

West Berkshire Schools' Forum	
Title of Report:	Funding of Therapy Services
Date of Meeting:	8th December 2014
Contact Officer(s)	Jane Seymour
For Decision	

1. Background

- 1.1 Speech and Language Therapy and Occupational Therapy services for children with Statements of Special Educational Needs are purchased by West Berkshire Council from the Berkshire Healthcare Foundation Trust and are currently funded through the Education Service Budget.
- 1.2 Although health therapy services in West Berkshire have traditionally been paid from education revenue budgets, the majority of authorities are now meeting these costs through the DSG. Health therapies can qualify for DSG funding under the social inclusion heading as these therapies aid specific children to access education.
- 1.3 In the context of significant savings which have to be made in the Council's budget in 2015-16 and beyond, it is unlikely that it will be possible to sustain this funding and these essential services could therefore be under threat. The Education Service is required to make savings of £1.1 million against a budget of approximately £11 million.
- 1.4 Savings in 2015-16 include proposed cuts to the budget for therapy services; therefore there will be cuts to therapy services if they continue to be funded from the Education Service budget.

2. Responsibility for funding speech and language therapy and occupational therapy for children

- 2.1 The NHS has responsibility for funding speech and language therapy and occupational therapy for children who require a therapy service but do not have a Statement of Special Educational Needs or EHC Plan. The NHS also has responsibility for funding these services for children who do have a Statement of Special Educational Needs or EHC Plan if the therapy is required for medical / health reasons as opposed to educational reasons. (For example, some children with certain disabilities may require speech and language therapy to improve their feeding and swallowing, which would be regarded as a medical need).
- 2.2 Local Authorities have responsibility for funding speech and language therapy and occupational therapy for children who have a Statement of Special Educational Needs or EHC Plan if the therapy is required to meet the child's educational needs and to help them to access the curriculum. The nature of speech and language therapy and occupational therapy is such that (unlike physiotherapy) there are very few cases where it can be

argued that the required therapy input is a health / medical need rather than an educational one.

2.3 These respective responsibilities have been clearly established through case law and are now embedded within the SEN Code of Practice. There is a wide spread misconception that Health has a duty to provide all therapy services for children but this is clearly not the case. Given the pressures on NHS funding, it is not realistic to expect that Health will fund more than they are legally required to provide.

3. Model of service delivery

3.1 Speech and language therapy and occupational therapy are provided at special schools, schools with resourced units and in mainstream schools.

3.2 The Berkshire Healthcare Foundation Trust (BHFT) has developed, with West Berkshire's agreement, an integrated service delivery model for therapies, now known as CYPIT (Children and Young People's Integrated Therapy Service). The rationale for this is that there is an overlap between the roles of speech therapists, occupational therapists and physiotherapists and that more integrated will therefore help to eliminate duplication and ensure that children receive the most effective support from therapy services. Children who are referred are now put through a triage system to determine which service they require and whether the case should be jointly worked by more than one discipline within the therapy service.

3.3 Some children receive direct one to one therapy, or small group therapy, if this is what they require. However, the general approach taken by BHFT is that therapy is more effective if it is integrated in to the child's day to day activities. The majority of children who receive a therapy service will therefore be following a programme designed and overseen by the therapist which is implemented by the school. An important part of the role of the therapists is therefore the provision of training for school staff. A variety of training courses are offered to schools by the CYPIT Service. This approach to service delivery is consistent with national practice and is based on research evidence that this is the most effective approach for most children.

4. Costs and value for money

4.1 West Berkshire purchases the following from BHFT:

Service purchased from BHFT	Hours per week purchased	Equivalent to FTE post	Cost of service
Speech therapy	183 hours per week	4.94	£246,000
Occupational therapy	51 hours per week	1.37	£58,000
TOTAL	234 hours per week	6.31	£304,000

The average cost per FTE post, *including service overheads*, is £48,177. Expressed as an hourly charge, this works out at approximately £25 per hour including overheads.

4.2 Within these costs, BHFT absorbs all of the service overheads including:

- Management of the service
- Clinical supervision of therapists
- Staff travelling expenses
- Recruitment
- Training including mandatory training to maintain professional registration
- Administrative support
- Premises costs of staff base
- Capital and revenue costs of IT equipment for staff
- Resources and equipment
- Locum cover for vacancies / long term sick leave / maternity leave
- HR, IT, Legal and Finance support for the service

4.3 An exercise has recently been undertaken, at the request of Elected Members, to determine whether it would be more cost effective to bring this service within West Berkshire Council and directly employ therapists. Detailed financial modelling of an in house service was undertaken. This demonstrated that an in house service would actually be more expensive than the service provided by BHFT. This appears to be because Health are absorbing some of the cost of overheads across the Berkshire wide therapy service and because they enjoy, as a large organisation, economies of scale, which would not be the case if West Berkshire were to set up its own, very small, therapy service.

4.4 Private therapy services charge a minimum of £60 to £70 per hour and sometimes up to £100 per hour.

4.5 It is therefore considered that the service provides good value for money.

5. Recommendation

5.1 The therapy services which are delivered to schools through the Council's contract with BHFT provide an important component of SEN provision for a large number of children. This includes direct one to one therapy for individuals and groups, setting and monitoring therapy programmes which are delivered by staff in schools, and the provision of training for school staff.

5.2 It is proposed that, in line with the practice in other Local Authorities, the costs of these therapy services are met through DSG so that they can be protected.