure on some schools' budgets in meeting multiple £6k contributions, in particular those schools with a significant proportion of children with an approved GRIP/EHCP. These pressures can be compounded in schools which have developed a good reputation for supporting children with special needs. Schools with this reputation argue that they incur significant costs for the many children on roll whose needs, whilst not at the GRIP/EHCP level, nevertheless require additional resources which creates further pressure on the school's delegated budget. For 2019-20 the Authority holds a contingency of £0.350m within the High Needs Block of the Dedicated Schools Grant to help those schools having difficulty in meeting the requirement to fund the costs of additional needs.

2.2 Progress since July 2019

The Schools Forum met in October 2019 and was presented with analysis of the percentage incidence of pupils with additional needs within schools where this exceeded 3% of all pupils on roll and options for distribution of a contingency. Schools Forum were invited to comment on the issue to inform further work. At the time this meeting took place, the final allocation to Derbyshire for the High Needs Block for 2020-21 had not been announced and therefore Schools Forum were not in a position to provide firm views as the financial position for 2020-21 was a critical unknown factor.

The general election was announced in early November 2019 and therefore it was uncertain what the position for schools and high needs

funding would be until the election had concluded. The settlement for 2020-21 was published on 19th December 2019.

The next Schools Forum meeting is scheduled for 20 January 2020 and a paper has been prepared to invite Schools Forum to consider this issue again and make a recommendation to Council. Although there has been a significant increase in high needs block funding for 2020-21 compared to 2019-20, much of this is required to be set against the expenditure that is already being incurred. Schools Forum will be asked to comment on their priorities for the High Needs Block, including their views on the discretionary SEN contingency fund.

3. Other Considerations

In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, HR, legal & human rights, environmental, health, property and transport considerations.

4. Background Papers Held within Children's Services Finance.

5. Executive Director's Recommendation

Council are asked to note the progress made to date and to receive a further report in due course, once consultations with the School Forum have been completed.

**Jane Parfremment
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