

BARNSELY METROPOLITAN BOROUGH COUNCIL

This matter is a Key Decision within the Council's definition and has been included in the relevant Forward Plan

Report of the Executive Director (People)
to Cabinet

(15th November 2017)

BARNSELY SPECIAL EDUCATIONAL NEEDS AND DISABILITY SCHOOL PLACEMENT SUFFICIENCY STRATEGY (2017-20)

1.0 Purpose of the Report

- 1.1 To present for Cabinet's consideration the Borough's draft Strategy for developing a more sustainable system for commissioning and providing sufficient placements for pupils with special educational or complex needs, including a disability (SEN(D)).

2.0 Recommendations

- 2.1 **Cabinet notes the proposal and justification for the development of the SEN(D) School Placement Sufficiency Strategy (2017-20) with a view to its approval and adoption.**

3.0 Introduction

3.1 The Local Authority's Role And Responsibilities

- 3.2 Part 3 of the Children and Families Act (2014) requires the local authority to ensure partner agencies work together to undertake a detailed assessment of local need and for arrangements to be in place to plan and commission education, health and social care services for children with SEN(D).

3.3 Local And National Context

- 3.4 In Barnsley, the percentage of SEN(D) children with a Statement of Special Needs or an Education and Health Care Plan (EHCP) as a proportion of the school population, continues to rise and is consistently higher than both the Regional and National Average.
- 3.5 Equally, the number of SEN(D) children without a Statement yet who are still eligible for support (including children in care) in the Borough, also exceeds the Regional and National Average.
- 3.6 In addition, the number of requests for statutory assessments of need, arising through the above Act, leading to conversion into EHCPs, has, also, significantly increased in the intervening period.
- 3.7 To add to the pressures in all areas of activity within the system, a consistently high number of pupils continue to have their needs met through out of Borough placements, including within independent provision, after efforts to place them, locally, in either mainstream or specialist schools, have been exhausted.

- 3.8 In commissioning school placements, Part 3 of the Children and Families Act requires the local authority to consult parents of pupils with SEN(D) on their preference, in view of the right, under the above Act, to request a specific school, college or other setting to be named in their child's EHCP.
- 3.9 The local authority must, subsequently, comply with such a preference and name the provision, unless one of the following situations emerge:
- The placement would be unsuitable for the age, ability, aptitude or needs of the child or young person, or
 - The attendance of the child or young person at this particular setting would be incompatible with ensuring the efficient education of other pupils or the effective use of resources.
- 3.10 In summary, all SEN(D) pupils who have been placed in education placements which are located outside the Borough, are the result of local mainstream or specialist schools or academies indicating that they cannot meet their needs; or have no available places or if the parent(s) preference is for this specific setting to which the local authority must comply, particularly if it cannot reasonably refuse the request.
- 3.11 In a reflection of developments taking place nationally and regionally, demand among Barnsley children and young people for SEN pupil school places is such that the financial allocation from the Schools Block Funding (Higher Needs Element) is no longer able to fund the level and type of provision required.
- 3.12 This demand is almost certain to become more intense during the remainder of the period of the Council's Medium Term Financial Strategy (MTFS). The most significant challenges will be in relation to meeting the educational needs of children and young people whose primary need concern the following:
- Social, emotional and mental health (SEMH)
 - Autistic spectrum disorder (ASD)
 - Speech, language and communication (SLCN)

4.0 Sufficiency Planning: Review Of Current Provision

- 4.1 A local authority review of resourced provision and independent sector out of Borough placements was undertaken earlier this year. A summary of the outcomes of this review is summarised below:
- 4.2 Barnsley Based Resource Provision (RP)
- Feedback provided by pupils and parents indicate that pupils are placed in placements which are appropriate to their needs with a good level of satisfaction.
 - All except one of the local settings, containing SEN pupil placements are judged to be 'Good' or better by Ofsted.
 - The majority of pupils placed in Barnsley RP are showing progress at an expected level or better.
 - However, there is a lack of clarity over appropriate pathways and decision making in the allocation of placements within Barnsley based RP. There is also

potential inequity in some elements of RP which could impact upon the range of placements offered; parental choice and the optimum use of resources.

4.3 Independent Provision In Barnsley And Out Of Borough Provision

- There exists scope to build capacity in order to offer the type of provision, currently delivered outside the Borough, within Barnsley. This could, also, prove beneficial in terms of reducing the time spent by pupils in travelling to and from their placement.
- Whilst there are some examples of good or outstanding practice, the quality of learning environments among settings, is variable. However, no serious concerns were evident, through the review.
- Placement planning for children with multiple or complex needs is improving with 15 places at Greenacre School able to be offered to pupils by the statutory offer deadline of 15th February 2017.

5.0 Proposal And Justification

5.1 Barnsley Draft SEN(D) School Placement Sufficiency Strategy (2017-20)

5.2 In recognition of the contextual framework set out in Sections 3 and 4 of this report, the current model for the planning and commissioning of sufficient placements for SEN(D) children where, in particular, needs are unable to be met locally, leading to them being placed outside the Borough, is becoming increasingly unsustainable.

5.3 In response to the challenges emerging, a draft SEN(D) School Placement Sufficiency Strategy has been developed for Cabinet's consideration. This is enclosed as Appendix 1 to the report.

5.4 As well as providing greater detail, concerning the national and local context, the draft Strategy, in particular, proposes a place based action plan in order to tackle these challenges and establish a more coherent, effective and sustainable system for commissioning education placements for SEN(D) pupils.

5.5 Among the key objectives of the draft Strategy will be to reset the current balance between Borough based provision and the types of provision used to provide placements outside of the Borough as part of providing the best type of placement closer to home; improving parental choice and the quality of the pupil's experience. This will be progressed through the following:

- Ensuring best value is delivered through existing specialist resources.
- Developing the engagement of children, young people and families in the planning and commissioning of provision.
- Development of sufficient specialist placements in order to meet need, including through school places planning; establishment of a discretionary fund to enhance local provision and working with partners to develop collaborative commissioning for specialist provision.
- Enhancing a 'graduated response' as part of developing the capacity and potential of local mainstream schools and academies to meet the needs of children and young people with SEN(D).

6.0 Consideration of Alternative Approaches

- 6.1 In order to comply with its statutory duty of providing a sufficient number of placements for a growing percentage of children and young people with SEN(D) whilst achieving value for money and a more effective use of resources, the Council has no alternative but to develop a system and approach which is more sustainable yet, at the same time, is envisaged to yield improvements in the range of choice on offer, particularly through improving provision which is closer to home.
- 6.2 Partners believe that the draft Strategy represents the best approach, moving forward.

7.0 Implications for Local People and Service Users

- 7.1 Through the measures summarised in Paragraph 5.5, the draft Strategy aims to improve the potential of children and young people with SEN(D), improve the experience of parents and carers in accessing this service and to build the resilience and independence of such children and young people in support of their transition to adulthood.

8.0 Financial Implications

- 8.1 The DSG high needs funding represents the main source of funding of direct SEN support to pupils / learners. Barnsley's 2017/18 DSG high needs funding is **£13.7M**. Under the current funding system, the majority of SEN support will be the responsibility of the school or provider where the pupil attends. The first £10,000 of support required by a pupil will be met by the school or provider from their core budget. Where the pupil requires additional education support, 'top up' funding will be provided (from its DSG high needs block budget) to the school, based on an assessment of needs. The following outline the planned use of high needs funding for 2017/18:

2017-18 DSG High Needs Budget	£M
Mainstream schools / academies	2.576
Special schools / academies	3.847
Alternative provision (PRU / Behaviour support)	1.431
Specialist resource provision	1.060
Out of Authority SEN placements	2.418
Children centres/PVIs (early years)	0.064
SEN support services	0.679
FE colleges (post 16)	1.191
Other (SALT; HTST, etc)	0.394
	13.660

* excludes the over-commitment of £1.6m carried forward from 2016-17

- 8.2 A financial risk of £5.1m currently exist in the high needs budget in 2017/18 and mainly relates to SEN out of authority placements. This risk is comprised of the budget deficit carried forward from 2016/17 **£1.6m** and an in-year recurrent pressure of **£3.5m**. The cost pressure is a consequence of the increased number and cost of SEN pupils / learners placed in external specialist institutions / schools, mainly due to lack of suitable and appropriate places within the borough.

Projection of future needs / cost

- 8.3 Based on average trend to date of Barnsley's total school and SEN pupil population and pupils with statements or EHCP (3.9%), it is reasonable to project or assume an average annual growth of 20 SEN specialist placements. It is assumed that 50% of future annual growth would require placements in out of authority independent / non-maintained schools (due to lack of places within the borough). The following detail the financial impact of the increasing use of external / out of borough placements:

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
No. of independent school placements	146	156	166	176	186	196
Projected costs (£k)	5,936	6,376	6,762	7,149	7,535	7,922
Current budget (£k)	-2,418	-2,418	-2,418	-2,418	-2,418	-2,418
Projected deficit (£k)*	3,518	3,958	4,344	4,731	5,117	5,504

* Deficit in 17/18 excludes the £1.6m carry forward from 16/17

- 8.4 The current financial year (Q2 position) and average unit cost of placements has been used as the baseline for projecting future years' funding requirement. Based on the above assumptions, the in-year deficit is expected to rise from £3.5m to £5.5m by 2022/23. The budget envelope for future years excludes additional funding that would come from the new high needs national funding formula (NFF). Likewise, no provision has been included for annual inflationary increases in prices.

Managing demand / financial impact

- 8.5 A number of commissioning intentions have been put forward aimed at increasing specialist places locally and to address the challenges faced by the authority with regards to placement sufficiency and demand (see paragraph 5.5). The estimated cost of implementing these actions is estimated at £0.7m in 2018/19 rising to £1.9m by 2020/21 (comprised of both place and top up funding, using benchmarked rates applicable for similar provision in other local authorities). The Impact on out of authority independent schools placements and costs are detailed in the table below:

Placement planning	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Independent schools placements	146	146	146	146	146	146
annual demographic growth		10	20	30	40	50
New SEMH places		-10	-20	-30	-40	-50
New SLCN places		-2	-5	-8	-10	-10
New Abbey school places		-10	-10	-10	-10	-10
New ASD places				-10	-20	-20
Impact of graduated response			-10	-20	-30	-40
	146	134	121	98	76	66

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
number of pupils / placements	146	134	121	98	76	66
Est costs of new places (£k)	0	695	1,501	1,923	1,960	1,998
Projected costs (£k)	5,936	5,525	5,023	4,134	3,284	2,897
Current Budget (£k)	-2,418	-2,418	-2,418	-2,418	-2,418	-2,418
Projected Deficit (£k)	3,518	3,803	4,106	3,639	2,826	2,477

- 8.6 It is envisaged that the additional specialist places locally would provide much needed capacity to manage annual demographic growth as well as allow for the reduction of current out of borough placements (of 80 by 2022/23). The outcome of the proposed commissioning actions would result in a net reduction in the recurrent budget deficit from the current £3.5m to £2.4m over the next 5 years (inclusive of the investment cost of the new places).

Financial Sustainability

- 8.7 There is an ongoing financial sustainability issue as the additional funding through the new high needs national funding formula and the proposed transfer of funding from the schools DSG block (£2m by 2019/20) would not fully address the projected deficit (see table below).

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	£k	£k	£k	£k	£k	£k
deficit b/fwd	1,645					
Forecast annual deficit	3,518	3,803	4,106	3,639	2,826	2,477
Transfer from schools block	0	-700	-700	-700	-700	-700
Additional NFF funding*	0	-702	-1,309	-1,309	-1,309	-1,309
Annual net deficit	5,163	2,401	2,097	1,630	817	468
3 year cumulative position	5,163	7,564	9,661			

- 8.8 Whilst flexibility within the DSG regulations allows deficit to be carried forward from one year to the next (subject to schools forum approval), this is only limited to 3 years (also the introduction of the 'hard formula' from 2020/21 is a limiting constraint). The following options will need to be considered to address the ongoing annual sustainability issue:

1. Dialogue with the DfE / EFA regarding additional funding to address the funding requirements for the additional specialist places and to seek approval to manage the deficit over a longer timeframe. Currently, no provision is built within the model for additional funding to cover or mitigate the cost of the new commissioned places;
2. Increase the level of funding transferred from the schools block in 2018/19 to 1.5% (£2.1m). The approval of the Secretary of State for Education is required for proposed application to transfer above the 0.5% limit;
3. Seek to transfer additional funding from schools in 2019/20 at the 0.5% limit. This would result in an overall transferred funding of £2.8m by 2019/20. Schools forum approval will be required. It is expected that current flexibility to transfer funding between DSG funding blocks will cease with the move to the 'hard formula' from 2020/21 (when schools budgets will be determined nationally through the NFF by the Government);
4. Ongoing assessment / review of current out of authority placements;
5. Consider a review of thresholds, with a view of reducing top up funding provided to schools to meet assessed needs (in light of increased NFF funding to

schools). This would be undertaken alongside a review of other centrally retained DSG budgets.

- 8.9 The table below shows the impact of the increased funding from schools (options 2 and 3 above) on the funding gap over the next 5 years:

funding model based on 1.5% transfer from schools in 18/19 and additional 0.5% in 19/20

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	£'000k	£'000k	£'000k	£'000k	£'000k	£'000k
deficit b/fwd	1,645					
Forecast annual deficit	3,518	3,803	4,106	3,639	2,826	2,477
Transfer from schools block	0	-2,100	-2,800	-2,800	-2,800	-2,800
Additional NFF funding*	0	-702	-1,309	-1,309	-1,309	-1,309
	5,163	1,001	-3	-470	-1,283	-1,632
Cumulative position	5,163	6,164	6,161	5,691	4,407	2,775

9.0 **Employee Implications**

- 9.1 No workforce implications have been identified through the development of the draft Strategy.

10.0 **Communications Implications**

- 10.1 Subject to Cabinet approval, the draft Strategy will be published and signposted via the Council's Web site and its networks as part of ensuring relevant practitioners are aware of its objectives within the context of a partnership based approach; the joint commissioning of provision and the improvement of educational, health and wellbeing outcomes for all SEN(D) children and young people requiring placements.

11.0 **Consultations**

- 11.1 The draft Strategy has been formulated in consultation with the Council's Senior Management Team and relevant partners and representatives of the Barnsley Children and Young People's Trust, including the Barnsley Alliance for Schools Board.

12.0 **The Corporate Plan and the Council's Performance Management Framework**

- 12.1 The draft Strategy and action plan will support Corporate Plan priorities in relation to 'People Achieving Their Potential' together with the strategic priorities of the Barnsley Children and Young People's Plan (2016-19) (including that every child attends a good school as well as early targeted intervention for those whose needs merit such support)

13.0 **Promoting Equality, Diversity and Inclusion**

- 13.1 The draft Strategy specifically promotes improvements in the potential of children and young people with SEN(D) who are defined as a protected group under the Equality Act and Public Sector Equality Duty.

14.0 Tackling the Impact of Poverty

14.1 The draft Strategy will help in ensuring the impact of SEN, including disabilities or any other complex needs upon a child or young person's educational outcomes and overall wellbeing, is minimised so that they can go on to become more confident and active citizens and benefit from the economic prosperity and increased social capital arising through both investment in the Borough and improvements in the health and wellbeing of local communities.

15.0 Tackling Health Inequalities

15.1 Please see Paragraph 14.1

16.0 Reduction of Crime and Disorder

16.1 There are no implications for tackling crime, disorder or anti social behaviour emerging through consideration of the draft Strategy.

17.0 Risk Management Issues

17.1 The draft Strategy intends to place the Council in a better position to comply with its statutory duty relating to the development of a local SEN 'offer' (including sufficient education provision).

17.2 The action plan will incorporate a risk log which should enable swift management action to be taken, where necessary, to maintain progress against objectives and to prevent any impact upon the attainment of SEN(D) pupils. These risks will be recorded in the Business Unit 1 operational risk register and regularly reviewed by the Senior Management Team.

18.0 Health, Safety and Emergency Resilience Issues

18.1 There are no health, safety or civil resilience implications arising through this report.

19.0 Compatibility with the European Convention on Human Rights

19.1 The draft Strategy supports our commitment to the United Nations Convention on the Rights of the Child and is fully compatible with the EU Convention.

20.0 Conservation of Biodiversity

20.1 There are no implications for the local environment or the conservation of biodiversity emerging through the report.

21.0 Glossary of Terms and Abbreviations

21.1 None, applicable.

22.0 List of Appendices

22.1 Appendix 1: Barnsley Draft Special Educational Needs and Disability School Placement Sufficiency Strategy (2017-20)

Annex to Appendix 1: Draft Strategy 'Plan on a Page' Version

23.0 Details of Background Papers

23.1 Background papers used in the formulation of this report are available to view by contacting the Education, Early Help and Prevention Service, People Directorate, Barnsley MBC, PO Box 634, Barnsley, South Yorkshire S70 9GG.

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Financial Implications/
Consultation <i>(to be signed by senior Financial Services Officer where no financial implications</i>