

# SEND Funding Consultation – Response from Shropshire Council

## 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?

The current proxy indicators provide a reasonable basis for distribution of funding. An additional indicator for consideration is numbers of Gypsy, Roma Traveler pupils. Proxy factors may support fairer distribution where there is low need, high incidence SEN that is funded through element 2.

Where there is high need low incidence it is likely that this does not correlate to socio-economic factors and other proxy indicators, especially when considering funding more specialist provision – although there could be an argument that this is not the case for areas with high levels of immigration from specific cultural backgrounds that may have genetic causes underpinning high need.

Proxy indicators may be useful when considering type of need e.g. SEMH.SLCN (0 to 5) – it is likely that there is a higher incidence of such need in areas of greater deprivation – data suggest that this is the case in Shropshire.

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?

You should not take into account existing provision as existing provision is based on unfair historic funding levels.

Consideration should be given to rurality and population density.

Higher costs will be inevitable because of increased need for specialist transport, difficulty in delivering specialised provision in remote areas as a result of cost of high cost of delivery where economies of scale cannot be taken advantage of, lack of specialist skills. In Shropshire this has meant that specialist provision has been centralized and therefore there is a lack of choice. This is particularly difficult where specialist provision is required for very young children.

The [pattern of provision will therefore be important in establishing a fairer system of funding but this may need to be considered with a view to changing the pattern of provision to one that is less centralised and possibly more costly in order to provide greater choice and local access.

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?

We believe in collaboration between local authorities but do not believe collaboration

should be encouraged through the funding system.

If research can identify and quantify the benefits of collaboration then this should be shared so local authorities can act on that information.

Collaborative working between authorities may be helpful but may not be practical. There are some types of SEND where as a result of the very specialist nature of it need would be preferable for local authorities to be able to access specialist provision beyond that which is available within the locality. It may be that fairer funding could be organized through provision of regional resources that are funded centrally. This would help to reduce the need to access very high cost private provision.

### 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?

The current approach of using proxy indicators for all levels of SEN with additional top-up funding for high needs SEN pupils is appropriate.

Different factors could also be appropriate. Possibly looking more carefully at area of need rather than just SEN. More funding could be available for pupils with high levels of anxiety as a result of ASD type difficulty – this may reduce the need for Statutory plans and may help schools and parents to see support as more flexible i.e. not attached to a particular child but to be used to train staff so that they are able to support a number of children/yp with an identified need.

Possibly allocating resourcing on a basis of success rather than potential difficulty – encouraging settings to undertake specific training and put in place specialist provision. This may help reduce the incidence of schools resisting admission for pupils with a particular category of need.

Could consider incentives for small rural schools to develop federations and partnerships to encourage specialisms which will support a particular area of need.

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?

Could provide LA with greater flexibility to allocate using real measures ie identified SEN in the same way that Pupil premium is allocated.

This may give greater capacity for challenging settings to measure the impact of success of intervention provided and to work harder to keep more 'difficult pupils'.

SEN within mainstream schools:

Whilst using proxy indicators is less resource intensive and is a transparent and efficient method of distribution, there remains a need for local flexibility to allow for situations where schools receive very little funding through proxy indicators but have a relatively high

## Appendix

number of SEN pupils in the school. Mainstream schools do not have access to various specialist equipment and resources without incurring additional costs.

### Specialist Settings:

Whilst a banded funding system is less resource intensive it does lack clarity around expectations, outcomes and accountability. A person centered individualised cost calculator that matches learners with programmes and outcomes is a more effective system that supports progress towards specific aspirations. There is much expertise in education and social care settings that could be better utilised in order to support and make this highly effective match.

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?

This could be helpful but should be left to local discretion. Where a cluster of schools consider pooling resources in order to offer specialist provision for pupils with low incidence high needs and where there is specific expertise to meet need.

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?

Using funding flexibly for short term and measuring the impact for pupils with high needs that may be transitory or may reduce as a result of the impact of specific support/ intervention. This could be achieved through a matrix and may reduce the need for a statutory plan for those pupils with less complex needs. There may be concerns around measuring impact and providing challenge to institutions, particularly those such as academies that free schools.

The bureaucracy involved in separating costs and gathering funds from three areas – education, social care and health – in each local authority is not sustainable.

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?

If funding continues to stay with local authorities it is vital that colleges invoice one contract for the full cost – an approach that requires multiple invoicing is not sustainable for national providers who work with many local authorities.

It is likely in Shropshire that we will only allocate element 3 funding to personal budgets. We are not yet sure how this will impact on our ability to offer a personal budget for SEND provision. We anticipate that we would be able to offer flexible provision without the need to offer a personal budget in most circumstances. It is unlikely that we will be able to offer direct payment for the education element of a personal budget.

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)?

Shropshire currently funds early years SEN from the Early Years block of funding. Funding is based on an assessment of the cost of support required on an individual basis.

### 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?

We allocate funding as needs arise. This could be for individuals, specific specialist groups or for basic need places for pupils/students with SEND. As members of Educational Building Development Group (EBDOG) recognition has been sought, over a number of years, for a specific spending stream for pupils/students with

SEND.

Shropshire are currently reconsidering specialist provision and moving from a centralised model to more localised provision, particularly for younger age groups.

Also creating specialist hubs within mainstream provision.

The drivers behind this move include an increasing number of high needs and complex needs with limited capacity in current specialist setting for further expansion.

Increasing numbers of pupils identified with ASD and increasing pressures on schools to demonstrate high levels of academic achievement which often conflict with the needs of individual pupils.

The need to reduce the cost to the authority of pupils accessing private specialist provision.

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

We allocate some of our capital maintenance grant to assist with adaptations in schools for pupils with specific needs.

We have allocated funding from capital receipts due to school closures to create new provision.

The greatest factors affecting this is need.

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?

Our current main specialist provision for pupils with ASD, SLD, & SPLD, is at capacity.

Our present philosophy is to “spend to save” by using capital to increase our specialist provision more evenly around the county which will save on revenue budgets in the future on placements in other local authorities or the independent sector. This will also save on transport costs.

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?

In a large rural authority transport costs are considerable and mean that some of our most vulnerable pupils have long journeys to their specialist education provision. Comparisons with these costs and those of out of county residential provision feed into our forward planning.

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

## Appendix

The basic need of places for pupils and students with SEND.  
The principle of “spend to save” in order to provide more localised specialist provision which will assist pupils and students remaining or being integrated into mainstream provision whenever possible.  
Individuals’ specific needs.

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

Birth data collected from the NHS.  
School census data to identify areas of need and analyse growth areas, as well as using census data to identify ‘hot-spots’ across the authority.  
Early notification following multi-disciplinary assessment  
Analysis of data including type of specialist provision, age when accessed, impact/outcomes

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

We do not presently pool capital funding to create specialist provision as there is no specific funding allocated to authorities for this. Whilst cross border provision at the extremities of the county could be considered this has not yet been explored for this age group.

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

Look at the growth in the numbers of pupils and students with SEND. The numbers, types and complexities of the provision required in each authority. The innovative ways of providing the most cost effective provision and the long term savings capital investment could give on revenue budgets.