

COPY OF REPORT TO THE COUNCIL'S EXECUTIVE

OPEN REPORT ON BEHALF OF THE EXECUTIVE DIRECTOR (CHILDREN'S GROUP)

REPORT TO:	Executive
DATE OF MEETING:	2 February 2010
SUBJECT:	Additional Needs: Next Steps in the Direction of Travel
DECISION REFERENCE:	01672
KEY DECISION?	Yes

SUMMARY:

This report updates the Executive on the outcomes of recent consultation with stakeholders, and proposes future action in relation to:

1. The adoption of the Principles for the delivery of additional needs services as outlined in the Executive paper 6th October 2009 – Additional Needs – Direction of Travel
2. The delegation of funding for the majority of SEN (Special Educational Needs) statements to mainstream schools. Further reports will be coming to the Executive as work progresses.

RECOMMENDATIONS:

The Executive is recommended to:

1. Approve the Principles for the delivery of additional needs services as outlined in the Executive paper 6th October 2009 – Additional Needs – Direction of Travel and confirm that the Executive supports the adoption of these principles in the future

development and progression of the Additional Needs strategy.

2. To further delegate funds, by formula, to mainstream schools for statements, Bands 1 – 5.

ALTERNATIVES CONSIDERED:

Not to confirm the principles for the delivery of additional needs services as outlined in the Executive paper 6th October 2009 – Additional Needs – Direction of Travel

This would enable a variety of activity to take place but without a coherent framework to guide policy decisions

1. Not to delegate any funds for statements in mainstream.

Consultation has confirmed that the current position is bureaucratic at school and central level and that children and young people with special educational needs would benefit from speedier access to support services.

2. To delegate a lower proportion of funds for statements: Bands 1-3, or a higher proportion: Bands 1-6.

To delegate Bands 1-3 would apply to 28.1% of all supported pupils, but only 11.7% of the budget. At school level, the amount of funding would have little impact on a school's ability to develop its inclusive provision, and statements for higher level need would continue to drive funding.

To delegate Bands 1-6 would apply to 77% of all pupils, and 60% of the budget. But the pupils at Band 6 are smaller in number (356) and have higher level needs. To delegate, in Year 1 of a new delegation structure, such a significant proportion of the funding, incurs a risk that some mainstream schools may not be adequately prepared to provide for higher needs pupils. This will be reviewed in 12 months

To delegate all funding for Bands 1-8. The DCSF advises against the delegation of all SEN funding. The Local Authority has a range of responsibilities that require in-year responses, for example children who move into the area, or who acquire SEN. Comments for the delegation of Bands 1-6 also apply.

REASONS FOR SELECTING THE OPTION RECOMMENDED:

As set out above.

1. BACKGROUND

- 1.1 Following a report to the Scrutiny Committee and to the Executive of the Council on the future direction for Additional Needs, the Executive (on 6th October 2009), determined that a consultation exercise should take place on a four fold framework of Principles that

would drive the future of educational provision for children with Additional Needs. The principles were:

- (i) Inclusion – all children should be in a local school with learning designed to meet their needs so that they can achieve their full potential
- (ii) Localisation – the provision of a range of partnership services to meet need in localities rather than across the County
- (iii) Personalisation – early and fast access to services to meet the whole child's needs and those of the family (if appropriate)
- (iv) Effective resources – effective use of resources (removing unnecessary bureaucracy)

1.2 In Lincolnshire, Additional Needs is consistent with the terminology “special educational needs” that is more commonly referred to in legislation and national guidance. Special educational needs include behaviour, emotional and social difficulties, where these difficulties create difficulties in learning.

1.3 In October 2009, a presentation, titled “Directions of Travel”, was given as part of a consultation process, to every Head Teacher, the Children and Young People's Strategic Partnership and to Governors. A meeting took place with the Parent and Carers Council.

1.4 The work was undertaken to achieve a more stream lined process to get resources to children with additional needs through quicker and earlier access to support services in schools and the redirection of resources to ensure that money is spent on services not bureaucracy. This was against a background of Lincolnshire having the second highest number of pupils with special educational need statements regionally and the fourth highest cost, with an increasing number of statements being issued. The funding for School Action and School Action plus was also delegated to schools in April 2004 without any monitoring of collective or individual support arrangements for schools.

1.5 The stakeholder's group recommended that statements could be reduced by delegating the money to schools so that Head Teachers have more control over the resources they employ to meet need and the ability to work in partnerships to pool resources and build capacity in the locality .This would enable schools to develop different models of intervention to meet need. It would ensure a more equitable means of funding for special educational needs in mainstream schools with fair and transparent arrangements for support and greater consistency of practice between schools rather than a dependency on individual statements of need. In turn this would also promote a more inclusive culture and less labelling of children from an early stage with increased focus in the long term of maintaining children in mainstream school within their locality thus preventing high amounts of travel across the county. Moreover it would also free up other professionals from contributing to the statement application. The commissioning arm of NHS Lincolnshire reported that increasing resources were being utilised for the provision of medicals to support the growing number of applications for statements.

1.6 Delegating funding with close scrutiny of spend (and will now include School Action and School Action Plus) would also serve to promote a more stable workforce of learning support assistants to children as the funding would no longer be attached to the individual child , ceasing when the child moves from one education phase to another.

The Stakeholders' Group

- 1.7 The Principles were widely endorsed by head teachers, officers and staff working within Children's Services. Stakeholder responses were concerned at the way in which the Principles would translate into Practice. With this in mind, a representative Stakeholders' Group was established to steer the "Direction of Travel", using the Principles as a guiding framework.
- 1.8 Their work has focused on the delegation of funds for statements to mainstream schools. It has also considered related matters including the need to monitor the use made by schools of delegated funding and the role of SEN support services, including outreach.
- 1.9 The most significant of these areas has been that of the delegation of funding for statements, in terms of its potential ability to enable more responsive and faster access to services for children and young people with decision making at local level. This is consistent with the four Principles.

Funding and statements of special educational needs

- 1.10 The funding for pupils with special educational needs is acknowledged nationally to be complex. The inter-relationship of the school funding scheme and the statutory regime of assessment and statementing (Education Act 1996) is fraught with difficulties. The core focus of a funding approach should be to meet pupil need and support improved pupil outcomes. A robust funding scheme will ensure that funds are distributed equitably, and in an open and transparent manner.
- 1.11 A statement of special educational need determines what special educational provision a school should make for a pupil. Guidance issued by the Audit Commission in 2003 and the DCSF in 2004, encourages the separation of the funding process from the statementing process. This means that to see a statement as a means to secure increased funding is not what the guidance and legislation intends.
- 1.12 Most Local Authorities follow DCSF advice which is to retain an amount of money to respond to higher level, very low incidence need, which occurs "less predictably" and requires very high levels of support. The advice recommends that Local Authorities put in place systems to manage a small amount of funding that is not delegated for higher level needs and unforeseen circumstances.
- 1.13 Fewer statements mean that support service time is not so occupied in writing reports to satisfy the statutory requirements, and there will therefore be more time to spend in supporting schools to develop and improve their own arrangements for special educational need, and to assist schools in improving pupil progress. It also means that schools will have a lower level of bureaucracy to deal with in relation to managing the statement annual review process and producing evidence for statutory assessment.
- 1.14 The DCSF Management of SEN Expenditure makes explicit recommendations to Local Authorities in relation to delegating resources to mainstream settings and putting in place a monitoring and accountability strategy to ensure that a focus is sustained on the pupils for whom the funding is intended. Paragraph 1.17 and 1.18 of this report

sets out the key elements of our approach to quality assurance that will ensure all children with additional needs receive their appropriate levels of support and how schools will be held to account.

Formula Indicators

- 1.15 There is a high correlation between special educational need and social deprivation factors. There is also a correlation between prior attainment scores and special educational need. These factors are used nationally to distribute delegated funds to schools for special educational needs.
- 1.16 After significant discussion and examination of data, cluster graphs and information provided by the Council's performance and school funding teams, a working group of the Stakeholder's Group reached consensus that the key factors to be used to distribute funding for Bands 1-5 should be:
- The numbers of pupils claiming a Free School (10% of all pupils are currently registered for free school meals, 99.4% of whom take up the offer). The increased provision of hot school meals has meant a major increase in their take up .The uptake of Free School meals is expected to increase with the upgrade of kitchen facilities and national changes to entitlement.
 - A school-based measure of income deprivation, based on each pupil's home postcode.
 - Relative prior attainment of pupils using:
 - Early Years Foundation Stage, and
 - KS1 Teacher Assessments for Primary Schools
 - KS2 Test results for Secondary Schools
- 1.17 Prior attainment measures will focus on pupils not achieving the expected levels of attainment in the core subjects of English and Maths. As previously highlighted through inspections, Lincolnshire has prioritised the need to improve performance of the primary sector which has not historically met targets. This approach will contribute to the objective through targeting resources at attainment levels.

Delegation Threshold

- 1.18 The Stakeholder Group has considered detailed information in reaching its view that it is appropriate and sensible to delegate funds for Bands 1-5 to mainstream schools. The "Alternatives Considered" section (above) summarises the rationale.

Transitional Protection

- 1.19 In 2010/11 it is proposed that transitional arrangements apply whereby schools who may lose funds and schools who may gain, are protected within a defined upper and lower (win and lose) limit. The Transitional Protection will last for the year, and schools will know what new budget share they will move to after this time.

Scrutinising and Monitoring

- 1.20 A significant report, "The Lamb Inquiry: Special Educational Needs and Parental Confidence" (DCSF 2009) makes many references to the link between making effective provision for pupils with SEN, delegating funds and monitoring outcomes for pupils. The focus on accountability and monitoring is identified as being particularly important to parents, and to the strategic management of SEN by Local Authorities.
- 1.21 The Local Authority will monitor the use made by schools of delegated SEN funds and the related outcomes for pupils. This will be done by the application of Lincolnshire's strategy for School Improvement procedures, and will include:
- (i) Regular analysis of data by the Performance Management Team, and intervention where concerns arise:
 - number % increase in statements
 - number % increase in the numbers of permanent and fixed term exclusions of children with SEN / statements
 - number % increase in the numbers of pupils attending special school
 - number % increase in numbers of pupils supported at Bands 6-8
 - progress of children with SEN
 - (ii) Through the support and challenge provided by the School Improvement Service, holding schools to account for the progress made by individual children with SEN and cohorts of children with SEN.
 - (iii) Analysis of school inspection reports, including giving particular attention to specific references to progress of and outcomes for children with SEN.
 - (iv) Scrutiny of Part 3 of each child's statement at annual review, ensuring that specified provision has been delivered by the school.
 - (v) A co-ordinated approach to monitoring complaints made and concerns raised by parents and carers of pupils with SEN, drawing information from the Parent Partnership Service, Additional Needs Service and Lincolnshire School Improvement Service.
 - (vi) Referral to the Local Authority "Schools Causing Concern" meetings under the Strategy for School Improvement. Where schools are failing to meet the needs of Children the Local Authority will use its own intervention procedures and if necessary statutory powers to ensure the funds are appropriately used.
 - (vii) The Annual report to Governors on expenditure for SEN and its impact.
 - (viii) Initially, monthly reports to Executive DMT on the use made by schools of delegated SEN funds, and its impact on pupils and their progress.

2. CONCLUSION

- 2.1 Significant work has taken place between October 2009 and January 2010. A detailed dialogue has been developed with a representative group of stakeholders that has led to support for key actions set out in this report including a delegation of funding for

statement bands 1-5, applying criteria for delegation and transitional protection for 2010/11. it is proposed that the changes will be applied from April 1st 2010 as part of the budget share to schools.

- 2.2 These actions will, if supported by the Executive and implemented successfully by schools and education settings, result in a reduction in bureaucracy at school level, and children and young people with special educational needs, attending their local schools with appropriately resourced and personalised educational programmes with quicker access to additional support services.

3. CONSULTATION

- 3.1 The arrangements for consultation are set out in the body of the report. Proposals to Executive derive from close working with the Stakeholder Group, and have been subject to consultation with the Schools Forum

(a) Legal Comments

The Council has the power to agree the recommendations proposed. The decision is consistent with the Policy Framework and within the remit of the Executive.

(b) Resources Comments

The proposals set out in this report relate to school funding and so will be financed by the Dedicated Schools Grant (DSG). Transitional arrangements have still to be developed, but will be financed by using uncommitted funds, or headroom, available from the 2010/11 DSG. With a move from one system of funding to another, it is inevitable that there will be gains and losses in individual schools, but the intention is to introduce transitional arrangements to minimise those gains and losses in the first year and also to minimise the potential impact upon the schools redundancy budget. Under current DSCF¹ regulations, the implementation of these proposals is likely to require approval by the Secretary of State whom, in reaching a decision, will have regard to the extent of local support for the proposals, including from the Schools Forum.

(c) Scrutiny Comments

This paper will be presented to the Children and Young People Scrutiny Committee on 22nd January 2010 and a verbal update will be provided at the meeting.

(d) Executive Councillor Comments

It is very important that we get resources to children with additional needs quickly with earlier access to support services. Delegating money to schools will enable Head Teachers to be able to provide support to pupils quickly and effectively when needed. However it is important that the Council has very robust monitoring procedures in place to ensure the money is being spent on pupils with additional needs. I support the recommendation to delegate funds to schools and support the future development of the Additional Needs Strategy.

(e) Local Member Comments

Not Applicable.

(f) Policy Proofing Actions Required

Not applicable.

4. APPENDICES

None.

5. BACKGROUND PAPERS

The following background papers as defined in the Local Government Act 1972 were relied upon in the writing of this report.	
DOCUMENT TITLE	WHERE THE DOCUMENT CAN BE VIEWED
The Management of SEN Expenditure (DCSF 2004)	Additional Needs Office, 9-11 The Avenue, Lincoln (www.dcsf.gov.uk/sen)
SEN Management Handbook for Local Authorities (Audit Commission 2003)	Additional Needs Office, 9-11 The Avenue, Lincoln
The Lamb Inquiry: special educational needs and Parental Confidence	Additional Needs Office, 9-11 The Avenue, Lincoln (www.dcsf.gov.uk/sen)
Notes of Stakeholder Meetings November 2009 – January 2010	Additional Needs Office, 9-11 The Avenue, Lincoln
Presentation slides for Direction of Travel consultation meetings	Additional Needs Office, 9-11 The Avenue, Lincoln
Education Act 1996	www.opsi.gov.uk
SEN and Disability Act 2001	www.opsi.gov.uk
SEN Code of Practice (DCSF 2004)	Additional Needs Office, 9-11 The Avenue, Lincoln

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