

WESTMINSTER CITY COUNCIL
SCHOOLS FORUM JUNE 2017
REPORT BY THE HEAD OF RESOURCES
TRI BOROUGH HIGH NEEDS FUNDING REVIEW

This paper details the conclusions following the external review of spend on children and young people with high needs in the tri borough.

FOR INFORMATION

Executive summary

1. This review was commissioned by Tri Borough Children's Services, in the context of increasing constraints on High Needs budgets nationally and the need to effectively manage local pressures and demands. While spend in Westminster and RBKC is currently within the budget allocated to these Authorities by central government, there is concern about a significant overspend in Hammersmith & Fulham. Current trends suggest that the other two Boroughs may experience similar pressures in future.
2. The review was carried out by an independent consultant with significant national knowledge and experience of HN funding issues. It set out, for each individual Borough, to:
 - (i) Provide a more detailed analysis of current spend, with a breakdown of costs in different provision/service categories
 - (ii) Compare budgets and spend across a range of similar (London) Authorities
 - (iii) Provide an evaluation of how money is currently being used, in terms of impact, value for money, equity and the coherence of local provision
 - (iv) Identify key issues and recommended ways forward
3. Visits were made to all state-funded specialist provisions within the Tri Borough (special schools, mainstream resource bases, and alternative provision) and interviews were conducted with a wide range of stakeholders (heads of mainstream schools and settings, mainstream SENCos, parents, officers and support service managers). The review covered the full range of ages (0-25). Links were made with other agencies but the focus was mainly on funding provided for children with HN through Education.
4. The key issues identified for each of the Boroughs are as follows:

Hammersmith & Fulham:

The Borough receives one of the lowest allocations of HN funding from central government in the Authorities surveyed. In addition, it is a high 'net importer' of pupils from other Boroughs (including RBKC and WCC) into its specialist provision. Place costs for these pupils are drawn from LBHF's HN budget. This reduces the amount of HN funding available for local children. As a result of this review, a letter has been drafted to send to the Education Funding Agency to make a case for an increase in the Borough's HN allocation.

In contrast, mainstream schools in Hammersmith & Fulham are the highest funded in the comparator sample. Given the reductions in school budgets implied by the new national funding formula, there may be a case for early 're-balancing' of Schools and High Needs Blocks, so that money is not lost to the system. The Government's proposals offer only a modest increase in the Borough's HN allocation (due to the level of protection given to higher spending Authorities).

If an increase in HNB cannot be achieved, then the Borough will need to more actively review its current use of funding. It spends a significantly greater amount than other Authorities on AP/PRU provision (twice that in the other two Tri Borough areas). Secondary mainstream schools may need to be required to pay a more significant financial contribution to AP placements if they wish to maintain these at current levels. The Borough also places more of its own pupils in special school provision. This would indicate a need to further strengthen mainstream capacity and reduce reliance on more specialist options, particularly for pupils with more modest needs.

More focused developments in provision in the other two Tri Borough Authorities should also reduce the amount of money that the Borough has to spend on pupils from other areas. This will need to be linked to a reduction in the number of places maintained in LBHF schools, with careful consideration of the future provision required (and that can be afforded).

Kensington & Chelsea:

The Borough receives a reasonable level of HN funding from central government when compared to the other Authorities surveyed. However, this also has to cover the costs of provision at the Hospital School which acts as a regional/subregional resource. Admissions are determined by medical needs and specialisms, and the Local Authority has limited control. On the other hand, RBKC is a 'net exporter' of pupils to state-funded specialist provision in

other Authority areas. On balance, the Borough is funded at a below average level (but more adequately than LBHF and WCC).

RBKC currently spends less than its allocated budget. However, a new specialist provision is being planned on the Barlby site. As a special free school, the Authority will not need initially to fund place costs from its HNB, as these are covered directly by the EFA. However, the Government is planning to consult this year on the future funding of this kind of provision and it is likely that the Authority will need to fund place costs in future from its existing HN allocation (following the initial period of incentivisation). Future spending decisions will need to take this into account.

The Borough spends a significant amount of money on placements in independent/ non-maintained special schools. A more targeted and coherent approach is needed to help reduce reliance on this kind of provision, which tends to be higher cost and, in some cases, at a distance from home. There is a need for greater clarity on the expected focus of the new mainstream resource bases and the levels of need they should be commissioned (and funded) to provide for.

With increased national expectations around entitlement to post 16 education, there is a probability that more parents will ask for their children to stay on in independent/ non-maintained provision, and this could involve significant increase in cost (with no increase in the money that Government has made available).

Westminster:

Westminster receives the lowest allocation of HN funding from central government in the sample of Authorities surveyed. However, it is a significant 'net exporter' of pupils to specialist provision in other Boroughs (particularly in LBHF). It also has a special free school (St Marylebone Bridge) where place costs are currently covered by the EFA, outside the Borough's HN funding allocation. With these factors taken into account, the Authority's HN allocation is more reasonable.

The Borough also places a higher than average number of pupils in independent/non-maintained special schools. The level of placement of pupils out of area is unexpected given the extent of specialist provision available locally. There is a strong case for a substantial review of the nature and focus of existing provision to ensure that this is 'fit for purpose' for current and future needs. In particular, the Borough should consider whether the number of places it commissions for more modest needs (eg speech, language and communication difficulties) is excessive, and whether a more flexible model of

provision and services is needed for children with sensory impairment. A clearer local pathway for children with significant ASD should also be a priority for development.

Westminster is currently a low spender on post 16 specialist provision and is likely to experience further demands and pressures in this area. Provision and pathways will need to be more proactively planned.

5. A common issue across all 3 Authorities is the reported variation in the capacity of mainstream schools and settings to meet SEND effectively. This leads to differing expectations about the need for additional funding or alternative/specialist placement. There needs to be a more consistent baseline in terms of the range of difficulties that schools/settings should be expected to provide for, and a more common commitment to meeting the needs of children and young people who require additional funding and support. This is likely to be achieved through:

Clarity about budgets and expectations

- (i) Clearer indication of the income within school budgets that is considered to be SEND-related (formula factors, percentage of AWPU), and a more consistent link between this and the way in which notional SEN budgets are presented¹
- (ii) Greater transparency about the quantum available for SEN within each school's budget, to help ensure that investment in SEN provision is reasonable
- (iii) Clearer expectations of the range of needs that all schools should be able to meet (developed in conjunction with Heads and SENCOs and based on the range that most schools are now having to address)
- (iv) More common expectations of early years provision, with greater clarity about funding for SEND at this stage (early years pupil premium, the new disability access and local SEN inclusion funds, contingency)
- (v) Longer-term commitment to the enhanced offer in designated nurseries, with greater clarity about its purpose and better evaluation of its impact
- (vi) Greater transparency with regard to formula funding for students with additional needs in mainstream FE colleges and a review of appropriate thresholds for access to funding from the HNB, so that these are more in line with early years settings and schools

Challenge and support

¹ There is significant variation in the approaches currently used by the three Authorities and this is causing confusion to schools and officers alike. A more simple and consistent model is needed.

- (vii) A more targeted approach to challenge and support, linked to the above, as a core element within the agenda for improvement of mainstream schools and settings
 - (viii) A more commonly agreed structure for self-evaluation, for example using the Autism Education Trust materials to help schools/settings assess their capacity to meet the needs of this particular group
 - (ix) Greater opportunities for peer moderation in the process of decision-making around additional funding and specialist placements²
 - (x) Further development of current SEN networking arrangements so that these focus more substantially on sharing and extending good practice
 - (xi) Maintenance and extension of current initiatives around meeting the needs of children with speech, language and communication difficulties, so that there is ongoing capacity for this kind of need in every school/setting
6. There is a need in all 3 Authorities for improving **transitions** between the different phases of education, so that parents and children experience smoother and more predictable pathways. In particular, there should be:
- (i) Improvement in the formal notification process, with better communication between Health and Education about children who may need additional support or specialist provision
 - (ii) Stronger engagement of the Authorities' support services in working at the early years phase, to help promote more effective inclusion and transition into school
 - (iii) Earlier planning for transition from the primary to secondary phase, with a more humane and less bureaucratic approach to identifying appropriate schools, that encourages parents and pupils to be more confident about the mainstream option (where this is appropriate)
 - (iv) Earlier identification of students who may need additional funding at 16-19, with consideration of possible processes that would make this less dependent on EHCPs
7. There is also a need to review the current organisation, management and focus of the Authorities' **SEN support services**. In particular, officers should:
- (i) Look at the potential for greater alignment of services with clusters of schools and settings, and the possibility of trading at that level
 - (ii) Consider options for organisational change to achieve greater economies of scale, more integrated working and a more consistent approach

² This already exists to some degree in relation to admissions to TBAP

- (iii) Ensure priority is given to targeted activity, in terms of support to children with more complex/significant needs and to schools/settings with particular need for development
 - (iv) Seek to develop decision-making systems which are less dependent on support service involvement, releasing more time for skilled support and intervention
 - (v) Ensure that support service managers are properly engaged in strategic activity so that they are fully aware of (and committed to) policy directions and can play a full part in developments
8. It is recommended that this overview (and the associated Authority reports) are used to support discussion with key stakeholders at local level, to help promote a collective way forward. The High Needs block is a shared but finite resource and all need to play a role in ensuring it is properly targeted, and that provision and services for children and schools/settings are equitable and have maximum impact.

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Annexes:

- Appendix A2.1 – Report on WCC SEN provision
- Appendix A2.2 – High Needs spend comparison