



Department
for Education

SEND funding: longer-term changes

Call for evidence

Launch date 13 November 2014

Respond by 27 February 2015

Longer term changes to funding for children and young people with special educational needs and disabilities (SEND) – Call for evidence

To Local authorities; schools and colleges; any other interested organisations and individuals.

Issued 13 November 2014

Enquiries to If your enquiry is related to the policy content of the consultation you can contact the Department on 0370 000 2288 or email: SEnfunding.CONULTATION@education.gsi.gov.uk

Contact details

If your enquiry is related to the DfE e-consultation website or the consultation process in general, you can contact the Ministerial and Public Communications Division by email: consultation.unit@education.gsi.gov.uk or by telephone: 0370 000 2288 or via the GOV.UK '[Contact Us](#)' page.

1. Summary

1.1 We are inviting interested individuals and organisations to help us work out ways in which we can distribute special educational needs and disability (SEND) funding more fairly.

1.2 We have put together a pack of data about children and young people with SEND, and how they have been funded and are funded now. We are interested in any analysis of this data, and conclusions you may draw, that would contribute to this work.

1.3 We would also be interested in any local evidence that would inform the national debate.

2. About this call for evidence

2.1 In July, the Minister for Schools, David Laws, announced changes to the distribution of funding for mainstream schools within local authorities' dedicated schools grant for next year to address some of the unfairness in the current allocations. He acknowledged that we will not have a completely fair education funding system until we also reform the distribution of funding for pupils with high-cost SEND, and explained that this would be a priority for reform during the next parliament.

2.2 As well as making the funding fairer, any funding changes we introduce must support the reforms to the wider system of support for children and young people with SEN and disability that were contained in the Children and Families Act 2014 and are currently being implemented by local authorities, schools and colleges.

2.3 We have no specific funding changes in mind, although we are planning for a distribution that is more formulaic, and less based on past levels of allocation that have become outdated, and on local decisions on spending that have partly determined how much is allocated. To help us move to a better basis for distributing this element of local authority funding in future, we have commissioned some research, which is being undertaken by Isos Partnership.

2.4 They are reviewing the available literature and data, and will be conducting in depth fieldwork in 13 local authority areas: Bromley, Bury, Devon, East Riding of Yorkshire, Gateshead, Herefordshire, Lambeth, Leicestershire, Manchester, Newcastle, Somerset, Southend-on-Sea, and West Sussex. This research will focus on finding new and improved formula factors for distributing funds relating to SEND from national to local level and from local level to institutions.

2.5 We are now inviting other interested parties to help us with this work and to provide answers to some other questions about how we can distribute SEN funding more fairly.

3. What evidence we are looking for

3.1 As part of this call for a wider range of evidence we are publishing a pack of data about children and young people with SEND, by local authority, including data on attainment, funding and health. These data sets have already been published elsewhere, and some are included in the [local authority interactive tool \(LAIT\)](#) that we published in January 2014, and which is used for benchmarking and other purposes.

3.2 We will be working on these data sets over the next few months as part of our wider work on how we might make the distribution of SEND funding fairer. We are making the data available in this form so that others can look at the data that we think might be relevant to SEND funding policy, and can carry out analysis of the data if they wish. We would be interested in any reflections and conclusions they may draw from such analysis, and hope they will share these with us.

3.3 Early next year more data will become available – for example, from local authorities' expenditure outturn statements for 2013-14 – and we will update the data pack with this information.

3.4 We would also be interested in any local knowledge that would inform the national debate. In particular, we would be interested in finding out why the same pupils and students with SEND, or pupils and students with very similar needs, can be assessed very differently in different local authorities; and how this has made a difference to the allocation of funding. We would welcome responses from groups of two or more local authorities on how they would assess and allocate funding to secure appropriate provision for examples of children and young people with SEND. Such comparisons could use actual examples of children and young people with different types of SEND who have moved and been treated differently, or hypothetical examples. We have included, in a separate document, some profiles of children and young people with SEND that Isos Partnership is using in their fieldwork discussions with local authorities. These profiles could be used as a starting point for any comparisons, but detail would need to be added to make sure there was a common understanding of the examples.

3.5 We are also including below some questions that we are keen to have answers to. Those responding to this call for evidence may wish to provide specific answers to some or all of the questions, but can instead provide a general response, using the questions as prompts.

4. Questions

4.1 The distribution of revenue funding for SEND:
Analysis of the published data may help suggest answers to some of these questions. In providing answers, please set out the supporting analysis as appropriate.

National to local level funding distribution

Q1. In moving to a fairer distribution of funding for SEND, which proxy factors other than those already included in the School and Early Years Funding (England) Regulations (e.g. low prior attainment, children from families entitled to free school meals) offer the best way of distributing funds from the Education Funding Agency to local authorities, or would these factors be adequate at this level of distribution?

Q2. Apart from using a formula, is there anything else we could do to make the allocation of funding for SEND to local authorities fairer? For example, how far should we take into account the pattern of provision that has developed in the locality, and the cost of that?

Q3. Are there types of SEND that are best handled above the level of individual local authorities and, if so, how might that best be dealt with in the funding system? Should collaboration between local authorities be encouraged through the funding system?

Local to institution level funding distribution

Q4. Are there other funding formula factors that could provide a good proxy for institutions' need to spend on children and young people with SEND? Are different factors appropriate for funding provision of support for those with high incidence low cost SEN and for funding provision of support for those with high level SEN? For each factor, are any perverse incentives associated with it?

Q5. It is less resource intensive to allocate funding on the basis of proxy measures or using pre-determined bands of funding, particularly if the necessary data collection mechanisms are already in place, but such allocation methods can fail to take sufficient account of individual circumstances and the cost of meeting pupils' and students' needs in the setting, particularly where the cost is comparatively high. How can the right balance best be achieved in allocating funding to institutions?

Q6. In what circumstances would it make sense for local authorities to be able to distribute some SEND funding to a level above that of individual institutions: for example to geographical clusters of schools, or to multi-academy trusts, leaving them with more discretion on the further allocation of those funds to individual institutions?

Q7. In distributing funding to institutions, which methodologies are most efficient and offer the best prospect of reducing bureaucracy, whilst at the same time make sure that money gets to the institutions that need it to support their pupils and students with SEND?

Q8. How are local authorities securing appropriate contributions from their social care budgets, and from local NHS budgets, and how should such contributions be taken into account in the distribution of education funding?

Q9. How will the way funding is allocated to institutions impact on local authorities' ability to offer personal budgets for SEND provision?

Q10. How are local authorities allocating funding to early years providers (schools as well as the private, voluntary and independent sector) for both low cost and high level SEND? Are authorities using the early years block of funding within the dedicated schools grant (DSG) or the high needs block? How are they calculating the funding required (e.g. are they using formula factors, or assessing the cost of support required on an individual basis, or taking a different approach)?

4.2 Local authorities' approaches to capital investment:

The data we have published and research we have commissioned are primarily about revenue funding distribution, but we are interested in how we can improve the funding of specialist facilities for pupils and students with SEND, where there is demand for new places or expansion.

Q11. What are the different approaches that local authorities are taking towards capital investment to create specialist provision – in special schools, special units attached to mainstream schools, and similar types of provision in academies and colleges – and what are the drivers behind these?

Q12. What sources of capital funding do local authorities use to create specialist provision, and what factors affect this?

Q13. What factors drive local authorities' decisions to invest capital in additional specialist provision – as opposed to using revenue funding for placements in existing mainstream/specialist provision, or placements in another local authority or in the independent sector?

Q14. Do local authorities take into account the cost of transport for pupils and students with SEND when making decisions about capital investment, and compare this investment with the cost of residential provision out of the area?

Q15. What specific criteria do local authorities use in allocating capital funding for specialist provision?

Q16. What data do local authorities collect and hold on current capacity and forecast pupil numbers for different types of specialist provision?

Q17. Do local authorities pool capital funding to create shared specialist provision? If not, should this be considered and what are the barriers?

Q18. What approach should the Education Funding Agency take in allocating capital funds for specialist provision?

5. How to respond

5.1 We would be grateful for views of any kind, and in any format, on this topic in the period up to the end of February 2015. Please use the email address that we have set up for this purpose: SENFunding.consultation@education.gsi.gov.uk.

5.2 Or send your response to:

SEN Funding Call for Evidence
Department for Education,
Infrastructure and Funding Directorate,
Sanctuary Buildings (4th floor),
Great Smith Street,
Westminster,
London,
SW1P 3BT

5.3 We will make sure that responses are brought to the attention of the Isos Partnership research team so that they can be taken into account as they conduct their work. We will also be arranging some seminars in January 2015 for discussion of the data and analyses, and would like to know by the end of November of any individuals who would wish to contribute to those. Please use the email address above to let us know if you are interested in participating.

6. Deadline

6.1 The call for evidence closes on 27 February 2015.



Department
for Education

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