

**SURREY COUNTY COUNCIL**

**CABINET**

**DATE: 26 MAY 2015**

**REPORT OF: MRS LINDA KEMENY, CABINET MEMBER FOR SCHOOLS AND LEARNING**

**LEAD OFFICER: NICK WILSON, STRATEGIC DIRECTOR FOR CHILDREN, SCHOOLS AND FAMILIES**

**SUBJECT: JOINT COMMISSIONING STRATEGY FOR SPEECH AND LANGUAGE THERAPY FOR CHILDREN AND YOUNG PEOPLE**



#### **SUMMARY OF ISSUE:**

A draft joint commissioning strategy for speech and language therapy services for children and young people aged 0-25 years has been proposed by the Council and Surrey Clinical Commissioning Groups. This paper outlines the key proposals from the strategy, a new speech and language therapy service structure to support children and young people in school and an alternative approach to how the Council should procure speech and language therapy services from April 2016.

Speech and language therapy services for children and young people in Surrey have until now been commissioned separately by the Clinical Commissioning Groups and the Local Authority.

Commissioning authorities spend an estimated total of £4.m on speech and language therapy services in Surrey. The Council has an allocation of £2.4m which is provided from the Dedicated Schools Grant (DSG) and CCG's estimated current spend is £1.7m.

The Local Authority's spend on the speech and language therapy service has increased by 39% since 2010/11 (£0.670m). Despite the level of funding being invested into the speech and language therapy service there remains dissatisfaction from families and schools who tell us that the current delivery model is fragmented, not child-centred and inequitable across the county.

The Children and Families Act 2014 and more specifically the Special Educational Needs and Disability (SEND) Code of Practice has provided new guidance and clarity regarding expectations about commissioning arrangements for children with special educational needs and disabilities.

Section 9.74 of the SEND Code of Practice states that 'since communication is so fundamental in education, addressing speech and language impairment should normally be recorded as special educational provision unless there are exceptional reasons for not doing so.' This represents a hardening of the position that this provision should normally be treated as 'education' rather than 'health'.

The draft strategy (Annex 1) proposes that the Council takes on responsibilities for speech and language therapy provided in schools. This includes services for which Surrey Clinical Commissioning Groups are currently responsible. Surrey Clinical

Commissioning Groups will retain responsibility for Early Years speech and language therapy services and fund the provision of speech and language therapy for school and college aged children in relation to medical conditions.

In addition to the strategy and the new responsibilities for the Council to take on, it is proposed that speech and language therapy services are procured differently from April 2016. Rather than purchasing services directly from health providers, it is proposed that funding for provision in special schools and specialist centres will be devolved to schools to employ therapists directly and the service for mainstream schools will be brought in-house to Surrey County Council.

#### **RECOMMENDATIONS:**

It is recommended:

1. That the Cabinet approves the draft commissioning strategy and the five joint commissioning principles within the strategy.
2. That the Cabinet agrees in principle to the realignment of commissioning responsibilities for the Council and Surrey Clinical Commissioning Groups.
3. That the Cabinet agrees for work to continue in developing a detailed costing model for a new speech and language therapy service. At this stage it is estimated to mean an increase of £377,000 in the Council's budget, to be made available from the School's High Need Block and will be subject to Schools Forum approval in June.
4. That the Cabinet agrees that the new speech and language therapy service should be procured through devolving funding directly to special schools and specialist centres and bringing the mainstream service in-house to the Council. This service will be fully in place from September 2016.

#### **REASON FOR RECOMMENDATIONS:**

Early identification, timely interventions and an integrated school offer will create a service that is built from trust and confidence in the system, where meeting the communication needs of a child or young person is seen as everybody's responsibility.

Implementing this joint commissioning strategy and resourcing and procuring the service differently will offer the following benefits :

- Single speech and language therapy service across Surrey for children and young people aged 0-25 years which focuses on achieving good outcomes and is co-designed with families and schools
- A service that achieves value for money by allowing schools to manage the therapy provision directly
- Clear commissioning principles and arrangements in place between Education and Health, including funding responsibilities
- Investment into early years which focuses on early identification of need and timely intervention (i.e. significantly reduced waiting times and therapy at a time when it is needed)
- Speech and language therapy that forms part of an integrated school offer for children and young people in specialist SEND provision

- The joint commissioning strategy was reviewed at the Children and Education Select Committee on 26 January 2015. Recommendations including support for a hub and spoke structure for therapy provision and emphasis on post-16 provision are reflected in this paper.

## **DETAILS:**

### **Current Situation**

1. SCC and the Surrey CCGs have initially focused on establishing joint commissioning arrangements for speech and language therapy. Work is also underway to agree joint commissioning arrangements for Occupational Therapy and Physiotherapy. A joint CCG and Council commissioned review has recently been completed by the College of Occupational Therapy which makes recommendations around future joint commissioning arrangements and a new service delivery model.
2. Currently, both Clinical Commissioning Groups and the Council have responsibilities to commission speech and language therapy for school aged children.
3. Maintained special schools in Surrey have a fixed level of speech and language therapy allocated to them which is commissioned by either the Council or Clinical Commissioning Groups or both.
4. The fixed allocation of therapy going into Surrey special schools is based on historical arrangements. These allocations have not changed over time to reflect the changing needs of children and young people in Surrey. This has resulted in a disparate set of commissioning arrangements which means pupils are receiving varying levels of therapeutic input depending on the school which they are placed in.
5. To add further to this complexity, seven of the eight special schools for pupils with severe learning difficulties have speech and language therapy that is commissioned solely by Surrey CCGs with no Local Authority funding.
6. Specialist Centres attached to mainstream schools are commissioned in much the same way as special schools (by both the Council and Surrey CCGs). Allocation of therapy resource is inequitably distributed across the county and is not based on current need or number of planned pupil places.
7. The Council also commissions a service for pupils in mainstream schools who have a level of speech and language therapy provision specified in their Statement of Special Educational Need/Education, Health and Care plan (EHC plan). The Council will fund the provision if speech and language therapy has been identified as an educational need that is above the core level of provision offered by providers at the school the pupil is being placed in. CCGs are responsible for commissioning provision for those children who do not have therapy specified as Education in their statement of SEN/EHC plan or who do not have a statement of SEN/EHC plan.
8. Both the Council and Surrey CCGs procure speech and language therapy services from the same two health providers (Virgin Care Services Ltd and Central Surrey Health Ltd), through separate contracting arrangements.

9. Virgin Care Services Ltd and Central Surrey Health will assess the needs of the child and detail in the assessment whether the need is educational or not. The number of assessments identifying the need to be educational has risen significantly over the last 5 years.
10. The Children and Families Act 2014 means that young people aged 19-25 in education now have the same statutory rights with regards to special educational needs and the Local Authority has the responsibility to ensure this provision is in place.
11. For young people in Surrey special schools post-16 provision, speech and language therapy is either commissioned by the Council or CCGs.
12. Further Education colleges commission speech and language therapy provision directly for their students who have speech and language therapy detailed on their Education, Health and Care plans.
13. Adult health services have been responsible for providing speech and language therapy to young people aged 19 years plus who have an identified need. Feedback from families and colleges is that this service is not provided in post-16 education settings.

### **Needs Analysis**

14. A needs analysis was commissioned by the Council with the purpose of gaining an understanding of the needs of children and young people with speech, language and communication needs (SLCN) across Surrey. Below are the headline findings -
  - SLCN is the second most prevalent primary need, with 22% of children in Surrey with statements of special educational need (1208) listing speech, language and communication needs as their primary need in January 2013.
  - The proportion of young people who have statements of special educational needs because of speech, language and communication needs is significantly higher in Surrey than nationally – 22% compared to 14%
  - There is a higher proportion of children with statements of SEN in Reception year to year 4 that have speech, language and communication needs in comparison to other primary needs.
  - There is a higher proportion of children and young people with speech, language and communication needs as a primary need in their statement of SEN who are in Surrey mainstream schools than there are in Surrey special schools.

### **SEND Strategy**

15. A key feature of the emerging Special Educational Needs and Disability (SEND) strategy is to reduce Surrey's reliance on non-maintained and independent schools and develop local provision in Surrey for children and young people with SEND. The Council currently spends approximately £39m on placing 766 children and young people into non-maintained and independent schools (NMIs). In addition to this, it spends around £5.2m on placing 85 young people aged 16-25 into independent specialist colleges. Placement numbers and costs increase year on year.

16. Feedback from the Area Education Team and Post-16 Commissioning team for SEND tell us that an increasing number of Tribunals entered into are partly because of the limited paediatric therapy offer at Surrey maintained schools.
17. The recommendations arising from the Learning Difficulties Review (Autumn 2012) are based on developing local provision for children and young people in Surrey. Key changes that are being implemented include the provision of a centrally located Primary School for children with Learning Difficulties and Additional Needs; secondary schools for young people with autism who are able to access a range of accredited qualifications, including GCSEs; further developing the effectiveness of specialist centres; the creation of new specialist centre provision in the secondary sector and increasing the overall capacity and expertise of mainstream schools to meet the needs of children with statements/EHCPs. With all of these changes there is a need to work in partnership with health to jointly commission paediatric services and ensure a consistent service delivery model for therapy services.

### **Commissioning Principles**

18. The Council and Surrey Clinical Commissioning Groups established a therapy forum (February 2014) with provider and service user representation to further inform strategic commissioning and the shift to an outcome based model of commissioning:
19. The following five commissioning principles were co-produced in collaboration with the group

#### **The right support at the right time**

All children and young people in Surrey access the right support at the right time to meet their needs

- Agreement of criteria thresholds – no gaps across the county
- Equity across Surrey in access and quality
- Consistency in service specification
- Clarity regarding responsibilities for commissioning to allow seamless services

#### **An open and transparent service**

The local offer informs families of what help, information and services are available and how to access them

- Common agreement of priorities
- Joint decision making leading to agreement of targets
- Health or Education personal budgets are available to families where possible

#### **Seeing the bigger picture**

Families and professionals work together to help and support a child to achieve their long term outcomes

- A team around the child approach with integrated team working
- Embedding intervention into the home, school and community environment, so that everyone understands the role they can play.

#### **Therapy for children and young people is everyone's business**

Families and professionals are equipped with the right skills and resources to help children and young people achieve their long term outcomes

- Up skilling the wider workforce
- Quality assurance
- Joint monitoring of performance and quality assurance of the service

#### **An outcome focused approach**

Therapy provision is focused on helping children and young people achieve realistic outcomes that will help them to fulfil their life-time aspirations

- Outcome focused – managing expectations but recognising aspiration
- Therapy provision achieves value for money
- Provision is linked to progress towards agreed outcomes
- Evidence based and audited

#### **Proposed Commissioning Responsibilities**

20. The joint strategy for speech and language therapy proposes the following realignment of commissioning responsibilities:
  - Surrey County Council becomes responsible for commissioning a specialist level of speech and language therapy for school and college aged children that will enable them to progress in their learning and be well prepared for adulthood.
  - The focus of CCG commissioned services, working alongside SCC's early year's team, will be the early year's population and those with specific clinical, health related issues such as dysphagia or brain injury
  - Education settings will be supported to meet the universal and sometimes targeted speech, language and communication needs of children and young people.
21. This means that the Council will become responsible for commissioning all speech and language therapy provision at special schools and specialist centres (this is currently shared between the Council and the Clinical Commissioning Groups) with Clinical Commissioning Groups making a financial contribution to the Council to cover those pupils who require input because of medical related issues.
22. The Council will retain responsibility for commissioning speech and language therapy for children with Education, Health and Care plans in mainstream schools where speech and language therapy has been identified on the plan.
23. In addition to this, the Council and schools will support children and young people in mainstream education who do not have Statements of Special Educational Need or Education Health and Care plans but require input from a speech and language therapist.
24. It is proposed that joint funding should be provided in the instances listed below:-

- Initial assessments for school/college-aged children and young people
  - Intervention to children in reception year
  - Training and advice to early years and education settings for providing universal and targeted offer
  - Children who require both Health and Educational related speech and language therapy: commissioned seamlessly (i.e.: children with severe or profound learning disabilities). The majority of these children will be at schools for pupils with severe learning difficulties.
25. Alongside the realignment of commissioning responsibilities, the Council and the Surrey CCGs are currently developing a single new service specification for speech and language therapy.
26. A series of co-design events were held in March 2015, which over 150 people attended. A new service specification is now being designed, based around the feedback and affordability, and this will be implemented by both the Council and Surrey CCGs from September 2016.
27. The proposed realignment of commissioning responsibilities will support the management of the speech and language therapy budget. Education will take responsibility for the assessment of need (this currently sits with Surrey CCGs) and all of the school aged therapy provision. This will enable the Council to take a proactive approach in supporting schools and establishing an education-led service rather than one that is Health led.

### **Proposed New Staffing Structure for School and College Service**

28. It is proposed that the Council resources and procures speech and language therapy services differently from April 2016 at the same time as the realignment of commissioning responsibilities takes place.
29. It is proposed that special schools, specialist centres and colleges form part of a hub and spoke structure. The hubs will be special schools (to be agreed) and the spokes will comprise of other special schools, specialist centres and colleges. The hub and spoke models will be structured around either specialism or geographical areas. A consultation process will take place to agree the hub and spoke structures.
30. A detailed resourcing model has been established based on the proposed realignment of commissioning responsibilities. The resourcing model proposes an overall increase in the number of therapists supporting pupils who require speech and language therapy. The table below details estimates of current staffing by providers compared to proposed staffing for the new school and college service:

<b>Setting</b>	<b>SCC Funded in Current Service (FTE)</b>	<b>CCG Funded in Current Service (FTE)</b>	<b>Total - Current Service (FTE)</b>	<b>Propose d FTEs for new Service* (FTE)</b>
<b>Special Schools/Colleges</b>	10.4	7.3	17.7	35
<b>Specialist Centres (attached to mainstream schools)/Colleges</b>	13.9	4.3	18.2	13.5
<b>Mainstream Schools</b>	35.9	6.5	42.4	35
<b>Total</b>	<b>50.2</b>	<b>18.1</b>	<b>78.3</b>	<b>83.5</b>

FTE - Full Time Equivalent

31. The school service will be commissioned by the Council, there will be an agreed funding contribution from CCGs for pupils requiring speech and language therapy due to medical conditions, for children in nurseries attached to special schools and reception aged children. This is estimated to be £100,000.
32. There is a proposed reduction in staff for specialist centres and the mainstream service, however, more effective use of therapists time (for example, reduced travel time, administration, report writing, record keeping and corporate CPD), will mean therapists spend more time on direct therapy delivery.
33. In the current mainstream school service, if a child requires a termly visit from a speech and language therapist which takes 45 minutes per visit and 2.25 hours in total, the Council is charged 11.25 hours for the package. If a child requires a visit from a speech and language therapist every half term, which is 45 minutes per visit and 4.5 hours in total, the council is charged 22.5 hours for the package. In the new service it will be the administration, travel and report writing that will be reduced and not the direct therapy time to the child or young person.
34. In the current speech and language therapy service only 5 out of Surrey's 23 special schools have a full time speech and language therapist. In the new service, each special school in Surrey will have a minimum of a full time speech and language therapist attached to their school (apart from the four schools for pupils with Behaviour, Emotional and Social Difficulties, because they are smaller).
35. In the current speech and language therapy service, centres are receiving very mixed levels of speech and language therapy provision, for example, one specialist centre for pupils with speech, language and communication needs has a full-time therapist attached to it and another centre of a similar size has a therapist for only two days a week. In the new service there will be equity and consistency of provision across specialist centres and schools



will have direct input to how the therapist spends their allocation of time at the centre.

36. The Children's and Families Act 2014 means that 19-25 year olds can also have Education, Health and Care plans if this will support them to achieve their educational outcomes. This places additional statutory responsibilities on the Council to ensure support, such as speech and language therapy is provided if is detailed on the Education, Health and Care plan.
37. Young people going to local Surrey colleges will benefit from improved transition planning arrangements from the age of 14 and support from their school therapist as they move into post-16 college provision. The hub and spoke model structure will provide support to local colleges to help them meet the communication needs of young people with SEND.
38. A single service for mainstream schools will be established which will provide support to schools for all pupils and will mean that schools will see an improved 'whole school' offer. The current resourcing model estimates that 35 therapists will be allocated to the mainstream service.
39. The mainstream school service will have the following key features:
  - A link therapist (who therefore knows the school, the school's SEND offer and the school population)
  - An individual school based needs analysis
  - Speech and language therapy for children and young people who have this agreed on their Education, Health and Care plan
  - Assessments
  - Input to staff development
  - Direct communication and support to parents/carers
  - Schools can buy in additional therapy support if they feel that their SEN cohort could benefit from direct intervention, but this has not been identified by the speech and language therapist.
40. Included in the mainstream service resource allocation, will be therapists who focus on supporting pupils with hearing impairment. These therapists will sit within the Physical and Sensory Support Service.
41. It is anticipated that speech and language therapists will welcome the opportunity to work as part of an integrated school staffing team and spend more time on direct therapy delivery. Therefore the proposed new service is likely to be an attractive employment opportunity.
42. The new service places more emphasis on supporting families and education settings to reinforce strategies to help improve children and young people's communication. It is anticipated that this approach will help to manage the speech and language therapy budget in the future.

### **Procurement of the New Service**

43. A speech and language therapy business model task and finish group was set up in January 2015 to review the future procurement options for the new speech and language therapy service. The group included school representatives from Schools Forum and the therapy forum, families, education, procurement, finance, social care and post-16.

44. An option appraisal for procuring provision for the new service has been undertaken which reviewed the benefits and risks to the following procurement options:
- Do nothing (i.e. service continues with existing providers until their contracts end in 2017)
  - Transfer funding to Surrey Clinical Commissioning Groups to commission through block contract (to existing providers)
  - Competitive bidding process to tender service to a single service provider
  - Devolve funding to special schools and bring mainstream service in to the Council.
45. The business model group recommend that the final option is implemented: devolving funding directly to special schools and specialist centres and bringing the service for mainstream schools in to the Council. This option achieves best value for money and strengthens the service by enabling the service to be part of an integrated school offer.
46. Further benefits to devolving funding directly to schools and bringing the mainstream service into the Council include:
- Allows schools to take full control of the service, enabling more adaptable, flexible and child-centred packages
  - Assessments will be completed by the school therapist, who has a full understanding of the skills of the teaching staff within the school that can help support any input required
  - Improves the school offer to families and children, giving them confidence and trust in their educational setting
  - Strengthens robustness of maintained school placements in comparison to the non-maintained and independent sector offer
  - Reduces the attractiveness of a non-maintained and independent school placement to families
  - Maintained school placement with added therapy enhancement as part of an integrated team around the child offer should reduce tribunal cases and appeals
  - Not for profit ethos of Surrey maintained schools should control costs to breakeven
  - Reduction in central resource costs in contract managing the two providers
  - Hub and spoke model will safeguard against a disparity of provision levels in different areas of the county.

- Reduce the equity gap between children who require speech and language therapy but don't have Education, Health and Care plans compared to those who do.

### **CONSULTATION:**

**Rapid Improvement Event held in July 2013** - This was jointly sponsored by the Council and Guildford and Waverley CCG. Participants comprised families, schools areas teams, health providers and commissioners. Concerns captured from the event included: disagreement over funding and therapists; therapists don't always see the child in a classroom setting; children without statements not getting support; have to fight for provision; things have to go wrong before anything is done and there is poor follow-up on the impact of the therapy.

The rapid improvement event identified a number of solutions that were quickly implemented and resolved some of the issues raised by families, schools and other professionals. More importantly it emphasised the negative impact that the current commissioning arrangements were having on service delivery and that until these were resolved no significant change in the service could take place. Since this event, the Council and Surrey CCGs together with families, schools and professionals have worked together to agree what these arrangements should look like in the future.

**Speech, language and communication needs analysis completed in January 2013** This included questionnaires sent to families and professionals. Families and schools jointly fed back frustration about the lack of resource and shortage of trained therapists. This manifested in complaints about long waiting times and delays in planned treatments. Practitioners highlighted the need for more speech and language therapists to deliver therapy to all children who need it. There were also issues raised by practitioners about 'the system', whereby pupils who transfer from pre-school without a statement are required to wait a term before referral can be made. Improved communication between therapists, schools and parents emerged as a theme amongst all stakeholders.

**A therapy forum set up in February 2014** with representation from families, schools, early years. Therapy forum members agreed the five key principles for the commissioning strategy

**2 September 2014** – the Joint Commissioning Strategy was taken to Health and Wellbeing Children's Group, the strategy was agreed

**7 October 2014** – the Joint Commissioning Strategy was taken to CCG Children's Leads, the strategy was agreed

**21 October 2014**- the Joint Commissioning Strategy was agreed Guildford and Waverley CCG Clinical Commissioning Committee

**29 October 2014** - the Joint Commissioning Strategy was agreed CSF Directorate Leadership Team, with further information required about the funding implications

**30 October 2014** - the Joint Commissioning Strategy was agreed by Schools and Learning Management Team through e-mail sent. No concerns were raised.

**30 October 2014** - the Joint Commissioning Strategy was agreed by East Surrey CCG Clinical Execs

**4 November 2014** - the Joint Commissioning Strategy was agreed by Surrey Downs CCG Executives

**5 November 2014** - the Joint Commissioning Strategy was agreed by Clinical Operational Group

**10 November 2014** - the Joint Commissioning Strategy was agreed by Surrey Health

**11 November 2014** - the Joint Commissioning Strategy was agreed by Chief Officers and Strategic Leads

**15 January 2015** – Engagement Event for families and schools and other stakeholders. Feedback from this event was positive and in support of the strategy.

**December 2014/January 2015** Draft Strategy and Consultation Questionnaire published on Surrey Says. There were a total of 79 respondents to the consultation questionnaire. Of these 79, the vast majority belonged to the primary school / early years setting. Parent/ Carers represented the second highest cohort to respond. In general, education taken as a whole (special schools, primary, junior, secondary and early years) made up the majority of responses. 85% of respondents agreed with the proposed strategy.

**26 January 2015 –Children and Education Select Committee** The Committee endorsed and commended the general principles of the Joint Commissioning Strategy. It asks that officers note the following recommendations:

- a) That a consistent universal offer of speech and language therapy is developed across all Surrey early years settings, education settings and schools through training for staff and carers. It is suggested that a “hub and spoke” model is implemented as part of this, in order to allow schools and therapists to share good practice.
- b) That the strategy outlines how it will support children and young people who transition between stages of education.
- c) That the strategy expands on how it will meet the needs of young people in Further Education colleges, given the new responsibilities as a result of Children and Families Act, 2014.
- d) That the implementation model includes performance indicators linked to the outcomes set out by the Joint Commissioning Strategy.

**Four co-design events** were held to seek views from families, schools, therapists and other professionals on what a new speech and language therapy service should look like in Surrey. The events were jointly organised by Surrey clinical commissioning groups and Surrey County Council. More than 150 participants attended the four events to share their ideas and each event was fully booked out. Feedback from these events will be reflected in the service specification.

**A business model group was set up in January 2015**, the working group has representation from schools, families, finance, area teams and procurement and has the remit of agreeing a financial business model for the Council that supports the

proposed joint commissioning strategy for the Speech and Language Therapy Service in Surrey. Members of the group agreed with the proposals set out in this Cabinet paper.

On the 22<sup>nd</sup> April 2015 – a paper outlining the proposals in this Cabinet paper was taken to Children, Schools and Families Directorate Leadership Team. Members were in support of the proposals and agreed with the risks outlined in this paper.

1<sup>st</sup> May 2015 – a brief summary of the proposal was provided to Schools Forum. Schools Forum have asked for more detailed information to be provided at the June Schools Forum meeting

A family focus group is in the process of being established to help ensure the new service specification meets the needs of families.

#### **RISK MANAGEMENT AND IMPLICATIONS:**

47. The specialist school nursing service, which is a service provided to the 8 schools for pupils with severe learning difficulties, is the responsibility of the Clinical Commissioning Groups. Funding for the current specialist school nursing offer is currently shared between the Council and Clinical Commissioning Groups. SCC is negotiating with the Clinical Commissioning Groups the withdrawal of funding for the specialist school nursing service in order for the Clinical Commissioning Groups to take on full responsibility for this service.
48. The funding assumptions made in the costing model for the new service assumes that the Council will no longer commission the specialist school nursing service. The Council currently has an allocated budget of £450,000 for this service. The risks involved relate to what the future specialist school nursing service will provide when it is fully commissioned by the Clinical Commissioning Groups.
49. In terms of mitigation, the Council has committed to supporting the Surrey CCGs in working with Surrey schools to complete an impact assessment and agree how this can be restructured within the funding restrictions whilst continuing to meet the medical needs of pupils at these schools.
50. The costing model has been based on a number of assumptions, including salary costs of therapy staff. In those circumstances where it is deemed TUPE applies we will know more details about TUPE transfer costs if recommendations in the paper are agreed and further information can be requested from health providers.
51. An additional risk is that Surrey Clinical Commissioning Groups fail to reinvest the savings they make from the realignment of commissioning responsibilities in to Early Years. The joint strategy which has been agreed by all Surrey Clinical Commissioning Groups formally documents this agreement and in addition to this a partnership agreement will be put in place.
52. It is recognised that during the period of transition to the new commissioning arrangements, unforeseen situations may arise that have not been included within the strategy. The Council and Surrey Clinical Commissioning Groups will put arrangements in place to resolve these and ensure that the service user and their family are not affected by these.

## **Financial and Value for Money Implications**

53. The realignment of commissioning responsibilities, which is based on recent legislation, proposes that the Council takes on more speech and language therapy responsibilities. The newly developed resourcing model, which proposes an overall increase in the number of therapists, means there will be an increase in the cost of the service. The estimated cost of the new service is £3.3m compared to a 2015/16 budget for speech and language therapy of £2.4m.
54. This increased cost will be mitigated by the specialist school nursing service being fully commissioned by the Clinical Commissioning Groups (£0.45m) and contributions from health of approximately (£0.1m) in recognition of the health needs being met in schools and as a contribution to therapy provided in the reception year. This leaves an increase of £0.4m which would be an additional call on the high needs block of the dedicated schools grant, a budget already under pressure.
55. This proposal does however sit with the overall SEND Strategy which focuses on increasing the number of children and young people accessing local provision and reducing the number of those with communication and interaction needs requiring Education, Health and Care plans. Over time the new service should reduce the number of children with EHC plans to address speech, language and communication needs as a result of greater investment by health in early years services. The proposals should also make local Surrey provision more attractive, reducing demand for more expensive non-maintained and independent placements,
56. Although the Council would provide a core offer to all mainstream schools, which would include a link therapist, training and development and an annual review, mainstream schools will be able to buy in direct speech and language therapy through their SEN support allocation. This would allow part of the new mainstream service to operate on a traded basis with schools.
57. Transitional arrangements with the CCGs will be put in place over an agreed period of time with regard to transferring over responsibilities for the mainstream service to the Council. At the same time a single service for all children and young people, with timely assessments and intervention in the early years is likely to reduce the number of children in Years R, 1 and 2 requiring an Education, Health and Care plan to access the level of speech and language therapy services they require.
58. There are risks associated with this proposal, in those circumstances where it is deemed TUPE applies, salary costs have been estimated, although on a prudent basis.
59. In addition, if the funding of specialist school nursing provision in special schools for pupils with severe learning difficulties cannot be successfully resolved with the Clinical Commissioning Groups, there is a risk that Surrey will continue to incur costs in this area.

## **Section 151 Officer Commentary**

60. The speech and language therapy spend has grown by 39% since 2010/11 reflecting both an increase in volume and costs.

61. The proposals recognise the greater clarity about the local authorities' responsibilities for speech and language provision arising from the Children and Families Act 2014 and the new SEN code of practice. These have placed greater emphasis on local authorities meeting this type of educational need rather than it being a health responsibility.
62. Financial modelling suggests the cost of the new service will be £0.4m greater than the £2.4m 2015/16 Dedicated Schools Grant (DSG). The additional funding will have to be found from DSG. The financial model is based on 83.5 therapists and has been prudently costed. However there are risks around TUPE and the terms and conditions of transferring staff. These will be fully evaluated when the TUPE data is available.
63. However the new service is expected to contribute to the emerging SEND strategy, over time reducing the level of EHC plans, increasing inclusion and reducing the number of NMI placements thereby leading to eventual savings.
64. The partnership agreement with Health will be key to ensuring they invest in Early Years and school nursing as they have indicated they will do from discussions to date. Similarly the school community have a key role in ensuring this new approach to speech and language is a success.

#### **Legal Implications – Monitoring Officer**

65. Under Part 3 of the Children & Families Act 2014 the Authority has a duty to identify and assess the special educational needs of the children and young people for whom it is responsible. Once assessed the special educational provision that is specified in any EHC Plan (previously known as a statement of special educational needs) must be provided by the Council. Such provision often includes therapies.
66. Under the proposed strategy that the Cabinet is asked to endorse, the Council will take on responsibility for all the speech and language therapy provided in maintained schools including the therapy previously provided by Health through the Clinical Commissioning Groups. Although the strategy proposes a realignment of commissioning responsibility, it has no bearing on the Council's underlying statutory responsibility to children and young people to provide what is set out in EHC Plans. Accepting commissioning responsibility should make it easier for the Council to ensure that it is able to comply with its statutory obligations.

#### **Equalities and Diversity**

67. The CCG Equality Impact Assessment template (Annex 2) has been used to support this paper. The protected characteristic that will be impacted by this strategy is 'disability'. The strategy will impact children and young people with disabilities more favourably by establishing an equitable service across Surrey, that is needs led and outcome focused. In some areas this may lead to a reduction in therapy provision. It is proposed that this will be a phased approach to ensure continuity for children currently accessing the service. Improved contracting arrangements and more revised service specification will ensure that the quality of provision at all schools will improve.

<b>WHAT HAPPENS NEXT:</b>
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- New service specification designed – May 2015
- Formal notice given to providers for speech and language therapy service – June 2015
- Costing model and resourcing structure finalised – June 2015
- Hub and spoke models consulted on and agreed with schools – July 2015
- Transition, transfer and management arrangements agreed with Surrey CCGs – September 2015
- Final costings approved by Schools Forum and Cabinet – October 2015
- Implementation of new service starts - April 2016  
Service up and running - September 2016

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**Contact Officer:**

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**Consulted:**

Health and Wellbeing Children's Group, Schools and Families, Therapy Providers

**Annexes:**

Annex 1 – Joint Commissioning Strategy for Speech and Language Therapy Services

Annex 2 – Equality Impact Assessment

**Sources/background papers:**

- All background papers used in the writing of the report should be listed, as required by the Local Government (Access to Information) Act 1985.
  - A copy of any background papers which have not previously been published should be supplied to Democratic Services with your draft report.
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