



Derby City Council

COUNCIL CABINET
13 July 2016

ITEM 15

Report of the Cabinet Member for Education
and Skills

Special Education Needs and Disabilities (SEND) top up funding

SUMMARY

- 1.1 Mainstream school budgets include some additional funding called 'notional' SEND funding. This funding is within the Delegated School Budgets, and both the place funding for the pupil and the notional SEND funding should meet the first £10,000 of costs for a child. This is comprised of the age weighted pupil unit or place funding (approximately £4,000) and an additional £6,000 called notional SEND funding.
- 1.2 Schools are not expected to meet the full costs of more expensive special educational provision from their core funding. The Local Authority should provide additional top up funding where the cost of meeting the needs of an individual pupil exceeds the nationally prescribed thresholds above. Historically schools have applied for a statutory assessment (now an Education, Health and Care needs assessment) to access top up funding. Neighbouring LA areas they have developed systems to enable schools to apply for top up funding without the need of a statutory assessment.
- 1.3 Demand for SEND statutory assessments in Derby has grown significantly in the last few years. This is partially because the city has not delegated the additional funding for local decision making. Now is the time to introduce this to support better outcomes for children and young people with SEND.
- 1.4 A pilot with schools has been held in order to develop a local decision making model. Parents have been consulted via an Equality Impact Assessment and were positive in their feedback. The pilot included 14 cases from across the city and in all age groups where schools were on the cusp of requesting a statutory assessment, but peer challenge between groups of schools provided schools with different strategies to use and some additional funding to support a small group of children. This provided parents and children with an alternative to the EHC needs assessment process and enabled speedy decision making and the formulation of support strategies for children. The pilot was supported by £100,000 of Dedicated Schools Grant funding and the intention is that all allocated funding is spent on the child and making best use of public monies.

RECOMMENDATION

- 2.1 To agree to roll out the top up funding pilot to a city wide approach from September 2016.

- 2.2 To agree that the model will follow the social care locality model and with the membership of the panels being made up from schools. A special school Headteacher will Chair each panel and a LA Officer will administer the panels. £2.1 million of Dedicated Schools Grant reserves have been approved by School Forum to fund this roll out.

REASONS FOR RECOMMENDATION

- 3.1 To ensure that the local authority meets its requirement to provide top up funding where the costs of special educational provision required to meet the needs of an individual child exceeds the nationally prescribed threshold.
- 3.2 To speed up the process of allocating funding to schools to meet the need of children with special educational needs.



COUNCIL CABINET
13 July 2016

Report of the Strategic Director for People

SUPPORTING INFORMATION

- 4.1 Demand for EHC needs assessments in the city has grown. DfE data suggests that the percentage of Derby children to whom an EHC plan were newly made has increased between the years 2013-2014 by 21.3% whereas nationally there was a drop of 3.2%. The reasons for this are varied, but partially due to schools not being able to access top up funding for children outside of an EHC needs assessment. In 2013, 1065 children had a statement of special educational needs, whereas there are now approximately 1350 children with statements and plans (note – these change daily depending upon assessments).
- 4.2 Aligned to this has been the increasing costs associated with high needs children. Derby subsidises its High Needs Block by approximately £3 million each year from the other elements of the Dedicated Schools Grant (DSG) and spends approximately 2% more on High Needs than its comparator authorities.

The table below shows the spending trends for the main elements of the High Needs Block.

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Top up support in mainstream schools	£1.1m	£1.2m	£1.6m	£2.3m	£2.3m	£2.6m
Out of City special school placements	£2.3m	£3.6m	£4.9m	£5.95m	£6.99m	£7.3m
City special schools	£8.7m	£11.1m	£11.4m	£12m	£12.6m	£13.5m
Total	£12.1m	£15.9m	£17.9	£20.25	£21.89	£23.4

- 4.3 In order to manage demand and better meet the needs of children and young people with special educational needs and disabilities (SEND), officers and schools have looked across the region to see where best practice exists. Neighbouring LAs have long had funding systems whereby schools make early decisions about how best to meet the needs of children with SEND. Officers and schools have co-designed a Derby City pilot system based on the best practice of a number of authorities including Nottinghamshire, Derbyshire and Sheffield, which allows shared decision making between the schools and Local Authority, parents and carers have been consulted via the Equality Impact Assessment. Parental advisory stakeholders were also consulted including the independent supporters for SEND (Umbrella) and the Special Educational Needs and Disabilities Advisory Support Service (SENDIASS).
- 4.4 The principles of the proposed model are that it:
- supports mainstream inclusion;
 - provides parents and children with an alternative to the EHC needs assessment process;
 - facilitates a move from a centrally controlled funding model to a partnership model;
 - does not replace a EHC needs assessment and a child, their parents/carers, schools and other stakeholders can still request a statutory assessment at any stage;
 - requires schools to consult with parents/carers before accessing the SEND Funding Pathway to ensure that parents have the opportunity to agree, refuse or request an EHC needs assessment instead.

The principles of the proposed model are that it:

- supports mainstream inclusion;
- provides parents and children with an alternative to the EHC needs assessment process;
- facilitates a move from a centrally controlled funding model to a partnership model;
- does not replace a EHC needs assessment and a child, their parents/carers, schools and other stakeholders can still request a statutory assessment at any stage;

- requires schools to consult with parents/carers before accessing the SEND Funding Pathway to ensure that parents have the opportunity to agree, refuse or request an EHC needs assessment instead;
- ensures that no child is refused an EHC needs assessment if they meet the standard thresholds for assessment. This means that no child will be denied the right or opportunity to request an EHC plan under this system.

The Locality Cluster Funding can be applied when the delegated notional funding for SEND cannot meet the significant need of the child in a mainstream context. These funding allocations are between £2k to £6k in addition to £10k core funding. Over and above this, the model will also allow allocations from £6k to 9k in addition to £10k core funding to meet exceptional needs in a mainstream context. This would only be allocated from centrally retained funding and managed by the Education Health and Care Panel. In this proposed funding model this level of funding can be allocated without the need for an EHC needs assessment. (Funding Pathway – Appendix 2).

The Schools' Forum agreed £100,000.00 to test this model with all schools. The first pilot Locality Panel in March 2016 heard 14 cases and determined whether the funding should be allocated, what amount this should be and for what period. Five children from primary schools and two students from secondary schools were allocated time-limited funding from two terms. Any appeals are heard 14 days after by a smaller Appeals' Panel. No appeals were submitted after 1st Locality Pilot Panel.

- 4.5 The positive feedback on this Pilot Panel and the perceived success of the proposed model has been collated from the citywide Headteacher Task and Finish group, SENCO Networks, parents and all schools. It was also clear that the understanding of notional funding for SEND and its use is very variable at schools.

The second Locality Pilot Panel is going to be held on 9th June following the same agreed process.

OTHER OPTIONS CONSIDERED

- 5.1 Doing nothing is not an alternative. The local authority is required to provide top up funding for schools in line with paragraph 6.99 of the Special Educational Needs and Disability Code of Practice: 0 to 25 years January 2015.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Anita Barnett, Lawyer Alison Parkin Head of Finance People Services
For more information contact: Background papers: List of appendices:	Iain Peel 01332 642665 iain.peel@derby.gov.uk None Appendix 1 – Implications Appendix 2 – Proposed SEND funding model

IMPLICATIONS

Financial and Value for Money

- 1.1 The Dedicated Schools Grant is split into three unring-fenced blocks; The Early Years Block, The Schools Block and the High Needs Block. The High Needs block is used to fund places in Special Schools, Specialist Units, Alternative Provision (Pupil Referral Units etc); and top up funding for high needs pupils whose educational provision costs more than the basic entitlement plus £6,000.

The introduction of this new model will require funding, this is funding over and above what is currently in the system. It is envisaged that ultimately, in the medium term, the early interventions will deliver efficiencies elsewhere within the system so they can be redirected to this model. As current funding is already committed there will be the requirement to pump prime this model in the first two years. It is therefore proposed that £2.1 million of DSG reserves are applied over the following 2 financial years, supporting a full roll out of the model from September 2016. Schools Forum has supported this use of reserves at their meeting in February 2016.

Legal

- 2.1 The Special Educational Needs and Disability Code of Practice: 0 to 25 Years and section 36 of the Children and Families Act 2014 set out the local authority's duty to consider the need for an EHC needs assessments. A request can be made to the local authority pursuant to sections 36(1) - (3) of the Children and Families Act 2014 to secure an EHC needs assessment and the local authority must conduct an assessment of education, health and care needs when it considers that it may be necessary for special educational provision to be made for the child or young person in accordance with an EHC plan. The proposal will not affect the local authority's duties set out in the Children and Families Act 2014 or the rights of parents and young people to request an EHC needs assessment.
- 2.2 The local authority is required to publish Information about its arrangements for providing top-up funding for children and young people with high needs in mainstream and specialist settings as part of the Local Offer.

Personnel

- 3.1 None

IT

- 4.1 None

Equalities Impact

5.1 None

Health and Safety

6.1 None

Environmental Sustainability

7.1 None

Property and Asset Management

8.1 None

Risk Management

9.1 None

Corporate objectives and priorities for change

10.1 None

SEND Funding Pathway

	Low intensity (Elements 1 and 2)	Medium intensity (Element 3)	High intensity (Element 3)			
TYPE OF PROVISION	Core provision	SEN Support	SEN Support	EHC Plan required		
	School Funding	Locality Cluster Funding	Derby City Funding	Enhanced Resource Facility	Specialist	Out of City
TYPE OF FUNDING	Delegated Core/Universal High Needs funding (£0k to £10k) Element 1 = AWPU £4k Element 2 = Notional SEN funding £6k	Devolved £10k core plus £2k to £6k Band 1 = Low Band 2 = Medium Band 3 = High	Centrally retained: Band Levels 1 to 2 £10k core plus £6k to 9k Band 1 = Low Band 2 = High	EHC Plan – Band Levels 1 to 5 £10k core plus £10k to £13k	EHC Plan: Band Levels 1 to 5 £10k core plus £10k to £25k	EHC Plan and possible joint funding across education, health and care (Funded according to market price)

<p>PURPOSE OF FUNDING</p>	<p>To meet the needs of pupils with moderate barriers to learning, i.e. additional to/different from in a mainstream context.</p> <p>Descriptors:</p> <ul style="list-style-type: none"> • Access to some 1.1 support • Small group work • Share of an additional adult • Access to specialist non- human resources • Mild modifications/ reasonable adjustments to teaching and learning. 	<p>To meet significant needs in a mainstream context</p> <p>Descriptors:</p> <ul style="list-style-type: none"> • Significant barriers to learning • Significant delays in age expected levels of progress • 1.1 support required for significant amounts of time • access to learning mentor support • specialist 1.1 programmes required • access to external specialist support 	<p>To meet exceptional needs in a mainstream context</p> <p>Descriptors:</p> <ul style="list-style-type: none"> • High levels of need • Highly adapted curriculum for the majority of time • Significant health and safety issues • Supervision and additional support required 	<p>To meet exceptional needs in a mainstream context</p>	<p>To meet highly complex needs in Derby City Special Schools which cannot be met in a mainstream setting</p>	<p>To meet highly specialist needs and fund the cost of highly specialist provision which is not available locally within Derby City</p>
---------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------