

**Name of meeting: Cabinet**

**Date: 16<sup>th</sup> March 2021**

**Title of report: Procuring an External Business Partner to support SEND work in mainstream education settings, using the council's transformation reserves**

**Purpose of report:** For agreement to commit to use the funding within the transformation reserves to support the procurement of an external business partner to support key strands of SEND transformation in Children's and Adult services.

The paper will outline how the work in improving the early identification of understanding of SEND for children with special education needs and disabilities will support the ability of mainstream schools to provide appropriate settings for a larger number of children with Education Health and Care Plans (EHCPs) with the objectives of improving the outcomes and attainment for these children and providing a sustainable financial model for SEND expenditure.

The report should be read with the report titled "Proposed changes to top-up funding allocations for children in mainstream schools with an Education Health & Care Plan (EHCP) from 1<sup>st</sup> April 2021" which is also on this cabinet agenda for consideration and decision.

<b>Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?</b>	<b>Yes</b>
<b>Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)</u>?</b>	<p><b>Key Decision Yes</b></p> <p><a href="#">Issue details - Proposed changes to top-up funding allocations for children in mainstream schools with an Education Health &amp; Care Plan (EHCP)   Kirklees Council</a></p> <p>Also linked to Transformation Fund Portfolio funding</p> <p><b>Private Report/Private Appendix – No</b></p>
<b>The Decision - Is it eligible for call in by Scrutiny?</b>	<b>Yes</b>
<b>Date signed off by <u>Strategic Director</u> &amp; name</b>	Mel Meggs – Strategic Director – Children's Services – 08/03/2021
<b>Is it also signed off by the Service Director for Finance?</b>	Eamonn Croston – 07/03/2021
<b>Is it also signed off by the Service Director for Legal Governance and Commissioning?</b>	Julie Muscroft – 07/03/2021
<b>Cabinet member <a href="#">portfolio</a></b>	Cllr Viv Kendrick – Cabinet member for Children

	Cllr Carole Pattison – Cabinet member for Learning, Aspiration and Communities Cllr Turner – Cabinet member for Corporate.
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**Electoral wards affected:** All wards are affected

**Ward councillors consulted:** Not applicable.

**Public or private:** Public

**Has GDPR been considered?** Yes

## 1. Summary

1.1 The council has had a transformation agenda for some years. It recognises that if we are to address the most difficult challenges that we face, we need to work collaboratively across the whole organisation and beyond, into local and regional partnership working and further, and across sectors. That is the only way to address 'systemic challenges', i.e. problems that it will take more than the council to solve. It is with this in mind that the council has a collection of programmes grouped under a 'Transformation' heading (or portfolio) which involves the whole organisation. They represent long-term change priorities and will continue for some time.

1.2 The transformation of the Special Educational Needs and Disabilities (SEND) system and securing the financial sustainability of the High Needs block is a transformational priority for Kirklees. It contains a commitment to fund, through Reserves a number of the above activities, in addition to that allocated within Service budgets.

1.3 The commitment to SEND improvement outlined in this report represents the first recommended draw-down from those transformation reserves to support and enable transformation activity in 2021-22. There will be further 'asks' brought to Cabinet in the coming months relating to the council's other transformation priority areas, all of which will seek to ensure we have the right expertise, skills and experience to enable the delivery of sustainable change and improved outcomes for the people and communities of Kirklees.

1.4 This report will outline the need to work across a number of SEND work streams to meet our aspirations in improving the outcomes for children and young people (0 to 25). As part of a planned strategy of helping more children and young people to be placed in and thrive in local mainstream educational settings top-up allocations for children with EHC Plans will be increased. This is a fundamental part of our strategy to secure and build on the capacity and expertise that exists in mainstream schools in order to continue to support children and young people's needs as well as enabling schools to meet a wider range of need.

1.5 To support of this development there is a need to improve our early identification processes and support. There is a need to re-orientate resources away from high needs and special school provision, towards early intervention and family support. This will require a transformation programme to deliver culture change in how we do things as much as systemic improvement across the system.

1.6 The decision required is for Cabinet to support the funding of an external improvement partner to work in partnership with us during the next phase of SEND transformation. A financial envelope of £1,000,000 has been identified to support the SEND Transformation programme and a proportion of this is proposed to be used to fund the proposed contract with an external delivery partner. This would be for an initial 12 month period, to be reviewed in terms of potential extensions and the criteria for the review will be outlined in the tender specification.

1.7 This proposed tender is a key strand in the broader transformation and investment proposals in relation to SEND such as schools banding proposals, investment in our estate and settings in the SEND MasterPlan. It will help to consolidate and strengthen the set of recently agreed Inclusive Ambitions across the SEND partnership contributing significantly to creating the conditions for success (Appendix 1).

1.8 It should be read alongside the report titled “Proposed changes to top-up funding allocations for children in mainstream schools with an Education Health & Care Plan (EHCP) from 1<sup>st</sup> April 2021” which is on the cabinet agenda today and which sets out in some detail the approach to funding allocations in mainstream schools. The outcome of this piece of work as outlined in this report will be a key factor in achieving success in support the number of children with EHCPs in mainstream education settings

## **2. Background**

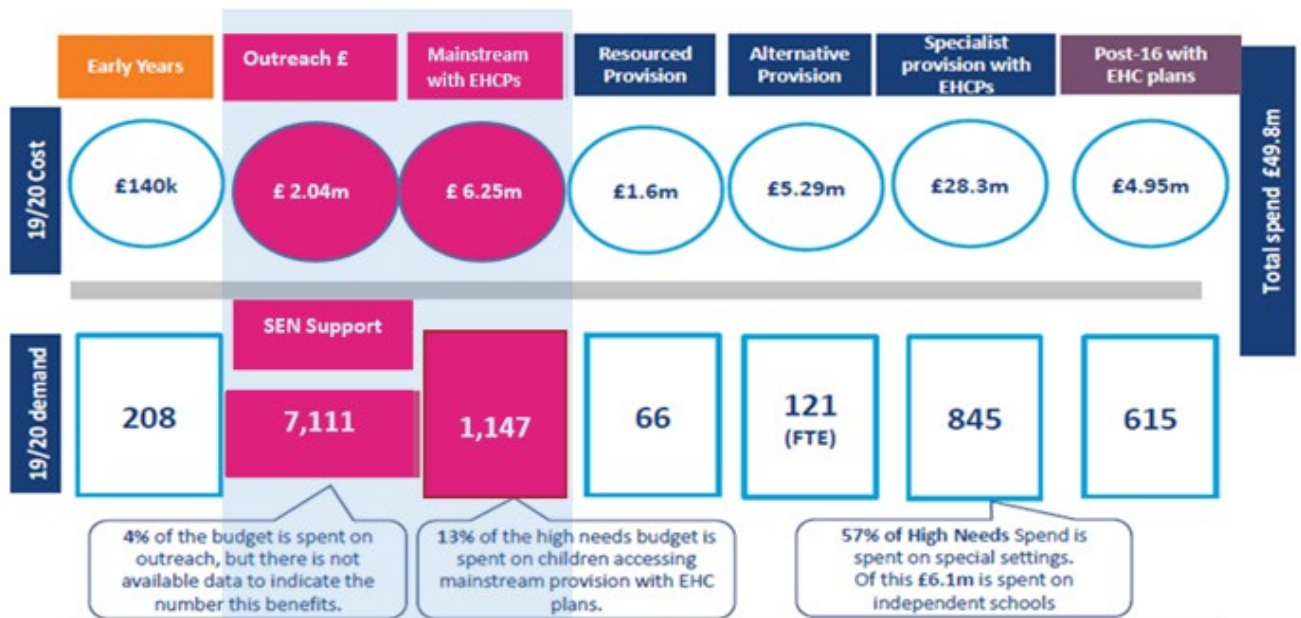
2.1 Local Authorities across the country have experienced significant and sustained pressures on the High Needs funding block in recent years. Investment has grown but a lack of early intervention has meant that demand for specialist support continues. Despite £1.5bn growth in High Needs Block budget allocations across the country over the last 2 years there is a forecasted national overspend pressure of £653m due to rises in children in special schools & alternative provision. When compared to regional and national comparators our outcomes for children with SEND are relatively low.

2.2 Working to achieve statutory compliance with the Children & Families (2014 Act) has required a much greater commitment to the principles of Co-production and a parent led approach. Whilst this has achieved much in terms of a focus on outcomes for the child and family, this approach has contributed to the increase in spending on SEND provision. Kirklees Council has seen rising demand across SEND & High Needs over recent years. Current trajectories are unsustainable in the medium to longer term. A “do nothing” approach will see the costs continue to escalate through more children being educated outside of Kirklees schools and this will have knock on effects for social care budgets as some of these placements will result in residential costs as well as transport costs. This investment may not see children currently placed outside of Kirklees return, but will help to stem the flow of children to external organisations.

2.3 Key pressures in Kirklees include:

- 44% rise in children with an EHCP since 2015.
- 9% growth in High Needs outturn between 16/17 & 17/18.
- Fixed period and permanent exclusions in the SEND cohort have risen sharply and above national trends. (The reasons for the rise in exclusions is complex and there is no one single factor but unmet needs for many young people is a significant issue)

2.4 Impower, a recognised national expert in the area of SEND, were commissioned by Kirklees to do some initial diagnostic work with us. The diagnostic review carried out by Impower identified that the bulk of our current spending was high cost but delivered only moderate outcomes and that our spending was focussed on the most intensive level of provision. The aim is to pivot to a situation of sustainable cost provision with high outcomes by shifting our investment away from high cost specialist provision to earlier intervention and mainstream provision (see report referenced in 1.8). An outcome we are seeking is to ensure that more children attend mainstream school settings in Kirklees and receive the appropriate support to progress and develop here. This will help us to deliver the best possible outcomes within a sustainable financial envelope. This is a long- term programme with benefits expected to be fully realised over a 3 to 5 year period (see related report referenced in 1.8.) A summary of the analysis is provided in the chart below.



## What Have We Done?

2.5 Transformation of the SEND landscape and achieving financial sustainability for the High Needs funding block is a key corporate priority. Much progress has already been made, in terms of:

- Creation of a SEND Transformation & Commissioning group to oversee the improvement journey and a 10 point plan.
- An agreed set of Inclusive Ambitions (Appendix 1) has been developed across the partnership
- The SEND Masterplan and Capital Programme has been established
- Review of Alternative provision, Resourced provision and Inclusion offer
- Revision of the school funding band model
- We have developed a new Inclusion, Advice and Support offer, which facilitates early identification and prioritisation of needs.
- We have refreshed our Local Offer website and its content, with an emphasis on co-production and improved quality of information. Whilst this is a statutory requirement, it plays a key role in early access to provision
- Work is in progress to embed an outcomes tool to identify more effectively early support options
- We have established a trajectory board involving both Adults and Children's to ensure oversight, grip and pace of the programme of work and set clear trajectories in terms of demand and activity

2.6 Internal staff and resources have gone some way to drive some of the above achievements, but the capacity, knowledge and skills provided by IMPOWER have been invaluable in terms of providing us with the conditions for success alongside pace and focus a whole system. The information and analysis from IMPOWER's diagnostic review informed the fast forward phase which led to the development of our Inclusive Ambitions across Kirklees. It also informed the implementation of three demand led interventions:

- The trajectory demand management approach
- Trailing an outcome tool and
- Implementation of our Inclusion Support offer.

This activity completes the first phase of the programme and informs our requirements in relation to the requirements from a longer term improvement partner.

2.7 Given the scale of the programme it is recognised there is insufficient resource available in Kirklees to deliver the full ambition and necessary improvements required for the SEND transformation. Engaging an external partner will provide capacity to support delivery focus, and maintain pace and impact helping to deliver the conditions for success. The following proposal we believe is a balanced approach to taking the work forward at pace whilst laying the basis for a sustainable financial model which also helps to develop additional capacity and capability in Kirklees.

2.8 The commitment to SEND improvement outlined in this report represents the first recommended draw-down from those reserves to support and enable transformation activity in 2021-22.

### **3. Proposal: Improving SEND outcomes in Kirklees – one of our transformation priorities**

3.1 The council has had a transformation agenda for some years. It recognises that if we are to address the most difficult challenges that we face, we need to work collaboratively across the whole organisation and beyond, into local and regional partnership working and further, and across sectors. That is the only way to address 'systemic challenges', i.e. problems that it will take more than the council to solve.

3.2 It is with this in mind that the council has a collection of programmes grouped under a 'Transformation' heading (or portfolio) which involves the whole organisation. They represent long-term change priorities and will continue for some time. It contains a commitment to fund, through Reserves a number of the above activities, in addition to that allocated within Service budgets. One strand of this portfolio is the SEND transformation agenda.

3.3 The commitment to SEND improvement outlined in this report represents the first recommended draw-down from those reserves to support and enable transformation activity in 2021-22. There will be further 'asks' brought to Cabinet in the coming months relating to the other priority areas, all of which will seek to ensure we have the right expertise, skills and experience to enable the delivery of sustainable change and improved outcomes for the people and communities of Kirklees.

3.4 The proposal for the next phase of the SEND work builds on the findings of the first phase and will underpin our 3-to-5-year transformation programme.

3.5 We know that we need to re-orientate resources away from high needs and special school provision, towards early intervention and family support. Evidence shows that not only will this have a long-term impact upon overall spending, but early identification of needs will also improve the quality of provision and therefore the lived experience of our children and families. Resources will be re-distributed around the system to ensure that provision will be joined up across agencies to wrap around the family.

3.6 The current momentum needs to be maintained and to continue to work at pace to embed the ways of working and cultural changes. As part of the wider corporate transformation agenda, this requires a partner with the ability to sustainably deliver whole-system change, with the required subject matter expertise; to work alongside Kirklees staff, and who shares our values in terms of maximising the outcomes for young people in Kirklees. The partnership will embed key skills and tools, building internal transformational capacity, to enable internal teams to deliver this change programme and to have the capacity to achieve future change programmes without external support.

3.7 It is important to acknowledge the complexities of delivering transformational change across the Education, Health and Social Care system. The system has inter-relationship and dependencies across many agencies and partners including education, health and CCGs, social care, and the voluntary sector. Joint commissioning is a key tenant of the 2014 Act along with co-production and design with families and young people. Given that SEND legislation covers ages up to 25 years it also cuts across both adult and children provision and services. It is vital that any delivery partner we engage with also understands these complexities and has the skills and understanding required. The intention is that this will be a time limited arrangement and the improvement partner will withdraw support when changes are embedded, and the transformation programme can continue without external assistance.

3.8 The elements of the programme described in this report are interdependent. The demand and capacity work will inform the school places required from the SEND Masterplan and Capital programme. Once the new schools are in place, more children will have their educational needs met within Kirklees. This in turn, reduces social care costs from out of area residential placements. The re-banding of SEND funding allocations will increase investment in mainstream schools which will incentivise the inclusion of more children in mainstream schools, reducing the need for special school places.

3.9 A sector led improvement approach has been considered, similar to the 2-year social care improvement partnership with Leeds City Council, which delivered significant service improvements and savings for an investment of £1.6 million. However, it has not been possible to identify a Local Authority which has the required capacity and skills to support our current agenda.

3.10 The specification describes the support that we are requesting from an improvement partner. Briefly, this includes

- Embedding a long-term change programme to meet Kirklees' inclusive ambitions
- Expertise to us develop a deeper understanding of the financial element of the system and impact of interventions
- Supporting whole system behaviour and culture change
- Continued comparison against regional and national good practice
- Ensure compliance with the Children & Families Act 2014
- Develop an in-depth knowledge of current issues in SENDACT to inform service re-alignment
- Implementation of strengths-based outcomes tool or similar demand led interventions
- Development of the Inclusion support offer
- Review of panel process for allocation of resources and plans to improve the multi-agency approach and to further streamline the process.
- Effective governance approach to support delivery against the target trajectory and demonstrate the value of the programme
- Articulation and tracking of how the interventions will support the delivery of system ambitions and programme goals
- Sustainable change and skills transfer enabling the benefits to sustain, building Kirklees' organisational capability and resilience
- Support joint working across children's and adults' services to develop more effective approaches to transitions

3.11 The specification will support the development of an outcomes and strengths-based approach which allows us to better understand and quantify the needs of the child in the context of the whole system, i.e. what the family can do to support in the home, what the school, other partners can do to support.

3.12 It needs to be recognised that any external partner will need support from within Kirklees in relation to project support and flexible prioritisation. The financial envelope of £1,000,000 will be primarily spent with the external partner but some of the resource may be used to develop

internal capacity in supporting the work. There will be dependencies on other ongoing transformation activity such as the investment in SENDACT.

## **Governance and statutory compliance**

3.13 The SEND Transformation and Commissioning board will oversee and implement the 10 point SEND improvement plan. The plan will include monitoring of outcomes and targets across several interconnected and discrete project's including: -

- Improvement Partner Transformation activity and demand led interventions
- SEND Masterplan and sufficiency
- Revision of the School funding band model (Report referenced in 1.8)
- Alternative education provision review

Overall progress in relation to the SEND 10 point improvement plan including compliance with the Children and Families Act 2014 will report directly to Joint Senior Management Team. There will also be regular reporting into the Health & Wellbeing Board as the statutory body responsible for local SEND arrangement.

The monitoring and impact of the tendering process will also be subject to reporting into the council's Transformation Portfolio Board, which is a specific quarterly meeting of Executive Team. Performance reporting will be overseen and monitored by the All Age Disability Board which reports into the Transformation Portfolio Board.

## **4. Implications for the Council**

### **4.1 Working with People**

With a focus on early intervention and supporting co-production and design, the approach we are developing illustrates our organisational commitment to working with families, partners, stakeholders and communities of interests. This is highlighted in the development and agreement of a set of "Shared Ambitions" across the Kirklees SEND partnership. In producing change and transformation of outcomes we are seeking to improve the life experiences and chances of a cohort of young people who consistently benchmark below their peers in relation to educational attainment and employment prospects. The transformation programme is seeking to deliver culture change in how we do things as much as systemic improvement across the system.

### **4.2 Working with Partners**

The complexities of delivering transformational change across the Education, Health and Social Care system have been outlined earlier in this report. The transformation of the SEND system to deliver better outcomes and on a sustainable financial basis is reliant on a strong partnership approach with Kirklees internal and external partners including families and communities. The approach outlined builds on our statutory requirement to work in a spirit of co-production. The opportunity for the approach to be further shaped by partners will be crucial to ensure that services are joined up and well understood.

### **4.3 Place Based Working**

At the heart of our SEND transformation is to build provision within Kirklees and to ensure that there is sufficient capacity and support across all of Kirklees to ensure that we are less reliant on external provision. We recognise that some children may need to receive support outside of Kirklees but we want to ensure that is kept to a minimum through better integration of provision and support across partners.

#### **4.4 Climate Change and Air Quality**

The aspiration for SEND strategy is less young people will leave or travel outside of Kirklees. By having services more local / accessible within existing settings to where people live in communities, this can have an impact on their mode of travel. Services development and extending our capacity will need to factor in such environmental consideration as the transportation review.

#### **4.5 Improving outcomes for children**

Across the partnership, Kirklees have taken much action to improve SEND services for children and young people aged 0 to 25. This is now captured as part of a clear 10 point improvement plan. With the development of our “Inclusive Ambitions” the direction for the service is to work towards shared vision and equal partnership with a clear pathway of improvement across a range of partners striving for the best outcomes for children and young people with SEND.

The purpose of this report is to outline how an external partnership with a sector leading organisation will play an important role in galvanising and driving the culture change required to deliver sustainable improvements across all the activity streams which are all inter-related. The main aim is to create a sustainable and forward-thinking SEND service which takes full consideration of the new ways of working and can consistently deliver timely processes which are transparent, robust and equitable. The proposals here will help with the next stage of our improvement journey and help in the following ways to improve the outcomes for children by:

- Establishing a ‘common language’: Embed use of Outcome-based analytical and improvement tools at key points across the system, to promote a more consistent, objective and holistic discussion of needs, provision and outcomes.
- Shifting culture and behaviours: Support the development of outcomes-focused and strengths-based practice across the system, with a focus on proactive early intervention and prevention.
- Redesigning process across the system: Strengthen early intervention activity to manage demand; redesign SEND processes and infrastructure to maximise inclusion, independence and long-term outcomes including panels, transitions and exclusion processes.
- Gripping the system: Embed a performance approach linked to agreed demand and cost trajectories; grip stakeholder relationships; utilise the outcome based tools to develop the future commissioning strategy and offer.
- Managing Change: Create a clear single programme of change across the system with clear resourcing and buy-in from across the system.

### **5. Quality Assurance**

The SEND Transformation and Commissioning Group will influence the direction of travel for our improvement partner. The contract will be managed by the Service Director for Resources, Improvement and Partnerships, who will monitor progress against key performance indicators, millstone and objectives.



Quarterly review points will be in place throughout the contract, which will be used to agree focus and resource inputs for the coming period. These quarterly reviews will enable both sides to reflect on the prior quarter and mutually agree an appropriate focus for the coming months.

Regular break clauses will be included in the contract to enable the support to be drawn to a clause when processes and ways of working are sufficiently embedded that external support is no longer required.

## **5.1 Other (e.g. Legal/Financial or Human Resources)**

### **5.1.1 Legal**

Legal and procurement advice has been sought relating to this proposal and to ensure that the tendering schedule follows the necessary procedures and timelines and helping to comply with the legal requirements of the 2014 Act.

### **5.1.2 Finance**

The range of suggested interventions and methodology has proved to be successful when put in place by other Local Authorities, in conjunction with a delivery partner. For example, one small metropolitan authority realised £500k saving from a re-engineered panels process. A large county borough saw a 32% reduction in ECHP requests, which resulted in an anticipated cost avoidance between £3.1m - £4.6m, with £900k of staff time released due to fewer assessments.

In addition to this it would be expected that savings could be generated across Social Care sufficiency budgets in terms of a possible reduction in children being educated and living outside of Kirklees. Whilst there would still be costs associated with these placements, they would be greatly reduced by returning the children to live and receive their education within Kirklees.

Ultimately, the service needs to ensure that it delivers effectively and within the budget available and through a combination of an increased High Needs allocation and this investment in a delivery partner to help drive transformation it is hoped that this can be achieved. As part of the delivery of this project, the service will be enabled to re-align existing expenditure to the appropriate areas to ensure that the best outcomes are achieved in the most cost effective manner.

The investment in developing Council staff through skills and knowledge share from the delivery partner will have a lasting impact in terms of reduced future spending on related projects.

The tender process requires bidders to describe in detail how they will help us to generate savings and how this will be evidenced. We expect to see a robust proposal with the extent of savings expected and a comprehensive methodology for the calculation of return on investment.

### **5.1.3 Invest to save**

It is anticipated that the investment in an improvement partner to help assist the LA to create the necessary conditions to develop robust and effective practice and culture will result in positive outcomes for children with SEND and help to reduce the pressures on existing budgets across Children's Services. The 20/21 High Needs allocation is £43.2m with projected spend being approximately £50.2m resulting in an in- year pressure of £7m. There is already an historic deficit of £12m and therefore as at 31st March 2021 the cumulative deficit will be approximately £19m.

Whilst additional funding of £5.6m will be made available in 21/22 it is expected that current spend levels will continue to increase, especially without any intervention, therefore resulting a

funding gap. It would be expected that the proposed investment would provide reductions against this expenditure which will hopefully enable the funding gap, and any further increase in the overall deficit to be minimised.

#### **5.1.4 HR implications**

There are no specific HR implication from these proposals in relation to employment. There are, however, as the proposal outlines clear potential organisational benefits. An integral part of the tendering addressing the issue of skills transfer and building internal capacity both with Children's Services and the wider organisation to support culture change in improving the outcomes for young people with SEND.

#### **5.1.5 Integrated Impact Assessment**

Any requirement to undertake an Integrated Impact Assessment will be followed.

#### **5.1.6 Corporate Landlord & Capital**

Any impact on resources from the Corporate Landlord & Capital will be addressed and identified within the scope of the project.

### **6 Consultees and their opinions**

Consultations have occurred with Fast Forward Sponsor Group, All Age Disabilities Board and the Council's Executive Team

### **7 Next steps and timelines**

Once approval is given a tendering process will commence in line with our corporate procedures to explore and secure expressions of interests in becoming the external business partner. It is anticipated that the business partner will be able to commence by 1<sup>st</sup> June, 2021

### **8. Officer recommendations and reasons**

That Cabinet:

- comment and note the content of the above proposal to engage an external business partner
- agree to support the use of transformation reserves funding to support this arrangement as part of the specific SEND transformation programme.
- endorse the proposed model of an external improvement partner, governance and resources required.
- Delegate authority to the Director of Children's Services to manage the tender process , contract award and to contract manage the arrangements

### **9.0 Cabinet Portfolio Holder's recommendations**

That the proposals and recommendations outlined in Section 9 are supported and we proceed as outlined.

### **10. Contact officer**

Stewart Horn – Head of Joint Commissioning, Children's Services

**11. Background Papers and History of Decisions**

**12. Service Director responsible**

Tom Brailsford – Service Director Resources, Improvement and Partnerships  
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## **Appendix 1**

### **Kirklees Inclusive Ambitions (Developed in Workshops Autumn/Winter 2020)**

1. We will have a renewed focus on responsive and holistic early intervention for children and young people, refocusing resources to produce a varied multi agency offer including the use of the community and assistive technology and building the skills of the workforce to work preventatively.
2. Families and carers feel empowered and supported. They have strong knowledge of the support available and there is a clear culture of trust between professionals and families. This will enable a shared understanding of needs; the joint support required to meet them and a clear focus on aspirations.
3. Children and young people feel included across the community and within education settings. Schools are celebrated and held accountable for their pupil centred inclusive practice, and the contribution of individual's with additional needs is better understood across the system. This will mean that more children are able to be supported in mainstream settings across Kirklees.
4. Children and young people are able to thrive within their education settings and are supported to access an education that is flexible and empathetic to their needs. Needs are addressed in a proactive and individual way. Schools focus on and measure an individual's holistic outcomes, recognising success outside of purely academic achievements.
5. The system works in an integrated way, using its resources to take a holistic and targeted approach to needs whilst creating a seamless journey for children, young people and their families. This means that bureaucracy is reduced, and that children and young people are able to receive the right support at the right time.
6. Professionals are empowered to meet the needs of children and young people and support them to achieve their aspirations. This is achieved through embedding a shared culture of proactivity; holistic skills and knowledge across the workforce; and creating clear pathways for meeting needs.
7. Children and young people are supported to have clear aspirations for the future, with a focus on independence and preparing for adulthood. Throughout a young person's journey, they are supported to achieve their aspirations through the support they receive. Ultimately, this will mean more young people enter education, employment and training as they progress into adulthood