

Schools Forum

11th October 2013

Strategy to support the placement of pupils with severe and complex educational needs in local specialist provision –Update

This report relates to both maintained and academy schools.

For information only

Recommendation

The Schools Forum is recommended to:

- Note the need to develop local provision to support pupils with severe and complex educational needs
- Note the options suggested to manage the Out of Authority DSG allocation within the High Needs Block
- Comment on further options to address the shortage of additional needs provision and manage this element of the DSG
- Note the need to respond to key elements of the SEND reforms through initial piloting work and full implementation by September 2014

1. Introduction

- 1.1. The Local Authority recognises that too many children and young people with the most severe and complex special educational complex and disability are unable to access local provision to meet their needs. The Local Authorities over reliance on out of authority placements is not appropriate or sustainable. The placements are not necessarily securing the best outcomes for young people, the approach is not supporting investment and capacity building in local provision, nor is it financially viable.
- 1.2. The LA has a statutory duty to provide appropriate educational provision for pupils who have a statement of special educational need. In the absence of appropriate LA places out of authority provision is sought. If we are to make an impact on the out of authority budget energy must be directed at reducing the number of pupils taking up new places by intervening early, using evidence of what works well and reducing the need for a statement of special education needs.
- 1.3. There is a projected overspend in the overall High Needs Block Funding for 2013/14 and action needs to be taken to curtail growth and deliver savings targets on DSG funded areas during 2013/14. The projected overspend is currently £4m.

- 1.4. This report considers the Out of Authority Placements (OLA) allocation within the DSG. There are currently 328 children placed in Out of Authority placements (2013-2014) at a cost of **£13, 535,000** which is a projected overspend of £2,984,525.
- 1.5. This report outlines our proposals as to how we can deliver our services differently in order to address the LA overspend but also to improve educational outcomes of the most vulnerable children with SEN and disability within Warwickshire.
- 1.6. It is therefore essential that there are revised systems for responding to requests for statutory assessment and allocating resources for high level needs.

2. Responding to National SEN and Disability (SEND) Reforms

- 2.1. The Children and Families Bill (2013) and SEND reforms sets new expectations on local authorities in their provision of services for disabled children and families. Families will be given more choice and control over the support they want and there will be greater use of personal budgets in line with the personalisation agenda.
- 2.2. The key elements of the reforms are:
 - A new integrated assessment and education, health and social care plan (EHC-single plan) which is person centred, outcome focused and supports a smooth transition to adulthood
 - The publication of a 'local offer' of services
 - That there is more choice and control to families regarding the services they receive including the option of a 'personal budget'
 - That the local offer to be extended from 0 up to 25 years of age
- 2.3. The new reforms will require us to change how we deliver services to children with SEN and disabilities. The new reforms will require us to adopt a new delivery model and significant organisational and cultural change will be required. A SEND Strategy Board is being established which will offer the governance arrangements and outline the systemic and organisational changes needed to respond to legislative requirements to oversee the implementation of the reforms by 1 September 2014.
- 2.4. Warwickshire is being supported by Solihull Council as Regional SEND Pathfinder in piloting and working towards implementation. Additional government funding to develop the 'local offer' is being made available as of the 1 October 2013. The changes required will also be set within the context of the High Needs Funding Block Group and DSG savings plan.

3. The Local Authorities Ambitions for Pupils with a Statement of SEN

3.1. A key strategic intention of the LA is for pupils with a statement of SEN to attend good quality local specialist education provision. There is currently insufficient local provision that can meet a range of pupil need. The LA is clear about the specific outcomes the provision is intended to achieve,

- Pupils would be motivated to attend, experiencing learning opportunities that are meaningful, stimulating and relevant
- Accelerating progress in literacy and numeracy, alongside building knowledge and skills across a broad and relevant curriculum
- Improving achievement overall, narrowing the gap with peers
- Strong relationships and a collaborative approach that results in effective multi professional support
- Self-awareness, identity, independence, and positive destinations for pupils
- Engaging parent/carer from outset which is integral to planning and reviews
- Access to the most appropriate placement, informed by on- going and accurate assessment

3.2. To achieve these ambitions for our pupils and to secure improved outcomes for them the LA is looking to further develop in house provision and encourage the development of the external market.

4. Proposals to reduce the number and cost of Out of Authority Placements

Our Objectives are to:

- Invest in new local provision
- Introduce a system for schools to access High Needs Funding
- Review existing systems and processes
- Enhance existing special school provision
- Enhance specialist provision in mainstream school
- Develop a system wide approach that supports investment in effective early intervention
- Ensure commissioning arrangements with independent providers offer high quality, value for money and deliver good outcomes

4.1 Invest in new local provision

4.1.1 To achieve this ambition for our pupils and to secure improved outcomes for them, WCC is looking to further develop in-house provision and encourage the development of the external market.

4.1.2 As part of the Capital Bid for Targeted Basic Need a bid has been agreed for a new school for 80 pupils in Key Stage 3 and 4 with additional needs. There is

considerable demand for places for pupils with BESD and ASD in Warwickshire, particularly in the north of the county.

- 4.1.3 A specification document has been completed and bids have been invited from potential providers to be forwarded by 27 September 2013. The preferred sponsor options will be presented to DfE on 17 October 2013. Following on from this a Project Management Framework and workstreams will be established to progress this work.

Cost Reduction

- 4.1.4 The current average cost of OLA ASD/BESD placements is £45k and new placements can reach up to £55k. Using our current pupils on roll at our 9 special schools we can assume that of 80 places approx. 5 might be taken up by other LA pupils. The profile of the 75 WCC pupils in the new schools would affect the savings. A prudent estimate of savings is around £1m see Appendix A but as the school is not scheduled to open until September 2015, these savings will not be realised until at least 2015/16.

4.2 Introduce a system for schools to access High Needs Funding

- 4.2.1 In almost all cases out of authority placements start with a Statement of Special Educational Needs (SEN). A number of children and young people move to out of authority places via Warwickshire's special schools, some directly from mainstream and some as an outcome of tribunal. A very small number of pupils start their educational careers in out of authority placements. In 2012–13, the Educational Psychology Service worked with providers to return pupils to local placements but if we are to make a significant impact on the out of authority budget, effort must be directed at reducing the number of pupils taking up new places by intervening early, using evidence of what works best and reducing the need for a statement of special educational need.
- 4.2.2 In recent years there has been a considerable increase in the number of pupils referred for statutory assessment. Over the last three calendar years there has been an increase of 59.4%. Not all referrals proceed to statutory assessment, and not all statutory assessments will result in a statement being issued. However, the high number of referrals inevitably leads to more children with statements, and consequently more funding to mainstream schools, demand on state funded special school provision, or, for some, an independent out of authority placement.

High Needs Funding Panel

- The Top up Funding for SEN in Mainstream Schools has a DSG Allocated budget for 2013/14 of £5,071,526. Currently it is anticipated that this budget will meet the applications for funding. The aim of top up funding is for LA's to use their high needs budget to meet the individual needs of children and young people with high needs, over and above the funding provided to institutions through place led funding.

- Warwickshire has established a multi-disciplinary High Needs Funding Panel to oversee the allocation of this top up funding. The High Needs Funding panel will provide increased scrutiny regarding which children move to statutory assessment and ensure schools use their delegated resources appropriately. All requests will be evaluated by a panel and the criteria will be clear and transparent. It also offers an opportunity to tighten up expectations around universal and targeted support.

Our objectives will be to:

- Improve statutory processes.
- Ensure efficient use of Main School Fund and evaluate school requests for top up funding
- Reduce the expenditure on new and existing statements and High Needs Funding where these are not considered necessary to support the young person appropriately.
- Ensure there is clear eligibility criteria and equitable resource allocation for SEN Children.

The panel will consider:

- Requests for funding above C Band (£3,613) will be reviewed to ensure there is clear and transparent decision making in line with established criteria
- Applications for statutory assessment and make decisions about issuing a statement and levels of funding
- Review annually Statements to consider if the funding allocation is still appropriate
- All requests for out of authority placements

4.2.7 Baseline data will be gathered in order to evaluate the impact of the HNF Panel in terms of decisions and allocation of financial resources. Early indications are that the panel is offering increased scrutiny over funding requests.

Cost Reduction

4.2.8 It is proposed a cost reduction will be brought about through schools being more accountable for the targeted use of their budget to meet the needs of pupils with additional needs and the increased scrutiny of the HNF panel. As this is a new process, the level of savings is difficult to quantify at this stage. However, when setting the DSG allocation for 2014/15, the LA should be in a better position to forecast potential savings.

4.3 Review existing systems and processes

4.3.1 We have identified a number of areas where we can review our systems and processes in order to bring about efficiency savings whilst delivering positive outcomes. These are:

Annual Reviews

- Ensure clear systems and lines of responsibility are developed for Annual Reviews. All Annual Reviews will contain sufficient information about progress.
- Annual Review paperwork should contain evidence of progress using data such as CASPA so that this progress can be seen in the context of other children and young people with similar needs.
- Annual Reviews used more proactively to review funding and appropriateness of placement. EP's will support this process through identifying, targeting and implementing re- assessment of appropriate cohorts of children and young people.

Statement Referral Form/Advice Template

- A revised referral form used by schools when requesting statutory assessment to encourage appropriate referrals and to support accurate decision making by ASRS staff.
- Revised statutory advice template to be used by all centrally retained and Warwickshire NHS Foundation Trust Services. This robust template will be legislation compliant and support statement writers in the face of challenges.
- School referral to HNF panel will have the Warwickshire's HNF Record of Intervention and Evidence Proforma attached ensuring school support and interventions can be measured as well as a robust account of externally monitored and evaluated impact of this support.

4.3.2 We have identified that there are key areas in which the Educational Psychology Service (EPS) and specialist teachers with the IDS Autism Service can support this work, through:

- Reviewing existing placements in out of authority independent provision, the objective will be to identify pupils whose needs could be met in local provision with the appropriate package of support
- Be involved in reviewing request for statements- applying more rigour in this process to ensure that all early intervention approaches have been applied
- Work with schools and parents to inform them of the national reforms and prepare for the culture change that will be required
- Work with ASRS to identify placements at risk of break down and to support such placements before any referral to specialist provision.
- Target transitional Annual Reviews (Yr 5) focussing on staff capacity building and parental confidence.
- Identify two Professional Learning Communities (PLC) with a high number of young people moving to specialist education and identify contributory factors and associated needs such as school staff confidence / capacity, parental confidence, revised systems or more effective interventions.

Provide clearly quantified and specified recommendations to the Professional Learning Communities plus tailored interventions where required and evaluation of impact.

Cost Reduction

4.3.3 It is proposed that utilising our specialist services to review our systems and processes will bring about operational efficiencies. This will enable savings in time and also the revision of referral pathways and process mapping in response to the new reforms. Due to the relative subjective nature of this work, the savings are difficult to quantify at this stage.

4.4 Enhance existing special school provision (state funded provision)

4.4.1 The January 2013 census recorded 1074 Warwickshire pupils attending the 9 state funded special schools in Warwickshire, 2 of which are now Academies. A small number of Warwickshire pupils attend state funded special school provision in other Local Authorities.

4.4.2 The number of special school places in existing schools has not increased in line with the increase in the birth rate and despite the increasing numbers of pupils with a statement of SEN.

4.4.3 The demand for provision for pupils with challenging behaviour and social communication and interaction needs has been evidenced. The LA has 8 places per year for boys at River House for pupils with BESD in key stages 3 and 4. There is no secondary provision for girls. The ASRS commissions five places at Woodfield Primary School, Coventry and six places at Springfield House School, Solihull. In the last two years the Authority has placed 63 pupils in independent sector BESD provision.

4.4.4 The LA has secured funding for 60 additional special school places at Brooke and Welcombe Hills Schools. The expansion programme will be completed in September 2014.

Cost Reduction

4.4.5 Developing internal capacity for children and young people with additional needs will benefit children who may otherwise have been placed out of authority placements. The prudent estimated savings/avoidance of increased costs is £1.500m as shown in Appendix A..

4.5 Enhance specialist provision in mainstream schools

4.5.1 A corporate audit is likely to highlight unmet needs and inform ways to increase local capacity for children with additional needs. A working group is being established to explore where there may be scope for additional capacity building in mainstream schools for pupils with additional needs in particular in relation to primary school age children.

4.5.2 Using expertise within the Integrated Disability Service and Educational Psychology Service we will identify how we could develop such provision to provide outreach support.

4.5.3 Enhancing local mainstream provision - Primary sector

4.5.4 The DSG Allocated spend for 2013/14 for Primary Early Intervention is £1,041,000.

4.5.5 Inclusion Support Groups

4.5.6 The key elements, characteristics and proposed savings are outlined in the 11 October 2013 Schools Forum Report. The average cost of BESD out of authority placement is £45k per year. The number of placements each year is rising. Once placed, few pupils return from independent placements to mainstream school. In 2012/13, 12 pupils from ISGs were placed in Out of Authority provision. A further 11 were placed from non-ISG provision. Based on comparative arrangements in Coventry, officers are confident that the introduction of Specialist ISG provision would reduce the need for some of these pupils to be placed out of the authority

4.5.7 Cost Benefits

4.5.8 The average cost of an ISG intervention is £6k. Based on a reduction of 4 out of authority placements in one year, a saving of £0.180m is estimated. This excludes additional savings on transport. A prudent future saving/avoidance of increase costs is £0.156m, see Appendix A.

4.5.9 Enhance local mainstream provision - Secondary sector

4.5.10 Area Behaviour Partnerships

4.5.11 The Local Authority has devolved £2.3m in 2013/14 to secondary schools through Area Behaviour Partnerships (ABPs). Funding has been used to support early intervention practice in schools and ABPs have invested devolved funding into schools' own provision such as Learning Support Units. This represents a shift in the use of funding from crisis management following a permanent exclusion of a pupil to early intervention to better meet need. ABPs have also re-launched the managed move process to ensure that any pupil currently in a Warwickshire school requiring a fresh start remains in mainstream education. As a result, there has been a significant reduction in the number of pupils permanently excluded.

4.6 Develop a system wide approach that supports investment in effective early identification and intervention

4.6.1 Early identification and intervention will be a significant part of the revised SEND model. There are a number of existing initiatives that are supporting early intervention approaches with children and young people with SEND. Investment in Early Intervention is also a cost benefit/avoidance strategy which keeps costs the same rather than resulting in an increase in demand on more costly resources.

4.6.2 Promoting the use of the CAF for children with SEND across Warwickshire:

- We will continue to promote the use of the Common Assessment Framework (CAF) within Warwickshire to support children and young people and families with SEN and disabilities. The aim of CAF is to provide an Early Help Offer and support to families to prevent them requiring specialist support in the future.
- The use of the CAF is part of the strategy to improve outcomes for children and young people by ensuring integrated working practices with health, education and social care. The CAF supports children and young people who may not meet the thresholds for statutory or specialist services but who, without help are at risk of not achieving good outcomes. The CAF is also an expected step prior to accessing Specialist Inclusion Support Groups (ISG's) as outlined above.
- Other services such as the Integrated Disability Service (IDS), Schools Early Intervention Service, Education Psychology Service all support the early intervention services. Effective early intervention should demonstrate that needs are met without recourse to costly specialist intervention.
- The ASRS through a Service Level Agreement with the Early Intervention Service is currently supporting children transitioning from primary to secondary level schooling.

4.6.3 Autism: From Early Intervention to In Authority Mainstream Provision

IDS – Autism service

- Warwickshire has recently undertaken a needs analysis as part of requirements to establish an all age autism strategy. Figures indicate an increasing prevalence of autism within the school age population. The ASRS commissions at a cost of £230,000 with the IDS Autism team to offer intensive support in school to secure placements. From September 2012 – July 2013 the Autism Team worked with 46 pupils at high risk of placement breakdown, of these 42 remain in local authority schools. If

these 42 children had been placed OLA then the cost a £45k per pupil may have been £1.89m, see Appendix A.

- In addition to this the ASRS have a commission of £102,000 with the IDS Autism Team to co-ordinate and deliver Flexible Learning Programmes (FLP) at key stage 4 for up to 10 pupils who are unable to access local school due to anxiety linked to autism. To meet statement objectives each pupil costs the authority £20,000. If these young people were placed in OLA placements the average placement cost would be £45k, therefore the saving is £25k per pupil.

4.6.4 *ASD Friendly School Environment Audits*

- The Educational Psychology Service has developed a unique ASD Audit Tool based on AET national standards to ensure school readiness for pupils with ASD. We believe it would promote good early intervention practice in schools and is one which the LA could adopt as a standard prior to requests for High Needs Funding/statements. The cost of the ASD Audit is £520. The outcome is to encourage autism friendly environments within schools

4.6.5 *Specialist Lead Practitioner*

- Evidence based training for lead practitioners within schools would create an opportunity for early intervention for children on the Autistic spectrum or even prior to diagnosis. These lead teachers could develop hubs of good practice, building into dynamic enhanced provision for the hard to place pupils, those who benefit from a mainstream curriculum but struggle with a mainstream physical and social environment.

Cost Reduction

4.6.6 In summary 52 pupils have been supported through an investment of £332,000 in the IDS Autism Service to sustain placements within Warwickshire. The estimated savings/avoidance of increased costs from this intervention is £1.910m, see Appendix A.

4.7 Ensure commissioning arrangements with independent providers are high quality, value for money and deliver good outcomes

4.7.1 Through working closely with SEN Independent Schools our commissioning officers will continue to negotiate discount arrangements and savings and evaluate pupil outcomes for those pupils placed. Expected savings in 2013-2014 (day placements) through this work are:

Acorn Care and Education (Longdon Hall)

A cost and volume arrangement is in place which currently saves £30k per year on the current level of placements (16 pupils). This is equivalent to 4.6%

of spend. We are currently in negotiation, seeking a flat 5% discount on all placements.

Arc School

Cost avoidance on existing 56 placements (not subject to increased fees) is £21k.

Witherslack

i) Avon Park (new school), Chilworth House

Making 10 placements in the new Rugby School a 5% overall fee discount on total expenditure with the Group in the year. An introductory new school offer of 20% discount on fees in respect of all new placements at the Rugby School in the year. A further proposal is being negotiated of 5% overall fee discount once a total of 7 new placements are made in this school year.

Cambian Group

Strategic Commissioning have led negotiations with this provider and secured a 5% discount on all non-framework contract placements. However we make few placements.

We also intend to;

- strengthen the brokerage model within Warwickshire
- ensure robust quality assurance frameworks in place to review outcomes from OLA placements and look at attaching provider performance targets
- negotiate better economies of scale with independent placement providers
- contract monitor placements outside of the Annual Review process
- Explore options for working with neighbouring authorities and regional and sub-regional planning

5. Conclusion

- 5.1. The need to develop cost effective local provision is clear. The growing number of requests for statutory assessment is driving the need for increased resource. This must be tackled through a system wide approach that supports investment in effective early intervention, and a review of the use of special school provision, alongside more robust monitoring and evaluation of pupil outcomes. This must include a cycle for review, with clear timescales for action.
- 5.2. We will be starting to work towards the implementation of the new SEND reforms prior to September 2014. This will require us to change the way in which we deliver services and will need to be supported by a change and transformation agenda. It will also be an opportunity to look at improving service delivery and efficiencies and further cost savings and cost avoidance strategies.
- 5.3. In summary, the Local Authority will:

- Ensure that all requests for statutory assessment and/or an increase in provision are considered by a multi-professional panel against clear criteria
- Ensure that the allocation of funding in the Main School Block will enable schools to meet pupil need through effective early intervention and reduce the number of new statements of special educational need
- Invest in enhanced provision in local mainstream primary and secondary schools
- Review existing state funded specialist provision and the need for capital investment where there is evidence of demand
- Cease arranging new placements in out of authority independent provision
- Review existing placements in out of authority independent provision, with additional investment in Educational Psychology Services to undertake this review. The objective will be to identify pupils whose needs could be met in local provision with the appropriate package of support.
- Start to work towards implementation of the new SEND reforms.

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Appendix A

Calculations / Data used to estimate the savings in the report.

Para	Description	Estimated Current Costs	Estimated Initiative Costs	Net Estimated Savings / Avoidance of Increased Costs
4.1	Invest in local provision	75 places in Out of County @ £45k a place = £3.375m	80 places in the new school @ £10k each plus 75 top ups of =£2.3m	£1.075m Future Saving from 2015/16 onwards
4.4	Enhanced Warwickshire special school provision	60 places in Out of County @ £45k a place = £2.7m	60 places @ £20k = £1.2m	£1.500m Future Saving from 2015/16 onwards
4.5	Enhancing local mainstream primary provision – ISG's	4 places in Out of County @ £45k a place = £0.180m	The average cost of an ISG intervention is £6k. Cost for four pupils = £0.024m	£0.156m Future Saving from 2014/15 onwards
	Expected future reductions in DSG budgets in 2014/15 and 2015/16			£2.731m
4.6.3	Early Intervention- IDS Autism Service	10 places in Out of County @ £45k a place = £0.450m 42 places in Out of County @ £45k a place = £1.890m	10 pupils with Flexible Learning Programmes @ £20k each = £0.200m A further 42 pupils have been supported to remain in authority through investment of £230,000	£0.250m Current saving / Cost avoidance £1.660m Current saving / Cost avoidance
	Cost avoidance of current practices			£1.910m

