

The response of the Special Educational Consortium to the Department for Education consultation on Implementing the Direct National Funding Formula

The Special Educational Consortium (SEC) is a membership organisation that comes together to protect and promote the rights of disabled children and young people and those with special educational needs (SEN). Our membership includes the voluntary and community sector, education providers and professional associations. SEC believes that every child and young person is entitled to an education that allows them to fulfil their potential and achieve their aspirations.

SEC identifies areas of consensus across our membership and works with the Department for Education, Parliament, and other decision-makers when there are proposals for changes in policy, legislation, regulations and guidance that may affect disabled children and young people, and those with SEN. This response therefore focuses on relevant SEN and disability aspects of this consultation.

SEC's response is significantly related to Questions 1 and 2 in the consultation document but also touches on the impact of levels of need in relation to falling or increasing rolls, Question 5.

SEC is calling for a pause in the implementation of the direct NFF until DfE has explored, researched and identified an agreed way forward to protect specialist support services and restore their function in supporting schools in identifying and meeting children's needs.

The 2021 round of consultation

In 2021, the DfE set out its proposals in *Fair school funding for all: completing our reforms to the National Funding Formula*. In response to last year's consultation, SEC set out its concerns about how the impact of the reforms affected the ability of schools and local authorities to meet their equalities responsibilities. SEC called for:

- a disproportionate increase in the additional needs strand in the schools' formula;
- a disproportionate increase in the low prior attainment (LPA) factor within the additional needs strand;
- greater differentiation within an increased allocation to LPA, with additional funding allocated to pupils with lower levels of achievement;

- clarity about the inter-relationship between schools' funding and high needs funding; and
- a collaborative and pro-active approach to commissioning specialist services to meet local needs.

SEC has welcomed the percentage increase in the additional needs strand in the schools' formula. However, this, on its own, does not address SEC's concerns, in particular the concerns about the erosion of specialist support for pupils with SEN and disabilities in mainstream schools.

The current consultation

The DfE consultation recognizes the interaction between funding for mainstream schools and high needs funding for children and young people with special educational needs (SEN) and disabilities. In responses to earlier consultations, the DfE has heard the concerns about the move towards a direct national funding formula for schools and its impact on the relationship between school funding and high needs funding as the schools' formula hardens.

The current consultation sets out proposals to continue some flexibility to move funding to local authorities' high needs allocations by adjustment to mainstream schools' allocations; and to continue the determination of 'notional' budgets for mainstream schools' SEN responsibilities.

These proposals do not go far enough to address SEC's concerns about funding for the provision of specialist support services.

The context

Concerns about the provision of specialist support services are not new. During the passage of the Academies Act 2010, SEC argued for the funding for specialist services to continue to be held by local authorities and not split between LAs and academies. The government recognised the importance of the provision of specialist support services and protected this element of local authority budgets from being split.

Over the last decade, school and local authority funding have both been significantly eroded. The pressure on school budgets has constrained the capacity of schools to respond effectively to the SEN and disabilities of children, and has been a significant factor driving the increase in EHC needs assessments and plans. Over the same period, the erosion of local authority budgets has gradually eroded the capacity of local authorities to support schools pro-actively in meeting children's needs through the provision of specialist support services.

The capacity of schools to respond to children with a range of SEN and disabilities, is very significantly affected by the availability of local specialist support services.

We know from our member organisations about the erosion of specialist support services, for example, the National Deaf Children's Society report a 17% decline in the number of Teachers of the Deaf since 2011.

A Freedom of Information Request from the Royal National Institute of Blind People (RNIB) in 2019 identified that:

- Just under half of local authorities had cut or frozen visual impairment (VI) education service budgets over the preceding two years.
- A quarter of LAs reported current or proposed reviews affecting how the VI service was organised, managed or funded, which was expected to result in further cuts to provision.

Whilst this research identified pockets of good practice, the findings showed a system of specialist provision under significant pressure.

In a survey of speech and language therapists (SLTs) published in 2017 by the Royal College of Speech and Language Therapists, only 40% of respondents said that they had the capacity to deliver services to children without EHC plans. Several commented that children without an education, health and care plan (EHCP) were receiving reduced support and, in some cases, no direct speech and language therapy support, due to capacity challenges. Reductions in services for very young children, and the re-direction of services to children with more significant needs, affected the capacity of services to intervene early, with 43% of respondents commenting that speech and language therapy support was not being commissioned for children aged 0-2 years. In the words of one respondent:

"It is now very rare for children under three with very specific SLCN to receive any therapy and therefore I expect to see a greater need for targeted SLT in the 3-11 age group as their needs are not being addressed as early as possible."

Whilst the Department for Education is currently supporting the recruitment and training of additional educational psychologists (EPs), many of these recruits will not graduate until 2026. In the meantime, many EP posts are not filled, because of recruitment difficulties and pressure on local authority budgets. The British Psychological Society has identified:

'a huge national shortage of educational psychologists, with one for every 3500 children between the ages of 5-19 in England.'

The pressure on EPs is such that, like SLTs, educational psychologists have significantly been diverted away from early preventive work to statutory work with children with an EHCP. The reductions in local authority budgets has led to the erosion of a range of specialist services supporting children and young people with a range of disabilities and SEN.

There are further pressures because of the significant rise in the number of pupils on SEN Support and of those with an EHCP, with the increase in EHCPs over recent years accounting for the biggest increase in costs to local and national high needs budgets.

The reduction in a wide range of specialist support services has made it harder for schools to provide the appropriate support for some children. In 2019, Ofsted found that much of the support that helped schools to meet pupils' needs was no longer available and they identified the limited access to in-school and wider support as a factor contributing to the increase in elective home education.

SEC sees the specialist support as being key to the capacity of schools to identify and meet children's needs at the earliest possible opportunity; and the reduction in the availability of services as being a significant factor in the increased number of pupils with an EHCP.

Timescales

The DfE outlines some flexibility in the timescales for the implementation of the current proposals but this does not address SEC's concerns. The restoration of specialist support services is now dependent on both funding for services and on a long-term plan for the recruitment and training of specialists in a number of key areas. The timescales for this are likely to go beyond the timescales for the hardening of the NFF.

SEC is calling for a pause in the implementation of the direct NFF until DfE has explored, researched and identified an agreed way forward in protecting specialist support services and restoring their function in supporting schools in identifying and meeting children's needs.

Other concerns

SEC has a number of other concerns about the current proposals.

Funding bands and tariffs

The DfE sets out its intention to cover the operation of funding bands and tariffs, proposed in the Green Paper, in future consultations. SEC has significant concerns about the proposals for a national framework of banded funding and is concerned about the potential for this to cut across the individual decision-making process set out in the Children and Families Act 2014. The DfE has issued a number of letters to local authorities reminding them that a funding matrix cannot be used to determine the provision or funding for an individual child, precisely because it cuts across the statutory duties.

The focus on needs distracts from provision; it is provision that holds the potential to meet needs and it is the provision that sits at the heart of decision-making about an EHC plan. The problem is that, by doing nothing, needs increase. In effect, funding bands reward inaction.

The focus on needs also ignores the importance of local, collective decisions about the provision that schools and other settings are expected to make 'ordinarily available' under the Local Offer Regulations in the 2014 Special Educational Needs and Disability Regulations. 'Ordinarily available provision' is crucial in determining the threshold for an EHC needs assessment and plan. It is bypassed by a focus on needs.

Funding bands focus on controlling spend on high needs instead of exploring ways of a more sustainable approach to reducing demand.

Additional revenue costs

SEC has concerns that the current capital investment in more special school places is not matched by increased allocations in revenue funding to take account of the increased and recurring costs of placements in special schools.

With rising levels of poverty and the increased number of children entitled to FSM, SEC is also concerned about the additional costs to the national budget. If these costs are not allowed for in the overall quantum, funding will be spread more thinly and we will further undermine the ability of schools to respond to the range of needs.

Last autumn's statement from the Chancellor set out proposals for school funding that would restore schools to 2010 levels of funding. These proposals now look as if they will evaporate in the face of the cost of fuel and cost of living increases. The concern for SEC is that children and young people with SEN and disabilities are usually the first to suffer the impact of budget pressures.

For further information:

If it would be helpful to provide further information or to clarify any aspect of this response, we would be pleased to do so.

Philippa Stobbs

Policy vice-Chair, Special Educational Consortium

September 2022

SEC is supported by: •Afasic •Ambitious about Autism •Association of Colleges •Association of Educational Psychologists •British Dyslexia Association •Centre for Studies on Inclusive Education •Contact •Council for Disabled Children •Dingley's Promise •Down's Syndrome Association •Equals •Guide Dogs for the Blind •IASS network •I CAN •IPSEA •Just for Kids Law •Mencap •NAHT •Nasen •NASUWT •National Association of Independent Schools and Non-Maintained Special Schools •National Autistic Society •National Children's Bureau •National Deaf Children's Society •National Development Team for Inclusion •National Education Union •National Network of Parent Carer Forums •Natspec •Prospect •Royal National Institute of Blind People •Seashell Trust •SEND Community Alliance •SENDIASS •Sense •Square Peg •Thomas Pocklington Trust •United Kingdom's Disabled People's Council •Young Epilepsy

