
High Needs Block Savings / SEND Strategy

Report being considered by: Schools' Forum on 19th October 2020.

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Item for: Discussion **By:** All Forum Members

1. Purpose of the Report

1.1 The purpose of the report is to provide an indication of the savings opportunities arising from the SEND Strategy 2018-23 and to seek approval in principle for continued resourcing of the SEND Strategy Officer post, the Therapeutic Thinking Officer post, the new ASD Team posts and the increased Vulnerable Children's Grant, as these are all deemed essential to achieve long term savings in the HNB.

2. Recommendation

2.1 That the savings opportunities set out in the report are noted.

2.2 That agreement is given to make the SEND Strategy Officer a permanent post (currently funded to March 2022)

2.3 That agreement is given to extend funding for the Therapeutic Thinking Officer post for a further 3 years to March 2023 (currently funded to March 2021)

2.4 That agreement is given to maintain additional funding for the ASD Team (currently funded to March 2021)

2.5 That agreement is given to maintain the Vulnerable Children Grant at its current level (currently funded to March 2021)

Will the recommendation require the matter to be referred to the Council or the Executive for final determination?	Yes: <input type="checkbox"/>	No: x <input type="checkbox"/>
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3. Introduction/Background

3.1 The SEND Review carried out in 2017-18 led to the production of the West Berkshire SEND Strategy 2018-23. The Strategy was coproduced with parents and all relevant partner agencies including schools, FE Colleges, early years settings, the Clinical Commissioning Group, the Royal Berkshire Hospital Trust, the Berkshire Healthcare Foundation Trust, Children and Adults Social Care and the voluntary sector.

3.2 The purpose of the SEND Strategy is to ensure that children with SEND receive the best possible services, delivered as cost effectively as possible and as locally as possible, and that they achieve good life outcomes including:

- Access to paid employment wherever possible
- Living as independently as possible
- Being socially included in their local communities
- Having their health needs met

3.3 The SEND Review identified that the proportion of children with Education, Health and Care Plans attending mainstream schools was reducing, the number of special school placements was increasing, particularly for SEMH and ASD, that the number and cost of FE College placements for young people with SEND was increasing and, whilst there were improvements in access to employment for young people with SEND, there was more work to be done in this area. The effectiveness of processes for transition to adulthood was also identified as an area for development, as was access to health services including mental health support.

3.4 Five key objectives were identified for the SEND Strategy

- To develop the capacity of mainstream schools to meet the needs of children with SEND
- To develop the continuum of local provision for children with SEND, including MLD, ASD and SEMH
- To improve the post 16 SEND offer in the local area for young people with SEND and increase their access to employment
- To improve transition to adulthood, in particular in relation to Social Care and Health Services
- To improve the physical and mental health and wellbeing of children with SEND

3.5 The SEND Strategy sets out a number of priority areas under each objective and a range of actions to support the objective. More detailed action plans for each objective were developed with partners in early 2020 and were agreed by the SEND Strategic Partnership Board in March 2020.

4. Supporting Information

4.1 The SEND Strategy seeks to provide good quality local services for children and young people with SEND, and improve their life outcomes, whilst at the same time making best use of resources and reducing pressure on the High Needs Block Budget.

4.2 Each of the five objectives in the SEND Strategy is associated with potential cost savings although it is difficult to predict with complete accuracy what savings could be made.

4.3 The Invest to Save bids agreed by the Schools Forum for 2020-21 will all contribute to Objective 1 of the SEND Strategy, by supporting mainstream schools to meet the needs of children with SEND and thereby potentially reducing exclusions and specialist placements.

4.4 The Invest to Save bids agreed for 2020-21 are summarised below:

- Recruitment of a Therapeutic Thinking Officer to further roll out and embed therapeutic thinking approaches in mainstream schools - £58,000
- Increasing the size of the Vulnerable Children Grant in order to support schools to implement therapeutic thinking approaches, avoid exclusions and to support fresh starts for children who have been permanently excluded - £125,400
- Recruitment of Higher Level Teaching Assistants within the ASD Team to support children with ASD in mainstream schools - £57,800
- Ceasing to charge for Language and Literacy Centre places in order to provide parity of access to the service and extend its reach - £17,800

4.5 This report covers potential savings associated with the Invest to Save projects as well as other activities within the SEND Strategy which should achieve savings.

Objective 1 of SEND Strategy: To develop the capacity of mainstream schools to meet the needs of children with SEND

4.6 Objective 1 of the SEND Strategy contains a wide range of activities to support schools in meeting the needs of children with SEND, including additional training and guidance and greater access to support services and funding. Further detail is contained in the SEND Strategy Objective 1 Action Plan.

4.7 The implementation and roll out of Therapeutic Thinking approaches in schools, together with increased access to funding through the Vulnerable Children Grant, should reduce exclusions from schools and may also reduce the number of children requiring specialist SEMH placements.

4.8 The increased Vulnerable Children's Grant of £179k is being used in the following ways:

- 50k (the amount allocated in 2019-20) is used for "business as usual" i.e. to support unforeseen short term needs in schools e.g. a new arrival with short term needs.
- 50k has been allocated to support reintegration back in to mainstream of hard to place/permanently excluded pupils following Pupil Placement Panel discussion.
- 79k has been allocated to support schools implementing differentiated arrangements for SEMH pupils using therapeutic thinking approaches.

Criteria already existed for the business as usual funds. Stringent criteria have been put in place for the other two options with the Therapeutic Thinking Lead scrutinising applications for the 79k funding stream.

Potential savings to be achieved through reduced permanent exclusions

4.9 Potential savings resulting from reduced permanent exclusions are illustrated below using the cost of a permanent exclusion. As the table below illustrates, the cost varies according to the time of year of the exclusion and the type of school. The maximum saving in the HNB over a one year period were an exclusion to be prevented is £18,389 and the maximum saving to the HNB over a two year period is £39,099. Learners in KS4 have placements of 1,2 or 3 years.

Table 1

Examples of cost to the High Needs Block for exclusions				
	relevant date for calculations	Top Up Cost to HNB for year 1	Top Up Cost to HNB for year 2	Total cost for 2 years
Maintained School	4th May 2020	£16,680.10	£20,710.00	£37,390.10
	14th October 2020	£9,335.10	£20,710.00	£30,045.10
Academy School	4th May 2020	£18,389.20	£20,710.00	£39,099.20
	14th October 2020	£12,246.90	£19,317.40	£31,564.30
* Different relevant dates for exclusions have been used to show different situations				
** These costs assume appropriate funding has been reclaimed from the school making the exclusion				
*** The amount each school is required to contribute varies on their individual formula				

Table 2

Financial year	Exclusions avoided in year	Cumulative reduction	Saving
2020-21	0	0	
2021-22	2	2	39,000
2022-23	2	4	78,000
2023-24	2	6	117,000
2024-25	2	8	156,000

2020-21 exclusions data will not be typical due to Covid 19 and lockdown. The table above shows savings which could be made if permanent exclusions were to be down on the 2019-20 figures by two per year over the next 4 years, ie. down by 8 by 24-25.

The table is based on the yearly cost of an exclusion from an academy made in May and the cost of placement at I-College.

Potential savings to be achieved through reduced SEMH placements

4.10 There are currently 36 children with EHCPs attending special schools for children with SEMH. The costs of these placements vary widely according to whether they are other Local Authorities’ maintained special schools, Free special schools, non- maintained special schools or independent special schools. Placements in other Local Authority maintained special schools would always be sought in the first instance, provided that they can meet the child’s needs, as these placements are usually more cost effective. However, as all Local Authorities are experiencing an increase in demand for SEMH placements it is becoming much more difficult to access other LA maintained special schools for West Berkshire children.

4.11 Given that it is rarely possible now to access other LA SEMH schools, placements for SEMH are having to be made which cost typically between £49,000

and £65,000 per annum. The school which is used most frequently to place children with SEMH costs £54,000 per annum. (Some SEMH placements for children with more complex needs cost significantly more, up to £200,000 per annum, but these are young people who could not be retained in mainstream schools). Avoidance of one SEMH placement could therefore save approximately £54,000 per annum from the High Needs Budget. It is not possible to say accurately how many SEMH placements might be avoided as a result of additional support for schools to help them meet the needs of children with SEMH.

4.12 However, if new SEMH placements could be avoided at a rate of 2 per year, over a three year period, the savings would be as follows:

Table 3

Financial year	SEMH Placements avoided in year	Cumulative reduction	Saving
2020-21	2	2	£108,000
2021-22	2	4	£216,000
2022-23	2	6	£324,000

4.13 It make prove possible to reduce SEMH placements by more than 6, in which case savings would be greater. However, it is likely that the number of placements will reduce over time but then settle as there will always be a core of children who will ultimately require a specialist SEMH placements in spite of therapeutic approaches being used.

Potential savings to be achieved through reduced ASD placements

4.14 Increasing the ASD Service to include some highly trained and experienced HLTAs will enable the service to be more responsive in cases where schools may need some more direct, practical support than the ASD Team is currently able to provide. The ASD Advisory Teachers currently have a consultative role and are unable to provide intensive support in schools as they have oversight of over 1,000 children. Being able to deploy an additional resource to support schools may help to avoid situations escalating to the point where the school feels unable to meet the child’s needs.

4.15 The recruitment of these additional members of staff had to be put on hold due to Covid 19 but adverts have now been placed and it is hoped that the posts will be filled by January 2021.

4.16 Children with ASD whose needs can no longer be met in mainstream schools would usually be considered for a place in a West Berkshire ASD Resource (attached to Theale Primary, Fir Tree Primary, Theale Green Secondary and Trinity Secondary schools). However, in some cases there may not be a place available in the relevant age group, or the child’s anxiety and behaviours may have escalated to such an extent that placement in a ASD Resource is not considered viable.

4.17 West Berkshire uses a variety of specialist placements for children with ASD whose needs can no longer be met in mainstream schools or schools with resourced units. There are currently 53 children with EHCPs attending special schools for children with ASD. Placements for ASD cost typically between £55,000 and £63,000 per annum. It is not possible to say at this stage how many ASD placements might be avoided as a result of additional support for schools to help them meet the needs of children with ASD.

4.18 However, if one placement per year starting from 2021-22 could be avoided, the savings to the HNB would be as follows:

Table 4

Financial year	ASD Placements avoided in year	Cumulative reduction	Saving
2020-21	0	0	£0
2021-22	1	1	£55,000
2022-23	1	2	£110,000

Potential savings to be achieved through reduced Tribunal appeals for specialist dyslexia schools

4.19 The removal in 2020-21 of LAL charges is expected to increase the number of children attending LAL to 48 per annum, the level of take up prior to charging being introduced. Since charging was introduced, and the number of children accessing LAL reduced, (currently down to 26), there has been an increase in appeals to the SEND Tribunal for placements in specialist schools for children with dyslexia. Currently 3 children attend such schools, with costs varying between £30,000 and £50,000 per annum.

4.20 Assessments for LAL placements were not able to take place in summer 2020 due to Covid 19. Children who are being put forward for LAL placements are being assessed in autumn 2020 with a view to placements starting in January 2021 or sooner if possible.

4.21 It is too early to say at this stage to what extent placements in the LALs will increase as a result of the removal of charging or the impact this may have on appeals to the Tribunal for specialist dyslexia placements.

4.22 If LAL take up increases due to removal of charging, it is possible that this may reduce the number of requests for EHC assessments / plans for children with specific literacy difficulties. However, it is too early to say whether this may happen and the general trend is of increasing EHC assessment requests (for all types of SEN need).

4.23 No savings have been predicted yet as this needs to be monitored further to assess the likely impact of removal of charging.

Objective 2 of SEND Strategy: To develop the continuum of local provision for children with SEND, including MLD, ASD and SEMH

4.24 The main focus of Objective 2 of the SEND Strategy is to create new local provision for children with SEMH / ASD and for children with MLD. In both cases the provision would be attached to mainstream schools.

4.25 Planning work has started on the new SEMH/ASD provision, including proposed staffing models and accommodation briefs. A 12 place primary provision is planned and a 42 place secondary provision. Sites are now being sought for the primary and secondary provision. Opening dates will depend mainly on the scope of building / adaptation work required, once sites have been identified, and viable timescales within which this can happen. As soon as sites have been identified, project plans and timescales will be put in place. Discussions about sites are under way but are confidential at this stage. Agreement to the revenue costs of the new provision will need to be sought through the HFG and Schools Forum.

4.26 Savings which can be achieved will reflect the difference between the cost of a place in the new provision and the average cost of an equivalent external placement. Unit costs for the new provision are now available based on the proposed staffing models.

4.27 When the new provision is operating at full capacity it should yield some significant savings in the High Needs Block. However, it should be noted that the provision will grow in size gradually, so in the initial stages the unit cost of a place will be disproportionately high and may not be less than the cost of an equivalent external placement.

4.28 A modelling of costs for the secondary provision has been undertaken based on the agreed staffing model and an estimated number of admissions per year. The cost per place whilst the new provision is growing in size compared to the cost of an equivalent out of area placement is shown in the table below:

Table 5

Financial year	Nos on roll	Unit cost WBC provision	Total cost WBC provision	Nos on roll	Unit cost external provision	Total cost	Saving/deficit
2020-21	-	-	-	-	-	-	0
2021-22	-	-	-	-	-	-	0
2022-23	12	59,831	717,972	12	56,000	672,000	-45,972
2023-24	21	55,175	1,158,675	21	56,000	1,176,000	17,325
2024-25	30	48,551	1,456,530	30	56,000	1,680,000	223,470
2025-26	39	41,538	1,619,982	39	56,000	2,184,000	564,018
2026-27	42	36,811	1,546,062	42	56,000	2,352,000	805,938

4.29 The equivalent exercise has not yet been carried out for the proposed primary provision, but assuming that primary provision with 12 places opens in 2022, that unit costs are similar and that the resource admits 4 pupils per year over 3 years, savings could be as follows:

Table 6

Financial year	Nos on roll	Unit cost WBC provision	Total cost WBC provision	Nos on roll	Unit cost external provision	Total cost	Saving/deficit
2022-23	4	44,541	178,164	4	56,000	224,000	45,836
2023-24	8	40,676	325,408	8	56,000	448,000	122,592
2024-25	12	36,811	441,732	12	56,000	672,000	230,286

4.30 The creation of MLD provision in mainstream schools is intended to take pressure off our West Berkshire maintained special schools, Brookfields and The Castle, and to provide parents with a mainstream option, rather than making cost savings. The children who will attend the new MLD provision would otherwise attend our maintained special schools and it is not anticipated that their costs would be lower in the new provision, therefore this development should be cost neutral and will not make savings. It should, however, help to ensure that children with MLD are able to access specialist provision more promptly than is currently possible due to pressure on our special schools.

Objective 3 of SEND Strategy: To improve the post 16 SEND offer in the local area for young people with SEND and increase their access to employment

4.31 The Children and Families Act 2014 introduced a new right for young people with EHCPs to remain in post 16 provision potentially up to the age of 25, where there are educational outcomes still to be achieved. Under previous legislation, young people with Statements of Special Educational Needs did not remain in FE College beyond the age of 22 years. The SEND Code of Practice gives very little guidance on circumstances in which placement up to age 25 may be justifiable. This change in legislation has led to a local and national pressure for young people with SEND to remain in college much longer than previously, which has in turn placed cost pressures on the High Needs Block.

4.32 In some cases it is very appropriate for young people to remain in college beyond the age of 22 and even up to the age of 25 in a small number of cases. However, some young people have been staying in college longer than would have been necessary if they had been able to access courses which were more suitable in terms of preparing them for employment.

4.33 Newbury College has been working closely with the Local Authority to develop its Post 16 offer for young people with SEND to align it to the SEND Strategy and in particular the ambition to get more young people with SEND in to employment. The new range of courses will be launched in September 2020 and will have a strong focus on employment.

4.34 The Local Authority has also worked with West Berkshire Training Consortium and The Castle School to develop a new one year Supported Internship course, WOW Plus, aimed at getting young people with SEND in to employment at the end of the course. This course opened in September 2019 and will continue in its second year in September 2020.

4.35 In addition, West Berkshire Council continues to commission a supported employment service for young people aged 16 to 25. This service works with young people with EHCPs in mainstream and special schools to help them to access and sustain employment.

4.36 The long term aim is that young people with EHCPs in West Berkshire who are capable of employment will have high quality support to help them to access employment as soon as they are ready to do so, so that they do not spend time completing courses which are not leading to a meaningful outcome. We are already starting to see a reduction in the number of FE college places being funded which could in part be related to more young people with EHCPs accessing employment.

4.37 The saving achieved as a result of one young person leaving college to be employed rather than continuing at college would average at £16,000 including top up costs and place funding.

4.38 See 4.33 below for possible projected reduction in FE costs

Objective 4 of SEND Strategy: To improve transition to adulthood, in particular in relation to Social Care and Health Services

4.39 The focus of Objective 4 of the SEND Strategy is to ensure processes are in place to allow smooth transitions from children's to adult services for young people with SEND. This is to ensure that young people do not have to wait for, or potentially miss out on, the adult services they need from Health and Social Care. Objective 4 also seeks to change the way adult services are provided so that they become more personalised to the individual and so that service users have more choice and control. In addition, Objective 4 seeks to improve the commissioning of adult services such as supported living so that needs in the local area are planned for more proactively.

4.40 This section of the SEND Strategy aims to improve the experience of transitioning to adulthood for young people with SEND. We want families to become more confident in transition processes and the support which will be available locally for young people with SEND as they enter adulthood, so that there is less demand for placements in specialist residential FE Colleges. Such placements can cost anything from £50,000 to £150,000 depending on the young person's needs. Any residential costs of such placements would fall to Adult Social Care but the educational component of placement costs is a charge to the HNB budget.

Possible reduction in FE placement costs achieved through Objectives 3 and 4 of the SEND Strategy

4.41 It is not possible to estimate accurately how FE placements costs may reduce as a result of increased access to employment and increased confidence on local Adult Social Care provision, but based on recent reduction in costs of 10% between 18-19 and 19-20 and 5% between 19-20 and 19-21, it is possible that the

following savings could be achieved (based on a year on year ongoing decrease of 5% to 2022-23 with costs then levelling off

Table 7

Financial year	Reduction in FE placement costs of 5%	Cumulative reduction
2020-21	0	0
2021-22	£54,386	£54,386
2022-23	£51,667	£106,053

Objective 5 of SEND Strategy: To improve the physical and mental health and wellbeing of children with SEND

4.42 Objective 5 of the SEND Strategy aims to improve access to health services for children and young people with SEND, including access to support whilst families are waiting for services (eg. ASD assessments by CAMHS). This part of the strategy also aims to improve support for parents and carers of children with SEND so that their own health and wellbeing is supported and they are better able to meet their children’s needs.

4.43 Children who require a very high level of personal care sometimes need to be placed in residential placements because parents have reached a point where they are no longer able to care for their children effectively or safely. This can happen because of the pressures of the caring role and the impact this can have on the physical and mental wellbeing of carers. Parents / carers would always be provided with support by the Disabled Children’s Team, in order to help them to continue with their caring role, but in some cases children can no longer be cared for at home in spite of a high level of support being provided. If children in these circumstances cannot be placed in a foster home, they will either be placed in a children’s home near to their current school or a residential school. As there are few children’s homes which can cater for children with significant disabilities, it is more likely that placements will be made in residential schools. In these circumstances, the residential cost would fall to Children’s Social Care but the educational costs would be a charge on the HNB.

4.44 It is likely that there will always be a small number of children who require residential placement because their needs are so extreme that parents are unlikely to be able to support them at home beyond adolescence. However, increased support for parents / carers of disabled children may help to reduce or delay residential placements. It is difficult to generalise about the cost of such placements as they can vary significantly depending on the child’s needs.

4.45 It is too early to estimate the extent to which this part of the strategy could impact on residential placements. It is more likely to delay placements rather than prevent them altogether. A cost saving has therefore not been included for this part of the SEND Strategy.

5. Options for Consideration

5.1 Not applicable.

6. Proposals

6.1 See above.

7. Conclusion

7.1 The SEND Strategy aims to provide high quality support for children and young people with SEND as cost effectively as possible. This report sets out possible savings which could be achieved over a 6 year period through implementation of the strategy.

7.2 Implementation of the strategy is dependent on the investment of resources as set out in Section 2 above.

7.3 Based on current estimates, a saving of **£1.7 million** could be made over 6 years. See Appendix One – Table 8, attached.

7.4 The HNB budget for 20-21 has been set with a planned deficit of £1,184,910 for costs incurred within this financial year. In addition, there are deficits of £521,000 and £1,279,000 for overspends in 18-19 and 19-20 respectively.

7.5 It should be noted that the estimated saving can only be achieved as a net saving if spending in other areas of the HNB remains static.

7.6 There are a number of factors which could impact on achievement of estimated savings including:

- The take up and implementation by schools of therapeutic approaches
- The Local Authority's ability to identify schools to host the new proposed SEMH/ASD provision
- Children with EHCPs moving in to the area
- Tribunal decisions awarding out of area placements
- Increasing requests for EHC assessments including significant increase in parental requests

7.4 It is paramount that children's needs are met appropriately and that the Local Authority fulfils its statutory duties. Savings cannot be achieved in a way which would cause statutory duties to be breached.

8. Appendices

8.1 Appendix One: Table 8