

## Schools Forum

1 October 2020

### SEND & Inclusion Change Programme

This report is for information

#### Recommendations

That the Forum comments upon progress of the SEND & Inclusion Change Programme and national funding update

#### 1. Purpose

1.1 The report provides an update on activity on the Special Educational Needs and Disabilities (SEND) & Inclusion Change Programme since previous reports to School Forum in July 2020 .

#### 2. Financial position and levers for recovery and sustainability

2.1 As demonstrated in the table below, and presented to Schools Forum in July 2020, the forecast cumulative overspend on the High needs Block is significant and present significant financial risk to the local authority and funding for schools.

Table 1: Forecast High Needs Block						
£(000)						
<u>1. Baseline Model - "As is"</u>	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Annual Forecast Under/(Over) Spend	(£7,343.4)	(£7,379.3)	(£6,771.3)	(£11,352.4)	(£14,116.1)	(£16,942.5)
Cumulative Overspend	(£5,240.4)	(£12,619.7)	(£19,391.0)	(£30,743.4)	(£44,859.6)	(£61,802.0)

*Note: The overspend figures presented in Table 1 are prior to any in-year interventions, which are detailed below in Table 2.*

- 2.2 The crisis in SEND funding and services is a national issue facing all councils and has been reflected in a number of recent reviews including the [Public Accounts Committee](#), [National Audit Office](#), [County Council Network](#) and [Local Government Association](#). The National Audit Office concluded that: *'The system for supporting pupils with SEND is not, on current trends, financially sustainable.'*
- 2.3 There are four ways to mitigate the deficit:
- a) Introducing reform in the local SEND system through the DSG Recovery plan (see SEND & Inclusion Change Programme below)
  - b) Local authorities to write off overspend from own reserves with permission from Secretary of State (no precedent yet for allowing this)
  - c) Schools Forum can agree up to 0.5% movement from Schools Block to High Needs Block of Dedicated Schools Grant as part of the budget setting process
  - d) Lobbying to central government for additional funding (see national funding update below)

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

- 3.1 The vision for SEND in Warwickshire is that all our children and young people lead a fulfilling life and are part of their community.
- 3.2 In June and July 2020, Cabinet approved the establishment of the SEND & Inclusion Change Programme to bring about required change to delivering statutory duties within allocated resources. There are 31 projects that underpin for the delivery of SEND transformation, financial recovery and sustainability, and the continuation of statutory duties (listed at appendix A).
- 3.3 We know that things need to change because outcomes for our children and young people with SEND have been getting worse and we are spending well above our allocated budget. Warwickshire needs to introduce a whole system change.
- 3.4 We must focus on 'promoting inclusion' in mainstream settings, giving schools the skills and resources to meet the needs of learners in their local schools, and building the confidence of parents and carers. 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
- 3.5 Children and young people with SEND are our children. We want to change the conversation in our local system so that we can focus on how we can support our children and young people where they are, enable them to progress and celebrate their achievements.
- 3.6 The SEND & Inclusion Change Programme consists of 31 projects. Seven of these projects have savings targets, costed and set out in the DSG Recovery Plan.

<b>Table 2: DSG Recovery Plan Summary</b>						
	<b>£(000)</b>					
<b>2. Annual Intervention Savings</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
1. Resourced Provision	£0.0	£147.7	£357.6	£492.2	£484.9	£469.2
2. Special School & Pears	£0.0	£0.0	£849.8	£2,323.6	£3,600.0	£3,849.6
3. Increase EHCP in Early Years	£0.0	(£10.5)	(£199.5)	£29.5	£294.8	£618.3
4. Needs-focussed decision panels: Aligning growth of EHC plans in line with statistical neighbours	£0.0	£0.0	£279.0	£641.0	£1,163.5	£1,804.7
5. Inflation on ISP Res reduce at 1%	£0.0	£32.2	£64.0	£90.8	£107.3	£129.2
6. Reduce in the use of AP	£0.0	£0.0	£730.1	£733.3	£728.6	£728.9
7. Increase the number of internships	£0.0	£485.9	£626.9	£860.9	£1,136.9	£1,337.9
<b>Annual Savings</b>	<b>£0.0</b>	<b>£655.3</b>	<b>£2,707.7</b>	<b>£5,171.3</b>	<b>£7,516.1</b>	<b>£8,937.7</b>

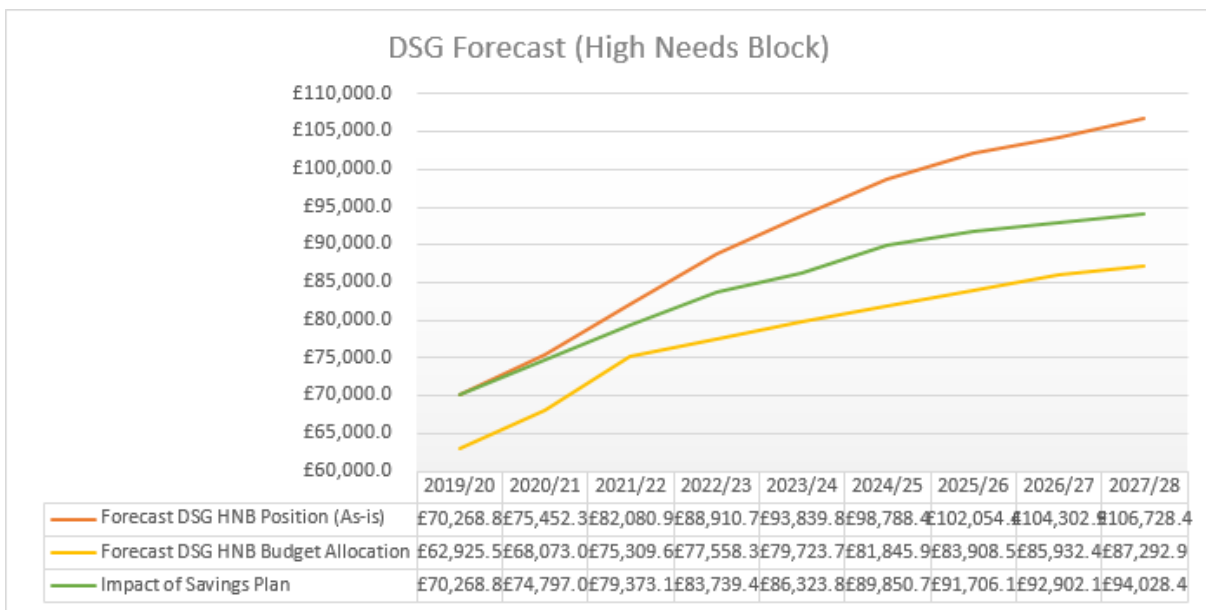
*Note: In addition to the planned SEND and Inclusion Recovery Plan interventions in Table 2, P5 forecasts indicate that there are a further £287k of operational in year savings, taking the 2020/21 P5 HNB forecast to £11.678m overspend (as reflected in the DSG Financial Monitoring Report within this Schools Forum report pack).*

- 3.7 Most activity over July to August has taken place at programme level establishing the framework for those projects. Of note are:
- a) 1 full business case approved (including full project plan and resources); 11 in draft following approval of Project Proposal Documents (PPDs)
  - b) Recruitment of an additional three project managers
  - c) Communications approach
  - d) Financial monitoring approach
  - e) Performance dashboard and baselining
  - f) First meeting of Programme Board
- 3.8 Most of the first cohort of projects are still in full business case stage, confirming the 'as-is' position and agreeing the 'to-be' plan, prior to implementation. Each plan is presented to the internal project management group for approval. Noteworthy, is the progress on the following projects:
- a) *Establishing a new special school on the Pears site:* recommendation made to the DfE for appointing a sponsor for their meeting on 17<sup>th</sup> September, following a presumption competition. The plan remains on track to open the new school in September 2021.
  - b) *Expanding resourced provision:* Recommendation to Cabinet on 10<sup>th</sup> September to approve plans for new resourced provision at Paddox Primary School approved; further discussion taking place with individual schools regarding new resourced provision over the period 202

- c) *Ensuring that learners receive their educational entitlement:* New processes drafted and in engagement stage to ensure children out of school are monitored and placed in a timely manner

#### 4. National Funding update

4.1 The major update since the last meeting is that on 20<sup>th</sup> July 2020, the Department for Education (DfE) made an [announcement regarding high needs funding](#) for the financial year 2021-22. This follows lobbying by organisations such as the LGA and County Council Network (as well as letters sent by the Leader and Deputy Leader of Warwickshire County Council). As a result of this, the financial projections are being updated. Broadly speaking, Warwickshire Is now expecting to receive an additional £4m per year from 2021/22 onwards compared to the original forecast.



- 4.2 As shown in the graph above, the effect of the additional funding from central government is that the overall cumulative deficit forecast by the end of 2023/24 has reduced from approximately £58m to £45m prior to Change Programme activities.
- 4.3 Taking into account planned savings from the Change Programme the overall cumulative deficit forecast by the end of 2023/24 has reduced from approximately £42m to £29m.
- 4.4 The additional funding is clearly welcomed. The formula used to distribute additional resources does, as before, favour more urban areas, Therefore the continued case for sufficient funding for SEND & Inclusion is likely to led by councils in the f40 group (generally upper tier and rural local authorities).
- 4.5 The remaining gap between budget allocation and forecast expenditure reinforces the need for progressing the SEND & Inclusion Change Programme.

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## APPENDIX A: SEND & INCLUSION CHANGE PROGRAMME PROJECTS

SEND & Inclusion Change Programme			
<b>SEND Transformation</b>  A series of pilot projects focussed on changing behaviours in the system as recommended by the Impower review	<b>DSG Recovery Plan</b>  A quantified plan to be submitted to DfE demonstrating how the local authority will recover the DSG overspend in 2020/21	<b>DSG Sustainability Plan</b>  The medium to long-term financial plan to balance the DSG on a sustainable basis, based on High Needs Task & Finish Group review	<b>SEND &amp; Inclusion Strategy</b>  Implementation of actions following internal and peer review; continued delivery of the priorities identified in the SEND & Inclusion Strategy including statutory duties

### Priority 1 Projects

Ref	Group	Project	Type
106	<i>SEND &amp; Inclusion Strategy (Existing)</i>	New special school (Pears)	Invest to save
96	<i>SEND Transformation &amp; DSG Recovery Plan</i>	Trial 1: Changing the conversation (Impower) - increasing support to mainstream schools	Service/system redesign
102	<i>DSG Recovery Plan</i>	Improve timeliness of EHC plans in early years - Ensure early identification	Invest to save
103	<i>SEND Transformation &amp; DSG Recovery Plan</i>	Trial 2: Needs-focused panels (Impower) / Align increase in EHC plans with statistical neighbours - including review of SEND guidance, and admissions guidance to specialist settings	Clear, fair and transparent operating procedures
107	<i>DSG Recovery Plan</i>	Reduce the use of alternative provision (Value for money review; including medical needs policy)	Service/system redesign
109	<i>DSG Recovery Plan and SEND &amp; Inclusion Strategy</i>	Supported internships (Building the infrastructure)	Invest to save

126	<i>SEND &amp; Inclusion Strategy (Additional)</i>	Quality Assurance Framework (EHC Plans)	Clear, fair and transparent operating procedures
128	<i>DSG Sustainability Plan</i>	Finance Process (including Import/Export checks)	Clear, fair and transparent operating procedures
105	<i>DSG Recovery Plan</i>	Resourced Provision - full utilisation and increased capacity (Invest to save)	Invest to save
108	<i>DSG Sustainability Plan</i>	Review special schools funding matrix (including commissioning processes)	Clear, fair and transparent operating procedures
111	<i>DSG Recovery Plan</i>	Value for money reviews of integrated SEND and Inclusion services	Value for money review

### Priority 2 Projects

Ref	Group	Project	Type
12	<i>SEND &amp; Inclusion Strategy (Existing)</i>	Improving outcomes for SEND learners at each key stage (response to data trends)	Strategic planning
27	<i>SEND &amp; Inclusion Strategy (Existing)</i>	Parenting Plan to support families (Early Help)	Building capacity
68	<i>SEND &amp; Inclusion Strategy (Existing)</i>	Workforce development project (Developing skills in schools and support services)	Building capacity
98	<i>SEND Transformation</i>	Trial 3: Child centred inclusion pathways	Service/system redesign
99	<i>SEND Transformation</i>	Redesign of the Local Offer website (Impower)	Building capacity
100	<i>SEND Transformation</i>	Development of WCC Transitions guidance (Impower)	Clear, fair and transparent operating procedures
101	<i>SEND Transformation</i>	County-wide SEMH campaign (Impower)	Building capacity
6	<i>SEND &amp; Inclusion Strategy (Existing)</i>	Review of children not receiving their educational entitlement	Service/system redesign
95	<i>SEND &amp; Inclusion Strategy (Existing)</i>	Expanding representation on the Parent Carer Forum	Building capacity
129	<i>SEND &amp; Inclusion Strategy (Existing)</i>	Updated Needs Assessment (JSNA)	Strategic planning

### Priority 3 Projects

Ref	Group	Project	Type
66	<i>SEND &amp; Inclusion Strategy (Existing)</i>	Working with schools to develop peer to peer support on SEND	Building capacity

46	<i>SEND &amp; Inclusion Strategy (existing)</i>	Preparation for adulthood strategy (health and social care pathways)	Service/system redesign
110	<i>DSG Recovery Plan</i>	Contract management of Independent Specialist Provision to ensure maximum use of framework contract including residential (limit to 1% inflation) <i>NB. Framework contract in place</i>	Contract management
130	<i>SEND &amp; Inclusion Strategy (additional)</i>	Tribunal pathway	Clear, fair and transparent operating procedures
131	<i>SEND &amp; Inclusion Strategy (additional)</i>	Annual Reviews	Clear, fair and transparent operating procedures
132	<i>SEND &amp; Inclusion Strategy (additional)</i>	Implementation of Ready reckoner	Clear, fair and transparent operating procedures
57	<i>SEND &amp; Inclusion Strategy (existing)</i>	Independent Travel Training	Service/system redesign
61	<i>SEND &amp; Inclusion Strategy (existing)</i>	SEND Transport Policy Review	Clear, fair and transparent operating procedures
32	<i>SEND &amp; Inclusion Strategy (existing)</i>	Disability Register	Clear, fair and transparent operating procedures