

LONDON BOROUGH OF BARKING & DAGENHAM

SEND funding: longer-term changes

Consultation response - 27 February 2015

Introduction

The London Borough of Barking and Dagenham (LBBD) welcome the opportunity to provide a response to the Government's call for evidence on funding for children and young people with Special Educational Needs and Disability (SEND).

In LBBD 7,102 (18.13%) pupils have SEND, which is above the national average of 17.9%. At the same time LBBD's population is growing at almost twice the rate of London and four times the national rate. Between 2001 and 2011 the average population growth was 2.5% pa compared with 1.6% for London as a whole. (Source: ONS.) There are high levels of disadvantage; 37% of local children under 16 live in poverty. The numbers of pupils with high needs has risen in proportion to the overall school population. For example, over 1% of the primary school population is identified as high need, with the majority of this group in YR-Y2. There have been significant increases in specific areas of high need - for example the number of autistic pupils with severe learning difficulties has increased by 70% over the past 12 years.

LBBD's High Needs working group (HNWG) supports the move towards a reform system that re-distributes funding for pupils with high-cost SEND but also supporting the wider system of support for children and young people with SEND and disability as contained in the Children and Families Act 2014.

National to local level funding distribution

Q1. In moving to a fairer distribution of funding for SEND, which proxy factors other than those already included in the School and Early Years Funding (England) Regulations (e.g. low prior attainment, children from families entitled to free school meals) offer the best way of distributing funds from the Education Funding Agency to local authorities, or would these factors be adequate at this level of distribution?

LBBD's HNWG is calling for a dataset which funding can be distributed accordingly that reflects actual pupil numbers but channels funding to those with greatest need. This baseline would then be adjusted to areas of high cost provision. Population census data would be a suitable measure that includes growth, demographic growth and changes in school pupil numbers. The early year's census data, health data and the impact of tribunal's to support the funding distribution, also area costs implications.

The linkage of statements and Education and Health Care plans (EHCP) is not a fair distribution method due to funding distributions being dependent on a range of judgements applicable to each local authority and health and social care agencies.

Q2. Apart from using a formula, is there anything else we could do to make the allocation of funding for SEND to local authorities fairer? For example, how far should we take into account the pattern of provision that has developed in the locality, and the cost of that?

The cost of each local authority's high needs will differ due to the development of the costs of the high need provision in accordance with each local authority commissioning their places. (Part of Funding Reform, high needs and commissioning places) Consortia have been developed across the country to develop a wider commissioning process, but local authorities have placed SEND children in accordance to the required provision, but availability of a placement and this has resulted in high cost placements £70,000 average but some out of borough costing £300,000. When moving to a fairer funding system, the individual cost of provision will need to be taken into account and a fair transitional process not to hinder any impact upon the children during this process.

A thorough understanding and review of each local authority's High Needs Block expenditure should be a basis for the fairer distribution to enable each local authority then to challenge funding proposals and highlight implications specific to their needs.

Q3. Are there types of SEND that are best handled above the level of individual local authorities and, if so, how might that best be dealt with in the funding system? Should collaboration between local authorities be encouraged through the funding system?

Collaboration through funding should not be encouraged due to each local authority meeting their specific population and needs and in a democratic way. The collaboration would not reflect each local authority's "Local Offer" in meeting the support of 0-25 population/community.

Collaboration or bandings in support of the specific provision (i.e., MLD for example) as a "guideline" or negotiation "baseline" would be useful but would need to be very descriptive in levels of support and cost. This would enable local authorities to have a measure to compare the cost of provision as a baseline or comparable starting cost to commission the placement.

Local to institution level funding distribution

Q4. Are there other funding formula factors that could provide a good proxy for institutions' need to spend on children and young people with SEND? Are different factors appropriate for funding provision of support for those with high incidence low cost SEN and for funding provision of support for those with high level SEN? For each factor, are any perverse incentives associated with it?

Without the robust data analysis, it is difficult to suggest factors which could be considered for funding at institutional level. Without this data, flexibility must remain to enable the local levels of funding be allocated to support the individual children at the educational establishments.

Q5. It is less resource intensive to allocate funding on the basis of proxy measures or using pre-determined bands of funding, particularly if the necessary data collection mechanisms are already in place, but such allocation methods can fail to take sufficient account of individual circumstances and the cost of meeting pupils' and students needs in the setting, particularly where the costs is comparatively high. How can the right balance be achieved in allocating funding to institutions?

Banding ranges that are set nationally for institutions would assist in funding pressures and provide estimates for both institutions on their revenue and Local authorities on place planning.

Q.6 In what circumstances would it make sense for local authorities to be able to distribute some SEND funding to a level above that of individual institutions: for example to geographical clusters of schools, or to multi-academy trusts, leaving them with more discretion on the further allocation of those funds to individual institutions?

Q.7 In distributing funding to institutions, which methodologies are most efficient and offer the best prospect of reducing bureaucracy, whilst at the same time make sure that money gets to the institutions that need it to support their pupils and students with SEND?

Q8. How are local authorities securing appropriate contributions from their social care budgets, and from local NHS budgets, and how should such contributions be taken into account in the distribution of education funding?

Local government funding is under significant pressure and general fund has and still is being used in support of local NHS support for SEND. Legislation differs between clear funding guidelines for adults and children, hence the lack of support funding for children with SEND.

Clinical Commissioning Groups (CCGs) have replaced the previous Primary Care Trusts (PCTs) and these changes have hindered the support funding with changes in staffing structures and responsibilities. Each CCG differs with the level of support funding nationally also the Public Health grant and levels of support differ nationally.

A fair transparent system and legislation that supports this would assist in the level of funding to each local authority.

Q.9 How will the way funding is allocated to institutions impact on local authorities' ability to offer personal budgets for SEND provision?

Q.10 How are local authorities allocating funding to early years providers (schools as well as the private, voluntary and independent sector) for both low cost and high level SEND? Are authorities using the early years block of

funding within the dedicated schools grant (DSG) or the high needs block? How are they calculating the funding required (e.g. are they using formula factors, or assessing the cost of support required on an individual basis, or taking a different approach)?

LBBB Early Years children with a statement or EHC plan additional funding is through the High Needs block (schools and non school settings)

For children with identified SEND who require additional support to access an early years setting but do not have an EHC plan support is provided via the Early Years block budget

LBBB have an SEN funding panel which meets monthly and settings apply for support which is provided by agreeing specific hours of support at £10.00 per hour. This support is reviewed every 6 months.

LBBBs children's centre nurseries receive a yearly devolved SEN budget (DSG) which they are monitored against. This is because children's centre nurseries have a much higher % of SEN children.

Capital Funding

There is no specific capital funding grant to support the creation of the necessary SEND places. Rather than creating a new mechanism or adding another layer of bureaucracy; the Department for Education (DfE) should introduce a SEND Basic Need grant and use the existing SCAP process to collate the necessary information. However, a SEND basic need grant should not reduce funding allocations for primary and secondary places.

Q11. What are the different approaches that local authorities are taking towards capital investment to create specialist provision – in special schools, special units attached to mainstream schools, and similar types of provision in academies and colleges – and what are the drivers behind these?

LBBB drivers are currently growth and demand for this specialist provision and the associated high cost for the specialist provision.

Q12. What sources of capital funding do local authorities use to create specialist provision, and what factors affect this?

Capital investment for SEND school places are driven by capacity of schools, the needs of cohorts of children coming through the system and parental preference. Without any specific capital funding pot for SEND school places, LBBB has used a range of different funding sources to meet the funding shortfall from basic need funding, and targeted basic need.

Q13. What factors drive local authorities' decisions to invest capital in additional specialist provision – as opposed to using revenue funding for placements in existing mainstream/specialist provision, or placements in another local authority or in the independent sector?

The decisions to create places are based a range of factors including available funding, school capacity, pupil ability and parental choice.

LBBB have 23 Additional Resourced Provision (ARPs) and a supporting PRU umbrella service that are all supported within the High Needs Block as part of the funding (School Funding Reform) – place planning and top ups.

The funding used to create the provision is Capital DfE Basic Need Grant and for some borrowing to fund new place provision. Utilising the basic need funding diverts essential resources thus reducing budgets available to create good quality built facilities within the borough.

Further, at a time when there are budget restraints additional high needs pupils create additional revenue pressures which includes the high cost of transporting pupils.

Q14. Do local authorities take into account the cost of transport for pupils and students with SEND when making decisions about capital investment, and compare this investment with the cost of residential provision out of the area?

Residential provision or out of borough is very expensive and only used if no alternative provision in the borough can be identified.

Q15. What specific criteria do local authorities use in allocating capital funding for specialist provision?

Growth / demand criteria – LBBB have experienced significant growth in population over the last 7 years which has impacted on the demand for school places. This has resulted in the need to create a significant number of new school places, mainly in the primary phase but now about to enter the secondary phase of education. Specifically this has meant that 4,500 additional primary pupils have had to be accommodated since 2007/2008.

This population growth trend is set to continue and based upon the statistics released by the GLA the position on overall population forecast is as follows:

LBBB Borough Population

Current 199,990 (2014) and by 2020 the population forecast will be 225,381 an increase of 23,371 or **12.7%**.

LBBB Young Population (0-19 years)

Current 62,740 (2014) and by 2020 the population forecast for this group will be 69,740 an increase of 7,000 or **11.2%**

LBBB Largest Population Growth (10-14 years)

Projected growth in a 5 year period to 2020 is 3,964 pupils or **30.5%**.

Specifically in looking at pupil growth the most recent set of forecast figures which have been reviewed over the last 3-4 months and are based on GLA data linked to birth data and some input from local level gained through the experience of the Local Authority show that:

- Secondary School population across the Borough will increase from its present levels of 14,900 to 21,189 by the school year starting September 2020;
- Primary School population across the Borough will increase from its present levels of 22,549 to 29,550.

Following the demand at mainstream also manifests itself in demand for SEND places across the phases. Currently at least 1% of the school population has been identified as requiring support for SEND and subsequently a pressure to create additional SEND places.

Q16. What data do local authorities collect and hold on current capacity and forecast pupil numbers for different types of specialist provision?

LBBB has ARP provision attached to some of the mainstream schools and numbers of pupils including category/needs within year groups is held including vacancies to meet specific needs of pupils, parents and new pupils coming into the borough. This funding is supported from the High Needs block.

Q17. Do local authorities pool capital funding to create shared specialist provision? If not, should this be considered and what are the barriers?

Pooling budgets can be difficult to administer and the agreement of contributions to the pool difficult to agree with all parties concerned.

Q18. What approach should the Education Funding Agency take in allocating capital funds for specialist provision?

The methodology for funding basic need does not account for special school places, and there is no separate funding stream for increasing special schools capacity. There needs to be recognition of the higher costs of special schools and SEND facilities within this. The current formula allocates funding for primary and secondary places, recognising a higher cost of secondary places and does not prescribe how local authorities should spend the funding. This approach could be extended to special schools and SEND places.

Return to: (5pm 27th February 2015)

SEnfunding.consultation@education.gsi.gov.uk.