

Agenda Item 4

Report to: Schools' Forum

Date: 18th January 2018

Title of Report: Briefing on place commissioning

By: Emily Taylor, Senior Manager Strategy and Disability Services

Purpose of Report: To update on the recent school places commissioning process to maximise occupancy and efficiency on the High Needs Block

1. Background

- 1.1 From early 2016, East Sussex Children's Services Department (CSD) has engaged with schools to develop a shared understanding of the increasing demand for specialist provision for pupils with SEND, and the consequent pressures on the HNB to meet this demand. This shared accountability is reflected in the High Needs Block review produced by the CSD in partnership with schools and colleges. Within this review it was clear that there had been historic under occupancy in some specialist settings which meant that the High Needs Block was funding vacant places in special schools and specialist facilities in mainstream schools. During 2016/17, approximately £300k was being spent in unused places; in some cases schools were refusing to place children despite having funded unfilled places.
- 1.2 In order to address the level of under-occupancy and reduce the level of funding to empty spaces, we have revised the process for commissioning places in special schools and specialist facilities and this report seeks to give some context and detail to these changes.

2. Updated Commissioning Arrangements.

- 2.1 In 2016, ESCC developed a forecasting model which sought to better predict the demand on places over a 15 year period. Now in its 3rd year of running, the forecasting model has proven to be highly accurate for predicting the number of EHCPs that the local authority will maintain and, therefore, provides an excellent indicator of demand for specialist placements.
- 2.2 With an accuracy rate of over 99%, this forecasting model has been used to evidence the need for more specialist provision in East Sussex and was instrumental in gaining agreement for the development of new Free Schools and the High Needs Block recommendations around developing more specialist facilities. The model means that now only do we have a robust model for identifying the future requirements for provision, but also for the commissioning of existing provision.
- 2.3 Following a review of occupancy in 2017, some small adjustments were made to the commissioned places within specialist provision to reflect the previous 12 month trends. This was aligned with the principle of ensuring that we were getting the maximum return on commissioned places funded through the High Needs Block. As East Sussex fully funds all specialist placements in excess of commissioned numbers

at the rate of place funding plus top-up, in-year (which is not common practice across all Local Authorities), no school loses out if they exceed their published number. The High Needs Block does, however, lose out if places are unfilled. The result of the review in 2017 was that we had much higher occupancy across all of our specialist provision during 2017/18.

- 2.4 In 2018, the process was refined further with a view of establishing a set of principles for how to address under-occupancy in-year. As we have new special schools and facilities opening in the next 2 years, we have been conservative with commissioning any significant increases in placements up-front. This is to ensure that we have sufficient funding within the HNB to fully fund all new places when they are available. Again, as specialist placements over-number are always fully funded, there is no loss to any school from this decision.
- 2.5 To further safeguard high needs funding, additional principles were laid out:
- From September 2019, top up funding will be recouped should the commissioned number of places remain under capacity by 5% or more for 3 months. This would be done in 3 instalments throughout the year by a reduction in the SVT to account for any up-front over payment.
 - Where children and young people are consistently not attending (including dual roll elsewhere), the LA will ask Special Schools to place additional children and young people into these places. Where this happens, schools would receive additional top-up (but not place funding) for each additional child.
 - Any placements over the agreed commissioned places will be paid as previously.
- 2.6 So as to create greater transparency and consistency of placements in special schools, a matrix for special schools is under construction which will help to determine need at an individual level. This matrix will work alongside the existing matrix for mainstream schools to ensure that our highest cost placements are used by those children with the highest needs. Mainstream and special school Head teachers will work together to construct a framework that will form the basis for future placements. This matrix will safeguard the additional specialist placement capacity that East Sussex will see coming on line as new special facility placements (Term 5, 2019), and new free school places from 2020.

3. Conclusion

- 3.1 The Local Authority aims to keep the current processes under review to reduce upward pressure on specialist places and work towards ensuring the 'right' pupils are placed in the right setting and address the existing inconsistencies. This is alongside the need to bring at least 100 children out of special into mainstream (and 50 children out of INMS to special) as recommended by the ISOS review of SEND expenditure, in order to minimise the on-going risk to the sufficiency of the High Needs Block. The measures set out above are part of a broad scope of work in East Sussex (e.g. reduction in exclusions, reduction in EHCPs, improvement to the quality and access to quality first teaching etc.) and as such must be considered within the wider inclusion agenda which has at its heart the principle of educating pupils with SEND in their local schools and securing improvements in their outcomes.