

The Highland Council
Education, Culture and Sport Committee
August 2008

Agenda Item	
Report No	

Funding of Additional Support for Learners
Report by Director of Education, Culture and Sport

Summary

This report sets out the legislative and policy background to the Council's provision of Additional Support for Learners, gives an overview of the budget, and describes the factors which drive the allocation of resources. It describes the work done to date to ensure that resources are appropriately targeted and managed and sets out proposals for the next phases of budget review and targeting.

This developing process will contribute to the commitment in the Programme for Administration in relation to Getting It Right for Every Child which will ensure that all children get the help they need when they need it.

1. Background

1.1 The Highland Council's duties in relation to pupils who require additional support for learning (ASL) result from a complex body of legislation. Key elements of that legislation include:

- Disability legislation requires local authorities and schools not to treat disabled pupils less favourably and to make reasonable adjustments to avoid putting them at substantial disadvantage.
- The Standards in Scotland's Schools etc Act 2000 places education authorities under a duty to secure that the education provided is directed to the development of the personality, talents and mental and physical abilities of the child or young person to their fullest potential, and also includes a 'Presumption of Inclusion' by which education authorities are required to provide education in schools other than special schools unless there are exceptional circumstances.
- The Education (Additional Support for Learning) (Scotland) Act 2004 requires education authorities to identify, assess, plan for, and make educational provision for children and young people in their area who have additional educational support needs in collaboration with parents and carers, and assisted by other agencies and services.

1.2 The type and amount of support for learning provided by the Highland Council for an individual pupil may lie anywhere on a continuum from short term monitoring and encouragement by a class teacher through to long term education in a specialist setting, provided by staff with advanced specialist qualifications, and using specialised and expensive equipment.

1.3 For the financial year 2007-08, excluding out-of-authority placements, the Highland Council spent a total of £20.28M within its ASL budgets.

1.4 For the financial year 2008-09 the comparable ASL budget is £20.73M and this comprises:

- £5.24M delegated to secondary schools via DSM.
- £7.44M held at Area level for primary ASL and secondary special classes and units.
- £4.15M held centrally in budgets, including those to support Inclusion, Better Behaviour Better Learning (BBBL) and the purchase of Speech and Language Therapy services.
- £3.36 for special schools including Drummond, St Clements, St Duthus and the Black Isle Education Centre.
- £0.54M delegated to primary schools or held in several small budgets.

1.5 The Support for Learner's Policy Framework sets out the Highland Council's overarching policy and approach to Additional Support for Learning (ASL). Major strands within the Policy Framework include:

- Consulting and collaborating with parents and carers:
- Consulting with children and young people about educational decisions which affect them and fostering active and participative learning: supporting children and young people to attend their local mainstream school:
- Maintaining and enhancing the range of specialist services within Highland in order to maintain children and young people in their local school and community, and family;
- Providing a range of training for staff including continuing access to post-graduate teaching qualifications in specialist fields such as Autism, Visual Impairment and Deafness.

1.6 There is good evidence that the numbers of pupils in Highland Schools who require significant ASL is increasing, even though the overall number of pupils in Highland schools is decreasing. Key drivers include:

- The large rise in the number of pupils with autism spectrum disorders (ASDs) in Highland Schools. This is not just a Highland phenomenon, both national and international research provides evidence that over the last twenty years there has been a significant rise in the number of pupils with ASDs.
- Medical advances have resulted in increased survival rates of infants born very prematurely, and such infants have a high rate of severe and complex, life-long difficulties. The typical levels of need of pupils attending special schools and bases in Highland have increased very significantly over the last ten years.
- A significant rise in the number of younger pupils whose behaviour is very difficult to manage in school. The reasons for this rise are still not well understood.

1.7 The Audit Scotland Report 'Moving to Mainstream' (2003) reported the results of a study of the costs of implementing the 'Presumption of Inclusion'. The report included comparisons of the costs of providing ASL for individual pupils in rural and mainstream settings and for groups of pupils in special schools and bases. The report provides independent evidence of the higher costs incurred by rural education authorities with large numbers of small and very small schools.

1.8 The cost pressures set out in sections 1.6 and 1.7 have been particularly difficult to accommodate against a background of steady state or reducing resources because of overall financial pressures. A key element of the action taken to manage these pressures has been to ensure that available resources are appropriately targeted and managed.

2. Ensuring Appropriate Budget Targeting and Management

2.1 The needs of individual pupils for ASL vary in both degree and duration. It is usually suggested that up to 20% of pupils will require at least some short term and modest support at some time in their school career, while 1-2% of pupils have a continuing need for a high level of individually appropriate, specialised support.

2.2 A review group was established in 2002 to conduct a Best Value Review of Support for Learning in Highland Schools. The report of that review was published in January 2004 and subsequently accepted by the Council. The report includes a detailed discussion of how budgets were being allocated and of a methodology for distributing resources in an equitable manner which more closely reflected actual needs. One of the key recommendations of that review was "the authority should progress the redistribution of funding across all areas of the authority on the basis of the resource model over a three to five year period."

2.3 When a large number of children and young people are considered together the overall need for ASL can be predicted from the total number children and young people and the socio-economic deprivation which is present. Population and deprivation are used as the main drivers for resource allocation both at national level and for many purposes within Councils.

2.4 Following the Best Value Review a detailed budget modelling tool was developed which used the following factors:-

- * numbers of pupils,
- * an index of deprivation
- * the number of small schools
- * an audit of pupils school-by-school who have high levels of individual need.

This budget model indicated the proportion of the overall budget available which should be allocated to provision in each of the education areas.

The model indicated that, as a result of historic factors, some areas were relatively generously resourced as compared with others, and therefore that resource transfers were indicated if levels of service were to be equitable

across the Council. This process was commenced on a phased basis with effect from April 2004, with further action being implemented from April 2005 and April 2006. This phasing involved the transfer of budget between areas as posts became vacant, the use of any new grant funding to augment levels of resourcing preferentially in those areas which were less well resourced, and targeting any savings required towards those areas which were more favourably resourced.

- 2.5 The restructuring of Highland Council areas with effect from April 2007 resulted in changes in responsibilities for many members of Area Education Management Teams. Accordingly, in order to give managers time to familiarise themselves with their new responsibilities and the management of the resources in their new areas, Area budgets were rolled forward in April 2007 and April 2008 with further phased resource transfer being deferred.
- 2.6 Experience suggests that within the Highland Council the three service delivery areas which resulted from the Council's recent restructuring are each large enough to ensure that statistical predictions of needs for ASL are largely accurate. The Highland ASL resource allocation model is, therefore, now being revised and up-dated to reflect the new Areas.
- 2.7 Even for the largest schools in Highland, however, statistical prediction (using pupil numbers and an index of deprivation) of the numbers of pupils who may require more specialised and intensive ASL is not possible because the overall numbers of pupils are too small. Resourcing for individual schools or for groups of schools which comprise an associated school group therefore needs to take account of the detailed needs of individual pupils.
- 2.8 Two measures of deprivation have been trialled within the ASL budget modelling tool: entitlement to free schools meals (FSM), and a combination of job seekers allowance and income support. FSM is widely used in budget modelling as a proxy measure of deprivation. It has the advantages that it is easily available and regularly updated, but it may not capture all aspects of socio-economic deprivation. A combination of numbers of families receiving job seekers allowance and income support was therefore also trialled. Although this is felt to be a more accurate measure of socioeconomic deprivation, the statistics did not prove to be regularly updated, and the collection areas did not correspond to the areas served by schools. Use of the Scottish Index of Multiple Deprivation (SIMD) was also considered, but this measure also is not collected in areas which correspond with the areas served by schools and there are technical difficulties in aggregating locality data. The ASL budget modelling tool therefore uses entitlement to FSM as a measure of socioeconomic deprivation.
- 2.9 One of the drivers for Scottish Council funding from central government is a weighting for small communities. This factor corresponds closely to communities with schools with 70 pupils or less, and so the rurality driver used within the ASL budget model is currently schools with 70 or less pupils.
- 2.10 In order to identify numbers of pupils with individual needs for high levels of ASL the Council's Additional Support Needs Team has drawn on work carried out by a team from Edinburgh University who developed descriptions of four levels of additional support need. These descriptions have been further developed and are now used annually within each of the Highland education

areas to carry out a school-by-school audit of pupils with high levels of need. The results of this audit are used within the ASL budget model.

- 2.11 The work of the Highland Pathfinder team within Getting It Right For Every Child (GIRFEC) includes the development of a Single, Multi-agency Child's Plan. In addition the function of Individualised Education Plans (IEPs) is being reviewed and further developed in order that IEPs are fully integrated into the GIRFEC planning processes. At present IEP practice across Highland schools is not uniform enough for either the number or content of IEPs to be used as a driver within the ASN budget model. However, it is envisaged that this will become a more standardised process as GIRFEC is implemented.

3. Budget Management and Delegation

- 3.1 A few pupils with very high levels of need require ASL resourcing which is very costly. For example: some pupils with limited mobility, who are wheelchair users and require assistance with intimate personal care and may require building adaptations and specialist equipment with a total cost in excess of £50,000; a few pupils benefit from education in specialist residential schools at a costs of up to more than £300,000 per annum. Each year several pupils with very high levels of need for ASL move into remote and rural communities where there is no pre-existing infrastructure of appropriate and individualised educational support so that individualised arrangements require to be made, and for some pupils these can cost up to £50,000 per annum.
- 3.2 Consultations with Area Education Managers and Head Teachers have demonstrated a consensus that in order to respond to these very costly but low frequency and unpredictable needs some contingency and emergency budget resources need to be held and managed centrally, and to be available at need to be targeted anywhere within the Council area. It is therefore proposed to delegate some further funding to areas and schools but retain some centrally managed contingency funding.
- 3.3 The Council's recent restructuring has created three larger service delivery areas, and some further delegation of budgets to these areas is practicable as compared with the smaller areas which previously existed.
- 3.4 It is therefore proposed to implement the next stage of phased resource transfer between areas based on the ASL budget model as discussed in Section 2.5 of this report, to review the area allocations from two centrally held budgets, and to consider delegation to secondary schools of some budget currently held at area level. In addition an amendment to the Devolved School Management (DSM) formula is proposed in order to better reflect the resource needs of individual secondary schools.
- 3.5 In the longer term the delegation of Out-of-Authority funding to the Area Management groups in the three areas may be considered, and would require to be the subject of a further report to the Joint Committee, which has been delegated this budget.
- 3.6 It is proposed that the next stage of phased resource transfer between areas based on the ASL budget model will be implemented for the financial year 2009-2010.

- 3.7 Some schools receive funding from the centrally managed Inclusion and BBBL budgets to support individual pupils or small groups of pupils with high levels of need for ASL. For the financial year 2009-2010 it is proposed to begin devolving this element of funding to Areas, in proportions generated by the ASL Budget model. This will enhance the ability of Area Managers to ensure appropriate support for individual pupils with high needs by keeping the use of this funding under review and to re-targeting it as pupils leave or needs change.
- 3.8 Many primary and secondary schools receive annual transfers of money from the BBBL budget. The amounts were determined very quickly and roughly when this (originally grant) funding commenced. In order to achieve a more equitable allocation it is proposed for the financial year 2009-2010 to review and adjust the amounts each school receives using the ASL budget model.
- 3.9 ASL funding for ASN provision in secondary schools currently has three elements:
- a) An element from the DSM formula
 - b) An element delegated to schools
 - c) An element for facilities for pupils with very high levels of needs which is held at Area level.
- a) The DSM formula, unlike the overall staffing formula, is based on broad bands of pupil numbers. With effect from April 2009 it is proposed to amend this element of the DSM formula so that it accurately reflects the total number of pupils on the school roll in secondary schools.
- b) It is proposed with effect from April 2009 that the proportion of available funding delegated to individual secondary schools should be reviewed annually using the ASL budget model, and the amounts which individual schools receive should be adjusted in accordance with the outcomes from the budget model to ensure that resources are more closely targeted to pupil needs on an annual basis. Increasingly, this will become possible on the basis of individual plans.
- c) It is proposed with effect from August 2009 that the element of funding held at Area level for special bases and facilities in secondary schools should be delegated to secondary schools, but that the continuing need for these facilities should be reviewed annually by Area Education Officers.

4. Resource Implications

- 4.1 The proposals set out in this report do not require additional resources.

5. Equalities Impact

- 5.1 The proposals set out in this report support the efficient management and appropriate targeting of resources for pupils with additional support needs and are expected to enhance the Council's ability to meet its legal obligations in relation to equality and to provide appropriate support for pupils with additional support needs.

6. Recommendations

6.1 Members are asked to approve the proposals set out in this report namely:-

- to implement the next stage of phased resource transfer between Areas based on the ASL budget model, for the financial year 2009-2010.
- to begin devolving Inclusion and BBBL funding to Areas, in proportions generated by the ASL Budget model, for the financial year 2009-2010.
- to review and adjust the amount of BBBL funding each school receives using the ASL budget model, for the financial year 2009-2010.
- to review the ASN element of the DSM formula so that it more accurately reflects actual pupil numbers in secondary schools, with effect from April 2009.
- to review annually with effect from April 2009 the proportion of available funding delegated to individual secondary schools using the ASL budget model, and to adjust the amounts which individual schools receive in accordance with the outcomes from the budget model.
- to delegate to secondary schools with effect from August 2009 the element of funding held at Area level for special bases and facilities in secondary schools (the continuing need for these facilities should be reviewed annually by Area Education Officers).
- to retain some centrally managed contingency funding.

Signature:

Designation: Director of Education, Culture and Sport

Date: 29 July 2008

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Background Papers: