

SEND Programme & High Needs Budget

1. Executive Summary

The purpose of this paper is to provide Cabinet with an update on:

- How work with the SEND Local Area Strategy and SEND System Reforms is impacting the High Needs Deficit Recovery plan
- The progress of the Department for Education (DfE) Delivering Better Value (DBV) programme and the early findings from this work
- Explain the further investment being sought to support inclusion in mainstream settings - DBV grant, disapplication from Schools Block money and continued investment in top ups for mainstream and special schools - and the potential approaches to support this.

The outcomes for children and young people with SEND in Oxfordshire are not good enough. In addition, in the past five years, spending in Oxfordshire on children and young people with SEND has exceeded the available budget.

SEND (High Needs) expenditure is forecast to exceed the grant funding available by £25.0m in 2024/25. The cumulative deficit by 31st March 2024 is forecast to be £62.3m.

Thanks to the work which took place in 2022, there is now a clear and public-approved Local Area SEND Strategy to help frame the changes required, as well as a number of approved System Reforms.

Significant progress has taken place over the last year in many areas including:

- activity planning with system colleagues around the Local Area SEND Strategy
- enhanced pathways in mainstream education for children with SEND - five programmes have taken place with great outcomes, including forecast savings of £0.45million
- development of partnership working with Health (health funding protocol and special schools nursing contract are in the process of being finalised).
- as per the 2022 public SEND consultation regarding the transfer of resource bases to schools, positive engagement with schools is underway and full staff consultation will be held accordingly.
- ongoing progress on the build of two special schools and free school funding proposals submitted to the DfE for two further schools.
- engagement with Oxfordshire colleges is ongoing to establish enhanced post-16 opportunities in Oxfordshire.

In addition, there is ongoing insight and support via intensive engagement with the DfE DBV programme. The DBV programme has confirmed and provided evidence for

areas of change already identified, as well as bringing to the surface several areas to explore further.

2. Background

2.1 National Policy

It is clear that the government will use the outputs from the DBV programme to inform any future policy, which highlights the importance of our ongoing commitment to this programme. However, it is also becoming clear that changes in national policy will be incremental not revolutionary, and that no new funding will be provided in the short term. Therefore, there are very few available options and OCC will need to use available resources creatively to lever the greatest possible impact.

2.2. Statistical Neighbour and National Benchmarking

Oxfordshire's High Needs block allocation per 1,000 of the 2-18 population is rising, but still remains below Local Authority average both nationally (England) and compared to statistical neighbours.

The proportion of young people with Education, Health and Care (EHC) Plans has grown by over 40% over the past 3 years, a similar rate of growth to statistical neighbours, but the overall rate is still below the national (England) average.

In Oxfordshire the number of EHC Plans has risen from 2,027 in 2015/16 to a forecast 6,506 in this year, 2023/24. This is an increase of 221% so although central government has increased the allocation for SEN to Oxfordshire by 49% over the same period, this has fallen considerably short of the increased demand.

Oxfordshire has a higher proportion of children with EHC Plans in a mainstream setting than the national Local Authority average and a higher proportion than most statistical neighbours.

2.3. Forecast Deficit

The forecast deficit for SEND is set out in the table below. The High Needs Board has developed plans (including plans to increase special school places), to deliver the savings over a five-year period, but these are insufficient to remove the High Needs deficit.

The forecast deficit is based on existing savings plans. The DBV exercise has confirmed the spend trajectory for Oxfordshire is in line with the existing forecast. The next stage of DBV DMP is to complete a redrafting and reprofiling of the plan to be progressed and delivered over a two to three year timeframe. This exercise may change the focus of savings activities.

2.4. DfE Support & Advice

The DfE have a SEND support programme that consists of Safety Valve Agreements for those local authorities with the highest deficits and DBV programme for the remaining deficit authorities. A Safety Valve arrangement attracts funding from the DfE to help deal with the SEND cumulative deficit. Oxfordshire does not qualify for the DfE Safety Valve scheme. The DfE have recently published details of the latest Safety Valve agreements that give an insight into thinking consistent with the Green Paper.

Oxfordshire was successful in lobbying to be included as part of Tranche 1 of the DBV Programme and qualify for the Safety Valve arrangements. This was based on the trajectory of the High Needs deficit.

Engagement with the DfE contracted consultants Newton Europe and more recently, CIPFA have led to a requirement to revise the Deficit Management Plan (DMP) and re-profile the programme spend and target mitigations / cost reduction savings over 2/3 years.

The savings that form the High Needs Deficit Recovery plan are summarised in the annex. The key contribution to deficit recovery is the expansion of Special School places and the impact that Early Intervention and Inclusion Hubs may have. Early Intervention proposals and the potential impact of Inclusion Hubs and other approaches form part of the bid for DBV grant.

3. How Local Area SEND Strategy and System Reforms are Impacting the Deficit Reduction Plan

3.1. Build New Special Schools & expand places where possible

Expansions continue. Two new builds in progress and two in planning. Based on current data, it has been established that up to 700 new special school places will be required (ages 4-19) by 2026. This assumption will continue to be tested in conjunction with the data analysis taking place in the DBV Programme. A plan is being developed, which includes new schools at Bloxham Grove and Faringdon, progressing with the new school in Didcot through a bid to the DfE for a Free School, and continuing with a rolling programme of expansions where feasible. Property Services are engaged in a site search suitable for a further new school to support pupils with SEMH (social, emotional and mental health) needs in the southeast of Oxfordshire, also to be the subject of a Free School bid, and if the need is confirmed by data analysis, potentially two further new schools. This project will require considerable investment, £19m has been allocated from the High Needs DfE capital grant over the next three years. Two Free School bids have been made in latest round and the outcome is expected in January 2023.

3.2. Enhanced pathways

Five programmes have taken place with significant impact, including forecast savings of £0.45m.

Further funding would be targeted at the creation of In-reach/Out-reach Inclusion Hubs, which from initial modelling have the potential to support more children locally, meeting needs at an earlier stage and avoiding the escalation to specialist provision. Business case based on case reviews suggests that some young people could be prevented from escalating to more expensive placements. Early modelling suggests a saving up to £5.6m over 5 years but this estimate will be reassessed as part of the DBV analysis.

Ongoing investment for this project is subject to the success of the bid for DBV grant and the Dedicated Schools Grant (DSG) block transfer application to the Secretary of State

3.3. Early Intervention

Further work would focus on building confidence in schools for working with CYP with SEND. Modelling of the financial impact will be completed as part of DBV programme. Activities may include expanding the reach of SEND Helpdesk, further training and support to school to implement the Ordinarily Available Toolkit and Inclusion Support. All initiatives are aimed at supporting schools to deliver a robust graduated approach, meeting the needs of children and young people with SEND at the earliest opportunity.

3.4. Resource Bases

Following on from the Local Area SEND Strategy and system reforms consultation, regarding the transfer of resource bases to schools, positive engagement with schools is underway and full staff consultation will be held accordingly.

3.5. Specialist Colleges

To create a right sized model through reviewing the current Independent Specialist Provider and re-establishing the pre-annual review process. Key activities have been determined, with a plan in progress. Meetings have commenced with colleges to ascertain courses on offer. These savings may come earlier as reviews taking place

3.6. Preparing for Adulthood

Long term project to develop alternative education and support services in County.

3.7. Contract Renegotiation

To date a rationalisation in line with demand for Alternative Provision places / top up has resulted in £0.4m savings, with a £0.2m impact on financial year 2022/23. This has exceeded the £0.3m target.

A revised paper on Alternative Provision will be taken to Schools Forum in the next quarter and a high-level plan will be drafted. A category management spend review will be undertaken to analyse the service, reduce spend, develop alternatives and review packages to see whether some children could return to mainstream education.

Independent Non-Maintained Specialist Schools (INMSS) contracts: Oversight of procurement/contracts for INMSS providers is required by contract management specialists in order to ensure that fees, including uplifts are managed strategically, allowing more accurate financial forecasting and ensuring principles of best value. Anticipated savings to be modelled. Procurement activity is also needed beyond the framework that we have joined as this alone is unlikely to provide adequate capacity.

Health Funding Provision: A review of Health funding for provision currently covered by schools is taking place. An agreed protocol has been drafted, which establishes the correct proportion of funding to be provided by Health. This also includes a contribution to INMSS placements. It is hoped that a final draft will be complete by the end of the year and approval will be sought from the Joint Commissioning Executive by the end of January 2023.

4. Delivering Better Value Programme - Progress & Key Drivers for our Current Position

The revised DBV DMP submitted to DfE on Friday 19 January 2024 contains details of unmitigated forecasts, areas driving spend and keys areas of focus for cases studies (Special Schools Inreach / Outreach, Enhanced Pathways, Relational Schools, and Behavioural Inclusion). Case studies, parent carer surveys and data deep dives took place during 2023 to gather further insight.

The revised final plan will be completed in the next 3 months.

The work with the DBV programme has helped to confirm several key areas of SEND expenditure, and possible drivers for this expenditure. The intention is to investigate these further, as part of the implementation plan and DBV funding proposal to the DfE:

- i. Independent Non-Maintained Special School (INMSS) expenditure represents the highest area of growth over the next 5 years and is driven by number of EHC Plans. (Current spend is c.£25m on 450 children/young people)
- ii. Mainstream expenditure is the second highest forecasted spend in the next 5 years and is driven by increasing number of EHC Plans Page 384
- iii. Of the number of EHC Plans in INMSS, the caseload is primarily driven by children and young people (CYP) with pre-existing EHC Plans who move provision.
- iv. Of the number of EHC Plans in mainstream, the caseload is primarily driven by new EHC Plan starts.
- v. Oxfordshire already has a comparatively low rate of EHC Plans compared to statistical neighbours and is below the national (England) average. This suggests that there is minimal opportunity in supporting more CYP with SEN support if the target is what has been achievable in similar authorities.
- vi. From work with the DBV programme, escalation of provision has contributed to the rise of EHC Plans in special schools. Amongst the parents and carers with children that moved from mainstream to specialist provisions, the driving factor most commonly cited behind these moves is a perceived inability to meet need by the mainstream setting.
- vii. Confidence in the ability to meet need is low across all key stages apart from in KS5 (post 16) settings and nursery. This reflects earlier findings that EHC Plans spike in transition years.
- viii. There are, however, always cohorts of parents and carers who are happy with the support their child is getting. This is reflected in the survey comments, suggesting that there may be opportunity to ensure greater consistency in how students with SEN are supported across schools and educational settings.
- ix. The escalation of EHC Plans to specialist provision is more prominent in certain settings and merits further investigation.
- x. Initial findings from case reviews and deep dives suggest there may be the potential to achieve a significant reduction in INMSS placements and for those children whose needs could be met or improved in other local settings. Further investigation is taking place around this.

5. Investment/Enhanced Funding strategy

Outlined below are the approaches to enable expansion of project work with schools and continue to enhance pathways in mainstream education.

The service will develop partnerships to create the implementation plans for early intervention, including how impact would be measured:

- Inreach / outreach hubs for primary age SEMH needs.
- Whole county training in trauma informed practice.

- Specialist team that can be deployed to carry out short term direct work with teachers and teaching assistants.

