

## **Children and Young People's Services Select Committee**

**10 January 2019**

### **Special Educational Needs and Disabilities**

**Report by Executive Director Children, Adults, Families, Health and Education and Director of Education and Skills.**

#### **Summary**

The West Sussex County Council Special Educational Needs and Disability (SEND) Strategy 2016-19 objectives are:

1. To ensure that children with SEND are, where possible, welcomed and included within their local mainstream school.
2. To ensure that local mainstream and special provision is effective, of a high quality and delivers good educational outcomes for children and young people with SEND.
3. To build a model of educational provision and support in West Sussex which enables young people with SEND, wherever possible, to live and go to school/college locally.
4. To deliver an offer that is sustainable and cost effective now and into the future and takes due account of predicted demand.

There is a need to reduce the number of children and young people with special educational needs and disabilities (SEND) moving from maintained schools and academies into costly out of county education provision. Increasing provision for children and young people with SEND through the creation of up to 11 additional Special Support Centres (SSCs) will assist in the aim of enabling children to attend school locally.

It has been identified that children with autism and/or social, emotional and mental health needs are more likely to move into independent and non-maintained schools (INMS) because it is currently not possible to meet their needs in maintained schools and academies. By creating more provision to meet these areas of need the County Council will be able to reduce spending on both expensive placements at INMS and costs associated with transporting children to out of county provision.

The first step would be to develop a full business case to support the proposals set out in this report for consideration within the County Council's capital programme governance and subsequent prioritisation within the capital programme.

#### **The focus for scrutiny**

That the Committee consider the issues raised in this report, understands the need to ensure that the provision across the county meets the needs of children and young people with SEND and support the proposal to develop additional specialist support centres attached to mainstream schools in order to educate children with SEND locally in mainstream education and reduce out of county placements.

## **Proposal**

### **1. Background and Context**

- 1.1 The West Sussex Special Educational Needs and Disabilities (SEND) Strategy was approved in October 2016. The objectives of the Strategy are:
- To build a model of educational provision and support in West Sussex which enables young people, wherever possible, to live and go to school/college locally.
  - To ensure that local mainstream and special provision is effective, of a high quality and delivers good educational outcomes for children and young people with SEND.
  - To ensure that children with SEND are, where possible, welcomed and included within their local mainstream school.
  - To deliver an offer that is sustainable and cost effective now and into the future and takes due account of predicted demand.
- 1.2 As part of the implementation of the SEND Strategy, a review of existing specialist provision was undertaken. In addition, the number of children with SEND that are educated in placements out of the county as their needs are not able to be met in maintained schools or academies was also reviewed.
- 1.3 The high needs block funding from the Department for Education is currently no longer sufficient to meet the increasing costs of providing for the number of children with education health and care plans (EHCPs). In March 2015 3,423 children and young people in West Sussex had EHCPs and by August 2018 this number had risen by almost 49% to 5,096.
- 1.4 The needs of children with SEND are also becoming more complex and this is driving increased financial pressures across the system. There is a shortage of local specialist educational provision to meet need, particularly in relation to autism spectrum (ASD) disorder and social, emotional and mental health needs (SEMH), and this is resulting in the County Council needing to increase the number of children educated in specialist placements with independent providers. There is also an increased demand for top-up funding across all settings.
- 1.5 There is a lack of capacity within mainstream schools to provide a graduated response to additional needs. Many schools are facing financial pressures and therefore do not have the capacity to provide additional support to pupils. As a result, this is driving up the demand for more specialist education services, as children with low level SEND who could potentially attend mainstream schools are being educated in more specialist provision. This is coupled with an increase in the number of pupils being excluded and the need to provide costly alternative provision. Parental requests for specific high cost placements and tribunal decisions to support parental preference are also further driving demands on the dedicated schools grant high needs block.
- 1.6 Special Support Centres (SSCs) are units attached to mainstream schools which offer additionally-resourced provision for children with particular types of SEND. There are currently 32 SSCs across West Sussex in the primary and secondary phases for the following areas of need: Physical Disability, Social Communication/Autistic Spectrum Condition, Speech and Language Difficulties, Additional Learning Needs and Sensory Impairment.

- 1.7 Currently only 7 of the 32 SSCs have a designation for autism and these are not evenly spread across the county. In some areas of the county children are travelling significant distances to access provision. This is putting additional financial pressure on to the Council's home to school transport budget, which is currently forecast to overspend by £2m for the 2018/19 year.
- 1.8 By increasing provision for children and young people with SEND through the creation of additional SSCs, it will be possible to educate children locally and reduce the costs associated with educating children out of county in INMS. There will also be a potential reduction in transport costs by placing children more locally.

## **2. Proposal Details**

- 2.1 It would be proposed to increase the number SSCs in mainstream schools by up to 11 additional units. The capital costs of the proposals will be finalised as the the business cases are progressed. Assuming an average of 12 places per unit this could deliver additional places for children with communication and interaction needs, including autism, and SEMH. It is anticipated that secondary centres would accommodate 20 children per unit.
- 2.2 An initial review of sites and need has been undertaken, and as a result of this analysis it is proposed to deliver this project in three phases. Under phase one it is proposed to establish:
- 2 SSCs in maintained nurseries based in Chichester and Horsham which will each be for 8 children with identified communication and interaction needs. This will provide parity of provision with the other two maintained nurseries in Bognor Regis and Worthing, and enable earlier intervention.
  - Additional provision for children identified with SEMH needs in two primary schools
- 2.3 The 4 SSCs identified for development in phase one have been selected because they do not require extensive building work so could be delivered without the need to obtain planning permission, and be up and running by September 2019. However, initial feasibility studies indicate that these additional units may only be able to cater for 8 places each due to the age and needs of the children.
- 2.4 Further feasibility studies are currently being carried out on a number of additional school sites to deliver Phase 2 and 4, with potential for up to 7 being selected in line with a needs analysis. The aim is to have all studies undertaken and costed by early January 2019. The 7 additional SSCs are likely to be sited in modular buildings, which will require planning permission and therefore take longer to deliver. These are planned to be built as part of phases two and three, with potential opening dates of September 2020 and September 2021 respectively.
- 2.5 Further detail would be developed for a full business case that would be taken through the County Council's capital governance procedures to assess feasibility and priority for capital programme funding. Each phase of delivery would

require separate approvals and any proposal taken forward would be subject to the relevant decision making arrangements.

### **3. Inclusion**

3.1 The SEND Strategy has focused on increasing inclusion in mainstream schools through the following actions:

- The Index for Inclusion Project has resulted in 45 schools evidencing improved inclusive practice with case studies to be shared with wider group of schools
- The SEND Partnership Boards have involved 49 schools and the Alternative Provision College in identifying best practice to improve outcomes for pupils with SEND, including increasing attendance and reducing exclusions
- A pilot of a Provision Mapping Tool developed by the Local Authority has been well received, enabling schools to evidence how they are spending their notional SEN funding on provision for pupils with SEND and measuring impact on outcomes
- A SENCO Development programme supported 16 SENCOs to develop their practice to impact on outcomes for pupils with SEND
- An Inclusion Log has been developed to share information relating to SEND and inclusion with the Area Inclusion and Improvement Board to identify both where schools are in need of support and where there is best practice which can be shared
- An Inclusion Framework is being developed to support schools to evaluate their own inclusive practice and identify actions to bring about change
- A West Sussex Social Emotional and Mental Health Strategy is being developed to outline the support available and the expectations of schools and settings to reduce the numbers of children being excluded

3.2 The SEND Strategy has also been addressing the quality of provision for children and young people requiring specialist provision through the following projects and actions:

- Therapy in Schools

Improving access to therapy (both physiotherapy and occupational therapy) impacts on parental confidence and reduces the risk of placement in independent non-maintained special schools (INMSS), either at school entry or at a later date. The TIS pilot has focussed on the delivery of enhanced occupational therapy and physiotherapy in 3 special schools over an 18-month period.

Through the work of the pilot more parents are viewing local schools as an option for their child (demonstrated by Palatine having 5 families visit this autumn as compared to nil in the previous 2 years). TIS replicates key elements that parents see in INMSS provision, enabling maintained special schools to demonstrate skills and expertise in meeting complex needs.

- The Intensive Planning Team

Having a highly skilled virtual team that works across education, health and social care to promote creative solutions to the challenges faced by children, families, schools and other support services helps to keep children within their local community. So far the IPT project has run for

20 months, during which the team has offered different levels of support to over 140 SEND children and 30 schools.

#### **4. SEND Task and Finish Group update on actions**

- 4.1 The Preparation for Adulthood Strategy has focused on ensuring there is clear communication of the range of opportunities available for young people to develop their capacity for independence and what support is available for them and their families in preparing for and accessing these. The SEND Commissioning Team are working with the Communities team to put on events in each locality aimed at increasing awareness of the SEND Pathways to Adulthood Strategy within the Voluntary & Community Sector. Manor Green College have been funded to develop and implement an Employment Programme over last 4 years, resulting in cultural changes within the school and local businesses are now closely involved with the school. Various projects are in place to support young people to transition into employment including Supported Internships.
- 4.2 West Sussex Parent Carer Forum has increased its membership with increased communication to parents.

#### **5. Resources**

##### **Financial (revenue and capital) and Resource Implications**

###### Phase 1 - Two additional nursery SSCs from September 2019

- 5.1.1 Places at nursery SSCs are funded through the high needs block at a core funding rate of £10,000 per place, plus any top-up funding dependant on the needs of the child being placed. However, it is very unusual for a child aged between 0 and 5 to attract top up funding. A nursery SSC with 8 placements will therefore effectively cost £80,000 per year.
- 5.1.2 Pupils aged between 0 and 5 are funded through the early years block, and therefore any cost avoidance savings will not materialise in the high needs block. However, it would be hoped that earlier intervention through the nursery SSC would mean that in later life these pupils would be able to be placed in a mainstream setting rather than a more expensive independent specialist setting.
- 5.1.3 The expected net cost to the high needs block of two additional nursery SSCs over the next four years would be as detailed below.

	<b>2019/20</b> <b>£</b>	<b>2020/21</b> <b>£</b>	<b>2021/22</b> <b>£</b>	<b>2022/23</b> <b>£</b>
<u>Nursery SSC 1</u>				
Basic Entitlement	18,667	32,000	32,000	32,000
Additional Needs	28,000	48,000	48,000	48,000
Average Top-up	0	0	0	0
<u>Nursery SSC 2</u>				
Basic Entitlement	18,667	32,000	32,000	32,000
Additional Needs	28,000	48,000	48,000	48,000
Average Top-up	0	0	0	0
<b>Total High Needs Cost</b>	<b>93,333</b>	<b>160,000</b>	<b>160,000</b>	<b>160,000</b>
High Needs Saving	0	0	0	0
<b>Net Cost</b>	<b>93,333</b>	<b>160,000</b>	<b>160,000</b>	<b>160,000</b>

#### Phase 1 - Two additional primary SSCs from September 2019

- 5.2.1 The core funding for places at primary SSCs comes through a combination of the basic entitlement per pupil funding (up to £4,000) through the schools block formula plus £6,000 per place from the high needs block for those occupied by pupils on roll. As with the nursery SSCs the high needs block also funds any top-up funding dependant on the needs of the child being placed. The average top-up amount in a primary SSC is £8,000 per year.
- 5.2.2 Unfortunately the basic entitlement funding paid through the schools block is based on the number of pupils on roll at the school at the time of the October census of the preceding year. Therefore, if an SSC were to open in September 2019, the school would not receive any basic entitlement funding until the following financial year (based on the numbers on roll in October 2019). In the first year therefore, the high needs block would also need to fund an additional £4,000 per place to ensure that the core funding per place amounts to £10,000 per year.
- 5.2.3 Funding for school age pupils with EHCPs is dependent on their setting. Special school placements are totally funded from the high needs block and on average cost £17,000 per place, whereas a non-maintained independent specialist placement is funded through a combination of direct funding from the Department of Education (£10,000 core funding) and the high needs block (top-up funding).
- 5.2.4 The average educational cost of an SEND pupil placed in an independent non-maintained setting is £42,000 per annum. Therefore, the potential high needs cost avoidance saving is £42,000 per place. Even if the pupil being placed in the new SSC may have gone to a special school, this will still mean that an additional special school placement will become available for another

child who would otherwise have needed to be placed in the independent sector.

5.2.5 The expected net cost to the high needs block of two additional primary SSCs over the next four years would be as detailed below.

	<b>2019/20</b> <b>£</b>	<b>2020/21</b> <b>£</b>	<b>2021/22</b> <b>£</b>	<b>2022/23</b> <b>£</b>
<u>Primary SSC 3</u>				
Basic Entitlement	18,667	0	0	0
Additional Needs	28,000	48,000	48,000	48,000
Average Top-up	37,333	64,000	64,000	64,000
<u>Primary SSC 4</u>				
Basic Entitlement	18,667	0	0	0
Additional Needs	28,000	48,000	48,000	48,000
Average Top-up	37,333	64,000	64,000	64,000
<b>Total HN Cost</b>	<b>168,000</b>	<b>224,000</b>	<b>224,000</b>	<b>224,000</b>
High Needs Saving	-392,000	-672,000	-672,000	-672,000
<b>Net Cost</b>	<b>-224,000</b>	<b>-448,000</b>	<b>-448,000</b>	<b>-448,000</b>

### 5.3 Phases 2 and 3 – additional 7 SSCs in primary and secondary schools

5.3.1 The cost of provision for an additional 7 SSCs will largely depend on the size of the units, which will be determined through both the feasibility studies and local need.

5.3.2 Based on the same funding assumptions set out above for the primary SSCs in phase 1, each additional 12 place units will cost approximately £168,000 per year, but could potentially avoid spending a further £504,000 in the independent sector.

5.3.3 Therefore, assuming an additional 4 SSCs in September 2020 and 3 in September 2021 each with 12 places, the potential net revenue cost to the high needs block of phases 2 and 3 over the next four years would be as detailed below.

<b>Phase 2</b>	<b>2019/20</b> <b>£</b>	<b>2020/21</b> <b>£</b>	<b>2021/22</b> <b>£</b>	<b>2022/23</b> <b>£</b>
SSC 5 (12 places)	0	126,000	168,000	168,000
SSC 6 (12 places)	0	126,000	168,000	168,000
SSC 7 (12 places)	0	126,000	168,000	168,000
SSC 8 (12 places)	0	126,000	168,000	168,000
High Needs Saving	0	-1,176,000	-2,016,000	-2,016,000
<b>Phase 2 Net Cost</b>	<b>0</b>	<b>-672,000</b>	<b>-1,344,000</b>	<b>-1,344,000</b>

<b>Phase 3</b>	<b>2019/20 £</b>	<b>2020/21 £</b>	<b>2021/22 £</b>	<b>2022/23 £</b>
SSC 9 (12 places)	0	0	126,000	168,000
SSC 10 (12 places)	0	0	126,000	168,000
SSC 11 (12 places)	0	0	126,000	168,000
High Needs Saving	0	0	-882,000	-1,512,000
<b>Phase 3 Net Cost</b>	<b>0</b>	<b>0</b>	<b>-504,000</b>	<b>-1,008,000</b>

#### 5.4 Transport savings

5.4.1 The creation of additional SSCs, should make it possible to educate children locally and thereby potentially reduce the school transport costs incurred by the County Council.

5.4.2 Due to increasing demand within the Home to School Transport budget, the Council is having to review its level of discretionary expenditure, and is therefore proposing to remove non-statutory age pupils from its Home to School Transport eligibility. The current statutory age is the term after a pupil's fifth birthday, and therefore any transport costs/savings relating to the new SSCs at the two maintained nurseries will be determined by this proposed change in policy. A consultation on this proposal is due to be held in early 2019.

5.4.3 In terms of any primary or secondary SSCs, the resultant transport saving will depend on the transport package that would have been required had the placement been made in the independent sector. The average annual transport cost for an education placement in the independent and non-maintained sector is £12,000 per year. This compares to £5,000 per year on average for a placement made in a maintained school setting. Potentially therefore each pupil placed in an SSC could save on average £7,000 per year in terms of transport costs.

5.4.4 Total transport savings through the creation of an additional 11 SSCs could therefore be as follows:

<b>Transport Saving</b>	<b>2019/20 £</b>	<b>2020/21 £</b>	<b>2021/22 £</b>	<b>2022/23 £</b>
2 Nursery SSCs	n/a	n/a	n/a	n/a
2 Primary SSCs	65,333	112,000	112,000	112,000
Phase 2 - 4 SSCs	0	196,000	336,000	336,000
Phase 3 - 4 SSCs	0	0	196,000	336,000
<b>Transport Saving</b>	<b>65,333</b>	<b>308,000</b>	<b>644,000</b>	<b>784,000</b>



## 5.5 Capital costs

5.5.1 The cost of the capital building works for the 4 new SSCs in phase one are still to be finalised, but initial estimates are that these could be approximately £1m. All these costs would be incurred in 2019/20. The financing costs for borrowing this amount of money will be an annual cost of £37,000 over 50 years.

5.5.2 The capital cost of providing 7 additional SSC sites will depend on the outcome of the feasibility studies. These costs will be further examined as the full business case is developed. As a result, the financing costs for Phase 2 and 3 of this project are not known at this time.

5.5.3 A full business case to support the proposals set out in this report will need to be written for consideration within the County Council's capital programme governance and subsequent prioritisation within the capital programme. Any specific schemes that are brought forward will be subject to their own approval process.

## 5.6 Total saving

5.6.1 The expected net revenue saving of 11 additional SSCs over the next four years would therefore be as detailed below:

<b>Revenue Saving</b>	<b>2019/20 £</b>	<b>2020/21 £</b>	<b>2021/22 £</b>	<b>2022/23 £</b>
2 Nursery SSCs	-93,333	-160,000	-160,000	-160,000
2 Primary SSCs	224,000	448,000	448,000	448,000
Phase 2 - 4 SSCs	0	672,000	1,344,000	1,344,000
Phase 3 - 4 SSCs	0	0	504,000	1,008,000
<b>High Needs Saving</b>	<b>130,667</b>	<b>960,000</b>	<b>2,136,000</b>	<b>2,640,000</b>
Transport Saving	65,333	308,000	644,000	784,000
Financing - Phase 1	-37,000	-37,000	-37,000	-37,000
Financing - Phase 2&3	tbc	tbc	tbc	tbc
<b>Total Saving</b>	<b>159,000</b>	<b>1,231,000</b>	<b>2,743,000</b>	<b>3,387,000</b>

## **Factors taken into account**

### **6. Issues for consideration by the Select Committee**

6.1 The Committee is requested to consider the need to ensure that the County Council's in-house educational provision across the county meets the needs of children and young people with SEND, and also to support the proposal to

develop additional specialist support centres attached to mainstream schools in order to educate children with SEND locally in mainstream education and reduce out of county placements.

## **7. Consultation**

7.1 The following consultation has taken place:

- a. Schools have been consulted and some have expressed an interest in having an SSC located on their school site.
- b. Further external and internal consultation will be undertaken as part of the development of the full business case.
- c. There has been a positive response to increasing provision for children with SEND from a range of stakeholders including the West Sussex Parent Carer Forum.
- d. The Cabinet Member for Finance and Resources has been briefed on the proposal and is broadly supportive of the suggested approach.

## **8. Risk Management Implications**

8.1 If the County Council does nothing to meet the increasing demand on services for children with SEND there is significant financial and reputational risk. A full risk assessment will form part of the full business case.

## **9. Other Options Considered**

9.1 Other options will be tested out as part of the business case development.

## **10. Equality Duty**

10.1 Recognising the right for children to be educated locally by increasing specialist provision including all those with protected characteristics.

## **11. Social Value**

11.1 Increased numbers of children and young people remaining within their local communities to support planning for future education and employment and avoiding potential social care costs

## **12. Crime and Disorder Implications**

12.1 Improved outcomes for children and young people in their local communities reducing the risk of crime and disorder

## **13. Human Rights Implications**

13.1 Children with Special Educational Needs educated in local mainstream schools

**Kim Curry**

Executive Director Children, Adults, Families, Health & Education

**Contact Officer:** Helen Johns, Head of Inclusion and SEND

**Appendix: SEND Strategy 2016-19**

**Background papers: None**