

Title of meeting: Schools Forum

Date of meeting: 22 May 2024

Subject: Addressing the pressure on the High Needs Block

Report by: Mike Stoneman, Deputy Director, Education

Wards affected: All

Key decision: Yes/No

Full Council decision: Yes/No

1 Purpose of report

1.1 The purpose of this report is to update School Forum Members on the work that has been carried out so far to address the current and future pressure on the High Needs Block (HNB) of the Dedicated Schools Grant (DSG) and to invite Schools Forum to act as a reference group which council officers can consult with regarding the emerging proposals.

2 Recommendation

2.1 It is recommended that Schools Forum note the report.

3 Background

3.1 As reported to Schools Forum on 7th February 2024 we are now forecasting an overspend of approximately £2.5m on the High Needs Block (HNB) of the Dedicated Schools Grant (DSG) for 2024/25 with further pressures identified in 2025-26. The shortfall was a result of a projected budget requirement for 2024-25 of £40.0m compared to income of £37.6m.

3.2 The reasons for the projected deficit and ongoing pressure on the HNB are complex but can be summarised as follows:

- Significant increase in requests for EHCNAs (Education, Health and Care Needs Assessments) and associated growth in the number of EHCPs (noting the largest increase for requests was for 3 to 4 year old children)
- Increasing complexity of need.

3.3 Whilst we have a DSG carry forward which can cover the pressure in 2024-25 and are not in the position of many other Local Authorities who



are carrying significant deficits (and as a result are in the Safety Value and Delivering Better Value programmes); the implications of the level of growth predicted for 2024-25 will translate to full year impacts in 2025-26 and beyond which could potentially put the DSG into a deficit by 2026-27.

- 3.4 At the meeting on 7th February 2024, Schools Forum Members endorsed the proposal to establish a working group to agree how best to manage the pressure on the HNB and as part of that work agree short, medium and long term actions setting out what we can afford going forward and what actions we will need to make in order to avoid a future deficit position. A working group comprising council officers from Education and Finance has now been established and has met on three occasions and will continue to meet monthly. The terms of reference for the group is attached at [Appendix 1](#).
- 3.5 The work will reference the previous work that has already been undertaken by the council including the work of the SMiLE (Supporting Mainstream Inclusion in Local Education) Group and the Early Years transition meetings.
- 3.6 The work is also inextricably linked to two other important pieces of work:
- EHCNA recovery plan
 - SENDAP Change Programme for which Portsmouth is the lead for the South East.

4 Involvement of Schools Forum Members

- 4.1 The working group will report on its work to Schools Forum with the aim of presenting a first report in the Autumn Term 2024. The action plan is in an early stage of development, but officers are keen to consult with Schools Forum members to ascertain their views on the emerging proposals. All Members will be invited to comment on the emerging proposals but to support this a workshop will be held in the Autumn (date to be confirmed) to which School Forum members will be invited.

5 Reasons for recommendations

- 5.1 The work to address the pressure on the HNB is critical if we are to avoid the kind of escalation in costs and associated deficit that we have seen in other Local Authority areas.

6 Integrated impact assessment

- 6.1 An integrated impact assessment is not required as the recommendations do not have a positive or negative impact on communities and safety, regeneration and culture, environment and public space or equality and diversity.



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Signed by: Sarah Daly, Director Children Families and Education

Appendices:

Appendix 1: Terms of Reference for the Working Group - Managing the pressure on the High Needs Block

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by: