

**TELFORD & WREKIN COUNCIL****CHILDREN & YOUNG PEOPLE SCRUTINY COMMITTEE – 8<sup>th</sup> February 2017****SEND – COST OF PROVISION****REPORT OF THE SERVICE DELIVERY MANAGER SEND AND INCLUSION****1.0 PURPOSE**

- 1.1 To enable the Scrutiny Committee to consider value for money for SEND provision.

**2.0 RECOMMENDATIONS**

- 2.1 **That the Committee consider the report and agree any recommendations or further actions.**

**3.0 INTRODUCTION**

The Local Authority has the responsibility to assess the needs of children and young people with special educational needs and where these children have a greater need, to issue an Education, Health and Care Plan (previously a Statement of Special Educational Needs).

The children and young people with lower level special educational needs are supported as SEN support through funding already delegated to mainstream schools.

For those children and young people who meet the threshold for an Education, Health and Care Plan (EHCP), the majority of these also have their needs met within a mainstream school, but have additional top up funding provided by the LA.

For some children and young people with more complex needs who have an EHCP, these needs are better met in a Special School.

The LA will provide the top-up funding in a maintained school or fund a Special School placement from the High Needs element of the Dedicated Schools Grant.

## 4.0 KEY INFORMATION / VALUE FOR MONEY IMPACT

### 4.1 Overview of SEND Numbers and costs

Using the DfE/LGA Local Area SEND Report of August 2016, the key figures are highlighted in the table below:

	% of school aged pupils with an EHCP	% of those with EHCP in maintained special schools	% of those with EHCP in independent special schools	Expenditure per child per week with EHCP
T&W	3.3	43.2	3.8	£60
National	2.9	27.8	6.0	£92

Telford and Wrekin have a higher than national proportion of young people with an EHCP (or statement), 3.3% of the school population have an EHCP in Telford and Wrekin compared to 2.9% nationally. This is equivalent to 330 students per 10,000 in Telford and Wrekin compared to 290 students nationally or 1.14 times more students.

Of those students with an EHCP 43.2% are in maintained special schools compared with 27.8% nationally. This is equivalent to 142 students per 10,000 compared to 81 nationally, or 1.75 times more students.

Of those students with an EHCP 3.8% are in independent special schools compared with 6.0% nationally. This is equivalent to 13 students per 10,000 compared to 17 nationally, or 0.76 times the number of students.

The expenditure per student is £60 per week in Telford and Wrekin compared to £92 nationally. If we take into account the fact that there are more children with EHCPs in Telford and Wrekin and calculate the equivalent cost if we were spending the same amount of money but with a national average number of students with EHCPs this would equate to £68 per student per week.

The outcomes for students with EHCPs are broadly better than national averages in Telford and Wrekin at all Key Stages except some measures at Key Stage 4. This would suggest that potentially Telford and Wrekin are providing good value for money with good outcomes at a lower than national cost per student.

It should be noted that the data above is based on the January 2016 SEND return to the DfE. All data considered in the rest of this report is based on current data as of January 2017.

### 4.2 Special School Numbers and Costs

There are 594 students placed in maintained Special Schools with Telford and Wrekin at a total annual cost of £11,124,648. This equates to an average cost per student of £18,728. There is no national data to benchmark these costs against, however, class sizes in the complex needs schools (Haughton and Southall) and the

Severe / Profound and Multiple needs school (The Bridge) are larger than in most similar schools regionally. This would suggest that whilst there are more students in maintained special schools in Telford and Wrekin, these would provide better value for money. This would be corroborated by the cost per child in Telford and Wrekin being lower in section 4.1.

There are 34 students placed in independent special schools at a total annual cost of £2,296,000 this equates to an average cost of £67,529 per student. The average cost per placement in independent special schools is approximately 3.6 times the cost of a placement in a maintained special school. Whilst the cost of these places is high, potentially if we had the national average proportion of students in this provision there would be an additional 11 students at a cost of around £743,000 more.

There has been some sharing of pupil numbers and costs in independent special schools commissioned by LAs in the West Midlands. This comes with a massive health warning as the basis for how these places are funded varies dramatically from one authority to another. In particular the sharing of costs between education, social care and health will be different.

To try to make allowances for different sizes of authority and different levels of cost, the table below shows the relative number of students placed by each authority – in other words, if that authority were the same size as Telford and Wrekin, the number of students they would be placing in independent provision. It then considers the relative cost by multiplying the relative number of students by the cost per student in that authority.

LA	Cost per student	relative size	relative no students	relative cost
Dudley	£46,604	1.8	27	£1,242,778
Staffordshire	£49,958	4.3	33	£1,661,395
Sandwell	£70,156	1.7	26	£1,857,059
Telford & Wrekin	£67,529	1.0	34	£2,296,000
Herefordshire	£121,941	0.9	19	£2,303,333
Shropshire	£52,362	1.5	46	£2,408,667
Coventry	£77,167	1.7	32	£2,451,176
Birmingham	£57,226	6.0	44	£2,537,000
Stoke	£64,477	1.1	40	£2,579,091
Warwickshire	£43,284	2.8	144	£6,214,286

This would suggest that Telford and Wrekin has the fourth lowest relative cost of the 10 authorities. It also suggests that we should investigate further what Dudley and Staffordshire are doing to reduce the cost per student and what Dudley and Sandwell are doing to reduce the numbers of students in independent provisions.

Shropshire use many of the same provisions as us, we therefore need to investigate how they are able to reduce the cost per student.

## 6.0 LEGAL ISSUES

Under the SEND reforms implemented in September 2014, parental choice is paramount. In all considerations we need to be aware that ultimately the parents can request any provision and if we disagree and name a different provision, the parents can then take us to tribunal. It is therefore imperative that not only do we need to consider the costs of provision but also the quality so that these are schools parents want to send their children to.

## **7.0 ACTIONS TO ADDRESS**

Follow up actions include:

- Exploring how provision for children with the most challenging behaviours can be met locally through a maintained school.
- Exploring practices with other authorities to see if there are any aspects we can learn from and apply in Telford and Wrekin.

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