



Department  
for Education

# High needs budgets: effective management in local authorities

Research report

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Government  
Social Research

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# Executive summary

## Introduction

Educational provision in England for children and young people with ‘high needs’ is funded at local authority level through the high needs block of the Dedicated Schools Grant (DSG). This covers the costs of placements in all types of specialist provision, additional funding for pupils in mainstream schools and settings with this level of needs and the costs of some special educational needs and disability (SEND) support services.

High needs budgets in English local authorities (LAs) have come under increasing pressure in recent years. Responding to these pressures, the government has significantly increased the high needs funding allocated to all authorities in England. Following the initial 2018-19 and 2019-20 high needs allocations, an extra £250 million was allocated over those two financial years. Funding increased by a further £1.5 billion over the next two years 2020-21 and 2021-22, and is increasing again this year, by an additional £1 billion, leading to total growth of £2.5 billion in the national budget for high needs over the last three years. That budget now stands at £9.1 billion.

However, a significant proportion of authorities are still finding it difficult to deliver within the budgets allocated to them. The Department for Education (DfE) is already supporting 14 of those with the biggest deficits through the Safety Valve programme<sup>1</sup> and will be working with a further 20 this year. DfE is also working with a further 55 authorities who have been invited to take part in the Delivering Better Value in SEND programme<sup>2</sup>.

## The research

This research focuses on 10 local authorities that are seen to be managing their high needs budgets more effectively, with the intention of identifying positive practice that can be transferred to other areas.

Initial sample selection was based on authorities in surplus on their annual high needs budget for the 2020-21 financial year. They were not included if they had been required to have a Written Statement of Action following their OfSTED-CQC SEND inspection, unless there was clear evidence that they had successfully addressed most or all of the issues. The sample was constructed to include a range by type of authority (shire county, metropolitan, London Borough, unitary), size and demographic profile. There was a reasonable spread across different regions of the country.

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<sup>1</sup> See [Dedicated schools grant: very high deficit intervention - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/dedicated-schools-grant-very-high-deficit-intervention)

<sup>2</sup> See footnote 11, page 16 for more details

The research was based largely on online interviews with 5-6 officers in each of the 10 case study authorities, along with one or two mainstream headteachers and/or governors who were members of the Schools Forum and/or local high needs working groups in each authority. Interviews were held between the start of February and the end of March 2022. Reference was also made to publicly available data (LA SEN2<sup>3</sup> returns and other national high needs databases<sup>4</sup>) and to relevant supportive documentation provided by each authority. There was a particular focus on the development of practice since 2018 when Isos Partnership undertook similar research for the Local Government Association (outlined in Chapter 1).

## Key findings

### General features of the case study local authorities

- High needs funding allocated to LAs varies not only because of differences in underlying need (as indicated by some factors used in the national funding formula), but also because of those elements that protect LAs against reductions in funding compared to their previous spending levels. This means that some LAs are more generously funded for historical reasons<sup>5</sup>. However, there was no evidence that the sample authorities were better funded than other similar areas. Their high needs block was generally average or below average for their level of need.
- Most authorities included in this study had average or below average numbers of pupils with Education, Health and Care Plans (EHCPs) and average/below average numbers in specialist provision. SEND Tribunal appeal rates varied across the sample, with some lower and some higher than average.
- The case study authorities generally placed a high value on partnership with schools and parents and, in some, there was a strong collective culture. This had built up over a number of years and was supported by continuity in leadership and clear policy/strategy.

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<sup>3</sup> [SEN2 data](#) is derived from a statutory collection every January. Local authorities collect and submit information on children and young people with SEN and Education, Health and Care (EHC) plans.

<sup>4</sup> Including: [National funding formula tables for schools and high needs: 2022 to 2023 - GOV.UK \(www.gov.uk\)](#); [High needs benchmarking tool - GOV.UK \(www.gov.uk\)](#); and [Section 251: 2021 to 2022 - GOV.UK \(www.gov.uk\)](#)

<sup>5</sup> See research commissioned by SEN Policy Research Forum <https://senpolicyresearchforum.co.uk/wp-content/uploads/High-Needs-research-summary-website-pdf-version-20-July-21.pdf>, Alan Marsh, Peter Gray & Brahm Norwich (July 2021)

- There were some underlying beliefs and values that helped direct local authority practice, with a shared emphasis on meeting children’s needs in their local community and, wherever possible, in mainstream schools and settings.
- The case study authorities had established much closer links between SEND and Finance functions and there was better use of data to support strategic activity. This was shared more routinely with key local stakeholders.

## **Particular pressures and associated good practice**

Local authorities in the sample shared many of the pressures that have been described elsewhere, for example in earlier research carried out by Isos Partnership for the Local Government Association (December 2018)<sup>6</sup> outlined in Chapter 1. These authorities had developed or were developing a range of practices to try to address these. Particular areas of activity related to:

### **Developing a stronger and more consistent mainstream SEND offer**

- A number of the case study authorities had achieved a more collective understanding of provision that should be ‘ordinarily available’. Documents had been co-produced with schools and parents
- SEN support services were more clearly commissioned and focused on developing school capacity as well as helping to meet individual children’s needs
- There were closer links between SEND and broader school improvement functions
- Mainstream headteachers were more actively involved in working groups addressing key issues
- Some authorities had developed/were developing their SEND funding systems to support more inclusive practice
- There were some innovative examples of schools working collectively with the local authority to help manage and target the available funding.

### **Understanding and influencing parental expectations**

- Parents were seen as a key partner, with a strong emphasis on good communication and the need to make this a priority

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<sup>6</sup> Isos Partnership (December 2018): Have we reached a ‘tipping point’? Trends in spending for children and young people with SEND in England: [LGA+High+Needs+Tipping+Point \(squarespace.com\)](https://www.squarespace.com)

- Effective dialogue was seen as a vital way of resolving issues, both at the individual child level but also more broadly.

### **Building capacity for meeting the needs of young people on the autism spectrum**

- The authorities recognised that Autistic Spectrum Disorder (ASD)<sup>7</sup> is now a 'high incidence' need, which requires effective support and intervention at a range of levels
- They were developing ways of strengthening universal provision in schools/settings and ensuring services were available to provide training and support at this level
- They were refocusing their local specialist provision so that this catered for more complex and significant needs.

### **Supporting phase transitions**

- The case study authorities recognised that phase transitions could be a significant issue for children with high needs and their parents
- They tended to organise their support services so that they retained responsibility across phase boundaries
- In some authorities, there was targeted support for parents prior to secondary transfer and for vulnerable pupils at the point of transition.

### **Developing a clearer and broader range of pathways post-16**

- Some case study areas had reviewed their post-16 pathways to address gaps and support more positive progression to adulthood
- For young people with more significant learning disabilities, they were building better links with a range of agencies to support better transitions between child and adult services
- For others, they were linking with FE colleges and other providers to develop a range of opportunities aimed at developing greater independence and access to employment.

### **Effective commissioning and monitoring of provision**

- The authorities were developing new local provision to meet growing levels of need. However, they were working to ensure this was properly focused. New developments

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<sup>7</sup> Sometimes referred to as Autistic Spectrum Condition

were being more formally commissioned with clear analysis and specification of places required and the levels and types of need that schools were expected to provide for

- Some authorities were working with existing providers to redesign their pattern of provision so this was more responsive to local need
- Some authorities were commissioning courses at FE colleges and funding at this level rather than on an individual student basis.

### **Improving financial processes**

- The authorities generally recognised the importance of good quality data and had taken or were taking steps to improve this
- A focus on financial detail had led in some cases to significant savings.

### **Impact and evidence**

The impact of these practices was evaluated against some key indicators. Some of the evidence provided by the case study areas was qualitative and anecdotal. However, the report also provides an analysis of some key quantitative data, in terms of annual changes over a three-year period (2019-2022) in:

- Numbers of pupils with Education, Health and Care Plans (EHCPs) (all and new)
- Numbers in specialist provision (all types funded by the high needs budget<sup>8</sup>)
- Numbers placed in independent/non-maintained specialist schools (I/N-MSS) and in specialist colleges in particular.

The evidence shows that the level of impact has varied across the case study sample, with some authorities showing more significant effects. This is attributed partly to the recent implementation of some of the changes and to the impact of lockdowns during the Coronavirus (COVID-19) pandemic which may have delayed implementation and temporarily suppressed demand.

### **Implications**

A number of implications and recommendations from the research are presented for consideration by local authorities more broadly and DfE officials (in their support, advice and intervention roles). These relate in particular to:

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<sup>8</sup> Excluding alternative provision.

## Capacity

**Recommendation 1:** Local authorities should invest properly in SEND leadership, with dedicated time for strategic functions to avoid constant distractions from operational pressures.

**Recommendation 2:** Authorities should review their joint commissioning arrangements to support more balanced contributions to high needs provision from the three key services (Education, Health and Social Care).

**Recommendation 3:** Officers with SEND and Finance responsibilities should have joint accountability for effective management of this area, with high priority given to effective communication and mutual support, building on the positive practice identified in this report.

**Recommendation 4:** Local authorities should review their capacity for SEND support (and its funding base) to help strengthen their influence on the range of relevant outcomes. They should develop clearer agreements with services which set out commissioning expectations and monitoring arrangements.

**Recommendation 5:** Local authorities should review their current staffing levels and structures for SEND casework and enhance these where necessary, as part of their broader strategy for improving management of high needs expenditure and quality of service delivery.

## Partnership culture

**Recommendation 6:** Local authorities should review and further develop their approaches to partnership with key stakeholders, taking into account some of the positive practices described in this report (in addition to any broader policy emphasis on this area).

## Developing local provision

**Recommendation 7:** When creating new specialist provision, local authorities should be clear about the expected range and levels of need that this will cater for. They should also consider the potential impact on future demand and whether this can be financially sustained. The case for any proposed development should include detailed projections on the balance between investment and savings.

**Recommendation 8:** With regard to developments in local mainstream provision, investment should be targeted at strengthening inclusion, with impact monitored and evaluated at that level.

**Recommendation 9:** Local authorities should set out more clearly their expected pathways for young people with different levels of need, ensure that these are presented earlier and more clearly to young people and their parents, and evaluate quality and outcomes on a more regular basis. Pathways should be realistic but ambitious.

## Funding approaches

**Recommendation 10:** Local authorities should learn from positive examples of innovative approaches to mainstream funding (including the option of greater devolution of resources to individual schools/groups of schools with clear expectations of outcomes)

At a national level, it is recommended that:

- There is greater clarity on the local authority's commissioning role so it can more easily determine the high needs provision and number of places it requires
- The SEND and AP green paper<sup>9</sup> proposal for local SEND partnerships is implemented but with clear shared accountability for the quality of local services and provision and the effective management of spend within the available budget.
- Consideration is given to how all school leaders can be involved, with a stronger emphasis on the potential for local cluster working, peer support and challenge.
- There is greater transparency and consistency with regard to mainstream SEN delegated budgets (building on the green paper proposal for a more standardised approach to 'notional SEND' funding).
- A stronger profile should be given to SEND within the mainstream school pathway, particularly for those with lower attainment levels who may not 'close the gap'.
- Greater opportunities are provided for authorities to learn from each other with a recognition of the continuing importance of innovation and creativity in a policy area that is likely to present ongoing challenges.

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<sup>9</sup> SEND Review: right support, right place, right time (March 2022) [SEND and AP green paper: responding to the consultation - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/send-and-ap-green-paper)

# Chapter 1: Introduction and rationale for the research

## National context

Funding for educational provision and services for children and young people with 'high needs' is allocated to local authorities by central government as part of the overall funding available for education (i.e. the Dedicated Schools Grant or DSG). It pays for additional support for young people with complex and significant needs (aged 0-25) in mainstream schools and settings and for those requiring specialist or alternative provision. In addition, funding can be used for some SEND and inclusion support services. Since 2018-19, high needs budgets have been distributed on a formula basis using a number of demographic factors (but with a continuing historical element).

Research undertaken by Isos Partnership for the Local Government Association in 2018<sup>10</sup> found that the majority of local authorities were experiencing significant difficulties in meeting high needs within the budget available. Average total spend per local authority had increased from £38.8m in 2015-16 to £45m at the time of that study. The average annual high needs deficit was £3.4m with a range from a small number of authorities having a surplus to one authority with an annual deficit of £21.3m.

Responding to these pressures, the government has significantly increased the high needs funding allocated to all local authority areas. Following the initial 2018-19 and 2019-20 high needs allocations, an extra £250 million was allocated over those two financial years. Funding increased by a further £1.5 billion over the next two years 2020-21 and 2021-22, and is increasing again this year, by an additional £1 billion, leading to total growth of £2.5 billion in the national budget for high needs over the last three years. That budget now stands at £9.1 billion.

There has been an expectation that these increases should allow local authorities to meet needs more effectively within their available high needs budgets and to put in place strategies and processes that support a more managed approach.

However, a number of authorities are still experiencing annual deficits despite the additional investment. The government is now targeting these for specific support. The Safety Valve programme has been working with 5 areas with the biggest deficits since 2020-21 (adding 9 more authorities in 2021-22 and working with a further 20 in 2022-23). A further 55 authorities will be supported through the new Delivering Better Value

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<sup>10</sup> Isos Partnership (December 2018): Have we reached a 'tipping point'? Trends in spending for children and young people with SEND in England: [LGA+High+Needs+Tipping+Point \(squarespace.com\)](https://www.squarespace.com)

(DBV)<sup>11</sup> initiative. It is expected that this support will enable future expenditure in these authorities to be more in line with annual income.

## **Previous research: reasons for funding pressures**

The Isos Partnership research looked at factors that were contributing to higher demand and cost. Those most commonly reported to them by local authorities included:

- Extension of local authority responsibilities to include the 16-25 age range
- Increased demand for special school places, with pressures on local capacity leading to increased use of placements in the independent/non-maintained sector
- Reduced inclusivity of (some) mainstream schools
- Higher rates of school exclusion and use of alternative provision
- Greater complexity of need (with particular growth in numbers of children with an Autistic Spectrum Disorder (ASD) diagnosis and those with social, emotional and mental health difficulties (SEMH))

While the Isos Partnership research identified some influence of increasing levels of need and demographic changes, a number of the above factors were reported to be linked to the impact of national policy, particularly expectations generated by the national SEND reforms (which some saw at the time as inadequately funded) and increased attainment pressures on mainstream schools (which were making it more difficult for them to prioritise effective provision for SEND and inclusion).

## **Previous research: positive approaches to managing high needs funding**

In previous research for the LGA (November 2018)<sup>12</sup>, Isos Partnership looked at the characteristics of 'effective local area SEND systems'. They identified six key themes:

1. partnership working and co-production with parents/carers and with young people
2. strategic partnership working/joint commissioning across Education, Health and Care

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<sup>11</sup> The new DBV programme will work with the LAs with less severe deficits than those in the Safety Valve programme. The department will provide project and change management capacity for LAs on the programme, alongside SEND financial and practice advisers, to support LAs to undertake (with their stakeholders) a comprehensive diagnosis to better identify and address the key drivers of their deficits.

<sup>12</sup> Isos Partnership (November 2018): Developing and sustaining an effective local SEND system: [Developing and sustaining an effective local SEND system \(squarespace.com\)](https://www.squarespace.com)

3. identifying, assessing young people's needs and ensuring they can access the support that they need
4. building inclusive capacity in mainstream schools and settings
5. developing responsive, flexible and effective local specialist provision; and
6. preparation for adulthood.

In their subsequent research on high needs funding pressures, Isos Partnership (December 2018) built on these features, as follows:

- developing shared ownership of the funding issues
- supporting inclusion while holding mainstream schools to account
- building the confidence of parents and young people in the local system
- maximising the capacity and ingenuity of local special schools
- making sparing and judicious use of placements in the specialist independent/non-maintained sector
- developing post-16 pathways
- working with other local partners (e.g. Health and Social Care).

There is considerable overlap between these two sets of practices, with a greater emphasis in the latter on promoting collective local responsibility for meeting needs within the available financial resources.

The other source of evidence around positive approaches comes from experience gained through DfE's Safety Valve programme. Two principal goals have been identified as critical for local authorities' ability to reach sustainable positions:

1. appropriately managing demand for Education, Health and Care Plans (EHCPs), including assessment processes that are fit for purpose
2. use of appropriate and cost-effective provision: this includes ensuring mainstream schools are equipped and encouraged to meet needs where possible, while maintaining high standards for all pupils

DfE has set out five focuses for strategic activity, based on what has been found to be useful in the early stages of the Safety Valve programme:

1. Effective early intervention
2. Increased SEN support offer
3. Review EHCP assessment processes and thresholds

4. Culture change and work with school leaders

5. Appropriate and thorough provision mapping, with potential development of more local provision.

In order to exemplify some of these practices, DfE provided some case study examples (July 2021)<sup>13</sup>. These were drawn from a number of different authorities, not just those involved with the Safety Valve programme.

## Limitations of previous research

While the above research provides some useful pointers to local authorities, it has some limitations, particularly:

- a tendency to focus on processes and strategic intentions rather than impact and outcomes
- inclusion of a broad set of local authorities, rather than focusing more specifically/in detail on those where there is clear evidence of relative success in addressing current challenges (or where challenges have been less acute)
- the need to look more closely at transferability of practice, with greater recognition of the context in which local authorities are working (including the impact of history on expectations)

Account also needs to be taken of some of the constraints experienced at local area level that arise from issues and tensions in national policy. A number of these were set out in the original Isos Partnership/LGA research (December 2018).

## Focus of this research study

This research was commissioned by DfE and undertaken by Strategic Services for Children & Young People (SSCYP). It aimed to supplement existing knowledge by focusing on a set of case studies, consisting of local authorities that have shown evidence of more effective management of their high needs funding. It is intended to add to the resources that are already being used within DfE's current intervention programmes (Safety Valve; Delivering Better Value) as well as providing examples of good or promising practices that have the potential to be effectively transferred to others in the sector. All local authorities will face challenges, and not all practices highlighted may be appropriately transferred to all other areas. However, it is anticipated that all

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<sup>13</sup> [Creating sustainable high needs systems - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/97422/Creating_sustainable_high_needs_systems_-_GOV.UK_(www.gov.uk).pdf) July 2021.

authorities will have a better understanding of the contexts in which effective practice is occurring with a view to adopting at least some into their own practice moving forward.

The study involved focused interviews with key staff in 10 local authorities and consideration of background data and documentation (detail provided in Chapter 2). The report sets out the methodology used (including the criteria for sample selection), identifies some of the common characteristics of the local authorities involved and key areas they have been trying to address (Chapter 3), followed by an overview of good and promising practice with examples from individual case studies (Chapter 4). It provides an assessment of the extent to which these practices have led to more positive outcomes (Chapter 5). The final sections summarise some of the key ways forward for the sector to consider (Chapter 6), along with implications for national policy (Chapter 7).

## Chapter 2: Methodology

### Sampling

An initial list of local authorities was identified by DfE for consideration by the research team. This initial list had been selected on the basis that they did not currently have an annual deficit (i.e. their level of high needs spending was within the funding allocated for this purpose by government). A further selection criterion was that authorities had not been required to have a written statement of action following their SEND OfSTED inspection unless they showed clear evidence of having satisfactorily addressed most or all of the issues.

Ten local authorities were subsequently identified to be the subject of the research study. The sample was designed to be as diverse as possible (ensuring a range of authorities by size, type and demography and a reasonable spread across the country) (Table 1).

**Table 1: Overview of the case study local authorities**

Local authority	Type	Region	Pupil population (aged 2-18) <sup>a</sup>	Levels of disadvantage (FSM%) <sup>b</sup>
Barnet	London Borough	London	89,806	10
Camden	London Borough	London	51,480	14
East Sussex	Shire County	South-East	102,984	12
Essex	Shire County	Eastern	303,323	10
North Lincolnshire	Unitary	Yorkshire & Humber	34,459	15
Nottingham	Unitary	East Midlands	67,156	22
Portsmouth	Unitary	South	42,173	18
Telford & Wrekin	Unitary	West Midlands	40,161	16
Wakefield	Metropolitan	Yorkshire & Humber	71,882	14
Wigan	Metropolitan	North-West	65,507	16

Sources:

a. [ONS midyear 2021 resident population statistics](#)

b. [National Funding Formula tables for Schools and high needs: 2022-23](#): Department for Education 2021

## Procedure

An initial letter was sent to the Director of Children's Services (DCS) and Chief Finance Officer in each of the case study authorities in January 2022. This set out the purpose and focus of the research and how we expected the local authority would be involved. DCSs were asked to identify the officer in their area who had strategic lead responsibility for SEND and Inclusion to enable us to progress the study.

Online interviews were then arranged with these officers. They were used to secure a broad overview of the context in which the local authority is operating with respect to high needs, to identify practice areas to explore in more detail and to agree key people to interview at the second stage of the research.

Overall, 74 Interviews were conducted from the beginning of February to end of March 2022, consisting of 6-11 in each of the 10 case study areas (see [Appendix 1](#) for details).

In all cases, interviews were carried out online with Finance Officers, usually with responsibility for overseeing the Dedicated Schools Grant (DSG). In some cases, these were joined by the officer with responsibility for finance within the authority's SEND team. Interviews were also conducted with the Head of SEND/casework lead, one or more SEN support service managers (including, in some cases, the Principal Educational Psychologist) and one or more mainstream headteachers (or school governors) who were members of Schools Forum or involved in strategic groups looking at high needs issues.

In half of the cases, an interview was also carried out with an officer with SEND commissioning responsibility, some of whom were involved in setting up new local provision, with others playing a more specific role in procurement and negotiation of costs. Two of these had broader responsibility for commissioning across the range of related services (Education, Health and Social Care).

Other officers included post-16 leads (2 authorities), leads for alternative provision (AP) and exclusions (2), and in one local authority the Head of School Improvement.

To provide context for the interviews, local authorities were asked to provide data on their annual high needs income and spend for the period from 2018-19 to 2021-22 (projected out-turn). Latest estimates for 2021-22 were gathered at the report-writing stage to provide the most accurate expenditure figures available to date.

Local authorities were also asked to provide copies of their annual SEN2<sup>14</sup> returns for this period, which gave further information on numbers of pupils with EHCPs at different phases and in different types of provision.

Use was made of other publicly available data from national databases to provide a fuller picture of context and trends. These included the latest DfE national SEN2 statistics, National Funding Formula tables<sup>15</sup>, the High Needs Benchmarking Tool<sup>16</sup> site and the Department's summary of local authority Section 251 returns<sup>17</sup>.

## Focus of interviews and key themes

Interviews were designed to reflect the core research questions (specified by DfE):

- a) **How processes and practice have been adapted recently** in relation to effectively managing high needs budgets in the context of increasing financial pressures
- b) **How the local authorities have responded to increasing demand for special provision and numbers of Education, Health and Care Plans (EHCPs)**
- c) **Views and supporting evidence of the impact of such changes**
- d) **Specific examples of good and promising practice**
- e) **How local authorities consult and work with their stakeholders to manage demand.**

Core areas for discussion with all interviewees (including the authority strategic lead) included:

1. **A commentary on the high needs spend pressures** that the local authority had been experiencing over the last three years. Interviewees were asked about the factors they thought had contributed to these and about any contextual features that had made these easier or more difficult to manage.
2. **The steps taken to manage these pressures** by the authority / interviewee.
3. **Evidence of impact** they were able to provide for the steps taken (and areas where developments had had a more limited effect)

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<sup>14</sup> <https://www.gov.uk/government/statistics/education-health-and-care-plans-england-2022>

<sup>15</sup> [National funding formula tables for schools and high needs: 2022 to 2023 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/national-funding-formula-tables-for-schools-and-high-needs-2022-to-2023)

<sup>16</sup> [High needs benchmarking tool - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/high-needs-benchmarking-tool)

<sup>17</sup> [Section 251: 2021 to 2022 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/section-251-2021-to-2022)

4. **Involvement of key stakeholders** (schools, parents/carers and other agencies) in these changes and their perspectives on them
5. **Examples of operational change** (e.g. budgetary/financial processes; use of data; casework practice) that they considered to be contributing to more effective management of high needs spend.

(See Appendix 2 for interview schedules)

We were also interested to explore the nature of the relationship between SEND and Finance functions within the authority and how far these areas supported each other.

Questions/focus areas were sent to interviewees in advance so that they had plenty of time to consider their responses. This led to more focused and coherent discussions.

Some themes developed during the course of the research process. It was possible to explore these in more detail in some of the later interviews. For example, we were able to check how far some of the emerging positive features were shared across the sample and to explore levels of confidence that case study areas would be able to continue to manage within budget in future years (when there was less substantial growth in high needs income).

## **Recording and analysis of interview material**

Written notes were taken of interview responses, with specific quotes being recorded where possible verbatim. These were subsequently transcribed and summarised to help identify common and specific themes, key features of the case study authorities that supported good or improving practice, and positive examples of helpful approaches that might be transferable to other authorities in future.

## **Agreement on identification of the case study areas**

The question of whether those local authorities participating in the case studies should be identified in the report was discussed with DfE at an early stage of the research process and further explored with strategic leads in these areas in relation to DfE's framework for data privacy. It was recognised that it would be helpful for both DfE and the wider sector to know where good practice is taking place that can be learned from. Identification makes this easier. Collectively and with the consent of the case study areas, we have agreed to name LAs in this report where examples of positive practice are being specifically described (for example, in the practice vignettes referred to in subsequent sections). Broader discussion within the report, related to how common particular practices and/or perspectives were, is limited to reference to 'all', 'most', 'some' or 'a few' cases.

Where data is provided, this is limited to information that is in the public domain through national databases available online.

## **Limitations of the study design**

One of the design issues with this relatively small-scale research is that it has not been possible to create a reliable formal control group. It is also possible that similar 'positive features and practices' may be present as well in authorities that have a more negative high needs budget management profile.

In mitigation, the two main researchers working on this project have had significant involvement over the years with supporting authorities that are facing bigger budget challenges. A constant question we have asked ourselves is 'how unique/different is this practice/feature?' and 'wouldn't other local authorities say they do this already (and it hasn't made a difference)?'. While this does not amount to a formal control group comparison, it increases the chance that the practices identified can 'add value' to what other authorities are already doing (or help confirm that they are moving in the right direction).

## Chapter 3: Features of the case study sample

### Financial position

Data provided by the case study areas confirmed that annual high needs budgets were in surplus in 2021-22 in all but two of the authorities (Barnet and Wigan continued to have small high needs deficits). Barnet had been included in the original sample because its overall DSG picture was positive. Wigan had been a late addition replacing another North West authority which was unable to participate due to the demands of their OfSTED inspection. It was decided to keep both Authorities in the sample as deficits were small and there was evidence of good or promising practice from other sources.

Most of the case study areas had had an in-year deficit for a short period of time (in 2017-18) but had maintained a surplus since then. Some of the authorities had been able to pay off their cumulative high needs deficit and build their DSG reserves to help deal with future pressures.

Most of the authorities had dealt with their initial deficits through a transfer of money from the DSG Schools Block (funding mainly used for mainstream school core budgets). This was described in some instances as a 'gamechanger', which had helped to incentivise the engagement of mainstream headteachers in a more collective understanding of and response to high needs funding issues.

Even though most of the case study areas were in surplus, they were generally still experiencing significant growth in spend (see Table 2). However, this was being offset by the increases in high needs funding that they had received from central government. Moves to a more positive balance were largely due to growth in income exceeding growth in spend.

There has been a noticeable growth in spend for most of the case study authorities over the period from 2020-21 to 2021-22. While this appears to reflect further growth in demand, it was also attributed to a 'Covid lag effect' with demand suppressed during the lockdown period. In these circumstances, growth might have been expected to be spread more evenly across this and the previous period.

There was also evidence that some of the authorities were reluctant to maintain significant surpluses at a time of ongoing pressures and demands. They were using the opportunity to invest in new initiatives and increase top-up rates for mainstream and specialist provision to reflect the rise in staff costs (that other authorities in deficit were less able to do).

The highest growth in spend overall across the case study sample was in Wigan and Wakefield, with Camden’s rate of increase being noticeably lower than the other 9 authorities.

**Table 2: Percentage growth in high needs spend for case study authorities since 2018-19**

Local authority	2018-19 to 2019-20	2019-20 to 2020-21	2020-21 to 2021-22	Overall
Barnet	4.0%	8.5%	8.9%	22.8%
Camden	0.6%	0.8%	9.4%	11.0%
East Sussex	0.8%	8.3%	15.1%	25.6%
Essex	9.7%	3.5%	9.0%	23.7%
North Lincolnshire	4.0%	6.1%	11.5%	23.1%
Nottingham	3.2%	8.1%	3.6%	15.6%
Portsmouth	0.6%	3.0%	*	*
Telford & Wrekin	3.9%	6.8%	12.3%	24.3%
Wakefield	9.1%	6.8%	9.6%	27.8%
Wigan	10.6%	8.6%	12.2%	34.8%
<b>Sample average</b>	<b>4.7%</b>	<b>6.1%</b>	<b>10.2%*</b>	<b>24.1%*</b>
<b>ENGLAND</b>	<b>7.0%</b>	<b>8.7%</b>	<b>N/A</b>	<b>N/A</b>

Source: Spend returns (financial years) submitted by the local authorities as part of this research (\*Portsmouth figures still to be confirmed at time of publication)

Although there have been some adjustments towards a fairer distribution, the amount of high needs funding allocated to local authorities in England is still affected by historical spending levels set when DSG was first established. We were interested in seeing how well the case study authorities were funded compared to other similar areas.

In comparison to other authorities with similar levels of need<sup>18</sup>, most of the case study areas had an average to below average level of high needs income (for their authority

<sup>18</sup> As measured by % FSME (free school meals ever 6)

type). There was no evidence therefore that they were in surplus because they were getting a more generous budget to start with.

## SEND profile

Table 3 sets out some key SEND statistics relevant to this research. Most of the case study authorities (except Portsmouth and Telford & Wrekin) had an average or below average percentage of residents aged 2-18 with EHCPs. They also had an average to below average percentage in specialist provision (aged 2-18). The picture on SEND Tribunal rates was more mixed.

**Table 3: Key SEND statistics for case study authorities**

Local authority	% with EHCPs 2022 <sup>a</sup> (aged 2-18)	% in specialist provision 2022 <sup>b</sup> (aged 2-18)	SEND Tribunal appeal rates (%) 2020 <sup>c</sup>
Barnet	3.56%	1.25%	3.0%
Camden	2.76%	0.94%	1.8%
East Sussex	3.79%	1.74%	5.0%
Essex	3.62%	1.38%	3.0%
North Lincolnshire	3.33%	1.37%	0.3%
Nottingham	1.93%	0.99%	1.4%
Portsmouth	4.27%	1.73%	0.7%
Telford & Wrekin	4.38%	1.93%	1.7%
Wakefield	3.70%	1.21%	0.7%
Wigan	3.56%	1.59%	0.1%
<b>Sample average</b>	<b>3.51%</b>	<b>1.39%</b>	<b>1.77%</b>
<b>ENGLAND</b>	<b>4.07%</b>	<b>1.67%</b>	<b>1.70%</b>

Sources:

a. Latest SEN2 statistics (2022) <https://explore-education-statistics.service.gov.uk/find-statistics/education-health-and-care-plans> Resident population projections taken for ONS midyear 2022.

b. Latest SEN2 statistics (2022) – includes all forms of specialist provision including resource bases in mainstream schools funded from HNB. Resident population projections for ONS midyear 2022.

c. SEND appeal rate 2020 (table SEND2) [Tribunal Statistics Quarterly: January to March 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/tribunal-statistics-quarterly-january-to-march-2021)

## Culture and context

Most of the local authorities in the sample had established a strong culture of local collective responsibility. This was typically associated with:

1. Stability of senior LA leadership
2. An emphasis on developing and maintaining positive relationships with key stakeholders (particularly schools/settings and parents/carers), with active listening and a commitment to seeing things through
3. A climate where constructive challenge is seen as a positive aspect of school and local authority service improvement
4. A clear governance framework to help achieve common understanding of high needs issues and oversee developments, with key stakeholders actively involved
5. Mainstream and special school headteachers actively involved in working groups to consider options/ways forward
6. Improved use of data and greater transparency to encourage better shared understandings and more active engagement in the broader picture
7. Greater use of peer review and/or peer moderation/challenge to help extend good practice and common expectations.

## Figure 1: Local collective responsibility

**North Lincolnshire** has had a long history of positive partnership since it became a unitary authority in 1997. With stable and committed leadership, it has established a strong sense of collective responsibility for meeting the needs of all children and young people who live locally. This cuts across all services and agencies but and there is also significant 'buy-in' from schools. The culture has been sustained through a period of increased academisation. There is recognition that schools that are part of larger multi-academy trusts (MATs) may feel their 'centre of gravity' is elsewhere. However, the LA and schools in general are working hard to maintain shared values and commitments at local level, through good communication and dialogue.

There is transparency about emerging issues and a collaborative problem-solving ethos. This was particularly evident when the LA experienced a significant high needs deficit in 2017-18 when senior officers met with headteachers to consider practical ways forward. Strategy is driven by a shared commitment to improve outcomes for children and priority is given across the board to quality assurance and evaluation, though common processes (such as case audits and deep dives).

The quality of communication and relationships has been supported by the fact that the authority is relatively small. Shared responsibility within the LA has also been strengthened by the need for overlapping roles and accountabilities, which enhance the ways in which policy expectations are framed and communicated.

This culture of collective responsibility has supported a common sense of direction for children and young people with SEND and a more collaborative approach across schools and the LA to meeting needs within available budgets.

Partnership in some of the case study authorities has a long history and it may be more difficult to establish where there have been higher levels of staff turnover or in larger authorities where communication and relationships can be more complex. However, we are aware from our experience elsewhere that some shire counties (such as Cambridgeshire, Durham and Hertfordshire) have been able to strengthen collective responsibility at area/district level in a way that supports some of these features. There was some evidence that the largest case study area included in the study (Essex) was starting to move in this direction.

## Policy emphasis

Discussion of the reasons for the significant growth in high needs spend highlighted a number of factors (many of which were also reported in the Isos Partnership research). There was reference to:

- Growing numbers of children with complex/significant needs (linked to improved medical interventions and greater survival, and to increased social pressures)
- Changes in diagnostic practice (particularly in relation to ASD (Autistic Spectrum Disorder) and ADHD (Attention-Deficit Hyperactivity Disorder))
- Impact of social media and expectations arising from the national SEND reforms
- Loss of parental confidence in the ability/willingness of (some) mainstream schools/settings to meet individual needs
- School accountability pressures leading to some schools becoming less inclusive
- Increased demand for special school placements
- Increased need for higher cost placements (in the independent/non-maintained specialist (I/N-MSS) sector) where local provision is full.

Most interviewees considered that causation of increasing spend was complex and involved a mixture of factors. However, within the sample, there were differences in emphasis which were having an influence on authorities' strategic priorities. In most of the authorities, priority was being given to further developing the mainstream offer and making it more consistently strong. Respondents in these areas tended to argue that:

- Continuing growth in use of specialist provision is financially unsustainable
- Placing those with more modest needs in specialist schools and settings just creates further demand
- Specialist provision should be consistently targeted at those with the most significant needs, with clearer expectations of the kinds/levels of provision that should be available in all mainstream schools
- Outcomes are better for children and young people if their needs can be met locally
- Mainstream schools/settings need to be more responsive to the changing needs of their local community and to develop their own provision to meet these.

Camden and Nottingham City had invested a significant amount of their new money in supporting mainstream inclusion.

In a couple of authorities in the sample, this emphasis on mainstream inclusion was less strong, with the priority being to develop local specialist provision to reduce the need for

pupils being placed out of area or in the I/N-MSS sector. There was some evidence that this approach was linked to higher growth in spend. In practice, all the case study authorities were having to do 'a bit of both' as there was a continuing need for increases in places in specialist provision even where mainstream improvements were under way.

## Strategy

### Links between SEND and Finance

Most of the case study authorities had a clear strategic direction for SEND which was closely linked to Finance. Much closer links had been established between SEND and finance functions, with officers meeting regularly to monitor expenditure against different areas of provision and services. There were joint reports to Schools Forum and joint attendance at high needs working group meetings. Officers had developed much greater understanding of each other's issues, with Finance recognising the need to support strategic developments with the necessary investment and SEND officers having a greater awareness of financial limitations and the need for a sustainable approach.

#### **Figure 2: Finance and SEND strategies working together**

**Telford and Wrekin** has developed a number of approaches that keep high needs spend within budget and are part of a wider aim to extend the inclusive capacity of its mainstream schools. Reports to Schools Forum set out the activity that is taking place and invite challenge and discussion amongst school leaders. The achievements from joint activity include:

- A revised formula for the notional SEND budget to ensure greater cross sector equalisation and help re-emphasise schools' SEND responsibilities
- The introduction of targeted funding to support phase transfer so that children with more complex SEND, but without EHCPs, are able to experience a successful and sustained transition.
- Establishing a unified banding scheme
- The development and implementation of a system for funding pupils with high needs in mainstream schools, that involves headteachers and SENCOs without the requirement for EHC Plans

There was evidence of increased use of forecasting, although approaches varied. In some, this was limited to projecting the impact of growth in EHCPs and numbers of pupils with different types of need, with the expectation that more provision would need to be developed to cater for these. In others, forecasting was more sophisticated and more

closely linked to the potential impact of financial constraints. There was less clear analysis, even in this case study sample, of the expected impact of strategic activity (apart from in general terms) or any detailed picture of what patterns of provision would need to look like if high needs spend were to be matched to the available budget in future years.

## **Governance**

Most of the case study authorities had well established governance structures, with clear links between higher level entities (such as Health & Wellbeing Boards) and groups that were more concerned with operational delivery. In a number of the authorities, SEND and inclusion were a major focus of standards/school improvement boards. All of the authorities had established working groups involving headteachers and, in some cases, SENCos, parents and school governors to address key issues. Sometimes, these were formally established by, or strongly linked to, Schools Forum, to support more in-depth discussion than is usually possible with a broader/fuller agenda.

## **Engagement with stakeholders**

All case study authorities put a strong emphasis on active engagement with schools/settings and parents/carers. This was regarded as important so that people felt their concerns were listened to and heard. Regular contact was a way of 'picking up emerging issues' and 'preventing these from getting out of hand'. More limited formal consultation was seen as a poor substitute for building strong relationships that were ongoing.

## **Use of data**

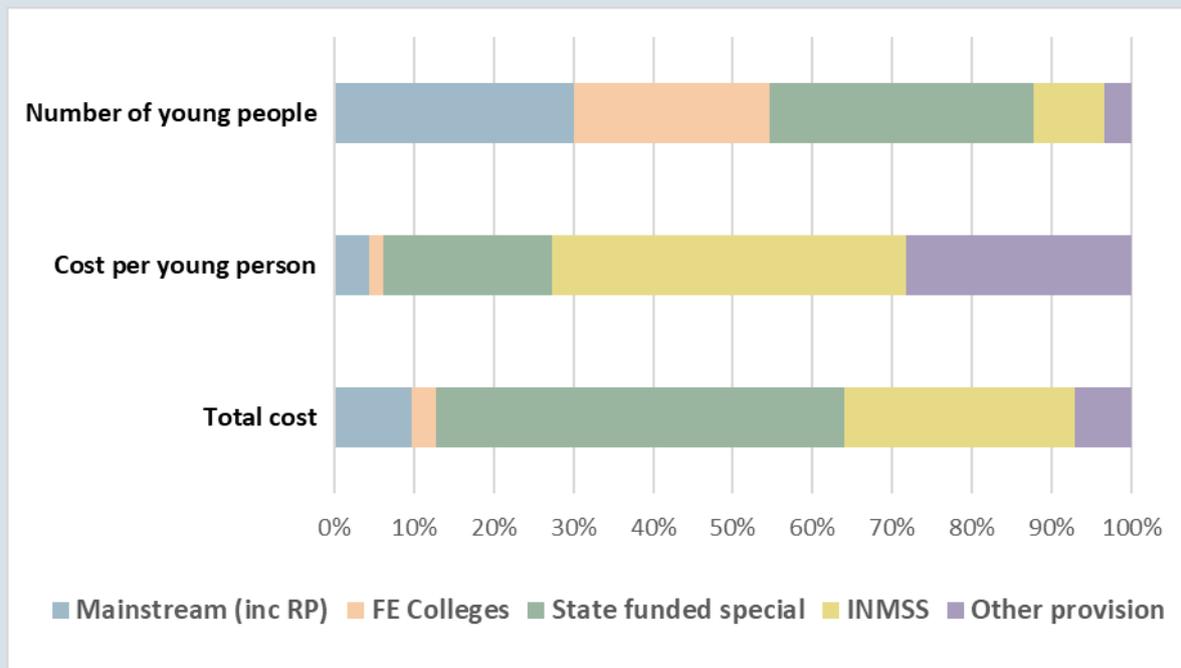
In the sample authorities, there had been significant improvements over the recent period in the quality and availability of data. This supported better planning and evaluation of progress and promoted much greater transparency in discussions with schools and other stakeholders. A number of the authorities had developed individual school profiles/dashboards to help inform self-evaluation and better target support and intervention.

All of the case study areas shared information with stakeholders on the current use of their high needs budgets. This enabled broader awareness of where money was being spent along with relative unit costs. Some authorities had undertaken benchmarking exercises to compare provision costs (e.g. banding/top-up levels) with other areas.

### Figure 3: Using data to raise awareness and support transformation

In addition to monitoring trends in placement arising from EHC needs assessments and plans, **East Sussex** looks at the impact of placement trends on numbers of pupils, the average cost per pupil and the total cost per placement type.

This is a LA with a determination to strengthen inclusive practice in mainstream and reduce reliance on placements in specialist provision (particularly where this is higher cost). Communicating the rationale for transformation to stakeholders and services is assisted by effective presentation of the data.



Source: East Sussex LA analysis of relative costs of different types of provision (2021)

Data: top-ups only for Mainstream and FE. Place factor included for special. Fees and top-up for I/N-MSS

## Capacity

One of the issues with the significant national growth in EHC needs assessment requests has been that it has been more difficult for local authority officers and services to have the time to be proactive and ‘raise their heads above water’. This has been compounded by pressures on local authority core staffing budgets. A number of officers interviewed reported having to balance strategic activity with increased operational pressures. In some of the case study authorities, the Educational Psychology Service (and other SEN support services) had become increasingly overwhelmed by having to undertake EHC needs assessments where they had had no previous knowledge of/involvement with the

pupil. This was limiting their capacity to work more proactively and help prevent escalation of difficulties.

In a number of the authorities, however, the need for more strategic capacity at senior officer level had been recognised, allowing a more active leadership role. The funding and commissioning arrangements for SEN support services were being reviewed to ensure greater impact on key strategic outcomes. A more managed approach to addressing the need for EHC needs assessments was releasing more time for supporting school-based intervention and helping strengthen relationships between parents/carers and schools.

#### **Figure 4: Educational Psychology Service contribution to strategic development and positive practice**

The Educational Psychology Service (EPS) in **Camden** is directly involved in proactively supporting key strategic developments. It has contributed significantly to the creation of a new high needs resourcing system for mainstream schools and settings which is less dependent on EHC needs assessments and has been engaged in other aspects of provision development and review. It also plays a role in helping manage exclusions and is explicit about this in its annual planning/contracting meetings with schools.

The LA recognises the contribution that educational psychologists make to strategic priorities. There is LA funded time that helps them to retain a 'challenge' as well as supportive role. EPS activity is not restricted to statutory work and they are able to support schools in their development of inclusive practice and strategy, as well as working with them on more specific areas identified as a priority within the traded service offer.

The impact of the Camden EPS approach is positive for schools and settings, families and the local authority. There is no waiting list or lack of availability for statutory work. There is time for system development and consultancy work with schools and Early Years settings. EP recruitment is not a problem due to the service having a broader range of roles.

At a financial level, most of the case study areas were endeavouring to retain some of the new money that they were receiving for high needs from central government, to support specific developments and initiatives that allowed for some level of creativity and innovation. This approach took account of the future position where the rate of HNB growth would "flatten out".

## Chapter 4: Particular areas of pressure and associated good practice

During the course of the interviews, some key areas emerged that the case study authorities were needing to address. These were as follows:

1. The need to develop a stronger and more consistent mainstream offer
2. The need to understand and engage with parental expectations at both casework and broader strategic level
3. The need to build capacity for meeting the needs of children and young people with autistic spectrum conditions at all levels (family, school/setting and service)
4. The need to strengthen phase transitions, from early years to school, from primary to secondary, and beyond
5. The importance of having a clearer and broader range of pathways post-16 for young people with different levels of need to support transition from education to adult life
6. Effective commissioning and monitoring of specialist provision and holding providers to account

The following sections of this report summarise responses to these issues in the case study authorities, with positive examples of practice that we consider to be transferable to other areas.

### Developing a stronger and more consistent mainstream offer

#### Ordinarily available provision

A number of authorities in the sample have developed documents setting out what they expect mainstream schools to 'ordinarily provide'. We found that these were strongest when they were:

- Co-produced with schools (usually SENCOs) and parents/carers
- Actively reviewed and refreshed

This process had usually taken some time but the products were seen as having more ownership than if they had been constructed solely by officers or imported from elsewhere. The authorities that had developed documents in this way felt that they were a more valid reference point for parents in terms of what they could reasonably expect all schools to do, as well as supporting common understandings of when it might be appropriate to be considering 'additional or different' provision.

### **Figure 5: Achieving a common understanding of ‘ordinarily available provision’**

Officers and support services in **Barnet** have worked with schools and parents to develop greater clarity about what is/should be ‘ordinarily available’ in mainstream schools and settings. The document they have produced with stakeholders is supported by most schools in the LA and is actively reinforced through the work of the authority’s SEN support services and SENCo network activity<sup>19</sup>. This has helped contribute to a lower percentage of EHCPs than in some other similar authorities and a relatively higher number of pupils on the autism spectrum whose needs are being met at SEN support level.

Part of this work to achieve common understandings across schools and settings has been to identify different types of curriculum pathway across both mainstream and specialist sectors and the kinds of educational progress that should be expected from each.

### **Figure 6: ‘Ordinarily available provision’ - keeping it live**

**Portsmouth** has followed a similar approach to that described in Barnet above. The document continues to be refreshed and reviewed with stakeholders.

It is now being extended to include provision in early years settings and the contribution of local SEND support services. In response to local experience, work is also in hand to set out clearer expectations around phase transitions, particularly between primary and secondary schools where parents’ and pupils’ experience has been mixed. This dynamic approach to review ensures that emerging issues are considered and practice related expectations are developed.

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<sup>19</sup> Published by the London Borough of Barnet with Cambridge Education (February 2019) at [00 Ordinarily Available Document March 2019.pdf \(rackcdn.com\)](http://00.Ordinarily.Available.Document.March.2019.pdf(rackcdn.com))

## Support services: role and contribution

Most of the case study authorities had retained central SEN support service capacity, although in some instances this had been reduced because of high needs funding pressures. Some services included a traded element. A number had also commissioned outreach from special schools. The focus and expectations for this service had not always been clear: some authorities had recently recommissioned this support with a more formal service level agreement which defined capacity and expected outcomes.

### **Figure 7: Recommissioning outreach support for greater impact**

**Wigan** has funded outreach from its special schools for some time. It has recently moved to a formal commissioning arrangement to ensure more consistent quality and a more unified approach.

The new arrangement is more firmly focused on sustaining children in mainstream provision. It incorporates a common referral system. Requests for support are considered by a panel involving key LA service managers. There is a much clearer expectation that support will help secure successful outcomes for pupils in mainstream settings, with less need for specialist placements, reduced timetables or exclusions.

There is also a focus on achieving more robust primary-secondary transitions and strengthening parental confidence in the mainstream school pathway.

Support services were expected to have an impact on mainstream school development, as well as on the progress of individual pupils. In most cases, they were playing a key role in organising their local SENCo networks, helping to share positive practice and being involved in its development. Services were also increasingly being evaluated on the contribution they were making to successful maintenance of local mainstream placements.

### **Figure 8: A new approach to SEND service support**

In **Portsmouth**, a new commissioned service has been established with capacity drawn from special and mainstream schools, central LA and therapy services to help deliver a more coordinated approach.

The service is deployed through a single referral system and is overseen by a special school outreach manager who is also an LA employee. The service works at both an individual pupil and whole school level and through key members of staff (not just directly with pupils). It is funded from the high needs budget.

The more co-ordinated approach enables clear 'partnership plans' to be established with schools and parents for all service activities (including individual casework) with clear expected outcomes. Referrals can be made by the authority's SEN casework team, for example where requests for EHCN assessments have been declined or where mainstream placements for pupils with EHCPs are at risk of breakdown.

Some of the sample authorities had strengthened their capacity to support schools in meeting the needs of pupils with SEMH issues, with a view to preventing escalation of problems and reducing exclusions.

## **Figure 9: A more coordinated system for supporting pupils with SEMH needs in mainstream primary schools**

**Nottingham City** has developed a range of initiatives to support greater inclusion in mainstream primary and secondary schools, particularly for those who are at significant risk of exclusion

As part of this work, an Intensive Support Team (IST) has been created. The purpose of the IST is to work with the child, their family and school to successfully maintain their school placement.

The IST is a multi-agency group of practitioners, initially drawn from three teams: Educational Psychology Service (EPS), Behaviour Support Team (BST) and the Targeted Family Support Team (TFST). They work collaboratively to support pupils whose behaviour is exceptionally challenging and whose placement is particularly vulnerable.

For some pupils, support is also linked to allocations of high needs funding to strengthen primary-secondary transition. The more coordinated approach has helped the referral process become more streamlined and less demanding on SENCo time.

This approach has led to more effective outcomes for pupils and has reduced instances of placement breakdown.

In a number of the case study authorities, there had been increasing involvement of mainstream SENCos in supporting the extension of good practice, on a formally commissioned or seconded basis.

## **Figure 10: Involving mainstream SENCoS in SEN support**

**Portsmouth's** SEN support services include a range of providers with a single overall lead. The service commissions time from a small number of mainstream SENCoS (14 days per year from each primary SENCo and 20 from the secondary one). This has supported greater collective working between the local authority and schools and better communication and engagement in new initiatives.

The SENCoS play an important part in network activity and in promoting good practice. The development has helped to develop a more shared understanding of LA, school and service issues and supported a more common focus and direction.

## **SEND and school improvement**

Most of the authorities in the sample had maintained an active school improvement function. There was evidence of a closer alignment with the SEND and inclusion agenda with a recognition that the strength of the mainstream offer should be a core aspect of school quality. This focus was also supported by greater commitment from mainstream headteachers to this agenda and a desire from them to see more local consistency in practice and equity in expectations and thresholds for accessing additional or specialist provision.

There was greater evidence of school involvement in peer reviews. Where school improvement officers were making annual school visits, these included a review of SEN leadership, the quality of provision that was 'ordinarily available' and the progress of vulnerable pupils. There were clearer shared understandings between local authority officers, headteachers and school governors around funding available for SEND within schools' delegated budgets.

There were clear arrangements for identifying schools causing concern in this area of practice and agreed approaches for challenge and support where this was the case.

### **Figure 11: Improving the quality and consistency of mainstream SEND provision through a coordinated school improvement approach**

**North Lincolnshire** has retained a school improvement team which works with both LA-maintained schools and academies. This links to the local authority's 'All our Children' strategy which embodies a common commitment to improving outcomes for all young people who live locally. The authority's governance structure includes both Education and SEN Standards Boards. SEND and Inclusion feature regularly on the agenda for discussion in both of these forums.

The Boards have access to data on all aspects of school and local authority performance (including the quality and timeliness of EHCPs). This approach achieves strong communication between SEND and school improvement officers and clear recognition of the need to coordinate whole school and casework level perspectives.

Coordination across school improvement and SEND functions can be more difficult in larger authorities where responsibilities are more discrete. Essex was addressing this issue through structural reorganisation.

### **Figure 12: Linking SEND and school improvement in a large LA**

In **Essex**, the authority now operates on a 'quadrant' system, with each area having a lead for school effectiveness and a lead for SEN and Inclusion. This structure is intended to help strengthen links between these two services. SEN specialist support services have also been reorganised so that there is an EP and 'Inclusion Partner' for each cluster of schools and each school within that cluster. This is expected to harmonise activity and ensure agreed priorities for support and intervention.

## **Headteacher working groups**

A number of the authorities had set up officer/headteacher working groups to look at particular issues. In some cases, these were initiated as part of the broader Education strategy or were linked to governance structures. In others, the groups were initiated by Schools Forum to address particular developments or issues.

The greater engagement of mainstream headteachers had been partly precipitated by funding pressures (experience of deficits) and partly by specific concerns. In a few of the authorities, groups had been prompted by mainstream Head Teacher complaints about top-up levels and the pressure that growing numbers of EHCPs were placing on their delegated budgets (through the requirement on them to find the 'first £6k' of any provision). This had then led to discussions about whether all schools were in the same situation, whether pressures were evenly distributed and whether some schools were 'taking more than their fair share' of pupils who required additional funding. A focus on greater equity was leading to a greater look at consistency of practice and the need for further challenge and support to schools that were less inclusive.

### **Figure 13: A methodology for assessing 'inclusiveness' in the mainstream sector**

**Wigan** has been experiencing significant growth in its spend on high needs, linked mainly to increased pressure for places in specialist provision. While schools have supported inclusion, increased challenges mean that there is now more variation in the support available and the consistency of the mainstream offer.

The authority has convened a group of mainstream headteachers to look at current high needs issues, which is attended by the Assistant Director (Education) and Head of SEND. One area of interest has been how to find a way of ensuring the system is fairer. Data is being gathered on the number of pupils (with EHCPs and on SEND support) who move school during their primary or secondary career while remaining at the same residential address. This is expected to provide clearer evidence in relation to schools that describe themselves as 'magnets' for pupils with high needs and those that may be considered as 'not taking their fair share'.

It is expected that this evidence will inform the targeting of support and challenge to those schools where the SEND offer is less strong.

Headteachers had also been involved in the development of banding systems and new approaches to mainstream funding that were less dependent on EHCPs. The motivation in both cases was to achieve greater consistency and equity and to ensure decisions were linked to need rather than demand or pressure.

## Promoting more inclusive practice through better deployment of funding

A number of those interviewed recognised the ‘perverse incentives’ in the current SEND system that have recently been highlighted in the government green paper<sup>20</sup>. Less inclusive practice may sometimes lead to a greater share of resources, through access to additional support for pupils that other schools might expect to provide for themselves, or to alternative and specialist provision which is funded from a shared funding stream (the High Needs Block).

Some of the authorities in the sample had addressed this issue through more creative approaches to mainstream funding. For example, North Lincolnshire, Nottingham City and Wakefield had worked with secondary mainstream schools to strengthen their ‘in-house’ capacity for pupils who were at significant risk of exclusion. Camden had devolved some of its high needs funding to mainstream primary and secondary schools to enhance their SEND offer and increase the threshold at which schools can seek additional support. This has helped maintain inclusive practice and limit the growth in numbers of EHCPs that many other authorities have experienced over recent years.

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<sup>20</sup> [SEND Review: right support, right place, right time](#) (March 2022)

## Figure 14: Supporting mainstream secondary inclusion

**Nottingham City** has had a strong tradition of mainstream inclusion which has lasted for a number of years. However, about 7 years ago, it experienced a significant spike in secondary exclusions. This led to increased demands for alternative provision and difficulties in securing quality education for vulnerable pupils. An external review indicated varying practice across the sector that was leading to very different rates of exclusion. The 'shared AP resource' was being used disproportionately by some schools. Following discussions with local headteachers, it was decided to pilot an approach where schools could receive their 'share' of the available funding 'upfront'. Clear service level agreements confirmed that pilot schools were expected to meet future needs within this resource (and pay full costs for any pupil where the LA was required to arrange provision).

Over time, most secondary schools have joined the pilot and permanent exclusions from these have reduced substantially<sup>21</sup>. The scheme has required new investment to take account of the 'legacy' of past practice. This has been a major priority for the increased high needs funding that the city has received from central government.

## Collective management of funding and resources

As an extension to some of the work that has been described above, some of the authorities have developed processes to support more collective management of resources. These have helped strengthen school ownership of the need to use high needs funding equitably and effectively, in a way that is financially sustainable. Most of the systems involve a greater element of peer moderation and challenge.

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<sup>21</sup> More details on this initiative are included in Bryant and Gray (2021): [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/988703/Responsibility-based\\_models\\_of\\_decision-making\\_and\\_commissioning\\_for\\_alternative\\_provision.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/988703/Responsibility-based_models_of_decision-making_and_commissioning_for_alternative_provision.pdf)

### **Figure 15: Working together to reduce exclusions**

**Wakefield** has developed an Inclusion Project for pupils at risk of exclusion which has involved the setting up of primary and secondary panels attended by mainstream headteachers, at which pupils are put forward for support. The support offer has evolved and includes input from a wider range of locality services, including peer to peer support, youth hub, 'step out' placements in Pupil Referral Units (PRUs) and direct support from specialist services. This has contributed to a significant fall in numbers of permanent exclusions in secondary schools from 96 in 2018/19 to 39 in 2020/21.

More fully developed systems were associated with increasing recognition from mainstream headteachers that needs were best met through a combination of school budgets and high needs resources. This commitment was being delivered at a strategic level rather than just through a debate around relative financial contributions to meeting individual pupil needs.

### **Figure 16: Getting the best out of school and high needs budgets**

**North Lincolnshire** had a significant overspend on its high needs budget in 2017-18. This was mainly due to a spike in permanent exclusions from secondary schools, with an associated increase in spend on alternative provision. The authority's strategic lead for SEND and Inclusion was able to meet with local secondary headteachers as a group to explain the need for a top slice from the mainstream Schools Block to pay for the deficit. It was agreed that there would need to be a more equitable and sustainable approach. The headteachers decided to allocate some of their delegated budgets to strengthen their in-house provision, with the authority securing capital grant funding to develop school premises and facilities.

The combined investment has led to a significant reduction in numbers of secondary permanent exclusions. PRU places have reduced from over 120 to less than 30 and there is evidence of improved pupil outcomes. Officers and headteachers interviewed explained that this was only possible because of the strong relationship and collective culture that had been developed over a period of time.

A number of the authorities had developed new approaches to funding pupils with high needs in mainstream schools that involved headteachers and SENCOs more actively. These contrasted with the more traditional statutory assessment panels where the

involvement of mainstream school leaders can be more restricted. Such approaches involved a greater level of peer challenge and supported stronger expectations of the mainstream SEND offer.

### **Figure 17: Mainstream headteacher involvement in the management of high needs funding and resources**

**Camden** has had a long tradition of proactive planning and collaborative work with headteachers to address emerging issues. When the National Funding Formula was being proposed, it anticipated budget reductions in both Schools and high needs funding areas. The need for a collective approach was recognised. Management options were identified and discussed openly with Schools Forum and there was agreement on preferred ways forward. In practice, high needs budget reductions were not necessary because of the NFF 'funding floor'. However, some of the key learning from the discussions was carried through.

A group of headteachers and school governors worked with LA officers to develop a new approach to mainstream high needs funding that was more collectively managed. This built on the concepts of 'predictable' and 'exceptional' needs (which had been used to support the devolution of a proportion of funding to mainstream schools several years earlier).

After a significant amount of discussion with all schools in the LA, an 'Exceptional Needs Grant' process was established, with a panel chaired by mainstream headteachers (on a rotating basis). Schools are able to apply for additional funding without requiring an EHCP. While the EHCP route has been retained, numbers of pupils accessing funding this way have reduced. The greater involvement of mainstream headteachers in the development and management of the process has been a major factor in ensuring that funding has continued to be targeted on those pupils who are most in need.

Since 2011, all Camden mainstream schools have received additional funding devolved from the High Needs Block. Headteachers recognise that this needs to be taken into account when assessing the level of support that schools should be expected to provide.

The authority is now wanting to develop the model further by bringing the Exceptional Needs Grant and EHCP systems together and linking decision-making about mainstream high needs funding to clusters of schools. This approach is being trialled this financial year.

## Understanding and engaging with parental expectations

In the case study authorities, there was general recognition of the need for good communication with parents/carers. This went beyond formal consultation and dialogue with the local Parent Carers Forum. At individual child level, it extended from promoting good practice in parental involvement at school/setting and service/agency level to more active support in decision-making where statutory assessment and provision were being considered. There was an emphasis on direct contact where issues were starting to escalate rather than seeking to manage difficult conversations through email/phone.

Conversations with parents/carers were also happening in other ways, through formal involvement in governance arrangements, participation in working groups, and attendance at conferences and workshops.

### **Figure 18: Involving parents at a number of levels**

**Barnet** places a high value on partnership and co-production with parents and carers and they are involved at all levels of the system. This includes participation in EHC needs assessment panels. Although this requires clear protocols (e.g. with regard to confidentiality), there is evidence that parental representation has enhanced the quality of conversations and helped dispel some of the myths about how panels operate.

As indicated above, parents/carers had been actively involved in some authorities in the development of documents summarising 'ordinarily available' provision in mainstream schools and they continued to be consulted about their experience.

A number of those interviewed pointed to the need to pick up early signs of 'hot issues' and to be tuned in to local social media discussions. Some authorities were making proactive use of their 'Local Offer' websites to address any emerging misunderstandings by posting responses to Frequently Asked Questions (FAQs).

### **Figure 19: Working with parents to reduce escalation of issues and build mutual confidence**

Senior officers in **Telford & Wrekin** meet regularly with the Parent Carer Forum, which helps provide “sense checks” and identify “what’s hot” in the local area. This enables LA officers to target support and attention to specific areas of concern with the aim of addressing issues promptly and avoiding unnecessary escalation of issues.

The SEND team has developed its approach to communication with parents/carers, by increasing levels of direct contact. This has reduced case escalation, built parent confidence and resulted in reduced approaches for mediation, as well as contributing to lower need for EHC Plans.

Officers in some of the case study authorities pointed to the difficulties in engaging individually with parents/carers in the way they would like to. This was influenced by pressures arising from the growth in numbers of EHC needs assessment requests and budget restrictions that were limiting further staffing increases. It was felt that these could only be effectively addressed through a change in culture, better dialogue with parents/carers at individual school level and a more collective approach to managing this challenging policy area. Some of the case study areas had managed to increase their SEND caseworker capacity, with a clear indication of expected impact, not measured simply in terms of timescales/process completion but also improvements in key strategic outcomes, including more direct contact with parents.

### **Building capacity for meeting the needs of children and young people on the autistic spectrum.**

The proportion of pupils with EHCPs nationally who have autistic spectrum disorder recorded as their primary need has risen substantially<sup>22</sup>. This now stands at over 30% of the EHCP cohort, higher than any of the other DfE categories of need<sup>23</sup>. Interestingly, the proportion of pupils on SEND support who are recorded on the annual School Census as being on the autism spectrum is considerably smaller (7% in 2020-21).

The substantial growth in numbers of pupils with EHCPs with this type of need has led many authorities to increase the range and extent of their local specialist provision, to help reduce reliance on placements in the I/N-MSS sector, which tend to be higher cost.

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<sup>22</sup> <https://senpolicyresearchforum.co.uk/wp-content/uploads/ASD-paper-Dec-21.pdf>

<sup>23</sup> <https://explore-education-statistics.service.gov.uk/find-statistics/special-educational-needs-in-england/2020-21>

In some cases, specific autism provision has been created; in others, the focus of existing special schools has been extended. A significant number of authorities have also commissioned new autism resource bases in primary and secondary mainstream schools.

## Strengthening universal provision

As autistic spectrum conditions have become 'higher incidence', there has been an increasing need to strengthen capacity (knowledge, skills and confidence) in all schools and settings. It has become more important too to differentiate between levels of need/provision that can/should be expected in mainstream and to have clearer thresholds for access to more specialist resources.

Most of the authorities in the case study sample had introduced frameworks for development using nationally available initiatives and associated materials (e.g. Autism Education Trust). These were supporting more structured approaches to training and school development and a more systematic way of monitoring the quality of their response.

One of the issues that seems to be triggering demand for EHCPs in many authorities is the tendency for Health to 'diagnose and discharge'. Parents/carers experience a long wait for a diagnosis and build up expectations that this will help resolve a number of their current issues. In practice, there is usually no medical prescription and the focus tends to be on the need for family or educational support. Well-intentioned health practitioners can, on occasions, 'pre-empt' decisions by assuming that a child will require an EHCP or access to specialist provision, even when needs could be met at the level of school SEND support. Once this expectation has been created, ordinary school level intervention can be seen as 'second-best'.

In some of the case studies, the authority had addressed this by having a clearer focus on individual needs. In Portsmouth, this had been supported by the development of a 'neurodiversity profiling' approach. This was not being used as an alternative to diagnosis, but as a way of identifying relative strengths and helping prioritise areas for intervention<sup>24</sup>.

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<sup>24</sup> See [Neurodiversity - > Portsmouth Local Offer](#) for more information.

## **Figure 20: Focusing on individual needs through a neurodiversity profiling approach**

LA support services and colleagues from Health/CAMHS in **Portsmouth** have co-produced a neurodiversity profiling approach with schools/settings and parents/carers. This provides a structured way of analysing children's developmental profiles and supports an individualised approach to intervention for pupils with common labels such as ASD, ADHD and SpLD<sup>25</sup>.

It has been used as a focus for workforce development and training, so that the approach is embedded in the ways in which staff understand and respond to these areas of need. The profiling approach has helped to provide a common framework for communication between early years settings, schools, early help professionals and parents and a clearer focus on what is needed to support children more effectively.

The approach has been piloted in several schools. There is evidence that this is leading to earlier identification and understanding of needs and more appropriate and timely interventions.

## **Support services**

Most of the case study authorities had retained support services to work with schools, children and families where provision for autism was an issue. Some of these services were targeted specifically at this type of need. Others were more generic and included support for a broader range of children. Local authorities varied as to whether a diagnosis was required for service access. There was some evidence that tighter referral criteria could lead to greater pressure for identification and labelling.

In some authorities, services were providing drop-in sessions and/or groups for parents. This helped improve relationships and communication and ensure that guidance was provided beyond that which might be available through social media or online.

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<sup>25</sup> More information on Portsmouth Children's Trust's Neuro-diversity strategy for 0-25 year olds (November 2021) can be found at [Children-Young-Peoples-Neuro-Diversity-Strategy-21-23.docx \(live.com\)](#)

## **Figure 21: Supporting inclusive education for pupils with autism**

**Nottingham City's** Inclusive Education Service has a specific Autism team made up of specialist teachers and transition support workers. They focus on children and young people from 3-19, providing advice to schools, direct work with children and families and liaison with other professionals. Every school has a named link teacher.

Transition support workers target children who are most likely to find transition difficult and provide programmes of support as they move from primary to secondary school or from nursery to reception.

Direct contact with parents and parent groups is a priority and there are regular newsletters and drop-in sessions. Training for professionals is also an integral part of their offer.

These developments have helped to strengthen confidence among schools and parents in meeting the needs of pupils on the autism spectrum.

### **Specialist provision**

There was some variation across the case study sample with regard to the focus of new specialist provision. Some were seeking to provide more options for pupils who could access the mainstream curriculum but might experience significant social or environmental issues. Others were focusing more on pupils with a greater level of learning disability where there were significant challenges in managing behaviour. There was also variation with regard to the focus of mainstream resource base provision, the expected range/level of needs that these catered for and the model of provision that was envisaged (particularly in terms of amount of access to mainstream classes).

A number of authorities were seeking to refocus existing provision so that it was more inclusive of pupils with complex/significant needs. This process was not always easy and required cooperation and commitment from existing providers. This was easier to achieve in the context of a more collective approach.

## **Figure 22: Recommissioning mainstream autism bases to focus on complex needs**

**Camden** has three autism resource bases in primary mainstream schools and one in secondary. Two of these were developed following a review, ten years ago, of educational provision for children and young people on the autism spectrum including resource base provision. This led to a significant reduction in the number of higher cost placements out of area in the independent/non-maintained special school sector.

A third primary base has been established more recently to accommodate increasing levels of need. The increased number of resource base places at the primary phase will have an impact on secondary provision and the authority is currently looking at opening another secondary base to accommodate pupil transfers.

A recent external review of the authority's use of its high needs budget has indicated a need to take stock of the levels of need that the bases should provide for, in the light of the high number of pupils with this kind of need who are being educated in ordinary mainstream schools/settings. Discussions are currently in hand with regard to admission thresholds, expected models of provision and associated funding requirements.

The high numbers of pupils on the autism spectrum in mainstream have led one or two of the case study authorities to support schools in setting up their own focused provision, with free access to training from ASD specialist teachers to ensure that best practice is embedded.

## **Supporting phase transitions to ensure needs continue to be met in mainstream schools and settings**

A number of those interviewed identified 'risk points' where children's mainstream placements might come more into question. These included the point of transfer from early years settings to school, from primary to secondary and from school to college. Parents were reported to be less confident that transitions would happen smoothly and some had experienced considerable barriers to admission at that stage. These appeared to be related in part to the way in which the parental consultation process is currently working. Schools are tending to be more cautious in their responses to applications and parents can have a more negative experience at this stage.

## Admission to primary school

The case study authorities were addressing this in a number of ways. Some had strengthened communication between Health and Education to ensure that children needing support were better identified. This was leading in some cases to earlier initiation of EHC needs assessments. In other areas (e.g. Barnet and Wigan), there had been an extension of the remit of Early Years support services so that they followed pupils into school and continued to provide advice and support in that context. This helped transfer understanding of children's needs from parents/early years settings to school staff (teachers and teaching assistants) and supported greater continuity of interventions.

## Primary to secondary transition

With regard to primary-secondary transfer, authorities were trying to encourage earlier transition reviews and ensure a greater local authority officer/support service 'presence' at these, particularly where there were concerns about needs being met in the secondary school environment. In some authorities, there was earlier involvement of secondary SENCos in discussion, although this was less possible where parental preference for secondary schools was unclear.

Some authorities (e.g. Telford & Wrekin) had established cross-phase cluster groupings. These are also being developed on a pilot basis in Camden and elsewhere.

Primary-secondary transfer can be a stressful experience for all parents, but more so for those whose children have special educational needs. One or two of the case study areas were putting considerable effort into supporting them at this point, with the recognition that this investment would pay dividends in the long run.

### **Figure 23: Effective preparation for primary-secondary transition**

**Barnet** has recognised the need to provide active support to parents of children with SEND through the primary-secondary transition process. For those with EHCPs, transition conferences are organised in the summer term of Year 5, and again in autumn of Year 6. During Covid, these took place online and were very well attended.

There is a coordinated approach to pupil induction across the local authority and regular workshops are organised for primary and secondary schools to help address any emerging concerns.

Support services ensure active handover of cases between relevant teams and help support parents where there are potential transition issues. Where negative responses from secondary schools are considered unreasonable, these are challenged.

There was also evidence, at the individual case level, of greater targeting of resource to support pupils, parents and schools through the transfer process

### **Figure 24: Preventing placement breakdown at phase transfer**

In **East Sussex**, there has been an increasing number of phase transfer requests for pupils with EHCPs that have not been accepted by secondary schools. There has also been a significant increase in the number of requests for EHC needs assessments in the last year of primary school and a growing number of parents who ask for their children to be transferred to special school at that stage.

In response, the authority has set up a Placement Support Service which is targeted specifically at this issue. There are two roles: an Adviser who has demonstrated outstanding classroom practice in a mainstream setting, with experience of identifying and overcoming barriers to learning and behaviour management issues; and an Extended Support Assistant, who is able to provide short-term intervention and support to children and young people to support successful transition to their new school.

The service makes the first contact with schools before a formal consultation is sent, to offer advice and support from the outset and minimise the number of rejections.

## **Progression to post-16 provision**

Progression from secondary school to mainstream FE colleges can be more straightforward. However, there can still be debates between local authorities and colleges about funding levels and the independence requirements and 'bustle' of college environments that can be challenging for some young people.

Relationships between authorities in this sample and local FE colleges were generally good, with early communication and discussion about funding needs and casework support for those who might find the transition more difficult. Some authorities were considering a move to funding courses rather than individual students, so that colleges were clearer about the range of needs they would need to be providing for and were able to set up the necessary capacity to do so on a more ongoing basis.

## Developing a clearer and broader range of pathways post-16 for young people with different levels of need to support transition from education to adult life

Since the Children and Families Act 2014 brought post-16 provision into the statutory SEND system, most local authorities have developed their approaches to Preparing for Adulthood, involving parents and a range of other stakeholders. However, decision-making can still be reactive, with individual parents/carers having considerable uncertainty about what the future has in store. The absence of positive progression pathways can encourage people to think about the short-term ('where next?') and to be more inclined to 'stay on' in education because there is little clear alternative.

Documents produced by some authorities can take insufficient account of the need to differentiate pathways according to different levels of need. A number of case study authorities were actively seeking to develop their pathways, to improve their quality and the nature of parents' and young people's experience.

### **Figure 25: Improving the quality of post-16 pathways**

**Portsmouth** has retained a dedicated post within its school improvement service for post-16. The officer was previously a senior leader in a mainstream FE college and knows this sector well. She has a universal role in supporting improvement as well as a targeted one in relation to provision for students with learning difficulties/disabilities. She works closely with the post-16 officer within the authority's SEND casework team. There has been a continuing focus on improving the quality of what is on offer and ensuring this is more focused on progression to a more independent adulthood.

Some of the case study authorities had looked to strengthening pathways for young people with the most complex/significant needs, who generally become a priority focus for Adult Social Care. Initiatives were being directed at supporting more effective transitions between Child and Adult Services and ensuring continuity of provision at local level.

### **Figure 26: Supporting more effective transitions between Education and Adult Social Care**

**Camden** has developed a bespoke provision for post-19 students with profound and/or multiple learning difficulties and those with severe learning disabilities who have a range of other significant needs (autism; challenging behaviour). The provision is managed and hosted by a local mainstream FE college and is jointly funded by Education and Adult Social Care. Students typically stay on the programme for 2 years, with increasing levels of access to Adult Social Care provision (on a phased basis). This allows young adults with these levels of difficulties to build up their experience of a more adult environment and for care staff to better understand their continuing needs. The development has meant that most of these students are able to stay locally, being supported within their families as opposed to requiring placements outside of their local authority area or in independent specialist colleges.

Other authorities were developing new options for the post-16 phase. These were designed to promote a more vocational emphasis and to strengthen connections with the local community.

### **Figure 27: Developing a greater range of post-16 options, 1**

**Telford & Wrekin** has collaborated with an independent specialist college to develop a more local post-16 provision for students with complex/significant needs at modest cost.

This has helped set clear parameters around length of placement and expected outcomes, which were more difficult to achieve through the annual review process alone. It has also helped ensure spend is more focused and linked to positive local progression.

## **Figure 28: Developing a greater range of post-16 options, 2**

**North Lincolnshire** is developing a new 16-19 special free school for students with severe and profound learning disabilities. This is expected to be self-financing, drawing from the existing special school sixth form population (at similar cost) and students with higher levels of need who might otherwise have attended independent, specialist post-16 provision. It is also expected that more pupils at independent/non-maintained special schools will choose this option in future rather than electing to stay on in their current provision.

The removal of the sixth form from the local secondary special school has also provided more physical capacity for placements of school-aged pupils.

One of the issues reported by many parents with regard to the FE college offer is the limited number of days on which students are able to attend. This encourages some parents/carers to keep their children in school or seek independent provision that offers a more substantial package. Some of the case study authorities were looking to develop a broader offer, which included different elements (college attendance; access to training and work experience; community activity; supported internships etc), which would be more attractive to young adults and support more positive progression to independence.

## **Figure 29: Developing a ‘five-day offer’ to support access and progression**

**Wakefield** has developed an enhanced 5 day offer to support reintegration of young people post-16 from independent/non-maintained special provision back into their local community, with an emphasis is on local work-based training. The balance between supported education and employment related activity changes over time. The focus is individualised and linked to each young person’s aspirations.

Working with local partners, creating increased work-related opportunities with independent training providers and supported internships have been a feature of the approach, as has been intense casework planning and involvement from dedicated SEND post-16 officers with the right professional backgrounds, local knowledge and commitment.

In tandem with these developments, a number of authorities in the sample were strengthening their involvement in transition reviews, particularly for pupils placed outside

of their area where there can be drift in provision without more active planning. This was helping parents/carers to have a better (and more up to date) understanding of what was on offer locally and where this could lead.

## Effective commissioning and monitoring of provision

Patterns of provision in many local authorities have developed on a piecemeal basis, being added to in response to new pressures and demands. Some of the authorities in the case study sample had carried out more substantial reorganisations of their specialist provision prior to the national SEND reforms. This had helped ensure a more coherent offer which was more responsive to need. Any adjustments could be made in a more measured way.

### **Figure 30: Reorganisation of specialist provision to meet current needs**

**Camden** carried out a review of its specialist provision around 10 years ago. At that stage, it had two separate special schools for pupils with different levels of learning difficulty, a secondary school for SEMH and a number of PRUs for different key stages. It had also maintained a variety of mainstream resource bases for children with physical disabilities, on the autism spectrum and those with speech and language needs. In tandem with the strengthening of provision in local mainstream schools, provision for learning difficulties was reorganised into one special school (focusing on more complex and significant needs). The secondary SEMH school and secondary PRUs were combined into one integrated provision, with a similar smaller integrated offer for the primary phase. A number of the resource bases were closed with the remaining ones refocused on needs that the authority was finding more difficult to meet within their locality.

The reorganisation has led to a significant reduction in numbers attending I/N-MSS provision to levels that have largely been maintained over time.

Officers interviewed felt that such reorganisations may be more difficult with greater academisation due to ambiguities in the respective funding responsibilities of LAs and the Education & Skills Funding Agency (ESFA)).

A number of case study areas were increasing their local capacity for specialist provision. Some were working with their existing special schools to create more places. Others were developing new provision (special free schools or additional mainstream resource bases). The general intention was to reduce reliance on placements in

independent/non-maintained special schools (at higher cost) which were either resulting from an 'overspill' (as local state-maintained schools were full) or because existing local provision was unable to meet particular levels or types of need.

In setting up new provision, a number of those interviewed emphasised the need to be clear from the outset about the expected cohort that it was expected to take. There was a risk that creating provision for more modest needs could simply add to the growing demand.

### **Figure 31: Ensuring new specialist provision is properly focused**

Despite pressure on specialist placements, officers in **Essex** have been careful about developing new schools, seeking to extend the size and range of existing options wherever possible. The authority has supported applications for two new special free schools for children and young people on the autism spectrum, which are being developed in conjunction with local specialist providers and a further two schools for pupils with SEMH are also in hand. These are designed to address clear gaps in the provision that is already available.

Four primary and four secondary autism bases have been created in mainstream schools. Given the increasing incidence of pupils receiving this diagnosis, Essex is keen to ensure that these provisions focus on those with more complex and significant needs (as well as providing support and advice to other local schools to help improve their capacity to meet the broader range).

A new scheme of delegation for decision making as well as strengthened terms of reference for resource panels has supported Essex in reducing reliance on I/N-MSS places and working creatively with Essex special schools to better meet local needs.

In their development of new mainstream autism bases, authorities were needing to be clear as to whether these were intended to offer a direct alternative to placements in the independent/non-maintained sector or to help reduce the demand on local special schools so that these could concentrate more on those with more complex and significant difficulties.

A number of the case study authorities had formalised or were formalising expectations of providers through the development of clearer service level agreements which set out the expected range of needs, provision models required and related costs.

While the strategic intention of increasing local capacity was generally clear, we did not find detailed modelling of the financial savings that might be realised over the years as

pupils left the I/N-MSS system or of the extent to which the costs of new investment would be matched by these.

In authorities where the creation of local capacity is having only a modest effect on high needs spend and I/N-MSS or out of area placements, this may link to insufficient clarity with regard to the focus of new provision and insufficiently detailed financial projections for the impact of this.

Some of the case study areas were commissioning providers from the I/N-MSS sector to help meet local needs. A more proactive approach enabled officers to be clearer about expected provision focus and costs (rather than just having to respond to the 'market').

### **Figure 32: Commissioning local I/N-MSS providers to meet gaps in provision**

**Wigan** is experiencing significant increases in demand for placements for pupils with SEMH. Its local state-maintained special school is at capacity with limited opportunity for further expansion.

The authority decided to work with a local independent provider to enhance the number of available places and has ensured that these additional places are at equivalent cost to those in local state-funded special schools.

Authorities were also trying to be more flexible in enhancing local placements on an individual case basis. This included extending their special school banding range to provide for a small number of pupils with very complex needs or allocating additional funding on an exceptional basis. Closer links between officers with SEND and finance responsibilities were also supporting more targeted use of capital funding so that schools were able to adapt their buildings to meet individual needs.

### **Figure 33: Flexible use of capital funding for adaptations**

**Wakefield** has established a process for responding quickly with small amounts of capital funding to help sustain mainstream placements and/or improve the pupil's experience and engagement in learning. Early years settings, schools and colleges are able to apply for this resource with requests being considered by a Panel including the lead officer for SEND, a Health practitioner and a commissioning officer. A parent/carer is also involved. The budget is relatively small and bids are generally modest.

Flexible and dynamic use of this investment has helped to maintain placements that would otherwise be at risk.

Other commissioning developments included block funding of places at mainstream FE colleges, rather than funding students individually. There were also examples of a more standardised approach to funding across the sector.

### **Figure 34: Predicting FE provision needs and costs on a more efficient and long-term basis**

In **Telford & Wrekin**, funding students at an individual level was found to be a time-consuming process. An analysis of the annual aggregate spend on local FE college provision and the type and level of courses delivered showed that these were relatively stable. On this basis, the Council and the College decided to enter into an agreement on the number of students that would be funded and the range of support and study programmes that would be provided. This enabled both the College and the LA to plan more effectively, with more time being spent on delivery and quality assurance.

The approach is compatible with high needs funding requirements and the processes required for individual EHCP review and student choice. However, it removes the need for the College to construct a large number of individualised costings (and for the LA to analyse and review these). It has also improved working relationships between the LA and its main College provider and helped stabilise spend over time.

### **Figure 35: Standardising funding levels across the local further education (FE) college sector**

**East Sussex** has introduced a standardised approach to funding pupils in the range of FE colleges across the authority area. The LA has clearly set out the provision it needs and the associated expected costs. In the first year of operation, this led to a significant cost saving compared to the previous system where provision was led by individual resource claims.

Not much reference was made during this research to integrated or joint commissioning. This was probably because the research focus was more explicitly on managing expenditure from the high needs element of funding for education. However, there was some evidence that an integrated approach could lead to more balanced and appropriate funding across the key agencies (Education, Health and Social Care) and services/provision that were more closely linked to local needs. All services are experiencing budget pressures and this can lead to them looking for economies with the expectation that others will 'pick up the slack'.

### **Figure 36: Ensuring funding for high needs provision is fair and balanced across different agencies**

**Portsmouth** has appointed a new integrated commissioning lead who works for both the local authority and the local Clinical Commissioning Group (CCG). His post is located in the management structure of both organisations and is jointly accountable to these.

This development has supported a realignment of funding contributions across all three key agencies, with fairer shares of provision costs for joint placements and a greater contribution from the CCG to the funding of health care provision for medical needs in mainstream schools. There is a clear agenda around using resources to reshape service delivery and adjust provision to current needs (rather than perpetuating previous practice).

The integrated commissioning lead also chairs the local cross-agency complex needs support panel.

## Financial processes

There was evidence in the case study authorities that they had focused on creating much stronger links between SEND and Finance Officers. Finance Officers were more involved in the SEND agenda and more aware of what the authority was trying strategically to achieve. They met regularly with officers from the SEND casework team who had specific responsibility for data and finance to monitor pupil data and budget trends. Particular issues and emerging pressures were communicated to lead SEND officers to help inform strategic activity and priorities.

More regular reporting to Schools Forums and the use of high needs working groups had made things more transparent and stakeholders were more aware of emerging trends. Given their recent experience of high needs deficits, finance officers were avoiding the temptation to be over-optimistic in their projections and were more likely to provide 'worst case' as well as 'best case' scenarios. This helped ensure an earlier impetus for change.

Work was in hand to ensure that data and management information was more robust. With rising volume of statutory SEND activity and limited capacity for authorities to increase their staffing, recording of data could be given lower priority ('something has to give'). A number of authorities had taken steps to ensure that SEND staff saw this as a fundamental part of their role.

### Figure 37: Improving the quality of SEND data

As a large authority with over 500 schools, and with a big staff team, it can be difficult in **Essex** to ensure consistently high standards and practice in SEND administration. The lead officer for SEND Finance has worked with the team to improve the quality of SEND data through training and support. During the Covid period, she has organised 'drop-in surgeries' online so that caseworkers can raise any process issues. Sessions are also organised to discuss particular topics (e.g. arrangements for identifying children who move authority, so that there is better data on import/export). Templates have been developed for county use.

It was reported that this has led to significant improvement in the reliability and validity of the data provided (which the Finance team use for budget projections).

Officers in these authorities were also looking to ensure that funding was being properly credited to the high needs budget. In some cases, expenditure should have been linked to a different budget source. In some of the authorities, officers were more active in checking top-ups were being paid by the correct authority (in the case of cross-border placements).

### **Figure 38: Financial checks can pay dividends**

In **Barnet**, officers use the School Census information to identify all pupils receiving top-up funding. They check that schools are properly claiming for those who attend from out of the LA. An active approach to this area delivered over £300k savings on the high needs budget in one financial year.

In some authorities, there was also a robust approach to challenging cost rises in the I/N-MSS sector.

### **Figure 39: Challenging the rise in I/N-MSS costs**

In **Wakefield**, officers respond actively to any proposed fee increases in I/N-MSS provision. Staff make it a priority to attend annual reviews and ask for a detailed account of the provision that is being made. This allows them to pick up particular reasons for increases and compare staff costs against typical pay rates.

## Chapter 5: Impact and evidence

Most of the policies and practices described in the case study authorities were seen by interviewees as having a positive impact. Judging their impacts on the management of high needs funding is a complex task which really requires a more longitudinal evaluation. A number of the initiatives described were relatively recent and their full impact may take some time to work through. For example, new local provision is generally designed to help prevent the need for future placements out of authority area, rather than to provide an immediate alternative for those already placed elsewhere. Numbers of pupils in I/N-MSS (and the associated spend on this area) may stay high while children and young people work their way through the system. Initiatives may also be a response to issues that have more recently been recognised as being significant, with change and improvement being a gradual process.

It also needs to be recognised that the evaluation period has included the experience of the COVID-19 pandemic. On the one hand, lockdowns may have suppressed demand; on the other, interviewees reported delays to implementation of changes given other pressures and priorities for local authorities and schools. The impact of lockdowns on levels of pupil need may also be a factor.

It is possible however to provide some quantitative evidence of changes which may help identify practices that have had a particular impact.

### Strengthening the mainstream SEND offer

One indication that 'ordinarily available provision' might be improving is the extent to which EHCPs are issued. Table 4 shows the growth in numbers of EHCPs for all the case study authorities over the last 3 years (based on SEN2 data returns for 2019 to January 2022). The average annual growth rate nationally has been around 10%. The average for the case study sample is lower than that for all of the periods recorded.

However, there is wide variation across the sample, with higher-than-average growth in Barnet and Wakefield and well below average growth in Camden, East Sussex, Portsmouth and Telford & Wrekin. The latter two authorities, however, still have a higher-than-average percentage of pupils with EHCPs overall.

**Table 4: Percentage annual growth in numbers of EHCPs (all) for 2019-2022**

Local authority	% change 2019-2020	% change 2020-2021	% change 2021-2022	Overall % change 2019-2022
Barnet	13.07%	8.09%	10.76%	35.37%
Camden	-0.43%	2.39%	2.06%	3.97%
East Sussex	2.21%	3.70%	7.50%	13.95%
Essex	4.62%	9.54%	8.17%	23.96%
North Lincolnshire	7.01%	8.39%	8.50%	25.85%
Nottingham	8.33%	11.30%	6.50%	28.40%
Portsmouth	5.49%	4.14%	8.66%	19.37%
Telford & Wrekin	6.49%	7.72%	-0.17%	14.52%
Wakefield	11.75%	9.63%	14.77%	40.61%
Wigan	6.98%	9.38%	10.71%	29.55%
<b>Sample average</b>	<b>6.55%</b>	<b>7.43%</b>	<b>7.75%</b>	<b>23.56%</b>
<b>England average</b>	<b>10.20%</b>	<b>10.40%</b>	<b>9.88%</b>	<b>33.69%</b>

Source: Secondary analysis of latest DfE SEN2 statistics (2022) <https://explore-education-statistics.service.gov.uk/find-statistics/education-health-and-care-plans>

Table 5 provides figures for new EHCPs only in the case study sample for 2019-2021. It shows that in three areas (Camden, Nottingham and Telford & Wrekin) there has been a reduction in numbers. These are all authorities that have developed a system for funding pupils with high needs in mainstream which do not require an EHCP to access additional resource. Clearly pupils supported in this way may also be receiving additional high needs funding. It was not possible within the scope of this research to evaluate how far numbers overall were increasing (across the two systems).

Recent increases in the percentage of pupils with EHCPs in some of the case study authorities suggest that more formal written expectations of what mainstream schools should 'ordinarily' do may not be sufficient in themselves. The effect of these appeared to be enhanced in those authorities that were reinforcing them through more collective decision-making.

Similarly, more robust thresholds and criteria for requesting additional or specialist provision were not always leading to a significant reduction in demand.

**Table 5: Percentage change in number of new EHCPs for 2019-2021**

<b>Local authority</b>	<b>Overall % change 2019-2021</b>
Barnet	20.9%
Camden	-12.2%
East Sussex	27.2%
Essex	22.5%
North Lincolnshire	30.6%
Nottingham	-3.8%
Portsmouth	17.7%
Telford & Wrekin	-19.5%
Wakefield	24.6%
Wigan	24.8%
<b>Sample average</b>	<b>13.4%</b>
<b>England average</b>	<b>15.4%</b>

Source: Secondary analysis of latest DfE SEN2 statistics (2022) <https://explore-education-statistics.service.gov.uk/find-statistics/education-health-and-care-plans>

In some of the case study authorities, there had been significant reductions in the numbers of children with EHCPs in their early years. Again, this appears to be linked with enhanced systems of resourcing children in early years settings that do not require early initiation of EHCN assessments.

Conversely, a number of authorities had experienced significant growth in numbers of EHCPs for the 16-19 and 20-25 age groups. It was unclear how far developments in the quality and range of post-16 transition pathways had impacted on this.

## **Use of specialist provision**

Place costs in specialist provision are funded from local authorities' High Needs Block, whereas the basic elements of funding for pupils with high needs in mainstream schools come from their delegated budgets (i.e. from Schools Block). This means that inability to meet a child's needs successfully in mainstream can add a significant additional cost to the high needs spend.

One would expect that a stronger mainstream offer should lead to less reliance on placements in specialist provision over time. Table 6 shows the annual change in usage for all 10 case study authorities from 2019-2022 (again from SEN2 data returns). Average growth over this period has been slightly below the national figure. However, the picture is very mixed, with significant growth in use of specialist provision in Barnet and Wakefield (albeit from a lower starting point) and lower than average increases in Camden and Nottingham (areas that also have a low baseline). Portsmouth and Telford & Wrekin also show modest increases but continue to be higher users of this kind of provision.

**Table 6: Percentage annual growth in use of specialist provision\* for 2019-2022**

<b>Local authority</b>	<b>% change 2019-2020</b>	<b>% change 2020-2021</b>	<b>% change 2021-2022</b>	<b>Overall % change 2019-2022</b>
Barnet	20.0%	5.7%	15.4%	46.4%
Camden	4.3%	3.7%	3.4%	11.8%
East Sussex	4.1%	7.6%	9.5%	22.7%
Essex	9.7%	3.1%	6.1%	20.1%
North Lincolnshire	5.0%	5.0%	11.8%	23.2%
Nottingham	1.9%	6.2%	-0.3%	7.9%
Portsmouth	-3.1%	11.7%	3.5%	12.1%
Telford & Wrekin	5.2%	4.5%	6.6%	17.3%
Wakefield	6.1%	5.6%	14.4%	28.2%
Wigan	7.4%	6.6%	7.5%	23.2%
<b>Sample average</b>	<b>6.1%</b>	<b>6.0%</b>	<b>7.8%</b>	<b>21.3%</b>
<b>England average</b>	<b>6.4%</b>	<b>6.9%</b>	<b>7.1%</b>	<b>21.9%</b>

\* Including mainstream resource bases and all other types of specialist provision funded by the High Needs Block

Source: Secondary analysis of latest DfE SEN2 statistics (2022) <https://explore-education-statistics.service.gov.uk/find-statistics/education-health-and-care-plans>

This suggests that efforts to strengthen the mainstream offer were having some impact, though not in all cases.

## Reliance on specialist placements in the independent/non-maintained sector

A strong agenda for most of the case study authorities was to reduce reliance on higher cost placements in the I/N-MSS sector, through strengthening local capacity and provision. This is consistent with practices that are being promoted through the national Safety Valve programme. Successful developments should lead to a reduction in numbers of pupils requiring this kind of provision (which is typically more expensive) and in the associated financial costs.

Table 7 shows the annual percentage changes in numbers of pupils attending I/N-MSS from each of the authority, again for the period from 2019-2022. The average rate of growth overall is slightly less than the national figure, though average growth over the last year has been considerably lower. However, the data provide a mixed picture with significantly lower figures for some of the case study authorities but significant growth in use of this kind of provision for others.

**Table 7: Percentage annual growth in use of I/N-MSS provision for 2019-2022**

Local authority	% change 2019-2020	% change 2020-2021	% change 2021-2022	Overall % change 2019-2022
Barnet	8.5%	8.8%	21.6%	43.6%
Camden	16.7%	12.5%	-1.6%	29.2%
East Sussex	9.1%	23.4%	12.9%	52.1%
Essex	-9.9%	-1.0%	3.8%	-7.5%
North Lincolnshire	1.3%	23.5%	30.0%	62.5%
Nottingham	15.2%	31.6%	-26.0%	12.1%
Portsmouth	-2.8%	0.0%	-22.9%	-25.0%
Telford & Wrekin	-15.8%	-10.4%	16.3%	-12.3%
Wakefield	61.3%	42.0%	23.9%	183.9%
Wigan	24.3%	-1.1%	19.8%	47.1%
<b>Sample average</b>	<b>10.8%</b>	<b>12.9%</b>	<b>7.8%</b>	<b>38.6%</b>
<b>England average</b>	<b>12.0%</b>	<b>10.7%</b>	<b>12.3%</b>	<b>39.2%</b>

Source: Secondary analysis of latest SEN2 statistics (2022) <https://explore-education-statistics.service.gov.uk/find-statistics/education-health-and-care-plans>

Table 8 shows the annual percentage change in costs (for 2019-2021 only). The rate of growth in spend for the sample is lower than the England average. However, the picture is still mixed. Interestingly, at individual authority level, Portsmouth and Telford & Wrekin have experienced an overall reduction in both pupil numbers and associated spend. However, Essex has increased its spend on this area despite a fall in pupil numbers (this was reported to be due to significant fee increases in some I/N-MSS). Camden and Nottingham have decreased their spend despite an overall increase in numbers of pupils attending this type of provision, suggesting that they are either managing to achieve better value for money from such placements – or are using I/N-MSS for less complex needs.

**Table 8: Percentage change in spend on I/N-MSS for 2019-2022**

<b>Local authority</b>	<b>Overall % change 2019-2022</b>
Barnet	12.8%
Camden	-6.7%
East Sussex	17.9%
Essex	20.3%
North Lincolnshire	27.8%
Nottingham	-36.8%
Portsmouth	-13.8%
Telford & Wrekin	-16.7%
Wakefield	81.8%
Wigan	37.3%
<b>Sample average</b>	<b>12.4%</b>
<b>England average</b>	<b>27.7%</b>

Source: Secondary analysis of S251 outturn figures line 1.2.3 [LA and school expenditure, Financial Year 2020-21 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](https://www.gov.uk/explore-education-statistics)

With regard specifically to the use of special post-16 institutions (SPIs), which tend to be out of area, the overall trend is growth. However, some of the case study areas still have relatively few students in this kind of provision, compared to others who have a significant and growing number (see Table 9). The data suggests that there is still quite a bit of work to do to strengthen local pathways to adulthood in some authorities.

**Table 9: Number of students in special post-16 institutions (SPIs)\* for 2020 and 2022, and % growth**

Local authority	Number of students 2020	Number of students 2022	% change 2020-2022
Barnet	46	104	126
Camden	9	19	111
East Sussex	4	5	25
Essex	46	64	39
North Lincolnshire	13	16	23
Nottingham	13	18	38
Portsmouth	0	0	0
Telford & Wrekin	22	54	145
Wakefield	30	50	67
Wigan	59	87	47

\* Not included in the I/NMSS data in Tables 7 and 8

Source: latest SEN2 statistics (2022) <https://explore-education-statistics.service.gov.uk/find-statistics/education-health-and-care-plans>

## Permanent exclusions and use of alternative provision

With regard to exclusions and alternative provision, there was evidence of a significant decrease in permanent exclusions and use of high needs funded alternative provision in North Lincolnshire, Nottingham City and Wakefield, linked to their developments in this area (see Figures 14-16 above). In these cases, there was evidence of better pupil outcomes through the development of schools' own in-house capacity.

## Broader perspectives

As indicated in previous sections, a significant amount of effort is being put in by the case study authorities to developing and maintaining a culture of partnership which is supportive of change. While it may not have been possible in all of these authorities to achieve a similar amount of progress, the steps that they have taken are generally helping to engage all partners in meeting children and young people's needs within the financial and policy constraints that affect them. The remaining chapters set out some of the implications of this research for local authorities more broadly and for national policy.

## Chapter 6: Implications for local authorities

A range of positive practices have been identified in the case study areas. Some may have developed already in other local authorities or may be developing along similar lines. However, there are some examples that are particularly new/innovative and may be relatively less common.

The evidence from this research is that there is not a single solution to the challenges of managing high needs spend effectively. Developments are needed in a number of areas in parallel to help local authorities be more 'resilient' to funding pressures.

This chapter sets out some of the key ingredients that local authorities need to consider based on practices found within the case studies.

### Capacity

Capacity is a key issue. Local authority core budgets have come under considerable pressure over recent years and they face significant demands in a number of areas. However, insufficient investment in the SEND function at both strategic and operational levels leads to significant difficulties further down the road. In a number of authorities nationally, there have been a succession of interim appointments at senior SEND leadership level and this makes it difficult to build up the trust that is needed with schools, parents and other stakeholders and to instil confidence that new developments will be 'seen through'.

**Recommendation 1: Local authorities should invest properly in SEND leadership, with dedicated time for strategic functions to avoid constant distractions from operational pressures.**

Partnership with other agencies has been a key theme in a number of recent reviews (e.g. Isos Partnership 2018). There were positive examples of practice in this area in a couple of the case study authorities (e.g. see Figure 36).

**Recommendation 2: Authorities should review their joint commissioning arrangements to support more balanced contributions to high needs provision from the three key services (Education, Health and Social Care).**

There were strong links between SEND and Finance functions (revenue and capital) in the case study areas. Shared understandings and good communication are key aspects of the effective management of high needs spend.

**Recommendation 3: Officers with SEND and Finance responsibilities should have joint accountability for effective management of this area, with high priority given**

## **to effective communication and mutual support, building on the positive practices identified in this report**

A reasonable amount of SEND support service capacity is needed to help provide effective support and challenge to schools and settings. This may be centrally managed or commissioned from special schools (and involve a more significant contribution from Educational Psychology services). However, there need to be clear expectations of impact. This needs to go beyond enhancing pupil progress and building the capacity of schools and settings to include an impact on levels of mainstream inclusion and preventing escalation of demand. This focus should be properly aligned with the broader school improvement agenda.

**Recommendation 4: local authorities should review their capacity for SEND support (and its funding base) to help strengthen their influence on the range of relevant outcomes. They should develop clearer agreements with services which set out commissioning expectations and monitoring arrangements.**

There was evidence (even within this sample of authorities that are managing the system more effectively) of the impact of an increasing volume of statutory assessment activity on the quality and timeliness of SEND casework practice. Insufficient staffing can lead to poorer relationships with parents and schools, unsatisfactory performance against national process measures and less reliable management information for supporting strategic development. Increased capacity may be needed in some authorities but this needs to be within an overall expectation of a more managed approach.

**Recommendation 5: local authorities should review their current staffing levels and structures for SEND casework and enhance these where necessary, as part of their broader strategy for improving management of high needs expenditure and quality of service delivery**

## **Partnership culture**

Most of the authorities in this case study sample reported a strong culture of partnership with schools and parents. This had happened over a period of time, supported by continuity of leadership, effective engagement and development of trust. There was also a sense of greater levels of collective responsibility, not just across the local authority and related services, but also with schools.

Culture change is a complex process. However, there is evidence from this research that this could be supported in the area of SEND by:

- Greater levels of transparency (data and related issues)
- A clearer emphasis on improving outcomes for all children and young people

- A strong desire to achieve greater equity in resource access, so that the quality of children's experience is not determined by the school they go to, or the influence their schools or families are able to exert

In the sample authorities, schools were engaged more collectively where:

- They understood the impact on school budgets that could arise from high needs overspends (for example, through a top slice from Schools Block or an increased requirement for schools to fund specialist services)
- Key headteachers were involved with authority officers (and others) in working groups focused on improving local approaches to the management of high needs funding and resources
- Mainstream schools were involved, on an ongoing basis, in helping to define provision that should be 'ordinarily available' (and the kinds/levels of need that they should be expected to address)
- They had access to local data that showed differences between schools and settings in levels of inclusion and high needs resource use
- All schools were involved, for example, through the development of cluster working or more local partnership arrangements
- Services were better aligned to these groupings, providing the sense of an 'extended local team'.

Parents/carers were involved more positively where:

- There was an effective engagement strategy, with communication happening at all levels of the system
- There was a strong emphasis on listening: to parents' experience and concerns and to any emerging 'big issues'; both at an individual and broader area level
- There was more proactive use of key parent/voluntary groups and social media to communicate strategic directions and help ensure accurate and common understanding.

**Recommendation 6: local authorities should review and further develop their approaches to partnership with key stakeholders, taking into account some of the positive practices described in this report (in addition to any broader policy emphasis on this area)**

## Developing local provision

There has been a significant emphasis from national government and at local authority level on the development of greater local capacity to meet pupil needs. This is typically justified by reference to reports of increased levels of difficulty and to the need for more cost-effective responses.

There was a strong sense from many of those interviewed in this case study research that creation of more local specialist provision would not solve the issues alone. There were risks that, with increasing overall demand for specialist placements, this would fill rapidly, with limited impact on numbers accessing 'out of area' provision.

Moreover, while some authorities were considering ways of 'filling the gap' between provision in mainstream and provision in special schools, there was concern that this could lead to further demand for provision for pupils that are already in the mainstream school system.

The general approach in the case study authorities was to try and ensure that the mainstream offer was as strong as possible (and consistently so), with specialist provision focused on those with the more significant and complex needs. This was having an impact on the way they were commissioning new provision and the need to be clearer about the needs it would meet (particularly in the area of autistic spectrum disorder / condition which has become more 'high incidence').

There was some evidence, even in these case study authorities, that more detailed modelling might be necessary when it came to 'invest to save'. This would require annual projections of the cost of new investment set against the savings that could be accrued from I/N-MSS leavers.

**Recommendation 7: When creating new specialist provision, local authorities should be clear about the expected range and levels of need that this will cater for. They should also consider the potential impact on future demand and whether this can be financially sustained. The case for any proposed development should include detailed projections on the balance between investment and savings.**

A number of the case study authorities in the sample were increasing their investment in mainstream to help strengthen capacity at this level. Devolution of high needs funding was being associated with increased expectations (e.g. reduced levels of exclusion in Nottingham City and higher thresholds for requesting additional funding in Camden).

There was evidence of developments that were more focused at 'risk points' (e.g. preventing placement breakdowns at phase transfers or extending support into the next stage of education). Targeted work was also being carried out to help strengthen schools' ability to meet the needs of pupils with autism, through the use of the Autism Education Trust materials or neurodiversity profiling.

In a number of the authorities, schools were developing their own capacity to meet a broader range of needs, for example for behaviour/SEMH or ASD. However, there was less evidence from this research regarding any developments in curriculum and assessment approaches that might better support pupils with significant or increasing attainment gaps. Some of the Head Teacher interviewees mentioned the continuing limitations to this kind of development which they associated with current national accountability measures.

**Recommendation 8: With regard to developments in local mainstream provision, investment should be targeted at strengthening inclusion, with impact monitored and evaluated at that level**

The Children and Families Act 2014 extended the possible age for statutory SEN provision to 25. Initially, this was interpreted by some parents, local authorities, and providers to mean 'staying on longer in education'. The authorities in the case study sample were trying to improve their post-16 pathways in broader ways, with a clear focus on effective transition to adulthood. There was a clearer emphasis on progression and a higher expectation of access to employment, through use of supported internships or other means.

However, the data suggests that post-16 provision still tends to be through formal education (in school sixth forms, further education colleges or special post-16 institutions). There may be some way to go to make pathways more personalised and to provide the kinds of support young people will need to achieve the greatest degree of independence and resilience as adults.

**Recommendation 9: local authorities should set out more clearly their expected pathways for young people with different levels of need, ensure that these are presented earlier and more clearly to young people and their parents, and evaluate quality and outcomes on a more regular basis. Pathways should be realistic but ambitious.**

## **Funding approaches**

The authorities in this sample that had had the biggest impact on managing growth in numbers of EHCPs were those that had developed new approaches to mainstream funding. Typically, these were characterised by greater involvement of mainstream headteachers and SENCOs in funding decisions. There was more scope for peer moderation and challenge, which helped 'raise the bar' and achieve greater consistency in expectations of what mainstream schools should 'ordinarily do'.

This process appeared to be supported where the amount of available funding for additional support was clear and where there were clear links between new access routes and any continuing use of the traditional (EHCP-led) system.

A number of the case study authorities had developed banding systems. These were seen initially to have supported greater consistency in LA decision-making about funding levels. However, they did not appear to be critical in supporting a more managed approach to high needs funding. Indeed, some of those interviewed felt that they might contribute to further inflation of costs.

**Recommendation 10: Local authorities should learn from positive examples of innovative approaches to mainstream funding (including the option of greater devolution of resources to individual schools/groups of schools with clear expectations of outcomes)**

Other positive funding practices identified in this research include different approaches to funding students in mainstream further education (FE) colleges, better commissioning of provision in the I/N-MSS and SPI sector, and greater use of benchmarking with regard to specialist provision costs.

## Overall implications

This research has also indicated broader aspects that can help local authorities improve their services and financial sustainability. Some of the key messages from this case study research have been:

- The importance of relationships and securing a 'common agenda': meeting needs in a way that is equitable and financially sustainable
- The importance of having a clear strategy for improvement with capacity to implement/'see through' and monitor/evaluate
- A willingness/capacity to be creative, with a problem-solving approach
- A commitment to meeting needs wherever possible locally and in mainstream schools/settings to help remove barriers to community access.

## Chapter 7: Implications for national policy

This research has been carried out at a time when the government is consulting on its SEND and AP green paper proposals. Some of the policy implications are relevant to these. It is also expected that the research findings will help inform the focus of DfE's high needs funding intervention programmes.

Evidence from the case study authorities would suggest the following:

1. The need for greater clarity on the local authority's commissioning role so that it can determine more easily the high needs provision and number of places it requires (in consultation with key stakeholders).
2. The SEND and AP green paper proposal for local SEND partnerships, involving education leaders from both the LA-maintained and academy sectors is likely to support the move to more collective responsibility at local area level. However, it will be important to ensure that accountabilities cover both quality of local services and provision and the effective management of spend within the available budget.
3. This proposal may need to be extended to ensure all schools/school leaders are involved. This can be more difficult to achieve in larger local authority areas. There is evidence from this research that cluster arrangements can be helpful in ensuring that schools all have a part to play
4. The SEND and AP green paper suggests a greater profile for SEND in future systems for mainstream school accountability. It proposes that SEND budgets that are delegated to schools are more transparent and consistent (as part of the National Funding Formula). These proposals are in line with what some of the case study authorities have been trying to achieve.
5. The research suggests that a stronger SEND profile could help improve the mainstream SEND pathway if this includes a clearer curriculum and evaluation approach for pupils with lower attainment levels who may not 'close the gap'.

Finally, the research does not suggest a 'blueprint' for what local authorities need to do to manage their high needs expenditure effectively. There are differences in view, for example, as to how far a national banding system will help or hinder improvements. This is a challenging area of policy, both at national and local level, and there is a continuing need for innovation and creativity. Some of the best practices identified in this research had this character: it will be important to permit some continuing variation in approaches as long as these are leading to positive outcomes. The DfE should continue to promote exchange of practice as a means of collaborative learning.

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# Appendices

## Appendix 1: List of interviewees by local authority

Local authority	Interviewees
<b>Barnet</b>	SEND strategic lead; Head of SEND team; Finance officers (2) (DSG); mainstream primary head; SEN support team leads (2)
<b>Camden</b>	SEND strategic lead; Head of SEND team; Finance officers (2) (DSG and SEND); mainstream primary head; mainstream secondary head; Governors on Schools Forum (2); Principal EP; Commissioners (2);
<b>East Sussex</b>	SEND strategic lead; Head of SEND team; Finance officer ((2) (DSG and Children’s Services); mainstream secondary head; SEN support services lead; Principal EP
<b>Essex</b>	SEND strategic lead; Area SEND team manager; Finance officers (3) (DSG and SEND); mainstream primary head; Principal EP; county ASD lead
<b>North Lincolnshire</b>	SEND strategic lead; Head of SEND team; Finance officer (DSG); mainstream secondary head; SEND support service lead; officer for exclusions/AP; Head of school improvement
<b>Nottingham</b>	SEND strategic lead; Head of SEND team; Finance officer (DSG); seconded Head Teacher and Project lead; Principal EP; SEN support team leads
<b>Portsmouth</b>	SEND strategic lead; Head of SEND team; Finance officer (DSG); mainstream secondary head; Head of SEND support service; Integrated Commissioning Lead; Post 16 officers
<b>Telford &amp; Wrekin</b>	SEND strategic lead; Head of SEND team; Finance officer (DSG); MAT CEO/secondary Head; Head of SEN support services/commissioner; Principal EP
<b>Wakefield</b>	SEND strategic lead; Head of SEND team; Finance officer (DSG); Commissioner; MAT CEOs (2 – mainstream and special); Post 16 specialist officer;
<b>Wigan</b>	SEND strategic lead; Head of SEND team; Finance officer (DSG); mainstream primary and secondary heads; Principal EP

## Appendix 2: Interview schedules

### SEND strategic lead:

1) Introduction:

2) Context:

What are the main HN budget pressures that you have been experiencing over the last 3 years? How have these changed over time (if at all)?

What features of your local area context have made these pressures easier or more difficult to manage?

3) What have you/your LA done to help manage these pressures?

4) What impact have these actions had in practice?

- On levels of demand
- On your levels of spend

What evidence can you provide to show this is the case?

5) How have you involved key stakeholders in these changes?

- Schools/settings
- Parents/carers
- Other (eg Health Services)

How far do you think they would share your perspectives on the pressures/issues and approaches that are needed to address them?

6) What changes have you made to your operational practices to help you manage your HN spend more effectively? And what has been their impact?

- Budgetary processes
- Management of data
- Casework practice

7) Arrangements for fieldwork interviews

Who else do you think it would be useful for us to speak to, so that we can get a broader understanding/more detail on the above? We are aware that this may vary across the LAs in our sample but could include:

- SEND/Schools Finance Officers
  - SEND casework team manager(s)
  - Head Teacher with particular involvement in HN budget discussions (e.g. from Schools Forum or HN deficit recovery board)
  - SEND commissioner
  - Principal Educational Psychologist
- 

## **SEN Finance Officer**

1) Introduction:

2) Context:

Overview of key points made by SEND strategic lead in the initial interview

Your comments on these

3) Links between SEN and Finance:

What is your role?

How would you describe links between these 2 functions in your Area?

What approach do you take to the following:

- Identifying emerging pressures/risks of overspends?
- Developing ways forward in managing demand?

4) Budgetary processes:

What processes have you developed that you have found to be particularly helpful in the management of this area?

What are the continuing issues?

5) Value for money:

What approach have you taken to assessing value for money for provision and services in your area?

What have you learned from these activities?

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### **SEND Casework Lead / SEN Manager**

1) Introduction:

2) Context:

Overview of key points made by SEND strategic lead in the initial interview

Your comments on these

2) What has been your particular role in helping manage these pressures?

3) What impact has this had so far on practice and outcomes?

- On the issues you were seeking to address?
- On your levels of spend?

What evidence can you provide (pupil/cost data) to show this is the case?

4) What elements of your approach to these developments do you think have been most effective? What aspects have not worked out as well as you had hoped?

5) How far have other strategic developments in your area helped, in your view, in better meeting needs within the funding available?

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### **Principal Educational Psychologist / SEND Support Service Leads**

1) Introduction:

2) Context:

What are your perceptions of high needs funding pressures and their impact?

What features of your local area context have made these pressures easier or more difficult to manage?

3) What has your Service done to contribute to managing these pressures?

4) What impact have these actions had in practice?

- On levels of demand
- On your levels of spend

What evidence can you provide to show this is the case?

5) What is the funding base for your service, and what impact does this have on relationships with schools and your ability to influence the demand for EHCPs?

6) How does the operation of your service inter-relate with other school SEND related support services?

7) How far do you think schools, parent carers, health services would share your perspectives on the pressures/issues and approaches that are needed to address them?

8) What impact measures do you use to judge / report on the impact of your service?

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## **Commissioner**

1) Introduction

2) Context:

Overview of key points made by SEND strategic lead in the initial interview

Comments on these

3) What has been your particular role in helping manage the high needs budget pressures?

4) What impact has this had so far on practice and outcomes ?

What evidence can you provide (pupil/cost data) to show this is the case?

- 5) What elements of your approach to these developments do you think have been most effective?

What aspects have not worked out as well as you had hoped?

- 6) How have you involved stakeholders in these developments

What has worked:

- o Well
- o less well?

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### **Mainstream Head Teacher:**

- 1) Introduction:

- 2) Context:

What do you consider to be the main HN budget pressures that you have been experiencing in your local area over the last 3 years? And what do you consider to be the reasons for these?

What features of your local area context do you think have made these pressures easier or more difficult to manage?

- 3) What steps has your LA taken to address these pressures? And how have you been involved, personally?

- 4) What impact do you think these steps have had in practice?

- On levels of demand? (from schools/parents)
- On levels of spend?

- 5) How far do you think schools/Heads in general have been aware of these issues? And what part do you think they are playing in addressing them?

What have been the approaches to communication with schools/Heads that have worked particularly well, with regard to these issues? What has worked less well?

## Post-16 specialist

- 1) Introduction
- 2) Context:  
  
Overview of key points made by SEND strategic lead in the initial interview  
  
Comments on these
- 3) What are the particular issues that lead to extended or higher costs in the area of post-16 at the moment?
- 4) What has been your particular role in helping manage the high needs budget pressures?
- 5) What impact has this had so far on practice and outcomes ?  
  
What evidence can you provide (pupil/cost data) to show this is the case?
- 6) What elements of your approach to these developments do you think have been most effective?  
  
What aspects have not worked out as well as you had hoped?
- 7) How have you involved stakeholders in these developments (colleges/providers/ employers/ DWP schemes/ adult social care/ parents/other)?  
  
What has worked:
  - o Well
  - o less well?



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