

7 December 2016

REPORT ON EXCEPTIONAL NEEDS FUNDING (ENF)

Report of the Director of Children's Services

Author: Jennie Newman, County Lead for SEN
Tel: 01438 845074

1. Purpose

To provide the Forum with an update on exceptional needs funding.

2. Summary

The paper gives an overview of the current demands and pressures on ENF funding.

3. Recommendation/s

The Forum is asked to agree:

- To increase the ENF budget by 10% and to bring the hourly rate in line with the recommended pay scale (a net total amount of £574k – paragraph 5.4).

The Forum is asked to note:

- That the ENF workstream and the SEND Executive have proposed that multiple cases eligibility criteria is changed and that the funding is allocated to each area panel based on the DSPL model indicator. Further detailed modelling will be presented at the January Forum. Initial indications are that this will result in a reduction in the multiple cases budget of approximately £150k (paragraph 5.5)
- That the Sensory and Physical Workstream and the SEND Executive have proposed that the historic model of funding six designated PNI secondary schools (paragraph 6) should cease and instead individual pupils should be supported through the mainstream SEN funding arrangements, including ENF as appropriate. The details of this item

will be brought to the January Forum. Initial indications are that this will result in a saving of approximately £70k

4. Background

- 4.1 In the Autumn Term, 2015, Hertfordshire County Council commissioned an independent review of its funding arrangements for children with SEND in mainstream schools and settings.
- 4.2 Following an earlier review of the previous system in 2005, Hertfordshire decided to delegate a significant amount of funding to mainstream schools to help strengthen their capacity to meet a broad range of needs. A limited amount of funding was retained to provide additional support for children with complex/significant (exceptional) difficulties.
- 4.3 Initially, allocations to children with exceptional needs were for the full amount of support required. However, this changed to 'top-up' only with the introduction of the national SEND funding reforms. In Hertfordshire, schools were assisted in making their contribution to support children with exceptional needs through the delegation of a further £3 million.
- 4.4 The original numbers of children estimated to have exceptional needs was around 600 countywide. This rose to a peak of 947 in the summer term 2015, with some reduction since then. Explanations for the increase include:
 - The inclusion of children in PVI settings;
 - The reported increase in the number and severity of needs in mainstream schools and settings;
 - The move to top-up only allocations.
- 4.5 There have been increased pressures on Area ENF budgets which have been maintained at historic levels. These came to a head in the summer term 2015 when needs exceeded the funding available. In some areas, allocations could not be made because of funding restrictions even though children's needs were identified as exceptional.
- 4.6 Funding pressures are attributed partly to increasing numbers of children with complex and significant needs in mainstream schools and settings. Other factors include the introduction of multiple cases funding, with full allocations made to pupils where numbers exceed a defined threshold. The ENF review highlighted Hertfordshire's low threshold for multiple case allocations and recommended that this be reviewed.
- 4.7 The experience of ENF decisions in the summer of 2015 contributed to significant loss of confidence in the current system, for both schools/settings and parents who felt that their children were missing out on their statutory entitlements.

4.8 The key issues raised were:

- Consistency of decisions;
- Budget sufficiency;
- Match with national SEND reforms and expectations

5. The ENF Workstream

5.1.1 The ENF working group was established to consider the findings of the ENF review and how to take forward the recommendations. The workstream is looking at a range of issues and will be developing proposals for improving the existing system through the following subgroups:

- A subgroup with a focus on funding, including sufficiency;
- A subgroup with a focus on the process;
- A subgroup with a focus on descriptors and moderation.

5.2 This work will be continuing into next year but the workstream has recommended some changes affecting the funding of ENF in 2017-18.

5.3 A detailed exercise has been carried out to moderate a sample of ENF decisions and look at the relationship between ENF and EHC plans. This exercise found that:

- ENF applications were generally more informative and precise about a child's needs than EHCPs;
- A significant number of EHCPs, if used at an ENF panel, would not be agreed as demonstrating an exceptional level of need;
- Where a case is agreed at the ENF panel, but with a reduced allocation from that requested, the reduction was moderated as appropriate for the needs of the child;
- A small number of applications were of poor quality making it difficult to judge exceptionality. This may disadvantage some children where an application is not agreed;
- A small number of cases refused were borderline and could be considered exceptional.

5.4. Following this exercise the workstream recommended to the SEND Executive a small increase of 10% to the ENF budget. This was in order to give the panels more flexibility in picking up some borderline cases and ensuring early intervention (for example over a key stage rather than longer term). The SEND Executive agreed with this proposal. It was also agreed to bring the hourly rate in line with the recommended pay scale.

5.5 The workstream also recommended that the multiple cases eligibility criteria should be changed to take into account forms of entry rather than simply a pupil number criteria. It also recommended the allocation of this funding to areas by the DSPL Model indicators. Both recommendations were supported by the SEND Executive and further detailed modelling will be presented at the January Forum.

5.6 The workstream will continue to take forward other recommendations arising from the moderation exercise:

- Better training for applications would ensure a small number of pupils are not disadvantaged by the quality of applications;
- Better training around use of the Schools' Notional Budget for SEND;
- A consistent set of assessments is set out so that comparable judgements may be made;
- A regular (annual) moderation exercise;
- Consideration be given to the links with and impact of other workstreams.

6. Secondary Age Pupils with Physical and Neurological Impairments (PNI)

6.1 Historically additional funding has been provided to six secondary schools to enable access for pupils with PNI. Now that all schools are expected to increase access for pupils with SEND and anticipate their needs in line with the Equality Act, this historical arrangement has been reviewed through the Physical and Sensory Workstream. This has led to a proposal for a different model in line with the system for funding SEN across all mainstream schools in Hertfordshire, including ENF where appropriate.

6.2 Each school designated schools receives an annual lump sum of £8962 and a per pupil amount of £4343. From September 2016, a total of 6 pupils across the 6 schools are funded through this mechanism. An alternative model of funding these pupils will be proposed at the January Forum.

7. Conclusion

The requested 10% increase in ENF funding will ensure that local areas have sufficient budgets to make consistent decisions across the County to meet the needs of children/young people with exceptional needs.

The ENF workstream will continue to consider the outcomes of the review and make recommendations for improvements to the system to be presented to SEND Executive and Schools' Forum, where appropriate, during the coming year.