

## Response ID ANON-YVGW-NGZ3-F

Submitted to **High needs national funding formula – proposed changes**

Submitted on **2021-03-23 11:06:58**

### Introduction

#### 1 What is your name?

**Name:**

David Green

#### 2 What is your email address?

**Email:**

david.green.ses@surreycc.gov.uk

#### 3 What is your organisation?

**Organisation:**

Surrey County Council

### Demographics questions

#### What type of organisation is your organisation?

**Please select one answer :**

Local authority

#### What is your role?

**Please provide your answer in the box below:**

Finance but responding on behalf of Executive Directors of Children, Families and Lifelong Learning/Resources

#### Which local authority are you based in?

**Please select one answer :**

Surrey

#### Would you like us to keep your responses confidential?

No

**Reason for confidentiality:**

### Historic spend factor - question 1

**Do you agree that we should replace the current lump sum included in the formula calculation with an amount calculated on the basis of actual local authority expenditure, as reported by each local authority?**

Agree

**Please provide any additional comments::**

Actual expenditure is a more accurate indicator than estimates, which may be matched to available resources (whether above or below actual expenditure). But changing the basis of the formula will not address the overall shortfall of funding in the system, caused by failure to keep up with increases in demand for EHCPs created by legislative change which has both raised parental expectations and made it more difficult for LAs to resist such expectations. As such, we would urge the Department both to provide an increase in overall funding which recognises the overall level of shortfall nationally and to maintain high levels of funding floor, so that all LAs receive significant increases in funding per head.

The changes to the SEND Code of Practice in 2015 would not be fully reflected in 2017/18 so retaining this point as the historic spend factor will not take into account the longer term implications of those changes such as expanding the scope from 0-18 to 0-25 year olds.

### Historic spend factor - question 2

**Do you think that we should increase the percentage of actual expenditure in 2017-18 included in the funding formula calculation, or leave it at 50%? Use the comments box to propose a particular increase or reduction in the percentage.**

Increase the percentage

**Comments::**

For LAs with high historic spend, changing the pattern of provision is a long term task and it is important that the level of funding distributed on historic spending in the medium term should recognise the long term nature of change. Again, the main issues are the overall level of funding in the system and the expectations. See also comments in (1) about the importance of maintaining a high level of floor protection to recognise the continuing increase in demand for most LAs. While we recognise that there are concerns that historic spend is not a direct measure of need, and no-one would argue that it is an ideal long term indicator, its use is an acknowledgement of real pressures on LAs and of the fact that SEND demand is not easily formularised and that existing SEND pupils cannot easily be moved around in the short term simply to reduce costs.

**Historic spend factor - question 3**

**To what extent do you agree that the funding formula should include factors that reflect historical local demand for and supply of SEND and AP provision? If you have any suggestions for such factors that could eventually replace the historic spend factor, please provide these in the comments box.**

Strongly agree

**Comments::**

As mentioned in previous responses, the key issue is the lack of overall funding within the system to support children and young people with SEND. As such, whilst we have included our individual responses to this consultation, we also endorse the response from the Society of County Treasurers which focuses on this need for significant increased investment.

From a Surrey County Council perspective, a move away from a historic spend factor, without clarity on how this will be replaced could be very detrimental. Whilst the DfE does not want to incentive high levels of expenditure, a move to then penalise authorities with high levels of spend will do nothing to resolve the issue in the longer term.

In terms of specific health and deprivation indicators, given that much SEND demand appears to be unrelated to either, eg driven by parental pressure, a further look at a wider range of indicators feels necessary.

**Low attainment factor - question 4**

**Do you agree with our proposal to update the low attainment factors using data from 2016, and to substitute the most recent 2019 data in place of the missing 2020 attainment data?**

Agree

**Comments::**

We agree with the proposal, on the basis that there is no obvious alternative, but overall we have a lack of confidence in the current range of indicators of need used in the HNB formula. A wider review is necessary alongside additional overall funding.

**SEND and AP proxies - question 5**

**If you wish to offer ideas on factors that could be added to the current formula, or that could replace the current proxies, please provide further details in the comments box below.**

Please provide your answer in the box below::

**Equalities impact assessment - question 6**

**Please provide any information that you consider we should take into account in assessing the equalities impact of the proposals for change. Before answering this question, please refer to Annex C of the consultation document.**

Please provide your answer in the box below::

We do not see any significant issues here