

## **Schools Forum**

**June 2021**

### **SEND & Inclusion Change Programme**

#### **Recommendations**

1. That schools forum comments upon progress of the SEND & Inclusion Change Programme

#### **1. Purpose**

- 1.1 The report provides an update on activity on the Special Educational Needs and Disabilities (SEND) & Inclusion Change Programme since the previous report to school forum.

#### **2. SEND & Inclusion Change Programme**

- 2.1 The vision for SEND in Warwickshire is that all our children and young people lead a fulfilling life and are part of their community.
- 2.2 Through the SEND & Inclusion Change Programme we will work together to:
  - Improve outcomes for our children and young people with SEND
  - Take decisions in a clear, fair and transparent way
  - Ensure that systems are sustainable, so that we are working within our allocated funding
  - Secure education, employment and training for our young people with SEND (age 16-25)
- 2.3 Of the 31 projects, seven of projects have targets to close the gap between funding allocation and expenditure. Three existing items have savings attached for 2020/21, three more expect reductions in spend in 2021/22.

### **3. Summary update on Programme and Projects**

- 3.1 The project approach adopted by Warwickshire County Council is:
- a) Project have initial approval of a Project Proposal Document (PPD)
  - b) A business case is then developed including mapping of the 'as-is' position and 'to-be' position, along with the plan to move from one to the other and confirmation of the benefits
  - c) Projects go live for implementation
- 3.2 Overall, fifteen projects are currently active with seven projects are live, six are developing full business case and plan, two are developing Project Proposal Documents. Further to this one project has been completed and three have been deferred.
- 3.3 The full list of projects and the timeline for phase 1 is attached at Appendix 1. Update on projects in the DSG Recovery and DSG Sustainability strands are reported in Appendix 3 (data on financial years).
- 3.4 Also attached is the SEN2 benchmarking data. Each year in January, each local authority submits the data on the calendar year (note – different to financial year). This allows for comparison in trends year on year. The DfE publish all statistics in May. The latest benchmarking data is attached at Appendix 2.

### **4. Overall financial impact so far**

- 4.1 Quality and performance measures are reported to the SEND Partnership and the SEND & inclusion Change Programme Board. This report focuses on financial impact under the objective to achieve financial sustainability.
- 4.2 As set out in the DSG outturn report, in-year spend on the High Needs Block was £63.713m – above the £55.103 allocation. This overspend of £8.610m is lower than was forecast at period 11 (£10.041m), but higher than the original forecast of the from April 2020 which anticipated £7.379m overspend (with the impact of the change programme to reduce this to £6.724m).
- 4.3 Being precise on cause and effect remains a barrier until all financial information is stored in the Synergy system alongside activity and profile data. This is part of the project 'Implementation of the SEND finance module in Synergy' and has been delayed due to the need to resolve details on implementation with the supplier.

4.4 That said, there is clear direction of travel on key factors affecting spend:

- a) **More children and young people with SEND are being supported in mainstream settings.** 1,430 children were supported in mainstream settings at January 2021 compared to 1,275 the year before. This is lower than the 2017 level (1,475). New guidance to schools on the graduated approach is also being trialled in the summer term ready for roll out in the autumn term.
- b) **More children are supported in state-funded specialist settings.** This was expected due to population growth, increased complexity of need and less use of independent specialist provision (ISP). 1,544 children are supported in state-funded specialist setting compared to 1,217 in 2017.
- c) **The numbers and percentage of children and young people attending independent specialist provision (ISP) is reducing.** Comparatively, Warwickshire now has 5.5% of children placed in ISP compared to 5% nationally. Warwickshire was at 10.6% in 2015. The intention is to reduce this to be in line with national levels.
- d) **The number of children attending specialist resourced provision is increasing.** However, this is still below national levels and we have not reached full utilisation of current settings. The intention is to increase this further.
- e) **The growth in new EHC plans has reduced from 12.0% to 4.1%.** The number of new plans issued in the calendar year 202 was 583 compared with 560 the previous year.
- f) **The number of EHC plans in pre-school years remains low.** The project is working to identify the appropriate time for requesting a EHC needs assessment in early years as a form of early intervention. Most pre-school children with an EHC plan have it issued in the summer term prior to Reception year.
- g) **The unit price of residential placements has reduced but the number of placements has increased.**
- h) **New cost centres have been created to monitor spend on alternative provision.** This allows for better monitoring of spend in this area from April 2021. New guidance is also being developed in this area.
- i) **The number of supported internships has significantly reduced as a result of Covid-19.** This has had a significant impact on the financial forecast.
- j) **The project group for school top-up funding is progressing and considering different funding models to trial.**

## **5. Next steps**

- 5.1 As noted previously, fuller investigation of precisely why overall spend has increased above forecast whilst a number of factors should lead to reduced spend and better sustainability. This is schedule to take place during the summer term along with an updated long range forecast.

### **Ross Caws**

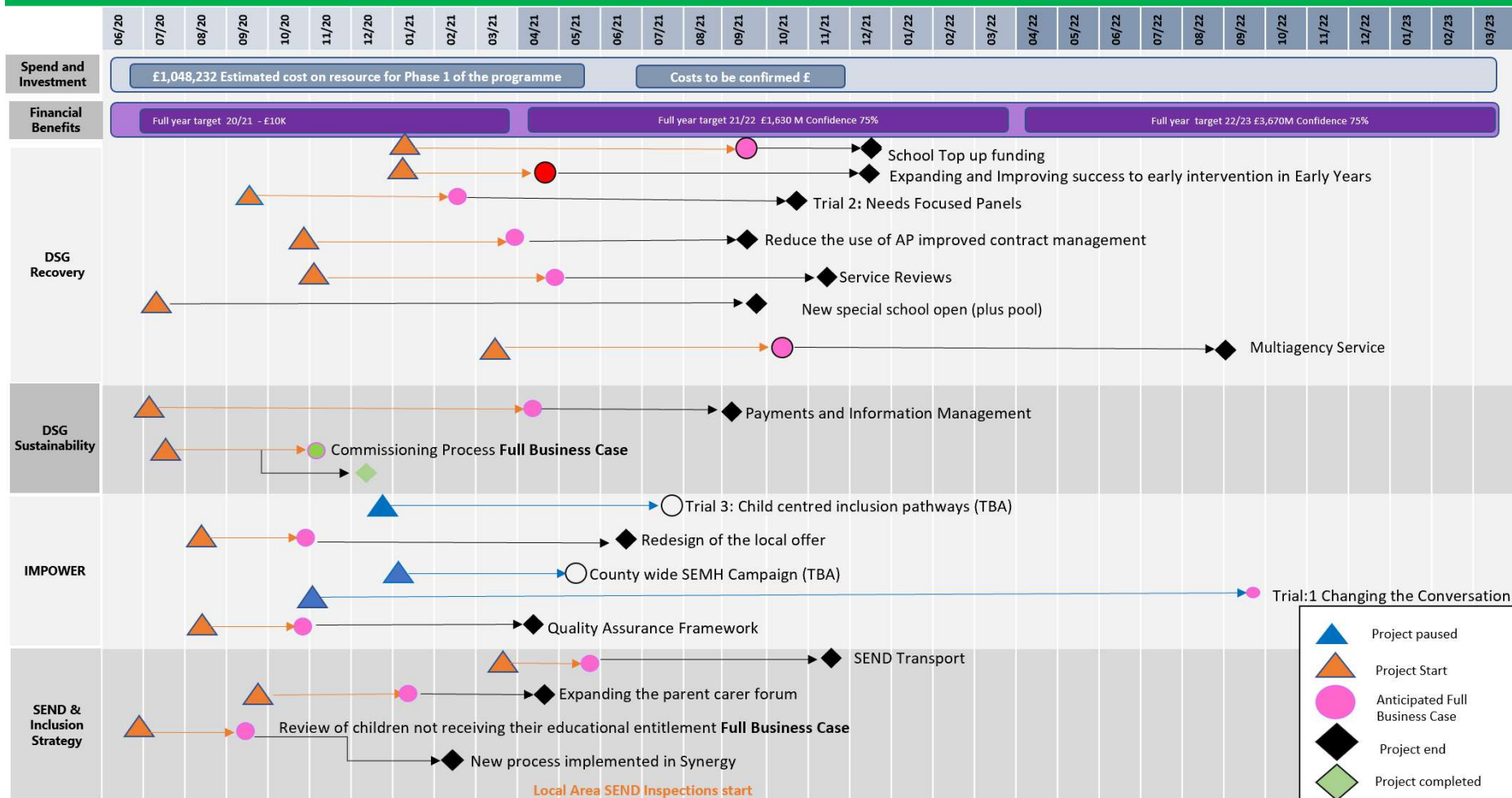
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## Appendix 1: Update on active projects & Phase 1 timeline

### SEND and Inclusion Change Programme Working Group : Phase 1 Milestones Plan



## Appendix 2: See SEN2 Benchmarking data

## Appendix 3: Update on projects in DSG Recovery Plan and DSG Sustainability Plan

### *DSG Recovery Plan*

1	<b>Project:</b>	<b>Resourced Provision - full utilisation and increased capacity</b>	
	<b>Phase:</b>	2	
	<b>Project status:</b>	Project Proposal Document (Business as usual still active)	
	<b>Estimated cost avoidance:</b>	Cost avoidance through placements in state-funded resourced provision rather than state-funded specialist provision.	
		<b>Year (£'000)</b>	<b>Cumulative (£'000)</b>
	2020/21	£148	£148
	2021/22	£358	£506
	<b>Financial Assumptions:</b>	<ul style="list-style-type: none"> <li>Numbers in commissioned resourced provision will increase by a total of 68 places, this is split into years below: 11 by 2020/21 31 by 2021/22</li> <li>Assumption that each placement in a resourced provision will avoid a placement in a specialist setting.</li> </ul>	
	<b>Finance monitoring:</b>	<ul style="list-style-type: none"> <li>Service reporting: Reduction against forecast spend on state funded special schools (Cost centre HC606)</li> <li>Service reporting: Increase spend in resourced provision (Cost centre HC610)</li> </ul>	
	<b>Activity Progress:</b>	<ul style="list-style-type: none"> <li>Project group for next phase of resourced provision in place</li> <li>80 learners now placed in resourced provision (10 more than beginning of the year). However still an under-utilisation (72%) as 111 places available. 16 further places being commissioned from September 2021.</li> </ul>	

2	<b>Project:</b>	New special school (The Warwickshire Academy) and utilisation of available special school places (Venture Academy and Evergreen secondary)	
	<b>Phase:</b>	1	
	<b>Project status:</b>	Live- implementation (from January 2020)	
	<b>Estimated cost avoidance: :</b>	Cost avoidance through placements in state-funded specialist education rather than independent specialist provision (ISP).	
		<b>Year (£'000)</b>	<b>Cumulative (£'000)</b>
	2020/21	£0	£0
	2021/22	£850	£850
	<b>Financial Assumptions:</b>	<ul style="list-style-type: none"> <li>Cost avoidance in ISP through increased placements in local specialist provision (saving between £20,322 and £36,047 depending on placement)</li> </ul>	
	<b>Finance monitoring:</b>	<ul style="list-style-type: none"> <li>Service reporting: Reduction against forecast spend on ISP (Cost centre HC607)</li> <li>Service reporting: Increase spend in state funded special schools (Cost centre HC606)</li> </ul>	
	<b>Activity Progress:</b>	<ul style="list-style-type: none"> <li>Overall numbers of learners with EHCPs at school age(Reception to Year 11) in ISP is 224. This is lower than same time last year, which was 228.</li> <li>Venture is up to commissioned number for 2020/21 (35). 7 additional places commissioned for September (the forecast was for 3 additional places).</li> <li>Evergreen has already increased its commissioned number up to 268. This is an increase of 19 places since new school was constituted (the forecast was for 15 additional places).</li> <li>Warwickshire Academy is now scheduled to open in January 2022. This will delay the impact of new places being created at the school.</li> </ul>	

<b>3</b>	<b>Project:</b>	<b>Trial 2: Need-focussed panels / Aligning growth with statistical neighbours</b>	
	<b>Phase:</b>	1	
	<b>Project status:</b>	Developing business case (provisionally agreed by Programme Board)	
	<b>Estimated cost avoidance:</b>	<p>Cost avoidance reducing the growth rate of EHC plans, following changes to guidance and decision-making panels</p> <p>Decision-making by panels, based on refreshed guidance, should also lead to more children with EHC plans being supported with appropriate packages in mainstream settings.</p>	
		<b>Year (£'000)</b>	<b>Cumulative (£'000)</b>
	2020/21	£0	£0
	2021/22	£279	£279
	<b>Financial Assumptions:</b>	<ul style="list-style-type: none"> <li>The percentage growth in EHC plans will reduce from 18% in 2019/20 to 15% in 2020/21 (Net increase of 77 EHC plans issued)</li> <li>10% in 2021/22 (Net increase of 58 EHC plans issued)</li> <li>That the reduction in EHC plans issued against as-is growth forecast will lead to cost avoidance</li> </ul>	
	<b>Finance monitoring:</b>	<ul style="list-style-type: none"> <li>Service reporting: Not identifiable from one single cost centre</li> </ul>	
	<b>Activity Progress:</b>	<ul style="list-style-type: none"> <li>New panels to start from 1 April 2021, but direction of travel to promote inclusion has been set.</li> <li>Historical data</li> <li>2018/19 financial year 463 new EHC plans issued (19% more than previous year)</li> <li>2019/20 544 financial year new EHC plans issued (17% more than previous year)</li> <li>2020/21 499 new EHC plans issued plus 18 EHC plans due (27 fewer, 5% less than previous year; forecast within the change programme was for 621 new EHC plans to be issued, 15% increase)</li> </ul>	

4	<b>Project:</b>	<b>Improve timeliness of EHC plans in early years</b>	
	<b>Phase:</b>	1	
	<b>Project status:</b>	Developing business case	
	<b>Estimated cost avoidance:</b>	Initial cost increase with greater packages of support for some children aged 0-4. However, long term it is expected to see fewer children with EHC plans being admitted into reception year at special school, as they will be placed at mainstream schools.	
		<b>Year (£'000)</b>	<b>Cumulative (£'000)</b>
	2020/21	(£11)	(£11)
	2021/22	(£200)	(£211)
	<b>Financial Assumptions:</b>	<ul style="list-style-type: none"> <li>Numbers of children with EHC plans aged 0-4 to increase</li> <li>Numbers in reception year in special schools reduce by 20% and transfer to mainstream schools.</li> <li>Assumption that each placement in a mainstream provision will on average avoid a placement in state-funded special school at an annual cost avoidance of £0.5k in 2020/21 and £0.1K in 2021/22 (this figure will change year on year due to transitions, growth and inflation)</li> </ul>	
	<b>Finance monitoring:</b>	<ul style="list-style-type: none"> <li>Service reporting: Reduction against forecast spend on state-funded special schools (Cost centre HC606)</li> <li>Service reporting: Increase spend in mainstream schools (Cost centre HC607)</li> </ul>	
	<b>Activity Progress:</b>	<ul style="list-style-type: none"> <li>Project not yet in implementation</li> <li>3 EHC plan aged 0-3 (Nursery 1); 75 EHC plans aged 3-4 (Nursery 2)</li> </ul>	

5	<b>Project:</b>	Reducing the use of alternative provision	
	<b>Phase:</b>	1	
	<b>Project status:</b>	Developing business case	
	<b>Estimated cost avoidance:</b>	Reducing costs of alternative provision through appropriate use of alternative provision placements and managing the costs of individual placements through improved commissioning	
		<b>Year (£'000)</b>	<b>Cumulative (£'000)</b>
	2020/21	£0	£0
	2021/22	£730	£730
	<b>Financial Assumptions:</b>	<ul style="list-style-type: none"> <li>Numbers of children with EHC plans aged 0-4 to increase 1 in 5 pupils placed in alternative provision to return to mainstream provision. This is a reduction of 20%, assuming that 80% are not on roll.</li> <li>Figures based on number of payments to providers as opposed to synergy. Therefore, activity monitoring must be improved.</li> <li>Assumption that each placement in a mainstream provision will be an enhanced package, but less expensive than alternative provision.</li> </ul>	
	<b>Finance monitoring:</b>	<ul style="list-style-type: none"> <li>Service reporting: Reduction against forecast spend on alternative provision (Cost centres HD409 &amp; HD411)</li> <li>Service reporting: Increase spend in mainstream schools (Cost centre HC605)</li> </ul>	
	<b>Activity Progress:</b>	<ul style="list-style-type: none"> <li>An underspend is forecast Alternative Provision for learners without EHC plans</li> <li>A new cost centre (HD411) is being put in place for 2021/22 solely for the use of Alternative Provision for learners with EHC plans (currently placements are resourced from a range of cost centres)</li> <li>To compare figures, this must be based on financial figures and this cannot be done until Synergy module implemented</li> <li>From the work on the 'Not on a school roll' project, a number of children are now back on a school roll. The alternative provision census submitted in February 2021 has reduced from 514 to 390 (reduction of 124 across all ages, including ISP).</li> </ul>	

6	<b>Project:</b>	Reducing spend on residential placements by limiting price increase to 1%	
	<b>Phase:</b>	Not applicable	
	<b>Project status:</b>	Business as usual task	
	<b>Estimated cost avoidance:</b>	Cost avoidance through limiting residential ISP cost increases to 1% in accordance with ISP framework contract	
		<b>Year (£'000)</b>	<b>Cumulative (£'000)</b>
	2020/21	£32	£32
	2021/22	£64	£96
	<b>Financial Assumptions:</b>	<ul style="list-style-type: none"> <li>That unit costs will be limited to 1% inflation (in line with local framework)</li> </ul>	
	<b>Finance monitoring:</b>	<ul style="list-style-type: none"> <li>Service reporting: Reported as part of ISP expenditure (Cost centre HC607)</li> </ul>	
	<b>Activity Progress:</b>	<ul style="list-style-type: none"> <li>Numbers in residential settings have increased from 31 to 39</li> <li>Whilst the unit cost for residential placements has decreased from £79k to £69k, activity has increased, resulting in increased overall spend of £100k</li> </ul>	

<b>7</b>	<b>Project:</b>	<b>Supported internships</b>	
	<b>Phase:</b>	2	
	<b>Project status:</b>	Not started	
	<b>Estimated cost avoidance:</b>	Cost avoidance through young people with EHC plans securing full time employment rather than continuing education.	
		<b>Year (£'000)</b>	<b>Cumulative (£'000)</b>
	2020/21	£486	£486
	2021/22	£627	£1,113
	<b>Financial Assumptions:</b>	<ul style="list-style-type: none"> <li>Numbers of young people on supported internships to increase each year to 60 in 2020/21, 80 in 2021/22 and 100 thereafter.</li> <li>Percentage of young people on supported internships securing employment is 75%. As the number of young people on supported internships increases the number of young people securing employment will also increase.</li> <li>Assumption that each successful supported internship leads to a ceased EHC plan with an average annual cost avoidance</li> <li>Savings are multiplied based on post-16 pathways</li> </ul>	
	<b>Finance monitoring:</b>	<ul style="list-style-type: none"> <li>Service reporting: Reduction against forecast spend on post-16 and special schools (Cost centres HD112 and HC606)</li> </ul>	
	<b>Relevant Performance monitoring:</b>	<ul style="list-style-type: none"> <li>The number of learners on supported internships has reduced to 20, following the impact of the pandemic on employers, particularly in the hospitality sector; forecasts to be revised.</li> </ul>	

8	<b>Project:</b>	<b>Value for money service reviews</b>
	<b>Phase:</b>	1
	<b>Project status:</b>	Developing business case
	<b>Estimated cost avoidance:</b>	Reviews will identify further savings or cost avoidance through different ways of working.
	2020/21	<i>To be confirmed following review</i>
	2021/22	<i>To be confirmed following review</i>
	<b>Financial Assumptions:</b>	<ul style="list-style-type: none"> <li>Reviews will identify further savings or cost avoidance</li> </ul>
	<b>Finance monitoring:</b>	<ul style="list-style-type: none"> <li><i>Dependent on outcomes of reviews – <b>but should include monitoring of the cost drivers of the spend in question</b></i></li> </ul>
	<b>Activity Progress:</b>	<ul style="list-style-type: none"> <li>Six reviews to take place; four reviews have completed, with two remaining to report by July 2021</li> <li>Decisions to be taken once all reviews completed</li> </ul>

### DSG Sustainability Plan

<b>Project:</b>	<b>Implementation of the SEND finance module in Synergy</b>
<b>Phase:</b>	1
<b>Project status:</b>	Developing Business Case
<b>Estimated cost avoidance:</b>	None. This project will enable better financial reporting and improved forecasting.
<b>Activity Progress:</b>	Delayed due to ongoing discussion with supplier as to how to meet the identified system requirements

<b>Project:</b>	<b>Schools Top-up Funding</b>
<b>Phase:</b>	1 (brought forward)
<b>Project cohort:</b>	Developing Business Case
<b>Estimated cost avoidance:</b>	No savings currently forecast – assume cost neutral. Modelling to take place on options. Focus on moving resources upstream.
<b>Activity Progress:</b>	<ul style="list-style-type: none"> <li>As-is mapping completed and alternative funding models being researched</li> </ul>