

Date of meeting:	15 th March 2018
Title of report:	Supporting children and young people who have special educational needs and/or disabilities (SEND) Allocation of E3 resources: non-statutory and exceptional funding
Type of report: Delete as required	For discussion
Executive summary: Including reason for submission	This paper proposes a pilot for allocating funding at a non-statutory level in order to get resources to children and young people more quickly.
Budget / Risk implications:	The cost of the proposal is unknown; there are clear eligibility criteria, requests will be reviewed by Head of SEN/ Head of ISS and amounts are capped at a maximum of £3,000 per annum. The local authority also retains the right to withdraw the pilot if, in its view, it becomes financially unviable.
Recommendations:	To endorse the proposal to pilot a new method of allocating E3 resources for non-statutory and exceptional funding.
Voting requirements:	None
Appendices: To be attached	Appendix A: Risks and Benefits (attached)
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Presenting officer: If not the originator	Jane Le Sage , Assistant Director, Inclusion and Howard Emmett, Assistant Director, Strategic Resources

Allocation of E3 resources: non-statutory and exceptional funding**1.0 PURPOSE OF THE REPORT**

- 1.1 Local Authorities (LA) should use their High Needs Block (HNB) to provide the most appropriate support package for individuals with SEND in a range of settings, whilst avoiding perverse incentives to over-identify high needs pupils. However, in North Yorkshire, as in the broader national context, there is a rise in requests for Education, Health and Care needs assessments. At the same time, children and young people (CYP) identified as requiring SEN support in schools is reducing.
- 1.2 There are numerous factors that could be influencing this position but, for the purpose of this report, there is a focus on the possibility that schools may need responsive financial support to meet the needs of specific groups of children in the short term and maintain them at SEN Support.
- 1.3 This report will explore the potential of allocating funding at a non-statutory level in order to get resources to children and young people more quickly, thus avoiding a 20-week statutory process and potentially slowing the rise of requests for Education Health and Care Plans (EHCPs).
- 1.4 The funding system in North Yorkshire sets out to:
- i. Be open and transparent.
 - ii. Distribute resources equitably between maintained schools, free schools and academies.
 - iii. Support inclusion within mainstream settings wherever possible.
 - iv. Enable needs to be met as early as possible without the need for an EHCP

2.0 BACKGROUND

- 2.1 The high needs block covers:
- Children (aged 0-5) with SEND whom the LA supports from the HNB (some of these may have an EHCP).
 - Children and young people (aged 5-18) with high levels of SEN in schools/ settings who receive Top-up funding from the HNB (most, but not all, of these will have an EHCP).
 - School-age Children and young people placed in alternative provision by local authorities or schools.
 - Young people (aged 19-25) in Further Education (FE) and specialist post-16 institutions (SPIs) who require additional support costing over £6,000 (all of these will have an EHCP). If aged 19-25 without an EHCP, LAs must not use their DSG to fund these students.
- 2.2 The current funding structure consists of three main elements, the first of which relates to all CYP, the second two relating to CYP with SEND.

Element 1: Core education funding that is allocated to every child or young person, directly into school budgets. This funding is often referred to as the 'Age Weighted Pupil Unit' (AWPU). It is provided from the Dedicated Schools Grant (DSG) and is on

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average around £4,000 per pupil. This funding is intended for school infrastructure costs for example to cover maintenance of buildings, heating and lighting and the core curriculum available to all children and young people in the school.

Element 2: Additional support funding. This is additional support funding used by schools and settings to provide for children and young people with SEND who require additional support to access learning. This funding is delegated to schools using a formula that takes into account factors such as social deprivation, demographics, free school meals, and levels of attainment.

Element 3: Top up funding. In North Yorkshire, this currently only relates to CYP with an EHCP. Funding is allocated through the Can-Do Online, the LA's Resource Allocation System (RAS) that has been developed over the course of the SEND reforms and implementation. The CAN-Do Online has been agreed by North Yorkshire Education Partnership (NYEP), which consists of key stakeholders from schools, elected members and other key stakeholders. This funding is targeted at children and young people with the most complex needs and who require the most individualised provision.

- 2.3 Currently, schools are expected to fund the first £10,000 of any pupil's provision before applying for additional funding (Element 3). This means that for any additional support, above core provision, there is an expectation that schools meet the first £6,000 of such provision.
- 2.4 Element 2 funding is not specifically targeted at individual pupils. However, schools are accountable for the use of this money and, as such, are required to demonstrate how they have used/ are using this if requesting additional resources.

3.0 PROPOSAL

- 3.1 The following proposal seeks to provide short-term funding in specific circumstances in order to:
- i. Effectively and responsively meet a child's needs;
 - ii. Support schools to mitigate short-term high needs and enable a speedy response outside of the statutory process;
 - iii. Effectively and efficiently use the HNB funding resource. If a child requires short-term funding and there isn't a mechanism to provide this, the school will submit an EHCAR. Where a child goes on to be issued with an EHCP we know that this is likely to be of a significant duration and there are resource commitments for both the school and the LA in terms of statutory duties. If a responsive short-term solution can meet the need, this is more effective use of resource (both time and finances) for both the school and the LA.
- 3.2 Where a child has long-term, high-level Special Educational Needs the LA is committed to supporting them through an EHCP. This proposal does not seek to reduce the number of children who require an EHCP from receiving them.

ELIGIBILITY

- 3.3 The following groups are proposed as being subject to this funding proposal:

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- i. **Moved-in students** (particularly from military families) where the information received by the LA may not be in the form of a statutory EHCP so they will be placed in their local mainstream school. Needs may very quickly be identified and a responsive mechanism is needed to support the school whilst an assessment takes place. This group is the only group where the graduated response may not be appropriate and where there is a likelihood that the child will require an EHCP longer-term.
- ii. **Transitional support.** High needs are identified at transitions (likely to be phase transitions) where the student requires additional support over and above the notional SEN allocation in order to successfully make that transition.
- iii. **High needs that are time limited** – such as those resulting from emotional trauma or significant life events. Additional support over and above the Notional SEN allocation is identified to support the child through that period and return them to the same level of access to education as previously.

PROCESS

- 3.4 Schools will be expected to demonstrate two cycles of the graduated response before being eligible to apply for this funding. Exception criteria will apply if the school can demonstrate that two cycles of a graduated response would be detrimental to the child and/ or may lead to exclusion. This exception criteria may apply in the case of a moved-in child or a very sudden trauma that could not be predicted and urgently requires support outside of the notional SEN support available in school.
- 3.5 Schools will complete an SEN Support Funding Request form (to be developed) and submit to the SEN Admin team. This request form will clearly state:
 - i. What support is required
 - ii. What the outcome of the support will be
 - iii. The timescale of the support
 - iv. The cost (there must be evidence that the need is more than could be met from within the school's notional SEN budget)
 - v. Analysis of risks of not providing the funding
 - vi. Attach My Support Plan demonstrating provision and response to date and evidencing 2 cycles of graduated response (unless met exception criteria for 5a)
- 3.6 Requests will be reviewed by the Head of SEND and the Head of ISS on a weekly basis to ensure a timely response.
- 3.7 School will be notified of the outcome and the request passed to finance, if approved.
- 3.8 The governance process is to be determined but the proposal is for a termly report on progress towards outcomes, an audit of results of the funding and a full paper back to the High Needs Funding Sub-Group at the end of the pilot.

Allocation of E3 resources: non-statutory and exceptional funding**PARAMETERS OF THE PILOT**

- 3.9 The parameters of the pilot are proposed as follows:
- i. A maximum of two terms with the opportunity for a one term extension by review if outcomes are not achieved within the initial two terms;
 - ii. Maximum funding of £3k per annum per child (rather than establishment). Funding will be based on interventions to achieve a specific outcome for children and young people. It could be for a shorter-term, intensive piece of work, or it could be for a specific programme. The request needs to be clearly linked to the outcomes the school expects this to achieve.
 - iii. The request form needs parent/ carer/ young person signature and consent and evidence that they are aware of, and engaged with, the support on offer and the desired outcomes of that support.
 - iv. The pilot will run until 31 December 2019 and will be subject to evaluation before it continues beyond that date.

QUALITY ASSURANCE AND MONITORING

- 3.10 The Head of Inclusion Support Services ensures that support requested is appropriate, evidence-based and sufficient. This may include involvement from the Inclusion Support Services team in providing support. The Head of SEND will ensure that best value is considered and funding is challenged. A termly audit and report from schools will be required and there will be a full report to the High Needs Funding Sub-Group at the end of the pilot.

RISKS

- 3.11 A new system to allocate funding will have some element of unknown consequences. Monitoring the impact of this on budgets and outcomes will provide further intelligence about whether the approach is viable and if it should, or should not, be extended.
- 3.12 Predicting demand for this proposal – and therefore cost - is challenging as take-up is unknown. The eligibility criteria, capping of maximum amounts and robust challenge from senior managers mitigate potential financial overheating. In addition, as a pilot, the local authority must retain the right to withdraw the pilot if it becomes financially unviable. A summary of the risks and benefits of the proposal is included in **Appendix A.**

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funding**

- 3.13 The SEND Team will need to monitor use of the funding that the LA allocates to ensure it is being utilised in an efficient and effective manner. This will mean that capacity is ensured to do this effectively. LA officers will, on occasion, be required to visit a school to check on the provision for children and young people with SEND. This may be as part of a random sample or more targeted if issues have been raised about the school. Any system that is in place would require the same oversight so this does not add to what should be happening already.

4.0 RECOMMENDATIONS

- 4.1 Members of the North Yorkshire Education Partnership are asked to note and comment on the proposals.

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APPENDIX A: RISKS AND BENEFITS

Aspect	SEN Support funding impact	Consideration
Financial implications	<ul style="list-style-type: none"> 👍 Could halt the rise in requests for assessment. 👍 Potentially reduce numbers going to appeal. 👍 Could reduce numbers of EHCPs that go into post statutory education. 👎 Budget pressures could escalate. 	
Aspect	SEN Support funding impact	Consideration
Early identification and meeting needs	<ul style="list-style-type: none"> 👍 Enables strategies to be put in place, ensuring that identified needs are met early, leading to improved outcomes and less cost later on. 👍 Enables quick and flexible approaches to meet unique circumstances. 👎 Schools may see this as easy access to additional resources at a lower level. 	
System capacity	<ul style="list-style-type: none"> 👍 Potentially reduce numbers going to appeal, alleviating LA officer capacity issues. 👍 Potentially reduce ARO & admin responsibility for annual review etc 👎 Would result in two separate (but linked) administrative routes, increasing LA officer time. 	
Aspect	SEN Support funding impact	Consideration
Budget monitoring and reporting	<ul style="list-style-type: none"> 👍 Two systems focusing on different elements could provide more detailed analysis. 👎 Has capacity implications due to two systems being in operation. 	
Moderation to ensure equity and fairness	<ul style="list-style-type: none"> 👍 Would provide better oversight to ensure QA and overall improved system. 👎 Increase of moderation would affect capacity of LA officers. 	
Scrutiny and transparency	<ul style="list-style-type: none"> 👍 Clear structure would support transparency. 👎 Has capacity implications due to two systems being in operation. 	
Locality role	<ul style="list-style-type: none"> 👍 Local accountability would provide greater understanding of schools/settings. 👎 Divergence at locality level could lead to disparity. 	Funding in locality areas needs to be considered but this process could easily transfer to locality governance arrangements.