

Arrangements for children and young people with Special Educational Needs and Disability

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Summary:	<p>This paper</p> <ul style="list-style-type: none">• reports an updated outturn position of the High Needs budget month 5• Summarises the Dedicated Schools Grant (DSG) recovery action plan requirements for high needs activity
Recommendations:	<p>For Forum</p> <ul style="list-style-type: none">• to note the outturn position Month 5• to note the strategic approach to the Dedicated Schools Grant recovery plan requirements for high needs• Note item 4.1
Reasons for Recommendations:	<ul style="list-style-type: none">• The DSG is subject to a DfE submitted recovery plan.• The high needs block reflects required savings within the DSG recovery plan• Extension of funding for statutory casework team
Links to Priorities	<p>Children and Young Peoples Plan 2019- 2022: Great Education: building skills for life 5 SEND Strategic objectives SEND Strategy 2016-19</p>
Financial Implications:	<p>The DSG recovery plan is required by the DfE and sets out the savings and pressures across the DSG before a National hard funding formula is implemented from 2021/2022</p>

1. Current Position

Position against month 5 is reported below and forms part of month 5 budget monitoring

Type of provision	Budget	Projection	Overspend /Underspend
Early Years	£1,274,100	£1,271,627	-£2,473
Mainstream - pre 16	£7,376,600	£7,549,318	£172,718
Specialist Units - ASD	£2,371,500	£2,305,481	-£66,019
Specialist service HI / VI	£966,700	£1,028,100	£61,400
PRUs – PEX	£2,592,000	£2,592,000	£0
PRUS - HN (Tone + Specialist Provision)	£657,000	£657,000	£0
PRUS - Medical / Hospital	£1,899,000	£1,899,000	£0
Behaviour Partnership	£2,487,000	£2,487,000	£0
Maintained Special and Free Special Schools	£16,752,300	£17,126,200	£373,900
NMSS and Independent	£10,569,600	£9,545,122	-£1,024,478
FE post 16 (Colleges & ISP)	£4,409,600	£5,940,847	£1,531,247
Vulnerable groups	£72,100	£72,100	£0
Total	£51,427,500	£52,473,795	£1,046,295

The High needs continues to show pressures against allocated budget of £1,046,295.

Pressure continues to be linked to demand for Pre 16 and Post 16 placements in independent and non-maintained Special schools and colleges. This is in line with reported pressures as part of the DSG recovery.

Overall placement spend across pre and post 16 remains volatile with overspend related to as little as 2 residential placements or 3-5 day placements. Figures should be considered with some caution given expected pressures over the next 3- 6 months, pending lodged Tribunals, as yet unheard. However subject to further budgetary analysis there are some early signs that the strategic approach to personalised and jointly commissioned Post 19 placements may be achieved in this financial year however this will not be confirmed until Month 7.

2. DSG Recovery Plan: Summary recap/overview

2.1 The LA in partnership with schools submitted a DSG recovery plan to the DfE in June 2019. This plan sets out the pressures and savings to address the projected overspend across the DSG over 3 years 2019-2022.

DfE have confirmed that they are not progressing comments on LA plans currently given the recent spending review with an announcement expected mid -October for impact on DSG. Recent publications have suggested that spending review will offer between 8-17% increases. Individual allocations are expected to be issued shortly. The impact of any additional funding must be considered upon planned activity in the DSG recovery plan.

2.2 The formation of the DSG recovery plan was in collaboration with Schools forum and collectively agreement was reached to progress a whole system approach to the DSG. This approach sets out activity which achieves financial stability and aligns with strategic improvement set out in Somerset's Children and Young Peoples Plan 2019-22 and SEND strategy 2016-2019. Summary of the pressures , savings and projected savings are set out in 2.3, 2.4 and 2.5

The DSG recovery plan supports the needs of children with additional learning needs, including those who are excluded or not able to attend mainstream school and for those with SEND. Transformational activity is required at all levels of activity: universal, targeted, specialist and complex/ acute and the details of activity are as yet to be formed.

Through the submission of the DSG recovery plan Schools Forum have given agreement in principle to focus improvement activity on an emerging approach which follows best inclusive practice and is broadly known as the Local First approach. This reflects shared principles and collective responsibility across the education sector for vulnerable CYP including those with SEND and facilitates collaboration amongst Schools, LA and wider partners.

In summary this includes:

- building capacity and expertise at SEND support in the early years, school and FE colleges through facilitating the development of sector led improvement
- introduces joint commissioning
- reduces reliance on expensive independent schools or colleges by providing local special schools, resource base places and use of Alternative provision
- Promotes personalised and flexible use of resources

The plan proposes three distinct phases of activity; short, medium and long term, with identified savings in each year across the full period and beyond. Transformational activity is required at all levels; universal, targeted, specialist and complex/ acute and across each phase.

Developing the details of the DSG recovery will form the next part of the DSG recovery plan for Schools forum with the LA. These are summarised as;

Intervening early and managing demand

- Ongoing aligning and integrating of teams across the LA and seek opportunities with partners to target SEND services to support best inclusive practice
- Connecting partners across the system and utilising all national and regional school to school initiatives to build capacity, skills and confidence across all phases
- Sharing the cost of services which intervene early, including outreach and flexible use of alternative provision to reduce escalation and supporting education settings to maintain

CYP in mainstream settings.

Developing Personalised commissioning

- Redressing the balance of CYP attending independent schools and reducing Somerset's reliance on the independent sector through children and young people currently placed in independent schools who, with the right support, could access mainstream, mainstream resource bases or special schools local to home (returners) and allocating places in new special schools responsibly as the capital build comes on line (new)
- Personalised commissioning and flexible use of funding to support transition and where individual arrangements would benefit CYP and their families.
- developing personal budgets (flexible)
- Jointly commissioning with Adult Social Care, health and in collaboration with our local FE colleges for post 19 – 25 with Complex and acute needs

Building capacity in Local special schools and using the Local First Approach

- Ongoing investment into Local special schools and resource bases with planned capital investment of £54m resulting in an additional 436 specialist placements being available from 20/21 and completed by 2022/23. As a result of this capital investment we project a 40 % reduction in independent placements in by 2023/24.

2.3 Pressures as set out in the DSG recovery Plan¹

¹ Note Pressure 1 relates to Central Schools block

P1	Fully funding schools in line with Hard FF has created a deficit in the schools block and Somerset Schools Forum agreed this would be funded by forecast underspend in CSSB, with a principle agreed to reduce commitments where possible.
P2	Increased use of INMSS or out of area placements The authority has seen a significant increase in demand for independent placements, (8% year on year since 2016) due to a combination of factors, including insufficient places in our special schools and specialist resource bases, some specialist provision is either not in the best geographical locations or have no local specialist provision and in some cases having places occupied by children and young people who could be educated in mainstream schools. National benchmarking shows that Somerset places twice as many CYP in independent schools (10% , compared to 5% national) with a specific pressure in day placements. This is partly due to the historical approach to allocating high needs funding without plans and our current low number of EHC plans compared to national, but this needs to be taken into account as we convert high needs into statutory plans to ensure that children remain in their local mainstream provision wherever possible. These day placements cost on average £20,000 per annum more than in a maintained specialist provision, but in a few cases the costs can be as much as £150,000
P3	Increase in number of requests and placements in special schools or specialist ASC bases. There have been 54 places additionally commissioned over the planned places over 2018. Due to the Jan mechanism for place funding this required the £10,000 allocation
P4	Increased requests for statutory assessment and resulting in a higher number of plans including High needs conversions Impact on resources is seen through SEND statutory teams and partners through data from SEN2 which shows that Nationally requests for assessment rose by 12 %
P5	Specific needs of children with SEMH/ASD We know that our identification of children in relation to their primary needs demonstrates a different profile to national and regional data. This is particularly prevalent in
P6	High levels of permanent exclusions and partnership places 72% increase in young people permanently excluded from schools across Somerset and fixed term exclusions have also increased by 45% within three years. This has impacted on the capacity of our pupil referral units both through the year on year growth paired with the difficulty of moving learners back into mainstream in a timely and
P7	Post-16 The extension of age range relates to changes to the SEND code of practice, which has added substantial additional costs to the High Needs Block, with the requirement to provide resources extended for young persons from 19 to 25, where they have an EHCP, are attending an educational provision and making progress. The work being

2.4 Savings identified in the submitted DSG recovery plan²

S1	Transfer of funding from the Central Schools Services Block, Combined Budgets (historical commitments), where contracts have ceased, efficiencies being demanded and savings achieved to support the pressures in high needs. The funding of historical commitments is on 2017/18 baseline and assumes a continuing funding surplus of £1.68m. If the funding reduces then it would reduce the ability to recover the deficit. The assumption is that by 2023/24 the funding allocated to Somerset CSSB will be in line with national proportion (£1.87m).
S2	Collectively covers P1 and 2 Increased Capacity in Special Schools- Local First- capital build programme adding 436 special school and resource base places from 20/21 and realised by 2022/23, placements for young people will be secured within special schools or specialist mainstream places based within the local communities.
S3	Collectively covers P3 and 4 Reduce reliance on independent settings- Develop Personalised Commissioning. Focus on independent non- maintained through Local First approach at points of transition. Through academic year 19/20 the focus should be on those day placements where there is confidence that needs can be met in mainstream or special schools local to home.. Connecting and utilising SENCO expertise and outreach from special schools prior to requests for changes of setting from
S4	Collectively covers P5 and 6 intervening early and Joint commissioning Sharing costs with schools to reduce potential future spend and manage demand, ensuring efficient use of all resources and aligning or integrating teams to achieve management efficiency and cost- effective services.
S5	Early Years - no savings identified. 97% of Early Years Block is delegated to providers as part of hourly rate calculations. Due to the low level of hourly rate paid 3% of the Early Years Block held centrally is used to support according to sector needs during the year and therefore no savings are anticipated.

2.5 Summary of Deficit Recovery plan

² Note saving 1 relates to the Central Schools Block

DSG Deficit Recovery Plan

Ref.	Block	Type of provision e.g. special schools	Action e.g. increasing special school places	2018-19	Year 1	Year 2	Year 3
				2018-19	2019-20	2020-21	2021-22
				£	£	£	£
DSG Balance b/f					6,702,400	9,841,890	11,660,561
Savings (figures should be entered as negative values)							
S1	CSSB		Active engagement of local schools and colleges in designing services and provision	(1,507,000)	(1,680,000)	(2,065,000)	(2,726,000)
S2	High Needs	Special schools	Capital investment in new, expanded or adapted special schools		0	(326,658)	(827,946)
S3	High Needs	Mainstream and Special schools	Increased resource for mainstream schools – targeted funding		(202,888)	(186,382)	(171,575)
S4	High Needs	Alternative Provision	Active engagement of local schools and colleges in designing services and provision		0	(1,173,667)	(2,012,000)
S5	Early Years		Other		0	0	0
Total savings				(1,507,000)	(1,882,888)	(3,751,707)	(5,737,521)
Pressures (figures should be entered as positive values)							
P1	CSSB		Difficulties arising from the funding formula		1,000,000	1,000,000	1,000,000
P2	High Needs		Increased use of INMSS or out of area placements	2,250,978	2,250,978	2,250,978	2,250,978
P3	High Needs		Pressure on maintained special school capacity	540,000	540,000	540,000	540,000
P4	High Needs		Increase in the number of EHC Plans	0	0	0	0
P5	High Needs		Specific needs of children with SEMH/ASD	300,000	550,000	800,000	1,050,000
P6	High Needs		High rates of exclusions and use of AP	291,900	291,900	291,900	291,900
P7	High Needs		Post-16 responsibilities	164,400	164,400	164,400	164,400
Additional Pressures (figures should be entered as positive values)				3,547,278	4,797,278	5,047,278	5,297,278
Cost reductions from impact of recovery plan				2,040,278	2,914,390	1,295,571	(440,243)
Total DSG forecast overspend							
Net in year impact on High Needs DSG				2,040,278	2,914,390	1,295,571	(440,243)
Estimated High Needs Block change (additional grant)				(1,171,000)	(1,171,000)	(1,171,000)	(1,171,000)
Approved transfer of schools block to HN block				(1,178,100)	(298,000)	0	0
Other adjustments				1,694,100	1,694,100	1,694,100	1,694,100
Net in year Forecast Outturn Variance				1,385,278	3,139,490	1,818,671	82,857
DSG Balance – show a deficit as a positive value				6,702,400	9,841,890	11,660,561	11,743,418
				DEFICIT	DEFICIT	DEFICIT	DEFICIT

High Needs Sub Group update

4. 0 Project update

The High needs group have 3 project reporting streams, these are

- The capital investment programme- the ongoing building of special schools, development of ASC bases in mainstream schools and the development of a special Free school
- Local First- reducing reliance on Independent sector (This project was supported by Schools forum until October 2019)
- Identifying and managing behaviour, now known as part of whole system improvement called "Building emotional resilience" which is the development of a joint approach across schools, LA, CCG including CAMHS.

The High needs group did not receive reporting updates of the projects at the September meeting and they now form part of the emerging DSG recovery plan and are seen within savings 2, 3 and 4 respectively.

4. 1 The high needs group consider a paper presented by the SEND strategic manager regarding ongoing funding of the Statutory team as supported by Schools forum to address the increasing demand of statutory assessments and conversion from high needs funding to Somerset banding model and has been amended in light of comments from the High needs group. See Appendix 1.

5. Recommendations

Forum note month 5 monitoring, recap of DSG pressures, savings and recovery plan. Proposal for planning implementation activity will form workshop activity with forum members. Forum to note paper in 4.1 and Appendix 1.

Paper for discussion

Schools Forum Decisions and Consultations

Date of meeting – 9th October 2019

Extension of funding for SEND Statutory Team 2020-2021 and 2021-2022

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1. Summary

1.1 To extend the DSG contribution of £283,600 to the SEN Statutory team for 20/21 and 21/22 in recognition of the DSG Recovery Plan. This will support:

- Continued High Needs conversion pressure
- Continued increase in requests for statutory assessments outside of the high needs process
- Ongoing maintenance of statutory plans

Following a discussion at the High Needs Group, the costs have been amended to reflect both concerns raised regarding the costs and the requirement to continue to fund this over 2 additional years. If there is any underspend in relation to these posts, we would request that this be carried forward to reduce pressure on the DSG in 20/21 and 21/22.

2. Recommendations

2.1 Continuation of funding for financial year 2020/2021 and 2021/2022 in relation to the Statutory SEN team. This recognises the continued pressures in relation to requests for statutory assessments both relating to high needs conversion timetable and continued rise in statutory requests.

2.2 This will also support the key activities relating to potential savings within the DSG Recovery plan (Savings 2, 3 and 4) through a Local First approach:

- Developing Personalised Commissioning (funding following the learner)
- Responsible use of new Special School places
- Jointly commission personalised arrangements across education and social care using personal budgets 19-25 and in line with Local First approach
- Reducing reliance on independent placements through new special schools and mainstream inclusive places by total 40% by 2023/ 24

3. Background

3.1 It was agreed in October 2018 that funding would be secured from the High Needs block to temporarily increase capacity in the SEN Statutory team to complete the transition for young people from being in receipt to High Needs into funding into having Statutory Assessment. The Assessment and Review Officers are now in place and have provided capacity to support transfer of high needs students to Education Health and Care Plans and completed assessments outside of this process. At the time of the original funding agreement these roles were Fixed term until March 2020, when the proposed transfers were planned to be completed.

During the academic year 18/19 the Local Authority received 1015 requests for

statutory assessments compared to 643 over 17/18 academic year. This is an increase of 57% over one year.

Owing to the ongoing unprecedented demand on the SEND Statutory team for statutory assessment requests, the difficulty that has been encountered in recruiting staff to the team and the limited impact of mitigating actions introduced in May. This year it has become apparent that this funding will need to be extended until March 2021 to support the 638 remaining children and young people in receipt of high needs funding who would be in scope for a statutory assessment.

We reported that there were 1159 high needs conversions that needed to take place over the 3 years and can report that there are now 638 high needs conversions left to resolve.

This requires in excess of 35- 50 conversions to be undertaken/ month in addition to the new statutory assessment's requests based on 18/19 numbers at 85 /month. This extension recognises the time required to undertake the high needs conversion for those pupils remaining on high needs funding and supports ongoing improving performance to the statutory 20 -week indicator.

Improving the timeliness of statutory assessments is critical for children and young people, their families and educational settings across Somerset as securing any new high needs funding relies on statutory assessments being completed.

4. Implications – Financial and other

- 4.1 Additional commitment of £283,600 from High Needs Budget for financial year 20/21 and 21/22.

5. Background papers

- 5.1 High Needs paper as discussed on 11th September 2019 and original paper 3rd October 2018
See Appendix A and B.