

Innovation, demand management, value for money

Kingston SEND Partnership Board 14 November 2019

1. Purpose of the session

The session will use a World Café format to explore how all partner members of the Board can play a part in tackling the rapid rise in spending on High Needs, which has not been reflected in funding allocations from government. Managing demand for services will require innovation, and value for money must be achieved at every opportunity.

The Transformation Plan and workstreams have set out the vision and identified important areas for change. The work is starting to have an impact, but the seeds will inevitably take time to grow, given the number of pupils already in placements. This session will enable partner members to identify practical changes to support the high-level policy work and speed up the deficit reduction.

This paper provides a recap of recent issues and progress, identifying positive developments and options to explore for further improvement, based on knowledge of High Needs issues and solutions in other areas of England. It presents some ideas to inform discussions at the session, following a desktop review of relevant information. We should remember that many other local areas are facing similar struggles.

2. Context

The High Needs Budget savings targets set so far have been at a high level; the next step is to agree exactly how they can be achieved. The ability to measure progress depends on a reliable set of baselines and meaningful key performance indicators.

Any proposals need to be examined through the following perspectives:

- Significance - how they fit with the vision and priorities in the Transformation Plan, and the balance between the effort needed to achieve them and the reward;
- Contribution to improving outcomes and value for money;
- Implications for the culture in Kingston and relationships between partners;
- Dependencies, i.e. the extent to which proposals rely on actions by partners and other parties;
- Balance between quick wins and long-term solutions;
- Political sensitivities;
- Risks and how these can be reduced or accepted - innovation can bring greater risks.

3. Positive developments

Service provision and processes

We are starting to see an impact from work being undertaken through the Transformation Plan workstreams in the following areas:

- Engagement with parents and carers through for example the Parent Consortium;
- Stronger performance in the production of EHCPs within the 20 week statutory timescale;
- Reduction in the use of independent special school placements, facilitated by an increase in the number of places at maintained and academy specialist resource provisions and special schools within Kingston;
- More integrated and joint working between all of education, health and social care, and between children's and adults' services;
- Improved SEND knowledge and skill across some parts of the workforce;

- Growth in total number of EHCPs in Kingston has been lower than average since January 2017:

	Jan 2017	Jan 2019	Increase
Kingston	958	1161	21.2%
Outer London	30,909	37,620	21.7%
South East	48,883	60,860	24.5%
England	287,290	353,995	23.2%

- EHCPs as a % of total 0 to 18 years population is approximately average:

	Jan 2019	0-18 population	EHCPs/0-18
Kingston	1161	40,454	2.9%
Outer London	37,620	1,323,778	2.8%
South East	60,860	2,051,809	3.0%
England	353,995	1,251,2090	2.8%

- Kingston has a smaller proportion of its total number of EHCPs in the 0 to 10 years range than average:

Age of CYP	<5	5 to 10	11 to 15	16 to 19	20 to 25
Kingston	2%	33%	38%	21%	5%
Outer London	4%	36%	34%	20%	5%
South East	4%	33%	36%	22%	5%
England	4%	33%	36%	22%	5%

Finance

a) Dedicated Schools Grant (DSG) increases

The recent announcement of the indicative National Funding Formula (NFF) figures for 2020/21, which form the basis of Dedicated Schools Grant (DSG), brought some good news for Kingston:

- Schools Block: a 5.93% cash increase in the LA's grant for mainstream schools, or 4.6% per pupil, before updates for the October 2019 census and growth allocations. The formula provides gains of more than 4% per pupil for 17 out of 36 primary schools and 8 out of 11 secondary schools, the highest gains being 6.3% and 7.9% respectively. In cash terms, the outcomes are strongly affected by roll changes.
- High Needs Block: an extra £414k per year for Kingston in both 2018/19 and 2019/20, plus an additional £1.9m (+8.3% per pupil) in 2020/21 before final pupil number updates. This is welcome, but it will not cover the current rate of overspending.

b) Protection for schools

Compared to other authorities up and down the country, Kingston's schools have been relatively well protected from the impact of real terms funding cuts in the Dedicated Schools Grant:

- The Council has absorbed the loss of Education Services Grant instead of asking LA schools to pay;
- Transfers from the Schools Block to the High Needs Block have generally been below the permitted level and for a specific need, e.g. Targeted High Needs funding;
- The Council has invested approx. £283k per annum in early intervention;

- Top up payments to mainstream Specialist Resourced Provisions (SRPs) and special schools are paid in full, even if the place is not occupied.

4. Potential areas for discussion

Clearly the priority is to reduce the High Needs deficit. DfE is currently consulting on preventing LAs from using the General Fund to cover DSG deficits. We do not know whether additional High Needs funding will be provided in future, or whether Ministers will extend the timeline for deficit recovery.

The changes being progressed by the workstreams will take time to bear fruit, so additional proposals are needed to ensure that all parts of the system are working to maximum efficiency, securing more rapid savings.

Learning from best practice in other LAs

Whilst in 2019 almost 70% of Local Areas inspected by Ofsted and the CQC have been required to produce a written statement of action to address areas of significant weakness, there is an opportunity to learn from those who have avoided this requirement. Calderdale, Portsmouth, and Southwark (in 2018) are examples of Local Areas judged to be making “sufficient” progress with implementing the 2014 SEND Reforms. Annex 1 provides examples of extracts from their inspection reports (please review this list in full) and there are some key themes worth considering.

The voices and influence of children, young people, parents and carers are fully integrated within local processes. From joint commissioning to annual reviews, and from whole system strategic decision making to the finalisation of an individual EHCP, this key principle of the SEND Reforms is to the fore.

When describing examples of strengthens, there is no particular bias to any of Education, Health or Care. All feature equally and in fact the range and breadth of different services highlighted reaches beyond those perhaps traditionally associated with SEND. The provision of support using digital technology, the training of the local authority’s “Clean and Green Team”, the ability of the youth offending service to identify and support SEND, and day-care opportunities in adult services all serve to exemplify the need for a true “whole system approach”.

From an age perspective, strengthens span the full range of 0 to 25 years. Health visiting and midwifery feature as much as schools and adult services. The importance of a multi agency approach towards both the child and family before and as soon as possible after birth is as important as the creation of vocational pathways for those in the 16 to 25 years age range. Children’s centres and supported housing both have a role to play.

Given that the “whole system” is comprised of a large number of different agencies and providers, the frequent reference to “co-location” of services serves as a reminder of the importance of professionals working in an integrated way across organisational boundaries, and of services being conveniently and accessible to children, young people and their families.

What can all partners learn from considering best practice elsewhere and what could be implemented within Kingston to improve outcomes, promote independence and reduce expenditure?

Forecasting future demand and costs

The rapid pace at which the High Needs deficit occurred, reaching £14m between 2015/16 and 2018/19, suggests that the rise in EHCPs/specialist placements was not predicted. Kingston has the highest cumulative deficit in the country, at 10.3% of DSG, and the fifth highest in-year deficit at 2.5%. Given Kingston’s relatively low demographics in proxy indicators for SEND, this is surprising.

The majority of High Needs spending is on placements. It should be straightforward to forecast ongoing costs for continuing placements, and to calculate the full year cost of newer placements.

The more challenging task is identifying the need for specialist placements in the future; the growth in EHCPs is causing a pressure of around £2m per year.

Focusing on the total placement costs for the area (i.e. including academies and FE colleges), the scale of the gap between the 2019/20 budget of £22.6m (based on affordability) and the actual outturn for 2018/19 of £26.5m indicates there was some difficulty in forecasting both ongoing and future costs. The latest Schools Forum papers show the estimated 2019/20 outturn for these budgets as £29.8m.

Recent work seems to be having an impact, which should be incorporated in future projections of need. However, partners still need to be alert to changing trends in the future. Data and information sharing in relation to babies and infants is vital, helping to identify those who will need additional support in education and childcare. Likewise, intelligence from professionals dealing with children outside of school, e.g. in family support services, may be valuable in identifying SEMH and other needs.

Changing the balance between types of provision can also enable more accurate forecasting of costs. Increasing the confidence of parents/carers and professionals in local maintained mainstream and special schools is crucial in order to avoid tribunals, which often result in independent placements. The recent House of Commons Education Committee SEND Inquiry report includes a wealth of evidence from parents and professionals alike on how this can be achieved through improvements in support, processes and communication.

Meeting pupils' needs more quickly will relieve pressure on the system and avoid the need for emergency action to find places, which often drives up costs. It will help to achieve a strategic approach to planning for expansion and/or a rebalancing of provision across universal, targeted and specialist categories.

Forecasts also need to be shared widely, to inform service plans for all partners. For example, increases in places in special schools and Specialist Resourced Provisions (SRPs) will impact on demand for therapies.

What part can all partners can play in providing data and intelligence on the future pattern of needs, to support provision planning in the future?

Top up costs

A report to the Schools Forum in September projected an increase in 2019/20 pre-16 top up costs of £1m (c 10%) compared to the 2018/19 outturn. A cost of £10.245m over 644 top ups indicates the average top up is £15,908, which is significant. Post-16 costs are also expected to increase, by £458k or 11.9%.

The DfE's High Needs Benchmarking Tool shows 2018/19 planned spending per head of 2-18 population for each authority. Many LAs overspent their budgets in this year. Comparing Kingston's budgeted top ups to the ten closest statistical neighbours, Outer London and England highlights some significant differences in unit costs in maintained and non-maintained/independent sectors.

2018/19 budget for top up funding paid to schools/providers - £ per head of 2-18 population				
	Kingston upon Thames	Statistical neighbours	OUTER LONDON	England
Maintained schools, academies, free schools and colleges	£278	£201	£295	£226
Non-maintained and independent schools and colleges	£206	£122	£126	£94

There has been some success in shifting the balance of placements away from independent schools, with spending expected to be around £29k lower than in 2018/19 (-0.5%). However, there are some aspects of

the financial arrangements which are causing higher top up payments. A more targeted approach could be taken, incentivising schools to cater for higher level needs.

A transfer from the Schools Block to the High Needs Block is commonly used to ease the pressure in many areas. This shares the SEND cost pressures across local schools in proportion to their funding. If a transfer is not agreed, those who are key providers for pupils with high needs bear most of the pain: special schools and highly inclusive mainstream schools. Whatever the decision, schools will take as much of a keen interest as other partners in making sure that funding for SEND is spent well.

Suggestions to achieve better value for money in top ups could include:

- Reviewing the arrangements for the 'Notional SEN budget', i.e. the amount deemed to be included within mainstream school budgets for SEND. This should pay for the first £6,000 of extra support for a pupil with SEN. In many LAs, schools must prove it has been spent before requesting top ups.
- Ensuring a consistent approach for special schools and SRPs, in line with DfE's operational guidance, i.e. top ups paid pro rata to the days in the year that the place is occupied, and best practice in LAs, e.g. using banding values that reflect the average cost of educating pupils in groups or classes.
- Examining ways of incentivising schools to provide for pupils with the highest needs, e.g. through targeted high needs funding, individualised top ups and services from appropriate professionals.
- Working with schools to develop value for money approaches, by exploring how costs change with pupil numbers. This will allow cost savings in expansion or individual placements above capacity, since the cost of leadership teams and some premises costs have already been covered.

The review of therapies currently in progress underlines the importance of support; the lack of therapies can be a significant factor in the level of parental preferences for independent sector places.

The boundaries between education, health and social care contributions often differ across the country. The DSG can only be used for education purposes. If a post-19 student is not making the expected educational progress, no matter how small those steps are, consideration can be given to adult social care providing the funding. Similarly, if the only reason for a child being placed outside the borough is child protection, due to family circumstances, a discussion could take place over the children's social care contribution. A fair sharing of costs with Health is critical for pupils with care needs; schools often feel they are being asked to undertake too high a degree of personal care while the child is in school.

Communication is also important when ensuring parents are well-informed about options. The Kingston Local Offer page on Out of Borough Education Institutions could give a stronger message about the availability and quality of provision within the boroughs and the benefits to children of attending locally.

How can partners ensure that support and services are available to encourage schools to cater for pupils with higher level needs, to complement a more targeted approach to funding?

If schools feel they will be supported with fair levels of funding, appropriate therapies, equipment and access to high quality training, advice and support, they are more likely to be willing to accept pupils with higher levels of SEND.

Maximising data that affects High Needs Block allocations

Of the High Needs NFF national total, 52% is calculated according to each LA's share of the national data for proxy formula factors: pupil population aged 2-18, Free School Meals, Income Deprivation Affecting Children Index (IDACI), children in bad health, Disability Living Allowance (pre-16 only), and KS2 & KS4 low prior attainment.

Some of these have a significant time lag (2011 national census for children in bad health) or cannot be influenced (IDACI) but it is worth checking data accuracy for the others, to make sure that the LA is getting all the High Needs funding it is entitled to.

Consistency in pre-16 and post-16 arrangements for SEND

There is a separation between pre-16 and post-16 in relation to Kingston's processes for assessment, planning and review. Some LAs operate a 0-25 SEND service, which provides greater resilience for staffing and ensures consistency in decision-making and funding arrangements. The LA's powers to determine provision and funding in consultation with schools and other providers provide a golden thread through the full age range.

Partners need to work together to establish appropriate routes for the transition to FE, including a wide range of vocational opportunities. Decisions on the next steps, nature of support and funding entitlement for the student need to be informed by their previous education history and level of support.

Nationally, post-16 has seen a significant increase in EHCPs compared to the previous arrangements. This has coincided with a very challenging period for college funding. Now that the transition from Learning Difficulty Assessments to EHCPs is complete, there should not be a high level of new applications for EHCPs at age 16 for students who are unknown to the SEN team, unless they are exceptional cases.

What changes could be made to the offer for post-16 young people with SEND?

Would a single structure for pre-16 and post-16 SEND assessment, planning and review deliver benefits as part of the Partnership Board's vision?

Value for money

Other areas have found benefits in strengthening links between all relevant partners across data, finance, and the teams of professionals who identify, assess and place children and young people with SEND.

To achieve value for money, the right support needs to be provided at a reasonable price with the best possible outcomes. Data on needs and performance therefore needs to be combined with financial indicators as a holistic set of information. This should be provided to the SEN team to inform decisions on placements, transition points and annual reviews. Cost can never be the only criterion for a choice of placement, but it can be considered as part of the overall package.

What contribution can partners make towards the creation of a value for money framework?

How can data, finance and SEN decision-making be better aligned?

5. Conclusion

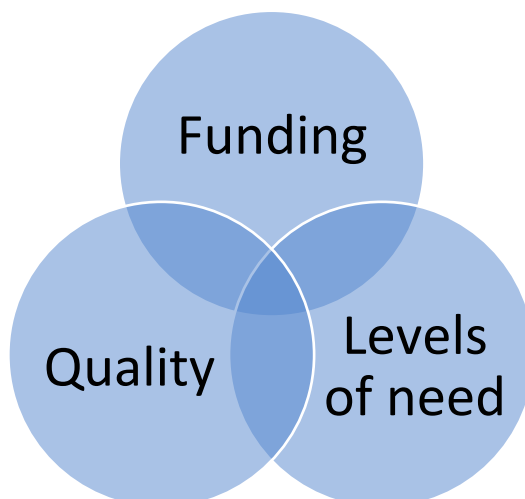
The Partnership Board session on 14th November provides a valuable opportunity to develop some of the questions raised in this note into more strategic discussions. There are many challenges ahead, but by focusing on the themes raised above, Kingston can achieve a better blend of improved outcomes, a holistic approach to high quality support and services, and a more sustainable High Needs Budget.

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Annex 1: Learning from best practice in other Local Authorities

Examples of best practice identified by Ofsted and CQC in Local Area SEND inspections of Calderdale, Portsmouth and Southwark



Key:

C = Calderdale, inspected March 2019

P = Portsmouth, inspected July 2019

S = Southwark, inspected June 2018

Overall

- Strategic decisions to expand opportunities for social development, employment and independent living in Calderdale fully reflect the aspirations of young people. C
- Arrangements for joint commissioning are responsive to children and young people's needs. Strategic decisions have improved the local offer, expanded opportunities for short breaks and increased access to support in local communities. C
- Parents and carers typically have a positive experience of co-production (a way of working where children and young people, families and those that provide services work together to make a decision or create a service which works for them all). Almost all have been involved in developing plans and provision for their children. C

The effectiveness of the local area in identifying children and young people's special educational needs and/or disabilities

- Well-established health procedures and pre-birth screening support the identification of children's needs at the earliest opportunity. This leads to early contact with health and care services. Effective advice is given to reduce risk factors. Leaders are assiduous in checking the impact of this work, and levels of smoking in pregnancy at time of delivery are much reduced. C
- Early identification of babies and very young children with hearing, visual and multi-sensory impairments ensures that extra help is offered from Calderdale's specialist inclusion team without delay. In many cases, this occurs before the family leaves hospital and continues through to adulthood. C

- Children's two-year progress checks are well integrated, and the outcomes are reported to parents. Health visitors report that strong communication with the child's education setting leads to improved identification of additional needs. C
- Early identification of needs for young children has led to increasing numbers entering Reception classes with education, health and care (EHC) plans. The number of these plans has increased from 45 to over 94 in the last 12 months. C
- Strategic decisions to retain children's centres in communities have meant that there are opportunities for swift identification of emerging needs. Children up to the age of 18 years and their families are benefiting from these arrangements. C
- Joint commissioning is effective in Portsmouth. The use of section 75 agreements, aligned funding and shared management arrangements successfully influences the delivery of services to meet the needs of children, young people and their families. P
- Well-planned training sessions are helping to increase practitioners' awareness across the local area. Recent sessions have included a diverse range of practitioners from across the workforce, such as from the youth offending service, adult social care and the local authority 'Clean and Green Team'. P
- Children and young people with SEND have speedy access to the help and support they need without having to wait for a formal diagnosis. The local area promotes a 'needs-led' approach, for example by focusing on neurodiversity rather than a diagnosis of ASD. P
- School nurses carry out a wide range of screening assessments when children begin their statutory education. All children are offered hearing and vision checks as well as the national child measurement programme screening in Reception and Year 6. The school nursing service works effectively to support children, young people and their families through the early help offer. Popular and well-attended drop-in clinics are offered at all primary and secondary schools across Portsmouth. Close working between health professionals assists the skilful identification of children who need extra help. As a result, health visitors and school nurses are providing families with a range of helpful support, including help with sleep training, bereavement and continence. P
- Home-educated children and young people have access to the school nursing service. Effective joint working in the local area enables notification to the school nursing service on an opt-in basis. This facilitates the early identification of need in this potentially vulnerable cohort of children. P
- The inclusion of speech and language therapy (SALT) in the youth offending service is leading to the identification of unmet needs in this vulnerable group. P
- The youth offending team works highly effectively with both the special educational needs and health teams. For example, the timely involvement of speech and language therapy and/or assessment helps to identify needs quickly. It also ensures that there is continuity of care, where young people already have identified needs. S
- The co-location of the universal family nurse services and allied therapies at Sunshine House, alongside the use of shared systems, facilitates the timely and appropriate sharing of information. S
- There are effective links between the health visiting early help service and midwifery in the local area. Midwives will make referrals if it has been identified that a child is likely to be born with additional needs. They ensure that a care plan is put into place, so that the mother is supported to meet the additional needs of her child once born. S

The effectiveness of the local area in meeting the needs of children and young people with special educational needs and/or disabilities

- Children and young people with a mental health condition who require specialist help are receiving support from CAMHS within two months of referral. Transitions between the universal and specialist emotional health services work smoothly and effectively. C
- The school nursing service is accessible to all children and young people, whether they are educated at home or at school. C
- The community children's nursing service is helpful in supporting the most vulnerable children and young people to spend as little time as possible in hospital. This is because community nurses are effective in meeting children and young people's complex needs at home. C
- Parents and carers spoke to inspectors about the portage service, which has an important role in helping children under five years old move successfully into nursery provision. C
- Principled and ambitious leadership in some settings, such as schools and colleges, is sharply focused on preparing children and young people with SEND for independence and employment. Changes to the curriculum, increasing partnerships with local employers, and initiatives such as the five-day offer, Project Search and Springboard add significantly to how well young people are prepared for adulthood. One leader said: 'This has been a cultural change led by Calderdale local authority.' C
- A parent summed up the views of several, saying: 'The annual review is the highlight of the year.' Most parents value the positive celebration of children's achievements and the involvement of children and young people in the process. An increasing number of annual reviews are being successfully informed by input from therapists. P
- Recently, mental health nurses who work as part of the NHS 111 service have been trained to respond to children who are exhibiting mental ill health. Children and young people contacting the service now receive advice from the mental health nurse and a swift referral to CAMHS, if needed, so that a full assessment can be carried out, sometimes within the next day. P
- Leaders have an integrated approach to joint commissioning, and there are examples of parental involvement in the commissioning process, such as the recent taxi contract. Parents were also involved in the re-organisation of the early help service. S
- The child development centre at Sunshine House provides families with children up to the age of 18 with a co-ordinated approach to care by teams comprising paediatricians, allied health professionals and psychologists. The co-location of well-resourced clinics at Sunshine House enables families to have their needs met in an environment where they feel comfortable. S

The effectiveness of the local area in improving outcomes for children and young people with special educational needs and/or disabilities

- A wide range of sports, social activities and holiday schemes support children and young people's social development well throughout the local area. C
- Training for independent travel has made a significant and transformative difference to the lives of many young people and families in Calderdale. Parents and carers who have had experience of this service describe it as, 'beyond fantastic'. C
- The safe places scheme and 'app' which young people with SEND use on their mobile phones is helping them to feel more confident when they are travelling independently in Calderdale. C
- An increasing number of young people have opportunities to live as independently as possible and exercise choice about where they live. This is because the local area's work to improve supported living arrangements has been effective. C

- Young people with SEND benefit from an integrated adult learning disabilities service, where there is a strong focus on monitoring and promoting positive outcomes. Day-care opportunities in adult services are person-centred and focus on building personal skills. P
- There are also examples of successful work in commissioning services that help young people who have SEN and/or disabilities who are aged 18 years and over. This includes helping them to gain entry into employment and/or to take part in work experience. Visits and feedback from 16-19 providers provide effective case studies of appropriate preparation for adulthood, including through supported internships. S
- The healthy schools programme has been promoted effectively in the local area. Some schools particularly focus on vulnerable groups, including those who have SEN and/or disabilities. A variety of evidence showing impact is available, including pupils learning to eat more healthily and more schools being successful in gaining the silver and gold awards. The local area is also preparing to launch the healthy early years programme. S