

Agenda Item 6 - Appendix A

Report to: Schools Management Forum

From: Head of Resources for Inclusion and Support Services

Date: 12TH January 2022

Title: Transfer Request of 0.5% of the DSG Schools Block to the HNB 2022/23

1.0 Purpose

- 1.1 The purpose of the paper is to:
- a. Provide details to SMF of the growing pressures relating to the significant increase of Permanent Exclusions since the start of September 2021.
 - b. Identify mitigations and costs
 - c. Discuss a number of key funding proposals with SMF to support solutions to increasing pressures of permanent exclusions and required specialist provision
 - d. Seek approval to transfer 0.5% into the High Needs Block to finance the appropriate mitigations

2.0 Background

- 2.1 High needs funding is provided to local authorities through the high needs block of the dedicated schools grant (DSG). Local authorities must spend that funding in line with the associated conditions of grant, and School and Early Years Finance Regulations. High needs funding is also provided directly to some institutions by the Education and Skills Funding Agency (ESFA).
- 2.2 The high needs funding system supports provision for children and young people with special educational needs and disabilities (SEND) from their early years to age 25, enabling both local authorities and institutions to meet their statutory duties under **the Children and Families Act 2014**. High needs funding is also intended to support good quality Alternative Provision for pre-16 pupils who, because of exclusion, illness or other reasons, cannot receive their education in mainstream or special schools. The high needs funding block provides local authorities with resources for place funding and top-up funding for institutions, and funding for high needs services delivered directly by the authority or under a separate funding agreement with institutions (including funding devolved to institutions).
- 2.3 In recent years, the High Needs Block of the DSG has been under significant pressure, and has carried deficits since financial years 17/18. As a consequence, the Local Authority requested a 1% disapplication of the Dedicated Schools Grant to prevent further deficits in financial year 19/20. This was approved, and has helped to manage a budget that is still under some significant pressure.

- 2.4 The Local Authority is now subject to a DSG Management Plan with the DfE and ESFA to ensure deficit recovery.
- 2.5 However, despite being on track to develop resilience within the budget over recent years and bringing in-year deficits to zero, the COVID-19 pandemic has had a significant impact on the well-being and learning of vulnerable students.
- 2.6 This has had cumulative impact in several areas:
- Significant increase in Permanent Exclusions at Secondary Phase
 - Significant increase in requests for EHCP
 - Significant increase in special school and resource places needed to meet emerging need
- 2.7 Each of these increases places a systemic pressure on provision required to meet the needs that are being identified. These “surges” are over and above forecasted increases in the current year. Following consultation with schools, these surges are expected to continue for the rest of this academic year. Given the extent of the difficulties students have faced, it is prudent to assume that this may continue for some time after that. However, with intervention and support there is an expectation that these surges should abate and that business as usual will resume in 18 months to 2 years.
- 2.8 It is worth noting that these increases in provision are across the board, and that all schools with students with Education Health and Care Plans are seeing escalation in needs for these students in addition to those students who are presenting an escalating or new need as an impact of the pandemic.
- 2.9.1 Since the implementation of the Behaviour Partnership across Middlesbrough there has been significant investment to support greater inclusion across all schools in Middlesbrough. This investment includes:
- Recruitment of a Behaviour Partnership Manager
 - Development of the Preferred Providers Framework
 - Funding allocated to schools to build sustainable inclusion models
 - Development of the Primary Assessment Centre at Holmewood
 - Development of Assessment Centre at Community Learning
 - Recruitment of key staff to support the CLC Assessment Centre
 - Additional Education Psychology Support
 - Introduction of Pupil Inclusion Panels
 - Funding contribution to schools for Intervention Placements
 - Increase in vocational pathways
 - Increase in the range of Alternative Provision available locally
 - Increase in AP places at River Tees Multi Academy Trust
 - Greater support for schools through the Inclusion Model

Programme		18/19	19/20	20/21	21/22	22/23
High Needs underspend projects	£850,000					
Interventions Subsidy		£810,000	£810,000	£600,000	£600,000	£600,000
Inclusion Models		£290,000	£290,000	£290,000	£400, 500	£730,000
Learning Centre Secondary		£180,000	£180,000	£180,000	£180,000	£180,000
Assessment Centre Primary		£180,000	£180,000	£180,000	£180,000	£180,000
Assessment Centre Capital		£700,000				
Covid Recovery						
AP Academy		£1,728,000	£1,728,000	£1,728,000	£1,728,000	£1,728,000
Educational Psychology			£80,000	£80,000	£80,000	£80,000
Virtual School AP		£170,000	£170,000	£170,000	£170,000	£170,000
additional provision for extra pex					£750,000	£950,000
	£850,000	£3,408,000	£3,438,000	£3,388,000	£4,418,500	£4,618,000
Cumulative Total	£20,120,500					

3.0 Current pressures

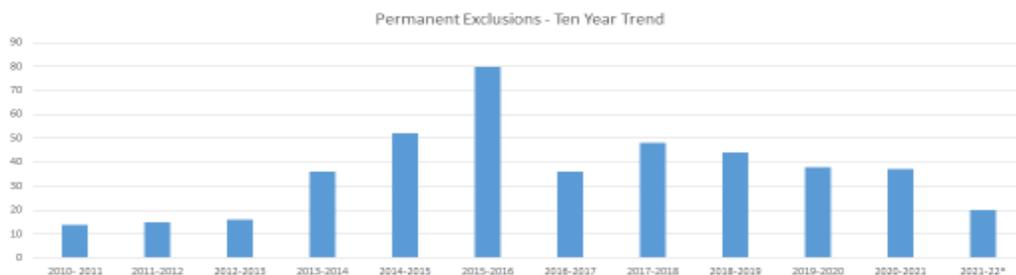
3.1 The pressures on provision come in all areas of need, but in particular, affected services are:

- Alternative Provision Academy-an additional 60 places will be required in year according to current trends
- Special School places-the increase in young people requiring provision for Social, Emotional and Mental Health Needs is above the planned increase in places for the next 2 years
- Specialist Services are stretched to beyond capacity and therefore operating at crisis rather than a preventative basis

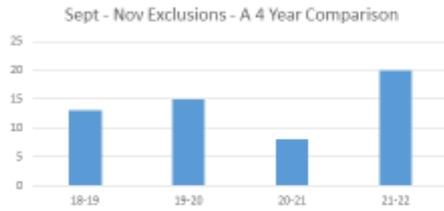
3.2 Analysis of the surge this academic year tells us that:

- If the current trend continues, Middlesbrough exclusions will reach 2015/16 levels and by the end of the academic year, 60-70 children and young people in Middlesbrough will have been permanently excluded from school
- The issues are consistent across ALL secondary schools in Middlesbrough
- Persistent Disruptive Behaviour is usually the reason for a large majority of permanent exclusions. This surge is bucking that trend-the majority of cases involve a one-off significant event
- Almost half of exclusions happen because of threatening behaviour or violence, suggesting an issue with emotional regulation
- 2 out of every 5 children permanently excluded are already vulnerable and open to social care
- 1 in 10 children have Special Educational Needs and/or Disabilities

Data and Trends



If 21-22 trend continues at the same rate – projected 60-70 exclusions



Exclusions by Year Group

Year Group	18-19	19-20	20-21	21-22
7	2	1	0	4
8	1	2	1	8
9	1	5	4	2
10	5	5	1	6
11	4	2	2	0

Exclusions by Reason - A 4 Year Comparison

Reason	18-19	19-20	20-21	21-22
Drug / Alcohol related	0	3	2	0
Racist Abuse	0	0	0	0
Damage to school / property	0	0	0	1
Physical assault on an adult	3	2	1	1
Physical assault on a pupil	1	0	1	5
Persistent Disruptive Behaviour	6	7	4	7
Verbal abuse / threatening behaviour against an adult	1	1	0	4
Verbal abuse / threatening behaviour against a pupil	0	2	0	1
Theft	0	0	0	0
Offensive weapon	2	0	0	1

40% children open to social care

20% children with SEND

4.0 Proposed Solution

To support the increase in costs of predicted exclusions we need to transfer 0.5% of DSG to HNB (£608k).

5.0 Options and financial impact

- 5.1 Option 1- transfer 0.5% of the DSG to the High Needs Budget, affecting Secondary Schools only

Refer to item 6 appendix B for individual school impact

- 5.2 Option 2- transfer 0.5% of the DSG to the High Needs budget, affecting primary and secondary schools

Refer to item 6 appendix B for individual school impact

6.0 Next Steps

- 6.1 To continue to work with schools to address the increase in CYP PEx, this will include the discussions held with secondary heads, police, health, and social care to consider a joined up approach through a number of task groups which will be set up in January 22 to explore solutions. This work will also include the actions and priorities identified within the Inclusion Partnership Action Plan 2021/22, where we will:

6.1.1 Create/expand current provision to include Pupil Referral Unit operational requirements- children are registered on 6th day of exclusion, exploring Pupil Referral Unit (PRU) models

6.1.2 Enhanced inclusion models at secondary provision which would be a team around the school approach, located in school linking with existing pastoral teams, additional pastoral resources and relationship-based, trauma informed practitioners

6.1.3 Targeted inclusion and transition intervention with outreach practitioners at Y5 and 6

7.0 Voting

- 7.1 Schools Management Forum to note the content of this report

- 7.2 Schools Management Forum to vote for one of the presented financial options and comment on solutions at this meeting